



Green Bond Framework

November 2018



Energy
consumption
-6.3%¹

Carbon dioxide
emissions
-22%¹

1. Introduction

1.1 About Fastpartner

Fastpartner is a Swedish listed real estate company focusing on commercial real estate in growth areas, primarily in the Stockholm area, as well as Gothenburg, Malmö, Norrköping and Gävle. Fastpartner manages and develops properties in close dialogue with its tenants to create efficient properties and have a long-term positive impact on the developed area. Fastpartner's tenants include large market leading corporates, small start-up companies, schools, municipalities and government-related tenants.

As of 30 September 2018, Fastpartner's property portfolio consisted of 195 properties with a total lettable area of 1,425.1 sq.m. Property value was SEK 21,345.9m with a rental value of SEK 1,665.0m.

1.2 Fastpartner's sustainability contribution

Fastpartner take responsibility for the long-term economic, environmental and social impact of its everyday business and is constantly working to reduce its environmental footprint. All properties should be managed and developed with as little resources and environmental impact as possible. Hence, all new-built properties should be built according to Miljöbyggnad Silver or higher. GreenBuilding is used in existing stock. Through systematic efforts Fastpartner strives towards decreasing pollution and its environmental footprint by minimizing energy usage, waste, travel and transport. An environmental mindset should be applied in all aspects of

Fastpartner's operations towards all stakeholders, external as well as internal. Fastpartner believes long-term achievements are best reached by actively working with involving all staff in its sustainability work.

All electricity is purchased from 100% renewable resources. The origin of the electricity is guaranteed to come from renewable sources such as wind- and water power, biomass and solar power.

Fastpartner pursues a social involvement by, among other things, support Fryshuset's work towards preventing kids and young adults to get involved in criminality and instead give them a new start and social context. Some of Fastpartner's properties are located in suburb areas where the socio economic status may be low.



Fastpartner works actively with tenants, store owners and the police to improve the community and prevent corruption and illegal activities.

Fastpartner offer tenants green lease contracts in order to, together with the tenants, reduce energy consumption of the property as well as the energy consumption related to the tenants' operations. Green lease contract means that Fastpartner and the tenant together conduct an energy audit of the property and use environmentally friendly materials in connection with construction works.

¹ Year 2017

Moreover, Fastpartner supports UN's Global Compact and is member of the Sweden Green Building Council (SGBC). Besides complying with legislation, Fastpartner has undertaken to comply with and promote international conventions and standards on protection of human rights, working environment and working methods, environmental consideration and anti-corruption.

Fastpartner's environmental goals

- Fastpartner to be developed into a more climate-friendly and environmentally sustainable company together with its tenants
- Energy consumption to be reduced each year in comparable portfolio (kWh/sq.m, year)
- Fastpartner's Vehicle Policy shall apply in order to reduce transport's impact on the environment
- Minimize consumption of resources, increase recycling and re-usage of goods and apply waste sorting. Selection of building material shall be made with caution and be conducted on a sustainable basis
- Fastpartner shall further develop its sustainable management system internally as well as put pressure on its suppliers
- Measure and develop efficiency of control systems in order to reduce carbon dioxide emission

1.3 The Green Bond Framework

Fastpartner's issuance of Green Bonds is a natural part of the Company's sustainability profile. The framework enables Fastpartner to focus further on positive environmental impacts. When issuing Green Bonds, this Green Bond Framework (the "Framework") will apply.

Green Bond Principles 2018 ("GBP")² applies the following definition of Green Bonds: "*Green Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Green Projects/Assets and which are aligned with the four core components of the GBP.*"

This Green Bond Framework is aligned with the following four recommended components of the GBP; Use of Proceeds (Section 2), Process for Project/Asset Evaluation and Selection (Section 3), Management of Proceeds (Section 4) and Reporting (Section 5). As such the Framework may be updated from time to time to reflect current market practices and potential updates in the GBP.

Furthermore, the Framework is reviewed by an external impartial firm that has provided a second opinion to confirm the alignment of the Green Bond Framework with the key features of the GBP.

This Framework is applicable for issues of Fastpartner's unsecured Green Bonds. The Framework together with the second opinion by CICERO is available on Fastpartner's website.

2. Use of Proceeds

Proceeds from Fastpartners' Green Bonds will be used to finance or re-finance, in part or in full, Eligible Green Assets (as defined below) providing distinct environmental benefits in accordance with the below defined categories. Fastpartner will continuously

² Green Bond Principles published in June 2018 are Voluntary Process Guidelines for Issuing Green Bonds established by International Capital Markets Association (ICMA), <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

exercise its professional judgement, discretion and sustainability expertise when identifying the Eligible Green Assets. Eligible Green Assets can be owned by Fastpartner or by any other company in the Fastpartner group.

Eligible Green Assets relevant for use under the Framework include:

Green buildings, category I - New construction and major renovations

- All new constructions that either have or will receive minimum certification of Miljöbyggnad Silver after the completed construction
- Major renovations reducing energy consumption by at least 25%, making them “Green Buildings” according to SGBC

Green buildings, category II - Existing buildings

- Existing buildings having certification obtained during the construction period according to category I
- Existing buildings certified as GreenBuilding

Renewable energy:

- Onsite renewable energy such as solar panels or geothermal energy installations

Energy efficiency:

- Energy retrofits such as heat pumps, converting to LED lighting, improvements in ventilation systems etc.
- The complete abandonment of the usage of fossil fuels in the buildings

Eligible Green Assets in *Green buildings category I - New construction and major renovations as well as Renewable energy and Energy efficiency*, correspond to the relevant invested amount. Eligible Green Assets in *Green buildings, category II - Existing buildings* are based on the market value reported on the balance sheet at time of the issuance of the Green Bond.

3. Process for Asset Evaluation & Selection

3.1 Environmental sustainability objectives

Fastpartner’s objective is to manage and lead the business with care for the environment and towards a reduction of resource consumption. Particular environmental sustainability objectives are available in Section 1.2.

3.2 Selection of Eligible Green Assets

The evaluation and selection process for Eligible Green Assets is a key process in ensuring that the proceeds from Green Bonds are allocated to assets and activities which meet the criteria in the Framework.

The selection of Eligible Green Assets is done in two steps:

- The group responsible for Environmental & Energy Management Policy is in charge of preparing a proposal for Eligible Green Assets. The group consists of 6 individuals incl. Head of Regions, Property Manager (Sw. *fastighetschef*) and 4 representatives for Regions
- Green Bond Committee consisting of 2 individuals incl. CFO and Property Manager are in charge of the final sign-off

A list of Eligible Green Assets is kept by the Property Manager who is also responsible for keeping this list up to date. The list of Eligible Green Assets is monitored on a regular basis during the term of the Green Bond to ensure that the proceeds are sufficiently allocated to Eligible Green Assets.

3.3 Exclusion

The proceeds of Fastpartner's Green Bond issuance will not be used to finance nuclear or fossil fuel energy generation.

4. Management of Proceeds

Net proceeds from Fastpartner's Green Bonds will be credited to a designated account in order to be tracked in an appropriate manner.

All Green Bonds issued by Fastpartner will be managed on a portfolio level. This means that a Green Bond will not be linked directly to one (or more) pre-determined Eligible Green Assets. Fastpartner will keep track and ensure that the total value of Eligible Green Assets is equal or larger than the outstanding amount of all Green Bonds. Assets can, whenever needed, be removed or added to/from the Eligible Green Assets portfolio conditioned they are eligible according to the criteria described in Section 2.

Any unallocated proceeds temporary held by Fastpartner will be placed on Fastpartner's ordinary bank account or in the short term money market.

5. Reporting

To be fully transparent towards the Green Bond investors and other market stakeholders, Fastpartner commits to regular reporting on an annual basis. The report will be made available on Fastpartner's website in connection to publishing of the Annual Report and will cover the following areas:

Use of Proceeds

- Total amount of Green Bonds issued
- Share of proceeds used for financing/re-financing as well as distribution of the proceeds between Eligible Green Assets described in Section 2
- Share of unallocated proceeds, if any

Impact Reporting

Fastpartner will publish a complete list of Eligible Green Assets within the company. Below criteria indicating environmental impact will be available:

- Type of certification and degree of certification for buildings
- Energy performance for buildings, kWh/sq.m/year
- Carbon dioxide emissions incl. absolute numbers, ton CO₂, and change year-on-year, ton CO₂ reduced or avoided (covering Eligible Green Buildings under the outstanding Green Bonds)
- Annual renewable energy generation, kWh (applicable for Renewable energy)
- Annual energy savings, kWh, or reduction in energy demand, % (applicable for Energy efficiency)

6. External review

To confirm the transparency and robustness of Fastpartner's Framework, it is verified and approved by an external second opinion provider CICERO. The second opinion by CICERO is available on Fastpartner's website.