

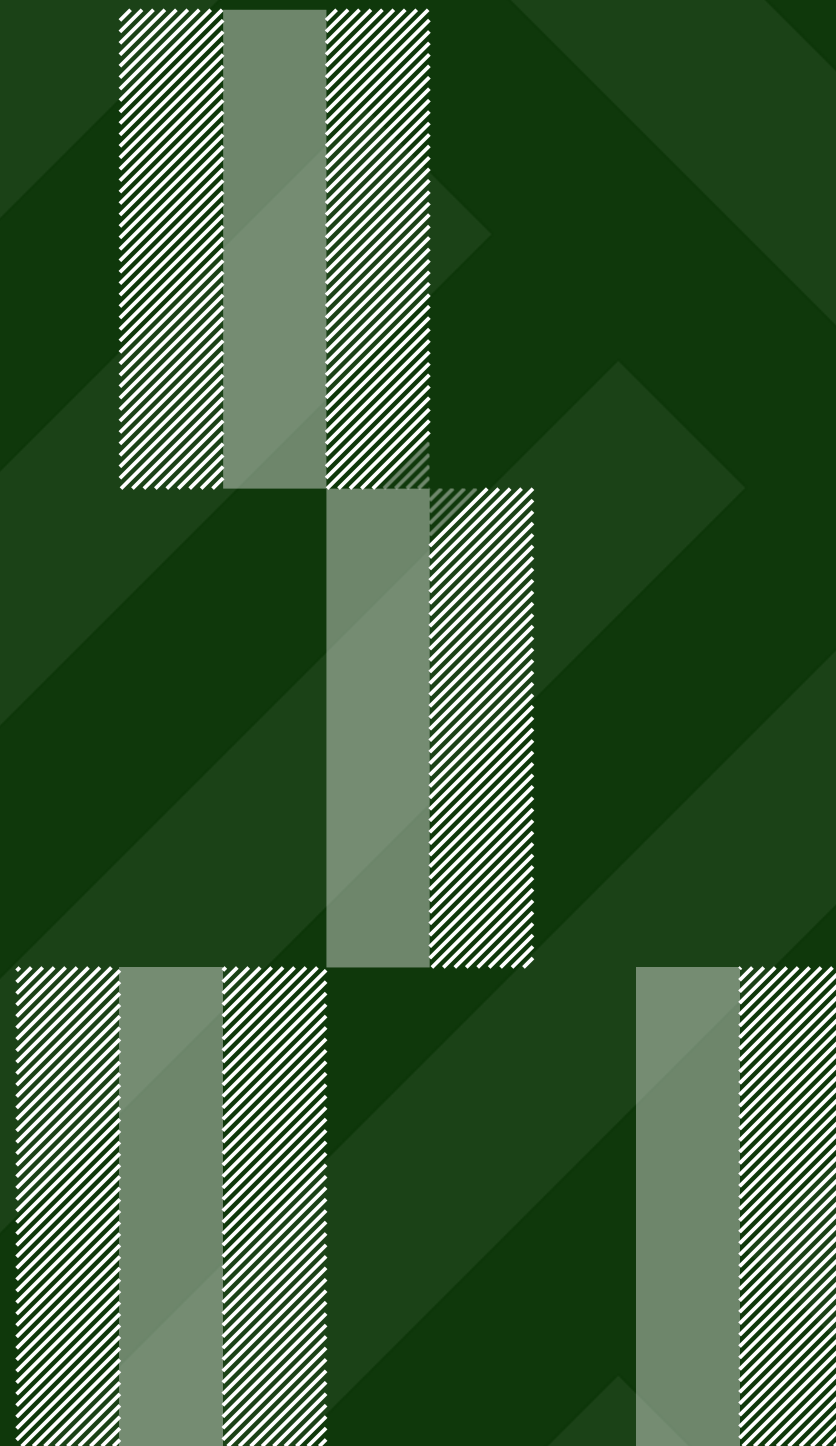
Green Finance Framework

November 2024



Contents

03	About Logistea
03	Logistea's sustainability agenda
<hr/>	
07	The Green Finance Framework
07	Logistea's rationale for updating the Framework
08	Use of Proceeds
11	Process for Asset Evaluation and Selection
12	Management of Proceeds
12	Reporting
13	External Review



About Logistea

Logistea AB (“Logistea” or the “Company”) is a real estate company, listed on Nasdaq Stockholm. The Company acquires, develops, and manages light industry real estate, positioned in attractive Northern European markets. In June 2024, Logistea entered into an agreement with KMC Properties ASA (“KMC”), listed on the Oslo Stock Exchange, where Logistea merges with KMC by acquiring all operations in the KMC Group. Through the transaction, Logistea becomes a leading real estate company in the Nordic region in the warehousing, logistics and light industry segment.

As of 30 September 2024, Logistea’s property portfolio, amounted to approximately 1,404,000 sqm of lettable area across 145 properties, with a property value of SEK 13.1 billion. The Company also has approximately 342,500 sqm in its building rights portfolio. Contracted income by segment mainly relates to industrial and production, insulation and construction, followed by the fishing industry, together accounting for approximately 67% of contracted income. Location wise, most contracted income stems from Sweden and Norway, together accounting for approximately 78% of contracted income.



Logistea’s sustainability agenda

The property sector is a key industry in driving the transition to a sustainable and carbon-neutral society. Logistea sees sustainability as a basic condition for long-term value creation. In its sustainability work, Logistea focuses on three priority areas:

- ✓ *Green buildings* - Logistea offers customers energy-efficient and environmentally friendly buildings.
 - Energy efficiency and fossil-free electricity
 - Renewable electricity from solar cells
 - Battery storage stabilising the national grid
- ✓ *Thriving local communities* - Logistea plays a part in creating sustainable logistics hubs in attractive locations close to markets and customers.
 - Investments that drive development in communities
 - Long-term and responsive landlord
 - Healthy and safe buildings
- ✓ *Responsible ownership* - Logistea is a long-term and responsible owner.
 - Sustainable acquisitions
 - Sustainable property development
 - Sustainable management

Further, sustainability and high ethics are a natural part of the Company’s entire value chain. For example, sustainability issues are a natural consideration when Logistea identifies and evaluates potential investments. The technical and environmental due diligence process includes analysing energy consumption, exposure to fossil fuels and toxic building materials, such as asbestos and PCBs, and whether environmental toxins are present in the soil. When shortcomings are identified in the plan’s sustainability characteristics, the costs arising from an action plan are assessed.

Environmental responsibility

Climate neutral by 2030

The overarching goal is that Logistea's operations are to be climate neutral by year-end 2030, as defined in Scopes 1 and 2 (own operations and procured energy). Logistea is also working towards being able to report its carbon footprint within Scope 3 (in the Company's own value chain).

To that end, Logistea will invest in energy efficiency measures, phase out fossil fuel energy and maintain a 100% fossil-free electricity supply to its properties (where the subscription is within the Company's control). Other environmental measures for example include installing battery storage facilities and expanding the charging infrastructure. In addition, Logistea also focuses on eco-areas to protect biodiversity.

Selected initiatives

- ✓ *Net zero GHG emissions* - in 2024, Logistea will initiate measurement of Scopes 1 and 2 CO2 emissions. The Company will also take a baseline measurement that will enable the Company to monitor the impact of its energy efficiency measures and target achievement.
- ✓ *Solar cells* - Logistea works to investigate the interest of the Company's tenants in implementing solar cell solutions on the properties. An inventory and control of the conditions for each property to be able to install solar cell solutions is ongoing.
- ✓ *Batteries* - for example in Vaggeryd's Logistics Park batteries have been installed corresponding to an output of 9 MW and will be commissioned by Svenska Kraftnät at the end of Q4 2024.
- ✓ *Energy efficiency* - Logistea works ongoing with various energy efficiency measures based on the properties' energy declarations. For the properties where the tenant is responsible for the energy and heating infrastructure, dialogue is ongoing about action plans. The work of digitalising the property portfolio in order to be able to control and regulate energy use on each property is continuing.
- ✓ *Eco-areas* - in June 2024, the newly sown meadow land was inaugurated on the Viran 8 property in Borås. The project, which has been carried

out together with the tenant TST Sweden AB, consisted of converting the existing grass area into a meadow with 140 different plant varieties. Meadows are important for preserving biodiversity and allowing animals and plants to live freely even in exploited areas. Bio spaces are one of Logistea's focus areas, as property owners can greatly influence the proportion of green spaces on and around their properties.

- ✓ *Green leases* - "green appendices" are attached to new leases that Logistea enters into with major tenants, which clearly state the tenant's sustainability commitments, for example in terms of consumption of energy. Green annexes are incorporated in all new, and renegotiation of existing, leases.
- ✓ *Physical climate risks* - In 2025, Logistea has an ambition to conduct a climate risk and vulnerability analysis of all properties within the portfolio.

Selected targets

- ✓ *Net zero GHG emissions* - net zero GHG emissions in Scopes 1 and 2 by 2030
- ✓ *Energy efficiency* measures - annually move at least 10% of the properties in the comparable portfolio to a significantly better energy class through energy projects until the end of 2025
- ✓ *Solar cells* - increase installed solar energy capacity by 1 MW annually
- ✓ *Batteries* - increase installed battery storage capacity by no less than 30 MW by year-end 2025
- ✓ *Fossil-free electricity* - 100% fossil-free electricity by year-end 2025 for the properties where Logistea has the control of the electricity subscription
- ✓ *Eco-areas* - endeavour to create eco-areas that promote biodiversity, in collaboration with tenants
- ✓ *Charging infrastructure* - five properties per year are to be equipped with charging infrastructure for electric vehicles
- ✓ *Recycling* - in new construction and conversions, Logistea will endeavour to use recycled building materials

Social responsibility

Equality, diversity and inclusion

Logistea is committed to not causing or contributing to negative impacts on human rights. The Company promotes equal opportunities for all, irrespective of age, gender, transgender identity or expression, sexual orientation, faith or ethnic background. Discrimination is not tolerated. Logistea rejects all forms of forced labour and protect the freedom of expression of its employees. This applies both to the Company's own organisation and to those of its suppliers.

The Company's goal is to ensure an even gender distribution at all levels. The Board of Directors consists of five men and two women, and the management team of one women and eight men. Overall, the balance of women/men in the Company is 43%/57%. For Logistea's employees, salaries are set on the basis of equal pay for equal work. To contribute to employees' health and promote a high level of healthy attendance, employees are encouraged to engage in physical activity, and the Company also offers wellness allowance. Employee surveys are conducted annually.

Selected target

- ✓ *Gender equality* - Logistea aims to achieve 40/60% gender balance in the Company, management team and Board

Safe environments

Logistea strives to create safe, accessible and pleasant environments in the warehousing, logistics and industrial areas where the Company is property owner. Here, Logistea works with tenants and municipalities to develop the neighbourhoods in which the Company operates. This includes, for example, establishing green spaces, pedestrian paths and good lighting.

Healthy and safe buildings

Logistea's properties are designed to be safe and healthy to stay in. Prior to acquisition, an inventory is made to identify materials that are potentially hazardous to health and the environment. In the case of a new building, the property is environmentally certified according to the BREEAM standard. The standard includes quality requirements for indoor air, sound insulation, comfortable temperature, visual amenity and rest and recreation areas. Investing in automated property management is an important part of contributing to a better indoor environment.



Main sponsor of Grunden Bois

In 2021, Logistea signed a three-year main sponsorship deal with Grunden Bois, a Gothenburg-based sports association. The association welcomes anyone with a functional variation who wishes to take part in a sporting activity. Through this sponsorship, Logistea hopes to promote the conditions to enable all girls and boys who want to take part in sports to do so, regardless of the level of their functional variation or existing sporting ability.

Governance

Governance structure

- ✓ *Board of Directors* - ultimately responsible for the Company's sustainability strategy
- ✓ *Head of Administration* - oversees the practical work in sustainability and producing and following up on action plans established
- ✓ *The Company's project managers in the real estate portfolio* - responsible for ensuring that the Company's sustainability targets and commitments are integrated into the routines when constructing, refurbishing or otherwise developing properties.

In addition, Logistea conducts annual training on its policies for all personnel. Logistea's Code of Conduct is an important device for clarifying how all employees are expected to act in accordance with the Company's values. All essential suppliers shall also sign up to Logistea's Supplier Code of Conduct. Logistea has a systematic process for identifying and minimising risks in the supply chain.

Selected policies and tools

- ✓ *Code of Conduct*
- ✓ *Finance policy*
- ✓ *Internal control and financial reporting*
- ✓ *Supplier Code of Conduct*
- ✓ *Sustainability policy*
- ✓ *Whistleblower function*

Selected target

- ✓ *Code of Conduct* - all Logistea employees shall be trained in and essential suppliers shall undertake to comply with Logistea's Code of Conduct

International standards and initiatives

The following external guidelines and initiatives govern Logistea's sustainability work:

- ✓ The EU Taxonomy and Corporate Sustainability Reporting Directive (CSRD)
- ✓ *UN Sustainable Development Goals* (UN SDGs) - Logistea has concluded that the Company is best able to contribute to the following SDGs:
 - SDG 7 Affordable and clean energy
 - SDG 11 Sustainable cities and communities
 - SDG 13 Climate action
 - SDG 16 Peace, justice and strong institutions
- ✓ *UN Global Compact* - Logistea is a member since 2022
- ✓ *OECD Guidelines for Multinational Enterprises*
- ✓ *ILO Core Conventions*
- ✓ *UN Guiding Principles on Business and Human Rights*
- ✓ *The Paris Agreement*
- ✓ *Sweden's roadmap for a fossil-free Sweden*



The Green Finance Framework

Logistea's rationale for updating the Framework

In September 2021, Logistea established its inaugural Green Finance Framework. Since then, business operations have expanded into new geographical markets and the property portfolio have increased to SEK -13 billion following the merger of KMC. Further, the green bond market and sustainability related regulations have evolved and Logistea aims to incorporate market developments into its updated Green Finance Framework (the "Framework"). Thus, this Framework replaces the previous Framework published in 2021.

The property industry is accountable for about 40% of energy consumption and 36% of all CO2 emissions in the EU¹ and therefore plays a crucial role in EU decarbonization efforts. The ongoing transition of the property sector requires large investments and increases opportunities for green financing. Therefore, Logistea is committed to continue to invest in green buildings and energy efficiency measures to mitigate the building's environmental impact further. This updated Framework which follows most recent market practice thus supports Logistea's sustainability strategy and the achievement of its environmental targets.

The Framework has been developed in alignment with the ICMA Green Bond Principles from 2021 ("GBP"²) and the LMA/LSTA/APLMA Green Loan Principles from 2023 ("GLP"³). The Framework follows the four core components of the principles including key recommendations for external review:

- ✓ Use of Proceeds
- ✓ Process for Asset Evaluation and Selection
- ✓ Management of Proceeds
- ✓ Reporting
- ✓ External Review

The Framework is applicable for arrangement of green finance instruments such as bonds, loans, revolving credit facilities and commercial papers (collectively referred to as "Green Finance Instruments").

The terms and conditions of the underlying documentation for each Green Finance Instrument arranged by Logistea shall provide a reference to this Framework. This Framework may over time be updated. However, new versions may have no implications for the Green Finance Instruments that have been arranged under this Framework.

Further, this Framework is applicable to the parent company and its subsidiaries. In case green eligible assets are owned by joint ventures or associated companies, the value of green eligible assets is to be adjusted for the share of capital owned by Logistea.

Swedbank has acted as advisor to Logistea in the establishment of this Framework.

¹Source: [European Public Real Estate Association](#).

²The Green Bond Principles (GBP) 2021 (with June 2022 Appendix 1).

³The Green Loan Principles (GLP) Feb 2023

Use of Proceeds

Allocation of net proceeds

An amount equivalent to the net proceeds from Logistea's Green Finance Instruments shall be used to finance or re-finance, in whole or in part, a portfolio of assets ("Green Eligible Assets") located in all geographies where Logistea has its presence. Green Eligible Assets aim to provide distinct environmental benefits and comply with criteria detailed in the table on the following page.

Green Eligible Assets are both capital expenditures ("CapEx") (could either be reported directly in the income statement or capitalised on the balance sheet) and/or operational expenditures ("OpEx"). CapEx does not have any requirement for look-back period, while OpEx does have a requirement of maximum three-year look-back period from the time of issuance. Refinancing refers to Green Eligible Assets that have been financed prior the reporting year. New financing refers to Green Eligible Assets that have been financed during the reporting year.




Exclusion criteria

The net proceeds of Logistea's Green Finance Instruments will not be used to finance either fossil fuel energy generation, nuclear energy generation, weapons, and defence industries nor potentially environmentally negative resource extraction, gambling, or tobacco.

EU Taxonomy

Logistea has taken into consideration the EU Taxonomy and thereby mapped applicable categories to the environmental objectives and to examples of economic activities under the EU Taxonomy. Where possible, applicable Eligibility Criteria has been designed to comply with the technical screening criteria set out in the EU Taxonomy Delegated Act as at the time of this Framework publication.



Green Eligible Asset categories	Eligibility Criteria
<p data-bbox="215 363 506 387">ICMA GBP: Green Buildings</p> <p data-bbox="215 411 580 472">EU Taxonomy objective: Climate change mitigation</p> <div data-bbox="282 491 515 608">  </div>	<p data-bbox="607 132 779 156">New buildings⁴</p> <p data-bbox="607 164 1420 188"><i>Corresponding EU Taxonomy activity: “7.1. Construction of new buildings”</i></p> <p data-bbox="607 212 1055 236">Buildings that either have or will receive:</p> <ul data-bbox="607 244 2045 472" style="list-style-type: none"> <li data-bbox="607 244 2045 300">• Primary Energy Demand (PED) at least 10% lower than the threshold set for Nearly Zero Energy Building (NZEB) according to national building regulations. The energy performance is certified using an Energy Performance Certificate (EPC)⁵, or <li data-bbox="607 308 1301 331">• Minimum certification of BREEAM/BREEAM In-Use “Excellent” <li data-bbox="607 339 2045 472">• Additional criteria for buildings larger than 5,000 sqm⁶: <ul data-bbox="651 371 2045 472" style="list-style-type: none"> <li data-bbox="651 371 1682 395">• The building undergoes testing for air-tightness and thermal integrity, upon completion; and <li data-bbox="651 403 2045 472">• The life-cycle Global Warming Potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle <p data-bbox="607 491 815 515">Existing buildings⁷</p> <p data-bbox="607 523 1514 547"><i>Corresponding EU Taxonomy activity: “7.7. Acquisition and ownership of buildings”</i></p> <p data-bbox="607 571 1055 595">Buildings that either have or will receive:</p> <ul data-bbox="607 603 2045 699" style="list-style-type: none"> <li data-bbox="607 603 2045 659">• EPC A or qualifying within top 15% of the national building stock expressed as operational PED and demonstrated by adequate evidence⁸, or <li data-bbox="607 667 2045 699">• Minimum certification of BREEAM/BREEAM In-Use “Excellent” or “Very Good” with minimum score of 70% in the Energy category <p data-bbox="607 722 824 746">Major renovations⁹</p> <p data-bbox="607 754 1442 778"><i>Corresponding EU Taxonomy activity: “7.2. Renovation of existing buildings”</i></p> <ul data-bbox="607 802 1977 826" style="list-style-type: none"> <li data-bbox="607 802 1977 826">• PED savings of at least 30% within maximum of three years and validated through an EPC upon completion of the renovation

⁴New buildings are defined as buildings where the building application was filed after 31 December 2020.

⁵Under current legislation, for Germany and Sweden this means minimum EPC B. For Belgium, Denmark, Finland, Poland this means EPC A. For Norway this means EPC A and some EPC B. For Netherlands this means minimum EPC A++. Equivalent values will apply in other countries and will be evaluated on a case-by-case basis.

⁶Subject to implementation through national legislation.

⁷Existing buildings are defined as buildings where the building application was filed before 31 December 2020.

⁸Top 15% PED applicable under this Framework will be updated continuously. Logistea will reference an external benchmark when determining the top 15% such as guidance by national governments or a specialist study.

⁹If the building post renovation fulfils criteria under “existing buildings” i.e. EPC A or within top 15% the market value of the building will qualify. If not, it will be limited to the renovation cost.

ICMA GBP category: Energy Efficiency

EU Taxonomy objective: Climate change mitigation



Installation, replacement, and maintenance of energy efficient measures including:

Energy efficient equipment

Corresponding EU Taxonomy activity: “7.3. Installation, maintenance, and repair of energy efficiency equipment”

- Addition of insulation to the building such as external walls (incl. green walls), roofs (incl. green roofs)
- Energy efficient windows, doors, light sources, heating, ventilation, air conditioning (HVAC) and water heating systems, incl. equipment related to district heating services with highly efficient technologies to the extent reasonable

Charging stations for electric vehicles

Corresponding EU Taxonomy activity: “7.4. Installation, maintenance, and repair of charging stations for electric vehicles in buildings”

- Charging stations for electric vehicles

Instruments and devices for measuring, regulating and controlling energy performance of buildings

Corresponding EU Taxonomy activity: “7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings”

- Smart thermostat systems and sensing equipment, including. motion and day light control, building automation and control systems, smart meters for heat, cool and electricity

Renewable energy technologies

Corresponding EU Taxonomy activity: “7.6. Installation, maintenance, and repair of renewable energy technologies”

- Solar power, heat pumps¹⁰, storage units and heat exchanger/recovery systems

¹⁰Such installations shall be compliant with Directive (EU) 2018/2001 to the extent relevant and follows from Swedish law.

Process for Asset Evaluation and Selection

Selection of Green Eligible Assets

The evaluation and selection process are key to ensure that an amount equivalent to the net proceeds from Green Finance Instruments are allocated to Green Eligible Assets which meet the Eligibility Criteria as set out in the Framework.

The Green Finance Committee

Logistea' Green Finance Committee ("GFC") is responsible for the evaluation and selection of Green Eligible Assets. Members of the GFC consist of the CFO, Head of Finance, head of property management, head of accounting and general counsel. The GFC will convene at least annually. Logistea will assure that the sustainability expertise always relies within the GFC. The evaluation and selection process has the following steps:

- ✓ Any GFC member or relevant department at Logistea may propose potential Green Eligible Assets to be evaluated in line with the Eligibility Criteria as set out in the Framework
- ✓ The GFC confirms that the proposed Green Eligible Assets are in line with the with Eligibility Criteria as set out in the Framework
- ✓ Approved Green Eligible Assets will be inserted to an internal tracking spreadsheet
- ✓ In addition, in order to manage potential environmental and social risks, the GFC ensures that all Green Eligible Assets adhere to the Company's internal policy documents and guidelines (see more details under "Governance" in this Framework) as well as official national environmental and social standards and applicable national laws and regulations. These laws are monitored and enforced by the local authorities, among others, as part of obtaining the necessary permits for new build projects. Further on a Company level, ESG is an integrated part of Logistea's operations including the investment decision process. Sustainability is also a topic on all board meetings where updates including risks and progress/possibilities are discussed. In addition, the board is responsible of approving new sustainability targets.

Additional responsibilities of the GFC include:

- ✓ Reviewing the eligibility of Green Eligible Assets on a regular basis (at least annually) to ensure there is sufficient volume of Green Eligible Assets in the internal tracking spreadsheet
- ✓ Reviewing the Framework and updating it to reflect changes in business strategy, market, or regulatory developments on a best-effort basis
- ✓ Overseeing, approving and publishing the Investor Report. Logistea may rely on external consultants and their data sources, in addition to its own assessments
- ✓ Updating external documents such as the Second Party Opinion (SPO) and related documents from external consultants and accountants in connection with material updates to this Framework



Management of Proceeds

Tracking of net proceeds

An amount equivalent to the net proceeds from Logistea' Green Finance Instruments will be tracked by using an internal tracking spreadsheet and managed on a portfolio level. This means that a Green Finance Instrument will not be linked directly to one (or more) pre-determined Green Eligible Assets.

The Company will keep track and ensure there are sufficient volume of Green Eligible Assets in the internal tracking spreadsheet. Further, the internal tracking spreadsheet can be updated as needed by adding Green Eligible Assets or removing Green Eligible Assets that are divested or ceases to comply with the Eligibility Criteria as set out in the Framework. The Finance Department is responsible for the management of proceeds.

Allocation Period

Logistea will commit to, on a best-effort basis, allocate the net proceeds from the Green Finance Instruments to Green Eligible Assets within 12 months from the issuance/arrangement date of each Green Finance Instrument.

Temporary holdings

Any unallocated proceeds will be temporary held by Logistea and placed on the Company's ordinary bank account.

Reporting

To be fully transparent towards investors and other stakeholders, Logistea will publish an Investor Report. The report will include an allocation report and an impact report and will be published on an annual basis until full allocation and in the event of any material developments, as long as there are Green Finance Instruments outstanding. The Investor Report will be made available on Logistea' website, www.logistea.se, together with this Framework.

Allocation reporting

- ✓ Total amount of Green Finance Instruments outstanding
- ✓ Breakdown by Green Finance Instrument category and Green Eligible Asset category
- ✓ Share of proceeds used for new financing/refinancing
- ✓ Share of unallocated proceeds (if any)
- ✓ List of underlying Green Eligible Assets if not of confidential nature

Impact reporting

Logistea intends to report on quantitative impact indicators where reasonable and relevant data is available. Examples of impact indicators include:

Primary indicators

- ✓ Estimated annual energy reduced/avoided below national building standards (kWh/m², or %) or other relevant benchmark

Secondary indicators

- ✓ EPC class, if any, or within top 15%
- ✓ Type of environmental certification incl. level, if any

External Review

Second Party Opinion

This Framework has been reviewed by ISS Corporate who was asked to confirm the alignment with ICMA GBP and LMA/LSTA/APLMA GLP. The independent Second Party Opinion by ISS Corporate will be available on Logistea's website; www.logistea.se, together with this Framework.

Verification

The allocation reporting will be externally verified, by an auditor or another independent third party, to verify whether an amount equal to the net proceeds from Logistea's Green Finance Instruments have been allocated to Green Eligible Assets. This verification will take place annually until full allocation and in the event of any material developments. The verification report will be published on Logistea's website; www.logistea.se, together with the Investor Report.



Logistea AB (publ)
Org nr 556627-6241
Logistea AB, Box 5089, 102 42 Stockholm
www.logistea.se

