

Stockholm, 13 November 2014

Quarterly report on sustainability Q3, July–September, 2014

Increased focus on health

Health was in focus in the third quarter of 2014. This included grassroots sport sponsorship and other health-promoting activities. During the quarter, Rimi in Lithuania also became the first Baltic food company to adopt Keyhole labelling of products. ICA Sweden further expanded its range of products adapted for allergy sufferers.

Important events in brief

- 700 school classes signed up for the Swedish “Buddy with your Body” campaign which ICA Sweden is arranging for the 14th consecutive year.
- ICA Sweden continued to expand its range of products adapted for allergy sufferers and now has a total of more than 900 private label gluten- and lactose-free products in its central range.
- Rimi in Lithuania became the first Baltic retailer to launch Keyhole labelling of its products.
- ICA's sales of organic products increased by 45% in Sweden during the third quarter compared with the same period in the previous year.



–31%
reduced direct
climate impact *

89%
of ICA's corporate
brand suppliers in
high-risk countries
are socially audited.

72%
of ICA's corporate
brand suppliers are
quality certified *

* See page 2.

Sustainability targets:

ICA will reduce its direct climate impact by 30% by 2020 compared with 2006¹

2014 Jan-Sep, %	2013 Jan-Sep, %	2013, %	Target, %
-31	-16	-18	-30

100% of ICA's corporate brand suppliers in high-risk countries will be socially audited²

2014 Q3, %	2014 Q2, %	2013, %	Target, %
89	83	77	100

80% of ICA's corporate brand suppliers will be quality certified³

2014 Q3, %	2014 Q2, %	2013, %	Target, %
72	58	n/a	80

- During this quarter, ICA's carbon dioxide emissions increased slightly in all markets. This was mainly due to the warm summer months which led to increased electricity consumption in the stores to keep fans and refrigeration units running. In the first quarter of 2014, ICA achieved the long-term Group target for direct climate impact and this target was also achieved once the third quarter had ended. Since carbon dioxide emissions vary with the seasons, however, the target is not yet regarded as fully achieved but this offers hope that it will be reached for the full year now that one quarter remains. The outcome is affected by ICA's long-term efforts to reduce emissions within several areas, primarily energy, refrigerants, transports and business travel. Factors which had a major impact on emissions in the first three quarters of 2014 included ICA Norway starting to buy renewable electricity for stores and warehouses, ICA Sweden's focus on transports with vehicles which use alternative fuels, even more ICA stores choosing ICA's central contract for renewable electricity and Rimi Baltic transferring to refrigerants with less climate impact.

- Both the proportion and number of audited suppliers in high-risk countries increased during the third quarter, primarily within fruit, vegetables and flowers, an effect of a Nordic sourcing cooperation within these product categories. In the Baltic countries, active work has been carried out with the non-food supplier base and this had a positive impact on the result. ICA Gruppen's determined work will continue during the year to support suppliers in their efforts to ensure that production takes place in an acceptable form in terms of human rights.
- Starting in the first quarter of 2014, the definition of the quality target has been changed to include not only corporate brand food suppliers but all suppliers of ICA Gruppen's corporate brands. Furthermore, additional standards are accepted, in addition to GFSI-approved standards. This means that from and including 2014 the outcome for the target is not comparable with previous years. The target of 80% remains unchanged. The proportion of quality-certified corporate brand suppliers increased in the third quarter compared with the second quarter. The main reason is that new routines have been introduced to ensure that work with updating and registration of quality certificates is ongoing. These routines have had a good effect and a positive trend was seen during the quarter with an increased number of quality-certified suppliers.

¹ ICA's direct climate impact relates to the operation of stores and warehouses, goods transportation between warehouses and stores, and business travel. The climate impact from the product range is not included. The current outcome is compared to the aggregate average quarterly emissions based on emission data for the full year 2006. From the first quarter of 2013, the target is reported as direct climate impact per square metre of store sales area, in accordance with the Group strategy adopted at the end of 2012. Comparative figures for previous years and periods have been adjusted accordingly.

² Corporate brands are essentially private label products. Since 1 January 2014 high-risk countries are defined in accordance with the BSCI's definition (The Business Social Compliance Initiative).

³ 80% of ICA's suppliers of corporate brand products must be quality certified in accordance with a standard approved by ICA, such as GFSI-approved standards and IP Sigill (Swedish Seal of Quality). Starting in 2014, ICA reports quality status for suppliers of the entire product range. Previously this was only reported for suppliers of food, fruit and vegetables.

CEO's comments

Health issues have many dimensions

In the third quarter of this year we could see that the issue of health continues to engage our customers. It was particularly pleasing that we are the first retailer in the Baltic countries to offer customers Keyhole labelled goods.

Inspiring ICA Gruppen's customers to make healthy choices and adopt a healthy lifestyle is one of our most enjoyable and important tasks. Partly, it spurs us on commercially to constantly develop new products, such as our growing range adapted for allergy sufferers. Partly, a focus on health is a central component in our efforts to be a positive force in society. Through our core business, food and meals, we can make a very tangible contribution to more people feeling well. Food and exercise also belong together. So taking an extra step and sponsoring health-promoting activities suitable for many different groups in society, feels entirely natural.

The most recent quarter contained many examples of the Group's focus on health. I am thinking, for example, of ICA Sweden where we can now offer 900 products that are free from allergens such as gluten and lactose, and the fact that 700 school classes signed up for our acclaimed "Buddy with your Body" campaign. Another example is our sponsoring activities with the Swedish Sports Organisation for the Disabled and the Swedish Sports Confederation. I would also like to give a special mention to Rimi in Lithuania which is now the first Baltic retailer to offer Keyhole labelled private label products.

The Keyhole has a special connection with ICA. The labelling resulted from ICA's work with health in the 1980s and has now grown into something which benefits most of the Nordic industry. This if anything shows how far ICA has pushed health issues. But at the same time it also points to a key question. Is Keyhole labelling working the way we want it to or do industry players and authorities need to modernise this trademark?

The issue of health is also becoming increasingly multi-faceted. For example, we have seen that for many customers organic food and locally produced alternatives are no longer merely an environmental issue but also relate to a healthy lifestyle. It simply feels good to be able to choose locally and



organically produced food. In light of this our Swedish cooperation with the Federation of Swedish Farmers (LRF) is becoming increasingly important spearheaded by the concept "ICA Good Taste from", a range which focuses on local flavours and where all products consist of Swedish raw materials produced in Sweden.

Our focus on health will continue, due among other things to ICA Gruppen's acquisition of the pharmacy retailer Apotek Hjärtat.

Finally, I would like to mention some exciting news. After the end of this year ICA will launch a climate project where together with our partners we will seek ways to help families live climate-smart and healthy everyday lives. We started work on the development of project tools in the past quarter and we will be up and running in earnest after year-end.

Per Strömberg
CEO, Gruppen

"It simply feels good to be able to choose locally and organically produced food. In light of this our Swedish cooperation with the Federation of Swedish Farmers (LRF) is becoming increasingly important spearheaded by the concept "ICA Good Taste from".

Environment

Upward trend for organic continues

ICA Sweden's sales of organic items continues to increase substantially. In the third quarter, organic sales in the central product range rose by 45% compared with the same quarter in the previous year. Sales of ICA's private label products in the ICA I love eco range increased by 58% during the quarter, compared with the same quarter in 2013. The increase is explained by several initiatives with a focus on highlighting organic produce. Among other things, ICA Sweden has offered a double bonus on its ICA I love eco products, emphasised the organic range in the stores through the communications material "Choose eco" and during the quarter ICA Sweden also highlighted organic products in its commercials.

Eco certification of Lithuanian warehouse

Rimi is the first grocery player in Lithuania to have its warehouses certified by the Lithuanian certification body Ecoagros to store and distribute ecological products. Ecoagros is a government agency founded to ensure compliance with the standards set by the EU and the International Federation of Organic Farming.

Climate project starts

In Sweden, preparatory work started on a climate project designed to help families to find more ways to reduce the climate impact in their everyday lives. The project is a cooperation between ICA Sweden, ICA Bank, ICA Supermarket Torgkassen and the Uppsala-hem housing association together with Chalmers University of Technology and WWF, among others. The idea is to capitalise on the experiences from the acclaimed climate experiment One Tonne Life in which ICA took part in 2011. In One Tonne Life a family tested various methods to reduce its climate impact from housing, transport, food and other consumption. This time the project involves inviting the residents in an apartment building in Uppsala, Sweden, to test the findings on an even bigger scale and using new tools. Among other things, families will test a method for digital follow-up of their carbon footprint. The project will start at the beginning of 2015.

Norwegian dialogue on sustainable food production

During the quarter, ICA Norway participated in a meeting on sustainable food production with a focus on consequences in the form of deforestation in developing countries. The meeting was arranged by the Norwegian Ministry of Climate and the Environment. Several industry players took part, as well as representatives from other ministries and NGOs from both Norway and other countries. The meeting was part of Norway's preparations for the Climate Change Conference in Lima in November. At the meeting, ICA Norway emphasised the importance of transferring to sustainable palm oil production. Furthermore, ICA Norway signed the industry's declaration of intent that all palm oil used in Norway should be sustainably produced and certified. At the same meeting, ICA Norway also became a signatory to the UN declaration to stop global deforestation.

Quality

Meeting about Danish pork

ICA Sweden together with the Swedish Grocery Trade Federation (Svensk Dagligvaruhandel) has had a dialogue with representatives of the Danish pig industry, as a follow-up on efforts to improve animal welfare. The Danish practice of tail docking and the use of antibiotics has attracted attention in Sweden. Almost 80% of ICA Sweden's fresh pork is Swedish and the aim is to increase sales of Swedish pork. So far, however, demand for pork is greater than the supply of Swedish meat which is why ICA also purchases Danish pork which is judged to be the next best alternative from an animal welfare perspective.

Norwegian pharmaceuticals audit

The Norwegian Medicines Agency has conducted an audit of ICA Norway related to ICA being approved as a wholesaler for non-prescription drugs. Minor non-conformances were noted which ICA Norway has put right.

Public recalls of private label products during the quarter

ICA Sweden had one public recall of private label products via press release during the quarter: ICA Oliver Pimiento following an indication that the packages might contain pieces of glass.

Rimi Baltic had two public recalls of private label products via press releases during the quarter: Toy balls with lights that pose a risk of suffocation and plates with a lead content that exceeded the approved level. ICA Norway had no public recalls via press releases during the quarter.

Ethical trade

Improved conditions for employed berry pickers

During the quarter, ICA Sweden conducted audits of conditions for organised foreign berry pickers in Swedish forests. The audits showed that the major berry companies had become better at ensuring acceptable working conditions for their employed pickers and that they are using the audit tools that ICA previously shared with the entire industry. The number of intermediaries has decreased and purchasers have developed better routines for paying wages. At the same time, the weak berry harvest this year and the fact that there are berry stocks left over from last year have led to a challenging situation, particularly for unorganised berry pickers. The areas that still need to be improved according to the audits of organised picking are ensuring reasonable working hours and increasing awareness among berry pickers of their rights, for example related to sickness, in accordance with collective agreements.

Review of Italian tomato growers

During the quarter, independent parties followed up work on social responsibility at two Italian tomato producers. This was due to an earlier report in the Norwegian media on unacceptable working conditions at tomato plantations in Italy. The follow-up was a first check of the extensive demands that ICA Gruppen makes on social responsibility. These include growers ensuring that their employees have the possibility to join a trade union and ensuring that employment documentation is totally in order. No critical non-conformances were identified during this initial review.

Even greater focus on children's rights

During the quarter, ICA Gruppen conducted a review of how its Swedish operations affect children's rights from a global perspective. The study was made on the basis of the principles on the rights of the child promoted by the UN, UNICEF and Save the Children. The conclusion was that ICA is already

doing a lot of things right but that the child perspective should be highlighted even more. As a consequence, ICA has now placed this in its sustainability policy at Group level so that a child perspective will permeate all the Group's activities. ICA is now working to draft additional action plans based on this study. This issue was also in focus following a report published by Swed-watch during the quarter in which a number of Swedish players who buy textile products from Bangladesh were reviewed. The review concerned how these companies tangibly safeguard the rights of the children whose parents work in the textile factories engaged by the companies. For many years, ICA has worked with supplier follow-up on site and takes part in a cooperation project with other players so as to jointly improve the situation for parents and young adults who work for a supplier of ICA's corporate brands.

Health

Focus on palm oil

Starting in 2015, ICA Norway has decided to refrain from using palm oil in its private label products. The reason is that Norwegian consumers prefer products without palm oil for health reasons. In Sweden, consumers relate the question of palm oil more to environmental issues and there is no research that indicates health risks in conjunction with palm oil consumption. ICA Sweden will therefore continue its ongoing work from an environmental viewpoint and transfer to sustainable certified palm oil in its private label products by 2015 at the latest.

"Buddy with your Body" engages Swedish schools

For the fourteenth consecutive year, ICA Sweden is carrying out the internationally acclaimed campaign "Buddy with your Body" where schoolchildren get to visit their local ICA store to learn more about why it is healthy to eat fruit and vegetables. During the quarter about 700 school classes signed up for a visit. Most of the store visits will take place in October and November.

New products for allergy sufferers

ICA Sweden continues to broaden its product range in order to meet the constantly rising demand for products adapted for allergy sufferers. In September, ICA announced that several new items were in the pipeline in ICA's own Free-from range, such as gluten-free frozen pancakes, gluten-free spaghetti in a big pack as well as new flavours in ICA's lactose-free yoghurt range. In total there are more than 900 allergy-adapted products. During the quarter, ICA Sweden's sales of private label gluten-free products increased by 450% compared with the same period in 2013. ICA's private label lactose-free products increased by 53% during the same period.

Keyhole labelling in place in the Baltics

The Lithuanian health authorities have introduced Keyhole labelling of food products to help consumers make healthy dietary choices. Rimi in Lithuania was the first of the country's grocery players to start the process of introducing Keyhole labelling of products that meet the authorities' set criteria for fats, salt, sugar and fibre within the categories fruit, vegetables, berries and fresh fish. Keyhole labelling originated in a Swedish ICA idea. Read more about this in Outlook on page 7.

Nutrition advisors in place in selected Cura pharmacies

Cura pharmacies have now introduced the Diet Check service at twelve pharmacies. A number of pharmacists have received special training in nutrition. This training means that pharmacists now have dual expertise to assist and inspire their customers to make important changes in their everyday diet taking both lifestyle and any medicines they may be prescribed into account. All advice is based on recommendations from the National Food Agency.

Initiatives for a healthy lifestyle

Food and exercise belong together. That is why ICA Gruppen also wishes to encourage physical activities. ICA Sweden is a principal sponsor of the Blodomloppet exercise race which took place at 14 locations from May to August. A total of 110,000 people took part in the race during this period. Sponsorship of Landslagets Fotbollsskola is also about health in this case teaching children to eat the right food. 51,000 children are estimated to have taken part in this football school in 2014. ICA Sweden gave the 6,100 leaders special training material about the significance of food for training. In August, ICA Sweden was also a principal sponsor of the Cykelvasan cycling event and over 16,500 cyclists started the race. ICA contributed with fencing off the competition arena and conducted children's activities at the sports fair in Lindvallen, Sälen.

Community engagement

ICA opens its doors to Swedish youth

By the third quarter, 952 young people who had been unemployed for some time were offered traineeships through the "ICA 2020" project started by ICA Sweden and the ICA stores. The aim is to offer 2,000 new trainee places to young people under the age of 25 in the years ahead. This initiative is being conducted in cooperation with the Swedish Public Employment Service. ICA stores are already one of Sweden's biggest employers of young people and take on 10,000–15,000 trainees every year. During the quarter, ICA Sweden also prepared the first version of ICA's Youth Network which will be carried out in the coming quarter. This is a three-day event with lectures and workshops intended to find out what young people think makes ICA Sweden an attractive employer.

Success for athletes with disabilities

ICA Sweden supports the Swedish Sports Organisation for the Disabled and the Swedish Paralympic Committee through both sponsorship and cooperation. Among other things, ICA trains participants in the organisation's Elite Sports School in how to eat right so as to have the energy to train. Supporting sports for the disabled fits in well with ICA's attitude that everyone is of equal value. In the second and third quarters, Swedish athletes with disabilities enjoyed major success and took home no less than 29 medals at world and European level in a number of different disciplines. Above all swimmer Jennie Ekström really excelled when she won gold and broke the world record in the 50 metres breaststroke at the European Championships in Eindhoven.

Support for grassroots sport

Inspiring children and young people to have a healthy lifestyle is part of ICA Gruppen's work with health issues. To support Swedish grassroots sport, ICA Sweden therefore cooperates among others with the Swedish Sports Confederation and has been a principal sponsor of the twice-yearly Swedish Championships week since 2013. During the quarter the summer Swedish Championship week was arranged in Borås and approximately 6,000 competitors in some 40 different sports competed to be Swedish champions.

Latvian collection for children

During the quarter, Rimi Latvia's customers were invited to donate money in the Rimi and Supernetto stores for SOS Children's Villages in the country. The collection generated a total of over SEK 213,200. In July and August, customers also donated over SEK 175,900 towards rehabilitation of seriously ill children in Latvia.

Criticism and media debate

Super broccoli attracts attention

ICA Sweden attracted attention in both traditional and social media for the introduction of the so-called super broccoli Beneforté. The discussion mainly focused on whether the broccoli was genetically modified due to its links to the company Monsanto, which sells genetically modified seeds and seedlings. However, Beneforté is not genetically modified but is a traditionally developed cross between an Italian wild broccoli and the most common broccoli variety. ICA Gruppen basically has a positive attitude to new technology that gives consumers better products. On the other hand, for ethical and environmental reasons ICA Gruppen questions production and cultivation of genetically modified food and seeds that are not produced in a closed environment. Within the EU there are strict rules for genetically modified organisms. Only a few are approved for cultivation. ICA Gruppen has no products with genetically modified origins in its central product range.

Soda machine debate

ICA Sweden was criticised in the media for selling soda machine products from a company which has one of its factories in the West Bank. The products supplied to ICA have not, at a whole or component level, been manufactured in the West Bank factory but manufacture takes place in other factories. ICA Gruppen's basic attitude is that the Group does business with suppliers and not countries. In general, ICA complies with the recommendations of the UN and the Swedish government when it comes to business relationships with other countries. To allow customers to decide for themselves whether they wish to refrain from buying items from a specific country, origin labelling is always as clear as possible.

Russian trade sanctions affect Baltics

In Estonia, Latvia and Lithuania, Russian import bans on dairy and other products attracted considerable attention, among other things since in Latvia this resulted in a sharp fall in the price of milk. In order to support the Latvian producers, Rimi in Latvia has temporarily reduced its prices for several local products. In Lithuania, Rimi temporarily sold products originally intended for Russia and which therefore had Russian labelled packaging.

Prizes and awards

Rimi named as a popular brand

Rimi Latvia came an honourable third in the annual poll of the country's most popular brands. The discount chain Supernettto was named "Most advantageous brand" in the same survey.

Norwegian mackerel wins accolade

ICA Norway's private label product Matmesteren Makrell in tomato sauce was named Best in Test together with another product from the Norwegian site Klikk.no. The test measures the best nutritional content in the products, for example highest proportion of fish and the most protein.

Outlook

Keyhole labelling for a new era

A key task for ICA Gruppen is to inspire and help its customers to make healthy and informed choices. One tool in this work is the food industry's well-known green symbol the Keyhole which can now be found in all the Nordic countries except Finland. The label provides a guarantee that the product meets certain jointly adopted criteria as regards nutritional content.

What is less well known is that ICA Sweden is the originator of the idea of Keyhole labelling. In the 1980s ICA's test kitchen in cooperation with the National Food Agency decided to label some low-fat and high-fibre products with a green dot. "The Green Dot" symbolised the healthy diet circle and functioned as a guide for people wishing to eat more healthily. This experiment was so successful that in 1989 ICA decided to transfer the "Green Dot" as a trademark to the National Food Agency so that the rest of the industry could also adopt the system. The National Food Agency then chose to renew the trademark by placing the dot above a green triangle which symbolised the food pyramid. The Keyhole was born. This year Keyhole labelling is celebrating its 25th anniversary.

Over the years the label has developed and its criteria have been refined. Today it is not only about lots of fibre and little fat but also the proportion of wholemeal, limited salt and sugar content and better fat quality. But despite the fact that the basic idea is so good that several countries have chosen to emulate it, ICA Sweden's Health Manager, Christina Karlsson, feels that it is time for modernisation.

"The Keyhole is a really fantastic trademark with a very high recognition among consumers, particularly here in Sweden. But if we can be a little critical we have also seen in the past ten years that the industry is not using Keyhole labelling to the same extent as before," says Christina Karlsson.

She believes that interest may be waning because the National Food Agency has not updated its communication for a long time. Keyhole labelling is simply regarded as a little old-fashioned by customers and then food producers lose the incentive to use it.

"Modernising how the Keyhole is communicated to customers is highly necessary in my view if the label is to remain relevant. And we at ICA really want functioning labelling. We use the Keyhole in our product development – these are the criteria we always measure ourselves

against regardless of whether or not the item will then be Keyhole labelled," says Christina.

Another aspect in the question of modernising Keyhole labelling is political will. Christina Karlsson would like to see a clearer Swedish health policy, a national focus, so that all industry players have a line to follow.

"For example, Sweden does not have a nutrition plan. Every other country in Europe has one, it is just us and Albania that do not. We as a company really want to be a force for good in society but we must have help to achieve this goal. Where does society want us to be in 20 years in terms of eating habits? Modernising the Keyhole as a trademark could be an important first step in this work," says Christina.

More modern communication that reaches out to people better could have major positive effects, she points out: "For example, we in the industry know that older people need food with a higher energy density, which means as many calories and nutrients but in lower amounts. And if we can persuade more old people to eat right, more will remain healthy. This is not just a human gain but something that can save society a lot of money.

About this report

This is a quarterly status report containing information about ICA Gruppen's work on issues relating to sustainability and development during the year. The report includes all companies in ICA Gruppen, except for the portfolio companies. The quarterly report aims to show developments that have been ongoing during the year and deals with the most significant issues in the areas of the environment, quality, health, ethical trade, social engagement and ICA's role in the most important media debates.

The criteria applied for preparation of ICA Gruppen's quarterly sustainability report are based on the annual sustainability report published by ICA Gruppen. The quarterly report is not prepared in accordance with the GRI guidelines and for this reason, some issues are not included. ICA Gruppen publishes a complete sustainability report once a year which is in accordance with the GRI Guidelines and provides a full description of the sustainability work.

For measurement and calculation methods, boundaries and materiality analysis, see:

<http://reports.icagruppen.se/en/ar/2013/sustainability-report/about-the-sustainability-report/measurement-and-calculation-methods/>
<http://reports.icagruppen.se/en/ar/2013/sustainability-report/about-the-sustainability-report/>
<http://reports.icagruppen.se/en/ar/2013/sustainability-report/principles/materiality-analysis/>

The report has been independently reviewed by a third party.

About ICA Gruppen

ICA Gruppen AB (publ) is one of the Nordic region's leading retail companies with around 2,300 of its own and retailer-owned stores in Sweden, Norway and the three Baltic countries. The Group includes ICA Sweden, ICA Norway and Rimi Baltic, which mainly conduct grocery retail, ICA Real Estate, which owns and manages properties, and ICA Bank, which offers financial services to Swedish customers. The Group also includes the wholly owned portfolio company inkClub and the partly owned portfolio companies Cervera and Hemtex. For more information, see icagruppen.se.

Auditor's Review Report on ICA Gruppen AB's quarterly report on sustainability

This is the translation of the auditor's review report in Swedish.

To the readers of ICA Gruppen AB's quarterly report on sustainability for the period 1 July – 30 September 2014.

Introduction

We have been engaged by the Board of Directors of ICA Gruppen AB to review ICA Gruppen AB's quarterly report on sustainability for the period 1 July – 30 September 2014.

Responsibilities of the Board of Directors and the Executive Management for the quarterly report

The Board of Directors and the Executive Management are responsible for ongoing activities regarding the environment, health & safety, quality, social responsibility and sustainable development, and for the preparation and presentation of the quarterly report in accordance with the applicable criteria, as explained in the paragraph 'About this report' in the quarterly report. As stated in the paragraph 'About this report', the quarterly report on sustainability is not a complete GRI report, but is a status report on the material areas reported on in the Sustainability Report 2013 for ICA Gruppen AB. The quarterly report is therefore a complement to the Sustainability report 2013 and should be read in connection to this.

Responsibilities of the auditor

Our responsibility is to express a limited assurance conclusion on the quarterly report based on the procedures we have performed.

We have performed our review in accordance with ISAE 3000 Assurance engagements other than audits or reviews of historical financial information, issued by IFAC. A review consists of making inquiries, primarily of persons responsible for the preparation of the quarterly report, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with IAASB's

Standards on Auditing and Quality Control and other generally accepted auditing standards in Sweden.

The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Our assurance does not comprise the assumptions used, or future oriented information (e.g. goals, expectations and ambitions).

The criteria on which our review is based on are stated in the paragraph 'About this report'. We consider these criteria suitable for the preparation of ICA Gruppen AB's quarterly report on sustainability.

Our review has, based on an assessment of materiality and risk, e.g. included the following procedures:

- a. an update of our knowledge and understanding of ICA Gruppen AB's organization and activities
- b. assessment of suitability and application of criteria in respect to stakeholders' need of information
- c. interviews with responsible management, at company level and at selected business units with the aim to assess if the qualitative and quantitative information stated in the quarterly report is complete, correct and sufficient
- d. read internal and external documents to assess if the reported information is complete, correct and sufficient
- e. analytical review of reported information
- f. overall impression of the quarterly report and its format
- g. reconciliation of the reviewed information against the sustainability information in ICA Gruppen AB's sustainability report for 2013.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the information in ICA Gruppen AB's quarterly report on sustainability for the period 1 July – 30 September 2014 has not, in all material respects, been prepared in accordance with the above stated criteria.

Stockholm, 12 November 2014

Ernst & Young AB

Erik Åström
Authorized Public Accountant

Charlotte Söderlund
Authorized Public Accountant