



Best at sustainable value creation

Posten Norge Group | Green Finance Framework October 2021

Contents

About us	3
Sustainability on the agenda	4
Roles and responsibilities.....	9
Collaboration is the key to a sustainable future	10
Green Finance Framework	15
Use of Proceeds.....	15
Selection and Evaluation of eligible projects.....	18
Management of proceeds.....	18
Reporting.....	19
External Review.....	20
Documentation of Environmental and Sustainability work.....	20

About us

Finland: **41** ●
Denmark: **260** ●
Sweden: **1 632** ●
Norway: **10 597** ●



Fraction of revenue outside Norway
38 %

Norway Post is one of the largest postal and logistics companies in the Nordics. Our transportation and distribution network is an important part of the Nordic infrastructure. The Group has more than 370 years of experience dating back to 1647 and is currently present in the market with two brands: Posten and Bring. Posten is mainly focused on the consum-

er market in Norway, whilst Bring is targeting the the corporate market in the Nordic region. The Group has business and employees in the Nordic countries. The main revenue comes from Norway. The business outside of Norway is continuously growing and now accounts for 38% of the revenue.

Sustainability builds competitive advantage and is essential for our value creation

The financial risk of not transitioning to a more sustainable economy is increasing. Regulations and customer demands are developing rapidly, and we must deliver on our promises to meet the increased demands. Sustainability and being regarded as “part of the solution” is also essential in order to recruit and retain talent. Mitigating climate risk is not only about compliance, it’s about “green competitiveness”.

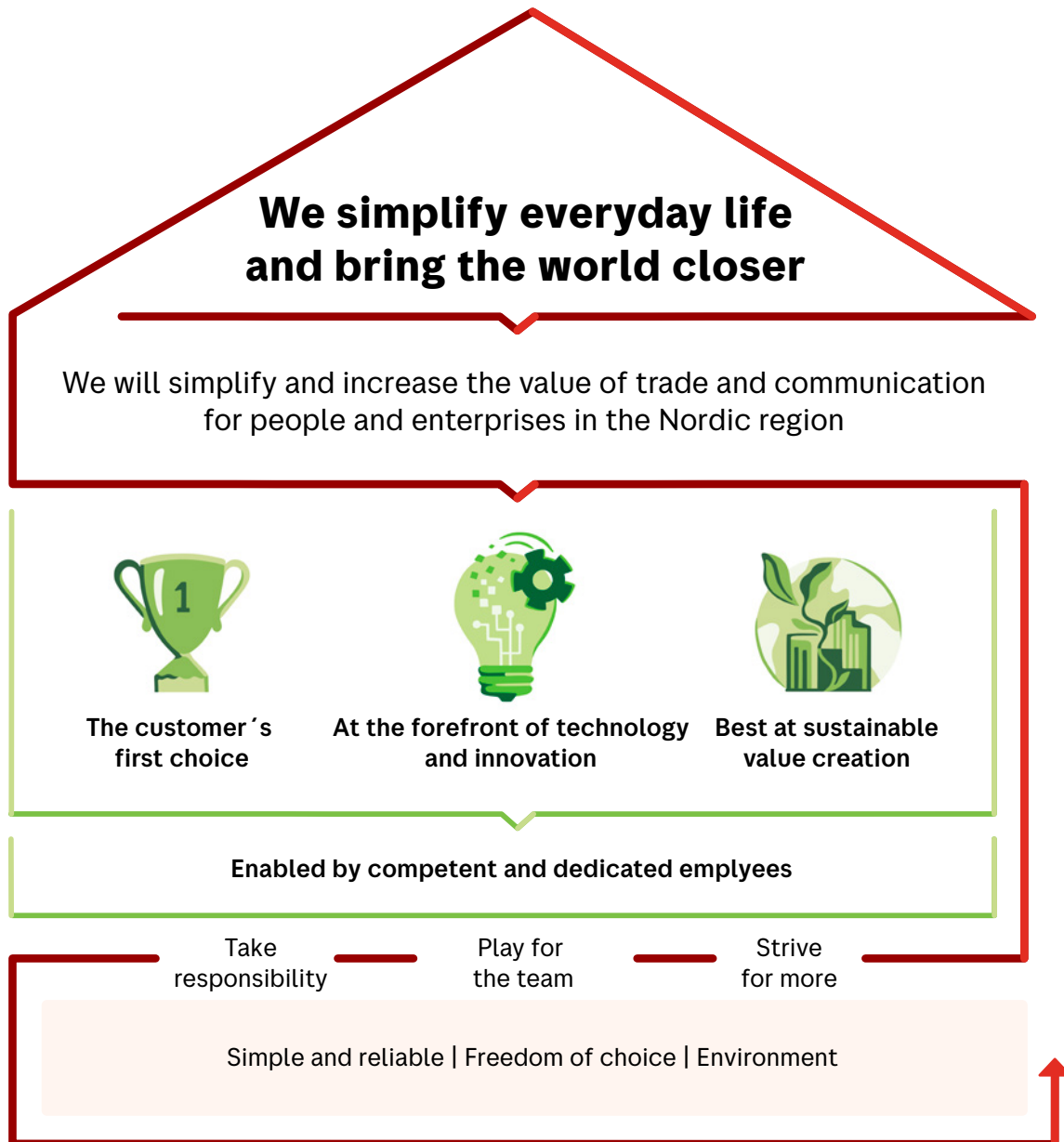
Norway Post has worked systematically with sustainability since 2010. Our environmental focus

is a business imperative and an integrated part of our business model. As a large Nordic transport and logistics company, we know that we are part of the problem and thus also part of the solution. Providing sustainable logistics services is key to a future with a lower carbon footprint. We must therefore be conscious of how we use and affect resources.

Our strategy towards 2023 sets the direction for how we’ll use our resources to ensure competitiveness and sustainable value creation.



Our strategic platform gives us a clear direction towards sustainability



Being best at sustainable value creation means that we will be **the greenest logistics provider**, be a **responsible social player** and an **employer with an efficient cost structure** that contributes to long-term value creation.



Best at sustainable value creation

The greenest logistics provider

- Have a clear focus on environmentally and climate friendly logistics solutions
- Be among the first to test and exploit new environmentally and climate-friendly technology

A responsible social player and employer

- Ensure stable and secure deliveries as a part of society's critical infrastructure
- Maintain a high ethical standard and safe working conditions for our employees
- Take a leading role in follow-up of corporate social responsibility (employee rights, ethical standard, etc.) in the supply chain

An efficient cost structure that contributes to long term value creation

- Create long-term value for our owner (EV)
- Ensure high cost-effectiveness and productivity in order to be competitive in several segments
- Develop and invest in long-term profitability (ROIC, EBIT)





An integrated part of our business model

Climate and environment have been strategic focus areas for us since 2010 and our systematic work has reduced our climate footprint. Since 2012 we have reduced our CO₂ emissions with 45 %. This corresponds to one year of emissions from approximately 116,300 passenger cars.

Norway Post's climate and environment initiatives are presented in a yearly sustainability report. This report is recognized for being informative and transparent, and containing both our direct and indirect climate footprint.

In 2020 Norway Post had 1.577 vehicles running on renewable energy, accounting for a 26 % share of our total fleet, including 529 heavy goods vehicles running on renewable biofuels. We have emission free delivery of letters and small parcels in 49 cities and towns.

Our use of rail transport was increased by 14,7 %, moving 8.427 trailers from road to rail.

PwC has highlighted Norway Post as one of only four Norwegian companies that can document sufficient cuts in carbon intensity and total emission in line with the Paris Agreement.

We'll continue to be at the forefront of demanding, testing and adopting low and zero emission vehicle technology. We'll also continue our dialogue with suppliers to gain knowledge about new products and solutions which can support our goal of sustainable value creation.

We seek to accelerate the development of charging infrastructure for road and electrical vehicles through partnership with, and investments in, e.g. ElOnroad, Inzile, Volta. Norway Post's goal is to be the greenest logistics provider in our market. One of our key customer promises is to continue to be a driving force for the Nordic region to achieve its climate goals.



We have ambitious targets in order to achieve our goals:

Network

- Fossil free distribution in 40 Nordic cities using electric vans, cargo bicycles and mopeds
- Fossil free transports between selected cities by rail and road
- Set limit for orders of new fossil driven vans during 2022 (cities) and 2023 (outside cities)
- Establish a climate program for our subcontractors to reduce our overall climate footprint
- 100 % renewable energy and sufficient charging capacity for our terminals and buildings
- Define standards for sustainability for our buildings, disposable materials and packaging

Services

- Provide more green services in cities, and evaluate new services from a green point-of-view
- Provide our customers with improved emission reports and calculators, and be a climate advisor on logistics services
- Facilitate the Circular Economy and provide circular services

Partnership

- Initiate partnership and scalable projects to reduce emissions from heavy goods transport and provide new and increasingly sustainable services

Communication and reputation

- Clearly communicate our ongoing climate initiatives to strengthen our reputation and value proposal to our customers
- Broad communication plan to build pride and excitement within our company
- Actively influence our framework conditions and be a driving force in our market

Norway Post is committed to reduce absolute scope 1 and 2 GHG emissions as well as Scope 3 GHG emissions from fuel and energy related activities 42% by 2030 from a 2020 base year. Furthermore, the group commits to reduce scope 3 GHG emissions from upstream transportation and distribution 32 % per tonne kilometer by 2030 from a 2020 base year.

Posten Norge AS also commits to reduce absolute Scope 3 GHG emissions from employee commuting 25% by 2030 from a 2020 base year.



Roles and responsibilities

Sustainability is an integrated part of our company structure with dedicated specialists working on both group and divisional level. Our specialists in sustainability and procurement work closely together and are driving forces managing the Group's climate initiatives. By having experts work with sustainable solutions throughout the organization, we secure efficient use of knowledge, experience and best practices.

Our specialists are also responsible for our collaboration with external partners and suppliers, as well as other specialists on sustainability.

The Board of Directors and Group management

team are directly involved in Norway Post's environmental commitment, both on risk mitigation and strategic initiatives. The Group's ambitions are formulated in our environmental policy and strategy, supported by action-plans in the respective business areas. Our initiatives are closely followed-up through reports, business reviews, and division-specific KPI charts. A climate reporting system is used for the entire Group to record its' total climate impact and is presented in accordance with the Greenhouse Gas Protocol and is audited by an external third party.

Collaboration is the key to a sustainable future

If the world is to meet the 1.5-degree target of the Paris Agreement, we must have close dialogue with companies in our sector and across sectors, organizations and authorities. Cooperation is a part of the solution to the climate challenges. The Group is a member of the International Post Corporation, which promotes international cooperation within the industry.

Our Chief Executive Officer Tone Wille is a member of Nordic CEOs for a Sustainable Future, where Nordic business leaders seek cooperation with Nordic authorities for an increased rate of change for the climate and diversity. Tone Wille is also on

the board of SKIFT – an industry-driven climate initiative. SKIFT comprises climate leaders in trade and industry and its objective is to lead the way to demonstrate which business opportunities are available in the transition to the low emission society.

Posten and Bring also have close cooperation with Zero in Norway and the 2030-secretariat in Sweden. Over several years Posten and Bring have demanded, tested and deployed environmentally efficient solutions to create a market for environmentally efficient vehicles and competitive and sustainable fuel.





We are actively working to create a market by sharing our own experience with electric vehicles and participating in the project “Emission-free Utility Transport” under the auspices of Zero, GreenFleet and the EL6 project that is investigating road-based charging for heavy electric vehicles.

The Group has ongoing dialogue and collaboration with various industrial actors and organi-

zations, such as the Confederation of Norwegian Enterprise (NHO). The Group is also participating in “Business for Climate”, an environmental partnership between the City of Oslo and the business community, and in 2019 we were a proud partner in Oslo European Green Capital. A similar partnership has been established in Sweden with the City of Stockholm through “Klimatpakten”.

The world's most important to-do list

The United Nations have through their Sustainable Development Goals (SDGs) given the world a common direction and guidelines enabling progress towards a sustainable future.

Based on our stakeholders and the scope of our business, there are five goals that stand out, where

we can make a positive difference and create long-term values for the environment, people, and our own business.



Goal 8 - Decent work and economic growth

Decent work and economic growth – As a labour-intensive business and one of Norway's largest employers we are responsible for employees having decent employment and working conditions as well as equal opportunities.



Goal 11 - Sustainable cities and communities

Sustainable cities and societies – Cities account for 75% of global carbon emissions and zero emission transport is an important part of the goal of sustainable cities and societies.



Goal 9- Industry, innovation and infrastructure

Innovation and infrastructure – Norway Post constitutes an important part of the infrastructure in the Nordic region. Innovation is essential to continue being relevant.



Goal 13 - Climate action

Stop climate change – The transport sector is one of the largest emitters in climate accounting for the Nordic countries. We can make a big impact.



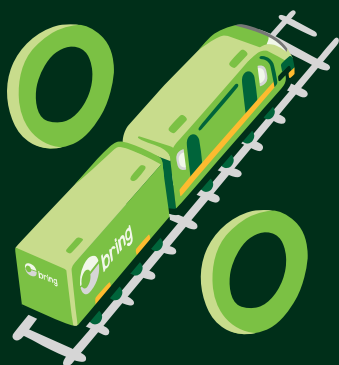
Goal 17- Partnerships for the goals

Collaboration is required at multiple levels to achieve global and local sustainability goals.

Examples of what we have achieved the last couple of years

From 2019-2020 we increased the use of rail transport by

14.7%



8 427 trailers

were moved from road to rail, which on average is equivalent to

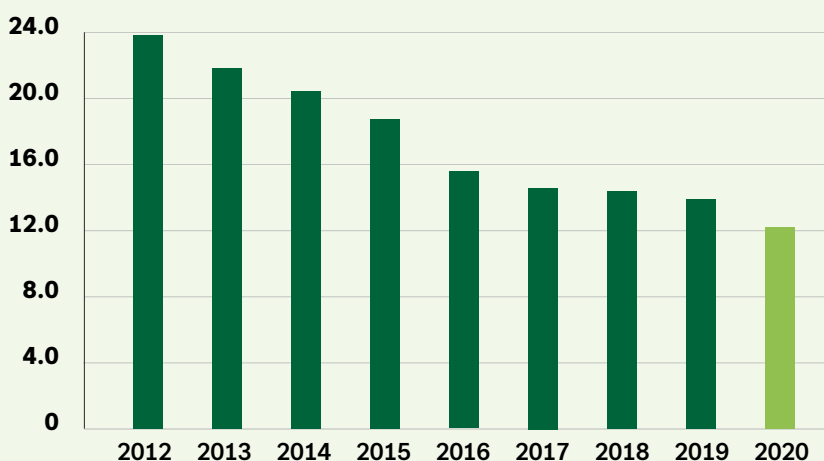
23 fewer

trailers on the road every day



Emission intensity

CO₂ emissions (grammes) per NOK earned



Our CO₂ emissions have been reduced by

45%

since 2012

...equivalent to one year's emissions from

116 282 passenger cars

A declining emission intensity indicates a more emission-efficient organisation.

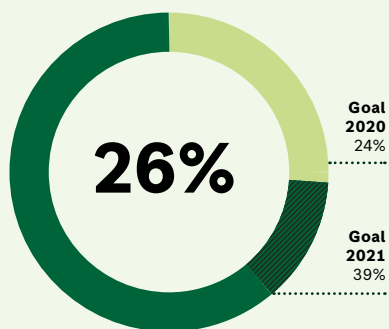
53 vans

running on fossil fuel have been replaced with electric ones, which is equivalent to a reduction in emissions of approximately

120 tonnes of CO₂



In 2020, the proportion of our vehicles running on renewable energy was



In 2020, we signed a letter of intent with the City of Oslo to

establish charging infrastructure for electric vehicles



Green Finance Framework

The structure of the Framework has been developed in alignment with the ICMA Green Bond Principles (GBP) 2021, as well as the LMA and APLMA Green Loan Principles (GLP) 2021, and therefore consists of the four core components as well as the recommended External Review component (The ICMA, LMA and APLMA refer to these as “the four core components”).

1. USE OF PROCEEDS
2. PROCESS FOR PROJECT EVALUATION AND SELECTION
3. MANAGEMENT OF PROCEEDS
4. REPORTING
5. EXTERNAL REVIEW

Norway Post intends to follow and align its best practices in relation to Green Bonds and Loans, as the market standards develop and in line with the EU classification of environmentally sustainable economic activities in the EU Taxonomy. Therefore, Norway Post’s Green Finance Framework may be amended and/or updated to reflect the changes in market practice.

1. USE OF PROCEEDS

Allocation of net proceeds









Norway Post will finance Eligible Assets in part or in full that promote the transition to low-carbon and climate resilient growth as determined by Norway Post and in line with Norway Post sustainability policy. The proceeds raised based on the Green Finance Framework can be applied towards Eligible Assets within an acquired company, development, new Eligible Assets and to refinance renovations and upgrades existing assets defined as assets older than 12 months and a maximum lock back period of three years. All proceeds under the Green Finance Framework will be used in compliance with the below list of Eligible Assets providing environmental benefits in accordance with the defined categories. Eligible Assets are owned by Norway Post or indirectly through their subsidiaries. Norway Post will only finance or refinance investments in Norway and Sweden.








Exclusions

Net proceeds from Green Instruments will not be allocated to Assets for which the purpose of the Eligible Assets is to finance fossil fuel vehicles, equipment or generation of any sort (including transport of fossil fuel for our customers).

Sustainable Development Goals

In this Framework, each Eligible Assets category has been mapped to the SDGs in accordance with the High-Level Mapping to the Sustainable Development Goals published by ICMA.

CATEGORIES	ELIGIBLE PROJECTS	UN SDG'S
Clean Transportation	<p>Financing of electric and other clean energy vehicles such as bikes, cars and trucks running on electricity, hydrogen, biodiesel, biogas or bioethanol, as well as rail and multi-modal transportation.</p> <p>This category can also be used for financing of supporting infrastructure such as charging stations for clean energy vehicles as mentioned above and for rail and multi-modal transportation.</p>	 <p>9.4) By 2030, upgrade infrastructure and restructure business to become more sustainable, with more efficient use of resources and greater use of clean and environmentally friendly forms of technology and industrial processes, where all countries make an effort based on their own ability and capacity</p>  <p>11.6) By 2030 reduce negative impact on the environment in metropolitan areas measured per capita, among other things by placing special emphasis on air quality as well as public and other forms of waste management</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>
Green Buildings	<p>Financing of new or existing buildings that have or will receive a design stage certification or a post construction certification from BREEAM-NOR with a minimum certification level of "Very Good" or an equivalent system determined by Norway Post, in addition to an Energy Performance Certificate (EPC) with energy class A according to corresponding national standards.</p>	 <p>11.6) By 2030 reduce negative impact on the environment in metropolitan areas measured per capita, among other things by placing special emphasis on air quality as well as public and other forms of waste management</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>
Pollution Prevention and Control	<p>Financing of investments into infrastructure or technologies reducing local air and/or water pollution in connection to buildings and/or industrial sites.</p>	 <p>9.4) By 2030, upgrade infrastructure and restructure business to become more sustainable, with more efficient use of resources and greater use of clean and environmentally friendly forms of technology and industrial processes, where all countries make an effort based on their own ability and capacity</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>
Climate Adaptation	<p>Financing of investments into infrastructure or technology enhancing the resilience of buildings such as enforcements to protect terminals from flooding or increased precipitation.</p>	 <p>13.2) Incorporate measures against climate change into national policies, strategies and planning</p>

CATEGORIES	ELIGIBLE PROJECTS	UN SDG'S
Renewable Energy	Financing and refinancing of renewable energy production, such as solar power, hydro power, emission free geothermal heating and cooling or other non-fossil sources as well as related infrastructure connection, electric substations and foundations.	 <p>9.4) By 2030, upgrade infrastructure and restructure business to become more sustainable, with more efficient use of resources and greater use of clean and environmentally friendly forms of technology and industrial processes, where all countries make an effort based on their own ability and capacity</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>
Eco-efficient and circular economy adapted production technologies and processes	Financing of resource-efficient packaging and distribution solutions within the “Elskede By” concepts such as parcel boxes with the aim to reduce pollution, waste, noise, and transportation through route optimizations as well as creating a better atmosphere and promotion of sustainable transportation solutions and circular economy.	 <p>9.4) By 2030, upgrade infrastructure and restructure business to become more sustainable, with more efficient use of resources and greater use of clean and environmentally friendly forms of technology and industrial processes, where all countries make an effort based on their own ability and capacity</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>
Energy Efficiency	Financing of energy retrofits such as the installation of more energy efficient ventilation or heating systems, adjusting light controls and light fittings. The Green Finance Committee will only include investments that target a minimum energy saving of 30 % and where a minimum negative climate impact and potential rebound effect is achieved.	 <p>9.4) By 2030, upgrade infrastructure and restructure business to become more sustainable, with more efficient use of resources and greater use of clean and environmentally friendly forms of technology and industrial processes, where all countries make an effort based on their own ability and capacity</p>  <p>11.6) By 2030 reduce negative impact on the environment in metropolitan areas measured per capita, among other things by placing special emphasis on air quality as well as public and other forms of waste management</p>  <p>13.3) Strengthen the ability of individuals and institutions to counteract, adapt and mitigate the consequences of climate change and their ability to provide early warnings, and to strengthen knowledge and awareness of this</p>

2. SELECTION AND EVALUATION OF ELIGIBLE PROJECTS

Norway Post has established a Green Finance Committee (GFC) to evaluate and select assets that are in line with the criteria set out in the use of proceeds section. The committee meets at least on an annual basis or when needed. The Green Finance Committee is comprised of representatives from Treasury, Group Sustainability, Business Control and the CFO.

The Green Finance Committee is responsible for:

- Evaluating the compliance of proposed assets with the eligibility criteria outlined in the Use of Proceeds section above.
- Ensuring that the pool of Eligible Assets is

aligned with the categories and criteria as specified in the Use of Proceeds section.

- Replacing investments that no longer meet the eligibility criteria (e.g. following divestment, liquidation, concerns regarding alignment of underlying activity with eligibility criteria etc.)
- On a best effort basis, reviewing and updating the content of the Green Framework and managing any future updates of this document to reflect relevant changes in the Company's corporate strategy, technology and market developments such as the EU classification of environmentally sustainable economic activities the EU Taxonomy.

3. MANAGEMENT OF PROCEEDS

An amount equal to the net proceeds of any Green Finance Instrument raised will be credited to an earmarked account that will support Norway Post's lending to Eligible Assets. As long as the Green Finance Instruments are outstanding and the earmarked account has a positive balance, funds may be deducted from the earmarked account and added to Norway Post's lending pool in an amount up to all disbursements from that pool made in respect of Eligible Assets.

The earmarked account will ensure monitoring and tracking of the Eligible Assets. The Group Treasury is responsible for the allocation of proceeds. If, for any reason, an Eligible Assets ceases to comply with the requirements set out in this Framework such asset will be removed from the earmarked pool. Proceeds yet to be allocated towards Eligible Assets will be placed in the liquidity reserves and managed as such.

4. REPORTING

To enable investors to follow the development and to provide insight to prioritized areas Norway Post will provide a Green Financing Impact Report on an annual basis. Norway Post intends to report on quantitative impact indicators where feasible and relevant data information is available. The Green Financing Investor Report will include:

Allocation Reporting

1. A description of the portfolio of Eligible Assets
2. Type of financing instruments utilized and respective outstanding amounts
3. Information on the split between new financing and re-financing
4. A list of Eligible Assets including the amounts allocated, including allocated and disbursed amounts per category and geographical distribution.

Impact Reporting

The impact reporting aims to disclose the environmental impact of the Eligible Assets financed under this Framework, based on Norway Post's financing share of each project. As Norway Post can finance large and small Eligible Assets in the same Project Category, impact reporting will, to some extent, be aggregated.

The impact assessment is provided with the reservation that not all related data can be covered and that calculations therefore will be on a best effort basis e.g. if a Green Building is under construction but not yet operational, Norway Post will provide best estimates of future energy performance levels. The impact assessment will, if applicable, be based on the Key Performance Indicators (KPIs) presented in the table below.

GBP CATEGORIES	EXAMPLES OF IMPACT INDICATORS
Clean transportation	Annual absolute (gross) GHG reductions in percentage.
Green buildings	Environmental certification.
Pollution Prevention and Control	Waste that is prevented, minimized, reused or recycled before and after the project in % of total waste and/or in absolute amount in tonnes per year.
Climate Adaptation	Facilities protected against extreme weather. Capacity of system or facilities covered, for example for water management or regarding enhanced resilience.
Renewable energy	Annual renewable energy generation GWh. Annual GHG emissions reduced/avoided, in tonnes, CO2-equivalent.
Eco-efficient and/or circular economy adapted products, production technologies and processes	Each yearly report will include one example (if applicable) of an Eco-efficient investment that have been financed with green net proceeds. KPI's will not be disclosed beforehand in this Framework. Norway Post will emphasize on carbon savings, where applicable, as relevant performance metrics.
Energy efficiency	Percentage of energy use reduced/avoided

5. EXTERNAL REVIEW

Second party opinion (pre-issuance)

To secure alignment with national and international guidelines, Norway Post has engaged Cicero to act as an external verifier of this Green Finance Framework and the Eligible Projects.

Third-Party Review (post-issuance)

Norway Post will appoint an external independent auditor to annually assure that the selection pro-

cess for the financing of Eligible Projects and that the allocation of the net proceeds of the Green Bonds are done in accordance with Norway Post's Green Finance Framework.

Publicly Available Documents

The Green Finance Framework, the second party opinion and the investor report will be publicly available on Norway Post's website.

Documentation of Environmental and Sustainability work

#	NAME	PUBLIC / NON-PUBLIC
1	Annual Report	Yes
2	Environmental policy	Yes
3	Code of Business Conduct	Yes
4	Supplier Code of Conduct	Yes
5	Whistle-blower Policy	Yes
6	Equal Treatment Policy	Yes
7	Anti-Corruption Policy	Yes