



GREEN FINANCING FRAMEWORK

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1 INTRODUCTION

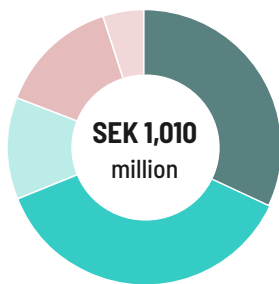
1.1 ABOUT INTEA

Intea was founded in 2015 with the aim of investing in and managing social infrastructure for its own long-term management. By social infrastructure, Intea means properties for essential services that are specially adapted for the purpose of public-sector tenants. The existing real-estate portfolio consists of the categories of justice, higher education, health care and other public sector activities. Examples of tenants include government authorities and agencies, regions, and other public institutions.

The properties are located in 18 towns and cities in Sweden. As of year end 2022, the total property value amounted to ca SEK 20 billion. In addition, Intea had a project portfolio with a remaining estimated total investment volume of ca SEK 10 billion.

Intea's property value split by tenants type and geographical position as of 2022

INTEA'S TENANTS
SHARE OF CONTRACTUAL RENTAL VALUE



- Justice 32%
- Higher education 37%
- Health care 12%
- Public sector, other 14%
- Non-public sector 5%

INTEA'S GEOGRAPHY
SHARE OF MARKET VALUE OF PROPERTIES



- South 32%
- East 37%
- North 12%
- West 14%

Intea's business strategy is based on three pillars: Stable Growth, Sustainability & Innovation and Sustainable Relationships. For each strategic pillar, there are a number of tools and targets to measure and monitor the business.

Beside the funders, Intea's shareholders mainly consist of Swedish institutional investors where Svenska Handelsbanken Pension Fund, Saab Pension Fund and Volvo Pension fund are the largest.

STABLE GROWTH

The aim is to continue to grow steadily, as well as to maintain and further develop a sustainable property portfolio in social infrastructure. Project development is generally carried out in collaboration with and on behalf of the tenant. Intea's strategy for financing shall support the business and –manage the company's financial risks.

SUSTAINABILITY & INNOVATION

A strong driver of Intea's business concept entails setting challenging and ambitious climate targets in order to escalate efforts to reduce environmental impacts across the value chain. Improving efficiency, reducing material and energy consumption and increasing the share of recycling help to reduce the carbon footprint. In addition, the company develops and implements innovations to an increasing extent. The main thrust of Intea's sustainability strategy is to maintain and preserve the buildings it owns, while avoiding demolition and new construction wherever possible. With a long-term ownership perspective, sustainable solutions are a central aspect of Intea's business.

Investing into and owning solar and hydro power plants is an important part of Intea's sustainability strategy. In the beginning of 2023, Intea became self-sufficient with renewable electricity.



SUSTAINABLE RELATIONSHIPS

Intea works every day to maintain and develop relationships with tenants, employees, suppliers, shareholders and financiers. Relationships are at the heart of the company's business. We are responsive to our tenants, shareholders, financiers and other stakeholders and ensure that we accommodate their suggestions regarding measures or changes to buildings and outdoor environments. Buildings and outdoor environments are continuously updated and made accessible to improve the work environment and promote well-being in each property. The company actively works to increase cooperation, motivation and value creation.

1.2 INTEA'S SUSTAINABILITY STRATEGY

Since its inception, Intea has aimed to ensure that sustainability permeates all of its work. Intea's business concept is based on long-term approach to the management and development of the company's properties, continuously adapting them to today's needs and requirements, all with as low a carbon footprint as possible. Long-termism drives Intea's business concept economically, ecologically and socially.

Sustainability is an issue that should be taken into account in all decisions made in the company. This means conscious choices in favour of sustainability, even if this sometimes means higher costs. The company works actively to reduce its climate impact and contribute to a balanced environment and nature, including influencing the entire value chain in taking its share of responsibility for the industry's carbon footprint. Intea has determined that sustainability efforts should gradually shift to a circular economy rather than a linear one in order to achieve the company's goals. Another important part of the company's sustainability strategy is to increase its energy self-sufficiency.

Intea's sustainable social infrastructure agenda

Intea has a dedicated and driven organisation that is constantly working on sustainability and improvement measures to create better buildings for the climate, the environment and people.

By prioritising and focusing on the right issues, Intea has developed a sustainable social infrastructure agenda with measurable goals, based on Intea's business concept, environmental and sustainability policy, stakeholder analysis and materiality analysis. Intea has the following overall objectives:

- Reduced carbon emissions to promote a good environment and reduced energy consumption
- Employees and social conditions
- Human rights and the fight against bribery and corruption

Intea's carbon emission and energy reduction targets

Property management
Reduce CO2 emissions in Scope1 and Scope2 per sqm of lettable area by at least 20%, or below 5.3 kg CO2 /sqm from 2019 to 2030 (GHG Protocol)
Reduced CO2 emissions from longer business trips (70% of business trips to be made by train)
Energy performance kWh/sqm to be reduced by at least 20%, or below 158 kwh/sqm, by 2030
100% renewable electricity
100% of new leases (measured in rental value) to include sustainability cooperation agreement
Projects
All newly constructed buildings must be environmentally certified under one of the current environmental certification schemes

Except for the green measures within the sustainable strategy for Intea, the company also has an ambition to implement solutions that promote and contribute to socially accessible and educative environment. Intea has specific targets for human rights and the fight against 6 (13)bribery and corruption, as well as on employees and social conditions that can be found in the sustainability report.



1.3 ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Agenda 2030 is set on a global level, but it is nonetheless important for Intea to contribute as much as possible to the achievement of the SDGs. Intea has identified and prioritizes the goals where the company has the best conditions to make a difference, both for the climate and people.

Intea has assessed that its largest impact lies within the below SDGs:



Goal 6 (Clean water and sanitation)

TARGET: 6.3, 6.4 The properties are to be resource-efficient and facilitate a sustainable lifestyle. Therefore, Intea certifies its buildings with BREEAM, BREEAM In-Use, LEED, Miljöbyggnad, Miljöbyggnad iDrift and Green Building. Intea can contribute to efficient water consumption and ensure sustainable abstraction of freshwater to combat water shortages.



Goal 7 (Sustainable Energy)

TARGET: 7.2, 7.3 By purchasing original marked electricity, owning hydropower and installing solar cells on the properties, Intea contributes to increasing the share of renewable energy in the global energy mix. With various measures, Intea reduces energy use in its buildings and thus contribute to increasing the global rate of improvement in terms of energy efficiency.



Goal 9 (Industry, Innovation and Infrastructure)

TARGET 9.4 As an owner of property for social infrastructure, Intea upgrades and builds new and more secure infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally better infrastructure.



Goal 11 (Sustainable cities & communities)

TARGET: 11.6, 11.8 By building in areas with connection to public transportation, and encouraging sustainable transportation Intea contributes to air quality. The company has close collaboration with its tenants to reduce waste and increase recycling. Intea puts strong value in developing positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning



Goal 12 (Sustainable consumption & production)

TARGET: 12.2, 12.4, 12.5 Intea's ambition is to contribute to more sustainable consumption and production by working with resource efficiency, as well as the resource efficiency of suppliers and customers. Intea aims to reduce energy consumption and promotes increased recycling and reuse among tenants and visitors by providing recycling solutions at all properties.



Goal 13 (Climate Action)

TARGET 13.1 Intea works to reduce carbon dioxide emissions and therefore combat climate change, for example by reducing energy use, more efficient use of material, fossil free transports etc. The company also wants to give the cities and the properties greater resistance and a better ability to adapt to climate-related dangers and natural catastrophes. Trees, green roofs, and smart surface water management adapt properties to climate change.



Goal 15 (Life on land)

TARGET 15.5 It is important to help reduce the destruction of natural habitats, halt biodiversity loss and protect and prevent the extinction of threatened species. Intea can support by creating green spaces that promote species diversity, working on ecosystem services and using trees, land, walls and roofs in a sustainable way in our urban environments.

1.4 GOVERNANCE

The ISO 14001 and ISO 9001 environmental and quality management systems are important tools for management control and follow-up. Each year, Intea's management team formulates a strategic plan for the company, which is approved by the Board of Directors. It includes a description of the sustainability strategy that is expected to underpin the business and long-term and short-term environmental objectives.

Intea actively promotes sustainable development and social responsibility. As part of this, an Environmental and Sustainability Policy, a Quality Policy and a Code of Conduct for Suppliers have been created. All new employees are educated on the Code of Conduct and other relevant policies, while all new suppliers must commit to complying with the Intea Supplier Code of Conduct.



2 THE GREEN FINANCING FRAMEWORK

2.1 THE RATIONAL FOR GREEN FINANCING

Construction of buildings and existing buildings are together responsible for over 30 per cent of global final energy consumption, as well as for 40 per cent of total direct and indirect carbon emissions according to the IEA and the UN Environmental Programme.

Climate Change Mitigation is a core priority for Intea as sustainable buildings are a key cornerstone in creating long-term value. As a long-term owner of socially beneficial properties, Intea will have the opportunity to own, manage and construct new energy-efficient buildings with a smaller carbon footprint than reference buildings. Sustainable investments in the existing property portfolio, as well as in new buildings under construction, will be a natural part of Intea's sustainability work.

A strong driving force for the company is to set ambitious climate goals to escalate efforts to reduce environmental impact throughout the whole value chain. Intea strives to reduce materials, improve efficiency, reduce energy consumption and increase the share of recycling to contribute to a decreased climate footprint. The largest effort in Intea's sustainability strategy lies in maintaining and preserving existing buildings in order to avoid demolition and construction as far as possible. With a long-term ownership perspective, sustainable solutions represent one central part of Intea's operations.

This Green Financing Framework has been developed to highlight the current and future investments to maintain a long-term value for Intea's properties – both from a Climate Change Mitigation and Adaptation perspective and to guide investors towards sustainable assets and provide banks an opportunity to finance green assets.

2.2 USE OF PROCEEDS

When issuing Green Financing Instruments, this Green Financing Framework (the "Framework") will apply. This Framework has been developed in alignment with the Green Bond Principles 2021 ("GBP") and the Green Loan Principles 2023 ("GLP").








The four core components of the Green Bond and Loan Principles are:

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

The Framework is applicable for issuance of Green Financing Instruments where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible assets and projects with clear environmental benefits. Currently, Intea only operates in the Swedish market and the net proceeds will therefore be used exclusively to finance or refinance investments and expenditures in Sweden.



Eligible assets and projects relevant for use under the Framework include:

ICMA Green bond Principles Category	Project description	UN SDG mapping
Green Buildings	<p>New buildings – Year of completion after 2020</p> <p>Energy Performance Certificate of A or B, or</p> <p>Buildings that either have or will receive minimum certification of BREEAM “Excellent”, LEED “Gold”, Miljöbyggnad “Silver” or GreenBuilding in combination with an energy performance (kWh/m²/y) that is at least 20% better than required by national regulation (Boverkets Byggregler) for the specific building, evidenced by the latest available Energy Performance Certificate.</p>	
	<p>Existing buildings – Year of completion before 2021</p> <p>Energy Performance Certificate of A or B, or</p> <p>Buildings that either have or will receive minimum certification of BREEAM “Very Good”, Miljöbyggnad “Silver” or GreenBuilding in combination with an energy performance as outlined below:</p>	
	<p><i>Independent of year of completion</i></p> <p>Buildings with an energy performance (kWh/m²/y) that is at least 20% better than required by national regulation (Boverkets Byggregler) for the specific building, evidenced by the latest available Energy Performance Certificate, or</p>	
	<p><i>Year of completion 2013-2020</i></p> <p>Energy use per square meter of maximum 90 kWh, or</p>	
	<p><i>Year of completion before 2013</i></p> <p>Energy use per square meter of maximum 100 kWh</p>	
Energy efficiency	<p>Funding for projects which aim to improve the energy efficiency by at least 30% in buildings owned by Intea. This includes, but is not limited to, performance improvement to the insulation, ventilation, light systems and windows.</p>	
Clean transportation	<p>Activities enabling clean transportation such as charging stations for electric vehicles, bicycle parking or other investments that support and emphasizes use of clean transportation solutions.</p>	
Renewable energy	<p>Onsite renewable energy including solar panels and wind- and waterpower that generate electricity.</p>	
	<p>Geothermal installations that can be used for both heating and cooling.</p>	



The value of new and existing buildings is defined as the fair value of the respective property reported in the balance sheet as at the cut-off date for annual reporting. For energy efficiency projects, clean transportation initiatives and renewable energy, the value is assumed to be equal to the invested amount as at the cut-off date for annual reporting. Financing and refinancing of tangible assets will have no age restriction.

Exclusions

The proceeds from the Green Financing Instruments will not be used to (re-)finance investments that directly use fossil fuels as a source of energy, neither will they be used to finance nuclear or fossil fuel energy generation, weapons, gambling or tobacco.

2.3 PROCESS FOR ASSET AND PROJECT EVALUATION AND SELECTION

SELECTION OF ELIGIBLE ASSETS AND PROJECTS

Intea has designed and implemented a process to ensure that only assets and projects aligned with the criteria set out above will be selected as eligible for Green Financing issuance. To oversee this, a Green Finance Committee (“GFC”) has been established with members from the Finance Team and the Sustainability Team, to ensure that sustainability expertise always resides within the GFC. Only assets and projects which are approved by all members can be selected as eligible. An appointed person within the Sustainability Team has a veto in all decisions connected to the selection of the eligible assets and projects. The GFC will meet at least once a year and will keep track of all decisions made.

The GFC follows the below process when selecting and evaluating assets and projects to be included in Intea’s eligible Green Asset Register, which is further specified in section 2.4.

- A member of the Sustainability Team reviews available assets and projects and evaluates eligibility of the potential assets and projects according to the criteria in the above table and removes assets and projects that do not meet the criteria.
- A member of the Sustainability Team gathers the eligible assets and projects based on these criteria in a Green Asset Register and presents these to the GFC.
- Intea’s GFC verifies the eligibility of the potential eligible assets and projects and makes the final approval.
- Intea’s GFC gathers annually to review and assure that the eligibility status of assets and projects has not changed. If the status has changed, the asset or project in question is added to or removed from the Green Asset Register.

The Green Asset Register is kept by the Finance unit which is ultimately responsible for keeping this list up to date. The Green Asset Register is monitored during the term of the Green Financing Instruments to ensure that the proceeds are sufficiently allocated to eligible assets and projects on a regular basis.

2.4 MANAGEMENT OF PROCEEDS

TRACKING OF GREEN FINANCING

Intea has, in line with the process described under 2.3, established a Green Asset Register in relation to Green Financing Instruments issued by Intea for the purpose of monitoring the allocation of the net proceeds from Green Financing to eligible assets and projects. The Finance unit is responsible for ensuring that the net proceeds are financing eligible assets and projects in accordance with this Framework. All Green Financing issued by Intea will be managed on a portfolio level. This means that a Green Financing Instrument will not be linked directly to one (or more) pre-determined eligible assets or projects. Intea will keep track and ensure there are sufficient eligible assets and projects in the Green Asset Register, i.e. the amount of eligible assets and projects will exceed the amount of outstanding Green Financing Instruments. Assets will be removed from the Green Asset Register if it would cease to meet the eligibility criteria set out in this Framework.

The Green Asset Register will form the basis for the impact and allocation reporting.

TEMPORARY HOLDINGS

There may be periods when a sufficient aggregate amount of eligible assets and projects has not yet been allocated to the Green Asset Register to fully cover the proceeds of each Green Financing Instrument, either as the result of changes in the composition of eligible assets and projects, or the issue of additional Green Financing. Any portion of the net proceeds of Green Financing Instrument that have not been allocated to eligible assets and projects in the Green Asset Register will be held in accordance with Intea’s normal liquidity management policy, however so that they are not invested in nuclear or fossil fuel energy generation, weapons or tobacco. The Green Asset Register will form the basis for the impact reporting.



2.5 REPORTING

To be fully transparent towards investors and other market stakeholders, Intea commits to annual reporting as long as it has Green Financing Instruments outstanding. The Green Finance Report will be made available on Intea's website and will be under the responsibility of the CFO. First such report will be made available for investors within 12 months after the issuance of Intea's inaugural bond transaction under this framework. Where relevant, Intea will seek to align the reporting with the latest standards and practices as identified by ICMA and the guidelines in the Nordic Public Sector Issuer's Position Paper on Green Bond Impact Reporting. The Green Finance report will include allocation reporting and impact reporting as outlined below.

ALLOCATION REPORTING

Intea will, to the extent feasible, report on the following metrics amongst others:

- The sum of the aggregated Green Financing outstanding,
- Share of proceeds used for financing/refinancing as well as share of proceeds used for categories described under Use of Proceeds,
- Share of unallocated proceeds (if any),
- Examples and case studies of the relevant eligible assets and projects

IMPACT REPORTING

The impact report includes the environmental impact of the eligible assets and project financed under this Framework. The impact report may, to some extent, be aggregated due to large number of eligible assets and projects and depending on data availability, calculations will be made on a best effort basis. The impact report may include the below listed metrics, and the reporting will always include methodologies used.

Green Project Category	Indicators
Green Buildings	<ul style="list-style-type: none">• Type of certification• Degree / level of certification for building• Energy performance for buildings (kWh/m2)• Energy performance for buildings (-% improvement) compared with Swedish Building Code (BBR)• Annual greenhouse gas emissions avoided (tCO2e)
Energy efficiency	<ul style="list-style-type: none">• Examples of energy efficiency projects conducted• Energy performance improvement (kWh/m2)• Annual greenhouse gas emissions saved from improvements (tCO2 or/and -% improvement)
Clean transportation	<ul style="list-style-type: none">• Number of charging stations for electric vehicles, bicycle parking
Renewable energy	<ul style="list-style-type: none">• Installation of renewable energy in real estate asset (percent of the assets total energy use) estimated kWh/year and estimated saving of CO2/year• For investments in a stand-alone renewable energy project estimated kWh/year

Intea may choose to report the impact and allocation of other Green Financing instruments than bonds directly, and non-publicly, to the lenders or counterparties. For the avoidance of doubt, Intea ensures that eligible projects and assets will not be double counted as eligible assets and projects.

2.6 EXTERNAL REVIEW

To confirm the transparency and robustness of Intea's Green Finance Framework, it is verified and approved by an external second party opinion provider Cicero Shades of Green. The second opinion by Cicero is available on our website.

The allocation of- and impact from proceeds will be subject for an annual review by an external part. A verification report provided by the external part will be published on the Intea's website.