

GREEN FINANCING FRAMEWORK



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RECHARGE

INTRODUCTION TO RECHARGE

Recharge is a pioneer in the EV charging industry. The company provides one of the world's biggest and most utilized networks of fast charging stations. Recharge operates around 4,500 charge points at 800 locations across the Nordic countries, with a majority in Norway, the world's leading nation for electric vehicles. Each month, 300,000 charging sessions are made at Recharge stations.

Ever since Recharge opened its first rapid charger in 2012, the company has been driven by innovation, sustainability, and the feedback from EV drivers. Its green investments provide a solid infrastructure for an industry undergoing rapid development. Today, Recharge is the largest charge point operator in Norway. Every month, the platform adds thousands of new EV drivers to Norwegian, Swedish, and Finnish roads.

In 2020, the company was sold by Fortum to the British infrastructure fund Infracapital, which now has full ownership of Recharge. Recharge is located in Moss (Norway), Stockholm (Sweden), Vantaa (Finland) and Copenhagen (Denmark).



APPROACH TO SUSTAINABILITY

OUR ESG STRATEGY

At Recharge, sustainability is the core of our business. Our mission is to be the leading Nordic charging partner and a benchmark for the entire industry by replacing fossil fuels with CO2 free electricity for our customers. Today, we ensure that all electricity we buy for our charging stations, almost 80 GWh in 2023, has zero emissions. Additionally, we also ensure that we do not have any emissions from our own operations, and we are increasing our efforts to remove emissions from our entire supply chain.

We want to do our utmost to limit greenhouse gas emissions and climate change. This is why we have set one of the most ambitious climate targets in the charging industry: To reach net zero CO2 emissions by 2035! This includes our entire value chain from sourcing of raw materials to decommissioning, and we want to lead the way and help our suppliers, partners, and competitors along with us.

Recharge has been breaking new ground with innovations for more than ten years, and we aim to stay at the forefront of developing the charging experience for EV drivers. Recharge was the first charge point operator in Norway with high power charging stations for all kinds of electric cars, we were the first to widely open our charging network to other operators, we were the first with fast charging corridors between the Nordic capitals, and the first with modular load balancing at our high-power chargers. We are continuously innovating our business, and in 2023 we established an Energy Solutions unit. Recharge will now become an energy company, in addition to a charge point operator. We will use battery storage and virtual power plants to provide services to grid operators for improved stability and flexibility in the power grid. This is a win-win for both society and our customers, leading to a more sustainable use of the grid, while we get access to building more and better charging stations in areas with limited grid capacity.

At Recharge, sustainability is the very core of the company's existence, and it's strongly integrated with the purpose to drive change by accelerating a clean electric future and an ambition to lead the green transition by providing open, convenient, and accessible energy solutions making the conscious choice the obvious choice. ESG-related considerations, targets and key performance indicators are an integrated part of goal management, risk assessments, and the way we do business.



OUR CONTRIBUTION TO THE UN SDGS¹

SDG 7 Affordable and Clean Energy: Electrification is the single most important tool in the fight against climate change. A massive growth in new, renewable electricity production is needed, mainly from intermittent sources like wind and solar power. Recharge will enable solutions that contributes to smart energy systems which will transition the traditional charging stations known today from being a strain on the power grid to becoming a resource for a stronger and more sustainable grid. This will alleviate the need for building more grids and will help create the flexibility needed to support intermittent power production from wind and solar into the grid.

SDG 9 Industry, Innovation and Infrastructure: Sustainable industrialization together with innovation and building infrastructure can trigger dynamic and competitive economic forces that create employment and value creation. The core activity of Recharge is to build, operate and own charging infrastructure, enabling the automotive industry's transition to electric vehicles. The company has one of the largest charging networks in the Nordics and is investing heavily in innovating this network with higher charging speeds and smart solutions, both for storage and transmission of energy.

¹ The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030 <https://sdgs.un.org/goals>

Right from the start, Recharge has been at the forefront of innovation in the industry. It was the first to connect the capitals of Norway, Sweden, and Finland with fast chargers, the first to deploy high power charge points in the Nordics and the first to connect the Nordic capitals with high power chargers. Recharge piloted the world's first blockchain payment at a charging station and had the first modular and load balancing charging stations in the Nordics. It was the first charge point operator in the Nordics to adopt an open network strategy, meaning easier access to charging stations for customers, letting them use their app of choice. Recharge also pioneered the world's first wireless fast charging station for taxis and was the first major charge point operator in Norway that enabled card payment terminals at charging stations.

SDG 11 Sustainable Cities and Communities: Recharge aims to build a world class charging network for emissions free electric cars. This includes both urban and rural areas, but the main focus of the business is centered around urban areas. By building charging networks, Recharge is an important input factor in creating cleaner and more sustainable living spaces. At Recharge, the mission is to help cities and municipalities become more sustainable.

SDG 12 Responsible Consumption and Production: Today, the car has become an important part of the lifestyle of the adult population, and the automotive industry is an industry with large and extensive value chains. Recharge facilitates the adoption of electric cars that have a zero-emission consumption, so that consumers get a more responsible and sustainable consumption.

A transition from diesel and petrol cars to zero emission electric cars is an important step towards more sustainable consumption. By building a world class charging network, Recharge is enabling the transition towards electrification of transports, and a more sustainable consumption for people who need the car as a mode of transport.

SDG 13 Climate Action: Recharge helps the Nordic countries keep their part of the Paris Agreement by facilitating simple and large-scale restructuring of the planet's automotive fleet. The company does everything it can to realize the urgently needed transition from diesel and petrol cars to zero emissions electric vehicles. Recharge is conscious of its important role in this process, as a well-developed charging infrastructure is vital to mass adoption of electric cars.



OUR SUSTAINABILITY AMBITIONS

We have defined a set of core KPIs that show our progress on our ESG-related efforts. Some of the KPIs are still being developed and assessed and will be updated when finalized. We'll report annually on progress on these measures.

	SUSTAINABILITY FOCUS AREA	SUSTAINABILITY TOPIC	KPI	2022	2023	AMBITION
ENVIRONMENT	Driving change to net zero	GHG emissions in our own operations and value chain	Scope 1	0	0	0
			Scope 2 ¹	0	0	0
			Scope 3 ²	N/A	15 093 tons	0 by 2035
			Key suppliers with a net zero ambition ³	N/A	100 %	100% for all key suppliers by 2026
		Delivering green energy to our customers	Recharge Carbon Intensity (gCO ₂ e/kWh delivered) ⁴	0	0	Recharge's Carbon Intensity is net zero today
			Total Value chain Carbon Intensity (gCO ₂ /kWh delivered) ⁵	N/A	To be assessed	0 by 2035
Clean energy delivered to our customers (kWh) ⁶	64 440 225		79 820 333	Consistent Growth		
SOCIAL	Caring about our people and the people we interact with	Our own workforce	Having a diverse workforce – share of female employees	24 %	27 %	30% by 2025
			Employee engagement index ⁷	N/A	77	80 by 2025
			Leadership KPI ⁸	N/A	90	Stay on score 90
		Our customers and in our supply chain	Accessibility - new sites meeting everyone's accessibility needs ⁹	N/A	N/A	Our ambition is that all new sites will meet everyone's accessibility needs
GOVERNANCE	Transparent business conduct	Integrity and anti-corruption	Share of all suppliers signing our Supplier code of conduct ¹⁰	N/A	N/A	100% by 2025
			Share of key suppliers signing our Supplier code of conduct ¹¹	100%	100%	100%
			Share of employees signing the code of conduct ¹²	N/A	N/A	100% by 2025

ESG GOVERNANCE

Governance of ESG responsibilities at Recharge goes to the highest level of our company. The board of directors is collectively responsible for the effective oversight of Recharge and our businesses. It determines Recharge's strategic direction and objectives, business plan, viability, and governance structure to help achieve long-term success and deliver sustainable shareholder value.

The board has a responsibility to ensure that Recharge's activities regarding sustainability topics are included in the company's strategy, and that targets are defined. The board receives updates three times annually from the management group in Recharge regarding ESG and approves the ESG report. The board is responsible for ensuring that the Recharge risk management and internal control systems are adequate in relation to the regulations governing the business.

In event of serious cases and deviations regarding the business, the Board of Directors will be notified either through Board meetings or in separate meetings. The whistleblowing procedure also opens for the employees, contractors, and others to notify Recharge in potential breaches.

The CEO, supported by the board of directors, has the ultimate operational responsibility for the implementation of the strategic processes, including sustainability. Our ESG initiatives, governance and reporting are led by our Head of Corporate Communications, Public Affairs and Sustainability. The role is organised under the Strategy & Business Development department, however the Head of Corporate Communications, Public Affairs and Sustainability reports directly to the CEO on ESG issues.

ABOUT THIS FRAMEWORK

The objective of this framework is to provide investors and stakeholders with details regarding the use of green financing instruments Recharge and/or its subsidiaries ("Recharge") may pursue in alignment with industry best practices.





RECHARGE

GREEN FINANCING FRAMEWORK

This section outlines how Recharge will address considerations when executing instruments, including debentures, bonds, revolving credit facilities, commercial paper, mortgages, construction facilities, loans, or other debt financing instruments (together the “Green Financing(s)”). This Framework was designed to support the issuance of instruments in accordance with the following best practices:

The Green Financings issued by Recharge, its subsidiaries and/or associated companies, will be made in alignment with the 2021 Green Bond Principles² (“GBP”) administered by the International Capital Markets Association (“ICMA”) and the 2023 Green Loan Principles³ (“GLP”) developed jointly by the Loan Market Association (“LMA”), Asia Pacific Loan Market Association (“APLMA”), and Loan Syndications and Trading Association (“LSTA”)

Green Financings issued by Recharge, its subsidiaries and/or associated companies, will be made in alignment to either the GBPs or the GLPs.

The below four core components are addressed as well as their recommendations on the use of external review and impact reporting:

Green Financings address the below four core components as well as their recommendations on the use of external review and impact reporting:

- I. Use of Proceeds
- II. Process for Project Evaluation and Selection
- III. Management of Proceeds
- IV. Reporting







I. USE OF PROCEEDS

An amount equivalent to the net proceeds from the issuance of the Green Financing(s) will be used to finance or refinance, in part or in full, eligible green projects (the “Eligible Projects”), outlined below. Recharge will follow the process described in the Framework along with its professional judgement, discretion, and sustainability expertise when identifying the Eligible Projects.

² International Capital Markets Association, “Green Bond Principles” updated as of June 2021 (with June 2022 Appendix I) <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

³ Loan Syndication and Trading Association, “Green Loan Principles” updated as of February 2023

ELIGIBLE PROJECTS

Green Categories	Eligibility Criteria	UN SDGs
<p>Clean Transportation</p>	<p>Investments, capital or operational expenditures, or any outflow incurred during normal course of operation related to the construction, installation, R&D, maintenance, operation, and upgrades of infrastructure that is required for zero tailpipe emissions transport solutions, including but not limited to:</p> <ul style="list-style-type: none"> - Electric charge points - Grid expenditure including modernisation and upgrade to facilitate increased renewable energy capacity connection subject to the Grid meeting at least two of the EU Taxonomy criteria for eligibility: <ul style="list-style-type: none"> a) the system is the interconnected European system⁴; b) more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period; c) the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period; 	   
<p>Renewable Energy</p>	<p>Investments, capital or operational expenditures, or any outflow incurred during normal course of operation related to the construction, R&D, operation, acquisition, maintenance, connection, transmission and distribution of renewable energy, generated or procured, including but not limited to:</p> <ul style="list-style-type: none"> - On-site battery storage projects 	 

EXCLUSIONS

To avoid doubt, financing related to projects that involve the following activities are excluded from being Eligible Projects:

- Investments in businesses/funds engaged in renewable energy projects that are deemed controversial due to potentially material environmental and/or social risks;
- Investments in businesses/funds which operate/invest in energy other than renewables (fossil fuels).

II. PROCESS FOR PROJECT EVALUATION AND SELECTION

Recharge has established a Sustainable Financing Committee (the "Committee") with responsibility for governing the selection and monitoring of the Eligible Projects. The Committee will be chaired by the CPO and include senior members from Finance and Network development, in addition to the CEO.

The Committee will be principally responsible:

- Regular review and approval of the pool of Eligible Projects
- Review and approval of and any changes to the Framework
- Review and approval of the Sustainable Financing Annual Report for investors
- Review of the Post Issuance External Verification Report and resolution of any issues that arise
- Monitor any ongoing evolution related to Sustainable Finance market practices

⁴ The interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems.

When evaluating Eligible Projects, the Committee will assess whether the Eligible Projects meet the eligibility criteria laid out in the Use of Proceeds section of this Framework. Projects must also comply with applicable laws and regulations and Recharge's policies and guidelines.

Additionally, the Committee will, if a project no longer meets the eligibility criteria set forth in this Framework, review and approve removing it and replacing it with another Eligible Project.

III. MANAGEMENT OF PROCEEDS

Recharge's Finance team will manage the allocation of an amount equivalent to the net proceeds of Green Financing to Eligible Projects. Net proceeds will be recorded separately in Recharge's records in order to clearly track the use of and allocation of funds for Eligible Projects.

Net proceeds can be attributed to Eligible Projects originated or refinanced up to 36 months before the issuance of a Green Financing. Recharge aims to have fully allocated an amount equal to the net proceeds of each Green Financing within 24 months of issuance.

Pending full allocation, the proceeds will be held in temporary investments such as cash, cash equivalents and/or other liquid marketable investments in line with Recharge's policies.

IV. REPORTING

On an annual basis, Recharge will update investors and lenders on the allocation of any Green Financings raised ("Allocation Report") and the estimated impact of the Eligible Projects to its stakeholders ("Impact Report" and together with the "Allocation Report" simply "Green Financing Report").

Allocation reporting on Green Financings will be produced at the relevant Eligible Project Category level basis. The report will include the following information, and will be readily available on the corporate website:

- Net proceeds of outstanding Green Financings
- The proportion of spending by Eligible Project category as defined in the use of proceeds section of this Framework
- Subject to confidentiality considerations, a list of the Eligible Projects financed through Recharge's Green Financing, including a description of the projects and allocated amounts
- The proportional allocation of proceeds between existing projects (refinancing) and new projects
- The remaining balance of unallocated proceeds, if any

Recharge will also report annually on relevant environmental impact metrics of financed or refinanced assets where feasible, and it will disclose measurement methodology for quantitative indicators. The Impact Report may include, for example, one or more of the indicators listed below or other indicators that show the direct and/or indirect benefits generated by the investments classified under this Framework:

Clean Transportation

- Number of EV charge points installed (#)
- Amount of electricity distributed through EV charge points (kWh)
- Number of charging sessions per annum (#)
- Renewable capacity connected to the grid (GW)
- Avoided emissions per annum (kt CO₂e/y)

Renewable Energy

- Added renewables capacity procured (MW)
- Total renewables capacity procured (MW)
- Avoided emissions per annum (kt CO₂e/y)
- Added storage capacity (MW)



EXTERNAL REVIEW

SECOND PARTY OPINION (PRE-ISSUANCE)

Recharge has obtained an independent second party opinion from DNV to confirm the validity of the Framework and the alignment to the Green Bond Principles. The independent second party opinion is published on Recharges homepage.

POST-ISSUANCE EXTERNAL VERIFICATION

Recharge intends to request on an annual basis, starting one year after issuance and until maturity (or until full allocation), a report of the allocation of the bond proceeds to eligible assets, provided by its external auditor or other external party

DISCLAIMER

This document is intended to provide non-exhaustive, general information as of the date hereof. The information in this document has not been independently verified. This document may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Recharge AS and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Recharge AS as to the fairness, reasonableness or completeness of any information incorporated herein.

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We are always looking
for great partners in the
Nordics and beyond.

Read more at
rechargeinfra.com