Green Finance Framework

May, 2025

postnord

Contents

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Introduction

About PostNord – From a postal company to an e-commerce enabler

In 2009 the historic merger of Posten AB and Post Danmark A/S formed PostNord AB ("PostNord", "Company", "us", "we"), a pan-Nordic postal company with 400 years of industry experience, continuously working to improve business, trade and communication to, from and within the Nordics. With our expertise and a unique distribution network, we are developing tomorrow's communication, e-commerce, distribution and logistics.

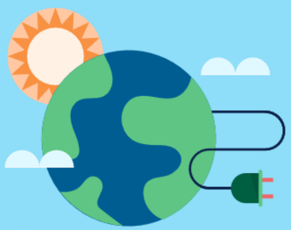
PostNord enables businesses, public authorities and private individuals to do business, deliver products and communicate with each other, including in sparsely populated areas. We describe why we exist, where we are going and how to get there through these three key statements:

- Our purpose: We make everyday life easier
- Our vision: Be the favorite carrier of the Nordics
- Our customer value proposition: Being present, reliable and sustainable

Digitalization and sustainability are megatrends with a major impact on the way we live our lives both as individuals and professionals. While digitalization leads to declining mail volumes, it provides opportunities through the expansion of e-commerce which has helped reshape PostNord's operations since the group was formed. PostNord has evolved from a postal service company that also delivers parcels, to becoming a e-commerce and logistics company that also delivers mail. With focus on convenient deliveries at low cost, our business model, like that of other logistics companies, is changing with the evolution of customer preferences towards home delivery or parcel lockers. Being able to provide exact details of delivery time is high on the consumer's agenda, as is a growing preference for zero emissions or fossil-free deliveries.

With the new opportunities offered by the shifting landscape, our strategic framework outlines the strategic priorities to becoming the Nordic market and cost leader in parcels as well as providing a financially sustainable mail business. To achieve this, our sustainability agenda is a key enabler, shifting our business from fossil-dependent to fossil-free.

Sustainability at PostNord



We manifest climate leadership

Fossil-free transportation and operations 2030

We care for our people

Safe workplaces on fair conditions

We unleash the power of diversity

Inclusive workplace

PostNord's vision is to be the favourite carrier of the Nordics, and our purpose is to make everyday life easier for customers and consumers. Our vision and purpose constitute the framework for PostNord's sustainability commitments.

PostNord's role in society

As a leading player in parcel and logistics services, PostNord holds a key position in the Nordic business community and society. With our unique network, we enable businesses, public authorities and private individuals to do business, deliver products and communicate with each other. This creates opportunities throughout the Nordics. In Sweden, PostNord is entrusted to provide the universal service obligation (USO).

Sustainability is key to PostNord's strategy

PostNord's strategy is focused on our core business: parcels and mail. Our strategy is to Win in Parcel and run a financially sustainable mail business. Sustainability enables PostNord's strategy, and our climate transition is one of the Group's strategic initiatives.

PostNord's sustainable logistics agenda

PostNord's Group-wide sustainable logistics agenda is based on our most material sustainability aspects. The agenda is based on three commitments:

1. We manifest climate leadership,
2. We care for our people, and
3. We unleash the power of diversity.

We manifest climate leadership

Climate change is one of the greatest challenges of our time. The transportation sector accounts for a substantial share of global greenhouse gas emissions. As a leading player in logistics in the Nordics, PostNord aims to lead the industry's climate transition. Our overall goal is fossil-free transportation and operations by 2030.

The Nordic transportation system remains fossil fuel dependent which constitutes a challenge where our services can be a solution for other players and consumers. Transportation, our own and procured, represents a significant part of the Group's total climate impact. That is why our climate agenda primarily seeks to optimize our logistics system and the vehicles that PostNord and our transportation providers operate on the roads of the Nordic countries. In addition, we are environmentally adapting our terminals and other buildings.

To reach the long-term goal, we are striving towards both operational targets as well as externally approved science-based targets (SBTi), data collection methods are aligned with GHG protocol and GRI standards.

To ensure that the transition is fast, resource-efficient and successful, PostNord has a climate transition program - Green by PostNord.

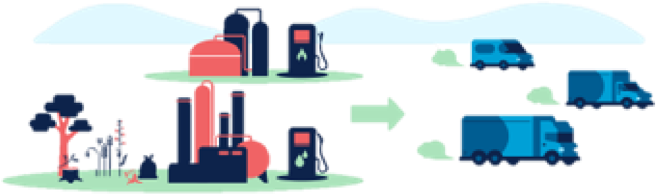
Green by PostNord consists of several cross-functional centres of excellence, a program management office and a decision-making committee. Work is organized according to our climate transition roadmap (Green Tech Roadmap), indicating when and how PostNord's vehicles and those of our transportation suppliers need to be converted to fossil-free operation to achieve our climate goals.

The climate and customers cannot wait – more and more e-commerce customers are demanding fossil-free deliveries. Against that background, we are concentrating our climate transition work within certain regions and parts of our network. By focusing on routes where we handle large volumes of parcels, we can meet customers' requirements and reduce emissions cost-efficiently. Future investments into clean energy delivery vehicles running on fossil-free fuels together with sustainable infrastructure for transporting goods are an essential step towards delivering on our sustainability agenda.

Green Tech Roadmap

1. From fossil-based

PostNord is transitioning from fossil-based energy. The fossil-based model includes oil extraction, petroleum products and fossil fuels. It also includes electricity generated from fossil fuels.



2. Via bio-based

To bring fossil emissions down quickly, we are increasing the use of biofuels such as HVO and biogas.

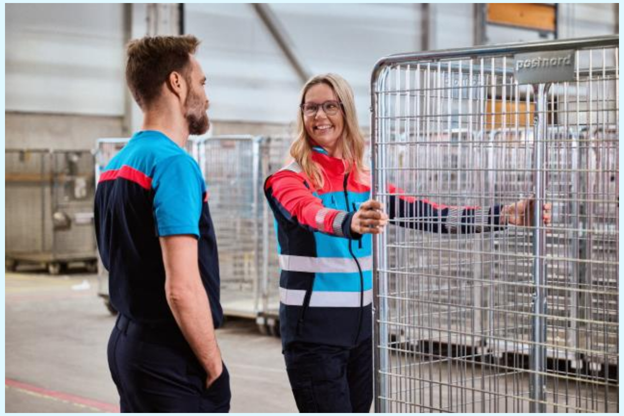
3. To fossil- and emission-free

The goal is a largely emission-free fleet by 2030, with light electric vehicles and heavy trucks running on biofuels or electricity.

We care for our people

PostNord employs around 23,000 people (FTE), contracts additional personnel for its operations and helps create countless jobs by procuring transportation and other services and products to a value of around SEK 20 billion every year. This brings both challenges and opportunities, and a responsibility to make a positive difference.

PostNord focuses systematically on ensuring safe workplaces for our own and contracted employees. We also focus on fair conditions for truck drivers of external transportation companies and our suppliers' employees. PostNord's impact defines the scope of our commitment. Our targets and initiatives apply to our own employees, contracted staff, drivers working on behalf of PostNord and employees of other suppliers. PostNord's overall goals are to provide safe workplaces and promote fair conditions for employees of our suppliers.



We unleash the power of diversity

PostNord is a diverse workplace with a mix of backgrounds, cultures and languages. By unleashing the power of diversity, we leverage the experience, skills and perspectives of the Company.

Diversity is about recognizing and embracing people's differences, skills, and experiences. PostNord welcomes people who can and want to take the Company forward, irrespective of gender, transgender identity or expression, ethnicity, religion or other faith, disability, sexual orientation or age. We consider a diverse workplace, with a mix of backgrounds, cultures and languages an asset, which we want to make the greatest possible use of. Respect and equal rights, obligations and opportunities are basic principles in how we work. An active focus on diversity and inclusion enables PostNord to take account of all the perspectives required to meet the various needs of customers, and to develop and strengthen our business.

PostNord's desired culture is encapsulated in the acronym ABC: Accountable (take and demonstrate responsibility), Brave (proud and courageous), and Committed (motivated and enthusiastic).

PostNord's culture

Accountable: Take and demonstrate responsibility

We are One PostNord – we see the bigger picture and do what is best for the group as a whole. We provide clarity and transparency and collaborate towards shared goals. We take ownership to continuously improve our business and systematically share best practices. We take action on sustainability, for our employees, our company and society at large.

Brave: Proud and courageous

We prioritize boldly to focus on the things that matter the most. We act with integrity and reliability and trust each other. By challenging the current situation, we develop our employees and our business. We learn and grow together with our colleagues, both from our successes and our mistakes. We carry through on decisions made, even in difficult situations.

Committed: Motivated and enthusiastic

With strong commitment, we lead a business that is in constant change, while always focusing on consumers and customers. We simplify and standardize relentlessly and take action to address the root cause of our problems. By listening, pursuing development, and offering and asking each other for feedback, we create an inclusive workplace where our people can thrive.

UN Sustainable development goals

Target		Relevance
3.9	Reduce illness and deaths from hazardous chemicals and pollutants	PostNord reduces air pollution through emission-free transportation.
5.5	Ensure women's full participation in leader-ship and decision-making	PostNord is striving to establish a more even gender balance and greater inclusion in the Group and, by extension, in the business community.
7.2	Increase the share of renewable energy in the global energy mix	PostNord contributes to increased demand for and use of renewable energy and is improving energy efficiency in transportation and buildings.
7.3	Double the increase in energy efficiency	
8.5	Full employment and decent work with equal pay for all (for work of equal value)	PostNord helps to ensure that employees' rights are respected and that employees enjoy a good work environment and decent conditions, both in own operations and at suppliers.
8.8	Protect labor rights and promote safe and secure working environments for all	
9.4	Upgrade all industries to make them more sustainable	PostNord contributes to sustainable industry and infrastructure by de-manding and utilizing technology for more sustainable operations.
11.6	Reduce the adverse environmental impact of cities	PostNord contributes to reducing emissions from urban transportation.
12.6	Encourage companies to adopt sustainable practices and sustainability reporting	PostNord contributes by switching to more sustainable operations and transportation and by regularly reporting on initiatives and performance.
13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	PostNord is taking measures to reduce emissions and climate impact from operations.
13.2	Integrate climate change measures into national policies, strategies and planning	
16.5	Combat corruption and bribery	Take measures to combat corruption, bribery and organized crime within PostNord's organization, operations and transportation.

Our sustainable logistics agenda is linked to the UN Sustainable Development Goals through efforts defined within our three sustainability commitments. PostNord has significant impact on goals 3, 5, 7, 8, 9, 11, 12, 13 and 16.

Sustainability Governance

Our sustainability work is overseen by the Group Leadership Team, whose Head of Nordic Strategy & Solutions bears the overall responsibility for sustainability issues. Work on sustainability is led by the Head of Group Sustainability, who reports to the Head of Nordic Strategy & Solutions.

PostNord's agenda for sustainable logistics sets out the structure for the Group's sustainability work. The Head of Group Sustainability has the overall and coordinating responsibility for the sustainability agenda. Every country organization has a sustainability manager and most of the work of operational sustainability is managed within the countries. Sustainability controllers oversee and are responsible for monitoring and reporting.

Our strategic sustainability targets are developed and evaluated in the annual strategy process. Strategic targets and key performance indicators are monitored quarterly via reports to the Group Leadership Team and the Group Board of Directors. Twice a year, sustainability work is evaluated in depth as part of the follow-up procedure of the business plan.

Management of Climate-related Risks and Opportunities

PostNord reports in accordance with the Task Force on Climate-related Financial Disclosures, which provides guidance on how organizations are affected by climate change and its impacts. The aim is better information provision, more accurate pricing of risk and well-informed decisions on capital allocation.

Climate and other sustainability issues are on the Group Leadership Team's agenda several times a year. The Group Sustainability Committee, chaired by the Head of Group Sustainability, coordinates PostNord's sustainability work. The Sustainability Committee brings together both country organizations and group functions.

Alignment with International Initiatives and Standards, and Sustainability Recognitions

UN Global Compact

PostNord has signed up to the UN Global Compact and our sustainable logistics agenda contributes to the UN's Sustainable Development Goals.

Science Based Target Initiative (SBTi)

PostNord's science-based climate targets were set in accordance with and approved by the Science Based Targets initiative in 2022.

Nordic Swan Ecolabel

In 2023 PostNord became the first actor in the Nordics to receive Nordic Swan Ecolabel certification for e-commerce logistics. PostNord offers Nordic Swan Ecolabel transportation in Sweden. The Nordic Swan Ecolabel makes it easy for consumers to choose a more sustainable delivery option for goods purchased online. The ambition is to offer the label in more markets, benefiting environmentally minded consumers in the Nordic region.

The Pathways Coalition

The Pathways Coalition is a partnership of several industry leading companies in the transport value chain committed to accelerating the work to decarbonize heavy transport. PostNord is the first logistics operator in the group. The coalition members meet regularly to assess the working relationship and to chart the direction going forward. The member companies have committed to the vision of the coalition of becoming completely fossil-free by no later than 2050.

Green Finance Framework

This Green Financing Framework ("Framework") is based on the 2021 version of Green Bond Principles and 2025 version of the Green Loan Principles. In addition, this Framework has considered market expectations, voluntary standards and recent regulatory developments.

As a leader in sustainable logistics, this sustainable financing framework is aligned with our overarching sustainability strategy and enables us to further drive the PostNord climate transition programme through issuance of green financing instruments. Linking our financing to sustainable development further indicates the tangible commitment to promoting sustainable business, provides extended transparency as well as provides financial support to reach our targets.

We believe that by including sustainability into our financing solution through investments made under this framework to further strengthen our commitment to improving our climate impact and drive change towards environmentally sustainable deliveries of mail and parcels.

This section follows the four core components of the Green Bond Principles and the Green Loan Principles:

1. Use of Proceeds
2. Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

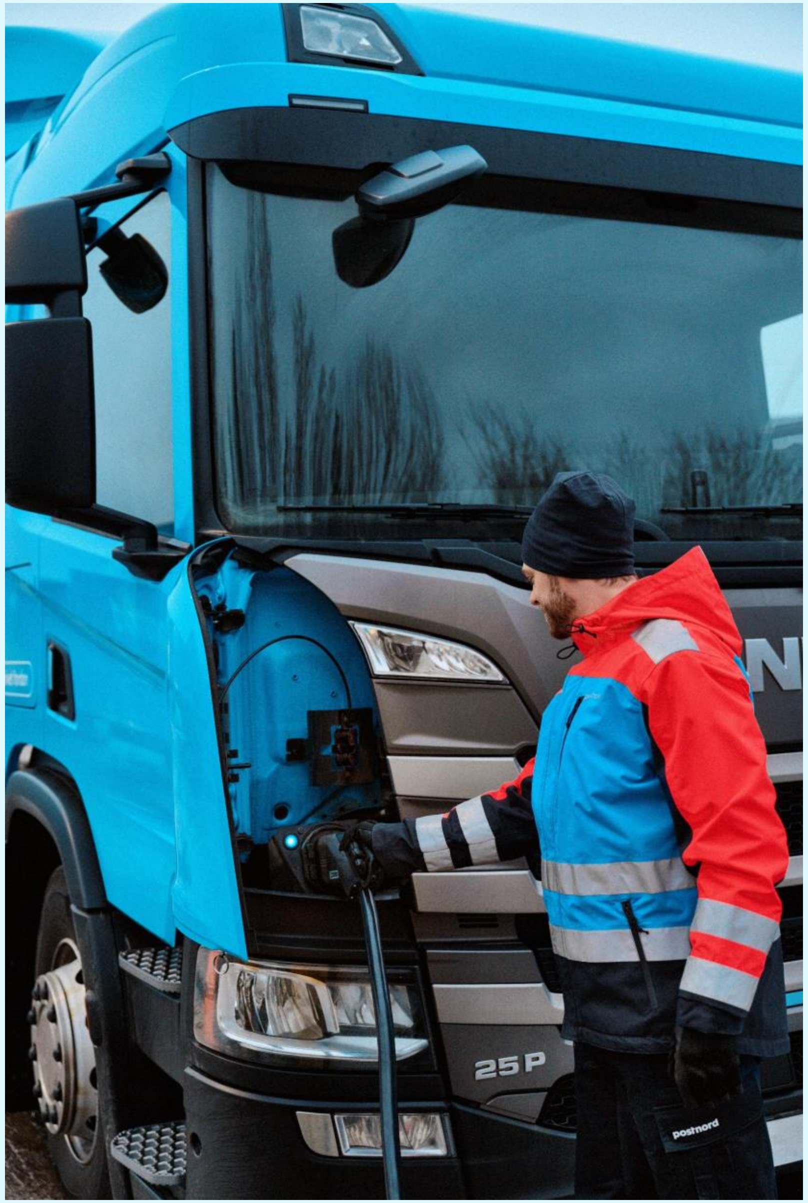
The Framework is applicable for issuance of green debt instruments, including green bonds and green loans where an amount equal to the net proceeds will be applied to finance or refinance, in part or in full, new and/or existing expenditures and assets with the environmental benefits defined in this Framework.

EU Taxonomy

The European Union (EU) Taxonomy regulation (the "EU Taxonomy") is a green classification system that translates the EU's climate and environmental objectives into criteria for specific eligible economic activities aimed at directing capital towards sustainable investments. According to the taxonomy, an activity must make a substantial contribution to at least one of the six environmental objectives outlined by the Taxonomy. It should simultaneously do no significant harm (DNSH) to the other five objectives and meet minimum social safeguards. PostNord recognises the significance of a standardised definition for sustainable activities and actively supports the green bond market's development. We have identified and are reporting the following economic activities in the transport sector included in the EU Taxonomy:

6.2 Freight rail transport
6.4 Infrastructure for personal mobility, cycle logistics
6.5 Transport by motorbikes, passenger cars and light commercial vehicles
6.6 Freight transport services by road
6.15 Infrastructure enabling low-carbon road transport and public transport

In alignment with this commitment, where possible, applicable eligibility criteria have been designed to comply with the substantial contribution criteria, defined according to the technical screening criteria set out in the EU Taxonomy Delegated Act as at the time of this Framework publication.



1. Use of Proceeds

Proceeds will finance eligible assets and projects, in part or in full, as per this section of the Framework. Eligible Green Assets and Expenditures that have been evaluated and selected with distinct sustainable benefits by PostNord in accordance with this Green Finance Framework. Proceeds may be used to fund new assets and projects as well as for re-financing. Tangible assets (without age restriction) and operational expenses with a look-back period of three years are eligible for financing or refinancing.

Eligible Green Assets and Expenditures

ICMA Green Bond Principles category	Sub-category	Contribution towards European Union Environmental Objective	UN SDGs
Clean transportation	Financing of investments and expenditures directed towards electric and other clean energy vehicles such as: • bicycles, cars and trucks running on electricity, biodiesel, biogas or bioethanol. • Associated infrastructure for charging. As well as investments and expenditures directed to: Infrastructure and installations dedicated to terminal infrastructure and super structures for loading, unloading and transhipment of goods. Such as investments into new terminal buildings.	Climate mitigation	

2. Project Evaluation and Selection

The evaluation and selection process for Eligible Green Assets and Expenditures is a key process in ensuring that an amount equal to the net proceeds from Green Financing is allocated to Eligible Green Assets and Expenditures that meet the criteria in this Framework.

The Project evaluation and Selection process aligns with PostNord's sustainability management principles and target-setting which are strategy driven and guided by our Green Tech Roadmap. This roadmap integrates annual policy and technology developments. Additionally, other group-level policies and processes that define environmental principles include our Climate Policy and the annual double materiality analysis, which assesses environmental risks across our value chain.

To oversee the evaluation and selection process, a Green Finance Committee ("GFC") have been formed. The GFC consists of the Group Chief Financial Officer, Head of Group Sustainability, Head of Group Business Control and Head of Group Treasury. Chairperson of the committee is PostNord's Group Chief Financial Officer. PostNord will ensure that sustainability expertise always resides within the GFC. The GFC will be convened at least once a year and all decisions made will be recorded.

The GFC holds following responsibilities:

- Ensuring that proposed assets or expenditures are eligible and aligned with the criteria in this Framework.
- Ensuring that assets or expenditures that no longer meets the eligibility criteria are removed from the Green Finance Register and replaced with Eligible Green Assets or Expenditures.
- Maintenance and updates of this Green Finance Framework to reflect relevant changes to PostNord's business and sustainability strategy as well as relevant market practice.

3. Management of Proceeds

An amount equal to the net proceeds of PostNord's Green Financing will be tracked by Group Treasury using a register where proceeds of all green debt instruments and underlying green assets and expenditures will be monitored ("Green Finance Register"). The purpose of the Green Finance Register is to ensure that an amount equal to the Green Financing net proceeds only are used to finance or refinance Eligible Green Assets and Expenditures.

PostNord will maintain the option to choose, at our own discretion, the most suitable allocation method for any Green Financing net proceeds. Commonly used approaches, as described in the Green Bond Principles, are based on a portfolio approach or a bond-by-bond approach. PostNord will maintain high level of transparency in reporting to investors and will always state the chosen allocation method at the latest in connection with the first allocation and impact report of each Green Financing instrument. PostNord will ensure full allocation of proceeds of each individual Green Financing instrument's no later than on the maturity or redemption/repayment, i.e. in line with EU Green Bond Regulation's approach.

The Green Finance Register is monitored on a regular basis during the term of Green Financing to ensure that the proceeds are sufficiently allocated to Eligible Green Assets and Expenditures. Assets and expenditures can, if deemed by the Green Finance Committee to not fulfil eligibility criteria, be removed or added to/from the Green Financing Register.

Any unallocated proceeds will temporary be placed in the liquidity reserve and managed accordingly by the Company. The unallocated proceeds may not be used for holdings related to fossil fuel related assets such as car/oil and gas company stocks. The Green Financing Register will contain the list of Eligible Green Assets and Expenditures mentioned in Section 1. Information available in the Register will in turn serve as basis for reporting described in Section 4.

4. Reporting

To enable investors, lenders, and other stakeholders to monitor allocation of proceeds to the assets and expenditures funded in accordance with the Green Financing, an annual investor report will be made available annually on our website ("Green Finance Report") as long as we have Green Finance instruments outstanding or until full allocation of proceeds.

Subject to the timing of our inaugural Green Financing instrument issuance, the report will be made available to investors annually in line with PostNord's regular reporting cycle. In line with ICMA's Green Bond Principles, the Green Finance Report will include an allocation report and an impact report. However, in case PostNord has Green Financing outstanding in a form of green bank loans, we may report necessary annual details related to such bank loans directly to our lenders, as may be described in respective loan documentations.

Allocation Report

The allocation report will, to the extent feasible, include at least the following components:

- Total amount of Green Financing outstanding during the reporting period
- Share of proceeds allocated for financing and re-financing
- Share of allocated proceeds between each eligible category listed in this Framework
- Share of unallocated proceeds (if any)
- Chosen allocation method (portfolio or bond-by-bond)
- Examples and case studies of the relevant Eligible Green Assets and Expenditures

Impact Report

The impact report includes the environmental impact of the Eligible Green Assets and Expenditures financed under this Framework. The impact report may, to some extent, be aggregated due to large number of eligible green expenditures and depending on data availability, calculations will be made on a best effort basis. The impact report can include metrics as illustrated in the list below.

- Annual GHG emissions reduced/avoided in tonnes of CO_2e
- Number of financed vehicles running on fossil-free energy

5. External review

Pre-Issuance Review

To confirm the transparency and robustness of this Framework, PostNord has engaged S&P Global to act as an external reviewer of this Green Financing Framework. Amongst other things, S&P Global confirms the alignment of this Framework with the latest International Capital Market Association (ICMA) Green Bond Principles (GBP), 2021 (with June 2022 appendix 1), Loan Market Association (LMA) Green Loan Principles (GLP), 2025. S&P Global has assessed the Framework to be aligned with the GBP and GLP in addition to having assigned a Dark green shading to the Framework for activities that correspond to the long-term vision of a low-carbon climate resilient future. The Instruments issued under this Framework should reference it in their transaction documentation.

This Framework and the Second Party Opinion will both be publicly available on PostNord's website.

Post-Issuance Review

To ensure transparency towards investors, lenders and stakeholders as recommended by the GBP and GLP, PostNord will annually engage to receive external independent verification. Limited assurance will be obtained to evaluate the allocation of proceeds from PostNord's Green Financing Instrument to Eligible Green Assets and Expenditures.

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