



ANNUAL AND SUSTAINABILITY REPORT 2022

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Message from the CEO

→ Despite a demanding year, we have delivered improvements throughout the value chain and results we should be satisfied with.

Read more on pages 6–9

Market and ambitions

→ NorgesGruppen's ambitious growth targets are fixed, and the measures the Group implemented in 2022 are important contributions to realising our ambitions.

Read more on pages 10–48

Financial and sustainability performance

→ NorgesGruppen performed well in 2022, both financially and in terms of sustainability, despite falling revenue after two years of pandemic.

Read more on pages 49–76

Management and governance

→ NorgesGruppen is one of the country's largest employers and is committed to creating a healthy working environment that provides opportunities for everyone.

Read more on pages 78–82

NorgesGruppen is a grocery retail company serving the whole of Norway. Every day our employees and stores work to offer our customers what they expect from us. We shall make tomorrow's retailing less expensive and better, inspire positive culinary experiences, and contribute to healthy, green choices. Our vision is to make everyday life easier for our customers while ensuring a sustainable future.

Our chains and concepts



NorgesGruppen is a family of concepts with strong positions within consumer goods and services in the food market.



7,7
million customer visits
per week

2,129
Number of stores
(44.7 per cent fully-owned stores)



men women
49% 51%
Gender balance

1.5
billion NOK in accrued Trumf bonus
for 2.7 million members



44,139
Number of employees
(66.9 per cent
in fully-owned companies)



Our business model

In collaboration with thousands of retailers and employees, we currently offer food and other consumer goods to stores in 88 per cent of the country's municipalities.

→ Our value chain creates revenues, jobs, good shopping experiences and food supplies throughout the country.

The business model is based on long-term active ownership and the ability to develop the company in step with society. Major investments have laid the foundation for increasingly environmentally-friendly distribution, early adoption of new technology and strong chain concepts.

Our vision is to provide you with a better everyday life. Our values are Customer-oriented; Responsible, and Collaborative. To pursue the vision, to live by the values, and to achieve our own ambitions, we follow four governing principles:

- Independent business areas
- Competitiveness through economies of scale
- Promoting competition between the chains
- Taking ownership and responsibility – you are important!



2022 summary

Key financial figures

- Operating revenues fell by 0.4 per cent to 102.7 BNOK.
- Operating profit was lower than the previous year due to unusual cost increases and price reductions for customers.
- NorgesGruppen's profit for the year was 2.9 BNOK in 2022, a decline in profit margin from 2021 of 1 percentage point to 2.8 per cent.



Market development

- The total food market increased by five per cent to 330 BNOK. NorgesGruppen's market share was 29 per cent. The decline of 2 per cent was due to the reopening of the catering market and cross-border retail.
- MENY was a growth winner in the pandemic years, and returned to the "normal" market share from 2019 when the market reopened in 2022.
- KIWI became a growth winner in the market and ended up with a market share of 0.7 percentage points higher than in the normal year 2019.

Value chain development

- ASKO and BAMA entered into cooperation on a new distribution model for the storage of fruit and vegetables. Integration is under way at half of the ASKO companies.
- NorgesGruppen ranks best in terms of supplier satisfaction in the Grocery Authority's survey.
- A wide selection of chains and brand concepts has ensured good profitability in a demanding market.



Investments and technological development

- NorgesGruppen launched the new warehouse chain Gigaboks and bought into the non-food store chain Dollarstore and the Hjemmelegene [Home Doctors] service.
- Operation at ASKO Oslofjord launched in the autumn of 2022. The new warehouse is certified as the Nordic region's most environmentally-friendly industrial building.
- In the autumn of 2022, two electric ferries were launched to ensure an efficient flow of goods across the Oslofjord with zero emissions.



Sustainability across the board

- Reduction in greenhouse gas emissions since 2019: 12 per cent. All-time high in own production of renewable energy, at 118 GWh.
- In recent years, half of NorgesGruppen's stores have carried out energy efficiency upgrades. With record high electricity prices in 2022, even more stores have halved their electricity consumption.
- NorgesGruppen won the Consumer Goods Corporations category in the Sustainable Brand Index.



Customer benefits

- A stable dividend of 1.5 BNOK for Trumf members. The number of Trumf members exceeded 2.73 million.
- Trumf launched the digital complaints service on MENY online and on the MENY app.
- Joker and Nærbutikken have introduced new technology to enable 25 stores to stay open around the clock.
- KIWI introduced "Price Lock" on a number of products over long periods.



Message from the CEO

”

I am proud of our
employees who in 2022
delivered great customer
experiences.

Runar Hollevik and
Assistant Store
Manager Helene
Bjerkøe at KIWI
Briskeby.



Not yet back to normal

2022 was the year when we were supposed to return to normal after two years of pandemic, closed cross-border retail and challenges in the catering industry. However, the war in Ukraine, with the ensuing inflation and rise in costs, made the year far more demanding than expected. Despite this, we delivered improvements throughout the value chain and satisfactory results.

→ The year started with the pandemic and the last lockdowns, before all infection control measures were lifted. Getting out of the pandemic and being able to meet colleagues again was positive, but the last period of the pandemic was demanding for a large part of our operations. The year started with high levels of absence due to illness as a result of the spread of the omicron virus, which made staffing challenging during these weeks. I am proud of our employees who during this period kept the stores going and delivered great customer experiences in a difficult time. The end of the year was marked by high inflation throughout society, and this naturally affected the entire food value chain. We saw price increases and reduced purchasing power among customers. This made for a challenging situation.

Selected key performance indicators

	Unit	2022	2021	2020
Operating income	MNOK	102,657	103,059	101,560
Profit for the year	MNOK	2,854	3,922	3,827
Profit margin	%	2.8	3.8	3.8
Customers per day	Numbers (in mill.)	1.20	1.20	1.24
Accrued Trumf bonus	MNOK	1,452	1,550	1,450
Greenhouse gas emissions (change since 2019)	%	-12.0	-6.2	-5.0
Reduced food waste	%	-33.0	-36.0	-38.0

Reduced purchasing power and challenging times for many

The war in Ukraine resulted in a wave of inflation with an increase in most commodity prices and very high electricity prices. This led to a significant increase in purchasing prices from our suppliers. High electricity prices also made our own operations more expensive. It has been particularly difficult for the smaller convenience stores with lower revenue and the supermarkets with high energy consumption.

The high rise in costs resulted in increased food prices last year. From December 2021 to December 2022, prices for food and drink in Norway increased by 11.5 per cent according to Statistics Norway. The last time we saw such a big change was in 1987. Despite the fact that most Norwegians are financially comfortable, their purchasing power decreased last year. For many, the combination of increased prices and higher interest rates has been difficult and has affected the buying habits of many Norwegian consumers. As a partner of the Church City Mission and Food Banks Norway, we have seen how many people have been badly affected by this. NorgesGruppen has contributed financial support and food products to partners so that they are able to help more people in need.

Satisfying results in challenging times

After two years of “borrowed” revenue from the catering sector and cross-border retail, revenue in traditional groceries was expected to drop in 2022. Falling revenue and the high rise in costs made 2022 a demanding year. Nevertheless, I am proud of how well we are performing with a revenue of 103 BNOK.

Our ambitious growth targets remain firm, and the initiatives we implemented in 2022 are important contributions. We have strengthened our capacity in Eastern Norway, by, for example, opening ASKO Oslofjord. The facility provides more efficient logistics and is a green spearhead rapidly on its way to achieving a stable operation. Half of the ASKO companies are also in the process of transferring fruit and vegetables distribution from BAMA. Our new colleagues from BAMA add important expertise to the team. For our stores, this significantly simplifies and improves the handling of an important product group for our customers. We have also launched two electric ferries, which in a few years will run autonomously across the Oslofjord. These will replace 150 daily lorries and make an important contribution to a more climate-friendly value chain.



Runar Hollevik with
Emilie Kristiansen
and Øystein Watne at
MENY Bryn.

→ **High electricity prices have created major operational challenges**

For the stores, electricity prices were the major challenge. In several regions, the electricity price was seven to eight times as high as what we have been used to. The second half of the year, in particular, was tough for many. The hardest hit were many of the Joker stores, where electricity costs account for a high proportion of revenue, and the supermarkets MENY and SPAR, with a larger range of refrigerated goods and fresh produce counters. Our stores and retailers have worked hard and done everything they could to save energy and reduce costs, without compromising the product offering to our customers.

For many years, we have been working on energy savings, and this is now paying dividends. Almost half of all our stores have upgraded their premises with measures that result in lower electricity consumption. In addition, we are increasing the proportion of renewable energy by installing solar panels on those store roofs where it is profitable to do so. All ASKO warehouses already have solar panels on their roofs, and between 100,000 and 200,000 more sqm of solar panels will be installed on store roofs over the next two

years. Our own production of renewable energy was 118 GWh last year, equating to 14 per cent of total consumption. In particular, the upgraded hydropower turbine at Hønefoss has made a positive contribution.

KIWI squeezed prices and helped to reduce price increases

In a year of high inflation and reduced purchasing power, KIWI played an important role as a discount chain in the market. Clearer labelling and price promotions throughout the autumn contributed to growth and strengthened price perception. Helped by increased price awareness and a clear discount concept, KIWI had a good year, after a slightly weak start to the year. KIWI increased its market share in 2022 compared with the last “normal year” in 2019.

In September, in order to create predictability for customers during a difficult time, KIWI chose to lock prices for 140 products so that the price of these products could only decrease for the rest of the year. Price locks and significant price cuts on a number of products have been important for many customers during a period of increased food prices.

→



I strongly believe that we will deliver profitable and sustainable growth in the years to come.

Runar Hollevik /
Group CEO, NorgesGruppen

→ **Harder times for supermarkets**

After three years of growth during the pandemic, 2022 became a somewhat more demanding year for MENY. Further development of the Food Heritage programme has reaped benefits, and the proportion of total revenue for locally produced food increased in 2022. High cost growth and reduced purchasing power make conditions challenging for supermarkets with a wide range of products. Nevertheless, MENY performed well and its market share is around the 2019 level. I am proud of the efforts of the employees, who offer food enjoyment to their customers every day.

The locally produced food initiative is now also being rolled out in SPAR and Joker through the Smaken av Norge ('Taste of Norway') programme. It helped to further strengthen their position. Both SPAR and Joker performed well in 2022, with developments much in line with the rest of the market. Joker celebrated its 25th anniversary in 2022, and has throughout this period showed that it is possible to succeed as a convenience store with a high degree of service adapted to local conditions. Joker has also opened a number of round-the-clock stores, where new technology enables partly unmanned stores for large parts of the day. This shows that convenience stores are also investing and taking part in technological developments in the industry.

Overall, NorgesGruppen had a share of 29 per cent of the total food market, a slight decrease from 31 per cent the previous year. This was due to the reopening of the catering market

and cross-border retail, but we are still satisfied with our progress in the grocery market. When comparing the market shares for 2022 with 2019, the last normal year before the pandemic, we can see that both our chains in the supermarket and the discount chain KIWI have performed well. MENY has maintained its market share from 2019, KIWI has increased its share, while Joker and Spar have seen a moderate decline.

Dollarstore and Gigabox are gaining momentum

An important part of the 2025 strategy is to take part in the ongoing industry slippage. In 2022, we invested in the discount chain Dollarstore. The initiative immediately gained momentum, and by the end of the year we had a total of 15 stores in the new chain. We also started up the Gigabox chain, with exciting bulk goods. We have opened two stores so far, in Lørenskog and Åsane, and more are to follow. This shows that we are expanding our position to meet our customers and their changing shopping habits.

NorgesGruppen is the suppliers' best partner

In 2022, the newly established Norwegian Grocery Authority conducted the first supplier survey to assess collaboration in the industry. NorgesGruppen aims to be the best partner for suppliers. It was therefore very gratifying that the suppliers rated us as just that. Suppliers say that we are in a class of our own when it comes to keeping our promises and creating profitable growth together with our partners. I would like to praise everyone who contributed

to us getting this positive feedback from our suppliers.

At the same time, we also see several areas for improvement in the future. We will offer our customers the best selection at the best price, and we will not be able to do this without working with our suppliers. A wide selection of products from strong branded suppliers together with our own brands is crucial to winning over customers. At the same time, our own brands are strengthening their positions and contributing to increased competitiveness for our stores.

Investing in low-emission solutions and reducing food waste

Being "sustainable and climate-neutral" is one of our three ambitions. We aim to be climate-neutral by 2030, provide a healthier and greener shopping basket for our customers, and contribute to a sustainable working life and a sustainable value chain.

We invest in renewable energy and reduce energy consumption. Even though several of our stores have reduced electricity consumption by up to 40 per cent, and we produce 14 per cent of our own renewable energy consumption, there is a need for further measures in the future to achieve our goals. Since 2019, we have reduced greenhouse gas emissions by 12 per cent. We implemented several measures to reduce food waste in 2022 and achieved positive results. For example, KIWI introduced half price on yesterday's bread and discounts on reduced-quality fruit and vegetables in all stores. MENY reduced bread waste

by more than one million bread products with a new automated baking system, and Joker has sold four million discounted products through the Throw No More app.

We are well equipped for the future

The year behind us was a more demanding than expected, and we can assume that the period ahead will also be unsettling. The high rise in costs and reduced purchasing power, price and margin pressure in the industry, combined with continued low population growth, make it tougher to create profitable growth in a very competitive food market. We must show that we are the customer's first choice and that we are able to adapt to their habits. We have delivered on our social responsibility to supply Norway with food. We are present throughout Norway and have stores in 88 per cent of the country's municipalities.

After two demanding years of pandemic, there were probably many who hoped for a more normal year in 2022. I am proud that we have employees who face new challenges with great motivation and deliver every day, even if the year did not turn out as we had imagined.

I strongly believe that we will deliver profitable and sustainable growth in the years to come. The strength of our workforce and our premium chain concepts mean that we have a solid foundation on which to secure an even stronger position in the food market overall.

Runar Hollevik /
Group CEO, NorgesGruppen



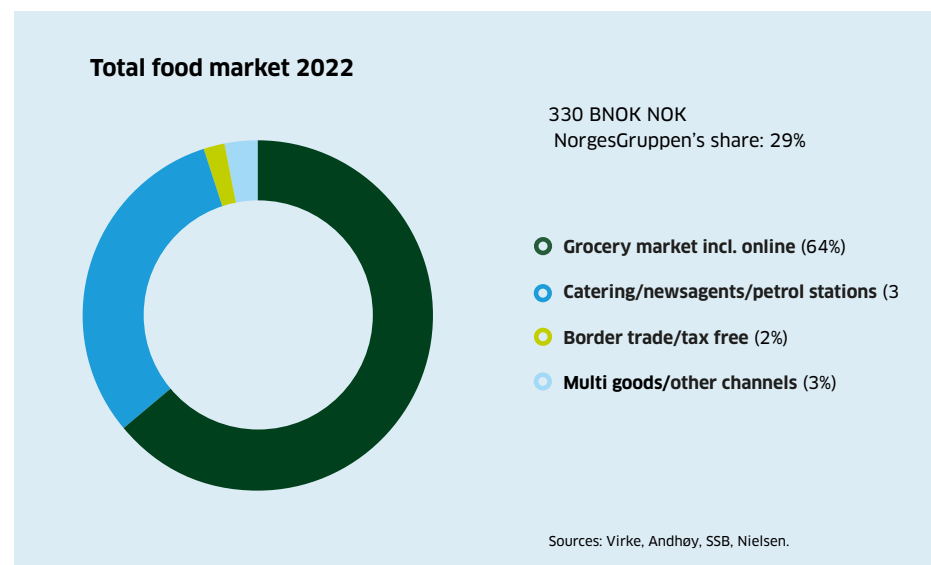
MARKET AND AMBITIONS →

Market and trends

Traditional grocery stores, online retailing operators, restaurants, kiosks and petrol stations, cross-border retail stores, specialty shops, specialised retail stores, duty-free stores and many types of niche businesses compete in the general food market.

Our competitive situation

NorgesGruppen's chains compete in a food market that has a turnover of approximately 330 BNOK. NorgesGruppen has a market share of 29 per cent of the food market. The food market increased by around 4-5 per cent and around 15 BNOK in 2022.



→ In 2022, the catering market and cross-border retail recovered market shares that they had lost to grocery during the pandemic. This led to negative market growth for traditional groceries compared to the previous year, with a decline of 2.8 per cent. However, market growth was positive in the second half of the year as a result of high price growth.

2022 was marked by high prices for commodities and electricity. Prices for pork, chicken, beef, salmon, sugar and packaging increased significantly. The suppliers will pass the rise in costs on to the stores in the first quarter of 2023 through announced price increases. The rise in prices is not unique to Norway, and several neighbouring countries have experienced even higher price rises for the same

29%

NorgesGruppen's market share in the total food market of 330 BNOK (2022).
(Virke, Andhøy, SSB, Nielsen)

64%

Groceries' share of the total food market.

55%

The share of NorgesGruppen's stores owned and operated by independent retailers.

4.4

Number of chains within shopping distance for consumers. Customers have many stores to choose from.
(Nielsen Norske Dagligvarekjeder)



Consumer preferences are changing – both in terms of eating habits and shopping habits.

reasons. According to Eurostat, the prices for food and non-alcoholic beverages in Norway increased by 11.5 per cent in the period from December 2021 to December 2022. In comparison, the equivalent growth in Denmark was 14.9 per cent, Finland 16 per cent and Sweden 18.6 per cent.

NorgesGruppen offers shopping experiences through several different concepts: discount, supermarkets, convenience stores, large-quantity shopping and food-on-the-go. In 2022, NorgesGruppen established a completely new range of services in the food market through the Gigaboks warehouse chain. NorgesGruppen also bought into Dollarstore, a non-food discount chain concept (read more on page 45).

Throughout 2022, NorgesGruppen worked on store expansions and relocations in order to optimise the number of stores. In addition, KIWI opened 18 new stores while SPAR opened five. MENY's online shopping offering is being further developed and equipped for increased capacity.

The battle for customers

Compared with the market in general, NorgesGruppen's chains saw increased revenue, particularly during the second half of the year

and the last quarter. KIWI strengthened growth after the launch of new price concepts, while MENY declined somewhat after the strong development during the pandemic (read more on page 32).

Compared to 2019, the last normal year before the pandemic, NorgesGruppen's chains have performed well. KIWI has increased its share by 0.7 percentage points according to the analysis agency Nielsen IQ, while MENY is unchanged. SPAR and Joker saw a moderate decline.

Competition in the food market is described by retailers as very strong, and the battle for customers was tough in 2022. Many new stores were established in the food market, where grocery customers shop at more than three different chains each month. Customers have an average of four to five chains within convenient shopping distance.

2023 will be marked by reduced purchasing power when Norway enters a period of lower economic growth. This will give discount products and concepts a new boost, while the catering market, food-on-the-go and supermarkets will have to make adjustments. NorgesGruppen

expects that the long-term trends in the market will return when consumer purchasing power recovers.

Shopping situations and trends

The pandemic effect with fewer but larger shopping baskets gradually disappeared throughout 2022. The counties that increased most due to closed borders during the pandemic declined the most in line with the reopening. Many of NorgesGruppen's stores are affected by cross-border retail. Some shopping habits are back to where they were before the pandemic. In the first half of 2022, we saw a tendency towards normal shopping frequencies when customers had more, but smaller, shopping baskets. In line with rising living costs, low prices were the key factor for customers' choice of store, especially in the second half of the year. We expect this trend to continue in the future.

Long-term consumer preferences are changing – in terms of both eating habits and shopping habits. We are increasingly eating more and smaller meals, and we are becoming more price conscious. At the same time, awareness and willingness to pay for special products, such as locally produced and sustainable prod-



ucts, is increasing. Going forward, we will have new technology that affects efficiency and quality in physical grocery retail.

Many social media influencers offer new recipes and other taste experiences, which in turn change habits and influence buying patterns.

Price, convenience, health and sustainability will be key drivers in the years to come, and new operators and business models within grocery and adjacent industries will emerge.



Flow of goods and commodity supply in the wake of the pandemic

→ The first half of 2022 was marked by an imbalance in supply and demand in the markets in the wake of the pandemic. This created some challenges related to access to goods in the retail value chain.

NorgesGruppen did not experience a direct supply crisis and generally gained access to the goods the company needed at the right time. Many of NorgesGruppen's products are produced in Norway, but the company also imports goods from outside Norway. Close engagement with our suppliers, a longer

service life for packaging, long-term agreements and alternative suppliers are measures we have assessed on an ongoing basis. Furthermore, we have found alternative transport routes when needed as well as replaced certain ingredients based on availability. The imbalance in the markets has contributed to increased costs of commodities and a tangible rise in costs for suppliers.

Unrest and inflation

→ Inflation and price rises are the result of the energy crisis and imbalance in the freight and goods markets. The main challenge in Norway is mainly price increases, not access to food.

The entire value chain is impacted by inflation, including NorgesGruppen and the sales point. Cost increases on the input factors from the suppliers affected the price developments in 2022. The price of coffee, for example, is also affected by climate change, which will apply to several product groups in the coming years.

The war in Ukraine

→ The ongoing war in Ukraine has further destabilised the global freight market and affected the commodities markets worldwide. In addition, the war has resulted in a very challenging and unpredictable energy situation in large parts of the world, as many countries had made themselves dependent on energy from Russia. High energy prices also affect NorgesGruppen's operations. Many retailers, especially supermarkets with large fresh produce departments, have seen reduced profits as a result of increased electricity prices.





Digitalisation and new business models

→ Technological development opens up major opportunities for business development, efficiency and sustainability in the food value chain. Unmanned stores and delivery-where-you-are have seen a rapid transition from ideas to reality. At the same time, automation and other new technology help to streamline the flow of goods between warehouse and store operations. The pandemic resulted in strong growth in online food retailing, and while the majority of customers found their way back to the stores when society reopened, many of them have acquired new digital skills.

Young customer groups already have the skills and set new expectations for the shopping experience. New technology also enable more sustainable food production and transparency in the value chain. Customers will soon be able to gain full insight into the origins, production steps and footprint of the food they buy. Behind some of the most innovative projects are international operators who build alliances in purchasing and technology and enter the large food market.

Europe's road to the green transition

→ The EU's green growth strategy includes a number of new regulations to achieve the goals of the Paris Agreement. The EU taxonomy came into force on 1 January 2023. For NorgesGruppen, this will particularly affect our investments in renewable energy, transport solutions and buildings. NorgesGruppen reports on the taxonomy for 2022 (see page 74).

The introduction of the EU's Fit for 55 climate package is driven by the need to phase out energy from Russia. Several of the measures can have an impact on NorgesGruppen. In 2022, the European Commission also presented

a proposal for a directive that aims to reduce packaging waste and increase the proportion of recycled material. This will have an impact on the packaging we and our suppliers use.

Transparency in the value chain

NorgesGruppen has long been monitoring the suppliers' standards when it comes to the environment, people and ethics. In 2022, we continued to build on this work to meet the requirements of the new Norwegian Transparency Act and report on how we conduct due diligence assessments and the impacts we have identified (see page 71).

The government is investigating new regulatory proposals

→ In 2022, the Norwegian Parliament dealt with several cases concerning the general conditions of the grocery market. The government is currently investigating twelve request decisions and has submitted two proposals for regulations for consultation, including one on differences in purchase prices. The government has also published an external enquiry into own brands and vertical integration. The Norwegian Parliament and the government are also considering changes in the food tax.

NorgesGruppen believes that the free negotiations on benefits and counter-benefits with suppliers are important for keeping food prices down. NorgesGruppen complies with the laws and regulations laid down by the authorities at any given time. In collaboration with relevant industry organisations and other stakeholders, NorgesGruppen works to provide a thorough and transparent factual basis on how the mechanisms in the Norwegian food market work.

Strategy and ambitions

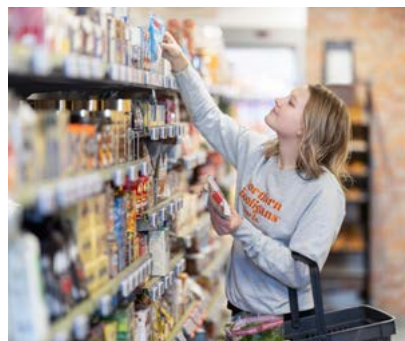
Our strategy supports the vision and describes the direction going forward. The strategy can be summed up with three ambitions: The customer's first choice, competitive value chain, and Sustainable and climate-neutral operations.

→ NorgesGruppen has three ambitions that the strategy is based on. The ambitions point out the long-term direction for the Group and set guidelines for our goals and priorities in the strategy period.

Growth and continuous development are crucial for any company. The market in which NorgesGruppen competes is changing continuously. The strategy must be adapted to driving forces in the environment, competition in the market and consumer trends. Achieving market growth is essential in an industry with small margins.

Through efficient operations with annual productivity improvements, NorgesGruppen will have the competitiveness to compete in the large food market. An important goal for the Group is to achieve revenue growth that is higher than the rise in costs.

NorgesGruppen aims to become climate-neutral in its operations by 2030, contribute to a healthier and greener shopping basket for our customers and ensure a sustainable working life and value chain.



The customer's first choice

→ We aim to be the customer's first choice of consumer goods and services in the grocery market. We achieve this by being the most affordable, by having the largest range of products, and offering the best shopping experience in all customer interfaces.



Competitive value chain

→ We aspire to have a value chain that is cost-leading, and outstanding in terms of collaboration and innovation. We will achieve this by being the industry's preferred place to work and running the best operations.



Sustainable and climate-neutral

→ We will lead the way in the green transition towards climate-neutrality. We are working to improve public health and we will be the industry leader in terms of health and resource efficiency. We will create opportunities for everyone and earn people's trust.

The customer's first choice

Our ambition is for NorgesGruppen's chains to be the customer's first choice for consumer goods and services in the food market.

→ Our philosophy of competing hard internally across our chains gives our customers real choices locally. The roles and strengths of the chains are clear, but they compete for the same customers. Whether it is price, selection and service or availability that is most important, NorgesGruppen must have stores that are the customers' first choice.

KIWI strengthened its role as a discount chain in the market by offering the lowest prices, introducing the price lock and the price check and offering further discounts on selected products during certain periods. MENY further strengthened its range,

meal solutions and offering of locally produced food, and confirmed its position as Norway's largest and best supermarket chain. In 2022, SPAR increased its range of food-on-the-go, Jacobs Utvalgte and locally produced food to offer customers alternatives to discount stores. Joker and Nærbutikken facilitated more seamless shopping in several of their stores, with extended opening hours in partly unmanned stores to increase availability.

The second half of 2022 was marked by greater focus on price in a time of reduced purchasing power in society. We expect this to continue into 2023, and that many →

Selected key figures

The customers' first choice	Unit	2022	2021	2020
Accrued Trumf bonus	MNOK	1,452	1,550	1,450
Trumf members	Nos. (in mill.)	2.70	2.60	2.47
Customers per day	Nos. (in mill.)	1.20	1.20	1.24



In the Trumf app, you get an overview of your Trumf balance, accrued Trumf bonus and insight into your diet and carbon footprint.

- people will choose to cook at home instead of eating out. To meet a more price-sensitive market, all of our chains will continue to expand their First Price range.

During 2022, NorgesGruppen renewed many existing stores in addition to opening more new ones. The retail convenience business also performed well in 2022, and the chain's concepts have adapted to remain the preferred choice in a tough market.

In order to meet competition from adjacent industries, NorgesGruppen launched two new chains offering a wide product range, Dollar-Store and Gigaboks. The experience was positive and considerable growth is planned. Parts of the range can strengthen our grocery chains in the longer term.



KIWI is squeezing prices first and most

→ KIWI works every day to have the most affordable prices and to assure customers that the chain always offer the best discounts. KIWI squeezed the prices in the market throughout 2022 and introduced price locks on a number of products for long periods. The price-locked items can only be reduced in price during the period in which the price lock applies. The strengthening of its role as a discount chain produced solid growth for KIWI in the second half of the year and made the chain the market's organic growth winner.

Discount stores are the preferred stores for everyday shopping, and KIWI is the preferred chain. Customers are responding to this in a survey conducted by Norstat/Ipsos. KIWI plays a key role in pushing down prices in the market, so that other operators must gradually follow suit. This helps to mitigate the overall price increases for food and drink in society, which is particularly important in a time when the entire food value chain is seeing rises in costs on commodities, energy and distribution.



The warehouse retail concept Gigaboks opened in Lørenskog in early 2022.



The aim is to give customers new types of shopping experiences in an era of industry slippage.

New customer concepts in the food market

→ NorgesGruppen launched the new warehouse chain Gigaboks in 2022. The first store in the new Gigabox chain was in the large-quantity shopping area of Metro Senter in Lørenskog. The next store then opened in Åsane, Bergen. The aim of Gigabox is to give the customer a new type of shopping experience through the sale of products in large bulks, valuable specialist products and exciting offers. In 2022, the concept was successful in balancing the product mix of food and other products. There is great demand for everything from Asian food to well-known brands, as well as buying in bulk.

The new concept contributes to increased store diversity and enhanced competition for daily consumables.

In 2022, NorgesGruppen acquired a majority share in the Dollarstore concept, an initiative with a unique national chain concept in the discount non-food market. 12 new stores have been established since NorgesGruppen launched the company. The aim is to further develop a unique chain in the market for a wide range of products covering, for example, personal care, hobbies, cleaning, leisure, chocolate and snacks. These are categories

that are increasingly in demand and sold in many different chains in Norway and in the cross-border stores in Sweden.

As part of its commitment to health and well-being, NorgesGruppen has bought into the Hjemmelegene [Home Doctors] health platform. We aim to see if customers want to combine health services with shopping. Physical health services such as flu, covid and tick vaccines linked to our stores can help to make everyday life easier for many people.



Expanding product selection

→ Despite some challenges with access to goods in the value chain, NorgesGruppen carried out several development projects to contribute to an ever-improved selection of products for customers. Some of the products that were launched were improvements to the *Fersk og Ferdig* [Fresh and Finished] product category, the cake range in KIWI, the launch of a brand new type of minced meat with vegetables and the expansion of the *Stekt Perfekt* [Perfect Roast] range. At the same time, NorgesGruppen increased its capacity within supply and production by opening a new bakery in Trondheim and expanding its warehouse in Våler.

Competitive value chain

NorgesGruppen is dependent on having a cost-effective value chain with sufficient competitiveness to offer consumer goods and services throughout the country.

→ To achieve this, we must be the industry's preferred place to work and be the best in terms of operations.

NorgesGruppen carries out annual negotiations with suppliers in order to achieve the best possible purchasing conditions, thereby ensuring the lowest possible food prices for customers. The suppliers give NorgesGruppen positive feedback on the cooperation.

Procurement prices have a major impact on food prices for customers. All discounts that are negotiated centrally for the stores in NorgesGruppen benefit customers in the form of lower prices. Cost of goods is the largest cost for NorgesGruppen, and without negotiation, purchasing costs will increase more than the costs in the value chain would suggest. In the long term, this could lead to more expensive food and lower value creation in the grocery →

Selected key figures

Competitiveness throughout the value chain	Unit	2022	2021	2020
Annual productivity improvement in warehouses	%	-5.2	3.2	9.1
Productivity improvement at ASKO	%	10.6	17.8	12.2
Percentage of empty space on shelves	%	2.5	2.4	2.6
Operating income per man-year	MNOK	6.7	6.7	6.8

The 2020 and 2021 figures are positively affected by changes in revenues related to the pandemic.

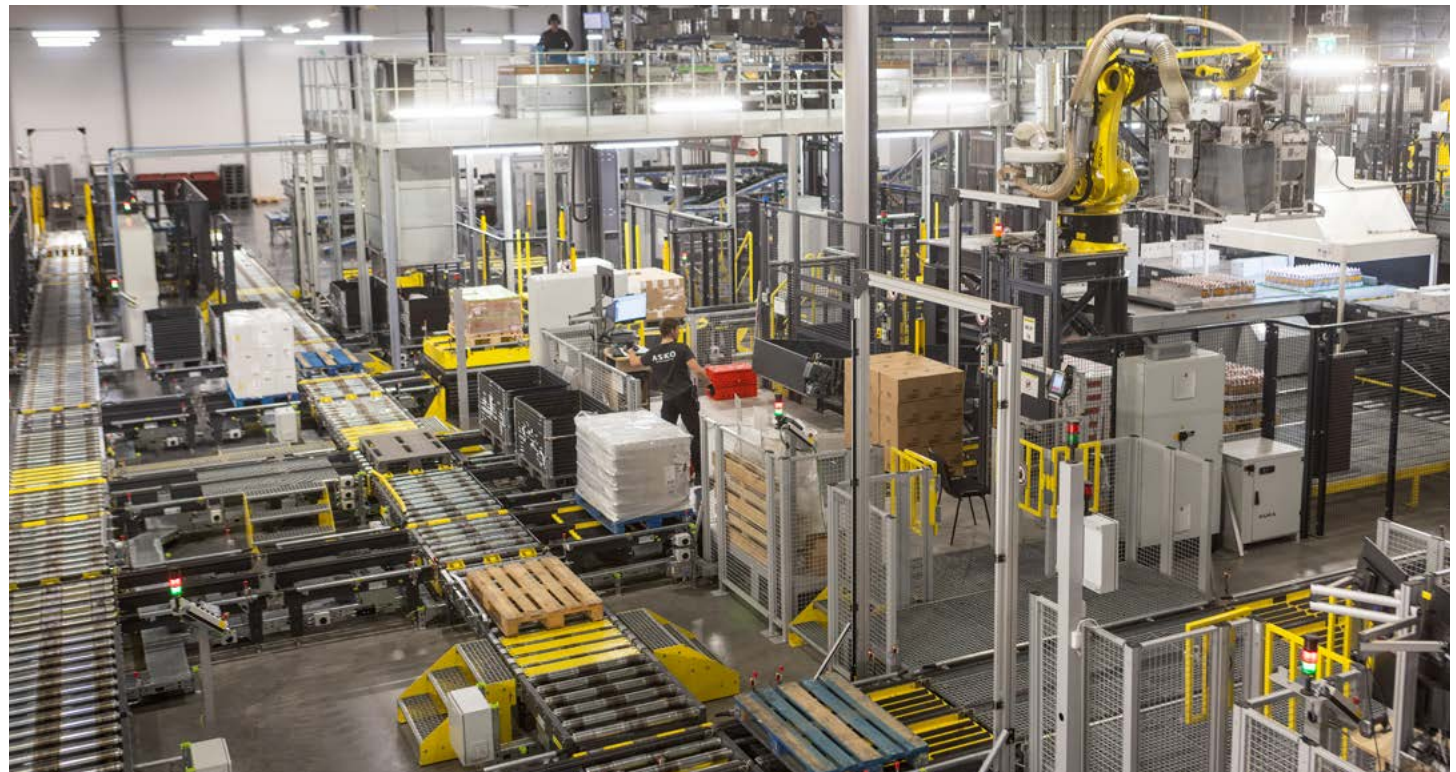
Store employee Sander Marvik at Helgø MENY Mariero and driver Waldemar Kazak from ASKO Rogaland.



NG-Flyt is an automatic ordering of goods that contributes to more efficient purchasing and better flow of goods.

→ sector. NorgesGruppen and ASKO invest significantly in improving the efficiency of the flow of goods and in-store operations. This results in cost savings, but also productivity growth for retailers who simplify their routines and can spend more time with their customers. In 2022, ASKO focused on the integration of fruit and vegetables from BAMA into nine ASKO companies, the operation of the new warehouse in Sande (ASKO Oslofjord) and the start-up of two electric ferries to transport goods over the Oslofjord.

NorgesGruppen works continuously to attract and retain key talent. In 2022, the Group focused on the implementation of several management development programmes across the business areas.



Increased capacity with automated central warehouse

→ The logistics building ASKO Oslofjord, which came into operation in 2022, contributes to more efficient logistics and is a green spearhead. ASKO Oslofjord in Sande was built in order for ASKO and NorgesGruppen to be better equipped to handle growth in the Eastern Norway area in the coming years. The building significantly increases capacity and is fully automated. ASKO Oslofjord is an industrial building with environment-friendly operations

and reduced greenhouse gas emissions. The building was designed according to the strictest environmental requirements and has achieved the highest possible environmental certification – BREEAM-NOR Outstanding. Many of the goods arriving at ASKO Oslofjord will be shipped using the two new electric ASKO ferries between Horten and Moss.



ASKO Oslofjord is the first Norwegian industrial building to be approved by the very strict environmental standard BREEAM-NOR Outstanding.

Local food producer Metervare is one of NorgesGruppen's many suppliers.

Suppliers are most satisfied with NorgesGruppen

→ A large survey carried out among the suppliers of the Norwegian Grocery Authority shows that NorgesGruppen comes out top when it comes to honesty, predictability and loyalty. The suppliers also say that NorgesGruppen is top of the class when it comes to presenting relevant information before signing an agreement. We are regarded as being more transparent, accountable and better at following up on commitments than our competitors.

The background to the survey is that the Grocery Authority wanted to investigate the collaborative climate between suppliers and chains in the grocery sector.

The findings also support those of the annual supplier survey ReMark carried out by Kantar.



The survey from the Grocery Authority confirms that we act professionally and fairly in our negotiations. Our goal is that we can always improve.

Øyvind Andersen /
Group Director, purchasing category at NorgesGruppen

Integration of fruit and vegetable distribution

→ ASKO and BAMA have entered into a partnership on a new distribution model in which ASKO will maintain stock of fruit and vegetables. In 2022, the change became a reality, and the fruit and vegetables category became part of the logistics tool. This helps retailers improve efficiency, reduce empty shelves and make customers happier.

The ordering solution and user interface have become simpler and more precise. The first company in the collaboration model was ASKO Molde, and over the course of the year half of the ASKO companies started to work with fruit and vegetables. Many new colleagues from BAMA have added important expertise to ASKO and NorgesGruppen.



In August 2022, the world's first autonomous electric sea drones arrived in Horten. The sea drones were transported using a "heavy lifter" to ensure a safe sea passage from India to Norway. Here, the ferries get "Norwegian water" under their keels for the first time.

Sustainable and climate-neutral

See page 61 for sustainability reporting

The world is facing major transformations towards a low-emission society that protects nature, animals and people.

→ We will continue to lead the way in this transformation in the Norwegian grocery market. That's why we are pursuing three overarching sustainability goals up to 2025:

- Climate-neutral operations by 2030
- A healthier and greener shopping basket
- A sustainable working life and value chain

In 2022, we passed new and important milestones on our journey towards our goals:

- We made our part of the value chain greener with electric sea ferries, more electric lorries and the opening of the

warehouse in Sande, which is certified to the highest environmental standard, BREEAM-NOR Outstanding.

- We reduced greenhouse gas emissions by phasing in more renewable energy and fuel, streamlining energy use and reducing food waste.
- We made the products healthier and greener, and were successful in terms of reducing the amount of plastic we use.
- We offer workplaces for many different apprenticeships and for people who need work training.
- We followed up on suppliers and partners in the value chain closely in accordance with the Norwegian Transparency Act.

Selected key figures

Sustainable and climate-neutral	Unit	2022	2021	2020
Greenhouse gas emissions (per cent change since 2019)	%	-12.0	-6.2	-5.0
Reduced food waste	%	-33.0	-36.0	-38.0
A sustainable working life: Apprentices	Number	586	625	545

See full
carbon accounts
on page 64

Green transport between store and warehouse

→ In autumn 2022, we received the two emission-free, skipperless, electric ferries that will transport groceries between Horten and Moss Harbour. The sea drones will replace around one million kilometres of lorry transport and phase out around 5,000 tonnes of CO₂ emissions every year. A number of new and more powerful electric lorries also arrived. By the end of 2023, NorgesGruppen will have more than 100 electric lorries in operation in Norway.

Clean energy protects the environment and saves money

→ NorgesGruppen's support scheme for solar panels was established in 2022 to help more stores install solar panels on roofs. Between 100,000 and 200,000 new sqm of solar panels will be installed in the next couple of years. At Hensfoss in Ringerike, KIWI financed the upgrade of a water turbine that will produce renewable hydropower equivalent to the consumption of 100 KIWI stores each year. In 2022, NorgesGruppen set a new record in its own production of renewable energy of 118 GWh, which corresponds to 14 per cent of NorgesGruppen's total annual energy consumption.

Less bread, fruit and vegetable waste

→ In 2022, KIWI started with discounts on yesterday's bread and baked goods and on reduced-quality fruit and vegetables in all of its almost 700 stores. MENY reduced bread waste by more than one million bread products with a new automated baking system, and Joker has sold four million discounted products through the Throw No More app. Discounting has proved effective in reducing food waste and is a popular measure among customers. Since 2015, NorgesGruppen has reduced food waste by 33 per cent.

The great effect of energy saving

→ NorgesGruppen and independent retailers have invested in heat recovery, modern lighting, efficient refrigerators and freezers and other measures to reduce energy consumption for many years. In 2022, further measures were tested to reduce energy consumption. One example is a higher temperature in the cooling counters. The result: 10 per cent lower electricity consumption in KIWI, MENY and SPAR stores in the Oslo region in 2022, and as much as 20 per cent in Joker stores.

Suppliers

→ We work with food producers and suppliers to cut emissions from food production, packaging and transport and to make shopping baskets greener. We will use the HANDLE fund to support sustainable projects in the food chain by NOK 100 million up to 2025.

NorgesGruppen operations Goals: Climate-neutral by 2030

→ By 2030, NorgesGruppen will have climate-neutral operations. The goal is ambitious because we will not compensate for emissions until we have left no stone unturned and improved efficiency as much as possible.

The actions to achieve the ambition include:

- Using only renewable fuels in distribution and production
- Generating renewable energy equivalent to own consumption
- Eliminating HFC emissions from stores and warehouses
- Maximising recycling or reuse of packaging and waste

12%

reduction of greenhouse gas
emissions from 2019 to 2022

Customers

→ We strive to cut greenhouse gas emissions from the products we sell, both by finding solutions together with our suppliers and by giving our customers more climate-friendly choices. In the first instance, we have set ourselves the goal of reducing the carbon footprint of the dinner proteins we sell.

See more on page 63.

The sustainability fund, HANDLE, delivers results

→ The HANDLE fund supports measures to make the Norwegian food and beverage value chain more sustainable. The fund is the first of its kind in Norway and will support various projects with a total of 100 MNOK up to 2025. The fund generated great interest when it was launched in 2021. In 2022, we followed the projects and announced a new round of grants. Many people are working in a targeted manner on sustainable restructuring in the value chain. Of 107 applicants, 10 projects received support amounting to 15 MNOK in 2022. The recipients include

- “food box concept” with adapted quantity of pesticides per farm
- reduced methane emissions from cows, using alternative feed additives
- use of by-products from oat production for new products, such as furniture
- new healthy ready meals with very low greenhouse gas emissions
- food waste such as organic fertiliser for improved soil health
- improved working conditions in cashew nut production in Vietnam

The first round of grants included projects such as circular climate-friendly tomatoes, carbon capture at the brewery and other measures that promote animal welfare, reduce greenhouse gas emissions and improve the use of resources. The first results from these projects could already be seen on store shelves in 2022.



In a greenhouse in Vestfold, climate-friendly tomatoes are grown with biofertiliser and biogas from food waste. The tomatoes will be available in MENY from the spring of 2023.



It's not about the size of the project or the idea, it's about the results it can create.

Signe Bunkholt Sæter /
Sustainability Director, NorgesGruppen

Better conditions for migrant workers

→ 15,000–20,000 migrant workers arrive in Norway every year. A large proportion of them play important roles in the Norwegian food value chain, but far too many encounter unacceptable working conditions. To improve the situation, NorgesGruppen has since 2020 collaborated with the King Institute to gain more knowledge about the situation for migrant workers in Norway. In 2022, we launched a new report with recommendations on responsible recruitment practices.

“Good recruitment practice is very important to protect workers' rights. We hope that the report will be of use both in our own work and for our suppliers,” says Bjart Pedersen, NorgesGruppen's Manager for Sustainable Sourcing.

We eat too little fish

→ Despite new products, more attractive packaging and promotions, we are unsuccessful in our goal of selling more fish. Some measures have had a positive effect, but overall sales of fish and seafood are declining. Figures from the Norwegian Directorate of Health show that this not only applies to NorgesGruppen's stores, but that fish consumption in the population fell by around 8 per cent from 2011 to 2021. Replacing red meat with fish is good for health and the climate, but both the food industry and the authorities need to have a rethink to get more people to make that choice. See our results on pages 63 and 69.

Serving the whole of Norway

Secure jobs

NorgesGruppen has 29,540 direct employees in fully-owned companies. For many young employees, NorgesGruppen is their first experience of working life. More than half of our employees are under the age of 30, and a large portion are under the age of 25.

Local value creation

A large proportion of stores and kiosks are owned and operated by independent retailers operating within our chain concepts and employing 14,599 employees. At the end of 2022, this applied to more than half of NorgesGruppen's 2,129 stores and kiosks. The local retailers contribute to value and job creation in the local community. Many have roots in the same community, and the store may have been run by the family for generations. NorgesGruppen's retailer-owned businesses had a pre-tax profit of more than 750 MNOK in 2022, and in the same period retailers invested around 500 MNOK in upgrades, extensions and energy-saving measures.

Stores from north to south

As an all-Norwegian grocery operator, one of our most important social responsibilities is to have coverage of grocery stores throughout the country. This contributes to increased employment and thriving local communities. NorgesGruppen has stores in 313 of the country's 356 municipalities.



Welcoming apprentices

NorgesGruppen provides apprenticeships in our companies and monitors training closely. In 2022, 586 trainees were given the opportunity in areas such as store operations, logistics and production.

Local food production

NorgesGruppen creates a market for many local food producers. In 2022, we purchased goods from 650 local food producers. This creates a diversity that makes a clear impression on our store shelves. Total revenue for locally produced food products totalled 2.7 BNOK in 2022.

Green investments

NorgesGruppen's ambition is to be climate-neutral by 2030. In 2022, we introduced a support scheme for solar panels for NorgesGruppen's stores. In addition, we invested in significant energy efficiency measures in the area of refrigerators, freezers and lighting that have cut electricity consumption by 10–20 per cent in our value chain. At the same time, in-house production of renewable energy increased from 85 GWh to 118 GWh in 2022.

Reducing food waste

NorgesGruppen believes that throwing away food causes economic, environmental and social problems, and has worked for several years to tackle food waste in our operations and value chain. Since 2015, we have cut 33 per cent of our total food waste. In other words, we are well positioned to achieve our goal of halving food waste by 2025.

1,177

retailer-owned stores and kiosks
within NorgesGruppen's chain concepts

88%

of the country's municipalities
have NorgesGruppen stores

586

apprenticeships in
NorgesGruppen's companies



Chief Financial Officer, Mette Lier (right), and Finance Manager Solfrid Bjerkeskaug from ASKO Oslofjord AS.

Chief Financial Officer
on business development 2022

Increased costs reduce profitability

103 BNOK

Operating income



3.5%

Operating margin



2.8%

Profit margin



In 2022, NorgesGruppen's profitability fell as a result of increasing prices for energy, goods, packaging and fuel. Nevertheless, retail prices did not increase as much as costs, because we continue to dampen the growth in prices in demanding times for our customers.

→ Several major external events affected the financial performance in 2022: Shopping habits in the food market changed after the reopening of society, and input factors such as electricity and the purchase of goods became more expensive as a result of the war in Ukraine and the aftermath of the pandemic.

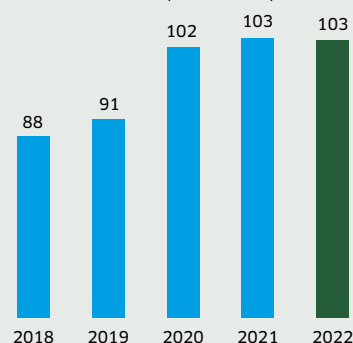
Operating revenue for NorgesGruppen was reduced by 0.4 per cent from 2021 to 2022. The reopening after the pandemic resulted in an expected decline in sales revenue overall. Many customers returned to their normal shopping patterns, the cross-border retail reopened and traditional groceries lost shares to other operators in the food market. MENY's online revenue also declined from uncommonly high levels during the pandemic. This affected the development in profits for the



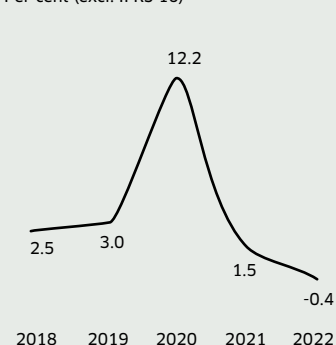
All figures excl. IFRS 16.

Operating revenue

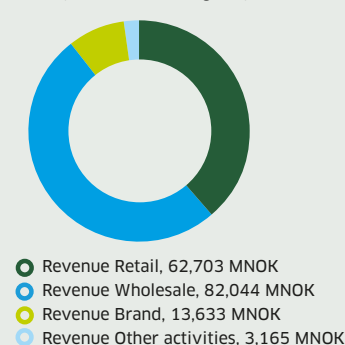
Amounts in BNOK (excl. IFRS 16)

**Growth in operating revenue**

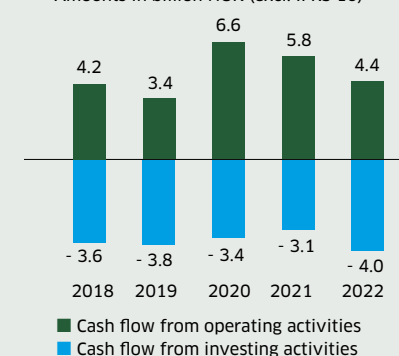
Per cent (excl. IFRS 16)

**Distribution of operating revenue 2022**

MNOK (unconsolidated figures)

**Cash flow and investments**

Amounts in billion NOK (excl. IFRS 16)



→ retail segment for NorgesGruppen in 2022. Competition for customers is fierce, and there is a significant industry slippage in the market where revenue is moving from traditional grocery stores to new channels. The catering market recovered after society opened up, and the Wholesale segment increased its revenues in this market compared to the previous year. In a market with more demanding framework conditions and stiff competition, we were satisfied with the development in revenue. Revenue is maintained at a relatively high level, primarily due to price growth, as the underlying revenue volume is falling slightly. Food prices increased in 2022, but increased less in Norway than among our Nordic neighbours.

NorgesGruppen took several steps to dampen price growth. After KIWI launched several new price concepts in the autumn of 2022, revenue in the chain increased. The supermarkets lost

revenue, but they also saw the greatest growth during the pandemic.

The Brand segment increased its revenue, but higher prices on goods and input factors reduced profits. NorgesGruppen's convenience stores performed well throughout the year and, overall, had one of their best years ever.

There were fewer property sales and thus fewer gains from this segment compared to 2021. Among the affiliated companies, Euro-cash in Sweden and Dagrofa in Denmark developed positively. (Read more about Dagrofa on page 48.)

Constrain price growth

NorgesGruppen's operating costs increased more than the retail prices in 2022. NorgesGruppen decided not to extract the full rise in costs from retail prices for customers. This resulted in a decline in profitability.

Our operating profit was 3.6 BNOK in 2022, down from 5.0 BNOK the previous year. This resulted in an operating margin of 3.5 per cent, down from 4.8 per cent in 2021.

Profit for the year decreased by 1.1 BNOK to 2.9 BNOK, and the profit margin ended at 2.8 per cent compared to 3.8 per cent the previous year.

Adapting to the right level of staffing during the post-pandemic year has been challenging. Revenue growth in groceries during the pandemic led to the recruitment of many new employees. When society reopened in the winter of 2022, many employees became ill at the same time, and absence due to illness increased significantly. This resulted in extraordinarily high costs. It was not until the second half of the year that we saw a gradual adjustment of the workforce to the falling revenue. Despite this, the number of employ-

ees in NorgesGruppen's fully-owned operations were the same at the end of 2022 as it was the previous year. The Group has focused on creating predictability for employees and gradually adapting basic staffing to market developments.

Increased prices for commodities, energy and packaging for our partners resulted in increased cost of goods. For NorgesGruppen, the cost of goods comprised 73.5 per cent of the total costs. In addition, operating costs such as rent, electricity and fuel increased. Electricity costs alone rose by 632 MNOK. Furthermore, we had somewhat greater depreciation and write-downs in 2022 than in 2021 due to, for example, IT investments.

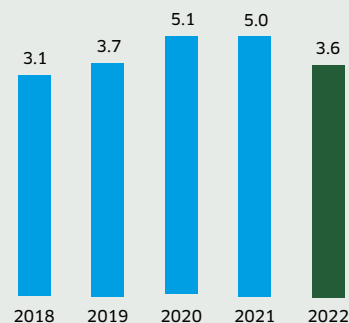
Lower energy consumption and increased production of renewable energy

Our carbon accounts for 2022 have been verified by an independent third party and show

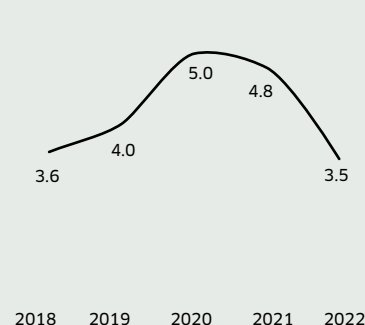


Operating profit (EBIT)

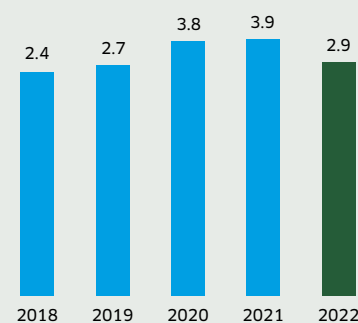
Amounts in BNOK (excl. IFRS 16)

**Operating margin**

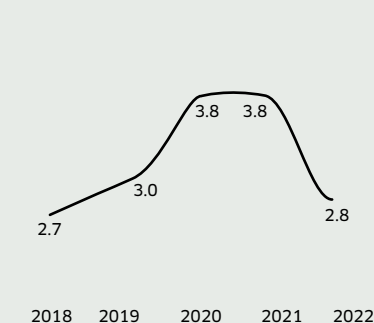
Per cent (excl. IFRS 16)

**Profit for the year**

Amounts in BNOK (excl. IFRS 16)

**Profit margin**

Per cent (excl. IFRS 16)



- that we have cut greenhouse gas emissions by 12 per cent since 2019.

NorgesGruppen is working hard to reduce energy consumption and increase its own production of renewable energy, which is both sustainable and profitable. Significant long-term investments in energy efficiency measures and a renewable share of 14 per cent reduced the negative effects of increased energy prices in 2022. Over time, NorgesGruppen has invested in renewable energy sources such as wind power, hydropower and solar panels, and these have proved profitable. Our wind turbines in Gjesdal and Lindesnes produced 84 GWh in 2022.

In 2022, KIWI decided to finance a power turbine at Hensfoss. By upgrading Glitre Energi's worn-out power turbine, KIWI helps produce affordable and renewable electricity equivalent to the consumption in 100 KIWI stores.

The initiative is part of the work to make operations climate-neutral. Our total renewable energy production in 2022 ended at around 118 GWh.

In 2022, 80 retailers sought support to invest in solar panels. Between 100,000 and 200,000 sqm of solar panels will be in place in the next couple of years, thanks to the enterprising retailers and support scheme from NorgesGruppen.

High electricity costs have not affected Wholesale to the same extent as Retail due to the increased use of own renewable energy sources.

Streamlining continues

Measures that improve productivity in the value chain help to constrain price rises for food and beverages and strengthen NorgesGruppen's competitiveness. In order to moderate the

price increases, we are constantly working to reduce the rise in costs, both in terms of cost of goods and in our own operations.

In 2022, measures to reduce energy consumption have intensified, and work is underway to achieve the right level of staffing and efficient construction processes, and reduce our use of consultants and production of waste through discounting, optimisation of ordering and use of new technology.

In 2022, we increased capacity in logistics, warehousing and production with the new central warehouse ASKO Oslofjord, the introduction of two electric ferries, the expansion of UNIL's warehouse in Våler and the opening of a new bakery in Trondheim. The modern coffee roastery at Vestby also provided efficiency gains in 2022. Good utilisation of the capacity in the automated central warehouse for refrigerated products also made a positive contribution.

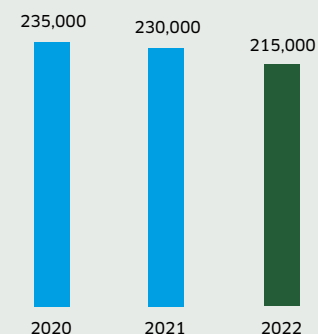
Good solidity and continued high level of investment

A diversified portfolio of concepts in the food market and strong financial solidity enable NorgesGruppen to maintain a high level of investment despite the fall in profitability.

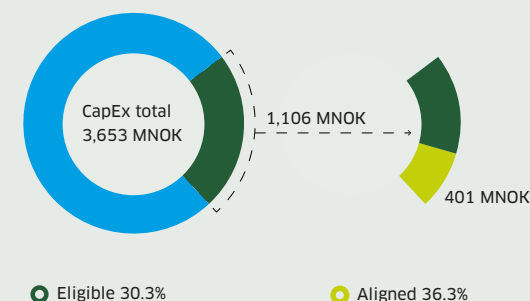
In 2022, the investments amounted to 4.2 BNOK. Net cash flow from investing activities was 4.0 BNOK, compared with 3.1 BNOK in 2021. Net cash flow from operating activities was 4.4 BNOK compared with 5.8 BNOK last year.

We are reinvesting around 75 per cent of our profits in new and improved products and services for our customers. By investing in a more efficient value chain, we also contribute to reducing the price growth for food and drink in society.

We have invested in new retail provision in the

GHG emissions, total 2020–2022Tonnes CO₂-equivalents**Investments CapEx)**

Covered by the taxonomy (excl. IFRS 16)

**Gender balance; retailers**

Per cent



food market through both Gigaboks and Dollar-store, the latter acquiring 12 new stores in 2022. In collaboration with the chains, we also established several new stores throughout the year. 18 new KIWI stores and five new SPAR stores were opened in 2022.

Other key investment activities included environmental measures, digital shopping experiences, increased capacity and online food retail. In the future, investments in energy efficiency and more renewable energy will be important for the green transition and in terms of reducing costs. Predictable framework conditions and tax rules that facilitate investments in renewable energy in Norway will be crucial in this area.

NorgesGruppen adjusts equity and the rest of its financing structure to the company's objective, strategy and risk profile. The Group's equity ratio was 59.4 per cent at the end of 2022.

Sustainable investments in line with the EU taxonomy

According to the definitions in the EU taxonomy, 36.3% of the Group's investments were sustainable in 2022. Over time, NorgesGruppen and ASKO have invested significantly in electric and hydrogen-powered cars and renewable energy sources. In the transport activity, 92 per cent of all investments were sustainable.

For several years, NorgesGruppen has financed investment activities through our framework for green bonds. We have set lower return requirements for green investments than for other investments. According to the EU taxonomy, NorgesGruppen has many activities that are not currently covered by the regulations. For 2022, we reviewed activities within transport, property, renewable energy and waste management.

Parent company results

NorgesGruppen ASA is the Group's parent company. The parent company's activities primarily comprise the group functions Group Finance, Communication and Public Relations, Category, Procurement and Quality, Business Development, and HR. Total operating revenues for the parent company in 2022 were 512 MNOK, compared to 513 MNOK in the previous year. NorgesGruppen ASA's operating profit in 2022 ended at minus 162 MNOK compared to minus 120 MNOK the year before. Profit for the year amounted to 910 MNOK, compared with 849 MNOK in 2021.

Allocation and dividends

The annual profit of the parent company is allocated as follows:

Allocation of profit	Unit	2022
Profit for the year	1,000 NOK	909,594
Dividends paid	1,000 NOK	740,445
Allocated to other equity	1,000 NOK	169,150
Proposed dividend per share	NOK	19

Financial performance measures for the Group excl. IFRS 16

Income statement		2022	2021	2020	2019	2018
Operating revenues	NOK mill.	102 657	103 059	101 560	90 504	87 813
EBITDA ¹⁾	NOK mill.	5 716	6 810	7 397	5 325	4 992
Operating profit (EBIT)	NOK mill.	3 575	4 963	5 096	3 650	3 140
Profit before tax	NOK mill.	3 573	4 939	4 968	3 450	3 057
Profit for the year	NOK mill.	2 854	3 922	3 827	2 746	2 410
Shares						
Earnings per share ²⁾	NOK	72,30	98,92	95,70	69,34	61,14
Total shares outstanding per 31.12.	1000 shares	40 000	40 000	40 000	40 000	40 000
Dividend per share	NOK	19,00	25,00	24,00	18,00	16,00
Capital						
Total capital	NOK mill.	48 571	45 802	43 743	41 248	39 171
Equity	NOK mill.	28 842	27 252	24 355	21 930	19 843
Equity ratio	%	59,4	59,5	55,7	53,2	50,7
Net interest-bearing debt	NOK mill.	164	(308)	1 952	4 467	3 791
Profits						
Operating margin EBITDA ³⁾	%	5,6	6,6	7,3	5,9	5,7
Operating margin ⁴⁾	%	3,5	4,8	5,0	4,0	3,6
Profit margin ⁵⁾	%	2,8	3,8	3,8	3,0	2,7
Return on capital employed ⁶⁾	%	12,8	18,6	19,3	14,6	13,7

1) Operating profits before depreciation, impairment and profit/(loss) from associated companies

2) Profit for the year to owners of the Company / average number of shares outstanding

3) EBITDA / Operating revenues

4) Operating profit / Operating revenues

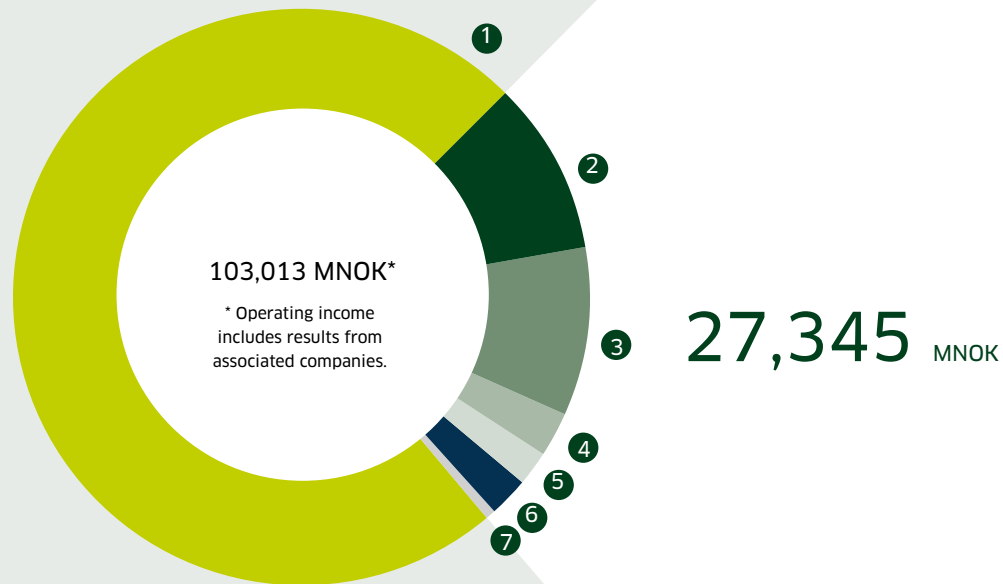
5) Profit for the year / Operating revenues

6) EBIT / Average (equity + net interest-bearing debt)

The values we create

This is how NorgesGruppen's operating revenues are distributed. Most of what we retain is reinvested in better stores, customer shopping experiences and environmentally-friendly operations.

All figures excl. IFRS 16.



75,668 MNOK (73.5%)

1 COST OF GOODS

In 2022, NorgesGruppen purchased goods for approximately 75.7 BNOK from 1,200 different suppliers. Most are Norwegian and many are small cornerstone companies and local food producers.

2 SALARIES TO EMPLOYEES

10,271 MNOK (10.0%)

The Group's 29,540 employees received a total of over 10.3 BNOK in salaries and other benefits before tax.



Salaries to employees

3 OTHER COSTS

9,636 MNOK (9.4%)

Among other things, this includes rent, electricity, freight and transport, repairs and maintenance. The proportion of electricity increased in 2022 from 693 MNOK to 1,326 MNOK.



Other costs

4 DEPRECIATION AND IMPAIRMENT

2,496 MNOK (2.4%)

Every year, NorgesGruppen invests significant amounts with a long-term perspective. In many cases, we absorb additional costs to explore new technologies and effective environmental solutions.



Retained in the company

5 TAXES AND EMPLOYERS' CONTRIBUTIONS

2,086 MNOK (2.0%)

Tax on profit and employer's National Insurance contributions created revenues for the government of more than 2 BNOK. VAT on goods added.

6 RETAINED IN THE COMPANY

2,153 MNOK (2.1%)

We retained almost 2.2 BNOK in the business. A significant proportion of this is reinvested in the value chain and, not least, in green projects.



Depreciation and write-downs

7 TO OWNERS OF NORGESGRUPPEN ASA

Proposed dividend 740 MNOK (0.7%)

There are 743 shareholders in NorgesGruppen ASA, many of them retailers. Actual dividend is adopted at the general meeting in May 2023.

Vegard Kjuus and Assistant Store Manager Henrik Willadsen at MENY Røa.



MENY / Grocery incl. online shopping

Revenue: 20.5 BNOK

Number of stores: 185 stores (152 fully-owned stores and 33 retailer-owned stores)

Number of employees: 9,213

(7,211 in fully-owned stores)

Market share 10.2% (-0.1 vs 2019)

* Incl. retailer-owned revenue

→ 2022 was a good year for MENY, despite a slight decline in revenue compared with 2021 when MENY was a growth winner in an abnormal pandemic year. Customers prefer MENY for the best product selection, quality of fresh produce, inspiration and service in the sector. MENY will continue its steady course and offer a large selection, quality and positive shopping experiences.



We focus on selection and food enjoyment, whether customers want fish cakes for everyday meals or fresh skrei for Saturday dinner. Quality products never go out of fashion.

Vegard Kjuus /
CEO, MENY

Best in terms of selection, quality, inspiration and service

The year in brief

The decline in grocery resulted in MENY's revenue falling by 7 per cent from 2021 to 2022, but ending at 2 BNOK above 2019, the last normal year before the pandemic. Revenue from online retailing, which accelerated during the pandemic, fell to 728 MNOK in 2022, which is still a doubling from 2019.

MENY invests in locally produced food and set a new record in 2022. 4,000 locally produced food products (Food Heritage products) now account for 7.3 per cent or 1,506 MNOK of revenue. Local food suppliers contribute to diversity, quality, innovation and workplaces throughout the country. MENY wishes to sell as many Norwegian products as possible, and was able to record a Norwegian share of vegetables at 57.2 per cent in 2022 compared to 52.6 per cent the previous year.

In 2022, to secure its position as Norway's leading supermarket, MENY tested new concepts, such as dinner and food-on-the-go solutions. In addition, all stores were given a visual facelift to enhance the shopping experience. In order to be at the forefront of service, the chain launched a digital complaints service where the customer can complain about a product at the touch of a button on their mobile phone and get their money back.

In terms of MENY's sustainability work, food waste is a priority. In 2022, the chain piloted ASKO's new technology for data-driven product ordering and flow. The chain also introduced pre-orders for seasonal products, which provide a more predictable flow of goods back into the value chain. The right amount of goods

is important to reduce food waste. An automated baking system based on algorithms – introduced in the stores' bakery department – contributed to a reduction in food waste of 1.1 million loaves in 2022 and led to MENY winning NorgesGruppen's internal sustainability award.

Good customer service is a prerequisite at MENY. The stores invest in specialist expertise, and 1,200 of the chain's food workers hold certificates of apprenticeship. MENY also invests in young people, and had 187 apprentices in 2022, all hoping to secure a permanent job in the chain at the end of their apprenticeship. In 2022, MENY employees won gold and silver at the Norwegian Seafood Retailer's national championships and claimed all the medals at the national championships for apprentice store butchers. Revenue growth during the pandemic created a great need for manpower. The following year, MENY downsized through natural departures and staff turnover. At the end of 2022, the chain had 8 per cent fewer employees than in 2021. Absence due to illness was higher than normal at the start of 2022 due to covid, but normalised at 7 per cent for the year as a whole. MENY's goal is to reduce absences to 6.5 per cent or lower.

Future outlook

Tougher economic times can lead to cuts in food budgets. MENY expects tough competition, but has previously found that people like to save money by eating out less, and spending more time at home eating healthy food. MENY is the natural choice for customers who want inspiration, especially for weekends and special occasions. At the same time, the chain, which celebrated its 30th



Fresh produce manager Victoria Krogsæter and fish manager Magnus Bjerkestrand at MENY Røa.

anniversary in 2022, has been set up for tougher times with a solid concept and experienced retailers.

MENY's position is based on a large selection, enjoyment of food and quality service, and these are factors that will be prioritised in the future. MENY will help consumers eat healthier by way of new concepts, meal solutions and attractive offers for everyone who wants a greener, cleaner and healthier diet. MENY will also undergo a renewal, which the chain will do through further concept testing when a new store opens in Frogner in Oslo in August 2023.



Janan Miakhel at
KIWI Skøyen and
KIWI Director Jan
Paul Bjørkøy.



KIWI / Grocery

Revenue*: 44.6 BNOK

Number of stores: 697

(600 fully-owned and 97 retailer-owned)

Number of employees: 13,641

(2,057 in full-owned stores)

Market share 22.5% (+0.7 vs 2019)

* Incl. retailer-owned revenue

→ Strong price pressure from KIWI helped to halt the general increase in prices within the grocery sector in 2022.

The reopening of society and cross-border retail gave a calm start to the year, but KIWI accelerated revenue by launching new pricing concepts and keeping to the promise "We never give up on price!"



KIWI will continue to be the leading discount chain, offering customers the lowest prices in the market!

Jan Paul Bjørkøy /
CEO, KIWI

New pricing concepts boosted revenue

The year in brief

KIWI was a growth winner during the pandemic, which resulted in negative growth for KIWI in the first half of 2022. The chain reversed development by launching several new price concepts after the summer. The KIWI discount range was particularly attractive to customers because of the increase in cost of living. Revenue ended at 44.6 BNOK in 2022, a small decrease from 45.8 BNOK in 2021. KIWI opened 18 new stores during the year.

KIWI was ranked as Norway's third best-loved brand and was the only grocery chain among the top ten brands in the YouGov survey in 2022. The chain strengthened its positions on price and fruit and vegetables, and during the autumn all stores were given a new look to highlight the low prices. KIWI continued to push prices throughout 2022, particularly on fruit and vegetables, which is the chain's most important product group.

In January, KIWI celebrated ten years of the pad and tampon deal. Throughout 2022, customers received every second pack of pads and tampons for free. The chain launched the *Skolekravet* initiative to get the authorities to offer free pads and tampons at all state schools and educational institutions. The initiative was one of the most successful marketing campaigns in Norway in 2022.

KIWI will lead the green transition and has set the goal of supplying the market with clean energy equivalent to its own consumption. In 2022, the chain financed the upgrade of an older water turbine at Hensfoss. The turbine provides renewable energy equivalent to the energy consumption in over 100 KIWI stores.

The end of the coronavirus restrictions signaled the resumption of face-to-face teaching at the KIWI school, which offers trainees the opportunity to take a certificate of apprenticeship. In addition, several gatherings were held, including KIWIADEN with store managers from all over the country, as well as a large event that brought together fruit and vegetable managers from all over the country at Hellerudsletta for a day of inspiration, learning and awards.

KIWI is an active sponsor, and its involvement is wide-ranging. The chain supports both elite and grassroots football and was a general sponsor when the Norway Cup was finally able to bring children together for a football festival in 2022. KIWI also collaborates with Guttas Campus ('Boys' Campus'), an educational camp for boys who find school challenging. KIWI is a UNICEF signature partner and has financed 21 schools and around 7,000 admissions in Madagascar since 2010. KIWI and UNICEF are now working together to give more people access to clean water.

Future outlook

KIWI's position as a discount chain fits well with the times. The second half of 2022 showed how important price is to customers in challenging economic times, and KIWI will continue to squeeze prices every single day and communicate it clearly in all channels. The chain has ambitions to grow further and plans to open a total of 20 new stores in 2023.

KIWI maintains its ambition to contribute to a healthier and more sustainable society. The chain will continue the successful



collaborations and help those who need it most in 2023. With a strong and proud culture at its core, KIWI will continue to work to ensure that employees are happy and able to develop.

The customer is king at KIWI. The aim is to win customers over by offering the lowest prices in the market, well-stocked fruit and vegetable sections, fast and efficient shopping and – as always – cheerful and positive employees.

More products from local suppliers



CEO Ole Christian Fjeldheim at Kjøpmannshuset Norge and Store Manager Bodil Karlsen at SPAR Hasle.

In 2023, SPAR turns 30 in Norway.

The first SPAR store opened in Ørsta on 18 February 1993

SPAR / Grocery incl. online retailing

Revenue*: 13.8 BNOK

Number of stores: 293 stores (117 full-owned stores, 176 retailer-owned)

Number of employees: 6,900 (2,800 in fully-owned stores)

Market share 6.9% (-0.4 vs 2019)

* Includes retailer-owned revenue

→ Customers will find a wide selection, plenty of fresh produce and a good selection of hot food in the SPAR stores.

The year in brief

SPAR saw a positive development in 2022, despite increased operating costs and strong competition in the market. The market position remained stable, and the chain achieved positive growth in existing stores. Five new SPAR stores were established in 2022, and the chain is in the process of upgrading the stores with a new and modern visual profile.

SPAR stands out with a wide range of hot meal solutions in its stores. The chain has also strengthened its focus on locally produced food in order to meet customer demand. In 2022, SPAR started to roll out the concept *Smaken av Norge* ('Taste of Norway') in its stores.

SPAR also focuses on fruit and vegetables through the *Halvparten Grønt* ('Half Green') concept. It does this by work-

ing with the supplier BAMA. The concept was nominated for the health authorities' 2022 healthier marketing award.

SPAR purchased new uniforms in Fairtrade cotton and will therefore be the first grocery chain in Norway with Fairtrade-labelled uniforms.

Future outlook

SPAR will deliver major initiatives in the categories that matter most to customers: fresh produce, hot food, freshly baked bread and bakery goods, dinner solutions, salad bars and local food. It will maintain a wide selection with products from First Price, Jacobs Utvalgte and other strong brands. At the same time, each individual store must adapt its range to meet the demand locally and in different seasons.

Several SPAR stores have received support in installing solar panels on the roofs through NorgesGruppen's support scheme. Solar energy will contribute to reduce energy costs and bring NorgesGruppen closer to its goal of climate-neutral operations.

Reduced purchasing power among customers is expected for some time to come. SPAR will adapt to the situation by offering attractive promotions and inspiring people to cook at home.

In 2023, the SPAR chain turns 30 in Norway. The first SPAR store opened in Ørsta on 18 February 1993.

Expanding product range and extending opening hours



Chain Director Kjetil Flåtrud, Joker and Nærbutikken, and General Manager Sardar Ahmadzai at Joker Barcode.

Joker and Nærbutikken / Grocery incl. online shopping

Revenue: 6.9 BNOK

Number of stores: 463 Joker stores (10 fully-owned stores, 453 retailer-owned) and 139 retailer-owned 'Nærbutikker'

Number of employees: Approximately 4,000 (approx. 120 in fully-owned stores)

Market share 3.4% (-0.3 vs 2019)

→ For Joker and Nærbutikken, 2022 was a satisfactory year after two years of pandemic. Our retailers upgraded stores and turned profits by reinvesting in future and sustainable solutions. A total of 25 stores have adopted new technology that enables them to stay open around the clock.

The year in brief

In 2022, we maintained our position in the market and received positive feedback on our concept in a retailer survey. Like others, we noticed the increase in energy prices in the autumn of 2022 and implemented measures to ensure future profitability.

Our retailers are forward-looking, and in 2022 some stores saw growth of 15–20 per cent after they became round-the-clock and partly self-service stores. Such stores are never unmanned, but are managed remotely from a retailer or customer centre.

Targeted customer communication is a high priority. In 2022, we launched a dedicated app with voucher scheme for members with

the Joker Glad concept. Almost 300,000 members can now take advantage of customised offers by activating the vouchers. As part of the process of adapting the product range, Joker also tested new shelf spaces and displays with positive results.

Joker is committed to reducing food waste in stores by 70 per cent by 2025. The most important measures are an optimal flow of goods with the right goods in place at the right time and in collaboration with Throw No More and Too Good To Go. We have sold more than 4 million discounted items distributed through the Throw No More app.

Joker turned 25 last year and works closely with the Merkur programme to maintain convenience stores across the country. Joker places an emphasis on turning the stores into social meeting places that offer more than just groceries.

Future outlook

In 2023 and 2024, many Joker retailers will be installing solar panels. 33 stores have received support for this from Norgesgruppen. The initiative will add more renewable energy and reduce costs. Joker will strengthen its food-on-the-go offering and invest more in locally produced food and specialities in the coming years.

Together, Joker and Nærbutikken plan to open 30 semi-self-service and round-the-clock stores.

ASKO

ASKO / Wholesale

Revenue: 81.0 BNOK

Number of warehouses: 2 central warehouses and 12 regional warehouses. 9 Storcash stores, Eureka, Vinhuset

Number of employees: 4,091

→ The reopening of the catering market created revenue growth for ASKO, despite a slight decrease in the volume of groceries. The company maintained stable and successful operations throughout the year, opened a new warehouse in Sande and started a zero emission transport chain to the warehouse in Vestby.



ASKO's task is to create competitiveness for our customers at the lowest possible cost.

**Tore Bekken/CEO,
ASKO NORGE**

Tore Bekken
and warehouse
employee Naiyana
Høiby at ASKO
NORGE's warehouse
at Kalbakken in Oslo.



Solid progress in a turbulent year

The year in brief

The reopening after the pandemic and tougher times for consumers led to lower grocery revenue in 2022. At the same time, the catering market picked up sharply. Here, ASKO experienced record revenue in June. For the year overall, revenue in the catering market was higher than for the year before the pandemic. Despite major fluctuations in the market, ASKO maintained stable and successful operations throughout the year.

In 2022, the transfer of logistics and distribution of fruit and vegetables from BAMA Dagligvare to ASKO began. When the change in the new cooperation model has been implemented in 2023, around 500 employees in BAMA Dagligvare will have a new workplace at ASKO.

ASKO Oslofjord in Sande officially opened in August 2022. It is the first industrial building in the Nordic region with the BREEAM-NOR Outstanding environmental certificate. The solar panel park on the roof is also increasing Norges-Gruppen's production of renewable energy. The two electric sea ferries navigating the Horten-Moss route with groceries, arrived concurrently. With the vessels in operation, ASKO has established a zero-emission link between the warehouses on each side of the fjord.

In 2022, ASKO acquired a large number of new electric lorries, several of which had a longer range than before. The focus on zero emissions from electric, hydrogen and biofuels from sustainable sources has been ongoing for several years. At the end of 2022, ASKO had more than 100 fossil-free vehicles in operation.

A shortage of drivers is a challenge for everyone involved in distribution and transport. ASKO therefore works long-term on the recruitment of lorry drivers. The work includes a number of different measures, including recruitment of apprentices, retraining of employees and cooperation with driver schools.

Future outlook

Given Norway's economic situation, ASKO expects moderate growth in traditional groceries and somewhat stronger growth in the catering market. Reducing costs is very important. For ASKO, this means more emphasis on simplifying work processes, digitalisation, automation and collaboration throughout the value chain.

Dealing well with customers will continue to be a high priority. ASKO strives to be a pro-



fessional partner for customers in the catering market, helping to keep all customers ready for sale at the lowest possible cost. On the product range side, the company will focus on increasing the proportion of local and regional products.

Several new electric lorries will arrive in 2023. They will bring ASKO closer to the goal of zero emissions from transport by the end of 2026. The company will also expand its collection of food waste from customers. As much of the waste as possible will be used for the production of animal feed, while the rest will be used for the production of biogas which can then be used in ASKO's vehicles.



Always more from Storcash



Revenue: 1.7 BNOK

Number of stores: 9 fully-owned stores

Number of employees: 182

→ Storcash grew organically by 12 per cent in 2022, driven, for example, by the popular "Always! more from Storcash" customer loyalty scheme. The company performed well in previous recessions and expects to see growth between now and 2025.

Bodø Storcash will contribute to this growth when the outlet opens in 2023, and by 2024 Sola Storcash and Bergen Storcash will move to modern and energy-efficient premises.



Convenience retail

After two years of pandemic, 2022 was a more normal year for convenience stores and catering. The year was also marked by increased fuel and electricity prices.

→ The challenges have also offered opportunities. Our retailers, franchisees and employees are committed to providing customers with delicious, food-on-the-go experiences. The chain concepts have adapted to remain the preferred choice in a tough market.

NorgesGruppen Servicehandel delivered solid results as a result of strong efforts and great commitment together with cost-reducing measures and sound operations. Revenue growth was 5.6 per cent higher compared to 2021 and 6.6 per cent higher compared to 2019.



I am impressed by our talented retailers and franchisees who are committed to our customers and deliver growth and solid results.

Kristine Stranne /
CEO, NorgesGruppen Servicehandel

Pictured from left: Svein Erik Alstad-Evjen (MIX), CEO Kristine Stranne (NorgesGruppen Servicehandel), Bernt Hagen (Jafs) and Tormod Lier (Della Luca and Tiger).



Wider range for people on the go

Deli de Luca / Catering, kiosk, energy station

Revenue*: 1.4 BNOK

Number of stores: 144

Number of employees: Approximately 1,750

* Applies to fully-owned and retailer-owned.

→ In 2022, Deli De Luca approached normalised operations after the pandemic. The opening of borders and the easing of restrictions meant that urban stores increased their revenue, while our stores at Esso stations delivered impressive sales results. 2022 was also marked by increased prices and operating costs and an unstable commodity market. We are proud of all our retailers who implemented cost-reducing and energy efficiency measures to ensure local competitiveness.

Pilots of a new urban concept were opened at Solli and Grensen in Oslo – a concept that prioritises pick-and-mix bakery goods and on-the-go products. The megatrends of health and sustainability have favoured innovations such as poke bowls, new products from Delis Kitchen and sustainable packaging. In this way, we meet consumer needs and lay the foundation for growth in 2023.



Future outlook

We will continue to experience weakened purchasing power and changes in shopping habits in 2023, but intend to meet this by upgrading concepts and expanded product range in urban stores. New outlets will be established and parts of the roadside portfolio will be upgraded. The ambition is clear: Deli de Luca will be the go-to destination for food-on-the-go and healthy options, both in towns and cities and on the road. By working with our talented retailers, we will win the battle for customers in the coming year as well.



The MIX concept contributes to growth

MIX / Catering, kiosk

Revenue*: 880 MNOK

Number of stores: 88 profiled and 296 associated

Number of employees (profiled): 670

* Applies to fully-owned and retailer-owned.

→ MIX increased its comparable revenue by 2.7 per cent in 2022. This was largely due to concept development emphasising food, ice cream and beverages in addition to the usual kiosk selection. Another significant factor for revenue growth was that MIX was less affected by the negative consequences of the pandemic.

In 2022, MIX increased collaboration internally and across the value chain as a whole.

MIX developed attractive online promotions in social media – including sugar-free beverages – and offered take-aways in food, ice cream and beverages. Sustainability has been key, and in 2022 *Naturli'* products (100 per cent plant-based) were included in the range. All packaging is now climate-friendly or porcelain. MIX also offers opportunities for apprentices.



Future outlook

The biggest challenge ahead is unpredictable electricity costs and an unstable fuel market. This may affect the willingness to invest in new establishments. The increased cost of living can affect us, but also create opportunities for more visits from customers who want to give themselves everyday treats.

In 2023, we will continue to develop our attractive range of food, ice cream and beverages. In the first half of 2023, there are plans for a digital sales channel with Wolt and Foodora, which will further strengthen MIX's position in the market.



Strong concept with solid development

Jafs / Catering, fast food

Revenue (profiled and associated):

1,003 MNOK

Number of stores: 48 profiled
and 363 associated

Number of employees: Approximately
250 profiled

→ Revenue in 2022 developed favourably compared to 2021 and confirms our strong and competitive chain profile. There are several reasons for the positive growth: an increase in take-aways, successful promotional campaigns and greater customer engagement in our associated stores.

The service department acquired an additional member of staff to be able to offer even better services. Our sustainability focus is reflected in menus with local specialties, reduced salt and sugar content and vegetarian options. We have also expanded our range of fish and white meat as well as our signature dish: hamburgers. We strive to use packaging that meets sustainability requirements.



Future outlook

We anticipate a heightened competitive situation, but base our growth on the overall market. Jafs sees many opportunities in the future. Health and sustainability are becoming increasingly important to our customers.

We continue to profile Jafs as a hamburger specialist, while at the same time offering more plant-based menu choices. We invest in efficient ordering systems and facilitate more take-aways. Jafs will continue to have a social media presence to reach even more people and help strengthen the brand.

Kaffebrenneriet
STEDET FOR GOD KAFFE

Quality coffee ensured revenue growth

Kaffebrenneriet / Catering, coffee bars

Revenue: 352 MNOK

Number of stores: 44

Number of employees: 417

→ NorgesGruppen Servicehandel owns 50 per cent of Kaffebrenneriet AS.

In 2022, Kaffebrenneriet achieved revenue growth of almost 15 per cent compared to 2021. During the year, we renovated three existing coffee shops and signed a contract for a new location, which will open in February 2023. We continued our collaboration with Kaffebakkeriet to develop the range. As an administrative initiative, Kaffebrenneriet implemented a new invoicing system throughout the organisation. The management school for all general managers started up, and we ran training courses for all baristas to ensure competence and quality.

Future outlook

The market for coffee shops has grown significantly. Kaffebrenneriet expects developments to continue in 2023 and will be establishing new outlets. Sustainability is becoming increasingly important to both the business and its customers, and Kaffebrenneriet will continue to reduce the price of goods before closing time in order to reduce food waste.



Positive trends after lockdown

Big Horn / Catering, restaurant

Revenue: 125 MNOK

Number of stores: 11

Number of employees: 100

→ NorgesGruppen Servicehandel owns 50 per cent of Big Horn Steak House Norge AS.

After two weak years marked by the pandemic, revenue for Big Horn increased sharply in 2022, with revenue growth of around 42 per cent compared to 2021 – and therefore above the 2019 level.

In 2022, the service office worked on the further development of the concept and products, a new menu and the skills of employees in the restaurants.

Future outlook

The vision of the Big Horn Steakhouse is to give each diner a unique steak experience in an attractive restaurant environment. The aim is to be the preferred choice for franchisees who want to run a traditional steakhouse. The concept has a broad target group and the chain strongly believes that more people will choose a tasty steak experience based on quality commodities in the future.



Attractive brands in tougher times

UNIL / Brand

Revenue*: 9.7 BNOK

Brands and products in all of NorgesGruppen's stores and profiles

Number of employees: 188

* Applies to UNIL AS

→ The reopening after the pandemic gave UNIL a weak start to 2022. Nevertheless, the year ended with revenue growth after sales of the most affordable brands performed well. UNIL has seen a reduced margin driven by increased cost of goods, due in particular to higher commodity prices and currency effects in 2022.

The year in brief

Grocery chain revenue has a major impact on UNIL. The reopening of society and the normalisation of the grocery market therefore gave UNIL a slow start in 2022. Consumers also turned their attention to more affordable goods to offset the increased cost of living. This resulted in particularly strong growth for the First Price discount brand, but also in healthy growth among the other, affordable concepts.

The growth in First Price was also supported by the brand being revamped in 2022. New design and improvements to the products were well received in the market. UNIL has been working for some time to reduce sugar and salt and to increase the range of

Keyhole-labelled products in the First Price range. In 2022, this work was recognised by UNIL winning third place in the Ministry of Health and Care Services' awards for healthier products.

During 2022, a major project was underway to expand UNIL's import warehouse in Våler. The expansion will more than double the capacity at the warehouse. This will secure UNIL's supply capacity. In addition, a major expansion of the solar park is planned. It will double the production of solar energy, making the warehouse more than 50 per cent self-sufficient in electricity.

Future outlook

The market outlook for UNIL is good in the short and the long term. The brands are well positioned in their respective segments and are continuously being improved in terms of prescription, packaging and design. In addition, they are covering an increasing number of consumers' needs. The affordable ranges are particularly attractive at a time when everyone is noticing the effects of higher interest rates and the general price rise for goods and services.

UNIL will continue to work on improving and developing existing products and brands. In addition, the company has started to invest in non-food to meet the challenges associated with industry slippage. Several other initiatives have also been launched to deliver competitiveness within product range, sustainability and price.

| CEO Odd Ture Wang of UNIL.



Growth despite higher commodity prices

JOH. JOHANNSSON/Brand

Revenue*: 1.2 BNOK

Number of employees: 44

CEO: Espen Fence

* Applies to Joh. Johannsson Kaffe AS

→ Joh. Johannsson Kaffe achieved solid growth of around 10 per cent in 2022 compared to 2021. The growth was largely driven by value over volume due to high price increases for raw coffee in particular. The situation of unpredictability in commodity prices, raw material supply and freight costs was closely monitored.

As before, work was continued to strengthen the Evergood and Ali coffee brands, both of which have a unique position and are well known among consumers. Continuous focus on product quality and taste is a high priority.

Future outlook

Joh. Johannsson Kaffe will continue to closely monitor the commodity situation and the unpredictability in the global market. Furthermore, the company will work to achieve targets for recyclable packaging and its own target of reducing the amount of coffee bags per pallet. Strong brands with a high customer preference through Evergood and Ali will help Joh. Johannsson Kaffe continue to strengthen its share in the market.



Norway's largest bakery house performed well

Bakehuset/Brand

Revenue*: 2.0 BNOK

Number of units: 11

Number of employees: 1,032

CEO: Øystein Halvorsen

* Applies to Bakehuset AS

→ Bakehuset also saw satisfactory growth in 2022, but was affected by price increases for resource factors and electricity. The energy-intensive ovens had a particular impact on electricity costs.

In December, a new bakery in Trondheim was completed. At the same time, investments have been made in property for future bakery infrastructure, in addition to maintenance for efficient and stable operations. A major efficiency improvement project has been run to ensure cost leadership. The digital order solution for pastry cakes in KIWI was rolled out to respond to increased consumer demand. In addition, there has been a continuous focus on giving consumers the right range for everyday and seasonal use.

Future outlook

Ongoing product development is being carried out in order to improve range in the chains. Bakehuset is working on a number of communication strategies, new initiatives and product launches to maintain the level of bread sales. In terms of sustainability, Bakehuset indirectly contributes to the authorities' dietary advice on eating more wholegrain products.



Popular product launches

MatBørsen / Brand

Revenue*: 778 MNOK

Number of employees: 204

CEO: Dag Freddy Henriksen

* Applies to MatBørsen AS

→ MatBørsen also saw solid growth in 2022, but profits were affected by price increases on input factors and electricity costs. Ensuring the supply of commodities and packaging required a lot of attention.

Of the new products, *Frisk&Ferdig* was relaunched with both taste and packaging improvements that were well received by consumers, while hot dinners in the supermarkets were an innovation. Concepts have been subject to product development. The company continuously focused on efficient operations with the follow-up of target figures in 2022. Furthermore, measures were taken to reduce food waste in the food industry using IOT scalability with real-time data. The initiative received an honourable mention from the jury of NorgesGruppen's 2022 internal sustainability awards.

Future outlook

Revenue is expected to increase within the categories covered by MatBørsen. Continuous product innovation and launches will ensure the right product range for our stores.

NG Consumables

In 2022, the launch of Gigaboks and the acquisition of Dollarstore in 2022 enabled NorgesGruppen to enter new segments in the food market. The two initiatives are combined in the newly established business area NG Forbruksvarer [NG Consumables].

NorgesGruppen is investing in concepts such as Gigaboks and Dollarstore in a desire to take a greater share in the industry slippage that is currently taking place. Dollarstore has taken on a challenger position in the market, while Gigaboks is a new concept – a warehouse chain – with a product range and exposure that sets it apart from other stores. The goal is for the Gigaboks stores to become a destination for large-quantity shoppers and big families who are looking for products and pack sizes that they cannot find in normal grocery stores.



New warehouse chain a success with customers

Revenue*: 66 MNOK

Number of stores: 2

Number of employees: 41

* Not a full year of operation.

→ Gigaboks was launched in the spring of 2022 as warehouse chain that will offer something new and different to today's retail market. The first store opened at Metro Senter in Lørenskog in April and the second at Åsane in Bergen in October.

The customers have responded positively, and we are well on track with the ambition of having ten stores by 2025.



We take a long-term and targeted approach by increasing awareness of the concept, continue to develop the product range and find great locations for new stores.



Discount challenger in the non-food market

Revenue*: 81 MNOK

Number of stores: 12 fully-owned, 3 retailer-owned, online store

Number of employees: Approximately 100

* Not a full year of operation.

→ NorgesGruppen invested in an ownership stake of 51 per cent in Dollarstore at the start of 2022. Ten new stores were established in the second half of the year and they performed above expectations. The concept of useful consumer goods for a maximum of NOK 50, which is not available in other stores, has been well received in a market with reduced purchasing power and a need for more discount alternatives.

As a challenger, there is potential for taking



market shares in the future. The business therefore works actively to ensure the best skillset, an efficient value chain with effective management systems and sustainable operations.

NorgesGruppen Eiendom provides optimal premises for retailers

NorgesGruppen Eiendom

Revenue: 439 MNOK

Number of employees: 24

→ In 2022, NorgesGruppen Eiendom invested in various local centres and grocery stores and in central commercial and residential development projects. Through our work, we are helping to further develop good neighbourhoods and ensuring that the chains are able to establish attractive stores. The major urban redevelopment of the former brewery site E.C. Dahls in Trondheim continues, as well as a number of other projects in all of Norway's largest cities.

The environment and climate are priorities. NorgesGruppen Eiendom is working to reduce energy consumption and has, for example, initiated ambitious solar panel projects and a comprehensive energy management programme. We adhere to Norsk Eiendom's ten priority measures to meet the industry's national and international sustainability goals. We are certified as an Eco-Lighthouse and we gain experience from BREEAM-NOR certified projects.

NorgesGruppen Eiendom has handled the process of upgrading the Group's head office at Skøyen with a certification level of BREEAM In-Use, Excellent, and energy class B.

Future outlook

The projects that started construction in 2023 include the establishment of a MENY store under the Ready sports field in Oslo. This project will see the creation of a new sporting surface on the roof of the store with an artificially frozen bandy rink in the winter and a football pitch in the summer. There are also plans to completely refurbish the legendary Jacobs Holtet in Oslo. At Langhus in Nordre Follo, we aim to launch the initial sales stage of 180 homes during the year. This is in line with our expanded property strategy with projects that support the prioritisation of nearby stores.

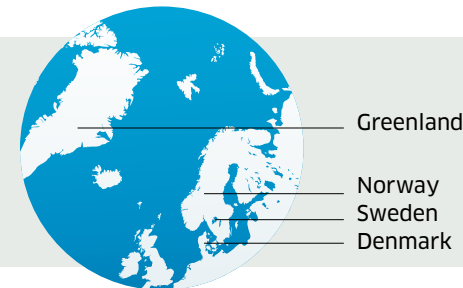


Managing Director Øistein Brevig Pjaaka of NorgesGruppen Eiendom and project employee Tonje Stavseng Aronsen of Veidekke Bygg at the Frysjaiparken urban regeneration project in Oslo.

Selected affiliated companies

NorgesGruppen is represented in various sectors and markets through investments in affiliated companies.

Operating income is the 2020 figure. Ownership shares are 2021 figures.



Operating income: 20,814 MNOK

Number of FTEs: 3,149

Our ownership share: 46.0 %

→ BAMA is Norway's leading company in the sale of fresh fruit, berries, vegetables, potatoes, processed products, fresh drinks, flowers and other products with limited shelf life.



Operating income: 1,468 MNOK

Number of FTEs: 500

Our ownership share: 49.0 %

→ Norli is Norway's leading bookstore chain, focusing on e-commerce and stores throughout Norway.



Operating income: 1,345 MNOK

Number of FTEs: 404

Our ownership share: 24.5% (49.5% ownership share in the holding company Norse-Trade, which again owns 50.0% of TRN)

→ Travel Retail Norway (TRN) sells tax-free goods to travellers at Avinor Airport Gardermoen and Avinor's airports in Kristiansand, Stavanger, Bergen and Trondheim. The company also operates seven duty-paid stores at Oslo, Bergen, Stavanger and Trondheim airports.



Operating income: 702 MSEK

Number of FTEs: 225

Our ownership share: 49.0 %

→ Eurocash is one of the leading grocery chains in cross-border retail with stores in Sweden along the border to Norway.



Operating income: 910 MNOK

Number of FTEs: 68

Our ownership share: 42.9 %

→ Scala Eiendom owns, develops and manages property within the shopping centre segment. The company has 22 shopping centres from Sortland in the north to Grimstad in the south, 17 of which are wholly owned, 4 part-owned and 1 owned by others.



Operating income: 1,364 MDKK

Number of FTEs: 533

Our ownership share: 47.0 %

→ Pisiffik is Greenland's largest retail chain. The company has 50 stores in six towns on the Greenland west coast through the chains Pisiffik, SPAR, Torrak Fashion, Jysk, Sweet Home, Pisattat, Elgiganten, Notabene, Akiki and the online store pisiffik.gl. Pisiffik also owns the wholesale business KK Engros, which supplies all of Greenland from its main warehouse in Nuuk, the online store and three Cash & Carry stores.

Delivering Denmark's best food experiences

Dagrofa



Operating revenue 2022: 18,881 MDKK

Number of FTEs: 3,251

NorgesGruppen's ownership stake: 48.9%

→ Dagrofa is one of Denmark's largest grocery groups and is behind the MENY, SPAR, Min Købmand and Let-Køb chains, as well as the wholesale business Dagrofa Logistik and Dagrofa Foodservice, which is an all-in-one supplier to the food service sector in Denmark.

The strategy period has had a positive effect, and the Group's accounts for 2022 showed the best results in 11 years with a surplus of 74 MNOK. Revenue increased by 891 MDKK, up 4.9 per cent from 2021. In total, the financial position was strengthened despite inflation and high energy prices, largely due to Dagrofa Logistik and Dagrofa Foodservice. In 2022, Dagrofa Foodservice expanded its collaboration with the hotel chain Arp-Hansen, while Dagrofa Logistik increased earnings from exports, quick commerce and convenience customers. A market with more sober purchasing power was challenging for MENY, SPAR, Min Købmand and Let-Køb.

MENY launched its Special Offer campaign with competitive prices for several hundred basic products. SPAR launched a new franchise business model and Let-Køb a new unmanned store concept. MENY also announced the take-away concept Noah's Kitchen and launched MENY Vin as a nationwide online store.

Dagrofa's sustainability strategy aims to reduce its CO₂ footprint by 20 per cent by 2024, secure 75 per cent green electricity for its own operations by 2025 and reduce food waste by 50 per cent by 2030.

Dagrofa is working on several energy-saving measures, including getting more stores to recover heat from their cooling systems. Overall, the stores made energy savings of almost 20 per cent. Dagrofa has used the Whywaste and Too Good To Go apps in its work on food waste. Dagrofa Foodservice collaborates with JunkFood, which provides hot meals to the homeless. Overall, the Group reduced food waste by 6 per cent in 2022 compared to 2021 and reduced its carbon footprint by 3.7 per cent compared to 2021.

Future outlook

In 2022, Dagrofa launched #FremgangSammen-strategien [The #ProgressTogether strategy] with the goal of increasing digitalisation and stronger store networks. During the strategy period, Dagrofa will continue to work on ambitious investments. Retail and catering customers will experience new concepts and offers in digitalisation, sustainability, fruit and vegetables and plant-based alternatives to meat. Self-service stores will be tested to strengthen the stores as local hubs. Dagrofa expects profitability in 2023 on a par with 2022, despite continued high inflation.

| CEO Tomas Pietrangeli, Dagrofa.

One of ASKO's two sea drones was released from the "mother ship" when it arrived in Horten in August 2022.



PERFORMANCE

Finance and sustainability →

Condensed consolidated income statement

(MNOK)	2022 excl. IFRS 16	2021 excl. IFRS 16	2022 incl. IFRS 16	2021 incl. IFRS 16	2022 IFRS 16 effecy	2021 IFRS 16 effecy
Operating revenues	102 657	103 059	102 487	102 885	(170)	(174)
Operating expenses	(96 941)	(96 249)	(94 260)	(93 691)	2 681	2 558
Operating profit before depreciation and impairment (EBITDA)	5 716	6 810	8 227	9 194	2 511	2 384
Profit/(loss) from associated companies	355	465	355	465	-	-
Depreciation and impairment	(2 496)	(2 312)	(4 241)	(3 993)	(1 745)	(1 681)
Operating profit	3 575	4 963	4 341	5 666	766	703
Net financial items	(2)	(24)	(1 090)	(1 072)	(1 088)	(1 048)
Profit/(loss) before tax	3 573	4 939	3 251	4 594	(322)	(345)
Income tax expense	(720)	(1 017)	(649)	(941)	71	76
Profit/(loss) for the year	2 854	3 922	2 602	3 653	(251)	(269)
Non-controlling interest's share of profit/(loss) for the year	35	63	35	63	-	-
Owners of the Company's share of profit/(loss) for the year	2 819	3 858	2 567	3 590	(251)	(269)
Earnings per share / diluted earnings per share in NOK 1)	72,30	98,92	92,03	88,00	19,73	(10,92)

* Owners of the Company's share of earnings/average number of shares outstanding

Condensed consolidated statement of comprehensive income

(MNOK)	2022 excl. IFRS 16	2021 excl. IFRS 16	2022 incl. IFRS 16	2021 incl. IFRS 16	2022 IFRS 16 effecy	2021 IFRS 16 effecy
Profit/(loss) for the year	2 854	3 922	2 602	3 653	(251)	(269)
Other comprehensive income						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Actuarial gains/(losses)	29	(42)	29	(42)	-	-
Share of other comprehensive income of associated companies	(85)	(45)	(85)	(45)	-	-
Other	1	(2)	1	(2)	-	-
Income tax related to items that will not be reclassified subsequently to profit or loss	(6)	9	(6)	9	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Cash flow hedges	92	78	92	78	-	-
Foreign exchanges differences on translation of foreign operations	11	(26)	11	(26)	-	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(20)	(17)	(20)	(17)	-	-
Other comprehensive income for the year net of income tax	21	(44)	21	(44)		
Total comprehensive income for the year	2 875	3 877	2 624	3 608	(251)	(269)
Non-controlling interest's share of total comprehensive income	34	70	34	70	-	-
Owners of the Company's share of total comprehensive income	2 841	3 808	2 590	3 539	(251)	(269)

Condensed consolidated statement of financial position

(MNOK)	2022 excl. IFRS 16	2021 excl. IFRS 16	2022 incl. IFRS 16	2021 incl. IFRS 16	2022 IFRS 16 effecy	2021 IFRS 16 effecy
Property, plant and equipment, and investment property	20 343	19 936	20 343	19 936	-	-
Goodwill and other intangible assets	6 433	5 393	6 433	5 393	-	-
Non-current financial assets	5 234	4 927	6 239	5 978	1 005	1 051
Right-of-use assets	-	-	18 244	17 533	18 244	17 533
Non-current assets	32 010	30 255	51 259	48 839	19 249	18 584
Inventories	8 079	6 956	8 079	6 956	-	-
Trade and other receivables	5 668	4 522	5 809	4 671	140	149
Cash and cash equivalents	2 814	4 069	2 814	4 069	-	-
Total current assets	16 561	15 546	16 702	15 696	140	149
TOTAL ASSETS	48 571	45 802	67 961	64 535	19 389	18 733
Paid-in equity	1 824	1 824	1 824	1 824	-	-
Retained earnings	26 684	25 064	25 544	24 175	(1 140)	(889)
Non-controlling interests	334	364	334	364	-	-
Total equity	28 842	27 252	27 701	26 363	(1 140)	(889)
Non-current liabilities	5 132	5 233	5 132	5 233	-	-
Non-current liabilities (IFRS 16)				17 616	17 758	17 616
Current liabilities	14 597	13 316	16 645	15 322	2 048	2 006
Total liabilities	19 729	18 549	40 259	38 172	20 530	19 623
TOTAL EQUITY AND LIABILITIES	48 571	45 802	67 961	64 535	19 389	18 733

Condensed consolidated statement of change in equity

(MNOK)	Paid-in equity	Retained earnings	Total	Non-controlling interests	Total equity
Equity 31.12.2020	1 824	21 583	23 407	328	23 735
Profit/(loss) of the year	-	3 590	3 590	63	3 653
Other comprehensive income of the year	-	(51)	(51)	6	(44)
Changes in treasury shares	-	(9)	(9)	-	(9)
Transactions with non-controlling interests	-	(2)	(2)	13	11
Dividends	-	(936)	(936)	(46)	(982)
Equity 31.12.2021	1 824	24 175	25 999	364	26 363
Profit/(loss) of the year	-	2 567	2 567	35	2 602
Other comprehensive income of the year	-	22	22	(1)	21
Changes in treasury shares	-	(28)	(28)	-	(28)
Transactions with non-controlling interests	-	(218)	(218)	(19)	(237)
Dividends	-	(975)	(975)	(45)	(1 020)
Equity 31.12.2022	1 824	25 544	27 368	334	27 701

Condensed consolidated statement of cash flows

(MNOK)	2022 excl. IFRS 16	2021 excl. IFRS 16	2022 incl. IFRS 16	2021 incl. IFRS 16	2022 IFRS 16 effecy	2021 IFRS 16 effecy
Profit/(loss) before tax	3 573	4 939	3 251	4 594	(322)	(345)
Income tax paid	(71)	(19)	(1 233)	(1 145)	(1 163)	(1 126)
Depreciation and impairment	2 496	2 312	4 241	3 993	1 745	1 682
Other non-cash items	(1 317)	(1 298)	(239)	(255)	1 078	1 043
Changes in working capital	(290)	(166)	(290)	(166)	-	-
Net cash flows from operating activities	4 392	5 767	5 730	7 020	1 338	1 255
Proceeds on disposal of property, plant and equipment	227	254	227	254	-	-
Purchase of property, plant and equipment	(4 128)	(3 544)	(4 128)	(3 544)	-	-
Other investing activities	(110)	165	(110)	165	-	-
Net cash flows from investing activities	(4 011)	(3 125)	(4 011)	(3 125)	-	-
Proceeds from loans and borrowings	2 106	2 782	2 106	2 782	-	-
Repayments of loans and borrowings	(2 770)	(3 115)	(2 770)	(3 115)	-	-
Repurchase of treasury shares	(28)	(9)	(28)	(9)	-	-
Dividends paid	(1 020)	(982)	(1 020)	(982)	-	-
Other financing activities	77	227	(1 261)	(1 027)	(1 338)	(1 254)
Net cash flows from financing activities	(1 636)	(1 098)	(2 974)	(2 351)	(1 338)	(1 254)
Net changes in cash and cash equivalents	(1 255)	1 544	(1 255)	1 544	-	1
Cash and cash equivalents at 1 January	4 069	2 524	4 069	1 631	-	(893)
Cash and cash equivalents at 31 December	2 814	4 069	2 814	3 175	-	(892)

Notes to the condensed consolidated financial statements

NOTE 1 • ACCOUNTING POLICIES

The condensed consolidated financial statements for 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU.

The accounting principles used in the financial statements are the same principles used in the 2021 financial statements, except from the following new standards and interpretations adopted in the period:

The following new IFRS standards, changes in standards and interpretations have been adopted in the period:

Annual improvement project 2018-2020	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, IAS 41 Agriculture	The changes in the standard are considered not to have a significant effect on NorgesGruppen's annual accounts.
Amendments to IAS 16 Property, plant and equipment	Proceeds before intended use	The changes in the standard are considered not to have a significant effect on NorgesGruppen's annual accounts.
Amendments to IAS 37 Provisions, contingent liabilities and contingent assets	Onerous Contracts – Cost of Fulfilling a Contract	The changes in the standard are considered not to have a significant effect on NorgesGruppen's annual accounts.
IFRS 3 amendment	References to the conceptual framework	The changes in the standard are considered not to have a significant effect on NorgesGruppen's annual accounts.

The condensed consolidated financial statements are not audited.

NOTE 2 • SEGMENT INFORMATION

(MNOK)						
2022*	Wholesale	Retail	Brand	Real Estate	Other/ elimination*	Group
Total segment revenues	82 044	62 703	13 633	447	2 718	161 544
Revenues between segments	(44 562)	-	(12 643)	(340)	(1 513)	(59 057)
Operating revenues	37 482	62 703	990	107	1 205	102 487
Operating profit	1 437	1 471	95	203	1 136	4 341
2021	Wholesale	Retail	Brand	Real Estate	Other/ elimination*	Group
Total segment revenues	81 647	64 711	12 920	513	2 353	162 144
Revenues between segments	(45 685)	-	(11 869)	(334)	(1 371)	(59 259)
Operating revenues	35 962	64 711	1 051	179	981	102 885
Operating profit	1 553	2 343	399	279	1 092	5 666

*IFRS 16 effects are included in the other/elimination column.

NOTE 3 • DIVIDENDS AND TREASURY SHARES

In 2022, dividends amounting to NOK 25 per share were paid to the parent company's shareholders. In 2022, 1 020 MNOK has been paid in dividends for 2021, including dividends to the Group's non-controlling shareholders. 975 MNOK is paid in dividends to the parent company's shareholders.

As of 31.12.2022, NorgesGruppen holds a total of 1 029 234 treasury shares, which constitutes 2.6% of the share capital. The number of treasury shares held at the end of 2020 was 999 414.

The proposed dividend for 2022 is NOK 19 per share, 740 MNOK in total.

NOTE 4 • REPAYMENT AND ISSUANCE OF BONDS

In the period, NorgesGruppen ASA has repaid ISIN NO 001 0758477 of 500 MNOK. As per 31 December 2022, NorgesGruppen had no outstanding certificate loans. We refer to www.norgesgruppen.no for a complete overview of amounts outstanding of bonds.

NOTE 5 • CONTINGENT LIABILITIES

NorgesGruppen is involved in some disputes. Based on the available information, NorgesGruppen ASA is of the opinion that these disputes will be solved without any material effect on the financial statements. NorgesGruppen assess that it is not probable that these disputes would lead to any payments from the company. Hence, the disputes are assessed as contingent liabilities without any provisions recognized in the financial statements. The most significant case relates to a warning of fine from the Norwegian Competition Authority, in relation to the so-called price hunting practices. The remaining disputes are assessed as immaterial, both standalone and in total.

Warning of fine in relation to the price hunting practices

On 15 December 2020, NorgesGruppen ASA received a warning from the Norwegian Competition Authority ("the Authority") in relation to the so-called price hunting practices. The Authority's preliminary assessment is that Coop, NorgesGruppen and Rema 1000 through the application of the "Industry norm for Comparative Advertising within the Grocery Industry", have cooperated to give access to each other's grocery stores to scan shelf prices. In the warning, the Authority has informed that it is considering imposing a fine of 8 749.9 MNOK to NorgesGruppen ASA. In the Group's opinion, it is not made probable that NorgesGruppen has participated in a cooperation that is in violation of the Competition Act § 10.

NOTE 6 • SUBSEQUENT EVENTS

No events have occurred subsequent to the balance sheet date that would have a material effect on the financial statements.

Condensed financial statement for the parent company (NGAAP)

Income Statement

(MNOK)	2022	2021
Operating revenues	512	513
Operating expenses	(671)	(629)
EBITDA	(159)	(116)
Depreciation and impairment	(4)	(4)
Operating profit	(162)	(120)
Net financial items	1 160	1 348
Profit before tax	997	1 228
Income tax expense	(88)	(380)
Profit for the year	910	849

Balance sheet

(MNOK)	31.12.2022	31.12.2021
Goodwill and other intangible assets	121	130
Property, plant and equipment	-	1
Non-current financial assets	27 825	27 259
Non-current assets	27 946	27 389
Receivables	1 484	2 059
Cash and cash equivalents	320	1 459
Total current assets	1 804	3 517
TOTAL ASSETS	29 750	30 907
Paid-in equity	1 824	1 824
Retained earnings	10 693	10 535
Total equity	12 517	12 359
Provisions	444	471
Non-current liabilities	3 061	3 545
Current liabilities	13 727	14 531
Total liabilities	17 233	18 548
Total equity and liabilities	29 750	30 907

Cash flow statement

(MNOK)	2022	2021
Cash and cash equivalents at the beginning of the year	1 459	5
Cash flows from operating activities	(394)	(200)
Cash flows from investing activities	(566)	1 187
Cash flows from financing activities	(179)	467
Cash and cash equivalents at the end of the year	320	1 459

Alternative Performance Measures

In accordance with ESMA's guidelines regarding Alternative Performance Measures ("APM"), APM is intended as a financial measure for historical or future financial performance, financial position or cash flows, unlike a financial measure defined or specified in the applied framework for financial reporting. NorgesGruppen uses alternative performance measures in its market communications that are directly derived from the reported financial statements in accordance to IFRS, excl. IFRS 16 effects. It is not considered appropriate to further adjust the reported accounting figures in the calculation of alternative performance measures. This is because NorgesGruppen believes that the reported accounting figures presents the underlying operations in a good and balanced way for the users of the financial information. As such, there are no reconciliation items between reported accounting figures and the APMs. The overview below shows the APMs NorgesGruppen has used and the related definitions. The APMs are defined and calculated based on reported accounting figures that can be traced directly to the financial statements and accompanying disclosures.

The APMs are used consistently over time.

NorgesGruppen uses the following APMs:

- EBITDA – Operating profits before depreciation, impairment and profit/(loss) from associated companies
- Operating profit EBIT – profit before financial items. Includes profit/(loss) from associated companies
- Operating margin EBIT – EBIT / Total operating revenues
- Operating margin EBITDA – EBITDA / Total operating revenues
- Profit margin – Profit for the year / Total operating revenues
- Return on capital employed – EBIT / average equity and net interest-bearing debt
- Net interest-bearing debt – Interest-bearing debt less interest-bearing receivables and bank deposits/ cash holdings

The alternative performance measures used by NorgesGruppen in the market communications provides a good picture of the ongoing operations and financial performance of the Group. The alternative performance measures above represent the most important financial performance measures used by management.

Financial performance measures for the Group excl. IFRS 16

Income statement		2022	2021	2020	2019	2018
Operating revenues	NOK mill.	102 657	103 059	101 560	90 504	87 813
EBITDA ¹⁾	NOK mill.	5 716	6 810	7 397	5 325	4 992
Operating profit (EBIT)	NOK mill.	3 575	4 963	5 096	3 650	3 140
Profit before tax	NOK mill.	3 573	4 939	4 968	3 450	3 057
Profit for the year	NOK mill.	2 854	3 922	3 827	2 746	2 410
Shares						
Earnings per share ²⁾	NOK	72,30	98,92	95,70	69,34	61,14
Total shares outstanding per 31.12.	1000 shares	40 000	40 000	40 000	40 000	40 000
Dividend per share	NOK	19,00	25,00	24,00	18,00	16,00
Capital						
Total capital	NOK mill.	48 571	45 802	43 743	41 248	39 171
Equity	NOK mill.	28 842	27 252	24 355	21 930	19 843
Equity ratio	%	59,4	59,5	55,7	53,2	50,7
Net interest-bearing debt	NOK mill.	164	(308)	1 952	4 467	3 791
Profits						
Operating margin EBITDA ³⁾	%	5,6	6,6	7,3	5,9	5,7
Operating margin ⁴⁾	%	3,5	4,8	5,0	4,0	3,6
Profit margin ⁵⁾	%	2,8	3,8	3,8	3,0	2,7
Return on capital employed ⁶⁾	%	12,8	18,6	19,3	14,6	13,7

¹⁾ Operating profits before depreciation, impairment and profit/(loss) from associated companies²⁾ Profit for the year to owners of the Company / average number of shares outstanding³⁾ EBITDA / Operating revenues⁴⁾ Operating profit / Operating revenues⁵⁾ Profit for the year / Operating revenues⁶⁾ EBIT / Average (equity + net interest-bearing debt)



Contents

NorgesGruppen's sustainability performance

ESG Index

NorgesGruppen reports the status in the sustainability area within the main areas of the environment, health and people. The table below shows the where relevant ESG information (Environmental, Social, Governance) is in this Annual and Sustainability report.

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The gender equality statement for the parent company, NorgesGruppen ASA, can be found on the group's website.

Transitioning for the future

The 2022 sustainability accounts show that NorgesGruppen is working diligently and systematically and that we are on the right track. Nevertheless, we will have to increase our efforts in the coming years in order to achieve our goals and ambitions.

→ In our sustainability work, we are working systematically towards achieving the following three goals:

- Climate-neutral operations by 2030
- A healthier and greener shopping basket
- A sustainable working life and value chain

Materiality

The Board of Directors, Group management and the owners are committed to our priorities, which are based on the principle of materiality. We work with the topics that reap the most benefits, whether it is reducing the undesirable effects of our operations or strengthening our positive contributions to society. Feedback from customers and engagement with partners, NGOs, trade unions, expert organisations and authorities were important when we planned our strategy towards 2025. Through engagement, we continually fine-tune our sustainability work and establish collaboration in order to achieve common goals. The results from 2022 confirm that we are on the right track. We are well equipped for the future, but in the next few years we must reinforce our sustainability efforts. We will continue to be at the forefront of sustainable solutions in the value chain for food and beverages.

How we report for 2022

Integrated report: NorgesGruppen's Annual and Sustainability Report 2022 is for the first time an integrated report, a step on the way towards the EU's Corporate Sustainability Reporting Directive (CSRD).

Climate accounts: The climate accounts have been verified by an independent third party and include operational emissions (scope 1 and scope 2) as well as emissions related to waste and hired transport (scope 3).

Indirect emissions: NorgesGruppen has also estimated other indirect emissions (scope 3) from sold food products and buildings (see page 64).

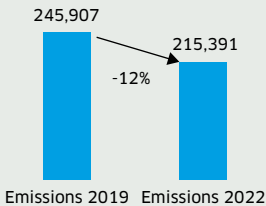
Climate risk: Risk and scenario analysis has been reported according to the Task Force on Climate-related Financial Disclosures (TCFD) framework (see page 87).

The EU taxonomy: The 2022 assessment includes transport, construction and energy (see page 74).

The Norwegian Transparency Act: Statutory reporting for the Group (see page 71).

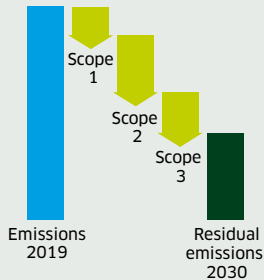
Indicators: Global Reporting Initiative and Sustainability Accounting Standards Board (see page 77).

Climate-neutral by 2030



Emissions are declining

We reduced absolute greenhouse gas emissions from our operations by 12 per cent from 2019 to 2022. The most important drivers have been the efforts to reduce electricity consumption, generate renewable energy, cut emissions of HFC gases and reduce food waste.



On track to meet the targets of the Paris Agreement

Our ambition for climate-neutral operations in 2030 is in line with the goals of the Paris Agreement (scope 1 and scope 2, and waste in scope 3). An analysis conducted by Rambøll in 2022 showed that the targets we have set for climate-neutral operations (scope 1 and scope 2) are in accordance with the requirements from the Science Based Targets initiative. We will offset residual emissions, but our priority is to first cut emissions from operations as much as possible by 2030.

Selected goals and results	Target 2025	2022	
Energy efficiency Change in kWh electricity consumption per NOK revenue	-23% since 2010	-28%	😊
Renewable energy Proportion of generated renewable energy of total electricity consumption	48%	14%	😞
Reduced food waste Change in food waste (in value) per NOK revenue	-55% from 2015	-33%	😐

A healthier and greener shopping basket



2022 saw a healthier and greener shopping basket

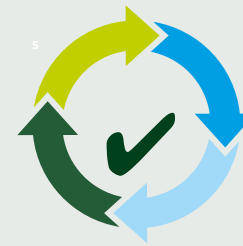
The shopping basket became both healthier and greener in 2022, but a lot of work needs to be done in the next few years. Customers buy more fruit and vegetables and climate-friendly dinner proteins, but generally eat less fish, despite numerous promotions and creative attempts to reverse the trend. We work closely with suppliers to remove sugar, salt and saturated fat from food and plastic from our packaging.



Selected goals and results	Target 2025	2022	
Fruit and vegetables Volume share of food products sold (weight)	25.3%	23.9%	😊
Fish and seafood Volume share of food products sold (weight)	2.96%	2.66%	😞
Sugar Volume share of food products with sugar sold (weight)	11.9%	12.3%	😊
Plastic Reduction in the proportion of virgin fossil plastic in packaging and products made from plastic	-20% from 2020	-10.7%*	😊

* We are measuring against 2020. 10.7 per cent is the total reduction in 2021 and 2022.

A sustainable working life and value chain



Protecting people in the value chain

We have a robust system for conducting due diligence assessments in line with the requirements of the Norwegian Transparency Act. Our new supplier follow-up system covers suppliers with central agreements and helps to ensure that the products we buy are from value chains that safeguard human rights, the environment and animal welfare. We also work to safeguard employees in our own organisation and ensure equal opportunities for everyone.



Selected goals and results	Target 2025	2022	
Apprentices Ongoing apprenticeships over the course of a year	750	586	😊
Vocational training positions Ongoing vocational training positions over the course of a year	1,300	712	😞
Percentage of apprentices gaining permanent positions	40.0%	28.8%	😊
Supplier assessments Risk assessment and follow-up related to food safety, workers rights, the environment and animal welfare	100%	100%	😊

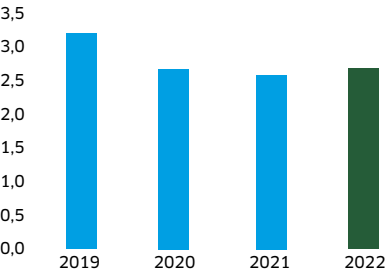
Climate accounts

→ In 2022, NorgesGruppens location-based emissions totalled 215,391 tonnes of CO₂ equivalents (CO₂e). This corresponds to a reduction of 12 per cent from 2019. The result is satisfactory, and the most important drivers are the efforts to reduce electricity consumption, generate new renewable energy, cut emissions of HFC gases and reduce food waste. Climate-neutral 2030 includes scope 1, scope 2 and waste, as well as hired transport in scope 3.

Indirect emissions: Greenhouse gas emissions of sold food products (scope 3)

NorgesGruppen's goal of climate-neutral operations does not include greenhouse gas emissions from the products we sell. However, we still estimate the carbon footprint of the food-stuffs sold at our sales outlets and have initially set targets to reduce emissions related to the sale of dinner protein (see page 67).

Climate intensity, total 2019–2022
Tonnes CO₂ per million NOK operating revenues (adjusted for inflation)



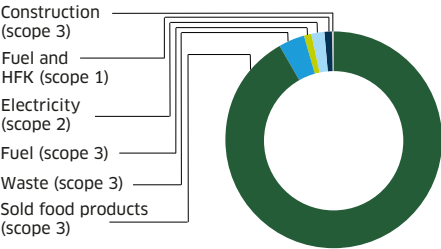
The turnover decreased more than the GHG emissions in 2022. This resulted in higher emissions per NOK revenue than in 2021. Climate intensity is nevertheless improved by 16 per cent from 2019 to 2022.

In 2022, we estimated the carbon footprint of the food we sold to be 2.4 million tonnes of CO₂e. These are emissions we “share” with both suppliers and customers. Greenhouse gas emissions from packaging are not included. The estimate is based on values from the Swedish research institute RISE’s Norwegian climate database. Collaboration throughout the food value chain is key to accelerating the green transition and reducing these emissions.

Indirect emissions: Greenhouse gas emissions (scope 3)

In 2022, we also estimated greenhouse gas emissions related to NorgesGruppen’s buildings. The analysis was conducted by Rambøll, who used life cycle assessments of four reference buildings to calculate annual emissions over the building’s expected lifetime of 60 years. The conclusion was an annual greenhouse gas emissions of 11,750 tonnes CO₂e.

NorgesGruppen’s GHG emissions total, direct and indirect emissions (scope 1, 2, 3)



The graph shows NorgesGruppen’s total GHG emissions in 2022, including the estimates for sold food and construction. GHG emissions from sold food products account for 91 percent of total emissions in 2022.

Scope and limitations

The carbon accounts cover ASKO, MENY, SPAR, Joker, KIWI, Bakehuset, Joh. Johansson Kaffe, UNIL and MatBørsen. Both fully-owned and retailer-owned stores are covered by the climate-neutral ambition. The climate accounts include all operational emissions that must be included in the carbon footprint accounts (scope 1 and scope 2) as well as two scope 3 areas that account for significant operational emissions: waste and ASKO’s hired transport.

Changes in the climate accounts from 2021 to 2022:

- Hired transport is separated and presented under scope 3. In 2021, transport (own and hired) was gathered under scope 1.
- Charging current for electric lorries is set apart as a separate item under scope 2.
- Hydropower has been added as a separate item under scope 2 (see page 66 for more about the hydropower project).

For the strategy period 2021–2025, NorgesGruppen decided to use fixed Global Warming Potential (GWP) factors in order to measure the effect of measures more accurately. In 2022, some minor adjustments were made to GWP factors based on new knowledge. We use 2019 as our base year. The GWP factors are calculated by Rambøll and based on the best available sources. With the market-based method, emissions were 447,177 tonnes of CO₂e in 2022. We do not buy guarantees of origin for electricity.

The 2022 climate accounts have been prepared in accordance with The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, Revised Edition and ISO 14064-3:2019, and have been verified by an independent third party, DNV Business Assurance Norway AS.

The climate accounts are based on the following sources for GWP factors:

Fossil fuel	Source: Rambøll/GHG conversion factors 2018 (UK Gov.)
Renewable fuel	Source: Rambøll/GHG conversion factors 2018 (UK Gov.)
HFCs	Source: Return gas
Electricity (from mains)	Source: NVE/Rambøll (Nordic Mix 2019–2025)
Electricity (own renewable)	Source: NVE/Rambøll
Food waste – production	Source: RISE climate database, Norwegian version
Food waste – recycling	Source: Rambøll/Norsus (Østfoldforskning)
Other waste – production	Source: Rambøll/Norsus
Other waste – recycling	Source: Rambøll/Norsus

ENVIRONMENT • CLIMATE ACCOUNTS 2019-2022

				QUANTITIES				CLIMATE ACCOUNTING (tonnes CO ₂)					
Scope	Area	Emission source	Unit	2019	2020	2021	2022	GWP	2019 (base year)	2020	2021	2022	
Greenhouse gas emissions in total									245,907	234,728	229,561	215,391	
Scope 1									32,880.0	28,454.4	25,960.1	23,183.7	
	Transport	Biodiesel for transport	1,000 litres	308.5	263.9	257.3	373.9	0.35	107.2	91.7	89.4	129.9	
		Bioethanol for transport	1,000 litres	672.3	1,027.5	1,029.4	902.9	0.62	418.6	639.8	640.9	562.2	
		Biogas for transport	1,000 litres	192.8	227.5	343.4	1,050.8	0.78	151.0	178.3	269.0	823.2	
		HVO for transport	1,000 litres	3,338.8	3,075.4	3,315.2	3,323.5	0.59	1,969.9	1,814.5	1,956.0	1,960.9	
		Hydrogen for transport	1,000 litres	15.5	108.2	110.2	14.8	0.04	0.7	4.8	4.9	0.7	
	Process	Fossil fuel	1,000 litres	3,608.6	3,191.8	3,103.0	2,620.3	2.85	10,286.7	9,098.6	8,845.3	7,469.5	
		Biogas	tonnes	0.0	0.0	342.4	316.1	0.13	0.0	0.0	46.2	42.6	
		Fossil gas	tonnes	634.3	679.8	260.6	243.2	3.30	2,092.2	2,242.2	859.5	802.0	
		Fuel oil	tonnes	372.4	416.7	526.6	597.7	3.16	1,178.7	1,318.8	1,666.5	1,891.6	
	HFCs	HFCs	kg	6,190.7	5,836.1	5,258.7	4,654.5	2,041 ¹⁾	16,675.0	13,065.8	11,582.4	9,501.1	
	Scope 2									66,106.5	64,311.0	65,806.9	58,870.4
	Electricity	Mains power – building	MWh	810,283.8	784,172.8	805,639.0	711,333.7	0.080	64,769.7	62,682.5	64,398.4	56,860.2	
Mains power – transport		MWh	0.0	0.0	0.0	1,709.2	0.080	0.0	0.0	0.0	136.6		
Solar – own/generated		MWh	10,847.4	11,387.9	11,403.5	12,998.7	0.01	157.3	165.1	165.4	188.5		
Wind – own/generated		MWh	69,385.0	86,081.7	73,124.1	84,302.4	0.02	1,179.5	1,463.4	1,243.1	1,433.1		
Water – own/generated		MWh	0.0	0.0	0.0	21,000.0	0.01	0.0	0.0	0.0	252.0		
Scope 3 ³									146,920.9	141,962.5	137,794.3	133,336.9	
Transport hired	Biodiesel for transport	1,000 litres	1,161.0	1,126.6	1,072.5	1,180.9	0.35	403.5	391.5	372.8	410.4		
	Biogas for transport	1,000 litres	-	-	20.1	104.0	0.78	0.0	0.0	15.8	81.5		
	HVO for transport	1,000 litres	2,824.9	3,607.6	3,374.2	3,081.9	0.59	1,666.7	2,128.5	1,990.8	1,818.3		
	Fossil fuel	1,000 litres	10,448.9	10,139.2	9,652.6	10,628.0	2.85	29,785.5	28,902.6	27,515.5	30,295.9		
Waste	General waste	tonnes	16,083.7	15,463.6	15,196.6	14,078.5	1.40	22,581.5	21,710.9	21,336.1	19,766.2		
	- recycling	tonnes	14,348.6	13,763.6	13,179.9	11,965.3	0.27	3,874.1	3,716.2	3,558.6	3,230.6		
	Food waste	tonnes	32,860.3	32,990.0	32,935.5	29,876.7	1.74 ¹	61,636.7	57,762.8	56,434.4	51,972.8		
	- recycling animal feed	tonnes	8,276.3	9,795.6	9,583.2	9,205.9	-0.84	-6,970.5	-8,250.1	-8,071.3	-7,753.5		
	- recycling biogas	tonnes	14,893.3	15,230.2	16,438.3	15,600.6	-0.16	-2,448.4	-2,503.8	-2,702.4	-2,564.7		
	- recycling compost	tonnes	1,968.2	1,758.0	1,110.9	937.2	-0.02	-35.4	-31.6	-20.0	-16.9		
	Cardboard	tonnes	39,584.4	41,953.9	40,409.7	36,992.9	0.79	31,311.3	33,185.6	31,964.1	29,261.3		
	- recycling	tonnes	36,026.9	38,878.5	37,349.0	34,655.1	-0.14	-4,935.7	-5,326.4	-5,116.8	-4,747.8		
	Plastic	tonnes	2,948.1	3,198.1	3,131.8	3,151.1	2.22	6,544.8	7,099.8	6,952.7	6,995.5		
	- recycling	tonnes	2,721.1	3,027.8	2,952.7	3,008.2	-0.94	-2,549.7	-2,837.1	-2,766.7	-2,818.7		
	Glass/Metal	tonnes	2,039.0	1,877.5	1,955.1	2,175.5	1.16	2,371.6	2,183.8	2,274.0	2,530.4		
	- recycling	tonnes	1,418.4	1,351.1	1,338.0	1,568.7	-0.10	-143.9	-137.1	-135.8	-159.2		
	Other waste ²⁾	tonnes	3,304.3	3,091.0	3,213.6	3,017.1	Consolidated	4,455.0	4,501.4	4,757.1	5,458.0		
	- recycling	tonnes	3,053.3	2,812.5	2,951.0	3,017.1	Consolidated	-626.1	-534.5	-564.5	-423.3		

¹⁾ Average GWP factor. Calculations of greenhouse gas emissions are made per type of HFC/type of food waste.²⁾ Styrofoam, wood, EE-waste, environmentally hazardous waste and fat.³⁾ Other significant indirect emissions are estimated on page 64, but are not part of the verified climate accounts.

ENVIRONMENT • ENERGY AND FUEL

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Renewable fuel Litres of renewable fuel of total fuel	96%	43%	42%	39%	36 %	😞
Energy efficiency Change in kWh electricity consumption per NOK revenue	-23% From 2010	-28%	-25%	-26%	-16%	😊
Renewable energy Proportion of generated renewable energy of total electricity consumption	48%	14%	10%	11%	9%	😡

Energy efficiency: Measured as a change in electricity consumption (kWh) divided by inflation-adjusted revenue. Electricity consumption in stores is influenced by many factors, including area, number of refrigerators/freezers and opening hours. All of these factors affect sales, and therefore inflation-adjusted revenue is used.

Generated renewable energy: New, renewable energy that has been initiated/funded by NorgesGruppen.

The phasing out of fossil fuels continued in 2022, but we have some way to go before achieving the 2025 target. The ordering of a number of new electric lorries will have an effect in the coming years. By the end of 2023, we will have more than 100 electric lorries in operation.

In 2022, electricity consumption decreased significantly thanks to long-term measures, lower revenue and local initiatives to mitigate high energy prices. The latter was particularly clear in the last quarter, when we registered 10 per cent lower electricity consumption in KIWI, MENY and SPAR stores in South East Norway and as much as a 20 per cent reduction in Joker stores.

We generated more renewable energy in 2022, but the pace of this work must increase if we are to achieve the 2025 target. Several initiatives from 2022 will have an effect in the coming years. KIWI entered the hydropower sector and financed the upgrade of a worn-out turbine at Hensfoss in Ringerike. It will produce 45 GWh every year. Through NorgesGruppen's solar panel support scheme, we are helping to finance potentially 100,000–200,000 new sqm of solar panels on store roofs in the coming years. UNIL doubled the size of the solar park at the Våler warehouse, which will cover around half of the electricity demand with self-generated electricity.

ENVIRONMENT • HFC

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
HFC Reducing the climate impact of HFC emissions	-98% From 2010	-89%	-80%	-75%	-73%	😊

We have reduced HFC emissions significantly since 2010 and are continuing to replace old HFC systems with CO₂ systems. The result for

2021 has, since the previous report, been corrected from 79 to 80 per cent.

Scope and application: The target figures for energy, fuel, HFC, food waste and waste cover KIWI, MENY, SPAR, Joker, ASKO, UNIL, Joh. Johannsson Kaffe, MatBørsen and Bakehuset, including both fully-owned and retailer-owned businesses.

ENVIRONMENT • FOOD WASTE AND WASTAGE

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Reduced food waste Change in food waste (in value) per NOK revenue	-55% from 2015	-33%	-36%	-38%	-24%	😞
Meat waste Change of fresh meat waste (in value) per NOK revenue	-100% from 2015	60 %	-65%	-64%	-51%	😞
Waste separated at source Proportion of waste separated at source	89%	85%	84%	84%	83%	😊
Values	Unit					
Preventing food waste						
Total saved food	tonnes	18,419	16,382	14,150	16,435	
Discount (food sold)	tonnes	14,527	12,533	11,425	11,069	
Charity (food donated)	tonnes	589	555	501	492	
Used for other purposes	tonnes	3,303	3,294	2,224	4,874	
Handling of food waste						
Total food waste	tonnes	29,877	32,935	32,990	32,860	
Food waste for known recycling	tonnes	25,744	27,132	26,784	25,138	
Fruit, vegetables and bakery goods to animal feed	tonnes	9,206	9,583	9,796	8,276	
Food waste for biogas production	tonnes	15,601	16,438	15,230	14,893	
Food waste for compost/combustion	tonnes	937	1,111	1,758	1,968	
Food waste for unknown processing	tonnes	4,133	5,803	6,206	7,723	

Food waste for recycling: The quantity obtained through NorgesGruppen's RANG system (Recycling at NorgesGruppen).

Reduced food waste: Measured as total food waste (value) per NOK revenue.

Meat waste: Meat that is wasted is included in the total food waste, but is a separate focus area.

The trend in food waste and meat waste is positive. We throw away less food in tonnes, but we are behind schedule in terms of achieving our 2025 targets. The decline in revenue affected the results in 2022, as expected, as it is easier to keep wastage down when revenue is high. KIWI's measures to offer discounts on yesterday's bread and bakery goods and

reduced-quality fruit and vegetables started in November 2022 and are expected to produce results from 2023. Introducing two-dimensional barcodes (2D codes) is critical to achieving the 2025 target. They will enable the stores to have a full digital overview of goods and expiry dates and effectively take action to avoid waste.

We saw a slight improvement in recycling in 2022. In this area, we expect positive effects from new waste regulations, both because the stores will become even better at sorting food waste and plastic, but also because we hope this will be a catalyst for increased provision of local and regional waste recycling centres. For example, it is still difficult to have waste delivered for biogas production in North West Norway and north of Saltfjellet.

We have established several circular models to use waste as a resource. Most of the bakery goods are already used for animal feed, but in 2022 we also started supplying fruit and vegetables to Invertapro, which cultivates larvae used for animal feed, for example. We deliver a lot of the plastic we sort to Follidal, where it is recycled and sent on for the production of plastic bags. A large proportion of food waste is sent on for the production of biogas, which we use in coffee production and transport.

ENVIRONMENT • PLASTIC

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019
Plastic Reduction in the proportion of virgin fossil plastic in packaging and products made from plastic	-20% from 2020	-10.7% ¹⁾²⁾	-5.0 % ³⁾	-	
Values	Unit				
Amount of packaging and products made of plastic	tonnes	16,161	16,898	16,263	
Percentage of recycled plastic in packaging and products made of plastic	per cent	22.1 ¹⁾	17.1 ³⁾	12.8 ³⁾	
Amount of virgin plastic in packaging and products made of plastic	tonnes	12,589	14,002	14,181	

¹⁾ Estimates from UNIL are included in 2022.
²⁾ 10.7 per cent reduction compared to 2020.
³⁾ Results in 2020 and 2021 have been adjusted due to errors in historical data.

We achieved good results in plastics in 2022. Improvements included replacing virgin fossil plastic with recycled plastic or fibre, reducing the thickness of the plastic and eliminating unnecessary plastic packaging. Both BAMA and UNIL made changes to several product lines and reduced the use of virgin fossil plastic by 124 and 306 tonnes, respectively. Increased knowledge and cooperation along the value chain have been crucial to achieving good results.

The European Commission's proposal for the revision of the Packaging and Packaging Waste Directive confirms that we are working in the right direction, but we must intensify our efforts to meet future requirements. Priority areas will be to increase the use of monomaterials, optimise packaging, increase the proportion of recycled plastics and establish a packaging register for all products. We are also working to prevent plastic waste by, for example, challenging suppliers of products that often end up in the natural environment to change from plastic to fibre packaging.

Scope and application: The target figures for plastics apply to own brands, own industry and strategic partners, and has 2020 as its base year.

ENVIRONMENT • PRODUCTS

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019
Greenhouse gas emissions kg CO ₂ e/kg dinner protein	8.24	8.21	8.45	8.40	
Values	Unit				
Certified products (revenue)	tonnes	2,330	2,472	2,530	2,141
Greenhouse gas emissions from dinner protein	tonnes of CO ₂ e	949,642	1,099,254	1,089,304	-

Certified products: Include to the Nordic Swan Ecolabel, Fairtrade and organic labels.
Greenhouse gas emissions: Product groups within fresh meat, ready meals, fish/shellfish, frozen food and dry goods. Greenhouse gas emissions are estimated at product group level.

The carbon footprint from dinner protein fell significantly in 2022, primarily as a result of the decline in volume after the pandemic and generally higher prices. At the same time, we sold fewer of our products with the highest climate footprint per kilogramme. Several activities and promotions to push more climate-friendly dinner protein, such as vegetarian, chicken, pork and fish, produced an effect. In 2022, revenue for certified products declined somewhat, but a number of effective initiatives at the end of

2022 mean that we are hoping to reverse this trend next year.

We continued to work with chemicals and unwanted substances with a focus on washing and cleaning products. Suppliers have good control over which chemicals are used in the products, and substitution is generally developing well. However, we did make findings in 2022 and are following up with our suppliers.

Scope and application: The target figures for certified products and greenhouse gas emissions apply to KIWI, MENY, SPAR and Joker, in both fully-owned and retailer-owned stores.

VALUE CHAIN • SUSTAINABLE VALUE CHAIN

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Supplier assessments Risk assessment and follow-up related to food safety, workers rights, the environment and animal welfare	100%	100%	100%	100%	99%	😊
Deforestation Proportion of suppliers approved in accordance with NG policy	100%	83%	83%	83%	81%	😞
Fisheries and seafood Proportion of revenue from sustainable stocks and responsible fishing and fish farming methods	100%	99%	98%	98%	97%	😊
Values						
Animal welfare	Unit					
Portion of cage-free eggs sold	per cent	100	100	-	-	😊
Proportion of cage-free eggs as an ingredient in NG brands	per cent	98	98	-	-	😊

Supplier assessments: Applies to the proportion of goods suppliers that have entered into an agreement with the central procurement department Category Purchasing and that have been assessed in NorgesGruppen's system for supplier follow-up (see page 71).

Deforestation: Includes all suppliers that supply products with palm oil or soya (ingredient or feed) and beef from rainforest regions. Political unrest and war have led to increased use of palm oil. We do not have a complete overview in 2022 and we are reporting as we did in 2021. We expect suppliers to return to approved value chains in 2023.

Fisheries: Applies to all suppliers of Norwegian and imported fish and seafood.

Cage-free eggs: Eggs from free range chickens (as opposed to caged chickens).

Cage-free eggs sold: Includes KIWI, MENY, SPAR, Joker, both fully-owned and retailer-owned stores.

Cage-free eggs as an ingredient: Includes UNIL.

Ensuring deforestation-free value chains is important to NorgesGruppen. In 2022, the war in Ukraine and political unrest created challenges with access to deforestation-free commodities, particularly sunflower oil. We expect suppliers to return to more sustainable value chains when commodity supply becomes more stable, and we saw examples of this towards the end of the year. In late 2022, the EU agreed on a regulation on deforestation-free value chains, which we believe will accelerate this work.

Fish and seafood continued to develop well. We have better control of imports than ever before, but challenges in both wild fish and farming still make the reporting difficult.

Since 2020, NorgesGruppen has only sold free range eggs. All Norwegian eggs used as an ingredient by UNIL were cage-free in 2022, but a small proportion of imported products may still have eggs from caged chickens among the ingredients. UNIL is working to phase out all use of such eggs as an ingredient by 2025.

NorgesGruppen will contribute to ensuring compliance with national animal welfare requirements. We want to be a driving force and partner with the industry. Read more about our animal welfare work on our website.

HEALTH • PRODUCT PREPAREDNESS

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Product alert system Implementation of a red alert (possible health risk) within two hours	100%	94.0%	94.0%	95.0%	95.0%	😞
Values	Unit					
Cases of red alert	Number	68	66	49	38	
Cases of red alert completed within two hours	Number	31	26	14	9	
Total recalls	Number	53	58	25	21	
NG recalls	Number	12	17	6	7	

The implementation of red alert is still below the objective. In 2022, we therefore revised the Group's product alert system guidelines, clarified responsibility and reviewed the guidelines with responsible managers. We expect the responsible companies to monitor sales outlets even more closely in 2023, so that we achieve our goal of completing all red alerts within two hours.

Red alert is initiated in the event of health hazards or possible health hazards or incidents that can damage reputation. In the event of a red alert, the sales outlets and wholesalers must remove the affected goods and report that this has been done within two hours. Recalls occur when the product has reached the consumer and there is a high risk that it can be harmful to health. The supplier issues a press release to inform the consumer of the discrepancy.

Scope and application: The target figures for the product alert system apply to all companies in NorgesGruppen, both fully-owned and retailer-owned companies.

HEALTH • MORE OF

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Fruit and vegetables	25.3%	23.9%	23.8%	23.6%	-	😊
Volume share of food products sold (weight)						
Fish and seafood	2.96%	2.67%	2.75%	2.74%	-	😡
Volume share of food products sold (weight)						
Wholemeal bread	60.0%	56.7%	56.8%	55.5%	52.0%	😊
Average percentage of wholemeal in fresh bread						
Keyhole labelled products	22.5%	21.2%	21.1%	20.7%	20.1%	😊
Value share in relevant product groups						
Values	Unit					
Sales of fruit and vegetables	tonnes	231,655	249,132	251,350	204,007	
Sales of fish and seafood	tonnes	25,553	28,617	28,871	26,094	
Sales of fresh bread	tonnes	54,553	57,248	58,282	51,607	
Sales of keyhole products	MNOK	9,056	9,168	8,865	-	

Fruit and vegetables: The proportion of fresh, frozen and canned fruit and vegetables, except for potatoes, of all product groups except beverages, non-food and tobacco.

Fish and seafood: The proportion of fresh, frozen and canned fish and seafood of all product groups except beverages, non-food and tobacco.

Keyhole: All product groups where it is possible to select keyholes.

The proportion of fruit and vegetables in the shopping basket continued to increase in 2022, even with a decline in sales of groceries after the pandemic. We sold more fruit and vegetables in 2022 than we did in 2019. Fruit and vegetables sales have increased slowly year on year, but need to increase faster over the next three years if we are to achieve our goal.

The proportion of fish and seafood in the shopping basket fell in 2022, despite great efforts and successful campaigns such as Fish Tuesday, 'The week's healthier dinner' and sushi selection at MENY. In KIWI, fish promotions helped recruit new consumers of fish and seafood. SPAR also ran several frozen fish and fish food promotions. Major price increases resulted in a significant decrease in volume in both fresh and frozen fish and seafood in 2022, and volume revenue was lower than in 2019.

The bread we sell is becoming increasingly wholemeal, thanks to the development of a range of more wholemeal products, good exposure, campaigns and activities. Overall, however, the bread market fell by 4.8 per cent (Nielsen). KIWI saw a decline in volume of 1.2 per cent in 2022 overall, but sold 5 per cent more bread from week 38 and throughout the year. Among the other chains in NorgesGruppen, the decline in volume was approximately the same as in the bread market as a whole.

Sales of keyhole products have gone in the right direction every year since 2019. Cooperation with suppliers provides motivation to adapt recipes, and keyhole products are clearly promoted in customer newsletters and online shopping.

HEALTH • LESS OF

NorgesGruppen's targets	Target 2025	2022	2021	2020	2019	
Sugar	11.9%	12.3%	12.6%	13.3%	13.6%	😊
Volume share of food products with sugar sold (weight)						
Saturated fat	5.44%	5.64%	5.70%	5.73%	5.64%	😊
Volume share of food products with saturated fat sold (weight)						
Salt	1.69%	1.78%	1.79%	1.78%	1.74%	😊
Volume share of food products with salt sold (weight)						
Values	Unit					
Sales of sugar	tonnes	42,645	47,339	47,534	40,818	
Sales of saturated fat	tonnes	21,747	23,925	24,322	21,817	
Sales of salt	tonnes	5,299	5,719	5,715	5,071	

Sugar Relevant product groups within dry goods (biscuits, cold cuts, bakery goods, etc.), kiosk, beverages, dairy and desserts (ice cream).

Saturated fat Relevant product groups within dairy, kiosk, ready meals, meat, bakery, frozen food and dry goods.

Salt: Relevant product groups within dry goods (soups, sauces, etc.), ready meals, kiosks, meat, fish, dairy and bakery goods.

In 2022, the volume share of sugar in the relevant product groups fell to 12.3 per cent, a decrease of 6.1 per cent from 2020. Beverages made the biggest contribution. The proportion of sugar-free soft beverages ended at 63.7 per cent in 2022. In yoghurt, sugar content declined because more consumers chose yoghurt with less or without added sugar. Suppliers are tweaking recipes and launching several products without added sugar in 2023. Sales of chocolate and sugar products declined after the pandemic. We are working systematically to find the right balance to achieve the health targets.

The volume share of saturated fat has declined since 2020 and ended at 5.64 per cent in the relevant product groups in 2022. In dairy products, we are working on both small "imperceptible" reductions in fat content and variants with

significantly lower fat content. In addition, the chains are working with the suppliers on "nudging", for example by ensuring the same price for product variants and original products. Together with campaigns for the Vita series and low-fat meat products, such as Go & Mager [Good & Lean], this has had a favourable effect.

The volume share of salt has remained virtually unchanged since 2020. Many suppliers work continuously to keep the salt content below the limits set in the national collaboration on salt reduction (Salt Partnership), but unfortunately this is not having a significant impact on our performance. In the Salt Partnership two areas in particular have been singled out for further work: consumer behaviour and expertise related to salt reduction, including the use of salt substitutes.

Scope and application: NorgesGruppen has developed new target figures for the area of health, which means that we state the results in proportion, but the level of ambition is the same. The purpose of the new target figures is to provide an easier and better picture of development. The target figures apply to products sold in KIWI, MENY, SPAR and Joker, in both fully-owned and retailer-owned stores.

PEOPLE • APPRENTICES AND VOCATIONAL TRAINING

NorgesGruppen's targets	Target 2025	2022	2021	2020	
Apprentices	750	586	625	545	🟢
Ongoing apprenticeships over the course of a year					
Vocational training positions	1,300	712	893	938	🔴
Ongoing vocational training positions over the course of a year					
Percentage of apprentices gaining permanent positions	40.0%	28.8%	33.9%	30.0%	🟡

Vocational training positions: A position and manpower that are included in the company in collaboration with NAV or other intervention companies.

Apprentices transferred to regular employment: Apprentices who have transferred to regular employment regardless of working hours, during the reporting year.

In 2022, we had fewer apprentices and vocational training positions than in the previous year. The decline applied to all businesses, but was greatest within the retail sector. The aftermath of the pandemic and lower revenue reduced the need for manpower and limited opportunities for taking on apprentices and vocational training positions.

Over time, the development in the number of apprentices is satisfactory, and the 2025 target is within reach. Significant investments in skills development helped 28.8 per cent of apprentices transition into regular employment in 2022. We have also established grant schemes

where apprentices can work towards obtaining vocational qualifications, and these schemes are working well.

We will implement new initiatives to increase the number of apprentices and vocational training positions. Training for managers on Inclusion and diversity in recruitment has already been introduced. We also plan to strengthen contact with companies that offer vocational training positions and continue working with onboarding so that all young employees, especially apprentices and employees in vocational training, get off to a good start in the workplace.

Scope and application: The target figures for apprentices and vocational training cover both fully-owned and retailer-owned activities.

PEOPLE • GENDER BALANCE AND EQUALITY

NorgesGruppen's targets	Target 2025	2022		2021		2020		
		W	M	W	M	W	M	
Gender balance, management positions (percentage)	40-60	28.6	71.4	27.1	72.9	27.1	72.9	🔴
Gender balance (percentage), store managers	40-60	45.0	55.0	42.3	57.7	42.1	57.9	🟢

Gender balance		2022			2021			2020		
	Unit	W	M	Total	W	M	Total	W	M	Total
Permanent full-time	per cent	26.1	39.7	33.0	25.3	39.9	32.6	24.6	39.8	32.1
Permanent part-time	per cent	51.3	36.6	43.8	50.8	36.0	43.4	51.3	36.5	44.0
Part-time employees who want and are available to work more	per cent	27.5	28.8	28.0	27.5	28.8	28.0	-	-	-
Temporary employees	per cent	22.6	23.7	23.2	23.9	24.1	24.0	24.1	23.6	23.9

The proportion of women in management positions and among store managers increased in 2022. Low turnover in leading positions makes changes slow. We are giving particular attention to succession planning and recruitment and talent development at lower levels, so that we can create better gender balance through internal mobility in the long term. The proportion of women among store managers is in line with our objective, and recruitment is positive.

There was a slightly greater proportion of women than men who worked part-time in 2022, but the proportion of full-time employees has increased over the last three years. The proportion of the part-time employees who want to and can work more was slightly larger among men than among women. There were also relatively more men than women in temporary positions. Gender balance and diversity management are emphasised in all parts of the organisation. Read more about this work on page 79.

Scope and application: The target figures for gender balance and gender equality metrics cover all fully-owned activities.

Leading positions include the levels of senior and middle management, including Group management, management groups in the companies and middle managers/department managers with personnel responsibility.

Part-time employees who wish to work more are reported every two years, and the figures therefore apply to 2021.

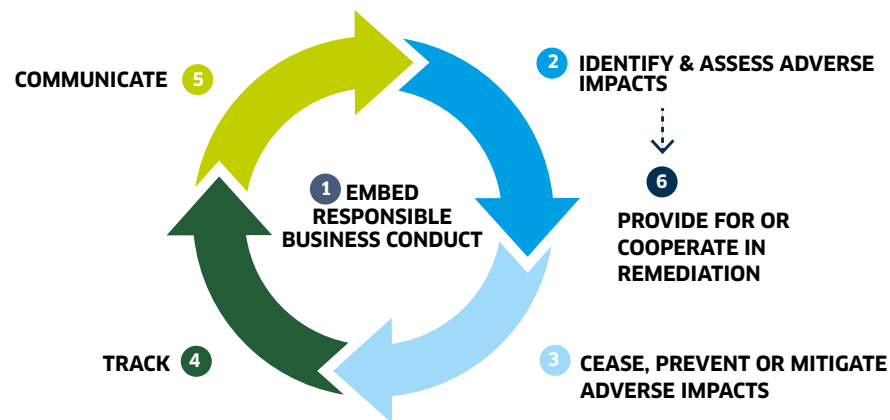
The Norwegian Transparency Act and supplier approval

NorgesGruppen's customers must be confident that the products they purchase in our stores originate from value chains that safeguard human rights and workers rights, the environment and animal welfare.

The Norwegian Transparency Act requires larger companies to carry out and account for due diligence assessments in the value chain. NorgesGruppen has worked in a structured manner to promote basic human rights and decent working conditions in the value chain for more than ten years. Our due diligence assessment framework is based on the same basis as the Norwegian Transparency Act: The UN Guiding Principles on Business and Human

Rights (UNGP, 2011) and the OECD Guidelines for Multinational Enterprises (2018).

The following pages present a report on NorgesGruppen's implementation of the Norwegian Transparency Act and the use of due diligence assessments, based on the six steps in the OECD model.



Supplier follow-up

NorgesGruppen has almost 1,200 suppliers representing great diversity. This also applies to the suppliers' risk profiles and conditions for managing risk in their own operations and value chains. We work systematically with all suppliers of goods to ensure that the products we buy are safe and legal, and that they come from value chains that safeguard human rights, the environment and animal welfare.

In 2022, we made significant improvements to supplier follow-up by implementing our new system, NG Supplier Dialogue. In addition to providing a good overview of suppliers and agreements, the system provides support for risk assessments. In this process, we set requirements and expectations for suppliers, generate questionnaires adapted to the complexity and characteristics of suppliers, and obtain information from suppliers. The technical managers then carry out a risk assessment of each individual supplier.

When we identify a need to improve risk handling, we initiate dialogue and follow-up to ensure that the supplier has sufficient control over the risks or implements measures to achieve this. All suppliers must be risk assessed at least every three years. In 2022, 507 suppliers were risk assessed through NG Supplier Dialogue.

Eliminating all forms of risk in the value chain is impossible. We therefore emphasise that suppliers have good procedures and systems in line with laws and regulations. We have seen an impressive drive in this work from the suppliers in recent years. Routines and systems have been put in place quickly to ensure more sustainable production.

The Norwegian Transparency Act – statement from NorgesGruppen

1. Commitment

All of NorgesGruppen's subsidiaries covered by the Norwegian Transparency Act must undertake due diligence assessments. Sustainability is embedded in our overall policies and governing documents. The responsibility for safeguarding human rights and workers rights is described in our policies on purchasing and for sustainability and ethics. All suppliers should follow our Supplier Code of Conduct, which is based on fundamental UN and ILO conventions, and requires suppliers to conduct due diligence assessments based on OECD guidelines.

- NorgesGruppen's sustainability strategy
- Sustainability and ethics policy
- Supplier Code of Conduct
- Supplier approval routines

2. Review and assessment

We use information such as the origin of the commodities, the country of production, the product category and the producer to identify and prioritise the risk of negative impacts on people, animals and the environment in the value chain. We also carry out due diligence assessments on key products and services we purchase for our own use.

NG Supplier Dialogue is an important tool for assessing risk among the almost 1,200 suppliers with agreements with the central Category and Purchasing department.

Status among NorgesGruppen's covered business areas

All subsidiaries covered by the Norwegian Transparency Act report to the responsible officer in the Group. Initial reporting was carried out in 2022. Some business areas have been working systematically on this for many years, while others are in the start-up phase. Supporting the different business areas in their work with due diligence assessments will be a prioritised measure in 2023.

Status of suppliers

In 2022, we conducted a supplier survey to assess how well prepared they were for the Norwegian Transparency Act. The responses showed that they had good knowledge of the new law. Over 80 per cent of the largest suppliers felt well prepared and had well-established due diligence assessments.

3. Prevention

We direct our efforts to where the risks to people, society and the environment are greatest. Engagement and collaboration with suppliers are two of our most important tools in this work, as suppliers are our connection to the rest of the value chain. When necessary, we also implement measures such as audits, certification requirements and targeted projects.

We have found that using migrant workers is one of the biggest risks in our value chains. We have therefore entered into cooperation on measures to improve the rights of migrant workers in Norwegian food value chains. In 2022, together with the King Institute, we focused on improving recruitment practices among suppliers who employ migrant workers.

In 2022, due diligence assessment of social conditions was carried out in advance of the major acquisition of solar panels for NorgesGruppen.

Through our audits, we identified a number of minor deviations and areas for improvement and initiated improvements at relevant producers. The measures include:

- Conducting social audits at all producers in risk countries that supply their own brands.
- Projects with suppliers in Vietnam, China, Thailand, Ghana, Brazil and India to safeguard working conditions, workers' rights, and climate adaptation and increase value creation.
- Securing value chains for products for own use in the business.
- Pre-approval of product and producer to ensure that they do not violate our guidelines.

4. Follow-up

We carry out follow-up and monitoring to ensure that the measures have the desired effect. Internal audits and the involvement of management and external stakeholders contribute to improving our work. Assessments, measures and any deviations are reported centrally on a regular basis and to the Board at least annually.

5. Communication

According to the Norwegian Transparency Act, consumers and other stakeholders are entitled to know how we handle actual and potential negative consequences identified in due dili-

gence assessments. In 2022, we received four enquiries from consumers. We set up a separate e-mail for enquiries: aapenhetsloven@norgesgruppen.no

In addition to this report on the Norwegian Transparency Act, NorgesGruppen, UNIL AS and Joh. Johansson Kaffe each submit their own separate reports on human rights and workers' rights in the value chain to Ethical Trade Norway.

6 Correction

Deviations and harm to people, animals and the environment may occur. If it is our responsibility, we will correct the damage ourselves. In other cases, we will use our influence to get the responsible party to do so. In 2022, we identified a gross breach of human rights and workers' rights associated with our value chain. The case concerned a berry producer who is a subcontractor to one of our direct suppliers, and the case was handled in accordance with UNIL's corrective procedures. We also recognise that with such complex value chains it is difficult to capture all deviations and breaches. This is something we need to keep working on.

What next

Ensuring that the entire Group follows the requirements for due diligence assessments will be a key priority in 2023. We will continue to engage with our suppliers on the situation for migrant workers and also draw more attention to child labour, freedom of association and living wages. In addition, the pandemic and climate change create new risks to deal with.

For more information about our work with the Norwegian Transparency Act and due diligence assessments, please visit www.norgesgruppen.no



The EU taxonomy

The EU taxonomy is a classification-system that requires companies to report on the extent to which they meet defined sustainability criteria. The purpose is to bring business sector investments in a sustainable direction and to provide investors and end-users with sustainability information that can be compared between companies.

NorgesGruppen's taxonomy reporting

The reporting obligation will apply to large companies from the 2023 financial year. However, the Ministry of Finance encourages companies to report on a voluntary basis already for the 2022 financial year, and NorgesGruppen wishes to take up the invitation.

As a new set of regulations, the taxonomy currently has little guidance from authorities and little experience. For NorgesGruppen, this is also the first taxonomy assessment of our activities. The methodology and assumptions used must be seen in light of this. As of fiscal year 2023, the Group will use the mandatory table for taxonomy reporting.

NorgesGruppen's taxonomy activities for 2022

The predominant part of NorgesGruppen's activities is "grocery retail", which is not defined as an activity in the Taxonomy Regulation. Nevertheless, many of the value chain activities are covered by the Taxonomy Regulation. This applies to the main activities Transport, Energy, Water supply and Construction and real estate. Below is a general description of NorgesGruppen's sustainability measures related to the various main activities that are taxonomy eligible, as well as a statement of which sub-activities are relevant and are used in our taxonomy assessment.

• Transport

For several years the Group has worked hard towards achieving fossil-free transport. Domestic transport of goods from Norwegian producers is predominantly on hired transport to the Group's freight forwarding terminal. Incoming goods are transported out to the stores and restaurants. In return, different types of waste are transported for recycling or destruction. In 2022, ASKO launched two electric sea drones that transport semi-trailers (i.e. trailers without towing vehicle) between Moss and Horten.

The following relevant taxonomy-related activities come under Transport:

- 6.6 Freight transport services by road
- 6.8 Inland freight water transport

• Energy

The Group wishes to increase its own supply of electricity in order to generate as much new renewable energy as the energy it consumes. The Group produces power from its five wind turbines at Tindafjellet and Skurvenuten in Rogaland, and its two wind turbines at Fjeldskår in Agder. The Group has an agreement with Norseman on the possible expansion at Sørlige Nordsjø II. The Group has 100,000 sqm of solar panels installed on warehouses and stores, and has a further 200,000 sqm on order. In addition, heating/cooling is extracted with heat pumps and energy wells.

The following taxonomy-related activities are under Energy:

- 4.3 Electricity generation from wind power
- 4.16 Installation and operation of electric heat pumps

• Water supply, drainage and waste disposal

Central warehouses, terminals, regional warehouses and stores are used to collect cardboard, plastic, electrical waste, food waste, pallets,

EU taxonomy

The main objective of the EU taxonomy is to show stakeholders how investments can be designed sustainably, be transparent and prevent greenwashing.

Six environmental targets are included in the EU taxonomy:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Under the EU Taxonomy Regulation, an economic activity, provided that the activity is defined within the EU Taxonomy Regulation (eligible), shall be considered sustainable (aligned) if it

1. makes a significant contribution to one or more of the above environmental targets
2. does not significantly damage any of the other environmental targets (Do No Significant Harm, DNSH)
3. meets the minimum requirements for human rights, social conditions, decent working conditions and a sound tax policy

Contributing significantly to an environmental target involves meeting activity-specific technical criteria. So far, such criteria have only been prepared for the first two environmental goals:

- Climate change mitigation
- Climate change adaptation

There are DNSH criteria for all six environmental targets.

boxes, etc., that are returned, recycled or sent to energy recovery. Having the highest possible recycling percentages and limiting the causes for the amount of waste are priority goals.

The following taxonomy-related activity comes under Water supply, sewerage, waste management and remediation:

- 5.5 Collection and transport of non-hazardous waste in source segregated fractions

• Building and property

The Group's property business consists of buildings for wholesale activities, the production of its own goods and store operations.

Establishment of retail premises often takes place from the ground up in connection with apartment building, local urban and residential development projects or the establishment of shopping centres, etc. Work is often done in collaboration with other property developers.

The following taxonomy-related activities come under Construction and real estate:

- 7.1 Construction of new buildings
- 7.2 Renovation of existing buildings
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6 Installation, maintenance and repair of renewable energy technologies
- 7.7 Acquisition and ownership of buildings

NorgesGruppen's methodology for taxonomy assessment

Pursuant to Article 8 (2) of the taxonomy regulation, NorgesGruppen as a Group must report key performance indicators (KPIs) on the proportion of our turnover, investments and operating costs related to activities that meet the taxonomy criteria. The relevant key performance indicators used here are based on NorgesGruppen's consolidated accounts for 2022.

Since this is the first year of reporting on the EU taxonomy, comparative figures for the previous year are not included.

Current activities have been assessed against the content criteria (eligibility) and the screening criteria (alignment) in the EU Taxonomy Compass. The various activities were primarily assessed against environmental goal 1, Climate change mitigation, and relevant DNSH criteria for other environmental goals, including relevant appendices A, B, C, D and E, as well as ISO 20887 in the assessment of Construction and real estate. For Appendix A "Generic criteria for DNSH to climate change adaption", a comprehensive climate risk analysis with the associated action plan has been carried out. In addition, an assessment has been made that the activity complies with social minimum safeguards related to human rights, social conditions, decent working conditions and a sound tax policy. The screening of activities has been carried out as a collaboration between the Group's central finance department and relevant specialist departments with responsibility for the relevant area of activity in the Group.

There has been uncertainty related to the "aligned" assessment of Construction and real estate, since the energy requirements in connection with environmental target 1 have not been established by the relevant authorities for Norwegian conditions. On 31 January 2023, the Ministry of Local Government and Regional Development published a guide that sets the framework for a Norwegian definition of "nearly zero energy building" (NZEB) and primary energy requirements. The guide makes it possible to assess whether buildings and property meet the requirements of the EU taxonomy. For the Transport activity, the Group has used the transported volume as a distribution key to allocate income from sustainable means of transport.

NorgesGruppen's taxonomy assessment for 2022

Accounting principles

Revenue:

The Group's revenue is mainly in the retail sector, and this activity was not covered by the Taxonomy Regulation in 2022. Income within transport, property and energy are classified under other operating income in the Group, and are included as "revenue" according to the taxonomy. Revenue in accordance with the taxonomy is therefore not directly reconcilable with the Group's turnover in the consolidated accounts. Total turnover amounted to 99,643 MNOK in relation to the EU taxonomy, while 99,243 MNOK is revenue in accordance with the consolidated accounts. The difference is turnover related to the activities of Transport, Construction and real estate and Energy.

Of the total turnover of 99,643 MNOK, only 2 per cent is taxonomy eligible. This is because the Group's turnover is related to the sale of food products in stores. Of the turnover related to eligible activities, the taxonomy-aligned proportion accounts for 13.8 per cent. Total Group revenue excl. IFRS 16 is 100,004 MNOK.

Intra-group revenue within Transport activities amount to 518.6 MNOK. Of this, 15.0 per cent is taxonomy aligned. The proportion of intra-group turnover is calculated based on the proportion of volume carried by lorries that are "aligned".

Investments (CapEx)

Investments relate to the Group's land and buildings, operating equipment and fixtures and fittings, property investments, lease agreements and intangible assets. See notes 6, 7 and 8. In addition, assets from business purchases are included. Access to Goodwill is not included. Investments are assigned for the individual activities if they meet the technical screening criteria in the taxonomy and at the same time are part of a plan to ensure that an activity meets the technical criteria within five to ten years or are related to the purchase of products from activities that meet the technical criteria.

Of the total investments of 6,208 MNOK, 58.5 per cent is taxonomy eligible. The taxonomy-aligned proportion of this amounts to 11.0 per cent.

Total investments excl. leases is 3,653 MNOK. Taxonomy-aligned investments of investments




excl. lease agreements amounts to 36.3 per cent. If we look at Transport activity in isolation, taxonomy-aligned investments account for 92.1 per cent, while for the Construction and real estate activity it accounts for 15.6 per cent. Continuous efforts are made to invest in environmentally sustainable buildings to reduce energy consumption.

Operating costs (OpEx)

Operating costs (OpEx) are costs related to activities that meet the technical screening criteria or that are part of a plan to make the activity sustainable within a period of five years. Lease agreements not entered in the balance sheet are included in the operating costs. Maintenance and repair costs include service agreements and all other direct expenses related to the daily use of an asset within the covered activities. In some cases, the Group's own employees are used for cleaning lorries, for example, in which case discretion is used to allocate the proportion of wages used for the activity. Operating expenses in the Group relate mainly to activities that are not yet covered by the EU taxonomy. Compared with the Group's total operating costs, only a small proportion is taxonomy eligible.

Total operating costs including operating costs related to lease contracts (IFRS 16) in the Group amount to 1,085 MNOK. 26.9 per cent taxonomy eligible. The taxonomy-aligned proportion of this accounts for 11.5 per cent. Total operating costs excluding leases in the Group amount to 3,695 MNOK. The share of operating costs excl. IFRS 16 which is taxonomy eligible amounts to 7.9 per cent.

The overview of the key performance indicators for the NorgesGruppen Group excludes IFRS 16.

Total in Group excl. IFRS 16	Taxonomy eligible	Taxonomy aligned	Aligned/eligible	Ineligible
Turnover:  100,004 MNOK	$\frac{1,957 \text{ MNOK}}{100,004 \text{ MNOK}} = 2.0 \%$	$\frac{271 \text{ MNOK}}{100,004 \text{ MNOK}} = 0.3 \%$	$\frac{271 \text{ MNOK}}{1,957 \text{ MNOK}} = 13.8 \%$	$\frac{98,047 \text{ MNOK}}{100,004 \text{ MNOK}} = 98.0 \%$
CapEx  3,653 MNOK	$\frac{1,106 \text{ MNOK}}{3,653 \text{ MNOK}} = 30.3 \%$	$\frac{401 \text{ MNOK}}{3,653 \text{ MNOK}} = 11.0 \%$	$\frac{401 \text{ MNOK}}{1,106 \text{ MNOK}} = 36.3 \%$	$\frac{2,547 \text{ MNOK}}{3,653 \text{ MNOK}} = 69.7 \%$
OpEx  3,695 MNOK	$\frac{292 \text{ MNOK}}{3,695 \text{ MNOK}} = 7.9 \%$	$\frac{33 \text{ MNOK}}{3,695 \text{ MNOK}} = 0.9 \%$	$\frac{33 \text{ MNOK}}{292 \text{ MNOK}} = 11.5 \%$	$\frac{3,403 \text{ MNOK}}{3,695 \text{ MNOK}} = 92.1 \%$

Minimum social requirements

The social minimum safeguards have been established to prevent companies from performing sustainable activities in a socially unsustainable manner. This means that the activities do not lead to negative impacts on human rights, workers' rights, corrupt business practices or failure to comply with tax laws and competition laws. In line with Article 3 and Article 18 of the Taxonomy Regulation, this means aligning standards with

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights (UNGPR)
- ILO's eight fundamental conventions "Fundamental Principles and Rights at Work"
- the Universal Declaration of Human Rights

Human rights

The Group has established requirements for human rights and workers' rights both in line with UNGP and the OECD in policies and guide-

lines, and is subject to, monitors and reports in accordance with the Norwegian Transparency Act. Thus, the company complies with the OECD due diligence assessment guidelines. The Group is not convicted of human rights abuses (see page 71).

Taxes

The Group complies with the legislator's intentions in the applicable tax law and has proper systems for handling tax risks. The Group follows the arm's length principle for transactions and does not have artificial or aggressive tax models. The Group has not been found guilty of tax evasion.

Corruption

The Group works continuously with risk assessments and internal controls, and has measures to prevent and detect bribery and corruption. Neither the management nor companies in the Group have been convicted of corruption.

Fair competition

The Group carries out its activities in a manner that complies with all applicable competition laws and regulations. This means refraining from entering into or performing anti-competitive agreements. This includes regular training of employees and management in laws and regulations as an important measure. NorgesGruppen has received a notification from the Norwegian Competition Authority in the so-called price hunting case, see Note 25.

In 2014, NorgesGruppen was subject to an administrative fee for violations of the implementation ban as a result of Section 19 of the Norwegian Competition Act. The Group has improved internal control so that the likelihood of repeated breaches is unlikely. The Group is not convicted of violating competition legislation.

Sustainability standards

We have adopted selected indicators from the GRI and SASB reporting standards, as well as recommendations from TCFD, to strengthen reporting and make it easier to compare results. The indices below show which indicators this applies to, and where they have been answered.

GRI Index NorgesGruppen ASA has reported the information cited in this GRI content index for the period 1 January to 31 December 2022 with reference to the GRI Standards, GRI 1: Foundation 2021.	Standard	Indicator	Page
	GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	85
	GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions 305-2 Energy indirect (scope 2) GHG emissions 305-3 Other indirect (scope 3) GHG emissions 305-4 GHG emissions intensity	64-65
	GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	70, 80, 93-94
Task Force on Climate related Financial Disclosures (TCFD) The index on the right shows where the recommendations from TCFD are covered in this report. We adopted TCFD's framework and guidance in 2021 and for 2022 have expanded the reporting on handling climate risks and included the conclusions from the scenario analyses we carried out in 2022	Recommendations	Statements	Page
	Governance	a) The board's oversight of climate-related risks and opportunities	83, 88
		b) Management's role in assessing and managing climate-related risks and opportunities	83, 88
	Strategy	a) Identified climate-related risks and opportunities	86, 87
		b) Impacts of climate-related risks and opportunities	84-89
		c) Resilience of the organisations strategy	88-89
		a) Processes for identifying and assessing climate-related risks	83, 88-89
	Risk Management	b) Processes for managing climate-related risks	83, 88-89
		c) Integration of climate-related risk in overall risk management	83, 88-89
		a) Metrics used to assess climate-related risks and opportunities	62, 64-67
	Data and targets	b) Scope 1-3 greenhouse gas emissions	64-65
		c) Targets used to manage climate-related risk	23, 62, 64-67

Sustainability Accounting Standards Board (SASB)

SASB has developed two sector-specific standards that are relevant to NorgesGruppen: Food Retailers & Distributors and Processed Foods. We have extended our reporting on the environment and animal welfare based on these standards.

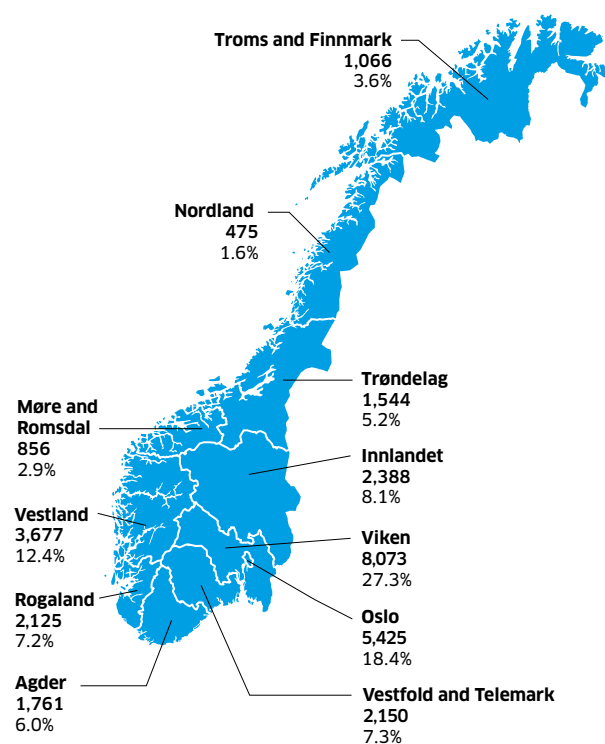
Standard	Indicator	Exceptions	Page
SASB Food Retailers & Distributors 2018	FB-FR-110a.1. Fleet fuel consumed, percentage renewable	Stated in volume	65-66
SASB Food Retailers & Distributors 2018	FB-FR-130a.1. Operational energy consumed, percentage grid electricity, percentage renewable	Stated in quantities	65-66
SASB Food Retailers & Distributors 2018	FB-FR-150a.1. Amount of food waste generated, percentage diverted from the waste stream	Stated in quantities	66
SASB Food Retailer & Distributors 2018	FB-FR-430a.1. Revenue from products third-party certified to environmental or social sustainability standard		67
SASB Food Retailers & Distributors 2018	FB-FR-430a.2. Percentage of revenue from eggs that originated from a cage-free environment and pork produced without the use of gestation crates	Only reported for eggs	68
SASB Processed Foods 2018	FB-PF-410a.1. Total weight of packaging, percentage made from recycled and/or renewable materials, and percentage that is recyclable, reusable, and/or compostable	Sections 1-2 reported for plastic	67



MANAGEMENT AND GOVERNANCE →

People and organisation

Geographical distribution of employees in NorgesGruppen



NorgesGruppen is one of the largest private employers in Norway. We have set clear goals for equality and are committed to creating a healthy working environment characterised by inclusion, learning and opportunities for everyone.

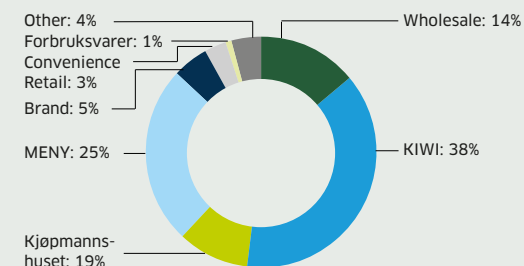
Our people

At the end of 2022, NorgesGruppen had 29,540 employees in fully-owned operations, a decrease of 0.4 per cent from 2021. Including retailer-owned activities, there was a total of 44,139 employees across the various business areas, 1.1 per cent fewer employees than in 2021.

The decline in the number of employees was slower than what the decline in revenue after the pandemic would indicate. In 2022, we put an emphasis on adaptation being balanced and creating predictability for the individual employee. High levels of absence due to ill health during the last part of the pandemic made it difficult to downsize in line with real manpower requirements.

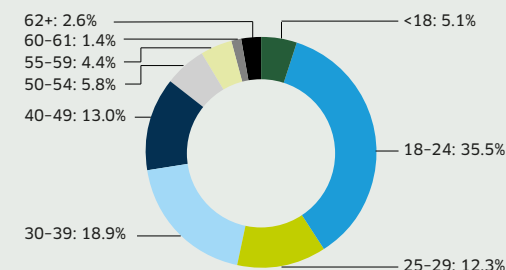
Although the number of employees decreased overall, the number of full-time employees increased by 1 per cent in 2022. 43.8 per cent of our employees worked in permanent part-time positions, and 23.1 per cent had temporary employment. The proportion of temporary workers has been high over the past three years due to the pandemic and long periods of unpredictability in terms of manpower requirements.

Employees by business area



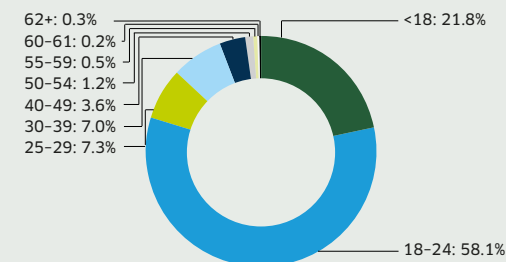
Employees by age group (company-owned activities)

Per cent



New hires by age group (company-owned activities)

Per cent



Promoting equality and preventing discrimination

NorgesGruppen's work to promote equality and prevent discrimination is embedded in the Group's values. The Group-wide policy and guidelines that apply to all parts of the human resources (HR) policy must be observed for all the Group's companies. It will take time to achieve the goal of a 40–60 per cent gender balance at senior and middle management levels in NorgesGruppen, as there is lower turnover at these levels than in other parts of the organisation. We place special emphasis on recruitment among middle managers and on including talent in succession planning at top and middle management level. We strive to always have candidates of both genders in the final stages of recruitment.

Equality work is reviewed and dealt with several times a year by the Board of Directors of NorgesGruppen. It is also a topic at management meetings, in various HR forums and in meetings with employees. Diversity management has become more important in recent years, as a natural part and driver of value creation and as an important strategy for identifying risks and removing barriers to equality.

We conduct annual employee surveys, adapted to the various parts of the Group. The surveys include questions about whether employees have or are aware of bullying and harassment in the workplace and whether they experience equal career opportunities regardless of gender, age, ethnicity and functional ability. The results of the survey are reviewed at an appropriate level (management level, departmental level and per team) and form the basis for action plans in the relevant part of the business.

Read more about measures and work on gender balance in NorgesGruppen at norgesgruppen.no.

The equality report for the parent company, NorgesGruppen ASA, can be found [on the Group's website here](#).

Gender balance in NorgesGruppen

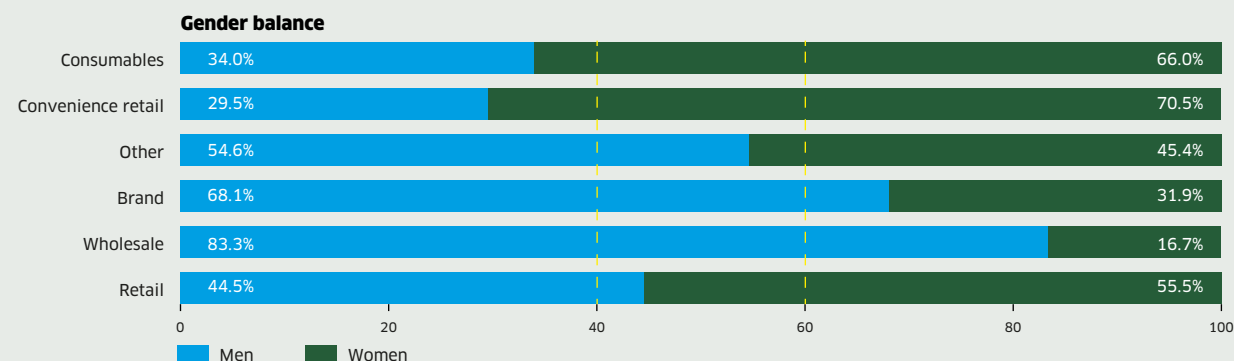
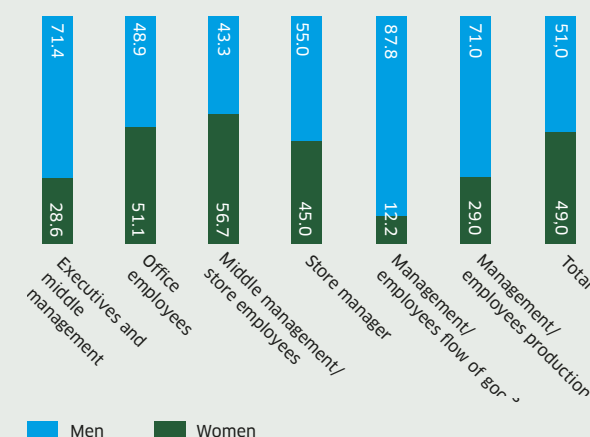
Overall, NorgesGruppen had approximately equal distribution between women (49.0%) and men (51.0%) in 2022. However, there are major differences in gender balance between the Group's business areas, including at the various position levels in the Group. This is based on the history of the business areas and access to manpower.

NorgesGruppen's target for gender balance is a distribution of women and men of between 40–60 per cent. The target applies to all levels in the organisation. The proportion of women among senior and middle managers was 28.6 per cent in 2022, an increase of 1.5 percentage points from 2021. Among the store managers in fully-owned operations, 45.0 per cent were women and 55.0 per cent were men. This corresponds to an increase in the proportion of female store managers of 2.7 percentage points from 2021.

In 2022, 51.3 per cent of women and 36.6 per cent of men worked part-time in fully-owned operations. The gender balance in part-time positions was 57.4 per cent women and 42.6 per cent men, which is in line with the Group's target

of a gender balance of 40–60 per cent. Among temporary employees, genders were relatively similarly represented in 2022: 22.6 per cent of women and 23.7 per cent of men worked in temporary positions.

Gender balance, positions (in %)





Opportunities for professional and personal development

Skills development is crucial for all business areas in NorgesGruppen. We map out skills and needs against the goals and tasks that each company and department will solve. With the help of various partners, internal schools and our own resources, we work continuously with training. The largest business areas have their own schools. In addition, we develop various e-learning programmes to provide employees with the skills they need. In the employee survey, we evaluate how employees experience opportunities for development in NorgesGruppen each year.

A warm welcome to working life

Approximately every fifth employee in Norgesgruppen is a school pupil or student. In 2022, 53.9 per cent of our employees were under 30 years of age, and 41.6 per cent were under 25 years of age. NorgesGruppen is proud to be able to offer the first job in the course of a long working life, and sees this as an important task of creating a sustainable working life. Our diversity of job types allows many people to work alongside school, college and university, between other jobs or through an entire working life. We are committed to giving young employees insight into everything a good workplace can offer in terms of skillset, proficiency and a sense of belonging. This gives them a safe entry into working life and knowledge of NorgesGruppen. Many of the people who join us in adulthood have previously worked for or with one of our companies.

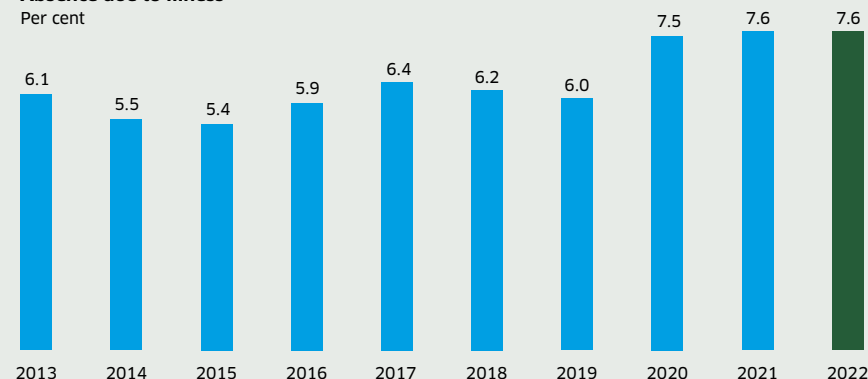
Health, safety and environment

In 2022, sick leave at NorgesGruppen was 7.6 per cent of total working hours. This was the same level as in 2021. During 2022, we saw sustained high levels of absence due to increased infection and illness when society reopened after the pandemic. All companies work continuously to monitor absence due to illness through dialogue between employees and managers and various preventive activities.

Health, safety and the environment are important in all parts of NorgesGruppen and are safeguarded in accordance with the HSE policy in each individual company. No major accidents or work-related accidents with associated injuries were reported in any of NorgesGruppen's business areas in 2022.

The working environment is evaluated and assessed in annual employee surveys. Many of the business areas have different programmes and initiatives to safeguard the physical and mental health of their employees. Priorities vary between companies. In 2022, for example, MENY focussed on adapting store work for pregnant women. NorgesGruppen was the largest company in the Holmenkollstafetten relay race, with more than 100 teams and 1,500 keen runners at various levels. The relay race is easy to join and energising, and it drives unity.

Absence due to illness
Per cent



A diverse working life

NorgesGruppen works for a sustainable working life. The work on ethics, quality of training, corporate democracy and employees' opportunities to realise their potential are important in order for NorgesGruppen to achieve its goals. The same is inclusion in working life.

Diversity management is central to NorgesGruppen and is important for our ability to innovate. Our employees have roots in more than 70 different nationalities and represent great diversity in terms of age, education, experience, gender and cultural background. Diverse teams with different backgrounds and perspectives are a great asset in day-to-day work and in the ever-changing market environment. Conscious diversity management based on respect, inclusion and involvement facilitates a safe working environment where each individual realises their full potential, is listened to and contributes to value creation. We turn both similarities and differences into strengths by cultivating an open, inquisitive and collaborative culture. Examples of activities that build on the value of diversity include language training, vocational training, agile working methods, leadership development and other competence development measures. Many of our businesses have also become familiar with "Pink competence" through the collaboration with the Norwegian Organisation for Gender and Sexual Diversity. The work process, culture and procedures will ensure that no one feels that they cannot be themselves.



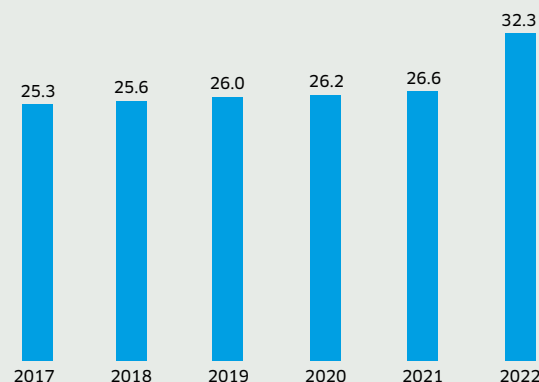
Higher turnover due to the pandemic

In 2022, we experienced high turnover in many of our business areas. The most important reason was normalised revenue and a reduced need for manpower after the pandemic. The level of turnover remains generally high in large parts of the business.

This is related to the type of work we offer and a high percentage of employees who want to work for us for shorter periods in flexible positions. Turnover for more administrative positions was 10.9 per cent in 2022, a decline of 2 percentage points since the previous normal year (2019).

We had a very large number of candidates for most of the positions we advertised in 2022. Through our digital recruitment tool, we received around 133,000 applications for 3,200 advertised positions. The number of applicants varied from one to almost 500 applicants per position.

Turnover in NorgesGruppen
Per cent



Sustainable pension savings

Investment of the pension funds will ensure that the employees have a good pension, but also a good world in which to become a pensioner. NorgesGruppen has therefore chosen a leading supplier in Norway and the Nordic region within sustainable investments.

The supplier manages significant funds on behalf of our employees. In 2022 alone, the contribution to the pension scheme was close to 294 MNOK. The carbon footprint of the investment portfolio was 22 per cent lower than if it had been invested in comparable profiles without sustainability requirements.



Risk management

NorgesGruppen works systematically with risk management in all businesses to achieve business objectives, safeguard operations and comply with legal obligations. The focus is primarily on downside risk, but also on identifying business opportunities.

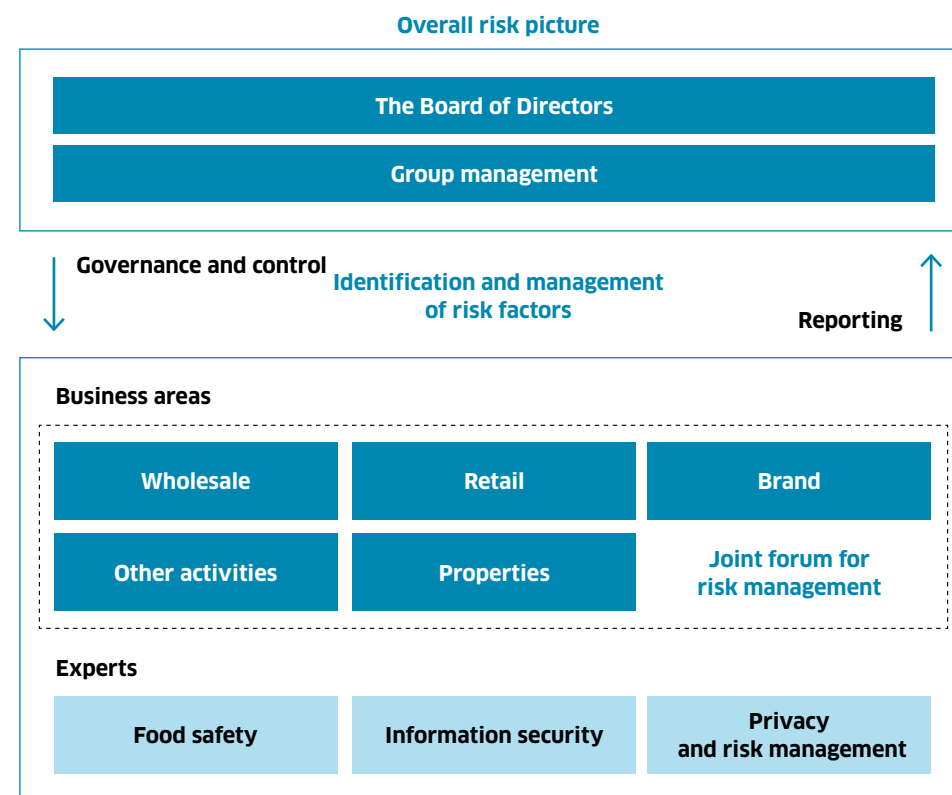
→ Risk management at NorgesGruppen is an integrated part of corporate management and is based on the COSO Enterprise Risk Management framework. The aim is to help ensure that strategic and operational goals are achieved by identifying and managing the current and future risk factors facing the company.





Each year the Board of Directors reviews the company's most important risk areas and internal control routines to ensure that risk management is appropriate and contributes to NorgesGruppen meeting its goals and complying with laws, regulations and internal guidelines. The Board of Directors and CEO assess that the Group as a whole had a moderate risk exposure in 2022.







NorgesGruppen is a group of independent subsidiaries with decision-making authority within their own area. At the same time, each company benefits from economies of scale and an efficient, integrated value chain. Risk management reflects this.

Group management follows up the risk profile in the central subsidiaries through Board management and annual risk assessments carried out by the subsidiaries. The subsidiaries relate to NorgesGruppen's governing documents, including risk assessment support tools in specific areas. Food safety, information security, privacy and risk management are separate disciplines with dedicated resources. In addition, the main subsidiaries and experts take part in a joint risk management forum and discuss current risk issues.

Some of the key topics on the agenda for NorgesGruppen in 2022 were the consequences of the turmoil in the commodity, freight and energy markets, cyber risk and other ICT-related risk, regulatory risk, climate risk and access to more renewable energy. Cyber risk is considered one of the most important risk factors in the short and medium term and the company has established a plan for dealing with incidents, should they occur.



Risk	Governance	Status
Information security and ICT crime	The ICT work will contribute to increased competitiveness and development of services aimed at customers and partners. The possibility of cyber attacks is increasing in scope and consequence, and the Group is particularly vigilant to the threat that this entails. Exercises, mapping and contingency plans to address any cyber attacks have been prioritised during the period. In 2022, the Group implemented heightened security measures that follow changes in the profile of risks and threats. The information security work in NorgesGruppen Data and the companies is crucial to safeguard operations and to protect business and personal data against cyber attacks. We offer target-group based e-learning courses, as well as annual refresher courses.	 More exposed
Framework conditions and regulations	In 2022, the Norwegian Parliament dealt with several cases relating to general conditions in the grocery market. There are currently twelve petition resolutions that the government is investigating further, and therefore none of the decisions affected NorgesGruppen's framework conditions directly in 2022 (read more on page 14). There is increased awareness of sustainability (health, environment, climate) in the public and in the market and new requirements for reporting. NorgesGruppen works with adjustments in reporting in accordance with legal requirements. In 2022, the Group strengthened its work on due diligence assessments in the value chain (read more on page 71) and performed scenario analyses of climate risk (read more on page 87).	 More exposed
Market growth	The reopening of society after the pandemic has normalised the market development for traditional groceries. The market is characterised by industrial slippage and fierce price competition, and there is again low growth in volume within traditional groceries. During the strategy period (2021–2025), operations are planned based on a market development with low volume growth for traditional grocery operations. The strategy addresses measures to further develop the business areas in the food market as a whole and to streamline the value chain. In response to this, in 2022, NorgesGruppen launched the Gigaboks warehouse chain, and contributed to the further development of the Dollarstore chain. Both offer consumers new offerings within consumer goods in the food market.	 More exposed
Suppliers and food safety	The food value chain involves risks related to food safety, quality and negative consequences for the environment, people and animals. In 2022, the degree of implementation for red alert was at the same level as in the previous year. Read more about food safety results on page 63. There is focus on the risk associated with food fraud. NorgesGruppen is working continuously to ensure that our suppliers have adequate systems to protect food safety and quality, workers rights, the environment and animal welfare. In terms of supplier follow-up and a sustainable value chain, we prioritise our work where the risk is greatest, and choose actions based on each individual issue we face. The Norwegian Transparency Act sets new requirements for risk assessments and supplier follow-up. In this work, the OECD model is used for due diligence assessments. In accordance with the Norwegian Transparency Act, due diligence assessments have been carried out for our own brands and the central procurement of goods and services (read more on page 71).	 More exposed

Risk	Governance	Status
Access to manpower	In certain areas such as stores, warehouses and haulage, it is difficult to access sufficient manpower. NorgesGruppen has several measures within both recruitment and marketing in order to ensure sufficient competence in these areas going forward.	 More exposed
Access to renewable energy	NorgesGruppen has a strong desire to invest in renewable energy and is looking for relevant projects within wind power, solar power and hydropower. Regulations and increased taxes on fossil energy, as well as a lack of energy due to unstable markets, lead to greater competition for renewable energy. There are increased costs and long delivery times. Framework conditions and tax rules that facilitate investments in renewable energy in Norway will be important. Read more about results and targets in renewable energy on page 74.	 More exposed
Food supply and contingency planning for unforeseen events	In 2022, NorgesGruppen and ASKO were able to maintain good access to goods in a challenging situation after a long period of delays as a result of the pandemic. Close cooperation with retailers, suppliers and customers has played an important role in this work. The pandemic has highlighted the importance of having good contingency planning to handle unexpected events. The outbreak quickly changed conditions for society and business, and infection control measures implemented by the government changed shopping patterns and made the product situation unpredictable. Upgrading technical infrastructure in all stores made a positive contribution. NorgesGruppen's contingency planning will also facilitate sufficient stocks and efficient distribution in emergencies.	 Less exposed
Privacy	Privacy protection is fundamental to trust from the large number of employees, the more than two million loyalty members in Trumf and other customers. The focus on personal data protection is therefore a key priority, and the Group emphasises systematic assessments of personal data protection in existing and new initiatives, as well as better support tools. Each company in NorgesGruppen is responsible for complying with the legislation related to personal data protection. The Group is responsible for the governance model, for monitoring compliance and providing professional support. Privacy ombudsmen are appointed where this is required by the companies' activities.	 No change
Money laundering	NorgesGruppen Finans AS has a licence as a finance and payment company and issues credit, loans and guarantees to companies, and credit cards to private individuals. The company conducts customer due diligence in accordance with the Norwegian Money Laundering Act and other regulatory requirements. Most of our grocery stores offer customers the opportunity to make deposits and withdrawals from stores. This is done on behalf of the banks in Norway, through a cooperation agreement with Vipps AS (BankAxept). Employees undergo annual training, in which knowledge of money laundering and terrorist financing is a key issue, and in addition they follow the procedures imposed by the banks concerning this service.	 No change
Anti-corruption	The anti-corruption work is enshrined in the Group's general policies and ethical guidelines for suppliers and companies in NorgesGruppen. NorgesGruppen has zero tolerance for corruption, and has established a framework to ensure that all employees, managers and partners adhere to this policy. All transactions at NorgesGruppen shall be contractual, legal and commercially justified. Employees or employee representatives at NorgesGruppen shall never demand, receive, offer or give bribes, gifts, benefits, services or other favours beyond this, nor contribute to such behaviour. No cases of corruption were discovered in 2022. NorgesGruppen facilitates adequate training in all business areas.	 No change

Risk	Governance	Status
Financial risk	<p>NorgesGruppen uses sound financial risk management as a basis. The most important financial risk areas are interest rate, liquidity and currency risk. The Board of Directors assesses the Group's financial situation and updates the situation throughout the year.</p> <p>NorgesGruppen has established a framework for financing with green bonds. Loans under the green framework will solely be used to finance or refinance investments in environmentally-friendly transport and buildings, and renewable energy. The CICERO research foundation has given the framework a dark green rating. In 2022, NorgesGruppen received an official rating of BBB+, which confirms that NorgesGruppen has a solid position both financially and in the market, and an effective management model for good risk management.</p>	→ No change
Climate risk	<p>Climate change entails physical risks in the food value chain with regard to access to commodities and to NorgesGruppen's assets and infrastructure. Extreme weather and long-term changes in the climate lead to unpredictable markets, a lack of selected commodities and increased prices. The risk is greatest in the medium term.</p> <p>In 2022, NorgesGruppen has prepared scenario-based analyses of the most important climate risks. The Group's review of climate-related risks is based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD). The scenario analyses show that, in particular, future access to commodities and renewable energy should be closely monitored. The same applies to the consequences of increased regulations, such as the introduction of a carbon tax. All the risks are contributing to an increased cost profile, and are impacting on NorgesGruppen's target of achieving its climate-neutral 2030 strategy. NorgesGruppen is well positioned to meet the major trends in climate, sustainability and energy. The main features of the climate risk analysis are presented on page 87.</p>	→ No change

Climate risks and opportunities and scenario analysis

The scenario analyses we conducted in 2022 emphasise the importance of meeting the ambition of climate-neutral operations and increasing investments in low-emission solutions.

→ Extreme weather, long-term climate change and the transition to a low-emission society entails risk for NorgesGruppen, as for the rest of the food and drink value chain. We want to inform openly about the climate risks and opportunities we face and how they can impact our value creation in the short and long term. In 2022, we took a deeper look at the assessments of climate risk than before, involved larger parts of the organisation and carried out the first scenario analyses of prioritised climate risks. The work will support our strategic choices over the years and decades to come.

NorgesGruppen has chosen to follow the recommendations from Task Force on Climate-related Financial Disclosures (TCFD) when reporting climate risk, and the report therefore follows the four main points recommended by TCFD:

- Governance
- Strategy
- Risk management
- Metrics and targets

Identified climate risks and opportunities: Status 2022

The matrix below shows the most important climate risks and opportunities that NorgesGruppen has identified in its own operations and value chain. Each of the factors is assessed in terms of probability, consequence for the company's value creation and strategy, where the risk occurs and when it is expected to occur. It is worth noting that several of the climate risks also present opportunities if we manage them in a way that gives us an edge in the market.

		Where			Time-frame		
		Value chain	Operations	Market	Short	Medium	Long
Climate risks							
1	Extreme weather and long-term climate change hamper NorgesGruppen's access to commodities	✓				✓	✓
2	Extreme weather damages NorgesGruppen's assets or infrastructure		✓		✓	✓	✓
3	NorgesGruppen and the value chain are subject to stricter and new regulations, which reduce access to renewable energy, for example	✓	✓	✓		✓	✓
4	Strict climate and environmental criteria limit access to capital		✓			✓	✓
5	Innovation and new low-emission solutions require rapid phasing out of existing solutions	✓	✓			✓	✓
6	Consumer preferences are changing faster than what NorgesGruppen is able to predict			✓		✓	✓
Climate opportunities							
7	Circular solutions contribute to business development and greater use of resources	✓	✓	✓		✓	✓
8	NorgesGruppen gains from early use of environmental technology	✓	✓			✓	✓
9	NorgesGruppen succeeds with a green value chain and benefits from this	✓		✓		✓	✓

Governance

Sustainability is one of three pillars of NorgesGruppen's business strategy, prepared and followed up by Group management and administration and approved by the Board of Directors.

Board of directors' supervision

The Board of Directors shall ensure that NorgesGruppen has satisfactory procedures and systems for risk management. The Board of Directors is involved in the management of climate risks and opportunities through

- annual review of NorgesGruppen's overall risk profile, including significant climate risks
- Mid-year review of the status of the sustainability goals

In addition, the Board of Directors' audit committee oversees climate risk by monitoring the systems for internal control and risk management and preparing the Board's review of the reporting of financial figures and sustainability results.

Role of management

NorgesGruppen's goal of climate-neutral operations by 2030 and associated focus areas is part of the company's business strategy. It is closely monitored by Group management and implemented by the managers in the business areas. Twice a year, Group management reviews and updates the action plan for the strategy.

The responsibility for following up, coordinating and reporting on sustainability work has been delegated to NorgesGruppen's Sustainability Director and departments in various parts of the Group. The Group's professional resources cooperate through NorgesGruppen's sustainability network. The work of identifying and assessing climate risks has also involved other departments in the company. For reference, see page 87.

Strategy

In 2022, we chose three scenarios to assess climate risk and the company's strategy. The scenarios are based on information from the UN's climate panel IPCC, the UN's environmental pro-

gramme, the International Energy Agency (IEA), the Network for Greening the Financial System, the EU, the 2050 Climate Change Committee and the Norwegian government:

1. Achieving the goals of the Paris Agreement

The world is coming together for a green transformation, driven by overlapping economic, climate and security interests. We are halving emissions by 2030 and achieving the goals of the Paris Agreement.

2. Sticking to current policies

The climate policy does not live up to the ambitious, national commitments on cutting climate emissions. The world is experiencing a temperature rise of 1.5°C in 2040 and 2.7°C in 2100.

3. The complete failure of climate policy

The security situation and national and regional interests stand in the way of cooperation on the climate issue. Emissions continue to rise and global warming reaches 3.6-4.4°C by 2100.

The scenario analysis included a deep dive into the risks associated with commodities, assets and infrastructure and regulations. See table and risk 1, 2 and 3 on this and the next page.

Commodities

The analysis of commodities included coffee and maize and concluded that there is little vulnerability in the event of a 1.5°C temperature increase in 2040, as moving production and new plant types can largely compensate for production losses. However, even small changes in coffee crops can have a big impact on prices: In 2021, coffee prices doubled after drought and frost in Brazil reduced the volume of commodities by 6 per cent. A temperature increase of 3.5°C is expected to result in critical falls in the production of both coffee and maize.

Assets and infrastructure

The analysis of prioritised activities in the EU taxonomy revealed an increased risk of flooding, avalanches and/or storm surges at several of our properties and facilities in the scenarios with the greatest temperature rises. Climate adaptation plans are being developed in line with EU taxonomy requirements.

Several of ASKO's warehouses and terminals are located in or next to due diligence areas for floods, avalanches or storm surges, but the number of warehouses and the geographical spread reduce the risk of delivery disruptions. ASKO has established contingency agreements and plans to ensure that the various companies relieve each other if necessary.



Assessment of the effects of physical climate risks on NorgesGruppen			
Physical climate risks	Scope	2. Sticking to current policies	3. The complete failure of climate policy
1. Extreme weather and long-term climate change hamper NorgesGruppen's access to commodities	Coffee Corn	1.5°C temperature increase in 2040: <ul style="list-style-type: none">• Overall, low vulnerability• Increased price volatility related to extreme weather	3.5 °C temperature increase in 2100: Critical production losses, even with adaptations of species and production areas
2. Extreme weather damages NorgesGruppen's assets or infrastructure	Prioritised activities in the EU taxonomy	1.8°C temperature rise 2071-2100: <ul style="list-style-type: none">• Costs of business interruptions• Increased costs for prevention and insurance	3.7°C temperature rise 2071-2100: Higher temperatures and more extreme weather increase the likelihood of natural damage

Assessment of effects on NorgesGruppen towards 2030 from transition risk			
Transition risk	1. Achieving the goals of the Paris Agreement	2. Sticking to current policies	3. The complete failure of climate policy
3. NorgesGruppen and the value chain are subject to stricter and new regulations that reduce access to renewable energy, among other things	Significant effect <ul style="list-style-type: none"> • Significant potential carbon costs if own climate targets are not met • Increased costs for buildings, packaging, commodities, renewable energy and freight, among others 	Moderate to significant effect <ul style="list-style-type: none"> • High carbon price in Norway compared to EU • Same effects of EU regulations as in scenario 1, but delayed in time and strength 	Little effect <ul style="list-style-type: none"> • Effective carbon price lower than outlined by government • Climate regulations from the EU are watered down and only partially incorporated into Norwegian law

→ Regulations

The scenario "We are achieving our goals in the Paris Agreement" was used as a starting point for assessing transition risk towards 2030, as this scenario will require a massive and rapid restructuring using taxes, for example.

The goal of major emission cuts makes the EU's Green Deal, and especially the Fit for 55 climate package, relevant in this scenario. These initiatives will also shape the climate policy reality in the years to come.

In particular, the revision of the Energy Performance of Buildings Directive is assumed to impact NorgesGruppen directly with new thresholds for energy use in buildings and requirements for e.g. photovoltaic systems for new builds. In addition, the EU is working on a revision of the Packaging and Packaging Waste Directive, which may require major adjustments to the packaging we use. Emission quotas are a central tool in Fit for 55, which can have an impact on higher product and freight prices.

The Norwegian government has announced that the CO₂ tax will be increased to NOK 2000 per tonne in 2030, somewhat higher than what is outlined in low-emission scenarios from, for example, the IEA. This will have an effect and increased cost for the greenhouse gas emissions NorgesGruppen has.

Strategic priorities

The scenario analysis confirms the importance of NorgesGruppen's sustainability strategy and ambition to make operations climate-neutral by 2030. Some areas that are based on the scenario analysis are:

• Climate regulations

Close monitoring of regulations is important to manage risk and exploit opportunities.

• Commodities

Knowledge of climate risks related to access to commodities and possible impacts in production areas, export volumes and prices.

• Investments

Assessments of transition and physical climate risks in investment decisions.

• Diet and eating habits

Follow changes and potential dietary regulations closely, and follow consumer requests for more green choices.

• Residual emissions by 2030

Prepare for compensation of residual emissions with recognised and economically sound solutions due to potential shortages.

• Properties & infrastructure

Continue the review of properties and assess the need for climate adaptation in line with the requirements of the EU taxonomy.

Risk management

NorgesGruppen's first review of climate risk in accordance with TCFD was carried out in 2021 as a bottom-up analysis with contributions from sustainability experts. The conclusions were discussed in the Group management and are presented in the Group's annual report for 2021.

In 2022, climate risk was integrated into the process of annual risk assessments from subsidiaries and central units in the Group. The same assessment criteria were used as the basis for climate risk as for other risks, and the climate risks were weighted against other risk factors. The conclusions from this process were validated by the Group management during the update of the Group's overall risk profile, which has also been discussed by the Board of Directors. Routines and roles in the overall risk management are described in more detail on page 83.

Metrics and targets

Every year, NorgesGruppen reports externally on sustainability targets and results in the company's annual and sustainability report. The carbon accounts have been verified by an independent third party and respond to TCFD's recommendation to report greenhouse gas emissions (scopes 1-3) and climate intensity. For more information on the development of greenhouse gas emissions and other target figures:

- Climate accounting, pages 64-65
- Target figures for climate and the environment, pages 66-67
- Reporting on the EU taxonomy, pages 74-76

Work of the Board of Directors 2022

In 2022, eight Board meetings were held as well as a strategy meeting with the Group's management team. The work of the Board of Directors followed the annual plan adopted in 2021.

→ NorgesGruppen's strategy for the period 2021–2025 was decided in December 2020 and was also a central theme in the work of the Board of Directors throughout 2022. Relevant themes from the strategy were discussed in detail in two board meetings, while the administration dealt with the strategy sta-

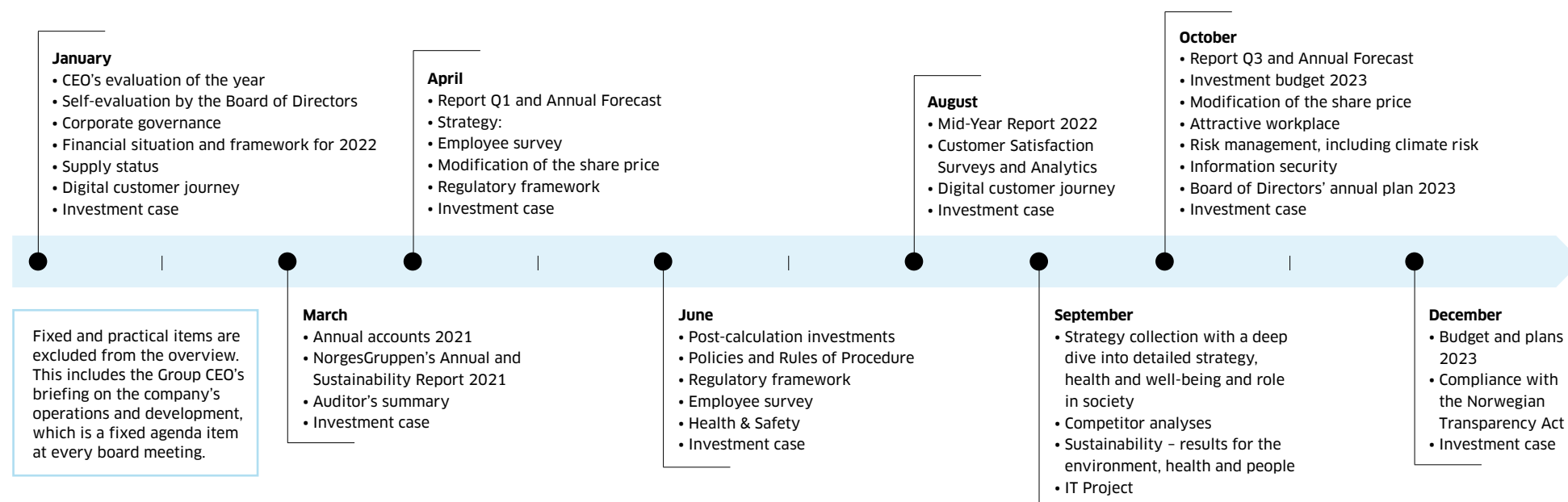
tus. At each meeting of the Board of Directors, the Board was informed of the development of one of the businesses. Furthermore, the work on sustainability was thoroughly reviewed in order to keep the Board of Directors updated on challenges and the achievement of objectives.

Insurance has been taken out for the members of the Board of Directors and the Managing Director for their possible liability towards the company and third parties. The insurance cover amounts to 100 MNOK per year.

Corporate governance

NorgesGruppen complies with the currently applicable Norwegian Code of Practice for Corporate Governance and Section 3-3b of the Norwegian Accounting Act. The Board of Directors presents a complete statement in accordance with the Norwegian Code of Practice prepared by the Norwegian Corporate Governance Board (NUES).

The report is available on the company's website [here](#).



References

The subsequent parts of NorgesGruppen's annual and sustainability report for 2022 comprise the Board's report.

	Information	Chapter	Page
The Norwegian Accounting Act			
Section 3-3 a, subsection 1	The nature of the business and where it is operated.	This is NorgesGruppen	5, 15-24
Section 3-3a, subsection 2	A true and fair overview of the development and results of the business and its position, together with a description of the most central risks and uncertainties that the party liable for the accounting faces. Information about research and development activities.	Market and ambitions	26-29
Section 3-3a, subsection 5	Report that provides a basis for assessing the future development of the party liable for accounting, including whether the expectations are in accordance with the result for the year and justifying any deviation.	Market and ambitions; Management and governance	11-14, 32-48, 83-89
Section 3-3a, subsection 6	Information about financial risk that is of significance for assessing the company's assets, liabilities, financial position and profit/loss. The information shall include targets and strategies that are established for the management of financial risk, including the strategy for hedging each main type of planned transactions where hedging assessment is used. The company's exposure to market risk, credit risk and liquidity risk must be accounted for	Management and governance	133-139
Section 3-3a, subsection 7, cf. §4-5	Information on the going-concern assumption.	Market and ambitions	26-29
Section 3-3a, subsection 8	Proposal for the application of profits or coverage of losses if this is not stated in the annual accounts.	Market and ambitions	26-29
Section 3-3a, subsection 9	Information about the working environment and an overview of implemented measures that are of significance to the working environment. Special information must be given about injuries and accidents, and absence due to illness.	Management and governance	79-82
Section 3-3a, subsection 10	Information must be provided about the conditions of the business, including its input factors and products, which may result in a not negligible impact on the external environment. It must be stated which environmental effects specific aspects of the company cause or can cause, as well as which measures have been or are planned to be implemented to prevent or reduce negative environmental effects	Results, sustainability	61-70
Section 3-3a, subsection 11	Information must be provided as to whether insurance has been taken out for the board members and general manager for their possible liability towards the company and third parties and, where appropriate, about the insurance cover.	Management and governance	90
Section 3-3b	Statement on corporate governance	Management and governance	90
Section 3-3c, subsection 1	Corporate Social Responsibility Statement	This is NorgesGruppen: Results, sustainability	4, 71-73, 83-89
Gender Equality and Anti-Discrimination Act			
Section 26a	Explain the actual state of gender equality in the company and what is being done to meet the activity obligation	www.norgesgruppen.no	
The Norwegian Transparency Act			
Section 5 cf. Section 4	Statement on due diligence assessment	Management and governance	71-73
Climate accounting			
-	The 2022 climate accounts have been prepared in accordance with The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, Revised Edition and ISO 14064-3:2019, and have been verified by an independent third party, DNV Business Assurance Norway AS.	Results, sustainability	64-65

Shareholder relations and management

Ownership structure as at 31.12.2022 (representative on the Board of Directors in brackets)

	Number of shares	Ownership share	Voting share
Joh. Johannson Handel AS (Knut Hartvig Johannson)	29,760,242	74.40%	74.40%
Brødrene Lorentzen AS (Sverre Lorentzen)	3,600,000	9.00%	9.00%
Tor Kirkeng AS	758,990	1.90%	1.90%
Butikkdrift AS	722,133	1.81%	1.81%
Joakim Burud Holding AS	633,756	1.58%	1.58%
Bettina Burud Holding AS	633,756	1.58%	1.58%
Drageset AS	451,663	1.13%	1.13%
Kråtun AS	421,306	1.05%	1.05%
Terje Navjord Holding AS	402,770	1.01%	1.01%
Sum > 1% eierandel	37,384,616	93.46%	93.46%
Sum øvrige og egne aksjer	2,615,384	6.54%	6.54%
Totalt	40,000,000	100.00%	100.00%

The nomination committee consists of

Knut Hartvig Johannson	Morten Corneliussen
Knut Hage	Odd Sverre Larsen

Organisation as at 21.03.2023

Runar Hollevik (1968)	Group CEO
Konsernstab	
Truls Fjeldstad (1967)	Group Director, Region, Retail and Property
Stein Rømmerud (1970)	Group Director, Communications and Public Affairs
Mette Lier (1963)	Group Director, Finance and Economics
Øyvind Andersen (1967)	Group Director, Purchasing and Category Development
Dina R. Thune (1968)	Group HR Director
Finn Dybvik (1973)	Business Development Director
Operations	
Vegard Kjuus (1972)	CEO, MENY AS
Kristine Stranne (1976)	CEO, NorgesGruppen Servicehandel AS
Jan Paul Bjørkøy (1955)	CEO, KIWI Norge AS
Tore Bekken (1966)	CEO, ASKO Norge AS
Ole Christian Fjeldheim (1972)	CEO, Kjøpmannshuset Norge AS
Other activities	
Espen Kjøsberg (1962)	CEO, NorgesGruppen Data AS

Shareholder ratio as at 31.12.2021

Share capital	NOK 400,000,000
Number of shares	40,000,000
The nominal value of the share	NOK 10
Number of shareholders	743

Share classes and voting rights

There is one share class in NorgesGruppen.
Each share has one vote at the company's annual general meeting.

Securities number

The shares are registered in Verdipapirsentralen (VPS) with DNB as account holder/issuer.

The shares have securities number ISIN NO 000-4527607.

For further information about the NorgesGruppen share, go to www.norgesgruppen.no/finans/finans-hjem/norgesgruppen-aksjen/aksjonaroversikt/

Board of Directors of NorgesGruppen ASA

as at 31.12.2022



JOHAN JOHANNSON
(1967)
Chairman

Board member of Joh. Johansson Handel AS, which holds 29,760,242 shares in NorgesGruppen.

CECILIE BLINDERN MYHRE
(1965)
Elected observer

Marketing Manager at NorgesGruppen Detalj AS. Number of shares in NorgesGruppen: 0

SVERRE LORENTZEN
(1944)
Board member

Director and board member of Brødrene Lorentzen AS. Number of shares in NorgesGruppen: 3,600,000

ØRJAN SVANEVIK
(1966)
Board member

Managing Director i Oavik Capital. Styremedlem NorgesGruppen Finans Holding AS. Antall aksjer i NorgesGruppen: 0

GISELE MARCHAND
(1958)
Board member

Full-time board member. Chairman of the Board Gjensidige Forsikring ASA, Nationaltheatret AS, Norgesgruppen Finans Holding AS and Boligbygg Oslo KF. Board member of Selvaag Bolig ASA, Scatec ASA, Eien-domsspar AS and Viktoria Eiendom. Member of the nomination committee of Entra ASA. Number of shares in NorgesGruppen: 0

MATS GUNNAR KNUDSEN
(1986)
Employee-elected Board member

Store Manager KIWI Skedsmokorset. Number of shares in NorgesGruppen: 0

GURI STØRVOLD
(1976)
Board member

Partner in Zynk Communication & Leadership AS. Board member of Gammel Nok. Number of shares in NorgesGruppen: 0



TRINE DAHLSTRØM
(1968)

Employee-elected board member

Lead employee representative
MENY.
Employee MENY Drøbak.
Number of shares in Norges-
Gruppen: 0

JAN MAGNE BORGEN
(1950)

Board member

Retailer and Board positions in
various other commercial and
property companies.
Number of shares in Norges-
Gruppen: 983

STIAN KVALVAAG
(1980)

Employee-elected observer

Group employee representative
ASKO Norge AS. Board member
ASKO Midt-Norge AS.
Number of shares in Norges-
Gruppen: 0

HILDE VATNE
(1965)

Board member

CEO JM Norge AS. Board mem-
ber DnB Næringsseiendom AS,
JM OY and Parteo Bank ASA.
Board member of several
property development compa-
nies under the auspices of JM
Norge.
Number of shares in Norges-
Gruppen: 0

**MARTINE MYRSTAD
STEINSHOLT** (1987)

Board member

Retailer at SPAR Spjelkavik.
Number of shares in Norges-
Gruppen: 0

KNUT HARTVIG JOHANNSSON
(1937)

Observer

Chairman of Joh. Johannson
Handel AS, which holds
29,760,242 shares in Norges-
Gruppen

RUNAR HOLLEVIK
(1968)

CEO, NorgesGruppen

Words & definitions

Fully-owned store: store owned by Norges-Gruppen

Retailer-owned store: store owned by the retailer, either run independently or within a chain concept

Input factors: the resources, in the form of natural resources, work and capital, which are included in a production process

BREEAM-NOR: environmental certification system for new builds and major renovations with from Pass (lowest) to Outstanding

EU Green Deal: EU's green growth strategy to modernise the region and make it more resource efficient and competitive

Fairtrade: is a certification and labelling scheme to prevent violations of human rights in the value chain and makes it easy to engage in fair trade

Fit for 55: EU's package of regulations and measures to reduce greenhouse gas emissions in the region by at least 55 per cent by 2030

International Energy Agency (IEA): the International Energy Agency, an independent organisation within the OECD

Science Based Targets initiative (SBTi): partnership that promotes best practice for emission reductions and science-based climate targets

Photos:

Cry Traaen / cover, 3, 4, 5, 6, 13, 15, 16, 17, 20, 21, 26, 31, 32, 33, 36, 37, 38, 39, 40, 41, 42, 43, back cover

Caroline Roka / page 3, 14, 46, 93, 95

Jørgen Nordby / page 5 (Joker photo), 25, 31

Hans Fredrik Asbjørnsen / page 8, 82

Oliver Bugten / page 34, 78

Simen Falck / page 3

Tom Hansen / page 18, 31

Nikolas Gogstad-Andersen / page 15, 22, 49

Getty Images / page 13 (coffee plantation, electricity)

Johnér / page 12

Metervare / page 21

Klimatomater / page 24

MENY / page 2 (BAMA), 3, 96 97 (BAMA)

KIWI / page 10, 35

SPAR / page 3, 82

ASKO / page 5, 19, 31

Gigaboks / page 5, 18, 45

Dollarstore / page 45

NorgesGruppen / page 17 (Trumf), 73, 81

Dagrofa / page 48

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Itera and Stykr

NorgesGruppen's report for 2022

NorgesGruppen's integrated annual and sustainability report 2022 satisfies all the requirements for annual accounts, the annual report, an account of corporate governance and corporate social responsibility.

www.norgesgruppen.no provides you with updated information about NorgesGruppen. Here you can download the PDF version of the Annual and Sustainability Report.



OUR VISION IS TO PROVIDE YOU
WITH A BETTER EVERYDAY LIFE

Would you like to learn more about NorgesGruppen?
See norgesgruppen.no