

S-GROUP

SUSTAINABILITY REPORT 2025

Prepared with reference to the ESRS

ABOUT THIS REPORT

S Group is strongly present in Finns' daily lives, and our operations affect the surrounding society in many ways. As a responsible company, we work to provide our stakeholders with information about the impacts of our operations. This report on S Group's sustainability work is an important way to inform our stakeholders about the progress of our responsibility work.

This report provides an overview of the sustainability work carried out by Suomen Osuuskauppojen Keskuskunta (SOK) and S Group's regional cooperatives. It has been prepared by the central organisation and includes information concerning the cooperatives belonging to the Group. The report is prepared with reference to the European Sustainability Reporting Standards (ESRS). For sections E1, E5, S1 and S2, the respective topical ESRS standards have been followed. For S Group, the ESRS reporting requirements will apply for the first time to the management report for the financial year beginning on 1 January 2027.

The voluntary report is based on S Group's double materiality analysis, the outcome of which determines the information to be reported and the related essential requirements. KPMG Oy Ab has performed a limited assurance engagement on sections E1, E5, S1 and S2 of the report.



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GENERAL DISCLOSURES

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S Group is a Finnish cooperative group of companies owned by its customers. The group of companies consists of the regional cooperatives and Suomen Osuuskauppojen Keskuskunta (SOK), which is owned by the cooperatives, as well as their subsidiaries. The purpose of S Group is to provide co-op members with services and benefits. It provides grocery and non-food retail, specialty retail, fuels retail and service stations, the travel industry and hospitality business, cash management and security services. In addition, some of the cooperatives engage in, for example, automotive trade and the hardware trade, and the comprehensive banking services provided by S-Bank cover the whole of Finland.

S Group operates in Finland and Estonia. SOK provides the cooperatives with procurement, expert and support services, as well as being responsible for S Group's strategic steering and the control and development of business chains. According to its Statutes, the purpose of SOK is to provide services primarily for the cooperative members and other companies included in the S Group.

For this purpose, it must:

- promote and develop the operations of the cooperative enterprises and other companies belonging to S Group, as well as steer and supervise the efficient use of the Group's overall resources;
- monitor the operations and interests of the S Group and its segments;
- manage the centralised support and service operations required by the S Group;
- engage in business activities in Finland and abroad, in its own name or through its subsidiaries and associated companies.

REGIONAL COOPERATIVES AND INTERNATIONAL OPERATIONS

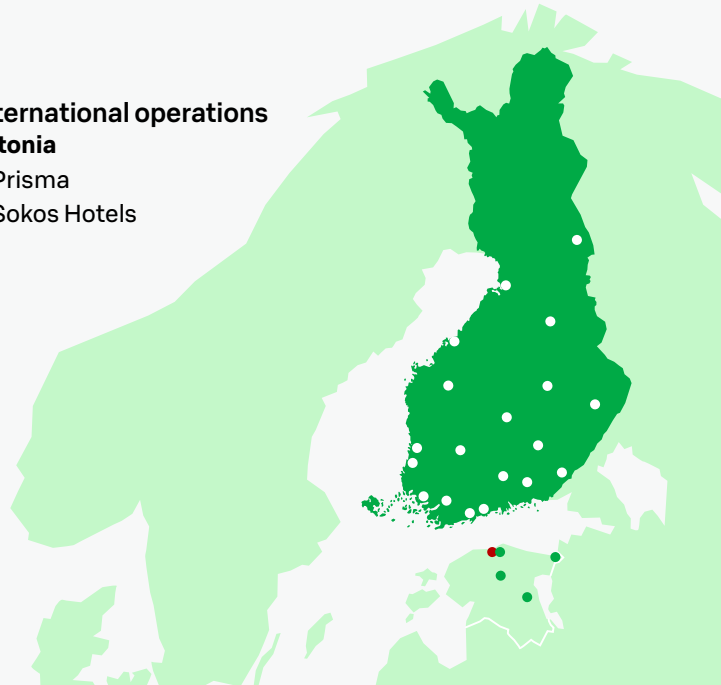
Regional cooperatives

Helsinki Helsinki Cooperative Society Elanto
Joensuu Northern Karelia Cooperative Society
Jyväskylä Keskimaa Cooperative Society
Kajaani Maakunta Cooperative Society
Kirkkonummi Varuboden-Osla Handelslag Cooperative Society
Kokkola KPO Cooperative Society
Kouvola Kymi Region Cooperative Society
Kuopio PeeÄssä Cooperative Society
Kuusamo Koillismaa Cooperative Society
Lahti Hämeenmaa Cooperative Society
Lappeenranta Southern Karelia Cooperative Society
Mikkeli Suur-Savo Cooperative Society
Oulu Arina Cooperative Society
Pori Satakunta Cooperative Society
Rauma Keula Cooperative Society
Salo Suur-Seutu Cooperative Society
Seinäjoki Southern Ostrobothnia Cooperative Society
Tampere Pirkanmaa Cooperative Society
Turku Turku Cooperative Society

International operations

Estonia

- Prisma
- Sokos Hotels



Basis for preparation

BP-1, BP-2

This is an ESRS aligned sustainability report for S Group, drawn up by SOK. The report has not been assured in its entirety, nor does it fully comply with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).

SOK's head office, Ässäkeskus, is located at Flemingінkatu 34, Helsinki. The company's Business ID is 0116323-1, and its domicile is Helsinki.

Reporting period and scope of reporting

S Group's report has been prepared with reference to the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) included therein. This reporting requirement will apply to S Group from 2028, for the 2027 financial year. EU taxonomy reporting requirements have not been taken into account. The regional cooperatives do not prepare their own sustainability reports; instead, the information concerning them is included in S Group's sustainability report.

The reporting period for S Group's comprehensive report is the same as the reporting period of SOK Corporation's 2025 financial statements, 1 January 2025 to 31 December 2025, and its scope covers SOK Corporation and the regional cooperatives. The scope of the report also includes the subsidiaries consolidated into the financial statements of the SOK Corporation and the regional cooperatives, as well as the joint ventures of SOK and the regional cooperatives, with the exception of S-Bank.

The scope of the report has been limited as follows:

S-Bank is not included in S Group's report. S-Bank is not treated as an S Group subsidiary in S Group's financial information. S-Bank Plc (a public interest entity, PIE) prepares its own statutory sustainability report. In sustainability reporting, the material topics for banking operations differ from those of the rest of S Group's business operations. The material topics emphasised in banking operations are presented in S-Bank's sustainability report. The material topics identified for the rest of S Group can be found in section IRO-1 of this report. With this limitation, the sustainability reporting is equivalent to S Group's other non-audited financial information.

S-Bank is included in S Group's report only where a bank branch is located within an S Group site and does not have its own energy consumption monitoring or waste containers.

The same delimitation applies to the Hesburger restaurants operating within S Group premises, which the S Group runs as franchise operations. The staff working in the Hesburger restaurants are included in S Group's report insofar as the employees are employed by the regional cooperatives.

The share of non-chain-managed businesses, such as funeral homes, florists and hair salons, in S Group's total net sales is not material (amounting to 3% in 2025). Their information is partly included in S Group's report. The associates and joint ventures accounted for using the equity method in SOK Group's financial statements are not included in the report. Instead, they are reflected in the report as part of S Group's value chain through any business relationship. Any other topic-, sub-topic- or sub-sub-topic-specific exclusions are presented elsewhere in the report, in the appropriate context.

The material impacts, risks and opportunities related to S Group's value chain have been assessed as part of the company's double materiality assessment, taking into account both the upstream and the downstream value chain. S Group's value chain description is presented in the "Business model and strategy" section.

The information reported in the "S1 Own workforce" section covers employees of S Group who are in an employment relationship.

Time horizons used for reporting

The definitions used for the short, medium and long term are in accordance with the standard requirements. The short term refers to the calendar year, the medium term to 1–5 years, and the long term to a period of more than five years.

Information to be reported

The information presented in S Group's sustainability report, prepared with reference to the ESRS standards, is based on S Group's principles, policies, actions and targets, as well as on primary initial data. In the cases specifically indicated, the information has been reported on the basis of calculated averages. The information concerning the estimates used in the calculations is provided alongside the disclosed data. KPMG Oy Ab has performed a limited assurance engagement on sections E1, E5, S1 and S2 of the report. The scope of assurance is described in more detail on pages 104 and 105.

Other bases for preparation

S Group's voluntary sustainability report does not in all respects provide comparison information in accordance with the ESRS standards. The information reported for 2025 is not fully within the scope of assurance. The development of the processes will continue during 2026. S Group's sustainability report does not currently cover the tagging of the consolidated sustainability report with digital XBRL sustainability tags as required under chapter 7, section 22(1)(2) of the Accounting Act.

S Group's 2025 sustainability report was approved by the Executive Board of SOK on 19 March 2026.

The role of the administrative, management and supervisory bodies

GOV-1

S Group's corporate governance systems

S Group consists of the regional cooperatives and SOK, which is owned by the cooperatives, as well as their subsidiaries. SOK provides the cooperatives with procurement, expert and support services, as well as being responsible for S Group's strategic steering and the management and development of the business chains.

Suomen Osuuskauppojen Keskuskunta (SOK)

SOK is a Finnish cooperative, subject to the provisions of the Cooperatives Act and other regulations concerning the operations of its business areas, as well as SOK's Statutes. The operations of the subsidiaries are regulated by, among others, the Limited Liability Companies Act, and SOK Corporation's operations are governed by the principles, policies and investment and approval authorisation approved by SOK's Executive Board, as well as the Rules of Procedure confirmed for different bodies.

SOK's governance in 2025

Cooperative Meeting

The members (owners) of SOK exercise their decision-making power at the Cooperative Meeting. The Cooperative Meeting makes decisions concerning issues that fall into its sphere of responsibility in accordance with the Cooperatives Act and SOK's Statutes.

SOK's Supervisory Board

- Chair Timo Santavuo, Attorney-at-Law, Pori
- First vice chair Jarkko Rautaoja, Managing Director, Heinola
- Second vice chair Tapio Finér, Managing Director, Lohja
- Perttu Huusko, Senior Lecturer, Sotkamo
- Mikko Junttila, Managing Director, Kuopio
- Henrik Karvonen, Managing Director, Seinäjoki
- Sinikka Kelhä, Attorney-at-Law, Rauma
- Sami Kettunen, Managing Director, Jyväskylä
- Juha Kivelä, Managing Director, Joensuu
- Mathias Kivikoski, Managing Director, Espoo
- Mikko Lassila, Agriculture and forestry entrepreneur, Kouvola
- Antti Latola, Attorney-at-Law, Oulu
- Martti Lokka, Managing Director, Building Manager, kiinteistöneuvos (Finnish honorary title), Otava
- Harri Lämsä, Managing Director, Kuusamo
- Anne Mäkelä, Attorney-at-Law, Kälviä
- Heli Puura, Director, Helsinki
- Mika Rantanen, Retired, Kaarina
- Marco Roth, Development Manager, Tampere
- Kari Suninen, Managing Director, Lappeenranta

Employee representatives

- Anu Akkanen, Service Advisor, Helsinki.
- Ulla Kivilaakso, Project Manager, Helsinki (from 4 October 2025)
- Olli Rauste, Legal Counsel, Helsinki (until 3 October 2025

The Supervisory Board is responsible for supervising the management of the cooperative by the Executive Board and the CEO. The role of the Supervisory Board is to represent the vast group of members of the cooperative and to act as a forum in which the cooperative's common position on S Group's key strategic matters is defined. The Supervisory Board makes decisions on matters within the cooperative's sector related to significant expansion or reduction of operations or material organisational changes. On the proposal of the Executive Board, the Supervisory Board confirms the strategy of S Group and SOK Corporation.

Executive Board of SOK

- Hannu Krook, CEO, chair
- Nermin Hairedin, Managing Director
- Katri Harra, Board professional
- Antti Heikkinen, Managing Director, Pirkanmaa Cooperative Society
- Veli-Matti Liimatainen, Managing Director, Helsinki Cooperative Society Elanto
- Reima Loukkola, Managing Director, Arina Cooperative Society
- Harri Miettinen, Managing Director, Kymi Region Cooperative Society

- Antti Määttä, Managing Director, Keskimaa Cooperative Society
- Juha Riikola, Managing Director, Southern Karelia Cooperative Society

The Executive Board represents the cooperative and is responsible for its management and the appropriate organisation of its operations within the framework of SOK Corporation and in compliance with applicable laws and Statutes.

SOK's Corporate Management Team

- Hannu Krook, CEO, SOK
- Arttu Laine, Executive Vice President, Chain Management, Procurement and Logistics
- Jari Annala, Executive Vice President, SOK's business operations
- Hanne Lehtovuori, HR Director, HR functions
- Päivi Anttikoski, Executive Vice President, Media, Marketing, Communications, Content, Public Affairs, S brand, Retail Media business
- Sebastian Nyström, Director, CTO, Customer Relations, IT and Digital Development (until 15 September 2025)
- Ville Kinnunen, Executive Vice President, Chief Digital Officer (from 16 September 2025)
- Jorma Vehviläinen, Executive Vice President, CFO, SOK Finance and Administration
- Maria Timgren, Executive Vice President, Strategy and Loyalty (on partial leave until 31 July 2026), with Vesa Koivuranta serving as Acting Executive Vice President, Strategy and Loyalty from 1 August 2025.
- Anu Tuomola, Executive Vice President, Legal Affairs and Secretariat

The Corporate Management Team's duties include assisting the CEO in the management of SOK Corporation and S Group. The Corporate Management Team coordinates and prepares, inter alia, key proposals to be made to the Executive Board.

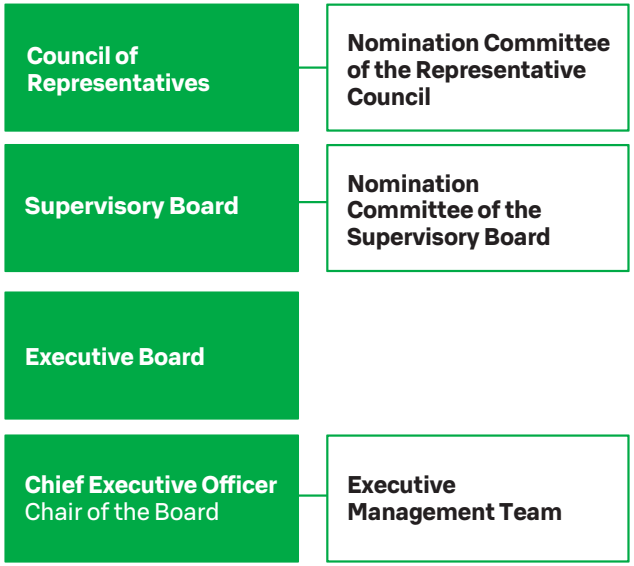
SOK Corporation's corporate governance statement is published as a separate document from SOK's Executive board report on operations.

Cooperatives' governance systems

The Executive Board of SOK has issued a recommendation for the regional cooperatives to prepare and publish corporate governance statements.

If the regional cooperatives deviate from the recommendations of the Corporate Governance Code issued by the Securities Market Association, they disclose such deviations in their cooperative specific reports.

The cooperative's governance model



The cooperative's governance model is two-tiered and, as illustrated in the figure above, consists of the Council of Representatives, the Supervisory Board, the Executive Board and the CEO. The company also has a management team, which assists the CEO in operational management.

A two-tier governance model

Under the Statutes, SOK and the regional cooperatives apply a two tier governance model, whereby, in addition to the Executive Board and the CEO, they also have a Supervisory Board. According to the Statutes, the Supervisory Board elects the Executive Board (Recommendation 5) on the basis of the two-level governance model referred to above.

According to the Statutes, the Delegates of the cooperative members elects the members of the Supervisory Board for three calendar years at a time, so that around one-third of the members of the Supervisory Board retire

each year. The term of office of three calendar years is justified to maintain the continuity of the work of the Supervisory Board.

According to the rules of most cooperatives, the Managing Director of the cooperative also acts as the chair of the board. A deviation from the recommendation is justified, as the cooperative also has a Supervisory Board that supervises the activities of the Executive Board and the Managing Director.

According to the rules of most cooperatives, the Supervisory Board (rather than the Executive Board) decides on the principles governing the remuneration of the Managing Director. A deviation from the recommendation is justified, as the Supervisory Board also elects the Managing Director, and the Managing Director acts as Chair of the Executive Board in most cooperatives.

The cooperative makes use of S Group's joint chain management organisations in the conduct of its business. The chain management organisations for each business area and service function lead and coordinate S Group's chain operations under the supervision of SOK's Executive Board. To support S Group level decision making, management support groups have been established to assist SOK's executive management.

Sustainability management and organisation

GOV-2

Sustainability work is guided by S Group's sustainability programme and S Group's values

The "Together we build a better place to live" sustainability programme delivers on S Group's mission, in which sustainability plays a key role. S Group aims to lead the way in sustainability across all the sectors in which it operates. Sustainability in S Group covers all business areas and is managed jointly with the business management at the Group level.

In line with the S Group's corporate governance system, the Executive Board is responsible for the administration of the cooperative and for ensuring the proper organisation of its operations, which also includes responsibility for sustainability topics. The Board has approved written Rules of Procedure setting out the Board's duties and operating principles. In accordance with the Rules of Procedure, the Board discusses and decides on matters of financial, commercial or fundamental significance. The Executive Board and Supervisory Board regularly discuss sustainability matters. The Board decides on the strategy, including sustainability topics and strategic sustainability targets. Progress on the strategy and targets is reported to the Board on a regular basis, including as part of the CEO's review. SOK's Sustainability unit offers representatives of the administration opportunities for skills development in selected sustainability themes. In 2025, training was provided to the management on sustainability reporting, for example.

The sustainability programme, S Group's Group-level sustainability principles and strategic policies, commitments and goals are approved by SOK's Executive Board.

The principles to be approved include:

- Responsibility principles
- Ethical principles
- Human rights principles
- Risk management principles

SOK's Sustainability unit is in charge of strategic goal setting and determines the focus areas of S Group's sustainability development. The business area-specific sustainability objectives and procedures are defined jointly with the business units and subsidiaries and the Sustainability unit. The Sustainability unit guides and monitors implementation and reports regularly to the Corporate Management Team and SOK's Executive Board on sustainability development as part of the management system. The business areas are responsible for advancing sustainability work in line with S Group's strategy, and guidelines concerning products and services, among other aspects, are prepared jointly by the business area and the SOK Sustainability unit. Sustainability matters are regularly discussed with regional cooperatives through internal groups, forums and operating models. The management of sustainability concerns is described in more detail in each section.

S Group's sustainability Advisory Group, consisting of external experts, is part of the sustainability management and steering model. The Advisory Group's role is to support and challenge S Group in developing sustainability. Its purpose is to provide S Group with information about new opportunities, best practices in corporate sustainability, innovations and risks related to the operating environment. Nevertheless, decisions concerning the focus areas of development are made within S Group. In addition to the Director of Corporate Sustainability, the CEO, Executive Vice President and business area management participate in the Advisory Group's work. S Group's mission is to produce benefits and services that generate wellbeing for its owners – in other words, customers. However, wellbeing means much more than just economic wellbeing.

Together with its co-op members, S Group implements its mission to build a better place to live. As a major operator, S Group has considerable responsibility for the present it is creating and for the legacy it will leave for future generations.

S Group is committed to several international initiatives, including the UN Sustainable Development Goals (SDGs), the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Treaty on Fundamental Rights at Work and the UN Global Compact initiative. S Group's short-term and long-term climate targets have been validated in accordance with the Science Based Target initiative's assessment process.

SOK's Sustainability unit is in charge of the strategic development, control and reporting of sustainability at the Group level. The Sustainability unit reports to the CEO.

In 2025, the Executive Board of SOK Corporation addressed, among other matters, the following sustainability topics:

- S Group's strategy and business-specific competitive strategies
- Sustainability programme 2030
- CSRD reporting
- ESG risks
- Climate transition plan 2050
- Sustainability regulation
- Sustainability management in S Group.

Guidelines on board diversity and member independence

SOK seeks to influence that the cooperatives follow the Corporate Governance Code, including in matters related to board diversity and the independence of board members.

The selection of SOK's Executive Board members is guided by principles confirmed by the Supervisory Board. In preparing its proposals for Executive Board appointments, the Nomination Committee takes these principles into account. The selection of members is generally guided by considerations such as the Executive Board's effective composition, experience and diversity and the need for renewal, along with cooperative specific factors for candidates from within the S Group. Diversity is supported, among other aspects, by the factors included in these principles:

- The diversity and independence of the Executive Board are promoted by appointing members from outside S Group
- A defined target for the representation of different genders on the Executive Board
- Sufficient rotation to ensure renewal
- The members must represent experience from different business areas
- Expertise in sustainability

For members representing different genders, the aim is to achieve a more balanced gender representation on the Executive Board.

Diversity in the Executive Board's composition has been realised from several different perspectives. The members have brought diverse expertise and experience from different business areas. The Executive Board has included both internal and external expertise from within and outside S Group, supporting independence and a broad range of perspectives in decision-making. Several age groups have been represented on the Executive Board. Expertise related to sustainability matters has been taken into account in member selections. During the 2025 financial year, two members of the Executive Board were women and seven were men, meaning that the share of the underrepresented gender was 22 per cent. The Chair of Executive Board was the CEO of SOK, six members were managing directors of cooperatives, and two were external members from outside S Group.

The principles governing the diversity of SOK's Supervisory Board are set out in the cooperative's Statue Under these rules, the Supervisory Board is elected from among the cooperative's members based on proposals submitted by representatives of the S Group's regional cooperatives. On this basis, the members represent different geographical regions of Finland. In addition, the age and gender distribution of the members of the Supervisory Board is taken into account. Other expertise and experience that support the work of the Supervisory Board are also taken into account. The members of the Supervisory Board have represented a broad range of geographical regions across Finland. The members have provided a wide and varied set of expertise and experience. Several different age groups have also been represented on the Supervisory Board. At the end of the 2025 financial year, five members of the Supervisory Board were women and 16 were men, meaning that the share of the underrepresented gender was 24 per cent. The Supervisory Board had 19 members and two employee representatives in 2025.

Integration of sustainability-related performance in incentive schemes

GOV-3

SOK's Supervisory Board has established a permanent Compensation Committee, whose task is to assess and develop the remuneration systems and principles for S Group's senior management and to prepare related recommendations. In addition, S Group has shared remuneration recommendations concerning the staff.

S Group's remuneration recommendations include sustainability-related metrics, with a personnel-survey-based metric recommended broadly for managers and a metric based on the emissions reduction targets of the sustainability programme recommended for senior management. In addition, some of the staff have role-specific sustainability metrics.

Each S Group company decides on remuneration systems and metrics in accordance with its own management system.

Statement on due diligence

GOV-4

S Group bases its due diligence process on international standards, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. In line with the standards, the process includes a commitment to general due diligence in business operations, the identification of risks and opportunities, risk prevention, corrective measures and stakeholder communication. Due diligence is a recurring process that involves actively engaging with stakeholders and defining the most material sustainability themes based on this dialogue.

Risk management and internal controls over sustainability reporting

GOV-5

The identification and assessment of impacts, risks and opportunities is carried out as part of S Group's risk management process. S Group's risk management process follows the COSO Enterprise Risk Management model and the ISO 31000 methodology. The management of climate and nature risks is supported by the TCFD and TNFD frameworks. SOK's Executive Board confirms the key risks related to S Group and the measures for managing them. SOK's Corporate Management Team assesses the key risks of operations on a regular basis. The regional cooperatives and SOK's management, subsidiaries and units review and determine the most significant risks related to their own operations and decide on the measures for managing them. Experts from the SOK Sustainability unit determine the sustainability risks and management measures in S Group's risk management system for use by the business operations, regional cooperatives and units.

Plans for implementing risk management measures are drawn up on the basis of individual risk assessments. The risks and opportunities identified at S Group are prioritised based on their impacts, probability and timing, as well as on the basis of their expected financial impacts. Priority is given to risks that are likely to materialise in the

Key elements of the due diligence process	Sections in the sustainability report
a) Integration of the due diligence process into governance, strategy and the business model	In line with S Group's corporate governance system, the Executive Board is responsible for governance and the proper organisation of operations, which also includes responsibility for the due diligence process. The process for identifying material topics is integrated into strategy and business processes, as well as into risk management. Read more in GOV-2.
b) Engagement with affected stakeholders at all key stages of the due diligence process	Stakeholder engagement is a key part of the due diligence process and sustainability management. Read more in SBM-2 and S2.
c) Identification and assessment of adverse environmental and human rights impacts	Adverse environmental and human rights impacts have been identified as part of the materiality assessment and the assessment of human rights risks. At S Group, the identification of impacts is a continuous process as part of sustainability management. Read more in IRO-1 and E1, E2, E3, E4, E5, S1, S2, S3 and S4.
d) Taking action to mitigate and eliminate these adverse impacts	Identified adverse impacts are mitigated and prevented as part of the due diligence process and sustainability management. Read more in E1, E2, E3, E4, E5, S1, S2, S3 and S4.
e) Monitoring and communication of the effectiveness of these actions	The effectiveness of the actions is monitored as part of the follow-up of the Best Place to Live sustainability programme and as part of the practical implementation of the due diligence process. Communication is carried out through the sustainability report and stakeholder dialogue. Read more in E1, E2, E3, E4, E5, S1, S2, S3 and S4.

short or medium term, and that will have significant financial impacts. The review also covers risks whose the impacts will occur later or whose impacts are difficult or extremely difficult to assess, but which do not necessarily require immediate measures.

For sustainability risks, the means of mitigating, transferring, accepting or controlling the risks are assessed, and plans for risk management measures are drawn up. The significance of financial risks is linked to their probable financial impact. In addition, key processes have been identified that are subject to considerable financial impacts if the risks materialise. As part of S Group's strategy work, sustainability-related opportunities are also identified. More detailed impacts, risks and opportunities are described under each topic, such as at the beginning of the Climate Change (E1) section.

SOK's Administrative Services and Risk Management unit reports to the Corporate Management Team in accordance with the strategy process and to SOK's Executive Board every six months on S Group's most significant risks and related changes.

Internal control is an integral part of SOK Corporation's management and governance system. Internal control supports the operations of SOK Corporation in achieving its objectives. Issues related to internal control are regulated at a general level – for example, in the Cooperatives Act and the Finnish Limited Liability Companies Act.

The purpose of internal control is to provide reasonable assurance that:

- the operations are efficient and the targets are reached
- external and internal reporting is adequate and reliable
- legislation, regulations and company principles and policies are complied with
- risks related to operations are identified and their management is implemented in a cost-effective manner
- assets are protected.

The effectiveness of S Group's risk management and internal control is ensured through internal audit. The purpose of the function is to assess the adequacy and effectiveness of internal control within SOK Corporation and the regional cooperative for the Executive Board and/or the Audit Committee, as well as for the senior management. The internal audit function operates objectively and independently.

In its operations, S Group emphasises transparency, ethical principles and good trading practices. SOK Corporation takes its obligation to comply with the applicable laws, rules and regulations very seriously. Ensuring and demonstrating compliance is a key part of operations.

SOK Corporation has a compliance policy approved by SOK's Executive Board. Adherence to and assurance of the related compliance principles play an important role in building and maintaining SOK Corporation's internal control and ethical operating environment and culture, as well as in safeguarding the conditions for effective and uninterrupted business operations. This policy defines the compliance principles and the framework for compliance management, as well as the roles and responsibilities for organising and implementing compliance. SOK has prepared a compliance policy document template for S Group's regional cooperatives to use in their own corresponding guidelines.

Business model, strategy and value chain

SBM-1

Business model

S Group consists of 19 regional cooperatives and SOK Corporation, as well as their subsidiaries. In addition, S Group includes six local cooperatives. The network of cooperatives extends throughout Finland, and the regional aspect is highlighted in the operations of the cooperatives. The members of the cooperatives, or co-op members, own the cooperatives, which in turn own the central cooperative, SOK. SOK Corporation consists of SOK Corporation and its subsidiaries. SOK is a central cooperative that provides expert and support services – such as supply chain management, product range, procurement and marketing services – for the S Group cooperatives. SOK is also responsible for the strategic steering of S Group and the development of the business chains. SOK's subsidiary SOK Liiketoiminta Oy engages in the grocery and non-food retail and the travel industry and hospitality business in Estonia.

S Group operates in the business areas of grocery and non-food retail, specialty retail, fuels retail and service stations, and the travel industry and hospitality business, as well as in cash management and security services. S-Bank offers banking services across Finland. Some regional cooperatives also engage in car dealership and car accessory operations, as well as in the hardware trade.

S Group structure



S Group in figures

Regional cooperatives, SOK and their subsidiaries January–December 2025

	January–December/2025
Operating result (FAS)*	EUR 495 million
Investments*	EUR 683 million**
Total retail sales (excluding taxes)	EUR 14,506 million
Membership of cooperatives	2,713,138
Cash benefits paid to co-op members	EUR 558 million
Bonus paid to co-op members	EUR 471 million

*combined, non-consolidated and unaudited
**The basis for calculating the investment figure has changed since 2024.

Retail sales (excluding taxes) of regional cooperatives, SOK and their subsidiaries, January–December 2025

Business area	Sales (EUR million)	Change from January–December 2024 (%)
Grocery and non-food retail*	10,996.9	2.5
Fuels retail and service stations	1,953.7	-3.8
Travel industry and hospitality business*	837.6	2.4
Specialty retail	266.3	-1.7
Other	451.1	1.7
S Group total	**14,505.6**	**1.5**

The grocery and non-food retail includes S Group's grocery retail and Prisma non-food retail.
*Includes sales in Estonia.

S Group strategy

GOV-1

S Group's values are based on responsible cooperative principles

The first cooperatives were established to provide their members – Finnish consumers – with affordable, high-quality products and services. The values that guide S Group's operations are based on the principles of responsible cooperative activities.

- We exist for the customer.
- We continuously renew how we operate.
- We bear responsibility for people and the environment.
- We operate profitably.

Vision: Making your every day taste special

Making this vision a reality requires a great deal of work. S Group must be able to renew itself while also remembering the roots and ideology of responsible cooperative activities. In developing its services, S Group keeps its cooperative core mission clearly in mind: its owners and making their everyday lives easier. Cooperative enterprises need to be profitable, without a need to maximise their profits. The profits are used for member benefits, services and their development.

Mission: Together we build a better place to live

As a cooperative enterprise, S Group aims to lead the way in sustainability in its business areas. Sustainability work is carried out together with stakeholders, setting targets and engaging in open dialogue. S Group also offers its co-op members daily convenience in making responsible and sustainable choices.

As a cooperative enterprise, S Group fulfils its mission by conducting business that provides services and benefits to its members, thereby promoting their economic wellbeing. S Group's mission is to create a better place to live together with its co-op members.

Business strategy

The strategy focuses on business operations in which it is possible to be cost-effective by leveraging scale. In conducting business, the aim is not profit maximisation but the responsible generation of a result that secures the future. The strategy prioritises activities that generate increasing member value for co-op members. The euros generated through success are used for the benefit of the co-op members. Cost-effectiveness requires the continuous renewal of operations and improvement of performance and efficiency.

S Group's vision, "Making your every day taste special", is implemented through the strategy. S Group's mission, vision and strategy are based on responsibility for people and the environment. The operations comply with the S Group-level principles of responsibility, human rights and ethics. S Group takes responsibility for a sustainable future.

In line with the choices made in the Group strategy, operations are based on a chain model that guides the business operations. The Group strategy sets the common course for the business operations towards the vision. In the S Group strategy, the ambition is to have market-winning business areas, and the goal is to lead the way in sustainability within those sectors. The targets of the Group strategy have been incorporated into the business areas' competitive strategies, which set out how sustainability is promoted through concrete actions while also ensuring market-winning performance. S Group's sustainability programme is implemented within the business areas. Increasing regulation requires the effective development of data availability and processes, as well as the use of new collaboration models in the value chain. Active collaboration with stakeholders enables sustainability leadership actions and helps to safeguard future business conditions.

The strategy's success in sustainability (ESG) is measured in the scorecard through the Net Zero 2050 targets, ESG performance, with the goal of being the best in the business areas by 2030, and ESG perception, with the goal of being the best in the retail sector by 2030. The achievement of the targets of the group strategy is monitored as part of the management processes.

Description of S Group's value chain

From the point of view of the value chain, S Group's main business activities have been identified, and they are grocery retail, consumer goods trade (including department stores), the service business (including hotels and restaurants) and fuel trade. What matters is the part of the value chain in which the activity takes place – in the company's own operations, before them (upstream value chain) or after them (downstream value chain) – and what the key business activities are, what the activity is about, in which areas or countries the activity takes place and which stakeholders are relevant to it.

S Group's own operations and downstream value chain are located in Finland and Estonia. The operations in the upstream value chain are global.

The upstream value chain consists of "Tier N" raw material producers, direct manufacturers, suppliers and service providers and the distribution chain. The production of raw materials covers cultivation, rearing, harvesting, packaging, metal mining, oil drilling and chemical processes, as well as the transport of the product to warehouses and raw material handling, processing and storage.

Manufacturing and service procurement from direct suppliers covers food production, consumer goods manufacturing, packaging manufacturing, product packaging, packaging development, refining crude oil into products, blending bio-components, and the procurement and tendering of services.

The product distribution chain covers product storage, warehouse management, fruit ripening, frozen and cold storage, delivery management and picking and distribution, as well as the operation of the logistics centre.

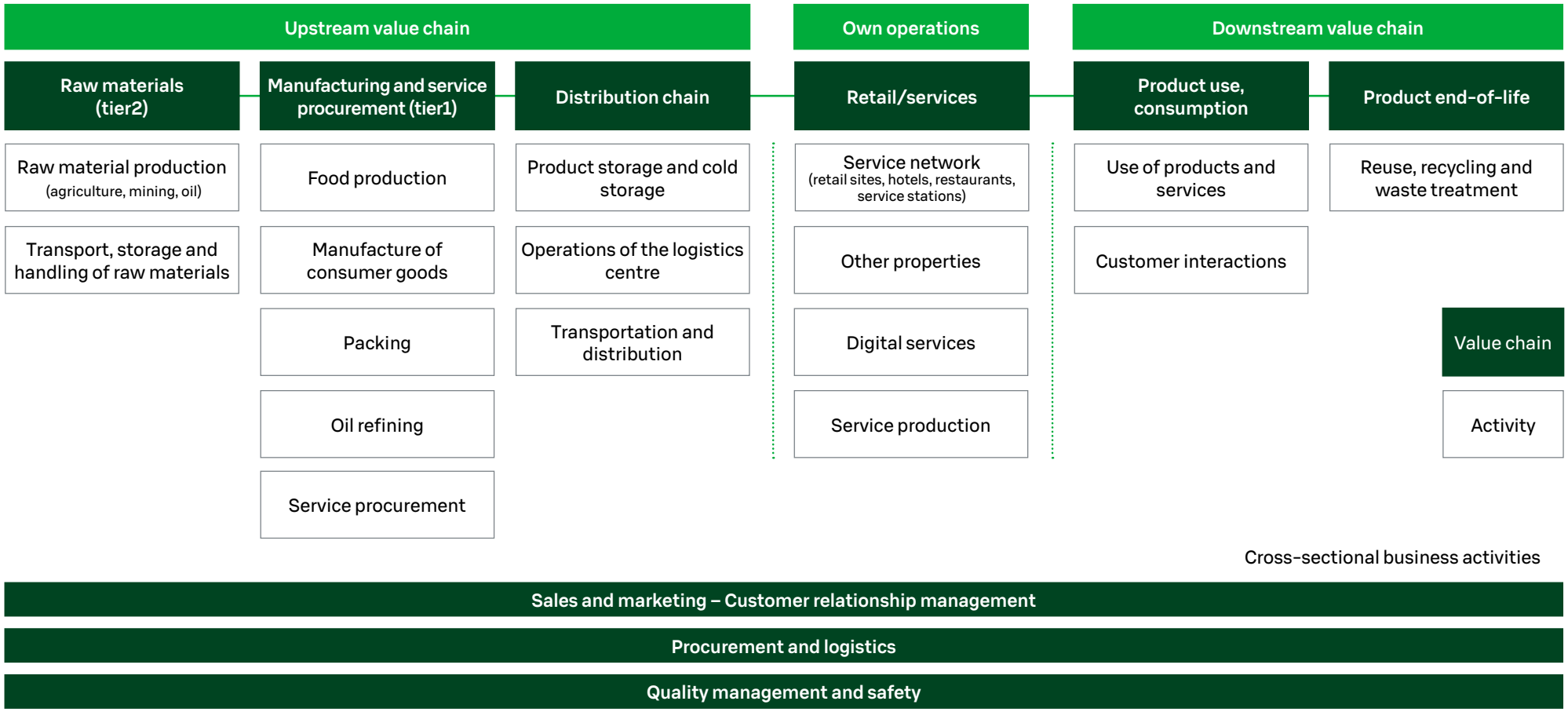
Retail and service operations within S Group's own operations cover the service network (retail sites, hotels, restaurants and distribution stations), service provision, customer service and the overall service offering, property operations (including repairs, maintenance and cleaning), energy solutions, waste management, construction, furnishing, concepts, and the development and provision of digital services.

The downstream value chain covers the use of products and services, customer visits, meaning customers' travel between home and the outlet, and the end-of-life of products, including reuse, sorting, recycling and waste treatment.

In addition, sales and marketing, customer relationship management, procurement and logistics, as well as quality management, assurance, testing and information management, take place throughout the value chain.

S Group has 15,495 suppliers and service providers.

S GROUP'S VALUE CHAIN PROVIDES THE BASIS FOR THE MATERIALITY ASSESSMENT



Sustainability programme

S Group's sustainability work as a cooperative is guided by its joint sustainability programme and values. S Group's sustainability programme consists of three themes: promoting sustainable consumption together with co-op members, promoting sustainable growth while respecting natural resources, and taking steps towards an equal world by removing inequality. The sustainability programme has both long-term and short-term targets.

S GROUP'S SUSTAINABILITY 2030 SUSTAINABILITY LEADERSHIP

TOGETHER WE BUILD A BETTER PLACE TO LIVE

Towards a new normal in consumption – together, one step at a time

Promoting sustainability, health and wellbeing

Promoting a planetary diet – 65% plant-based

Promoting local products – 80% domestic food products

Towards carbon-neutral transport



Towards sustainable growth – by respecting natural resources

Net Zero 2050

Carbon negative 2025

Towards a circular economy

Strengthening the biodiversity



Towards an equal world – by removing inequality

Promoting human rights

Main ingredients of food products – 100% audited

Increasing openness – origin of products and sustainability information displayed

Common, non-discriminating and diverse S Group

Strengthening an inclusive society



WE EXIST FOR THE CUSTOMER

WE BEAR RESPONSIBILITY FOR PEOPLE AND THE ENVIRONMENT

WE CONTINUOUSLY RENEW HOW WE OPERATE

WE OPERATE PROFITABLY

Interests and views of stakeholders

SBM-2

Through successful stakeholder engagement, S Group gains a better understanding of its operating environment and stakeholders' expectations. S Group's aim is to be perceived as a responsible member of society, a vital and attractive company and a reliable partner. In cooperation with its stakeholders, S Group is solving social challenges, from minor problems in daily life to major global issues.

The "S Group's stakeholders and interaction" table presents descriptions of S Group's key stakeholders, cooperation channels, the sustainability topics most important to stakeholders, and their impacts on sustainability management. S Group will further develop stakeholder engagement.



S Group's stakeholders and interaction

S Group's main stakeholders	Stakeholders' expectations	Meeting stakeholders' expectations	Stakeholder engagement and interaction
Consumers and end users	· Product safety · Product durability · Responsibility · Transparency · Price and availability · Selection · Finnish origin · Ethics · Consideration of the environment	· Wide range of Kotimaista private-label products · 75% of the food sold was of Finnish origin · Consideration of a diverse customer base in products and services · The processes ensure safe and high-quality products	· Daily customer encounters · Customer surveys and feedback channels · Product request channels (Sinun toive, Korttelitoive) · Yhteishyvä, S Group's own media outlet · Customer service channels · Social media
Co-op members	· Benefits provided by co-op membership · Opportunities to influence the cooperative's operations · Maintaining regional vitality	· Benefits of co-op membership · Benefits of concentrating purchases – Bonus · Comprehensive service network · Local investments	· Co-op elections · The Ässä Panel, composed of customer-owners, for customer-driven service development
Own workforce	· Occupational safety · Wellbeing at work · Job satisfaction · Adequate working hours · Training and career opportunities · Equality and non-discrimination · Compliance with the ethical principles	· Occupational safety development programme · Occupational healthcare for staff · Collaborative work shift planning model · Extensive annual workplace community survey · Measures and training to support learning and development · In S Group, salaries are determined in accordance with collective agreements or the job evaluation model (TEVA) · Annual equality and non-discrimination plans · Annual training on the ethical principles, clear operating models and channels to report unethical behaviour	· Workplace community surveys and performance reviews · Open dialogue · Electronic communication channels and Ässä personnel magazine · Leadership promises · Ethical principles · Continuous learning model · S Group's whistleblowing channel
Decision-makers in society	· Responsible business operations · Provision of employment · Security of supply · Transparency	· Implementation of the sustainability programme · Acting as a reliable employer · Contributing to security of supply	· Dialogue with different stakeholders · Open dialogue and information sharing · Meetings · Consultations · Statements

S Group's stakeholders and interaction

S Group's main stakeholders	Stakeholders' expectations	Meeting stakeholders' expectations	Stakeholder engagement and interaction
Suppliers and service providers	· Fair trading practices · Ethical operations	· Cooperation and partnerships · Predictability	· Supplier meetings and events · Supplier surveys · Whistleblowing channel
Workers in the supply chain	· Ethical operations · Responsible purchasing practices · Respect for human and labour rights	· Predictability · Contractual requirements and supplier cooperation	· Notification channels · Supply chain worker surveys · Supplier meetings · Training
Organisations and industry associations	· Active participation in working groups, committees and other forums · Producing information and presenting perspectives · Responsible practices, the promotion of human rights, emission reductions and the enhancement of biodiversity throughout the value chain · Supporting circular economy solutions	· Membership of industry associations (Finnish Commerce Federation, PTY, Mara ry) · Active participation in working groups and on committees, and serving in positions of trust · Implementation of the sustainability programme	· Engagement · Active participation · Open dialogue and information sharing · Responding to enquiries
Educational and research institutions	· Cooperation on material sustainability topics · Cooperation with educational institutions	· Internships · Theses and diploma projects	· Cooperation in research projects · Information sharing · Internship and job opportunities
Media	· Obtaining information about S Group's operations · Consumer trends	· Open provision of information about operations	· Notifications · Interviews · Media meetings · S Group's own communication channels · Media service
Local communities	· Regional vitality · Development	· Employment · Investments · Maintenance of services · Supporting local organisations	· Service network · Investing in the development of services

Transparency is key for S Group in building trust. S Group communicates openly and actively about its operations. Matters are communicated as soon as objectives have been set for action. S Group listens to stakeholders' messages and shares its views through constructive dialogue. S Group seeks to learn both independently and together with its stakeholders.

In addition to the stakeholder engagement and interaction channels described above, S Group operates an anonymous grievance mechanism, WhistleB.

S Group is committed to operating openly, transparently and in compliance with ethical principles. Because an ethical operating culture is important to S Group, the implementation of its ethical principles is monitored systematically in day-to-day operations. For this reason, S Group uses its partner WhistleB's anonymous reporting channel, a whistleblowing service through which concerns about suspected misconduct or behaviour that does not comply with S Group's ethical principles can be reported.

Reports can always be submitted anonymously. If the person making a report provides their contact details or reports another person, however, the processing of personal data will take place in order to identify and investigate any activity that is contrary to S Group's ethical principles, and possibly to bring the matter to a public authority for preliminary investigation and to monitor the stages of the investigation.

The reporting channel is a way of monitoring compliance with the S Group's ethical principles. Through the reporting channel, we can obtain important and systematic information about any suspected misconduct and violations, and to react to it in a timely manner. Such a reporting mechanism is a key part of the UN's guiding principles for human rights and business conduct. The reporting channel also supports a good employer image and a good corporate culture by giving employees a channel for sharing grievances and suspicions. Read more in GOV-1.

Measuring stakeholder engagement

Stakeholder perceptions of S Group are assessed annually, including through T-Media's Trust and Reputation survey. The survey assesses the overall reputation through eight subject areas: governance, financial administration, management, innovations, interaction, products and services, workplace, and responsibility. In the 2025 survey, S Group was the sixth most reputable company in Finland among the general public. S Group's overall reputation score in the survey was 3.84, the best result in S Group's measurement history. S Group and its chains again performed well in the Sustainable Brand Index, Europe's largest annual survey on perceptions of corporate sustainability. In 2025, when Finns were asked to name the most responsible domestic brands in their sectors, S Group ranked 3rd, Prisma 8th and S-market 9th. S Group is perceived as the most responsible brand in its sector operating in consumer goods, and Prisma as the leading grocery retailer. S-Bank, Sokos Hotels and ABC were perceived as the leaders in their respective sectors.

Material impacts, risks and opportunities and their interaction with strategy and the business model

ESRS 2, SBM-3

The tables presented in this section list the impacts, risks and opportunities assessed as material for S Group and used to determine the scope of reporting based on the double materiality assessment. The management of material impacts, risks and opportunities is described in each topical section (E1, E2, E3, E4, E5, S1, S2, S3, S4, G1), and the due diligence process is described in section GOV-4.

Double materiality analysis

Material impacts, risks and opportunities

ESRS	Material topics	Description
E1	· GHG emissions · Operations in high climate impact sectors · Energy intensity · Transition risks · Physical risks · Energy risks	The raw materials, processing and manufacturing of S Group's products have significant emission impacts. For example, the energy needs of agriculture and metal mining, oil refining and fuel procurement, as well as raw material production processes, generate emissions. In addition, S Group is exposed to physical and transition risks related to climate, as well as an energy-related (fuel) risk.
E2	In the value chain: · Water pollution · Soil pollution	S Group has impacts on pollution through the products it sells. Among other aspects, the production of raw materials and agriculture have impacts on soil and water bodies through fertilisers. Freight logistics affect water bodies and contribute to air pollution. Distribution and transport operations contribute to air pollution. The impacts lie within the value chain, and their overall significance is low.
E3	In the value chain: · Water withdrawal and consumption · Water risk in the value chain (drought)	In relation to water consumption and water withdrawal, S Group has value chain impacts: water is used in the cultivation of raw materials, including in areas of water scarcity and water stress. This both undermines the vitality of those regions and creates supply risks for S Group's product portfolio. In some areas, the product risk has already materialised. S Group has identified the water-intensive nature of primary agricultural production as a material impact, affecting a portion of the products it sells. In addition, some of the manufacturing processes of the products sold by S Group are water-intensive.
E4	In the value chain: · Direct exploitation of natural resources · Impacts on biodiversity and species · Biodiversity impacts of climate change · Ecological restoration	Through the products it sells, S Group's business operations are dependent on the resources provided by nature. S Group aims to promote biodiversity both within its own operations and across its value chain. Through collaborative action, S Group promotes the sustainable use of land and forests, supports the health of water bodies and their ecosystems, and helps to build a sustainable food system.
E5	· Use of virgin raw materials as packaging material and in fuels · Food waste generation	Excessive use of resources and changes in the availability of raw materials, as well as the limited end uses of the raw materials used in products, are affecting and will continue to affect S Group's operating environment. S Group promotes the efficient use of raw materials and resources in line with the principles of the circular economy in many ways, focusing on recycling waste, waste management and solutions for consumers. S Group is continuously identifying new operating models related to the circular economy in order to recycle valuable raw materials and resources even more efficiently and for longer than before.

ESRS	Material topics	Description
S1	· Working conditions: job security, working hours, parental leave, flexible working hours, childcare, freedom of association, collective bargaining rights, occupational safety, adequacy of working hours · Equal treatment: prevention of violence and harassment, equality and equal pay, education, diversity · Other: privacy	S Group supports rights related to working life. Continuous cooperation with employees and their representatives, active social dialogue and freedom of association, as well as the collective bargaining system (TES) and representative structures, support secure employment and a stable working life. Training supports equal opportunities and competence development. S Group provides regular training to ensure that employees have equal opportunities to succeed in their roles. S Group complies with data protection requirements and the GDPR. Night and shift work may have impacts on employees' wellbeing and private life. The alignment of business needs with employees' preferences is continuously developed. Physical stress factors, accidents and risks arising from customer interactions may affect employees' working capacity. Some unjustified gender pay gaps persist in society, and women remain under-represented in certain leadership roles. At the general level, these phenomena may also have an impact on S Group's personnel. Employees may face harassment from customers.
S2	· Working conditions: working hours, wages, collective bargaining rights, freedom of association, social dialogue, health and safety · Equal treatment: diversity, equality, prevention of violence and harassment · Other: child labour, forced labour, water and hygiene, housing	In S Group's value chain, when sourcing products particularly from countries where legislation, its enforcement and oversight are inadequate, potential negative human rights impacts have been identified. Similarly, impacts have been identified in sectors that employ large numbers of low-skilled workers or migrant workers. In such situations, there may be challenges in ensuring adequate livelihoods for workers in the upstream value chain. In raw material production and factory operations, there are structural negative impacts on working hours. In the upstream value chain, health and safety impacts may occur in factories, distribution and primary production. In the upstream value chain, the equal treatment of groups in the most vulnerable position, such as women, migrant workers and young people, may be at risk. In S Group's upstream value chain, instances of forced or child labour may occur in areas not covered by monitoring. There may also be challenges related to adequate housing conditions and access to clean water and sanitation.
S3	Economic, social and cultural rights: · Regional vitality	S Group has a positive employment impact on communities, as well as a broad-based impact in supporting local vitality in Finland. S Group companies and cooperatives procure products extensively across Finland.
S4	Information-related impacts: · access to high-quality information, privacy · Product safety · Social inclusion: non-discrimination, equal access to products, security of supply	S Group may have both positive and negative potential impacts on customers. S Group processes personal data extensively, and this processing is a significant part of operations. The Group holds a significant amount of personal data, which could have negative impacts on customers in the event of a data breach. A key product safety risk for S Group is a failure in self-monitoring leading to the widespread sale of a contaminated product. The sale of a contaminated product, or one causing other negative health effects, could lead to health risks for customers. S Group can have positive impacts on customers' health and carbon footprint through its selections, services and customer communications. The Group supports national security of supply and provides a comprehensive, non-discriminatory store and service network to which everyone has the right of access.
G1	· Management of suppliers and service providers · Political participation · Corruption and bribery	As a major operator, it is essential for S Group to ensure the fair treatment of suppliers and service providers. Equal treatment is key for promoting good trading practices. Paying invoices on time is particularly important for small and medium-sized businesses. It is essential for S Group to ensure the implementation of ethical principles in its operations. Preventing violations of ethical principles requires comprehensive training, channels for reporting observations, and a process for effective and thorough reporting and remediation. Alignment between sustainability targets and advocacy work must be ensured through coordination and internal communication.

Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1

This section deals with the process through which the material impacts, risks and opportunities have been identified and assessed.

S Group's double materiality assessment was carried out for the first time in 2024. The assessment of double materiality concerns SOK Corporation and its subsidiaries, as well as all the regional cooperatives. The assessment did not cover S-Bank, which reports on sustainability matters in its own statement.

S Group's group strategy was updated in 2024, and sustainability is a key part of the updated strategy. Group's aim is for its business areas to be leaders in sustainability.

S Group's double materiality process began with describing the value chains of its key business operations to ensure that the business context could be taken into account in the materiality impact analyses. This was followed by an assessment of the impacts of business operations on the environment and society. Impacts are classified as actual or potential, negative or positive, and as short-, medium- or long-term. Each impact is assessed based on severity and likelihood.

In addition to the impacts of the company's value chain, the financial effects of the operating environment on its ability to deliver results were assessed. These risks and opportunities were assessed in terms of financial, natural, human and social capital. Risks and opportunities are also assessed based on their financial impact and likelihood. Risk perspectives were linked to S Group-level risks and form part of the Group's risk management process.

In the double materiality process, impacts, risks and opportunities were deemed material if they exceeded the established materiality threshold. Material impacts were identified within the topics of climate change, pollution, water, biodiversity, circular economy, own workforce, value chain workers, communities, customers and business conduct. Risks were identified within the topics of climate change, product safety and business conduct. ESG risks have been integrated into the S Group-level risk management process. The risk management process is described in more detail in section GOV-5.

Key inputs for the assessment included the "A Better Place to Live" customer survey, stakeholder views via S Group's Advisory Group, discussions with internal stakeholders (e.g. Finance, HR and Real Estate), and insights from the SOK Sustainability unit's team of experts and management. S Group's stakeholder consultations are described in more detail in section SB-2.

The double materiality analysis was discussed in S Group's management forum in May 2024. In addition to SOK's Corporate Management Team and Executive Board, the forum included representatives from the management of the cooperatives. Double-materiality was also addressed in the internal forums of S Group's grocery retail, consumer goods trade, fuels retail and service stations, and accommodation and hospitality business. SOK's Executive Board approved the results of the double materiality assessment in June 2024.

Responsibility for maintaining the S Group-level materiality analysis up to date lies with the SOK Sustainability unit. The need to update the materiality analysis is assessed annually and whenever significant changes occur in the business operations or operating environment.

In the annual review of the double materiality analysis, no material changes were identified, and SOK's Executive Board approved the analysis in June 2025.

List of material ESRS disclosure requirements

IRO-2

The table below presents a list of sustainability statement disclosure requirements. The material information has been defined based on the impacts, risks and opportunities identified through S Group's double materiality assessment. More information about the double materiality assessment process and its results can be found in section IRO-1.

Reference	Disclosure requirement	Page number
ESRS 2 General disclosures		
BP-1	General basis for preparation of sustainability statements	8
BP-2	Disclosures in relation to specific circumstances	9
GOV-1	The role of the administrative, management and supervisory bodies	8
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	9
GOV-3	Integration of sustainability-related performance in incentive schemes	11
GOV-4	Statement on due diligence	11
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SBM-1	Strategy, business model and value chain	13
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SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	22
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	24
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	25
ESRS E1 Climate change		
ESRS 2, GOV-3	Integration of sustainabilityrelated performance in incentive schemes	11
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E1-3	Actions and resources in relation to climate change policies	43
E1-4	Targets related to climate change mitigation and adaptation	44
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ESRS E2 Pollution		
ESRS 2 SBM-3	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	53
E2-1	Policies related to pollution	54
E2-2	Actions and resources related to pollution	54
E2-3	Targets related to pollution	54
ESRS E3 Water and marine resources		
ESRS 2, IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	55
E3-1	Policies related to water and marine resources	56
E3-2	Actions and resources related to water and marine resources	56
E3-3	Targets related to water and marine resources	56

Reference	Disclosure requirement	Page number
ESRS E4 Biodiversity and ecosystems		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	58
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	58
ESRS 2, IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	24, 58
E4-2	Policies related to biodiversity and ecosystems	61
E4-3	Actions and resources related to biodiversity and ecosystems	61
E4-4	Targets related to biodiversity and ecosystems	63
E4-5	Impact metrics related to biodiversity and ecosystems change	63
ESRS E5 Resource use and circular economy		
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	24, 64
E5-1	Policies related to resource use and circular economy	65
E5-2	Actions and resources related to resource use and circular economy	65
E5-3	Targets related to resource use and circular economy	67
E5-4	Resource inflows	67
E5-5	Resource outflows	68
ESRS S1 Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	18, 71
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	71
S1-1	Policies related to own workforce	74
S1-2	Processes for engaging with own workers and workers' representatives about impacts	74
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	74
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	75
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	76
S1-6	Characteristics of the undertaking's employees	77
S1-8	Collective bargaining coverage and social dialogue	78
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ESRS S2 Workers in the value chain		
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ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	81
S2-1	Policies related to value chain workers	83
S2-2	Processes for engaging with value chain workers about impacts	83
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	83
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	84
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	86

Reference	Disclosure requirement	Page number
ESRS S3 Affected communities		
ESRS 2, SBM-2	Interests and views of stakeholders	18
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	89
S3-1	Policies related to affected communities	89
S3-2	Processes for engaging with affected communities about impacts	18
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	89
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ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	24, 98
G1-1	Corporate culture and bBusiness conduct policies and corporate culture	100
G1-2	Management of relationships with suppliers	101
G1-3	Prevention and detection of corruption and bribery	101
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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
General disclosures					
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		GOV-2 Sustainability management and organisation
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		GOV-2 Sustainability management and organisation
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				GOV-4 Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 Business model, strategy and value chain
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Environmental information					
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	E1 Climate change
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		E1 Climate change
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		E1 Climate change
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				E1 Climate change
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				E1 Climate change
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				E1 Climate change
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		E1 Climate change
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1 Climate change

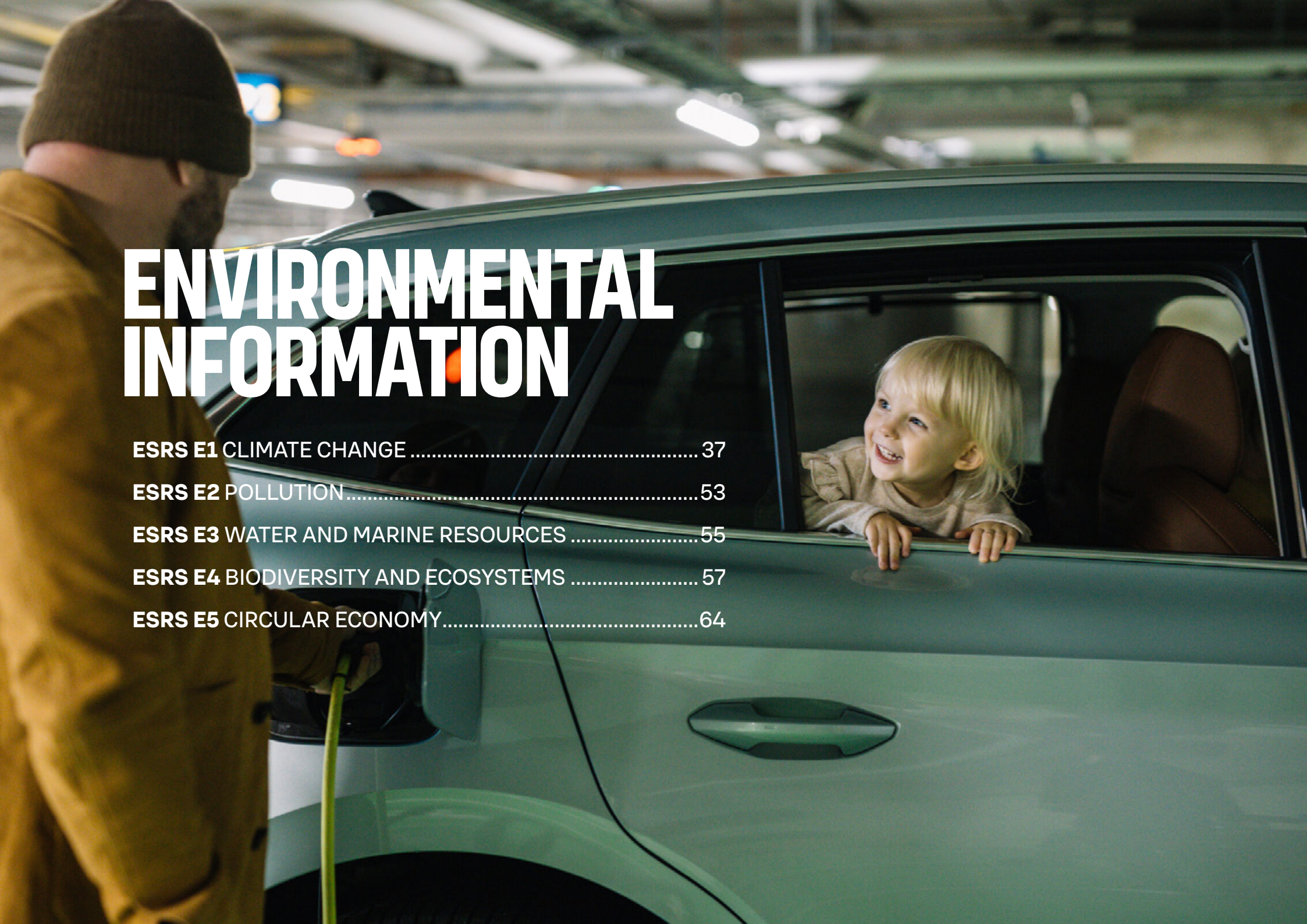
Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Environmental information					
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			n/a
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			n/a
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		n/a
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Environmental information					
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				n/a
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2 – IRO-1 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2 – IRO-1 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2 – IRO-1 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				n/a
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				n/a
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				E1 Climate change, E4 Biodiversity and ecosystems
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				E5 Resource use and circular economy
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				E5 Resource use and circular economy

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Social information					
ESRS 2 – SBM-3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				n/a
ESRS 2 – SBM-3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				n/a
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				S1 Own workforce, S2 Workers in the value chain
ESRS S1-1 issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		S1 Own workforce, S2 Workers in the value chain
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				S2 Workers in the value chain
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				S1 Own workforce
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				S1 Own workforce
ESRS S1-14 Number of fatalities and number and rate of workrelated accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1 Own workforce
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				S1 Own workforce

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Social information					
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1 Own workforce
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1 Own workforce
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				S1 Own workforce
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		S1 Own workforce, S2 Workers in the value chain
ESRS 2 – SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				S2 Workers in the value chain
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				S2 Workers in the value chain
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				S2 Workers in the value chain
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation(EU) 2020/1818, Art 12 (1)		S2 Workers in the value chain
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		S2 Workers in the value chain
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				S2 Workers in the value chain

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location
Social information					
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				n/a
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		n/a
ESRS S3-4 Ihmisoikeusongelmat ja ihmisoikeuksien loukkaukset 36 kohta	Indicator number 14 Table #3 of Annex 1				n/a
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				S4 Consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		S4 Consumers and end-users
ESRS S4-4 uman rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				n/a
Governance information					
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				G1 Business conduct
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				G1 Business conduct
ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		G1 Business conduct
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				n/a



ENVIRONMENTAL INFORMATION

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ESRS E2 POLLUTION 53

ESRS E3 WATER AND MARINE RESOURCES 55

ESRS E4 BIODIVERSITY AND ECOSYSTEMS 57

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Environmental sustainability within S Group is guided by the Group's responsibility and ethical principles. Climate change, pollution, water resources, biodiversity and ecosystems, as well as the use of natural resources and the circular economy, are material environmental topics for S Group.



CLIMATE CHANGE

ESRS E1

Mitigating climate change requires broad-based action from actors across society, including reducing greenhouse gas emissions, increasing the use of renewable energy sources, improving energy efficiency and promoting sustainable land use. International agreements, such as the Paris Agreement, set targets for limiting global warming and encourage governments and companies to work together to combat climate change. S Group is committed to the Paris 1.5-degree climate targets and is taking action to reduce greenhouse gas emissions from its own operations and throughout its value chain.

Material impacts, risks and opportunities related to climate change

Material impacts related to climate change

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Climate change	Climate change mitigation	Actual negative	Long	Upstream	SOK sources products that involve production processes with a high emissions intensity	· Value chain collaboration · Encouraging suppliers to engage in science-based climate action · Purchasing low-emission products and services · Resource efficiency
Climate change	Energy	Actual negative	Long	Upstream	Product volumes are high, so the energy required for raw materials and manufacturing processes generates emissions	· Value chain collaboration · Encouraging suppliers to engage in science-based climate action · Purchasing low-emission products and services · Resource efficiency
Climate change	Energy	Actual negative	Long	Upstream	Oil refining is an energy-intensive process	· Implementing the biofuel distribution obligation and increasing the availability of electric charging
Climate change	Energy	Actual negative	Long	Downstream	The use of sold fuels causes significant emissions	· Implementing the biofuel distribution obligation and increasing the availability of electric charging

Physical risks under the IPCC 3-degree climate scenario

	Risk	Management method	Risk impact and likelihood, taking mitigation measures into account
Chronic risk	Global warming takes place faster than expected, resulting in permanent changes in the availability of raw materials.	Scenario reviews and possible changes in the range of products and services. Sustainability targets and policies related to the use of chemicals, taking biodiversity and climate impacts into account.	Severe and possible

Transition risks under the IPCC 1.5-degree scenario (Paris Agreement)

	Risk	Management method	Risk impact and likelihood, taking mitigation measures into account
Policy and regulation	Fossil fuel assets can lose value quickly	· Active stakeholder engagement and open dialogue with policymakers · Advocacy and engagement in industry and international organisations · Development of own operations and the promotion of climate and biodiversity work throughout the value chain	Significant and likely
Policy and regulation	Sudden changes in political ambitions, fragmented regulations or unpredictable regulation increase uncertainty and costs	· Active stakeholder engagement and open dialogue with policymakers · Advocacy and engagement in industry and international organisations · Proactive operations · Monitoring, assessing and responding to changing regulation	Severe and likely
Policy and regulation	A short-term approach in the regulatory environment and shortcomings in economic instruments slow down the implementation of investments, undermine climate and biodiversity work, and make it more difficult to adopt sustainable solutions	· Voluntary, national and international commitments · Development of own operations and the promotion of climate and biodiversity work throughout the value chain · Decentralisation of procurement and consideration of these risks in work related to selections · Voluntary, national and international commitments	Severe and possible
Markets	Failure of national and international climate targets and forecasts, or targets being met too slowly, hindering business operations	· Investments in energy and resource efficiency and renewable energy · Sustainability targets as well as raw material guidelines, taking biodiversity and climate impacts into account	Severe and likely
Markets	The availability and costs of low-carbon raw materials affecting prices and consumers' purchasing power	· Decentralisation of procurement and consideration of these risks in work related to selections · Investments in energy and reso urce efficiency and renewable energy	Severe and likely
Markets	The availability and price of financing will tighten as a result of assets being tied to locked-in emissions in connection with the distribution of fuel	· Investments in energy and resource efficiency and renewable energy · Sustainability targets as well as raw material guidelines, taking biodiversity and climate impacts into account	Significant and likely

Transition risks under the IPCC 1.5-degree scenario (Paris Agreement)

	Risk	Management method	Risk impact and likelihood, taking mitigation measures into account
Reputation	Failure to meet growing regulatory demands	· Good implementation of legislation and effective implementation of regulation and active monitoring	Severe and likely
Technology	Some parts of the value chain being unprepared to fully use new, more sustainable technologies, making their deployment incomplete and partly ineffective	· Support for research and development and various projects to use new technologies or data models · Cooperation and dialogue with different operators · Training and supporting key supply chain partners in the use of new technologies	Severe and possible

Opportunities

	Opportunity	Management method	Impact and likelihood of the opportunity, taking management measures into account
Resource efficiency	Energy efficiency in own operations reduces operational costs	· Investments in energy efficiency · Continuous monitoring and optimisation of energy consumption	Significant and likely
New markets	Meeting customers' growing expectations by developing innovative low-carbon products and supporting low-carbon transport	· Investments in product development and innovation · Exploiting the opportunities offered by flexibility mechanisms and the delivery obligation in fuels retail and service stations	Significant and likely
New markets	The pursuit of carbon neutrality strengthens S Group's brand and attracts responsible customers	· Sustainability communications · Concrete measures to reduce emissions	Significant and possible
New markets	Circular economy solutions and material efficiency reduce procurement costs	· Optimising supply chains and favouring recycled materials	Notable and likely
New capabilities	Advanced biodiversity and sustainability work strengthens S Group's reputation	· Leading the way in sustainability is concretised in competition strategies	Significant and likely

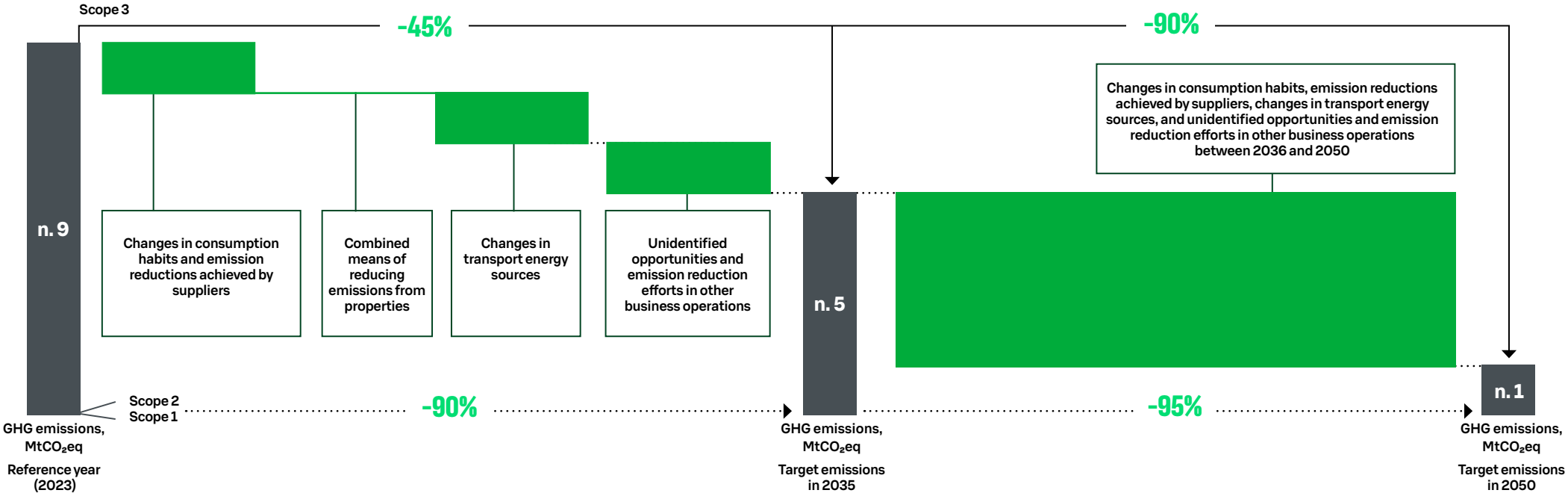
The raw materials, processing and manufacturing of S Group's products have significant emission impacts. For example, the energy needs of agriculture and metal mining, oil refining and fuel procurement, as well as raw material production processes, generate emissions. In addition, S Group is exposed to physical and transition risks related to climate, as well as an energy-related (fuel) risk. These risks are described in section SBM-3. The double materiality assessment process is described in section IRO-1.

No climate-related topics are omitted. However, sections E1-7 and E1-8 are not included in the climate standard because S Group currently has no projects or activities in progress in these areas.

Transition plan for climate change mitigation

E1-1

S Group's transition plan



GHG emission reduction targets

To ensure that S Group's climate targets are aligned with the Paris Agreement's 1.5-degree pathway, S Group has set a science-based (Science Based Targets initiative, SBTi) net-zero greenhouse gas reduction target for its own operations and value chain by 2050.

The net-zero target framework is aligned with the Paris Agreement's 1.5-degree pathway, and the targets have been validated by the SBTi. S Group falls outside the EU's Paris-aligned benchmarks because at least 10% of its revenue comes from the distribution of oil-based fuels.

S Group has set science based short-term (2035) and long-term (2050) net-zero targets, which are described in more detail in section E1-4.

Means of decarbonisation and planned mitigation actions

S Group's climate-related transition plan includes the emission reduction measures and costs required to achieve its targets. SOK's Executive Board has approved the climate-related transition plan. In terms of S Group's total emissions, the most emission-intensive business areas are grocery retail and the fuel business within fuels retail and service stations. These business operations are addressed in the climate transition plan. In addition, emissions from S Group's own operations (Scope 1 and 2) are included in the transition plan, even though they account for only 0.6% of the Group's total emissions. Emissions from S Group's own operations arise in its properties, and for these a climate transition plan had already been prepared in 2020 as part of earlier climate emission reduction targets for own operations. This transition plan for properties has been updated as part of S Group's broader transition plan.

The transition plan includes a list of emission-reduction measures for the business operations, as well as an analysis of their emission reduction and cost impacts required to achieve the net-zero target. The quantified measures based on the identified emission reduction measures are related to selections (Scope 3), the fuel business (Scope 3) and properties (Scope 1 and 2). The identified emission reduction measures are the same as those identified as means of managing the risks and impacts related to climate change. For fuels retail and service stations, the transition plan is affected by sanctions imposed on a competitor, which reduce the number of fuel sellers and distributors in Finland. Customers move to the operators that remain on the market. In 2026, ABC will open new refuelling and charging points for heavy-duty vehicles. It has not yet been possible to assess the impact of the changes on the transition plan.

Investments and financing related to climate change mitigation actions

Modelling the cost-effectiveness of S Group's Scope 3 emission reduction measures has proved challenging, and many of the measures that can currently be quantified fall outside S Group's direct influence, as they depend primarily on market and legislative developments. For this reason, modelling the cost-effectiveness of S Group's emission reduction measures does not fully meet the need to identify the most cost-effective Scope 3 emission reduction measures. In addition, the emission reduction measures are partly overlapping and not mutually exclusive. A more detailed and regular reassessment of the costs associated with the measures is needed to ensure that the results can be used more effectively to support decision-making.

In preparing the transition plan, the required investments for Scope 1 and 2 emissions have been assessed for the target years. Investment decisions and their implementation are part of the annual strategy process and yearly planning. The investments required to implement S Group's transition plan do not constitute a significant part of the Group's total investments.

S Group will begin reporting in line with the EU Taxonomy in 2027.

Locked-in GHG emissions

S Group has assessed the greenhouse gas emission lock-ins of its key assets and products. These include the emissions arising from the use of the fuels purchased and sold by the ABC chain, as well as the infrastructure that enables fuel distribution, the largest components of which are the distribution equipment (fuel tanks, pipelines and dispensers) and the supporting structures (canopies, soil sealing, asphalt/paving and oil-separation wells). SOK owns 51% of NEOT Oy, whose main task is fuel procurement. In addition, S Group owns the S-Polttonesteterminaalit fuel terminals in Hamina, Pori, Vaasa and Oulu.

S Group has identified the risks associated with greenhouse gas lock-ins. These risks are not considered to have a significant impact on the achievement of the emission reduction targets. Both the infrastructure that enables fuel distribution (including fuel terminals) and fossil fuels themselves involve a transition risk classified under regulation and policy: assets that become stranded as

their economic value declines and ultimately falls to effectively zero. In terms of both fuel distribution infrastructure and fossil fuels, the transition risk is greater in the short term than in the long term, as the use of fossil-fuel powertrains decreases over time and the transition risk associated with these assets correspondingly diminishes. In particular, developments in regulation and technology create uncertainty regarding the materiality of the transition risk. The risk is managed by using the same infrastructure for distributing low-emission fuels and by increasing the sales of low-emission fuels in line with demand. In addition, uncertainty in regulation is addressed through active advocacy work. Risks have been identified in more detail as part of S Group's TCFD/TNFD work, set out in section SBM-3.

By 2030, S Group will have no stranded assets. Closures of ABC chain distribution stations are expected to remain limited, and any capital tied up in stations that may be closed is assumed to be fully or largely depreciated by 2030.

S Group is not expected to have any stranded assets by 2050, as the capital tied to the ABC chain's fuel distribution operations is expected to be fully or largely depreciated under the normal depreciation schedule. S Group is also not expected to have any emissions-related stranded assets arising from other fuel-related associates or subsidiaries.

Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS 2 SBM-3

S Group has identified climate-related risks and opportunities in line with the Task Force on Climate-related Financial Disclosures (TCFD), and nature-related risks and opportunities in line with the Taskforce on Nature-related Financial Disclosures (TNFD). The identification of risks and opportunities related to climate and nature is part of S Group's ongoing risk management work. S Group's scenario and resilience analysis is based on the TCFD work carried out. The scenario and risk analysis covers S Group's entire value chain, and no part of the value chain has been deliberately excluded.

Risk management plans are based on individual risk assessments. The risks and opportunities identified at S Group are prioritised based on their impacts, probability and timing, as well as on the basis of their expected financial impacts. The primary focus is on risks that are likely to materialise in the short or medium term, and that are expected to have significant financial impacts. Risks whose impacts occur later or are difficult or very difficult to assess are also examined, even if they do not necessarily require immediate action. For physical risks, the assessment is based on the Intergovernmental Panel on Climate Change (IPCC) 3-degree scenario, while transition risks are assessed against the 1.5-degree scenario of the Paris Agreement.

Ways to mitigate, transfer, accept or manage climate- and nature-related risks have been assessed, and plans for risk management measures have been prepared. The significance of financial risks is linked to their probable financial impact. Key processes that would be subject to significant financial impacts if the risks materialised have also been identified.

For climate- and nature-related risks, the time horizons defined in the respective frameworks are followed. Risks and opportunities are assessed over the short term (less than 5 years), medium term (5–10 years) and long term (over 10 years), taking into account potential regulatory changes and financial impacts. The assessment also takes into account potential geographical differences in the countries where S Group has a direct impact through its outlets. The estimate regarding procurement is general in biodiversity. It is difficult to accurately assess the direct financial effects of climate and biodiversity risks on S Group's operations. However, the risk assessment has evaluated the financial effects in terms of magnitude. The risk assessment is based on a qualitative review, which will be refined as more information about financial impacts becomes available.

Sustainability is integrated into the business operations' competitive strategies, which define the concrete actions needed to achieve the group-level climate targets. The competitive strategies are updated regularly, and the group-level climate targets are taken into account for each business operation as part of the update. The relevant business areas have been involved in conducting the resilience analysis. The results of the resilience analysis serve as background material in the business operations' competitive strategy update process. S Group's group-level strategy defines the organisation's ambition level for sustainability. The competitive strategies outline the choices needed to

ensure that the ambition level set in the Group strategy is achieved.

S Group's net-zero target framework is aligned with the scenario and resilience analysis. The net-zero target is incorporated into S Group's sustainability programme, whose metrics are used to verify the implementation of the group strategy.

Policies related to climate change mitigation and adaptation

E1-2

In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment. The responsibility principles state that S Group is committed to the UN principles of sustainable development and, through environmental due diligence, to reducing negative environmental impacts and promoting positive ones. S Group is aware that the sufficiency of natural resources is particularly important for its business operations, and S Group strives for resource-efficient operations.

The key principles for managing S Group's material climate-related impacts are the responsibility principles and the ethical principles. The boards of directors and executive management of SOK and its subsidiaries are responsible for ensuring that the operations within their organisations and areas of sustainability comply with the ethical principles and the responsibility principles. The Executive Board of SOK is responsible for approving the principles at S Group level, and the cooperatives' boards of directors are responsible for approving them at the cooperative level.

The principles are implemented in practice through S Group's sustainability programme and in accordance with the management system. The principles apply to S Group's business areas, cooperatives and partners in all countries of operation.

S Group has direct and indirect impacts on the climate. S Group's most significant climate impacts are related to food products and their production chain, as well as to fuels. The Group's most significant climate impacts are indirect value chain impacts.

S Group's responsibility principles address the mitigation of climate change. S Group seeks to adapt to the risks posed by climate change. Climate risks are mitigated through emission reduction and adaptation measures in the short, medium and long term throughout the value chain. A key objective for S Group is to mitigate climate change by following the 1.5°C reduction pathway defined in the Paris Agreement and by the Science Based Targets initiative. S Group aims to achieve net zero emissions by 2050 at the latest. The transition will focus in particular on reducing the life-cycle climate impacts of products and services in the Group's value chain. The transition also requires changes towards more sustainable consumption in the downstream value chain. For S Group's own operations, energy efficiency and the use of renewable energy are central. S Group has identified business opportunities arising from climate change mitigation measures.

S Group's ethical principles and HR policy define how employees are expected to behave and act in different working life situations. In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment.

Actions and resources in relation to climate change policies

E1-3

The most significant measures for reducing Scope 1 and Scope 2 emissions are energy efficiency and the procurement of renewable energy. S Group aims to improve its energy efficiency by 30% from the 2015 level by 2030. The target applies to sites in Finland. In 2025, S Group's locations in Finland consumed 256 kWh/brm^2 of energy, which is 12% less than in 2015. Compared with the previous year, energy consumption remained roughly at the same level. The key measures to improve energy efficiency include refrigeration system renewals, the installation of doors and covers on refrigeration units, the adoption of LED lighting and the installation of heat pumps. S Group aims to improve the overall energy and cost efficiency of its sites by measures such as using waste heat, optimising systems and controlling the necessary use of building technology.

S Group participated in Finland's 2008–2016 and 2017–2025 energy efficiency agreement periods, in both the commerce sector action plan and the hotel and restaurant sector action plan. S Group is also participating in the 2026–2035 agreement period in both of these action plans. S Group's target in both action plans is to achieve a 10% improvement in energy use, calculated from its 2024 energy consumption. The interim target is

a 6% improvement in energy use by 2030. In the agreement period that ended at the close of 2025, the energy-saving measures recorded in the commerce sector amounted to around 168.2 GWh, representing 193% of the target. In the agreement period that ended at the close of 2025, the energy-saving measures recorded in the hotel and restaurant sector amounted to 4.2 GWh, representing 30% of the target.

In 2025, S Group's target was for 80% of the electricity it consumed to be generated from renewable sources. To verify the use of renewable energy, guarantees of origin have been purchased for renewable electricity. In 2025, 87% of the electricity used by S Group was generated using wind power. No targets have been set for renewable district heating. In 2025, S Group used a total of 236 GWh of renewable district heat, verified through guarantees of origin. Of the renewable energy, 96% was sourced via separate guarantees of origin and 4% through energy contracts.

In 2025, no direct measures were taken to reduce Scope 3 emissions; instead, efforts focused primarily on improving emissions monitoring by automating calculations and enabling data views for business operations. In early 2025, S Group created its climate transition plan in cooperation with the grocery retail, fuels retail and service stations, and property functions. In the transition plan, the key measures identified for addressing value chain (Scope 3) emissions include emission reductions related to changes in consumption habits, value chain emission reductions related to purchased products and services, growth in the sales of plant-based products, and developments in the fuel business driven by changes in powertrain technologies. These measures have been identified for both the short and long term to support the achievement of net-zero targets. With regard to the measures, dependencies have been identified both on legislative changes affecting fuels and on emission reductions achieved by suppliers. It has not been possible to forecast these impacts. Achieving the targets will require new, currently unidentified technologies that will be adopted as they become available. In general, achieving S Group's emission reduction targets requires both the development of data capabilities and strategic work and collaboration on selections and services across the value chain. In addition, changes in consumption habits and active customer communication have been identified as important means of achieving emission reductions in the downstream value chain. In early autumn 2025, S Group began the validation of its science-based climate targets, which was completed in November 2025 with the approval of the net-zero and FLAG (Forest, Land and Agriculture) targets. In 2025, no measures were taken in relation to climate change adaptation.

For the taxonomy-related capital and operating expenditure indicators, the assessment will be carried out for 2027 and, where applicable, for the taxonomy-aligned CapEx plan. S Group continuously assesses what investments, subsidies or financing models are needed to achieve its short-term emission reduction targets. No specific capital or operating expenditures were identified in 2025. The implementation of the modelled transition plan is not dependent on the availability of S Group's resources. S Group's emission reduction targets are aligned with those of other value chain actors, and actions taken within the value chain are reflected in the achievement of S Group's targets.

Targets related to climate change mitigation and adaptation

E1-4

In addition to this table, we have described the emission reduction targets in more detail in section E1-1. S Group has set a science-based (Science Based Targets initiative, SBTi) net-zero greenhouse gas reduction target for its own operations and value chain by 2050. The net-zero target framework is aligned with the Paris Agreement's 1.5-degree pathway, and the targets have been validated by the SBTi. This is in line with S Group's responsibility principles, under which the Group is committed to complying with the Paris Agreement. SOK's Executive Board has approved the net-zero emission reduction target framework, which covers the whole of S Group. S Group's external stakeholders have not been involved in setting the targets. As part of the SBTi targets, S Group is committed to not sourcing products with key raw materials that cause deforestation after 2025. In 2024, the emissions calculation methodology was updated. As the 2024 emission figures were not yet available when the SBTi validation process began, the base year used in the SBTi targets is 2023. The year 2023 was deemed representative and comparable in the SBTi process. Emissions did not decrease in 2025 compared with 2024.

Short-term (2035) and long-term (2050) emission reduction targets

Target area	Emission category	Reduction target 2035	Reduction target 2050	Reference year 2023 (tCO_2e)	2024 (tCO_2e)	2025 (tCO_2e)
Emission reduction targets for own operations (Scope 1 and Scope 2, market-based)	Absolute market-based emissions, including biogenic soil emissions and bioenergy removals	-90%	-95%	64,171	58,272	46,159
Emission reduction target for emissions from procurement, transport, business travel and commuting (Scope 3.1, 3.4, 3.6 and 3.7)	Absolute emissions, including biogenic soil emissions and bioenergy removals	-45%	-90%	3,093,416	3,127,126	3,456,733
Reduction target for emissions arising from the sale of fossil fuels (Scope 3.11)	Absolute emissions, including biogenic soil emissions and bioenergy removals	-63%	-90%	2,413,900	2,448,374	2,360,620
Short-term emission reduction target for emissions related to land use in the procurement chain (Scope 3.1 FLAG)	Absolute emissions, including FLAG emissions and removals (beef, wheat, dairy, eggs, pork, poultry, salmon)	-45.45%	-	2,096,069	2,163,740	2,130,003
Long-term emission reduction target for emissions related to land use in the procurement chain (Scope 3.1 FLAG)	Absolute emissions, including FLAG emissions and removals (beef, wheat, dairy, eggs, pork, poultry, salmon, banana, cocoa, coffee, maize, orange, olive oil, palm oil, rapeseed, rice, soy, tea, tobacco, cucumber, tomato, lettuce and other vegetables)	-	-72%	2,775,111	2,854,206	2,829,854

Energy consumption and mix

E1-5

The individual reported metrics have not been separately validated by an external party.

Total energy consumption MWh

	2023	2024	2025
a) Total fossil energy consumption (MWh)	**238,814**	**166,350**	**145,452**
i. Fuel consumption from coal and coal products (MWh)	–	–	–
ii. Fuel consumption from crude oil and petroleum products (MWh)	7,163	3,595	2,906
iii. Fuel consumption from natural gas (MWh)	3,743	–	209
iv. Fuel consumption from other fossil sources (MWh)	–	–	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	227,908	162,755	142,337
Share of fossil sources in total energy consumption (%)	15.4%	11.3%	10.0%
b) Consumption from nuclear sources (MWh)	**1,009,232**	**1,016,580**	**138,154**
Share of consumption from nuclear sources in total energy consumption (%)	65.0%	68.9%	9.5%
c) Total renewable energy consumption (MWh)	**328,743**	**314,076**	**1,199,354**
i. Fuel consumption for renewable sources, including biomass (MWh)	–	–	–
ii. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	260,050	235,956	384,564
iii. The consumption of self-generated non-fuel renewable energy (MWh)	68,694	78,120	814,790
Share of renewable sources in total energy consumption	21.2%	21.3%	82.5%
Total energy consumption (MWh)	1,576,789	1,497,006	1,482,960

In 2025, S Group produced 774 GWh of wind power. A total of 3 GWh of fossil energy was produced in boilers of the properties.

Total energy consumption per sales associated with activities in high climate impact sectors (MWh/M€)

	2023	2024	2025	Annual change %
Total energy consumption per sales associated with activities in high climate impact sectors	100	116	90	22%

Sales originating from the activities of climate-impact-intensive sectors (M€)

	2023	2024	2025
Sales originating from the activities of climate-impact-intensive sectors used in calculating energy intensity	13,336	11,071	13,642
Sales (other sectors)	1,075	873	1,080
Total sales (financial statements)	14,411	11,944	14,722

High climate impact sectors are determined by the NACE classes specified in Commission Delegated Regulation (EU) 2022/1288. In practice, high climate impact sectors within S Group include all business areas except the travel industry and hospitality business, laundries, barbershops and the amusement park. Retail sales are reported on page 13. Retail includes the regional cooperatives and SOK and their subsidiaries. The figure differs from the retail sales report published by S Group, which does not include the figures for Inex and Meira Nova.

Energy consumption includes properties owned and managed by S Group in Finland and Estonia to the extent that consumption data is available or can be estimated. There are some gaps in the consumption data due to, for example, unrecorded manual meter readings and malfunctioning automatic meters. Missing consumption is estimated based on the floor area data of the sites. In 2025, missing consumption accounted for 1% of total electricity consumption and 3% of total district heat consumption.

Energy consumption accounting principles

The consumption figures are based on purchased electricity and district heat consumption by energy source, as well as on the calculated energy consumption of heat produced in-house. The consumption data are obtained from S Group's energy monitoring system. The companies' property managers monitor site-specific consumption and make corrections to the measurement data where necessary.

The allocation of electricity to different energy sources is based on the guarantees of origin for purchased electricity. For district heat, the portion counted as renewable is the consumption that has been verified as renewable. All other district heat is considered fossil-based. The guarantees of origin used by S Group have been issued in accordance with the existing EECS GO standard system (European Energy Certificate System – Guarantee of Origin), which harmonises the issuance, transfer and cancellation of guarantees of origin for energy. Its use is based on EU legislation, in particular the renewable energy directives. For oil and gas consumption, the calculation includes sites whose heating system has been fully or partly oil- or gas-based during the reporting period.

Energy intensity has been calculated by dividing total energy consumption by the amount of retail sales reported in the financial statements. S Group's business operations are mainly classified as sectors with a high climate impact. Within S Group's business operations, the travel industry and hospitality business, laundries, barbershops and the amusement park are not considered high climate impact sectors.

Greenhouse gas emissions

E1-6

The individual reported metrics have not been separately validated by an external party. Of Scope 3 emissions, 27% have been calculated using primary data. Scope 1 and 2 emissions excluding biogenic emissions decreased by 12%, while Scope 3 emissions excluding biogenic emissions increased by 3% in 2025 compared with 2024.

Scope 1–3 gross and total GHG emissions (tCO_2e)

	Year, 2023	2024	2025	Annual change %
Scope 1 GHG emissions				
Gross scope 1 GHG emissions without biogenic emissions (tCO_2eq)	31,806	31,832	24,050	-24.4%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO_2eq)	178,393	139,383	84,928	-39.1%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	33,142	27,075	22,200	-18.0%
Significant scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	8,794,448	8,962,600	9,192,406	2.6%
1) Purchased goods and services (tCO_2eq)	6,144,780	6,252,724	6,576,686	5.2%
1a) Cloud computing and data centre services (tCO_2eq)	6,485	8,068	18,723	132.1%
2) Capital goods (tCO_2eq)	3,554	2,692	2,808	4.3%
3) Fuel and energy-related Activities (not included in Scope1 or Scope 2) (tCO_2eq)	37,796	50,838	50,372	0.9%
4) Upstream transportation and distribution (tCO_2eq)	114,471	123,634	115,733	-6.4%
5) Waste generated in operations (tCO_2eq)	21,175	23,258	25,358	9.0%
6) Business traveling (tCO_2eq)	4,331	5,464	1,986	-63.7%
7) Employee commuting (tCO_2eq)	13,995	14,138	15,175	7.3%
11) Use of sold products (tCO_2eq)	2,422,725	2,457,865	2,371,376	-3.5%
12) End-of-life treatment of sold products (tCO_2eq)	13,125	13,494	13,738	1.8%
15) Investments (tCO_2eq)	18,497	18,493	19,174	3.7%
Total GHG emissions				
Total GHG emissions (locationbased) without biogenic emissions (tCO_2eq)	9,004,647	9,133,816	9,301,384	1.8%
Total GHG emissions (marketbased) without biogenic emissions (tCO_2eq)	8,859,397	9,021,508	9,238,656	2.4%

Biogenic gross scope 1–3 and total GHG emissions

	Year	Target		
	2023	2024	2025	Annual change %
Biogenic gross scope 1 GHG emissions (tCO_2eq)	113	96	56	-41.5%
Biogenic gross location-based scope 2 GHG emissions (tCO_2eq)	0	0	0	0.0%
Biogenic gross market-based scope 2 GHG emissions (tn CO_2)	0	0	0	0.0%
Biogenic gross scope 3 GHG emissions (tCO_2eq)	84,385	85,644	95,141	11.1%
Biogenic GHG emissions (tCO_2eq)	84,497	85,739	95,197	11.0%

In 2025, S Group's total biogenic emissions increased by around 16% compared with 2024. The increase is due to the rise in Scope 3 biogenic emissions.

GHG intensity per net sales

	2023	2024	2025	Annual change %
Total GHG emissions (location-based) per net sales (tCO_2eq/€)	625	765	632	17%
Total GHG emissions (market-based) per net sales (tCO_2eq/€)	615	755	628	17%
Net sales used to calculate GHG intensity (€)	14,411	11,944	14,722	

Retail sales are reported on page 13. Retail includes the regional cooperatives and SOK and their subsidiaries. The figure differs from the retail sales report published by S Group, which does not include the figures for Inex and Meira Nova.

GHG emission accounting principles

S Group reports its direct and indirect greenhouse gas emissions (Scope 1, Scope 2 and Scope 3) in accordance with the GHG Protocol (GHG Protocol Corporate Accounting and Reporting Standard and Corporate Value Chain Accounting and Reporting Standard). Emissions reporting follows the operational control approach, meaning that emissions are reported for companies under the operational control of SOK Corporation and the regional cooperatives. Entities that fall outside operational control are described in sections BP-1 and BP-2.

S Group calculates emissions for both its own operations (Scope 1 and Scope 2) and its value chain (Scope 3). S Group has designated 2023 as the base year for its emissions calculations. Comparison information for previous years is not presented, based on the transitional relief provided by the Corporate Sustainability Reporting Directive. The emission factors used in the calculations include the most material greenhouse gases for each emission source. Emissions have been converted into and are reported as carbon dioxide equivalents (tCO_2e). In addition, the calculations separately account for biogenic emissions and emissions from the land-use sector (FLAG, Forest, Land and Agriculture).

Emission intensity is calculated by dividing total emissions by the amount of retail sales reported in the financial statements.

Scope 1 – Direct greenhouse gas emissions

Emissions from own operations include emissions from fuels used to produce heat and emissions arising from refrigerant leaks. Emissions from in-house heat production have been calculated on the basis of fuel consumption. Emissions from refrigerant leaks mainly consist of leaks from refrigeration systems in stores. Emissions from refrigerant leaks are calculated on the basis of the refrigerant charge and the emission factors of the respective refrigerants. For the heating fuels used, biogenic emissions are reported separately in the calculations.

Scope 2 – Indirect greenhouse gas emissions from energy consumption

Scope 2 emissions from own operations include emissions from purchased energy. This includes purchased electricity and purchased district heating and cooling. For these, both location-based and market-based emissions are calculated. The location-based emissions are calculated using national average emission factors. Market-based emissions take into account purchased guarantees of origin for electricity and district heating. For all electricity consumption, guarantees of origin are obtained for either renewable energy or nuclear power. For district heating, where guarantees of origin are not obtained, plant-specific emission factors are used. If a plant-specific factor is not available, the emissions are calculated using the national average factor. Biogenic emissions are separated from other emissions in the calculation.

Scope 3 – Indirect greenhouse gas emissions from the value chain

For Scope 3 emissions from the value chain, categories 1, 2, 3, 4, 5, 6, 7, 11, 12 and 15 are reported. The Scope 3 categories deemed non-material and therefore excluded are categories 8, 9, 10, 13 and 14. Scope 3 category 8 (upstream leased assets) is relevant for S Group in respect of leased IT equipment, other leased equipment and vehicles leased for employees. However, greenhouse gas emissions from the use of IT equipment are included in Scope 2 emissions, while emissions from other life cycle stages are included in Scope 3 category 1. Scope 3 category 9 (downstream transportation and distribution, or customer traffic) is not relevant retail trade, and the SBTi has recommended its exclusion. Scope 3 category 10 (processing of sold products) is relevant for S Group, but the greenhouse gas emissions from the raw materials purchased for restaurants and stores are included in Scope 3 category 1, and the emissions from the food preparation stage are included in Scope 1–2 emissions. Scope 3 category 13 (downstream leased assets) is not relevant for S Group, as S Group does not lease assets to other companies whose emissions would not already be included in Scope 1 or Scope 2 inventories. Scope 3 category 14 (franchises) is relevant for S Group in respect of the Hesburger fast food restaurants it operates in Finland, but the emissions of these franchised restaurants are included solely in S Group's Scope 1 and Scope 2 inventories.

Category 1: purchased goods and services

The calculation is based on average cradle-to-gate life cycle emission factors obtained from, for example, Howgood and the University of Jyväskylä. The calculation is based on the physical mass (in kilograms) or volume (in litres) of products purchased during the financial year. If volume data is not available, emissions are calculated using euro-denominated data, adjusted for inflation. Emissions from purchased services are calculated on a euro-denominated basis. The calculation also accounts for the emissions from the manufacture of new cars purchased, as well as the volume of water purchased, measured in cubic metres. For indirect purchases, data for Estonia is partly missing from the emissions calculation due to system changes. These account for an estimated 0.061% of emissions from purchased goods and services. This does not have a significant impact on total emissions. In category 3.1, partial overlap with Scope 1–2 and category 3.4 emissions has been identified, but these have not been fully deducted from this category, as the category-specific emission factors do not in all cases provide sufficient information about the retail and storage share. This causes a very small overlap in emissions. For fuel, the use phase (tank-to-wheel) emissions are excluded from category 1 and reported under category 11, meaning that category 1 includes only the estimated share of emissions from fuel production and distribution (well-to-tank) up to the point at which the fuel is in the vehicle's tank. Emissions from electric charging are included in category 1, even though the charging sold is emission-free; small emissions nevertheless occur in the value chain, such as electricity losses in the upstream value chain. The inflation adjustment has been made to the euro-denominated calculations by comparing the consumer price index with 2019, as the emission factors are from 2019. Local purchases for hotels and restaurants in Finland and Estonia have been extrapolated due to a lack of data.

FLAG emissions (Forest, Land and Agriculture)
The most significant FLAG raw materials are identified on the basis of purchase volumes and international science-based lists of high-risk raw materials. As product recipes and ingredient information are not comprehensively available, the precautionary principle is applied by assuming that certain products contain a FLAG commodity as their main ingredient. The calculation uses both manual classification and a method based on customs nomenclature (CN codes). Where recipe information is available for private-label products, it has been possible to disaggregate emissions for certain product categories across multiple FLAG raw materials. FLAG emissions are calculated primarily for the major commodities within each product category, and cradle-to-gate emission factors are applied to these. Due to the wide product range, the remaining products are calculated using the highest emission factor for the category. The emission factors used are provided by Howgood. For countries of origin, reliable information is used where available, and in other cases secondary data sources are used, such as the Chatham House Resource Trade Database. Carbon sequestration has not been included in the calculations due to a lack of primary data.

Category 2: capital goods
The calculation includes the emissions from new buildings and major extensions constructed during 2025. The calculation is based on the climate studies carried out. For projects where no study has been carried out, emissions are assessed on the basis of other climate studies. The calculation also includes the FLAG emissions from the construction of wind farms, which are allocated over a 20-year period. The FLAG emissions from wind farm construction have been calculated in accordance with the IPCC guidelines.

Category 3: fuel- and energy-related activities
The emissions include emissions from the distribution and transmission losses of the energy used in 2025, as well as the upstream emissions from the production of energy used. Emissions are calculated for all the electricity consumed by S Group, as well as using the applicable Defra and NREL factors. The calculation also accounts for missing energy consumption measurements, the share of which is described under “Energy consumption and mix”.

Category 4: upstream transportation and distribution
The calculation covers the emissions from Inex’s domestic and international transport, as well as the transport emissions of Meira Nova and NEOT. For Inex’s domestic transport, the calculation is based on information about Inex’s customers, transport routes, contractual partners and transported volumes, which are combined into an emissions report in accordance with the LIPASTO emission factors. International emissions are calculated based on distance calculations and transport weight. Meira Nova’s calculations are based on the kilometres driven and the associated greenhouse gas emissions reported by the logistics companies acting as contractual partners. The proportion of transport emissions allocated to SOK is determined by the proportion of products delivered to SOK during the reporting year. The emissions from fuel transport are provided by NEOT. These figures are based on the emissions data for land and sea transport reported by the transport companies.

Category 5: waste generated in operations
For waste, the emissions data has been provided by the largest contractual partners. If a partner has been unable to provide emissions data, database-based emission factors (Exiobase) have been used for the different waste fractions. The calculation also accounts for missing energy consumption measurements, the share of which is described under “Waste data accounting principles”.

Category 6: business travel
Emissions data for S Group’s leased vehicles and employees’ air travel are obtained from the respective partners. Information about business travel is partly missing (e.g. for ferry, rail and taxi trips, as well as for the maintenance of leased vehicles) due to business changes. These account for an estimated 30% of business travel emissions. However, these have no impact on total emissions.

Category 7: employee commuting
The calculation covers Finland. Employees in the Estonian business area are excluded from the calculation, as the Estonian business accounts for 1.7% of SOK Corporation’s and S Group’s retail sales excluding taxes. Further development of the calculation method will be considered where necessary. The calculation is based on data on S Group’s employees working in Finland whose employee information is linked to an S Group co-op membership card. The average commuting distance is estimated on the basis of the distance between the

employee's postcode and workplace. The mode of transport is estimated on the basis of the national mobility survey, which defines the shares of different modes of transport in municipalities, towns and cities of different sizes. The average distance travelled and the mode of transport are multiplied by the average number of annual working days, and the annual working days of part-time employees are estimated on the basis of their average weekly working hours. It has been recognised that the calculation may overlap with Scope 3 category 11 emissions when employees purchase fuel for their commuting from S Group's service stations, but the extent of this overlap is difficult to assess accurately. The calculation method and data sources involve uncertainties, such as general assumptions about how often employees travel to the workplace and by which mode of transport, meaning that the results can only be used as a very rough estimate of the climate impact of S Group employees' commuting.

Category 11: use of sold products

The TTW (tank-to-wheel) emissions from fuels sold are calculated by multiplying the quantities sold by the emission factor of each fuel. In addition, this category includes emissions generated during the use of electronic products and household appliances. The method used is based on the quantities of electronic devices purchased and sold. Because the range of devices is broad, the allocation of emissions to Scope 3.11 has been carried out at a category level above the individual device level. The assessment of use-phase emissions is based on average values from life-cycle assessment studies for the different device categories. The method is based on two factors: the share of electronic devices and household appliances sold in S Group's total sales, and the use-phase emission share of the respective category.

Category 12: end-of-life treatment of sold products

The calculation covers the emissions from the end-of-life treatment of food products sold, and additionally accounts for household food waste and the associated waste management emissions. The calculation uses the average level of food waste in Finland, meaning that 5% of the food sold by S Group ends up as food waste. Category 12 does not include the end-of-life treatment of consumer goods, as the available emission factors do not allow allocation across different Scope 3 categories. Consequently, the emissions from their end-of-life treatment are included in Scope 3.1.

Category 15: investments

The emissions calculation is based on information about the S Group companies' equity and fund investments. Information about ownership shares and emissions is obtained from service providers. In addition, this category includes the Scope 1 and Scope 2 emissions of Coop Trading and NEOT in proportion to S Group's ownership share.

POLLUTION

ESRS E2

Soil and water pollution affects S Group's business operations through selections and product availability, for example. Soil and water contamination can pose health risks within the food supply chain. Pollution refers, among other aspects, to the contamination of soil or water caused by harmful substances. For S Group, a key perspective concerns emissions that cause eutrophication and acidification, as well as the use of chemical substances. In addition, the fuel procurement chain involves a risk of harmful or hazardous substances spreading into soil and/or water bodies.

Management of material impacts, risks and opportunities related to pollution

Material impacts related to pollution

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Pollution	Soil pollution	Actual negative	Long	Downstream	· Impacts of agriculture and oil refining on soil and water bodies. · Agriculture affects soil through fertilisers, for example, and contributes to the eutrophication of water bodies.	· There are no direct control measures related to oil refining or to soil contamination in agriculture. · Examples of indirect control measures include the provision of organic products and contractual terms related to chemicals. · Encouraging the value chain to adopt regenerative agriculture.

S Group has impacts on pollution through the products it sells. Among other aspects, the production of raw materials and agriculture have impacts on soil and water bodies through fertilisers.

Topics excluded under pollution include the contamination of living organisms and food products, problematic substances, substances of very high concern and microplastics. Food spoilage is regarded as a health risk affecting customers, for which self-monitoring plans are in place. Problematic substances and substances of very high concern are considered topics with very low impact compared with land and water use and the air pollution impacts of fuel products. Microplastics in products are a monitored topic, but do not exceed the materiality threshold.

Freight logistics affect water bodies and contribute to air pollution. Distribution and transport operations contribute to air pollution. The impacts lie within the value chain, and their overall significance is low.

Pollution is not a material topic within S Group's own operations; therefore, there is no measurement obligation, and disclosure requirements E2-4 and E2-5 do not apply to S Group's reporting.

S Group has identified the impacts of agriculture and oil refining in the value chain on soil and water bodies as its most significant pollution-related impacts. It is widely recognised, and supported by numerous studies, that the fertilisers and pesticides used in agriculture pose pollution risks to soil and water bodies. Within the fossil fuel supply chain, oil extraction and refining are associated with widely recognised significant impacts related to pollution. However, S Group has no influence over activities in the upstream oil supply chain. Within S Group's own operations, pollution risks have been identified at fuel distribution sites, for example. However, the activities are subject to a permit, the risks related to pollution are low, and preparedness and equipment are in place to address any potential incidents. The materialisation of the pollution risk within S Group's own operations is therefore unlikely, and it did not emerge as a significant consideration in the double materiality analysis. The double materiality assessment process is described in section IRO-1.

Policies related to pollution

E2-1

S Group is committed to reducing environmental pollution and, through environmental due diligence, to minimising negative impacts on the environment. S Group is aware that the sufficiency of natural resources is particularly important for its business operations, and S Group strives for resource-efficient operations. This is reflected in S Group's responsibility principles, which include commitments to strengthening measures related to sustainable land use and the prevention of soil contamination, to developing biodiversity impact accounting for public use, and to developing procurement principles for high-risk raw materials. S Group makes every effort to protect ecosystems, prevent deforestation and promote sustainable land use and restoration. S Group takes particular care in assessing its operations in areas that are sensitive in terms of biodiversity. S Group does not directly identify opportunities to influence the management of pollution risks related to oil drilling and refining, and therefore these have not been taken into account in S Group's policies. The replacement and minimisation of substances of concern, as well as the gradual phase-out of substances of very high concern, are not material topics for S Group.

Measures related to pollution

E2-2

S Group has identified the need to further develop measures to prevent and reduce pollution within the value chain. S Group has sought to support regenerative agriculture that reduces and prevents pollution risks, and it participates in research on bioversity impact accounting to better understand pollution impacts within both the value chain and its own operations. With regard to its selections, S Group has identified the use of fertilisers in food production, as well as their eutrophication impact, as a material risk. The related target framework is described in the reporting section on biodiversity.

S Group promotes the safe and sustainable use of chemicals. For example, the primary production of fruit and vegetables is GlobalG.A.P.-certified, which includes a review of practices related to chemical use. Other raw material policies also include requirements for the sustainable use of chemicals. S Group will further develop its procurement principles for raw materials and products identified as posing pollution risks.

For S Group's own operations, the environmental permits of sites located in groundwater areas and near water bodies take into account water-related risks and the measures required to manage them. In particular, the risk of soil contamination caused by fuel sales is taken into account in contingency planning and the preparedness measures required. All ABC service stations have taken leakage and emission risks into account, whether the distribution station has an environmental permit or is otherwise registered. In addition, ABC service stations have guidelines for the management of environmental emergencies. All wastewater from outlets is directed to municipal wastewater treatment.

In 2025, S Group supported the John Nurminen Foundation's Pellon perintö project at Uskelanjoki. The project aims to reduce agricultural nutrient loading into waterways through measures such as the application of gypsum and structural lime, increasing wintertime vegetation cover, and establishing buffer zones, in order to improve the state of the Uskelanjoki River and the Archipelago Sea. In 2025, S Group also participated in a joint project of AFRY and the Centre for Economic Development, Transport and the Environment for Southwest Finland. The project is part of the Archipelago Sea Programme. Its aims to engage companies across the food supply chain in water stewardship by reducing nutrient loading in the Archipelago Sea catchment area, and to promote sustainable water use and water protection measures in cooperation with food companies and stakeholders.

Targets related to pollution

E2-3

S Group has not yet set targets related to pollution but will do so in the coming years.

WATER AND MARINE RESOURCES

ESRS E3

Water stewardship is a key part of S Group's sustainability work. Water stewardship refers to the sustainable use and protection of water resources that takes environmental, economic and cultural factors and social fairness into account. At S Group, water stewardship covers our outlets, as well as procurement and value chains. Water stewardship covers aspects such as water withdrawals, water availability, hygiene and sanitation, the water used or embedded in products during their manufacture, and wastewater treatment. Promoting water stewardship locally requires cooperation with operators in the catchment area.

Management of impacts, risks and opportunities related to water resources

Material impacts related to water resources

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Water and marine resources	Water	Potential negative	Long	Upstream	Some primary agricultural production is water-intensive, and certain elements of the product manufacturing processes are also water intensive.	· No direct control measures in place yet · Value chain collaborations

In relation to water consumption and water withdrawal, S Group has value chain impacts: water is used in the cultivation of raw materials, including in areas of water scarcity and water stress. This both undermines the vitality of those regions and creates supply risks for S Group's product portfolio. In some areas, the product risk has already materialised.

Wastewater discharges are not materially linked to any significant part of S Group's business operations. In the upstream value chain, a potential negative impact has been identified in textile production, but it is not significant in scale. There are no severe impacts associated with the use of marine resources, although overfishing in the upstream value chain may have severe impacts on the regeneration of fish stocks. In this case, however, the scale of the impact is not significant. Raw material sourcing appears across multiple topics, and there are established principles, targets and measures in place, including for fishing.

S Group has identified the water intensive nature of primary agricultural production as a material impact, affecting a portion of the products it sells. In addition, some of the manufacturing processes of the products sold by S Group are water-intensive. Risks and opportunities related to water and marine resources may affect S Group's financial performance. The potential financial consequences of these impacts have been assessed and included in the risk assessment. With regard to water, potential impacts on the product selection have been identified, including those arising from water scarcity and flooding. The double materiality assessment process is described in section IRO-1.

Policies related to water

E3-1

Water stewardship is addressed in S Group's responsibility principles; however, given the nature of S Group's operations, the management of water resources within S Group's own activities, as well as the consideration of water-related issues and marine resources in product and service design, is not material. As part of its water stewardship, S Group has identified its most significant water risks and requires responsible practices around water bodies both within its own operations and from its partners. As far as S Group is concerned, essential water issues are concentrated outside our own operations in the value chain. The water impacts of S Group's product selection are more significant than the water consumption within its own operations.

Measures and resources related to water

E3-2

S Group has prepared a water roadmap covering both its own operations and its value until 2030. The roadmap sets out annual measures to promote water stewardship. For S Group's own properties, measures include monitoring water consumption and implementing actions to reduce consumption. In S Group's own operations, water-efficiency solutions have been implemented in hotel water fixtures and in drive-through car wash facilities at service stations, for example.

S Group collaborates with stakeholders within its value chain to promote the sustainable use of water resources. As part of S Group's water stewardship, the most significant water risks have been identified, and S Group requires responsible practices around water bodies both within its own operations and from its partners. S Group, S Group's co-owned procurement company Coop Trading and three other European trading groups are participating in a pilot programme for sustainable water use in the regions of Huelva and Doñana in southern Spain, which are suffering from a critical water situation. The new cooperation project on sustainable water use is coordinated by the international network Alliance for Water Stewardship (AWS), and it is the first initiative of its kind in Europe. The project, launched in 2023, aims to strengthen collaboration and shared understanding among food producers and other food chain actors in the region regarding activities that affect common water resources, and to identify solutions to water-related challenges in agriculture. Spain is a key producer of vegetables in Europe, and the project covers fruit, berry and vegetable producers in the region who are suffering from extreme weather phenomena aggravated by climate change, such as floods and increasing periods of droughts. The AWS Impact Accelerator project investigates the state of the water in the catchment area and the root causes behind the water challenges. The project also organises training sessions for farms and gives farm-specific recommendations for corrective water management measures. In 2025, farm-specific action plans were developed to implement the necessary changes, and training sessions and a joint event with another water stewardship project in the same area were organised to strengthen collective water stewardship efforts. The pilot is expected to end in 2026.

Various raw material and product certifications can be used to verify the social and environmental sustainability of products. S Group has set certification requirements especially for its private-label products. For example, the criteria of Fair Trade and Rainforest Alliance certificates set requirements for water consumption in addition to other environmental criteria and guide farmers in the continuous improvement of water resources and wastewater management. In addition, the Roundtable for Sustainable Palm Oil (RSPO) certification of responsible palm oil, the Round Table on Responsible Soy (RTRS) and ProTerra set many requirements for farmers, including on the adequacy, management and quality of water.

Targets related to water

E3-3

S Group has not yet set targets related to water but will do so in the coming years.

BIODIVERSITY AND ECOSYSTEMS

ESRS E4

Biodiversity loss and nature degradation pose a significant threat to humanity and the environment. Through the products it sells, S Group's business operations are dependent on the resources provided by nature. S Group aims to promote biodiversity both within its own operations and across its value chain. Through collaborative action, S Group promotes the sustainable use of land and forests, supports the health of water bodies and their ecosystems, and helps to build a sustainable food system.

Further information about the double materiality assessment process is provided in section IRO-1.

Management of material impacts, risks and opportunities related to biodiversity

Material impacts related to biodiversity

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Biodiversity and ecosystems	· Direct exploitation · Impacts on the status of species · Impacts on the extent and condition of ecosystems · Impacts and dependencies related to ecosystem services	Actual negative	Long	Upstream	· Primary production of food. · Exploitation of natural resources	· Supporting regenerative farming · Value chain cooperation · Promoting sustainable consumption · Procurement policies · Promoting the circular economy
Biodiversity and ecosystems	· Climate change · Impacts on the status of species · Impacts on the extent and condition of ecosystems · Impacts and dependencies related to ecosystem services	Potential negative	Long	Upstream	· The climate impacts of food production also have significant negative impacts on biodiversity	· Supporting regenerative farming · Value chain cooperation · Promoting sustainable consumption · Procurement policies. · Climate work · Promoting the circular economy
Biodiversity and ecosystems	· Impacts on the status of species · Impacts on the extent and condition of ecosystems · Impacts and dependencies related to ecosystem services	Actual negative	Long	Upstream	· Food production affects species and ecosystems throughout the value chain through direct land use, feed production and other inputs	· Supporting regenerative farming · Value chain cooperation · Promoting sustainable consumption · Procurement policies · Promoting water stewardship

The most significant direct causes of biodiversity loss are land and water use, the direct exploitation of natural resources, climate change, pollution and invasive alien species. In turn, the direct causes of biodiversity loss are caused by indirect causes such as consumption behaviour. S Group has developed a biodiversity framework consisting of promoting sustainable consumption, minimising impacts and emissions, and strengthening conservation measures. Key measures in addition to nature conservation include S Group's climate work and recycling. Promoting biodiversity is part of S Group's sustainability programme, and the biodiversity framework guides the implementation of the Group's biodiversity measures.

Primary food production relies on natural resources. Food production affects the state of species and ecosystems throughout the value chain through direct land use, feed production and other inputs.

Drivers of biodiversity loss can directly affect the state of species, the extent and state of ecosystems, and ecosystem services. Given the scale of S Group's operations, the direct impacts arising from food production, such as the use of natural resources and feed, also affect species, ecosystems and ecosystem services. The climate impacts of food production also have significant negative impacts on biodiversity.

The impacts of changes in land use and water bodies were also identified as broad and certain; however, due to their scale and irreversibility, they were not deemed material. The impacts of pollution on, for example, the potential extinction of animal or plant species were found to be severe yet unlikely. The impacts of fuel distribution were found to be irreversible and actual; however, their extent and scale were not sufficient for the impact to be considered material. No impacts related to invasive alien species were identified.

The material impacts on biodiversity therefore lie within the value chain and do not relate to S Group's own operations. The biodiversity measurement obligation covers, for example, the number of sites located in nature conservation areas that the company owns, leases or manages, insofar as its activities have negative impacts on those areas. Otherwise, the measurement obligations apply to S Group's own operations that contribute to impact drivers that cause changes in land use, freshwater use and/or marine use, but that are not material for S Group. Other metrics are voluntary and relate to, for example, the state of species and the potential number of invasive alien species.

S Group recognises restoration-related business opportunities as material, as they can promote local collaboration and create long-term competitiveness by attracting environmentally conscious customers, meeting stakeholder expectations and offering new business opportunities. This can lead to increased sales, stronger customer loyalty and an improved market position.

Transition plan and consideration of biodiversity and ecosystems in strategy and the business model

E4-1

S Group has not yet prepared a biodiversity transition plan, but one will be developed by the end of 2027.

As a major operator in the retail sector, S Group is dependent on both the climate and biodiversity. S Group has identified related risks and opportunities in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) frameworks. The identification of risks and opportunities related to climate and biodiversity is part of S Group's ongoing risk management work. The refinement and further development of risk and opportunity assessments and reporting forms part of the risk management process. S Group's scenario and resilience analysis is based on the TCFD work carried out. The scenario and risk analysis covers S Group's entire value chain, and no part of the value chain has been deliberately excluded.

SOK's Executive Board confirms the risk management methods for SOK. SOK Corporation's Corporate Management Team assesses the key risks of operations every year. SOK's operations, subsidiaries and units review and determine the main risks of their own operations, and decide on the risk management measures. The experts of the SOK Sustainability unit determine the risks and management measures related to climate change and biodiversity loss in the risk tools used by S Group to be used by business operations, regional cooperatives and units. The experts of the SOK Sustainability unit also

participate in the assessment of risks related to climate change and biodiversity loss.

Risk management plans are based on individual risk assessments. The risks and opportunities identified at S Group are prioritised based on their impacts, probability and timing, as well as on the basis of their expected financial impacts. Priority is given to risks that are likely to materialise in the short or medium term, and that will have significant financial impacts. Risks whose impacts occur later or are difficult or very difficult to assess are also examined, even if they do not necessarily require immediate action. For physical risks, the assessment is based on the Intergovernmental Panel on Climate Change (IPCC) 3-degree scenario, while transition risks are assessed against the 1.5-degree scenario of the Paris Agreement.

Ways to mitigate, transfer, accept or manage climate- and nature-related risks have been assessed, and plans for risk management measures have been prepared. The significance of financial risks is linked to their probable financial impact. Key processes that would be subject to significant financial impacts if the risks materialised have also been identified.

For climate- and nature-related risks, the time horizons defined in the respective frameworks are followed. Risks and opportunities are assessed over the short term (less than 5 years), medium term (5–10 years) and long term (over 10 years), taking into account potential regulatory changes and financial impacts. The assessment also takes into account potential geographical differences in the countries where S Group has a direct impact through its outlets. The estimate regarding procurement is general in biodiversity. It is difficult to accurately assess the direct financial effects of climate and biodiversity risks on S Group's operations. However, the risk assessment has evaluated the financial effects in terms of magnitude. The risk assessment is based on a qualitative review, which will be refined as more information about financial impacts becomes available.

Material risks and opportunities related to biodiversity

Physical risks

	Risk	Management method	Risk impact and likelihood, taking mitigation measures into account
Chronic risk	Global warming takes place faster than expected, resulting in permanent changes in the availability of raw materials	• Scenario reviews and possible changes in the range of products and services • Sustainability targets and policies related to the use of chemicals, taking biodiversity and climate impacts into account	Severe and possible

Transition risks

	Risk	Management method	Risk impact and likelihood, taking mitigation measures into account
Policy and regulation	Sudden changes in political ambitions, fragmented regulations or unpredictable regulation increase uncertainty and costs.	· Active stakeholder engagement and open dialogue with policymakers · Advocacy and engagement in industry and international organisations · Proactive operations · Monitoring, assessing and responding to changing regulation	Severe and likely
Policy and regulation	A short-term focus in the regulatory environment slows down the realisation of investments and weakens climate and biodiversity work.	· Voluntary, national and international commitments. · Development of own operations and the promotion of climate and biodiversity work throughout the value chain	Severe and possibly
Policy and regulation	Financial instruments do not support companies' climate or biodiversity work and make it difficult to adopt sustainable solutions.	· Decentralisation of procurement and consideration of these risks in work related to selections · Voluntary, national and international commitments	Severe and possible
Markets	Failure of national and international climate targets and forecasts, or targets being met too slowly, hindering business operations.	· Investments in energy and resource efficiency and renewable energy · Sustainability targets as well as raw material guidelines, taking biodiversity and climate impacts into account	Severe and likely
Markets	The availability and cost of low-carbon and/or nature-positive raw materials affect prices and consumers' purchasing power.	· Decentralisation of procurement and consideration of these risks in work related to selections · Investments in energy and resource efficiency and renewable energy	Severe and likely
Reputation	Failure to meet growing regulatory demands.	· Good implementation of legislation and effective implementation of regulation and active monitoring	Severe and likely
Technology	Some parts of the value chain being unprepared to fully use new, more sustainable technologies, making their deployment incomplete and partly ineffective.	· Support for research and development and various projects to use new technologies or data models · Cooperation and dialogue with different operators · Training and supporting key supply chain partners in the use of new technologies	Severe and possible

Opportunities

	Opportunity	Management method	Impact and likelihood of the opportunity, taking management measures into account
New markets	Customers' growing expectations can be met by developing innovative low-carbon, nature-positive products.	· Investments in product development and innovation	Significant and likely
New capabilities	Advanced biodiversity and sustainability work strengthens S Group's reputation.	· Leading the way in sustainability is concretised in competition strategies	Significant and likely

Policies related to biodiversity and ecosystems

E4-2

In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment. The responsibility principles state that S Group is committed to the UN principles of sustainable development and, through environmental due diligence, to reducing negative environmental impacts and promoting positive ones. S Group is aware that the sufficiency of natural resources is particularly important for its business operations.

The key principles for managing S Group's material impacts related to biodiversity are the responsibility principles and the ethical principles. The boards of directors and executive management of SOK and its subsidiaries are responsible for ensuring that the operations within their organisations and areas of sustainability comply with the ethical principles and the responsibility principles. The Executive Board of SOK is responsible for approving the principles at S Group level, and the cooperatives' boards of directors are responsible for approving them at the cooperative level.

The principles are implemented in practice through S Group's sustainability programme and in accordance with the management system. The principles apply to S Group's business areas, cooperatives and partners in all countries of operation.

S Group's responsibility principles state that the Group recognises the sufficiency of natural resources as being particularly important for its business operations and strives for resource-efficient operations. S Group is committed to strengthening its measures related to sustainable land use and soil pollution prevention, to developing biodiversity impact accounting for public use, and to developing its procurement principles for high-risk raw materials. S Group makes every effort to protect ecosystems, prevent deforestation and promote sustainable land use and restoration. S Group takes particular care in assessing its operations in areas that are sensitive in terms of biodiversity.

S Group's ethical principles and HR policy define how employees are expected to behave and act in different working life situations. In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment.

Actions and resources related to biodiversity and ecosystems

E4-3

S Group promotes the UN principles of sustainable development in its own operations and is committed, in both its operations and supply chain, to mitigating impacts on the climate and biodiversity. In its nature-related work, S Group follows a hierarchy under which the primary objective is to avoid negative impacts. Thereafter, efforts focus on reducing negative impacts, and on repairing or restoring, and ultimately on making use of ecological compensation. To date, S Group has not made use of ecological compensation for biodiversity impacts.

S Group is committed to the policies of amfori BEPI (Business Environmental Performance Initiative), an international environmental and social sustainability system, and to applying these principles in its operations and all its procurement. In its procurement, S Group requires its suppliers to commit to the amfori BEPI policies and the content and requirements of its annexes, as well as to procedures aligned with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights (UNGP) for identifying, mitigating and remedying environmental risks.

S Group has prepared a deforestation policy that emphasises the strengthening of biodiversity. The policy addresses raw materials that contribute to deforestation. The central principle of the policy is that S Group will not increase deforestation through its own operations. S Group also addresses deforestation through raw material policies covering, for example, soy, palm oil, coffee, cocoa, wood and beef. S Group verifies the social and environmental sustainability of its products through various raw material and product certifications. For example, the criteria of the Fairtrade and Rainforest Alliance certifications set out various environmental criteria. The policies and the proportions of certified products are discussed in section S2-5.

S Group has a fish policy based on the WWF Seafood Guide, aimed at protecting fish stocks. The basic principle of our fish guidelines is to exclude from our product range any fish from fish stocks that are endangered, vulnerable or subject to overfishing, and the origin of the fish must always be known. In addition, undersized or protected fish are not accepted in the product selection.

The production and consumption of food also have direct impacts on forests and water bodies. The core idea of the planetary diet is that eating healthily can also be aligned with what is sustainable for the planet. In this context, S Group has set a target related to the plant-based share of food products, which is discussed in more detail in section S4-5.

S Group is participating in a research project of JYU. Wisdom, the resource wisdom community of the University of Jyväskylä, which examines S Group's biodiversity footprint, meaning the adverse impacts of its operations on biodiversity. The purpose of the joint research project, funded by S Group and Sitra, is to develop a comprehensive model for calculating the environmental impacts of an organisation. The methods and tools developed in the project were completed at the end of 2025 and published in January 2026. The tools enable the planning of measures to prevent biodiversity loss and support organisational commitment to avoiding operations that degrade biodiversity. In the model, the measure of damage to biodiversity is calculated as a share of species that are at risk of global extinction (PDF = potentially disappeared fraction of species). The project's final report was published in 2025. According to its findings, the largest share of S Group's and its supply chain's biodiversity footprint is generated by food products and fuels, with the majority of the impact falling on regions beyond Finland's borders.

S Group has joined the TNFD (Taskforce on Nature-related Financial Disclosures) early adopter programme, through which it has committed to reporting its nature-related impacts to stakeholders from 2024 onwards. S Group applies the TNFD framework in the management of its climate- and nature-related risks. S Group participates in the international Business for Nature's Call for Action initiative. The biodiversity initiative brings together businesses and non-governmental organisations and encourages governments to take active measures to stop the loss of animal and plant species within this decade. In 2025, S Group actively contributed to discussions on the biodiversity value market and the measures needed to promote biodiversity, engaging with stakeholders both nationally and internationally. In 2025, S Group's first restoration project was launched in Pielavesi.

In 2025, S Group supported the Baltic Sea Action Group's E-college for Regenerative Farming. The course provides information about farmers' work and the importance of soil. In addition, the course teaches how comprehensive farm management improves profitability and the state of the environment. The course is science-based, draws on farmers' experience and brings together a collection of farming practices ranging from the tried and true to the best new practices.

S Group seeks to reduce adverse impacts on nature and promote biodiversity. This work is carried out in collaboration with partners. In cooperation with Chiquita, a project has been carried out to improve biodiversity on plantations by planting an ecological corridor around them. The plantings link rainforest areas into a continuous network, improving the habitats of both plants and animals. In 2025, the project progressed despite the challenges encountered. Planting continued during 2025, and new partners were identified from among local residents.

Targets related to biodiversity and ecosystems

E4-4

Target	Unit of measurement	Target value	Target year	2025
Restoring 500 nature value hectares at the national level by 2035.	ha	500	2035	0
For private-label products and S Group's restaurants, the goal is to use only coffee that has been certified or verified for sustainability.	% of sales volume	100	Continuous	Private labels: 100% Restaurants: 99%
For private-label products and S Group's restaurants, the goal is to use only tea that has been certified.	% of sales volume	100	Continuous	Private labels: 100% Restaurants: 83%
The goal is that only certified cocoa is used in private-label products.	% of sales volume	100	Continuous	Private labels: 99%
The goal is that soy from high-risk countries that is used as an ingredient in private-label products, as well as soy feed from high-risk countries that is used in the production chains of animal-based ingredients (meat, fish, dairy, eggs) for private-label products, is certified. In addition, the goal is that soy from high-risk countries that is used in meals served in S Group's restaurants and cafés, as well as soy feed from high-risk countries that is used in the production chains of animal-based ingredients (meat, fish, dairy, eggs) for the meals, is certified.	% of sales volume	100	Continuous	Of the soy from high-risk origin used in S Group's products as raw material or as animal feed in the production chains of animal-based products, 92% is certified.
For private-label and direct import products, the goal is to use only sustainably produced cotton by the end of 2025.	%	100	2025	93%
S Group's goal is to only use certified palm oil traceable to palm oil plantations in private-label products and in deep-frying oil in restaurants.	%	100	Continuous	Private labels: 100% No palm oil was used in the deep-frying oil in the restaurants.

S Group's biodiversity-related targets are not based on research-based evidence. SOK's Executive Board has approved the targets as part of the approval of the CSRD targets. S Group's external stakeholders have not been involved in setting the targets.

The coverage of the certification or sustainability-assurance targets for high-risk raw materials will be assessed and, based on the risk assessment, expanded to the rest of the selection by the end of 2026. The restoration target is divided into two components: forest restoration and reduction of the eutrophication of water bodies.

According to S Group's biodiversity impact calculation, the Group's most significant adverse impacts on biodiversity occur in primary production within the value chain, with a significant proportion occurring outside Finland. The most significant adverse impacts on biodiversity arise from food production, with animal-based products representing the key contributing factor. The impacts are related to land use and the eutrophication of water bodies. On this basis, targets have been set for the high-risk raw materials identified in the value chain, and the restoration target focuses on land use and the reduction of eutrophication. External stakeholders, such as sellers of natural values, the authorities and intermediary organisations, have been involved in setting the target.

The plant-based target (discussed in section S4-5) aims to promote a dietary shift that would reduce the adverse biodiversity impacts caused by animal-based products.

Impact metrics related to biodiversity and ecosystems change

E4-5

S Group currently has no impact metrics in place for biodiversity and ecosystems. A research project at the University of Jyväskylä is developing metrics to measure damage to biodiversity. These metrics will be introduced in the future to measure S Group's adverse impacts on biodiversity.

CIRCULAR ECONOMY

ESRS E5

Excessive use of resources and changes in the availability of raw materials, as well as the limited end uses of the raw materials used in products, are affecting and will continue to affect S Group's operating environment. S Group promotes the efficient use of raw materials and resources in line with the principles of the circular economy in many ways, focusing on recycling waste, waste management and solutions for consumers. S Group is continuously identifying new operating models related to the circular economy in order to recycle valuable raw materials and resources even more efficiently and for longer than before.

Further information about the double materiality assessment process is provided in section IRO-1.

Management of material impacts, risks and opportunities related to the circular economy

Material impacts related to the circular economy

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Circular economy	Resource inflows	Actual negative	Short	Upstream	· The high product volumes in grocery retail generate a substantial demand for packaging materials. S Group is responsible for the packaging of its private-label products	· Packaging guidelines. · Food Industry Material Efficiency Commitment, SUP Green Deal
Circular economy	Resource inflows	Actual negative	Medium	Upstream	· Significant volumes of fuel are purchased in fuels retail and service stations	· Implementation of the biofuel distribution obligation and increasing the availability of electric vehicle charging
Circular economy	Waste	Actual negative	Medium	Own operations	· Food waste from unsold goods in restaurants and stores	· Waste management · Red-labelled products · Rescue boxes for surplus fruit, vegetables and bread · ResQ Club · Donating unsold products to charitable organisations

S Group has identified the material positive and negative impacts related to the circular economy. Consumption has negative value chain impacts through, for example, the raw materials used in consumer goods, packaging materials and fuel purchases in fuels retail and service stations. In addition, private-label packaging and food waste in restaurants and stores are material. Impacts were also identified in relation to the fuels produced in the upstream value chain, as they are manufactured from non-renewable raw materials and in high volumes.

Short- and medium-term actual negative impacts are related to the packaging of private label products and to fuel and food waste. S Group's selection includes products that have adverse sustainability impacts (e.g. minerals used in electronics). However, the proportion of such products was found to be small relative to the total sales volume. The impact was therefore scored as a medium-scale national impact that is partly remediable, and it did not emerge as material. For this reason, resource outflows, with the exception of waste, did not qualify as material. S Group does not have its own manufacturing operations, but its business operations depend on the natural resources required to produce the products it uses and sells. Consumption has negative value chain

impacts, and S Group, as a major player, has an important role and sustainability in helping customers make sustainable choices.

Policies related to resource use and circular economy

E5-1

The key principles for managing S Group's material impacts related to the circular economy are the responsibility principles and the ethical principles. In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment. The responsibility principles state that S Group is committed to the UN principles of sustainable development and, through environmental due diligence, to reducing negative environmental impacts and promoting positive ones. S Group is aware that the sufficiency of natural resources is particularly important for its business operations, and S Group strives for resource-efficient operations.

The boards of directors and executive management of SOK and its subsidiaries are responsible for ensuring that the operations within their organisations and areas of responsibility comply with the ethical principles and the responsibility principles. The Executive Board of SOK is responsible for approving the principles at S Group level, and the cooperatives' boards of directors are responsible for approving them at the cooperative level.

The principles are implemented in practice through S Group's sustainability programme and in accordance with the management system. The principles apply to S Group's business areas, cooperatives and partners in all countries of operation.

S Group's responsibility principles state that S Group has direct and indirect impacts on the environment. S Group's most significant environmental impacts are related to food products and their production chain, as well as fuels. The Group's most significant environmental impacts are indirect value chain impacts.

S Group promotes sustainable consumption by developing circular economy models and encouraging customers to adopt sustainable consumption solutions. S Group promotes sustainability in its product and service offering. In addition, S Group reduces food waste and the use of packaging materials. S Group strives to follow the waste hierarchy in all its operations.

S Group's ethical principles and HR policy define how employees are expected to behave and act in different working life situations. In line with its ethical principles, S Group identifies and monitors the environmental impacts of its operations. S Group works to prevent any adverse impacts and to implement best practices in terms of the environment.

Actions and resources related to resource use and circular economy

E5-2

The development of the circular economy is part of S Group's normal operations, and no specific capital or operating expenses have been identified. S Group continuously assesses what investments, subsidies or financing models are needed to promote the circular economy.

Waste management

S Group is committed to reducing the amount of waste sent for final disposal and increasing the volume of waste directed to recycling within its own operations. In 2025, S Group took several measures related to waste. Site managers have been engaged with and committed to improving recycling through various comparisons, performance bonus targets and communication measures. Staff training has been increased, and signage in waste facilities has been clarified. Collection equipment and its placement in waste areas have been improved to make sorting at source as easy as possible. Content analyses have been carried out on energy-waste and mixed-waste compactors, and the resulting findings have been used to improve site-level guidance. In 2025, special efforts were made to expand and improve the collection of commercial plastics. The possibilities for sorting waste generated by tenants, cleaning and property management operations have also been improved. The consideration of sorting and waste management needs in the planning of construction projects and renovations has been improved.

Food waste

S Group aims to halve its food waste by 2030 from the 2014 level. The target covers S Group's grocery and non-food retail, restaurants, and ABC Restaurants in Finland. The target is related to reducing the quantity and harmfulness of waste in line with the waste hierarchy. Food waste includes food that has ended up as waste or animal feed, as well as food aid donations. The food-waste percentage is calculated by relating the euro value of food waste to food sales during the reporting period.

The food waste of S Group's grocery stores in 2025 was 1.15%. One of the most important ways to prevent waste in grocery and non-food retail is the systematic management of orders, deliveries, transport and stock. This ensures product freshness and timely, synchronised replenishment orders, as well as deliveries to stores.

Red-labelled products at stores are one of the visible methods of food waste management. Products about to go out of date have been systematically discounted at S Group's grocery stores for more than 10 years. In recent years, fruit and vegetable rescue boxes and bags have also been introduced. Boxes and bags sold at an affordable price contain products from the produce departments that are no longer in perfect saleable condition but are still edible. The same operating model is also used in the bread department. Usable food is also donated to charity. These measures continued in 2025.

The food waste of S Group's restaurants was 1.14% in 2025. In 2025, restaurants were encouraged to join ResQ Club, and by the end of the year, around 20% of them were using the service. In 2025, the rollout of Biovaaka was expanded in Pizza&Buffa restaurants, and by year-end it was in use in more than half of them. The model has also been tested in three hotels. During Waste Reduction Week, customers in the restaurants were informed about food waste reduction.

The food waste in ABC Restaurants was 2.53% in 2025. Biovaaka has been widely introduced at ABC stations, and it is designed to make food waste accounting easier and more accurate. Most ABC stations participate in ResQ Club. The food production control system has been developed to generate waste reports, and waste management is reviewed during operating model rounds on the basis of these reports to ensure that corrective actions can be appropriately targeted.

Packaging

The most important purpose of packaging is to protect the product. Functional packaging prolongs the shelf life and safety of the product and prevents waste. Food product packaging is especially important in minimising food waste. S Group's packaging policy sets out the Group's most important targets and requirements regarding the sustainability of packaging.

In its approach to sustainable packaging, S Group adheres to the following five principles:

1. Reduction of packaging materials. S Group's objective is to minimise all unnecessary packaging and reduce the amount of material used.
2. Recyclability of packaging and sorting instructions. S Group aims for the consumer packaging of its private-label products and the packaging of in-store packed foods to be recyclable. Sorting instructions in plain language are added to the consumer packaging of private-label products to make it easy for consumers to correctly sort packaging into recycling.
3. Increasing the use of recycled materials. The purpose of using recycled materials such as recycled plastic and recycled paperboard is to reduce the need for virgin materials.
4. Increasing the use of renewable materials. Renewable materials such as paperboard, paper and bio-based plastic can often replace fossil-based raw materials such as conventional plastic.
5. Opportunities to replace single-use packaging with reusable alternatives will be explored.

S Group has made several commitments related to packaging. S Group participates in the food industry's Material Efficiency Commitment and the SUP Green Deal (Single-Use Plastics), which include commitments to targets and measures related to reducing food waste, increasing the recycling rate of waste and reducing the use of single-use plastics.

In 2025, S Group participated in the Reusify research project led by VTT and the University of Vaasa, which is examining the potential of reusable packaging.

Fuels

As part of the distribution obligation, waste- and residue-based raw materials are blended into fuels. The share of the biocomponent in the distribution obligation is determined by legislation. S Group has invested in expanding the ABC charging network, and continued to expand the network in 2025.

Targets related to resource use and circular economy

E5-3

Target	Unit of measurement	Target value	Target year	2025
Sales and waste decoupling target: an inflation-adjusted ratio of 6.7 by 2030.	tn/M€	6.7	2030	8.0
Maintaining an annual recycling rate of more than 80%.	%	More than 80	2030	75.3

S Group's circular-economy targets are not grounded in research, nor was S Group required to set such targets. SOK's Executive Board has approved the circular economy targets as part of the approval of the CSRD targets. S Group's external stakeholders have not been involved in setting the targets.

The purpose of the sales and waste decoupling target is to monitor total waste volumes in relation to sales. S Group's most common waste fractions are cardboard and biowaste, both of which increase in volume as sales increase. In the waste hierarchy, the target is related to reducing waste. The recycling rate target is based on S Group's material efficiency commitment in the food sector. The recycling rate target measures the proportion of material directed to the production of products and packaging in total waste. In the waste hierarchy, the target is related to increasing recycling. No circular economy targets have yet been set for fuels; instead, efforts in this area focus on promoting emission reduction targets.

Resource inflows

E5-4

A large volume of products and packaging passes through S Group from the manufacturing industry to consumers. S Group has no production of products or packaging, which is why the inflows of resources are not reported, although the topic is material.

Resource outflows

E5-5

Waste volume

Waste	Ton
Amount of waste generated	122,835
Total amount of hazardous waste diverted from disposal	1,384
Preparation for reuse (t)	99
Recycling (t)	787
Other recovery operations (t)	498
Total amount of hazardous waste directed to disposal	190
Incineration (t)	71
Landfill (t)	-
Other disposal operations (t)	119
Total amount of non-hazardous waste diverted from disposal	115,774
Preparation for reuse (t)	1,219
Recycling (t)	90,767
Other recovery operations (t)	23,787
Total amount of hazardous waste directed to disposal	5,487
Incineration (t)	-
Landfill (t)	87
Other disposal operations (t)	5,399
Total amount of non-recycled waste (t)	29,962
Percentage of non-recycled waste (%)	24.4%
Total amount of hazardous waste generated (t)	1,574
Total amount of radioactive waste generated (t)	-

The individual reported metrics have not been separately validated by an external party. At S Group, waste is generated especially in stores and logistics centres. The largest of S Group's waste fractions is cardboard, which is generated from the packaging of products for transport and storage. The second largest waste fraction is biowaste, generated from unsold food in stores, as well as in restaurants during food preparation and as customers' food waste. In stores, biowaste includes animal-based foodstuffs (category 3 by-products), such as meat and fish products no longer fit for human consumption, as well as by-products generated during the storage, handling and preparation of food. No radioactive waste is generated in S Group's operations.

Waste data accounting principles

The amount of waste includes waste generated in S Group's operations in all countries of operation and functions.

Information about the waste generated is obtained through waste management partners, and it is transferred to S Group's central reporting solution. Waste management partners provide data on waste volumes and treatment methods by waste fraction, along with the relevant CSRD classification. The proportion of unreported waste was 2.9% in 2025.

The recycling rate is calculated by comparing the amount of recycled waste with the total waste generated during the reporting period. The total amount of waste relative to retail sales is calculated by dividing total waste by net retail sales.



SOCIAL INFORMATION

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Social sustainability within S Group is guided by S Group's responsibility, human rights and ethical principles. S Group is committed to respecting all internationally recognised human rights. S Group promotes the implementation of human rights in its own operations and expects the same from its partners. S Group seeks to avoid causing or contributing to adverse human rights impacts by applying due diligence. S Group's operations are governed by international agreements and recommendations, such as the Universal Declaration of Human Rights, the UN Conventions on the Rights of the Child and Women, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



OWN WORKFORCE

ESRS S1

The information reported in the "Own workforce" section covers employees in an employment relationship within S Group.

Interests and views of stakeholders

ESRS 2 SBM-2

The views and interests of S Group's own workforce, including their perspectives on strategy, are collected, for example, through the workplace community survey, and taken into account in operational and strategic planning. A more detailed description of the key engagement and interaction methods with S Group's own workforce, the most material sustainability topics and their impacts on sustainability management is provided in section "SBM-2 Stakeholder interests and views".

Material impacts, risks and opportunities and their interaction with strategy and the business model

ESRS 2 SBM-3

S Group has identified the material positive and negative impacts related to its workforce as part of its double materiality assessment. The process through which the material impacts, risks and opportunities have been identified and assessed is described in section IRO-1.

The material positive impacts identified in the assessment relate specifically to employment and social dialogue, training and skills development, and privacy.

The material negative impacts identified relate to health and safety, work–life balance, gender equality, and violence and harassment in the workplace. The potential negative effects identified are related to working hours. S Group has not identified any material impacts related to forced or child labour, nor any impacts on its workforce arising from the green transition. The double materiality assessment process is described in more detail in section IRO-1.

Material impacts related to individuals and the workforce

	Subtopic	Impact on the individual and workforce	Time horizon	Part of the value chain	Description	Measures to reduce negative impacts and promote positive impacts
Working conditions	· Social dialogue · Freedom of association · Collective bargaining · Secure employment	Actual positive	Long	Own operations	· S Group supports rights related to working life. Continuous cooperation with employees and their representatives, active social dialogue and freedom of association, as well as the collective bargaining system (TES) and representative structures, support secure employment and a stable working life.	· Open and regular dialogue is maintained with employees and their representatives in line with the agreed cooperation models. · S Group applies several collective agreements, and the majority of employees in an employment relationship are covered by them. · Senior salaried employees and those in managerial roles are not covered by collective agreements. Their terms of employment are determined in line with S Group's HR principles. · Social dialogue is conducted on a regular basis, and employees have representative structures in operations covered by collective agreements as well as for senior salaried employees.
Working conditions	· Working hours and work–life balance	Potential negative	Medium	Own operations	· Balancing business needs with employee preferences regarding working hours.	· The satisfaction of part-time employees regarding their working hours and the actual number of hours worked are regularly monitored. Satisfaction with contracted hours among part-time employees is high, at 70%. · The alignment of business needs with employees' preferences is continuously developed. · Contracted hours and additional hours are systematically offered to part-time employees. · In some S Group locations, a collaborative work shift planning model has been introduced, enabling employees to select their shifts together and thus improve their ability to balance work and personal life.
Working conditions	· Working hours and work–life balance	Actual negative	Medium	Own operations	· Night and shift work may have impacts on employees' wellbeing and private life.	· Work shift planning aims to follow ergonomic planning principles and to take the impacts of night and shift work into account. · In some locations, a collaborative work shift planning model is used, where employees choose their shifts together. This allows them to directly influence their schedules and improve their work–life balance.
Working conditions	· Health and safety	Actual negative	Short	Own operations	· Physical stress factors, accidents and risks arising from customer interactions may affect employees' working capacity.	· Occupational safety programmes, the continuous assessment of hazards and risks, and the development of skills and practices · S Group is implementing an occupational safety development programme to reduce the accident frequency rate, among other goals
Equal treatment and equal opportunities for all	· Equal pay for work of equal value · Gender equality · Diversity	Actual negative	Medium	Own operations	· Some unjustified gender pay gaps persist in society, and women remain under-represented in certain leadership roles. At the general level, these phenomena may also have an impact on S Group's personnel.	· At S Group, leadership practices and operating models support gender equality. The gender pay gap is small, at 1%. In around half of S Group companies, the pay gap is in favour of women. The observed differences are explained primarily by factors related to the complexity of the tasks. · Women account for nearly 40% of the top management, which corresponds to the target level set for the representation of the under-represented gender. · S Group promotes gender equality through such means as equality plans, regular pay comparisons, pay models based on collective agreements and the complexity of the tasks, as well as recruitment and competence development practices. These practices are continuously developed to promote equal pay and a balanced gender distribution.

Material impacts related to individuals and the workforce

	Subtopic	Impact on the individual and workforce	Time horizon	Part of the value chain	Description	Measures to reduce negative impacts and promote positive impacts
Equal treatment and equal opportunities for all	· Training and skills development	Actual positive	Long	Own operations	· Training supports equal opportunities and competence development. S Group provides regular training to ensure that employees have equal opportunities to succeed in their roles.	· Competence development is managed systematically and in a business-oriented manner, anticipating future competence needs. · Employees are offered a wide range of learning opportunities, and digital learning supports consistent induction and continuous learning.
Equal treatment and equal opportunities for all	· Measures to prevent violence and harassment in the workplace	Actual negative	Medium	Own operations	· Employees may face harassment from customers.	· The workplace must be safe. All incidents of harassment can be reported, and each case is investigated. · Zero tolerance for inappropriate behaviour · Whistleblowing channel
Other matters	· Privacy	Actual positive	Long	Own operations	· S Group processes the personal data of more than 40,000 employees. Privacy protection and GDPR-compliant practices are at a good level within S Group.	· Data protection principles guide all processing of personal data at S Group. · Every S Group employee's induction and ongoing training includes achieving and maintaining basic data protection skills. · Data protection matters are communicated regularly through S Group's internal communication channels.

Policies related to own workforce

S1-1

Key policies for managing the material impacts related to S Group's own personnel include the guidelines and recommendations that steer HR work and the Group's responsibility, ethical, human rights and risk management principles, as well as its data protection policy.

The principles apply to all S Group's own personnel in every country of operation, and they are available on the internal intranet. S Group-level principles are approved by SOK's Executive Board. The principles have been approved in accordance with S Group's management system, and their implementation is the responsibility of the director of each area of responsibility. The principles are regularly monitored and updated.

The guidelines and recommendations for HR work promote high-quality and responsible personnel practices and support, among other aims, fair and non-discriminatory treatment, safe and healthy working conditions, competence development and fair remuneration. S Group's ethical principles outline how the members of S Group should behave in different working life situations. They also set out a commitment to zero tolerance for discrimination, including harassment or unfair treatment on the basis of ethnic origin, religion, political opinion, gender, age, national origin, language, sexual orientation, marital status, disability or any other factor. The human rights principles supplement our commitment to respecting human rights, which is set forth in S Group's ethical principles. In line with its human rights principles, S Group is committed to respecting all internationally recognised human rights, and therefore does not accept the use of child labour, any form of forced labour or human trafficking. The responsibility principles, which are based on S Group's cooperative values, guide the Group's activities in matters related to the environment, society and business management.

The risk management principles describe how risks are managed to ensure a reliable and safe working environment for S Group staff. The purpose of the data protection policy is, among other aims, to safeguard the protection and security of employees' personal data and to ensure the fulfilment of the rights and obligations related to personal data.

Processes for engaging with own workers and workers' representatives about impacts

S1-2

The implementation of S Group's strategies is based on competent, healthy and committed staff. S Group engages in open and regular dialogue with employees and their representatives in accordance with the agreed cooperation models. The aim of the dialogue is to strengthen trust, inclusion and shared understanding, and to enable employees to influence their own work and the development of their workplace community.

Employees have access to clearly defined channels for providing feedback, submitting ideas and raising concerns. Within S Group's employed workforce, no employee groups have been identified as being in a particularly vulnerable position.

Employees' experiences and views are monitored through an annual workplace community survey, which is a key tool for measuring the employee experience and further developing workplace communities. The survey is carried out every autumn, and the results are available at the end of the year. Participation in the survey is voluntary, and the response rate has been high (91%), demonstrating employees' strong commitment and willingness to contribute to the development of the workplace community and leadership.

The results of the workplace survey are used extensively at different organisational levels: managers discuss the results with their teams and agree on concrete development measures, and at S Group level, the results guide strategic HR work and leadership development.

Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3

S Group is committed to operating openly, transparently and in compliance with ethical principles. Potential negative impacts on our own workforce are addressed without delay. Any identified human rights violations or other shortcomings are investigated in cooperation with the relevant S Group company, business operation or function in order to identify the root causes, prevent similar situations and remedy any harm caused where possible.

S Group has an independently operated third-party whistleblowing channel, through which its own workforce, workers in the value chain, affected communities and other stakeholders can report concerns related to working conditions, human rights or ethical principles

confidentially and, if they so wish, anonymously. The channel is available in Finnish and English, both on the intranet and on S Group's external website.

Employees are also encouraged to raise concerns with their manager, HR, staff representative or the occupational healthcare provider. Managers have an obligation to address irregularities that have come to their attention and to take the necessary measures to eliminate them. The process of handling reports and the protection of whistleblowers are described in more detail in section G1-3.

Actions related to own workforce

S1-4

S Group implements actions targeting material impacts on its own workforce, particularly in the following areas: employment and cooperation, working hours and work–life balance, health and safety, prevention of violence and harassment, competence development, equality and remuneration, and privacy. The actions cover S Group's business areas and companies, as well as its operations in Estonia.

Employment and cooperation

S Group maintains continuous dialogue with employees and employee representatives in accordance with the agreed cooperation models, and respects the freedom of association. Collective agreement solutions are negotiated between the social partners, and remuneration in Finland is based on collective agreements or the assessment of the complexity of tasks (TEVA). The aim is to ensure competitive total remuneration and the provision of an adequate wage.

Working time and work–life balance

The nature of service work requires flexibility, and part-time work is common. In 2025, 66% of employees in an employment relationship worked part-time. Of these employees, 46% worked at least 30 hours per week. Work shift planning and opportunities for additional work are being further developed, and cross-working between units and business areas is supported. Collaborative work shift planning was expanded in 2025, and at the end of the year, the model covered nearly 5,000 employees. In collaborative shift planning, employees participate in building shift schedules by submitting their preferred shifts and days off within the agreed rules and timelines, ensuring that employee preferences and business resourcing needs are aligned as effectively as possible. Effectiveness is monitored through the annual workplace community survey, which showed that 70% of part-time employees were satisfied with the number of their contracted hours in 2025.

Health and safety and prevention of violence and harassment

The health and safety of staff are ensured through preventive measures, annual hazard and risk assessments and competence development. All employees are covered by occupational health care. Occupational safety is developed through structured programmes to prevent accidents, and S Group joined the national Vision Zero Forum in 2025. There is zero tolerance for inappropriate behaviour, harassment and discrimination. Operating models and follow-up practices related to threat and disturbance situations and workplace bullying are included in induction and training. Safety management is supported by a centralised safety information system that incorporates guidance, audits, inspections, training materials and the reporting and handling of incidents and observations.

Competence development

Competence development is managed systematically and in a business-oriented manner, anticipating future competence needs. Employees are offered a wide range of learning opportunities, and digital learning supports consistent induction and continuous learning. From 2025 onwards, mandatory online training (including on data protection, ethical principles and secure payments) is automatically assigned based on the employee's work profile. The Jollas Institute provides apprenticeship training, and the development of supervisory work is supported through coaching.

Equality and remuneration

S Group draws up equality and non-discrimination plans annually and uses salary surveys and staff feedback to target measures. In 2025, 73% of the staff were women and 26% were men. In top management and administration, women accounted for 39% and men 61%. Remuneration is developed systematically, and in Finland, pay is determined on the basis of collective agreements or the TEVA model. In 2025, the pay structure of the commerce sector collective agreement was further developed, the TEVA model was updated, and preparations were made for the requirements of the Pay Transparency Directive. In 2025, the gender pay gap in S Group in Finland was 1%, largely explained by the complexity of tasks. Continuous efforts are made to promote gender equality. S Group has

signed the Women's Empowerment Principles, established by the UN Global Compact and UN Women.

Privacy

The lawful and secure processing of personal data is guided by data protection principles and policies. Data protection management is implemented centrally under the guidance of SOK, and the controllers have appointed around 30 data protection contact persons to support compliance and the development of a data protection culture. S Group's data protection processes are described in more detail in section S4-4.

Targets related to own workforce

S1-5

To reduce material negative impacts and strengthen positive impacts, S Group has set the following targets related to its own workforce: a reduction in the total recordable injury frequency (TRIF) and lost-time injury frequency (LTIF) in the long term; improved satisfaction among part-time employees with the number of working hours; a high completion rate for mandatory and role-specific online training; stronger pay-related competence among managers; an increased share of the under-represented gender in management and governance; and zero tolerance for unlawful processing of personal data.

The targets have been set on a business-oriented basis, with HR and business management participating in the process. Progress is monitored annually, and the targets are reviewed in relation to developments and changes in the operating environment.

Target	Unit of measurement	Target value	Target year	2025
Accident frequency*	TRIF	22	2035	26
Accident severity rate**	LTIF	100	2035	127
Part-time employees' satisfaction with their working hours	%	73	2030	70
Completion rate of mandatory online training	%	90	annual	Reporting will start with data from 2026.
New employees' role-specific online training completion rate	%	80	annual	Reporting will start with data from 2026.
All managers have access to digital pay-related coaching in 2026	%	100	2026	-
Share of the under-represented gender in the management and administration of S Group***	%	40	2030	39

* The accident frequency rate is calculated based on the number of compensated occupational accidents occurring at the workplace or in work-related circumstances, per one million hours worked.
** The accident severity rate reflects the ratio of lost workdays caused by accidents to one million hours worked.
*** A more detailed definition of management is provided in connection with the S1-9 table.

Characteristics of the undertaking's employees

S1-6

The reported staff data covers all employees in an employment relationship within S Group during the reporting period. The figures include all types of employment relationships, as well as absent employees, such as those on parental or study leave.

Staff numbers, distributions and key figures have been calculated as an average of the last day of each month in the reporting period. The numbers of employees are presented as headcounts. Staff turnover has been calculated on the basis of permanent employment relationships that have ended during the reporting year. The figure does not include internal transfers between S Group companies. The individual indicators reported in the section have not been separately validated by an external party.

Number of employees by gender

Gender	2025
Female	33,183
Male	11,960
Other	37
Not disclosed	62
Total	**45,243**

The figures cover all employment types, including employees on leave. Headcount is calculated as the average number of employees at the end of each month.

Number of employees by country

Country	2025
Finland	43,590
Estonia	1,653
Total	**45,243**

The figures cover all employment types, including employees on leave. Headcount is calculated as the average number of employees at the end of each month.

Number of employees by contract type and gender

Contract type	Female	Male	Other	Not disclosed	Total
Number of permanent employees	29,620	10,508	30	52	**40,210**
Number of temporary employees	3,280	1,275	7	10	**4,571**
Number of employees with variable working hours	283	179	1	0	**463**

Employee turnover

	2025
Number of employees who have left undertaking	4,966
Employee turnover (%)	12.4%

Collective bargaining coverage and social dialogue

S1-8

A total of 14 different collective agreements are applied within S Group. Only senior salaried employees and those in executive positions within the companies and cooperatives fall outside the scope of the collective agreements. For employees outside the scope of the collective agreements, the terms of employment are determined in accordance with the companies' HR guidelines. The collective bargaining coverage rate includes all employees covered by the various collective agreements, excluding senior salaried employees and the management. The section on social dialogue presents the total percentage of employees in an employment relationship who have an employee representative.

Coverage of collective bargaining and social dialogue

	Collective Bargaining Coverage	Social dialogue
Coverage Rate (%)	**Employees – EEA**	**Workplace representation (EEA only)**
0–19%	Estonia	Estonia
20–39%		
40–59%		
60–79%		
80–100%	Finland	Finland

Diversity metrics

S1-9

Gender diversity at top management level

	Number	Percentage
Male	134	61
Female	85	39
Total	**219**	

Diversity is monitored in particular through the gender distribution of the top management and the age structure of the workforce. The top management includes SOK's Executive Board and Corporate Management Team, as well as the boards of directors, managing directors and management teams of regional cooperatives.

Age distribution of employees

Age groups	Number of employees	Percentage of employees
Under 30 years	17,553	36.9
30–50 years	18,060	40.3
Over 50 years	9,629	22.8

The age distribution is reported by grouping active employees into predefined age categories.

The metrics are used to promote equality and non-discrimination, as well as to support the development of the workforce structure.

Adequate wages

S1-10

S Group is committed to paying all of its employees a salary that meets or exceeds the statutory minimum requirements.

At S Group, fair and competitive remuneration consists of a base salary, incentives, Finland's most extensive employee benefits, and non-monetary rewards such as learning and career development opportunities. Performance-based pay and fringe benefits are widely used across S Group, and their scope varies between cooperatives.

In Finland, salaries are determined in accordance with collective agreements or the job evaluation model (TEVA). In Estonia, employees' salaries are determined by the employee's competence and the degree of responsibility involved in the role.

Collective agreements determine the minimum pay levels for roles within their scope of application. Discussions on wage settlements under the collective agreements are conducted in negotiations between unions.

The TEVA salary recommendations are updated annually based on the latest external salary survey data. Internal salary levels are monitored by means of the S-palkkatutkimus salary survey, conducted every other year.

S Group works to ensure that employees who wish to earn their primary income within S Group are able to do so, and that pay is sufficient for a reasonable standard of living. Service work cannot be performed in advance, and significant staffing is required during peak times. As a result, 66% of S Group's employees work part-time (2025). Of all part-time employment contracts, 46% are for 30 hours per week or more, and part-time employees can, through evening and weekend supplements, earn almost as much as full-time employees working morning shifts. S Group continuously works to ensure that part-time employees who wish to increase their contracted hours have the opportunity to do so. Part-time employees are offered additional hours, and those who are able to take them have the opportunity to increase their earnings. S Group continuously develops its work, operating models and tools, listening closely to its employees.

Adequacy is assessed in relation to the local cost of living, collective agreements and the salary model based on the complexity of tasks. In assessing adequacy, consideration is given to employees' ability to cover their essential living costs and to earn their primary income from S Group. Based on the assessment, the adequacy of pay levels is monitored continuously, with a particular focus on part-time employees.

Social protection

S1-11

All S Group employees are covered by statutory social protection. Social protection covers the systems that safeguard employees' income and wellbeing in situations such as illness, unemployment, parental leave and other changes in life circumstances.

Training and skills development metrics

S1-13

Performance management and competence development by gender

	Female	Male	Other	Not disclosed
% of employees that participated in regular performance and development discussions	65.7%	58.3%	42.3%	54.8%
The average number of training hours per employee	6.2	6.3	3.0	6.1

S Group's strategic focus is on employee competence, supported by continuous learning and development. Metrics related to training and competence development include the completion rate of development discussions and training hours by gender.

The figures for development discussions are based on discussions documented in the HR system and are compared with the number of employees who are expected to participate in a development discussion. The figures for development discussions do not include data on employees of the Southern Karelia Cooperative Society, HOK-Elanto, Inex or the operations in Estonia. Inex data will be included in reporting from 2026 onwards. Short-term employment relationships and contracts that began late in the year are excluded from the review. Training hours include online courses recorded in the HR system and face-to-face training sessions administered by S Group. Training hours do not include training hours provided in Estonia. The metrics cover permanent employees in accordance with the reporting criteria.

Health and safety metrics

S1-14

Health and safety metrics

	2025
Number of fatalities in own workforce as a result of work-related injuries and work-related ill health	0
Number of recordable work-related accidents	4,654
Rate of recordable work-related accidents (TRIF)	26.4
Number of cases of recordable work-related ill health of employees subject to legal restrictions on data collection	225

Health and safety metrics cover the entire reporting year. The number of occupational accidents includes workplace and commuting accidents reported to the insurance company, as well as occupational diseases and suspected cases. The accident frequency rate is calculated based on the number of compensated occupational accidents occurring at the workplace or in work-related circumstances, per one million hours worked. A transitional provision has been applied in the table, and therefore it does not report the percentage of the company's own workforce covered by an occupational health and safety management system, nor the number of days lost due to work-related injuries and fatalities.

Work-life balance metrics

S1-15

Family-related leave

	Female	Male	Others	Not disclosed	Total
Personnel utilized family-related leave by gender	3.6%	3.7%	2.4%	3.2%	3.6%

All S Group employees are entitled to family leave. The family leave metrics present the proportion of employees in an employment relationship who have taken family leave, broken down by gender. Family leave is allocated to the year in which the leave began.

Compensation metrics

S1-16

Gender pay gap

Pay gap (%)	1.0 %

The pay gap metric is based on the total payroll (PCB), which excludes one-off items. The pay gap is calculated as a weighted average, in which the pay gap of each TEVA and TES group is weighted by the number of employees in that group relative to the total headcount. The pay gap has been calculated for staff working in Finland. In Estonia, a separate gender pay comparison has been carried out, which is not included in this comparison.

Annual total compensation ratio

Pay ratio	29.7

The ratio reflects the relationship between the annual total earnings of the highest-paid individual and the median earnings of S Group's employees. The calculation is based on the gross salary. Employment relationships valid for the entire calendar year have been taken into account in the calculation.

Incidents, complaints and severe human rights impacts

S1-17

Incidents and complaints

A total of 145 reports were received through S Group's whistleblowing channel in 2025, all of which were processed in accordance with the established principles and procedures.

Of the reports received, 21 concerned bullying, harassment or discrimination. None of these cases resulted in prosecution or in fines or other sanctions imposed by the authorities. No severe human rights violations were identified within S Group's own workforce during 2025.

WORKERS IN THE VALUE CHAIN

ESRS S2

S Group is committed to respecting human rights both in its own operations and within its supply chain. S Group purchases products and services mainly from Finland, but some of its supply chains are global. The most significant indirect impacts are related to countries with elevated social responsibility risks. In accordance with S Group's due diligence process, these are managed, for example, through contractual requirements, supplier dialogue, audits and certifications.

Interests and views of workers in the value chain

ESRS 2 SBM-2

The interests and views of workers in the value chain are described in section SBM-2.

S Group's strategy sets out the ambition to lead the way in sustainability. Sustainability is included in the business operations' competitive strategies, which define concrete measures for implementing group-level social sustainability targets and actions. The competitive strategies are updated regularly, and the group-level social sustainability targets are taken into account for each business operation as part of the update. S Group's group-level strategy defines the organisation's ambition level for responsibility. The competitive strategies outline the choices needed to ensure that the ambition level set in the Group strategy is achieved.

The potential negative impacts related to workers in the value chain are typical for the sector and stem from the structures of global trade and the state of labour and human rights development in certain sourcing countries. Cooperation with stakeholders within networks plays an important role in addressing systemic labour and human rights challenges.

Material impacts, risks and opportunities related to workers in the value chain

ESRS 2 SBM-3

S Group has identified impacts on the labour and human rights of workers in the value chain. The most significant indirect human rights impacts include forced labour, discrimination, violations of freedom of association, child labour, insufficient salary, excessive working hours, poor living conditions and compromised occupational health and safety.

Material impacts related to workers in the value chain

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Working conditions and living conditions	· Occupational safety and health · Freedom of association · Adequate livelihood · Social dialogue · Housing conditions and access to clean water	Potential negative	Long	Upstream	· In primary production and manufacturing, there is a risk of negative impacts related to working conditions, labour rights and living conditions.	· Contractual requirements · Audits · Certifications · Supplier dialogue · Training
Equal treatment	· Non-discrimination · Equal treatment	Potential negative	Medium	Upstream	· In the upstream the value chain, the equal treatment of groups in the most vulnerable position, such as women, migrant workers and young people, may be at risk.	· Contractual requirements · Audits · Certifications · Supplier dialogue · Training
Forced labour, child labour	· Exploitation of child labour · Forced labour	Potential negative	Long	Upstream	· In the upstream supply chain, particularly in primary production, a potential negative impact related to child labour and forced labour has been identified.	· Contractual requirements · Audits · Certifications · Supplier dialogue · Training

The identified negative impacts concerning workers in the value chain are related in particular to

- countries where the legislation and its implementation and monitoring are insufficient, or countries that have not ratified international labour and human rights agreements
- countries, regions and industries that have a large number of domestic or foreign migrant workers
- products and raw materials which are produced in high-risk countries and the production of which relies heavily on the use of low-skilled labour
- goods suppliers that have not made a commitment to sustainability initiatives and have not developed operating methods to ensure responsible procurement
- non-certified high-risk raw materials
- long and complex supply chains.

S Group's ten largest procurement countries

Country	% total purchases
Finland	90.0%
Sweden	2.3%
Netherlands	1.4%
Germany	1.0%
Denmark	0.8%
China	0.6%
Italy	0.5%
Belgium	0.5%
Estonia	0.4%
Lithuania	0.4%

S Group's ten largest risk countries of procurement

Country	% total purchases	% risky land purchases
China	0.56%	49%
Greece	0.14%	12%
Turkey	0.11%	10%
Bangladesh	0.09%	9%
Thailand	0.06%	5%
Vietnam	0.03%	2%
Pakistan	0.03%	2%
India	0.02%	2%
Cambodia	0.02%	2%
Ecuador	0.02%	1%

Policies related to value chain workers

S2-1

S Group is committed to respecting human rights in all its operations and complying with the due diligence obligation to prevent negative human rights impacts in accordance with the UN Guiding Principles on Business and Human Rights. In its operations, S Group complies with valid international and national laws and regulations. S Group's operations are also governed by international agreements and recommendations, such as the Universal Declaration of Human Rights, the UN Conventions on the Rights of the Child and Women, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

Principles concerning S Group's value chain workers, identified material impacts and due diligence process:

- **S Group's responsibility principles** include a commitment to respecting and promoting human rights and describe the operating model applied under the due diligence obligation.
- **S Group's ethical principles** include a commitment to respecting and promoting human rights.
- **S Group's human rights principles** describe the operating model in accordance with the due diligence obligation, as well as the governance of human rights within S Group and the engagement of stakeholders.
- The **amfori BSCI Code of Conduct** forms part of S Group's contractual framework, and suppliers are required to commit to these guidelines.

The principles apply to all S Group's operations, its value chain and the geographical areas in which S Group operates and sources products and services. The principles have been approved by SOK's Executive Board and the Boards of Directors of the cooperatives, and their implementation is the responsibility of the aforementioned management teams.

The views of stakeholders have been taken into account in the preparation of the principles as part of S Group's continuous stakeholder dialogue and through the activities of the external Sustainability Advisory Group. Read more: SBM-2. The principles are publicly available on S Group's website.

Processes for engaging with value chain workers about impacts

S2-2

As part of its due diligence process, S Group engages in dialogue with relevant stakeholders and makes use of various reports, surveys and studies, for example. Human rights impacts and the due diligence process and its components are regularly reviewed with various organisations.

Employees in the value chain are consulted through organisations representing them or through third-party social audits, whistleblowing channels and solutions enabled by digital tools, among other means. Audits include employee interviews. Employees can report misconduct via whistleblowing channels. Through the digital survey tool, S Group aims to directly collect the views of workers in the value chain regarding impacts affecting them. Stakeholder views received through different channels are taken into account in S Group's due diligence process in the identification of impacts, their prevention, the planning of corrective actions, reporting and the development of principles.

Vulnerable groups are taken into account through NGO dialogue, social audits, interviews and the use of a digital survey tool as part of the value chain worker dialogue.

The management teams of SOK Corporation and the cooperatives are responsible for the implementation of the due diligence process, as well as for stakeholder consultations.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

S2-3

If grievances regarding workers in the value chain are identified in S Group's procurement of goods or services, an investigation is initiated immediately. Corrective measures will be agreed upon with the partner concerned, and their implementation will be monitored, for example, by means of audits. Cooperation with the partner will not primarily be discontinued, as doing so would not help the workers' situation in the value chain. Cooperation can be discontinued if a partner does not show any willingness to address or is not committed to addressing repeatedly discovered defects. Cooperation can also be discontinued if a partner does not consent to any audits conducted by an independent third party. The goal is to increase the capabilities of partners to improve the conditions of workers by providing training and by requesting suppliers to participate in training provided by

Description of S Group's human rights due diligence process



the amfori sustainability network. Particularly in supply chains, S Group is not always able to have any direct impact on the correction of defects. Increasing influence through cooperation with other companies, sustainability initiatives and other networks is important in such cases.

S Group monitors suppliers' audit progress and scores. The effectiveness of the measures is monitored through re-audits and supplier dialogue.

S Group uses a whistleblowing channel established by the company and hosted by a third party for raising concerns related to working conditions or human rights. In addition, workers in the supply chain have access to amfori's Speak for Change channel, which can be used to report human rights violations in the supply chains of amfori members. amfori is an independent third-party corporate responsibility initiative.

Reports received via S Group's whistleblowing channel are processed in a way that ensures safe reporting and protects the identity of the person submitting the report. The only personnel processing the reports at S Group are separately designated personnel who are obligated to process the reports objectively and independently.

Reports submitted through amfori's channel are also processed in a way that protects the identity of the person submitting the report. Issues that arise are addressed jointly with the member companies involved in the initiative, and the process is followed through to completion.

S Group seeks to ensure the effectiveness of the whistleblowing channels by communicating about them to all employees and partners. S Group's whistleblowing channel is also available on S Group's website, and amfori's channel can be found on amfori's website. The functionality of the channels is assessed, for example, by monitoring the number of reports submitted.

Measures related to value chain workers and monitoring their effectiveness

S2-4

In line with the UN Guiding Principles on Business and Human Rights, S Group carefully assesses the human rights impacts of its operations across its value chain and seeks to prevent and mitigate negative human rights impacts. In assessing its human rights impacts, S Group draws on reports and studies published by various organisations and authorities, country-specific risk assessments (including the amfori Risk Compass tool), and dialogue with stakeholders such as non-governmental organisations, Nordic cooperatives and procurement alliances. In addition, information and insights gained from audits are used, including experiences of monitoring the working conditions at factories. The assessment involves S Group's specialists from different business areas and the Procurement, HR and Sustainability units.

The measures described in this section apply to all material impacts.

S Group's approach to managing human rights impacts is grounded in careful impact assessment and in targeting measures where potential impacts are most severe. In line with the UN Guiding Principles on Business and Human Rights, actions are prioritised on the basis of the severity, irrevocability and probability of impact, and whether impact is caused directly or indirectly, such as through business relationships. The impact assessment forms the basis for identifying the measures that can most effectively address the impacts identified.

Efforts are made to prevent negative impacts in supply chains in many ways, including through contractual requirements, supplier dialogue, worker consultation, audits of suppliers in high-risk countries, a research model based on the root causes of human rights impacts, and certification of high-risk raw materials.

S Group expects all its suppliers and service providers to respect human rights and to ensure product traceability all the way back to the origin of raw materials. The amfori BSCI Code of Conduct and the BEPI Code of Conduct form part of S Group's contractual requirements.

Private label and direct import purchases from high-risk countries are made only from audited suppliers. High-risk countries are identified using the amfori Risk Compass tool. Social audits examine a range of issues, including occupational health and safety, remuneration, freedom of association, employee–employer dialogue, non-discrimination, child and forced labour, working hours and environmental protection.

The raw materials of some products originate from high-risk countries, even when production of the product itself takes place in a low-risk country, such as within the EU. For S Group's private-label food products, the production site of the primary raw material is identified, and these production sites are gradually brought under sustainability verification or other due diligence measures. Progress towards the target is made one product category at a time. In 2025, particular attention was given to social and environmental responsibility issues in the supply chains of seeds and grains, coffee, canned fish and bananas. In addition, the investigation into juices initiated in 2024 continued during 2025.

For certain high-risk raw materials, S Group requires certification or sustainability verification all the way to the raw material's production site. Such raw materials include coffee, cocoa, tea, soy, cotton and palm oil.

Due to the human rights risks identified in the supply chain for wild berries, S Group further specified its contractual terms for berry suppliers in 2025. In addition, S Group has engaged in dialogue with suppliers, the authorities and non-governmental organisations regarding the challenges in the sector. In the summer of 2025, a digital survey tool was piloted in cooperation with suppliers to collect berry pickers' views and experiences regarding recruitment and responsible work arrangements, among other aspects.

In service procurement, S Group pays particular attention to the risks of labour exploitation in Finland. Compliance with the due diligence obligation is also a contractual requirement in service procurement. In addition, S Group engages in active dialogue with its suppliers on these issues. In 2025, the use of the digital survey tool was expanded to cover employees of cleaning service providers. The aim was to hear directly from cleaning service employees about their rights. Employees from the areas of three cooperatives responded to the survey.

S Group has also drawn up internal guidelines and trained its personnel to identify and prevent human trafficking and labour exploitation.

S Group has identified ways to manage and reduce negative impacts on supply chain workers more effectively.

S Group is further developing, for example, its methods for consulting workers and its supplier cooperation and

training, as well as the coverage of its due diligence measures.

During 2025, no zero tolerance observations were made in connection with sustainability audits in factories of private-label products and own imports located in high-risk countries. A zero tolerance finding refers to cases involving child or forced labour, inhuman treatment, safety deficiencies posing immediate danger, or bribery. The effectiveness of the measures is monitored, for example, through audits and supplier and stakeholder dialogue, which are reported in sections S2-2 and S2-5.

The measures do not require significant operating costs, as the measures are implemented as part of other processes.

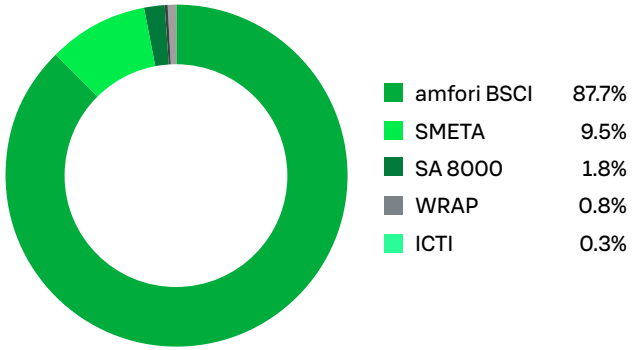
Targets related to workers in the value chain

S2-5

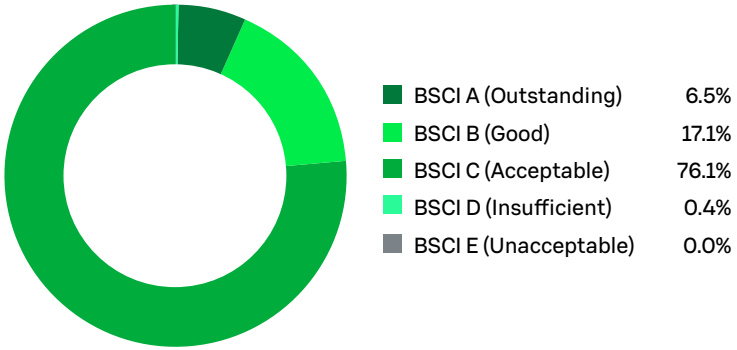
For S Group's private-label products and direct imports, purchases from high-risk countries are made only from audited suppliers. Audits examine a range of issues, including management practices, occupational health and safety, remuneration, freedom of association, employee–employer dialogue, non-discrimination, child and forced labour, working hours and environmental protection.

S Group aims to achieve a 100% audit rate for its private-label products and direct imports. Through audits, the aim is to ensure that the identified negative impacts do not materialise.

Audits by system



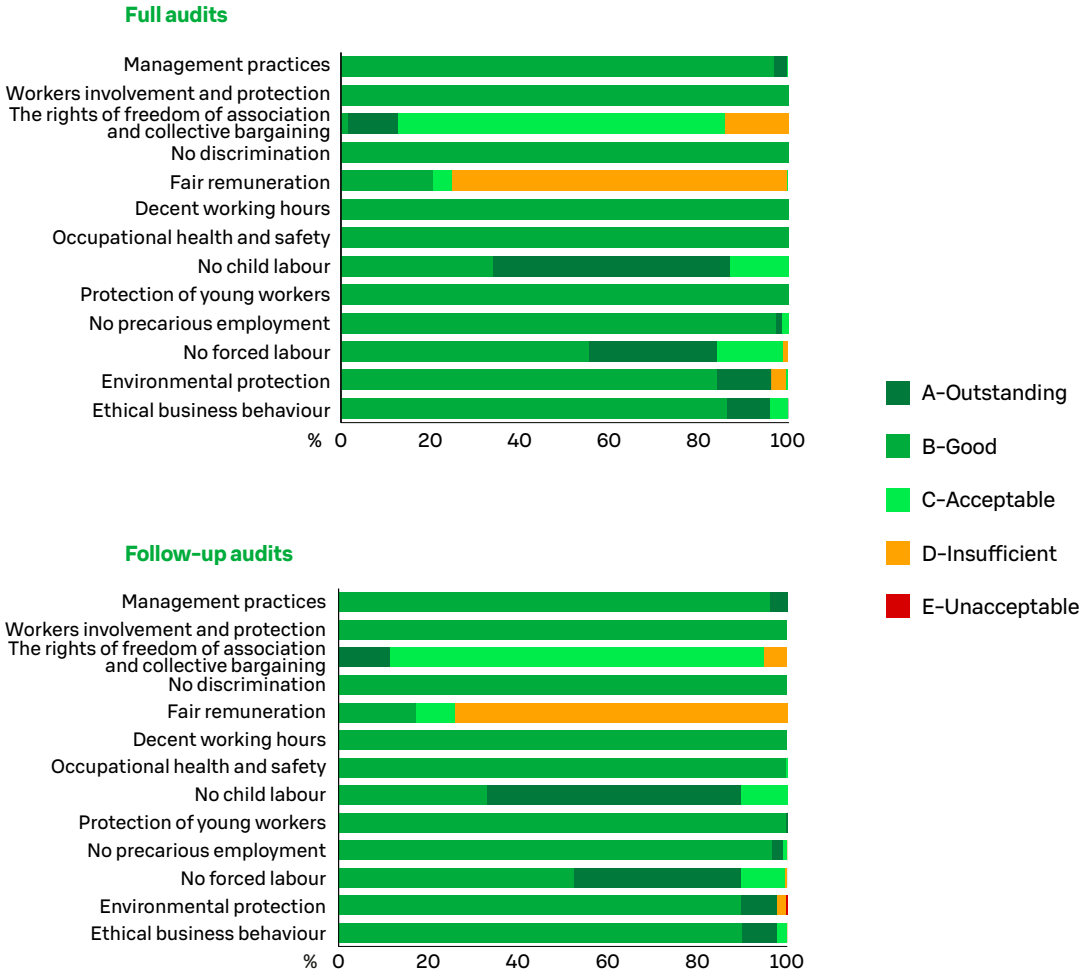
Results of BSCI audits



S Group monitors the effectiveness of the measures through audit coverage, audit scores and re-audits.

S Group has identified that the primary production of certain raw materials may involve significant negative impacts related to labour and human rights and the environment. These raw materials include coffee, tea, cocoa, soy, palm oil and cotton. S Group has set a target for all high-risk raw materials used in its private-label products and restaurants to be either certified or covered by third-party sustainability verification. Through certification and verification, the aim is to ensure that the identified negative impacts do not materialise.

Results of BSCI audits by performance area



Target	Unit of measurement	Target value	Target year	2025
Social audits in high-risk countries for private-label products and direct imports.	%	100	Continuous	99%
The goal is that purchases of private-label products and direct imports from high-risk countries are made only from audited suppliers.	%	100	Continuous	99%
For private-label products and S Group's restaurants, the goal is to use only coffee that has been certified or verified for sustainability.	% of sales volume	100	Continuous	Private labels: 100% Restaurants: 99%
For private-label products and S Group's restaurants, the goal is to use only tea that has been certified.	% of sales volume	100	Continuous	Private labels: 100% Restaurants: 83%
The goal is that only certified cocoa is used in private-label products.	% of sales volume	100	Continuous	Private labels: 99%
The goal is that soy from high-risk countries that is used as an ingredient in private-label products, as well as soy feed from high-risk countries that is used in the production chains of animal-based ingredients (meat, fish, dairy, eggs) for private-label products, is certified. In addition, the goal is that soy from high-risk countries that is used in meals served in S Group's restaurants and cafés, as well as soy feed from high-risk countries that is used in the production chains of animal-based ingredients (meat, fish, dairy, eggs) for the meals, is certified.	% of sales volume	100	Continuous	Of the soy from high-risk origin used in S Group's products as raw material or as animal feed in the production chains of animal-based products, 92% is certified.
For private-label and direct import products, the goal is to use only sustainably produced cotton by the end of 2025.	%	100	2025	93%
S Group's goal is to only use certified palm oil traceable to palm oil plantations in private-label products and in deep-frying oil in restaurants.	%	100	Continuous	Private labels: 100% No palm oil was used in the deep-frying oil in the restaurants.

S Group's targets related to workers in its value chain are addressed with stakeholders as part of the Group's stakeholder dialogue and through engagement with workers in the value chain. Engagement with workers in the value chain is described in section S2-2. Read more about stakeholder dialogue in section SBM-2.

The targets address the identified impacts, and they are used to monitor progress in managing impacts and to ensure the effectiveness of the due diligence process. The targets are a means to put the above principles into practice and to comply with the UN Guiding Principles on Business and Human Rights. The targets apply to S Group's private labels and direct imports and, in terms of certifications of raw materials, to products sold in S Group's restaurants. The targets are monitored annually, and progress towards them is compared with 100% completion.

The targets have been set as part of S Group's sustainability programme, and the topics of the programme are discussed with stakeholders as part of ongoing dialogue. Stakeholders were involved in the double materiality analysis, and the insights gained were used to inform the target-setting process. Information collected directly from workers in the value chain, through audits and the survey tool, has also affected the setting of the targets.

AFFECTED COMMUNITIES

ESRS S3

S Group has significant regional impacts in Finland through its 19 cooperatives. As a national operator, S Group's procurement channels extend widely across Finland. Cooperatives purchase local products and invest in regional development. Cooperatives are major employers in their areas and offer young people internship and summer job opportunities. Through more than 2,000 outlets, S Group offers products and services across Finland.

Because of the cooperative form of business, the money circulating in the operations of S Group's cooperatives benefits the co-op members and contributes to regional wellbeing and vitality. Earnings from operations are invested for the benefit of the co-op members by developing services and renovating locations. Co-op members benefit from S Group more than other customers, through the Bonus system, for example.

Management of material impacts, risks and opportunities related to affected communities

Material impacts related to communities affected

	Subtopic	Impact	Time horizon	Value chain	Description	Management
The community's economic, social and cultural rights	The vitality of regions and communities	Actual positive	Long	Downstream	· S Group companies and cooperatives procure products extensively across Finland and invest in their regions	Domestic and local procurement
The community's economic, social and cultural rights	The vitality of regions and communities	Actual positive	Long	Downstream	· S Group provides employment in regional and remote areas	Regional employment

Policies related to affected entities

S3-1

In line with its sustainability principles, S Group aims to promote wellbeing and regional vitality in its local communities. Cooperatives are owned by their members, and are strongly linked to the development of the communities in which they operate.

Engagement with affected communities

S3-2

The stakeholder dialogue is described in section SBM-2.

Remediation of negative impacts and channels for affected communities to raise concerns

S3-3

S Group has not identified any material negative impacts on communities.

S Group's grievance mechanisms are described in sections SBM-2 and G1-3.

Measures related to affected communities and monitoring their effectiveness

S3-4

S Group companies aim to promote wellbeing and regional vitality in the communities in which they operate. Cooperatives are major employers in their regions. They also offer a significant number of summer jobs and internships for young people. In 2025, S Group provided employment for more than 45,000 people.

S Group's network of locations covers grocery stores, service station stores, restaurants and hotels. The network includes 2,060 outlets. Maintaining the service network supports regional vitality. S Group invested EUR 683 million in Finland in 2025.

Cooperatives procure domestic products extensively. For a retail group that is 100% Finnish, the high share of domestic origin in our products and the functionality of the food supply are key priorities. S Group is the largest operator in Finland's grocery sector and a major seller of Finnish food. The demand for domestic products supports employment and other aspects of wellbeing in Finnish society. Favouring local products strengthens a sense of community and vitality. When local businesses thrive, they can invest back in the community by supporting local events and services, for example. S Group seeks to actively promote the success and future of Finnish food through its own actions and by providing customers with a diverse range of product and service options.

For example, S Group's Kotimaista products meet the generally accepted requirements of the Produce of Finland label or the Sirkkalehti label for Finnish origin, meaning that their raw materials come from Finland and the products are produced in Finland. ABC restaurants have served only domestic pork, beef and chicken since 2015. In addition, the domestic content calculator in the S-mobiili app allows customers to check the domestic origin of the raw materials and manufacture of the products they buy.

Targets related to affected communities

S3-5

Target	Unit of measurement	Target value	Target year	2025
Degree of Finnish origin	%	80	2030	75

The goal is that 80% of the food sold by S Group is of domestic origin by the end of 2030. In 2025, 75% of the food sold in S Group's grocery stores and restaurants was produced in Finland. The figure is calculated based on sold food products and restaurant purchases (kg, l).

CONSUMERS AND END USERS

ESRS S4

S Group has impacts on customers through the products and services it sells and through its network of locations. S Group maintains security of supply through its operations. S Group processes a significant amount of customer data, and ensuring data protection is an important part of its operations. Well-managed data also improves the customer experience.

Management of material impacts, risks and opportunities related to consumers and end users

ESRS 2 SBM-3

S Group's impacts on customers are related to the products and services sold by the group, its network of locations and the personal data processed by the company. Through its network of locations, S Group offers a wide range of products and services across Finland and maintains security of supply. S Group processes a significant amount of customers' and employees' personal data.

S Group's potential negative impact is related to data protection and possible data breaches. A potential risk was identified in relation to product safety, as S Group sells products to a broad customer base. S Group can have positive impacts by guiding customers towards sustainable choices through its selections and by offering, for example, digital services and information about products and services.

Customers have influence over S Group through the cooperative election process, in which members of the cooperatives cast their votes.

Material impacts related consumers and end users

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Data-related impacts on consumers and/or end users	Privacy	Potential negative	Medium	Downstream	· S Group processes personal data extensively, and the processing is a significant part of its operations. The Group is in possession of a significant amount of personal data, which in the event of a data breach could have negative impacts on customers.	· Organisational and technical data security measures. These include, for example, existing policies, guidelines and training, identity management, access management, supply chain management, data security monitoring and incident management, malware protection and secure development, as well as many other operational and technical security risk management measures.
Social inclusion of consumers and/or end users	Access to products and services	Actual positive	Long	Downstream	· The Group helps to maintain national security of supply and provides a comprehensive, non-discriminatory store and service network that is accessible to all.	· Maintaining a nationwide network of locations · Maintaining security of supply
Data-related impacts on consumers and/or end users	Access to high-quality information	Actual positive	Long	Downstream	· S Group can promote sustainable consumption through its selections, services and customer communication.	· Customer communication · Digital services. · Selection

Material risks related to consumers and end users

	Subtopic	Time horizon	Value chain	Description	Management
Personal safety of consumers and/or end users	Health and safety	Medium	Downstream	· A failure in self-monitoring and the sale of a non-compliant product could lead to costs arising from legal proceedings and liability for damages, as well as to significant reputational damage.	· Self-monitoring system and guidelines · Procedure for serious product defects and crisis communication model · Training · Product and supplier assessments

Interests and views of consumers and end users

ESRS 2 SBM-2

The interests and views of consumers and end users are described in section SBM-2.

Policies related to consumers and end-users

S4-1

In line with its sustainability principles, S Group offers a comprehensive store and service network, whose product range and services are widely accessible. S Group works to provide its customers with healthy and safe products, as well as non-discriminatory, reliable services that meet the customer's needs. It is important for us to maintain large amounts of data with due care and in compliance with the law. S Group also plays an important role in maintaining and promoting Finland's security of supply.

The data protection principles approved by SOK's Executive Board and the boards of directors of the cooperatives, along with the supplementary data protection policies of SOK Corporation and the cooperatives, guide all personal data processing within S Group. Each S Group organisation is responsible for ensuring that the data protection principles and the data protection policy supplementing them are implemented within its own organisation.

Engagement with consumers and end users

S4-2

S Group uses a wide range of channels when communicating with customers. S Group regularly communicates current matters related to cooperative membership, such as elections and membership status, to co-op members. This is also required by the Cooperatives Act.

The S-mobile app is the Group's primary channel for engaging with co-op members, and it is available to both co-op members and members of their households. Through the app, users can, for example, track their accumulated Bonus, explore the latest benefits and take care of their banking. Receipts are also readily available in the app.

Comprehensive information about current matters concerning the retail group is also published on S Group's and the cooperatives' websites, as well as across their social media channels. Information related to co-op membership is available on the S-kanava channel. In addition, customers can opt to receive newsletters and other current content by email, for example. Communication with customers is also carried out through the multichannel media of Yhteishyvä. In addition to its digital channels, the Yhteishyvä magazine is distributed across the Group's extensive store network. Marketing permissions can be managed in the S-mobile app, via the S User Account or by contacting customer service. In product recall situations, customers who have purchased the item can also be contacted directly.

Engagement and processes with consumers and end users in matters related to data protection

S Group has processes and channels in place that ensure the appropriate exercise of data subjects' rights.

In Finland, S Group's website includes a public data protection section that offers extensive information about how S Group processes personal data, along with instructions for data subjects. In addition, the cooperatives have their own data protection websites, which describe the processing of personal data carried out by each cooperative as a controller.

S Group's Co-op members and customers can access the personal data contained in S Group's co-op member and customer register by logging in to their S User Account. Co-op members can also view their purchase information and consumption habits in their S User Account and S-mobiili app in the My Purchases section. Data subjects may also submit a request to access their personal data via an electronic online form or by contacting the controller responsible for the processing. The public data protection website also sets out instructions for situations in which the data subject wishes to request the rectification or erasure of personal data concerning them.

In 2025, personal data in the co-op member and customer register was accessed 2,734 times, with self-service via the S User Account representing 98.7% of the total. For the other registers, S Group received four requests for access to personal data. In 2025, S Group received nine requests for the erasure of personal data.

S Group regularly asks co-op members for their views on how the Group collects customer data and uses it for different purposes. The survey results are used to develop operations.

S Group documents all personal data breaches and notifies the data protection authorities of any breach that, in the controller's assessment, poses a risk to the data subject. If the risk to the data subject is assessed as likely to be high, the S Group controller will also notify the data subject without undue delay of any personal data breach that has compromised the protection of their personal data.

Consumer feedback channels

S4-3

As a cooperative retail group owned by consumers, S Group considers it important to develop its services by listening to its customers. S Group regularly asks its customers for their views on products, services and topics such as sustainability. Customer satisfaction is surveyed through multiple channels, including S-mobiili and email. Around 13 million survey invitations are sent each year. The Ässäraati consumer panel consists of co-op members who wish to contribute to the development of the services offered by S Group. The panel consists of around 22,000 people.

In addition to surveys and the "How did we do today?" question in S-mobiili, feedback can be submitted via the S-kanava channel using the online form or by calling customer service. Customers can also contact the outlets directly. Advice and feedback concerning private-label products and direct imports is available through the S-kuluttajaneuvonta consumer service. Customers can influence product selections through the Sinuntoive and Korttelitoive product request websites, among other channels.

Through S Group's whistleblowing channel, customers can report any suspected misconduct or breaches of S Group's ethical principles.

Measures related to consumers and monitoring their effectiveness

S4-4

Data protection

S Group's data protection is managed by means of a centralised model guided by SOK.

To ensure that S Group's operations comply with data protection legislation in line with the principles of privacy by design, a data protection and information security assessment is carried out during the planning phase of any personal data processing. In 2025, a total of 279 data protection and information security assessments were initiated within S Group for projects, initiatives and modifications. In addition, a more comprehensive data protection impact assessment (DPIA) is carried out in situations where this is required by legislation.

S Group requires all partners who process personal data to comply with the data protection legislation and with the data protection and information security obligations set out in their contracts. With partners who process personal data on behalf of S Group, a written data processing agreement required by legislation is drawn up, and the applicable information security requirements are specified.

The implementation of data protection within S Group is monitored through, among other methods, self-assessments of the level of data protection maturity and indicators measuring the implementation of data protection practices.

SOK's Data Protection Officer, acting in an independent role, oversees compliance with data protection requirements within S Group and reports on the state of data protection in S Group to SOK Corporation's Executive Board and to the boards of directors of the cooperatives twice a year.

Within S Group, the data protection principles and policies are supplemented by more detailed guidelines that set out the key requirements, processes and instructions for implementing data protection, as well as for identifying and managing incidents and risks. The instructions are easily available to all S Group staff.

Data protection matters are communicated regularly through S Group's internal communication channels.

Every S Group employee's induction and ongoing training includes achieving and maintaining basic data protection skills. In 2025, around 42,200 S Group employees processing personal data in their work completed basic data protection online training. In addition, S Group provides in-depth online data protection training for employees working in expert and customer service roles, as well as for management teams, and, where necessary, through additional training in other contexts. To maintain information security awareness, employees are provided with training on recognising phishing attempts, in addition to regular information security training and related guidelines.

S Group's data controllers, such as cooperatives, have appointed data protection contact persons. The data protection contact persons have been trained to support their organisations in implementing the requirements of data protection legislation and in promoting the data protection culture and awareness.

Product safety

Within S Group, SOK manages the self-monitoring guidelines and processes related to procurement, logistics and store operations, which steer the implementation of product safety and compliance.

Grocery trade

The centralised self-monitoring guidelines for S Group's store network cover food handling and sales conditions, as well as the management of potential hazards. Each regional cooperative and all stores selling food products participate in S Group's self-monitoring system, and each store has a designated contact person responsible for self-monitoring. The centralised reporting of self-monitoring events within S Group supports the consistent implementation of compliance and product safety.

S Group trains self-monitoring contact persons to support their organisations in meeting the requirements of food safety legislation and in promoting awareness of the food safety culture and risk management.

For deviation management, S Group employs a centralised operating model for serious product defects and a crisis communication model that supports all cooperatives and S Group's retail stores.

In situations where the risk of compromised product safety is assessed as likely to be high, the designated persons within S Group initiate, without undue delay, the withdrawal of products from sale, the required regulatory notifications and the consumer communication necessitated by the situation.

S Group's self-monitoring guidelines for retail procurement set out the key requirements, processes and instructions for ensuring product compliance, traceability and safety.

Designated experts within S Group are responsible for conducting product and supplier assessments and for the related monitoring in accordance with these guidelines. The monitoring of product manufacturing is supported by standards related to products and production, as well as by audits. S Group makes extensive use of various product safety certifications in assessing the food production of manufacturers of its private-label products. S Group accepts, for example, the following standards: BRC, IFS, FSSC 22000 and ISO 22000. In addition, S Group conducts its own audits to assess product safety processes and ensure the fulfilment S Group's quality requirements.

S Group regularly tests product samples before they are released for sale and during storage and sales. The samples are mainly related to the product development and quality assurance of private-label products. The samples are studied to ensure the fulfilment of safety and quality requirements. Most of the studies are conducted by third-party research and testing laboratories.

Meira Nova

At Meira Nova, the assurance of product safety is based on S Group's common guidelines and on its crisis communication and risk management processes.

Meira Nova Oy's product safety is based on a self-monitoring plan approved by the authorities, covering all the operations of the logistics centre and outsourced services.

A Hygiene Passport is required of all those handling unpackaged food, and hygiene monitoring is carried out daily. Quality assurance of products is carried out at receipt through sensory inspection and, in accordance with the sampling plan, through laboratory testing. Compliance of non-food products is ensured by documentation and contractual terms. In transport and storage processes, temperatures are monitored both automatically and through spot checks.

Audits and supplier management ensure product safety throughout the supply chain. In its supplier selection, Meira Nova makes use of product safety standards such as BRC, IFS, FSSC 22000 and ISO 22000. Meira Nova's quality management is based on a certified ISO 9001 quality management system.

Security of supply

S Group is part of the overall system for ensuring the security of food supply, working in close cooperation with the food industry and the authorities. This cooperation has been carried out voluntarily since the 1960s.

Preparedness and continuity management form an integral part of S Group's operations, from product procurement and distribution to store operations. As a member of the Finnish Grocery Trade Association (PTY),

S Group is involved in Finland's emergency supply activities through the trade and distribution pool.

The pool is one of the four pools in the national security of supply organisation. The trade and distribution pool draws up plans for measures to ensure the prerequisites for the sector's operations in various situations. The pool also regularly organises training sessions and preparedness exercises, among other activities.

Security of supply is also ensured by S Group's extensive network of stores, which covers the whole of Finland and is open seven days a week. This is supplemented by online grocery stores across Finland. S Group's food service wholesaler also plays an important role. Its customers include the catering services of hospitals, care institutions, schools and workplaces.

Preparedness for exceptional situations extends beyond safeguarding the food supply. Through its various business areas, S Group helps to ensure that, in addition to food, Finns continue to have access to services such as fuel distribution, other forms of energy and monetary transaction services even during exceptional periods.

Promoting sustainable consumption

In 2024, the updated domestic nutrition recommendations placed emphasis on environmental impacts alongside health. S Group encourages its customers to eat more healthily and more sustainably for the climate.

S Group has, among other measures, expanded its range of domestic vegetables and introduced the Easy and Quick plant-based product line to its grocery stores, in addition to highlighting seasonal vegetables, fruits and berries. Prisma stores and S-markets are running the "Alle euron hevi" campaign, where vegetables and fruit cost less than EUR 1 per kilo, box, bag or piece. In addition, all S-markets and several Prisma, Alepa and Sale stores have waste fruit and vegetable boxes and bags for sale. ABC stations offer a diverse salad bar, and the buffet includes a daily vegetarian option. The My Purchases service in S-mobiili can be used to view how many kilograms of fruit and vegetables the customer has bought in a year or in a month, or daily on average.

S Group also cooperates with various parties. S Group is one of the founding members of the Pro Vege association, which aims to promote the development and growth of plant-based food in Finland. In addition, S Group has signed a joint call to action with almost 30 Finnish food companies and other food business operators, stating that now is the time to invest in plant-based food products. All S Group grocery stores cooperate with the Vegan Challenge. The LoCard research project coordinated by the University of Helsinki and the University of Tampere is conducting internationally pioneering research on food use and lifestyles using S Group's purchasing data and surveys carried out with co-op members. Cooperation between S Group and the universities started in 2016, and the project has already been able to study matters such as sustainable diets, motives and the carbon footprint of purchases.

Targets related to consumers

S4-5

Target	Unit of measurement	Target value	Target year	2025
Promotion of plant-based diets	%	65	2030	60

The goal is that 65% of the food sold by S Group is plant-based by the end of 2030. In 2025, the plant-based share was 60%. Calculations of the proportion of plant-based food are based on sold food products and restaurant procurement (kg, l).

Target	Unit of measurement	Target value	Target year	2025
No decisions issued by the authorities regarding unlawful processing of personal data	Number	0	Continuous	0

Ensuring the appropriate implementation of the rights related to the processing of customers' and employees' personal data is essential for S Group. Within S Group, the lawful and transparent processing of personal data is a prerequisite for service development and for safeguarding business continuity. S Group's goal is to ensure that there is no need for the authorities to issue decisions concerning unlawful processing of personal data.



GOVERNANCE INFORMATION

ESRS G1 BUSINESS CONDUCT 98

BUSINESS CONDUCT

ESRS G1

S Group promotes a transparent and compliant corporate culture through its values and policies and their implementation by means of, for example, communication and training.

Management of impacts, risks and opportunities

ESRS 2 SBM-3

With regard to business conduct, S Group has identified a positive impact related to supplier management. Risks have been identified in relation to political interaction and conflicts with sustainable development goals, the fair treatment of suppliers and conduct that fails to comply with ethical principles.

Material impacts related to business conduct and corporate culture

	Subtopic	Impact	Time horizon	Value chain	Description	Management
Business conduct	Management of relationships with suppliers, including payment practices	Actual positive	Medium	Upstream	· Ensuring the equal treatment of suppliers contributes to the implementation of good trading practices. · Paying invoices on time is particularly important for small and medium-sized businesses.	· Monitoring invoice processing time. · Monitoring reports submitted via the WhistleB channel. · Taking measures based on WhistleB reports.

In terms of business conduct, S Group has identified the following risks: breaches of ethical principles, political influencing and conflicts with sustainability targets, and the equal treatment of suppliers. The process through which the material impacts, risks and opportunities have been identified and assessed is described in section IRO-1.

Material risks related to business conduct and corporate culture

	Subtopic	Time horizon	Value chain	Description	Management
Business conduct	Political interaction	Long	Own operations	· Alignment between sustainability targets and advocacy work must be ensured through coordination and internal communication	· Processes to ensure coordination · Meetings can be transparently verified through national and EU-level transparency registers
Business conduct	Management of relationships with suppliers, including payment practices	Medium	Upstream	· Ensuring the equal treatment of suppliers and promoting good trading practices are key for a major retail group · Paying invoices on time is particularly important for small and medium-sized businesses	· Training on ethical principles · Monitoring reports submitted via the WhistleB channel · Taking measures on based on WhistleB reports · Monitoring invoice processing time
Business conduct	Corruption and bribery	Medium	Own operations	· Preventing violations of ethical principles requires comprehensive training, channels for reporting observations, and a process for effective and thorough reporting and remediation	· Training on ethical principles for employees, the management and, in particular, those involved in high-risk functions · Effective channels and mechanisms for reporting conduct that violates ethical principles through various reporting channels

Corporate culture and policies related to business conduct

G1-1

S Group's corporate culture is built on shared values and leadership promises. They are a key part of on-boarding and management practices. The implementation of values and leadership promises is monitored by means of a job satisfaction survey, in which their implementation is assessed separately.

S Group ensures the ethical and compliant conduct of its business by adhering to legislation, ethical principles, responsibility principles and human rights principles. The principles apply to all S Group employees and guide their activities both internally and in relation to customers, suppliers and other stakeholders.

International frameworks

S Group's sustainability work is guided by international agreements and recommendations, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. S Group is committed to the principles of the UN Global Compact and their implementation, and it also complies with, and requires its suppliers to comply with, the amfori BSCI and BEPI Codes of Conduct principles.

S Group's ethical and responsibility principles

The responsibility and ethical principles approved by the SOK Executive Board for S Group are publicly available on S Group's website. Their implementation is carried out in accordance with S Group's management system, which is described in section GOV-1 Role of the administrative, management and supervisory bodies.

S Group's ethical principles and responsibility principles define common rules based on S Group's values. They emphasise compliance with laws and good business practices, as well as the absolute prohibition of bribery and improper influence.

Suppliers and distributors are subject to S Group's responsible sourcing requirements, through which S Group communicates its ethical and responsibility principles and requires its business partners to observe them in their operations. Suppliers are required to commit to these principles when working with S Group.

Training and communication

Raising awareness of ethical principles and providing training are a central part of S Group's internal sustainability work. Training is provided regularly as online courses, virtually and on site. Training is described in more detail in section G1-3.

Role and expertise of the administrative, management and supervisory bodies in matters related to business conduct

ESRS 2 GOV-1

The purpose of S Group's operations is to provide services and benefits for the members of regional cooperatives (co-op members). Its daily operations must meet the expectations concerning ethics set for S Group by various stakeholders.

S Group's management and supervisors are responsible for thoroughly on-boarding personnel on the Code of Conduct. Compliance with the principles is the responsibility of every employee of an S Group company.

The ethical principles have been approved by SOK's Executive Board, apply to the entire S Group and can be found on the public website.

Responsible corporate culture and its control

S Group is committed to operating openly, transparently and in compliance with ethical principles. Misconduct or breaches of ethical principles within S Group can be reported through the anonymous WhistleB channel. More information about the WhistleB channel is provided in section SBM-2, and on the compliance policy in section GOV-5.

Management of relationships with suppliers

G1-2

S Group's responsible sourcing is based on clear expectations and requirements, which are defined through supplier selection and in cooperation with suppliers and service providers. Both the amfori BSCI and the BEPI Code of Conduct are incorporated into contracts and, along with other contractual requirements, they define the expectations placed on suppliers. The implementation of these principles is required throughout the supply chain. All suppliers are required to respect fundamental labour and human rights and to exercise due diligence to identify, mitigate and remedy human rights and environmental impacts in their own operations and supply chains. Human rights and environmental impacts are assessed using, among other tools, the amfori risk tool, raw-material-specific risk assessments, and reports produced by international institutions and organisations.

All suppliers whose products are manufactured in countries classified as high-risk in terms of social responsibility, or contain raw materials originating from such countries, are required to undergo third-party factory audits. Compliance with this requirement is monitored particularly for private-label products and products imported directly by S Group. S Group is an active member of the amfori international sustainability initiative and participates in the development of its tools. S Group is also involved in the Sedex and International Accord initiatives. S Group's procurement is guided by product- and service-specific quality requirements, the principle of non-discrimination, and the due diligence obligation concerning environmental and human rights matters. It is a prerequisite that both raw material producers and manufacturers comply with legislation, collective agreements and international minimum labour standards. Open communication and the transparency of operations are basic prerequisites for responsible procurement.

In responsible procurement, it is essential to agree on expectations and requirements regarding responsibility when selecting and cooperating with goods suppliers and service providers, and to monitor compliance with the agreed matters.

Prevention and detection of corruption and bribery

G1-3

S Group is committed to operating openly and transparently in line with its ethical principles. S Group takes all suspicions of corruption and bribery seriously. S Group is subject to Directive (EU) 2019/1937, under which it is obligated to maintain a whistleblowing channel, and an anonymous reporting channel, WhistleB, is in place for reporting misconduct. This channel is outlined in section S1-3.

The whistleblowing channel is intended for both internal and external stakeholders, and reports can be submitted through the website. In S Group, the implementation of the channel has been outsourced to SOK. This implementation complies with the interpretation of the Whistleblower Act. The pre-screening service for the whistleblowing channel is provided by SOK's risk management specialists, who are bound by confidentiality.

Access to the system and incoming reports is strictly limited. When a report is being investigated, the handler may confidentially involve other individuals identified as relevant to the investigation. Because of S Group's structure, SOK performs the pre-screening of reports, meaning it receives and categorises them. After this, the reports are transferred to the relevant organisation, regional cooperative or subsidiary. SOK's role at this point is to assist and consult in the investigation. All accepted reports concerning alleged misconduct are subject to a thorough investigation. The relevant organisation / SOK Risk Management determines the appropriate method of investigation. In line with the process, no individual who is the subject of a suspicion or has connections to it may take part in the investigation. No member of the target organisation, nor any individual involved in the investigation process, makes any attempt to identify the whistleblower in any way, thereby ensuring the best possible protection of their anonymity. If required by the investigation, follow-up questions are addressed to the whistleblower via the whistleblowing channel. The target organisation is responsible for initiating and conducting the investigation, including deciding whether to submit a request for an investigation to the authorities. The target organisation documents the investigation and, at the end of the process, archives the report with the data anonymised. The role of SOK Risk Management is to report annually, at S Group level, on the number of reports, their topics and the measures taken.

The results of investigations are reported regularly to the S Group Board's Audit Committee and, where necessary, to other governance, management and supervisory bodies. The effectiveness of the whistleblowing system

is monitored on the basis of the number of reports and processing times, among other aspects. The results are used in operational development and risk management. S Group does not tolerate retaliation against individuals who report in good faith, and the protection of whistleblowers is a central part of the misconduct handling process. S Group's operations are guided by ethical principles, internal guidelines and procedures based on legislation, the aim of which is to prevent, detect and handle possible misconduct. The fight against corruption and bribery has been included as part of S Group's responsibility and compliance programme, which covers the entire organisation and its stakeholders. S Group has introduced several measures to prevent corruption and bribery. Employees are offered online training covering ethical principles and anti-corruption practices. For those working in high-risk operations such as procurement, sales and business management, extensive online training on ethical principles is mandatory. The aim is to achieve 100% training coverage each year. The ethical principles include guidance on the handling of gifts and hospitality, the avoidance of conflicts of interest, and the obligation to report unethical conduct. S Group's business partners are expected to commit to S Group's ethical principles, which include anti-corruption requirements.

Target	Unit of measurement	Target value	Target year	2025
100% training coverage for those working in administrative and procurement roles	%	100	2026	87

In 2025, training was provided for the first time to such a broad target group across S Group, and therefore the training coverage for 2025 was 87%.

Confirmed incidents of corruption or bribery

G1-4

Target	Unit of measurement	Target value	Target year	2025
No confirmed reports of payment delays or breaches of payment terms were submitted through the WhistleB channel	number	0	2026	0
No confirmed incidents of corruption and bribery	number	0	2026	0

Incidents of corruption and bribery

Amount of fines for violation of anti-corruption and anti- bribery laws	0.00 €

Incidents involving actors in S Groups value chain where the undertaking or its employees are directly involved

Confirmed incident of corruption during the reporting period	0
Confirmed incident of bribery during the reporting period	0

No corruption or bribery cases were raised concerning the company or its own employees during the reporting period. There were also no confirmed cases in which a business partnership was terminated or not renewed due to corruption or bribery violations detected in 2025.

Political influence and lobbying activities

G1-5

Target	Unit of measurement	Target value	Target year	2025
All meetings related to political engagement are recorded in the Transparency Register.	%	100	2026	100

Political donations

S Group does not make direct political donations, but may participate in events organised by associations and political parties by covering normal participation costs where this is deemed necessary and does not conflict with S Group's ethical principles or other policies promoting transparency and fair competition. In addition, it has been identified within S Group that membership fees are paid to various advocacy organisations by both SOK and the regional cooperatives, as described below.

Advocacy work

S Group's public affairs work is carried out in a goal-oriented and transparent manner, through open dialogue.

S Group is involved in the national, European and international advocacy work of organisations related to business life and S Group's business areas. The aim is to ensure that decision-makers have a solid understanding of S Group's special characteristics and access to factual information that reflects the distinct nature of cooperative enterprises.

This also includes meetings with political leaders, such as Members of Parliament and Finnish Government. In addition, SOK conducts S Group's public affairs work within the institutions of the European Union.

Public affairs work within S Group is carried out by SOK, and these meetings are recorded in the Transparency Register maintained by the National Audit Office of Finland, in accordance with the Transparency Register Act, under Business ID 0116323-1. EU-level meetings are recorded in the EU Transparency Register by the party being met, and SOK's meetings can be retrieved using the identifier 201839244725-10.

SOK's political public affairs work is pursued under the following themes:

- Free competition
- Availability of employees
- Contribution to climate targets
- Sustainable food chain

S Group also conducts business operations in Estonia through SOK Liiketoiminta Oy. In Estonia, no public affairs activities meeting the above criteria take place, and therefore the Estonian operations are not covered by the European Union Transparency Register. In Estonia, meetings with the authorities are published in a dedicated register.

Payment practices

G1-6

S Group strives for the equal treatment of its suppliers in all its operations. Payment time policies for small and medium-sized suppliers were identified as material in the double materiality analysis. At the same time, however, equal treatment must be ensured in all operations, given S Group's size and its market position, particularly in the retail sector. S Group applies standard payment terms, which serve as the basis for jointly agreed terms negotiated with suppliers. The aim is for S Group to pay invoices on the due date, and for no confirmed violations related to payment delays or payment terms to be identified in reports submitted through the WhistleB channel. Paying invoices on time is particularly important for small and medium-sized businesses. In 2025, invoices were paid on average 0.25 days before the due date. The due date was exceeded in 4.63% of invoices.

Payment practices by main category of suppliers

	2024	2025
The average time it takes to pay an invoice from the date when the contractual or statutory term of payment starts	0.13	-0.25
The percentage of payments that exceed these standard terms	12.55	4.59
The average time it takes to pay an invoice (days)	23.51	22.04
Number of legal proceedings currently outstanding for late payment	0	0

Independent Practitioner's Assurance Report

To the Management of Suomen Osuuskauppojen Keskuskunta

Scope of Assurance

We have been engaged by the management of Suomen Osuuskauppojen Keskuskunta (business ID 0116323-1) (hereafter "SOK") to provide limited assurance on selected sustainability information specified below.

Information Subject to Assurance

The sustainability information presented in S Group's Sustainability Report 2025 for the reporting period January 1–December 31, 2025 subject to the limited assurance (hereafter "Sustainability Information") consists of the following information:

- ESRS E1 Climate change
- ESRS E5 resource use and circular economy
- ESRS S1 Own workforce
- ESRS S2 Workers in the value chain.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Information for the reporting period January 1–December 31, 2025 subject to the limited assurance engagement is not prepared, in all material respects, in accordance with the Reporting Criteria defined later in the report..

Basis for Conclusion

We performed the assurance of the Sustainability Information as a limited assurance engagement in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information.*

Our responsibilities under this standard are further described in the *Responsibilities of the Independent Practitioner section* of our report.

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

Independent Practitioner's Independence and Quality Management

We are independent of SOK and entities part of the S Group in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG Oy Ab applies International Standard on Quality Management ISQM 1, which requires the authorised audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Management's Responsibilities

The management of SOK is responsible for the preparation and presentation of the Sustainability Information in accordance with the reporting criteria i.e. in accordance with the following European Sustainability Reporting Standards (ESRS): E1, E5, S1 ja S2. This responsibility also includes such internal control as the management determine is necessary to enable the preparation of Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of Sustainability Information

It is characteristic to reporting on sustainability information that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

When reporting forward-looking information in accordance with the reporting criteria, SOK's management is required to make assumptions about possible future events, and to disclose S Group's possible future actions in relation to those events, as well as to prepare the forward-looking information based on these assumptions. Actual results are likely to differ because forecasted events often do not occur as expected.

Responsibilities of the Independent Practitioner

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the Sustainability Information subject to the limited assurance is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Sustainability Information.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we

exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the Sustainability Information, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of S Group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Per-formed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. The procedures performed in a limited assurance engagement primarily consist of making inquiries and applying analytical procedures. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included, among others, the following:

- We interviewed SOK's management and persons responsible for collecting and preparing the Sustainability Information.
- Through interviews we gained understanding of the key processes, controls and practical procedures related to collecting and consolidating the Sustainability Information.
- We familiarized ourselves with S Group's internal guidelines and policies that are relevant to the presentation of Sustainability Information disclosed in S Group's Sustainability Report 2025.
- We assessed the accuracy of the Sustainability Information through an inspection of the background documentation and documents prepared by S Group on a sample basis and assessed whether they support the presented Sustainability Information
- We assessed the application of the reporting principles of the Reporting Criteria in disclosing the Sustainability Information.

Helsinki 8 May 2026

KPMG OY AB

Jukka Rajala
KHT



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