

Impact Report

Nobina AB
Green Bond
2019



Impact Report – Green Bond

On 13th of February, 2019, the Nordic region’s largest public transport company, Nobina AB (publ), issued its first green bond to finance fossil free buses. The bond was the first green bond linked to the public transport sector in the Nordic region. The transaction has clarified Nobina’s sustainability agenda and will accelerate the transition to a bus fleet operated solely on renewable energy.

The bond and the conditions

Nobina AB (publ) issued a green bond of SEK 500 million on February 13, 2019, with a tenor of 5 years and a floating rate coupon of STIBOR 3 months plus 155 basis points, which corresponded to an initial coupon of 1.47 percent. The bond was listed on the Nasdaq Stockholm Sustainable Bonds List on March 12, 2019.

Proceeds from this and potential future green bonds are allocated to investments covered by Nobina’s green bond framework. The proceeds from Nobina’s first green bond issuance are used for financing of new fossil free buses as well as charging infrastructure for buses. As of 2020-02-29, SEK 456 million has been invested in 140 new fossil-free buses and another four fossil-free buses are on order.

Green bond framework

Nobina’s issuance of a green bond framework is a natural part of the Company’s sustainability profile and the green bond framework strengthens Nobina’s focus on achieving positive environmental impacts.

Public transport is an important part of the solution towards a sustainable, transport-smart and fossil-free society. Nobina’s business model tackle some of the key challenges for the society: i) urgent need to reduce carbon emissions and improve air quality, ii) needs to enable rapid urbanization by efficient traffic solutions, iii) ensure efficient utilization of public space and fight congestions.

Nobina’s overall biggest sustainability contribution lies within its core business; providing attractive transportation solutions to ensure that people choose public means over private cars. Every year, Nobina helps more than 300 million people across the Nordics to reach their everyday destinations in an efficient and pleasant way.

For more information on Nobina’s sustainability work, see the Sustainability Report at www.nobina.com

Proceeds from Nobina’s Green Bonds are intended to be used to finance or re-finance, in part or in full, Eligible Green Assets, providing distinct environmental benefits in accordance with the below defined main category for Clean Transportation:

- Fossil free vehicles such as electric or vehicles powered by biofuels
- Charging infrastructure for buses

The Nobina Green Bond Framework has been drawn up in accordance with ICMA’s “Green Bond Principles 2018” and was examined by the independent climate and environmental research institute CICERO (The Center for International Climate and Environmental Research). The framework received the highest “Dark Green” rating, which is the first time a public transport company has achieved this level.

The framework, together with CICERO’s statement, can be found at www.nobina.com.



Use of proceeds

2020-02-29	SEK million
Total amount of Green Bonds issued	500
Used amount:	456
On order	27
Total amount of unallocated proceeds¹⁾	17

1) Temporarily unallocated proceeds are placed on the company’s ordinary bank account.

2020-02-29 Vehicles	Number	Balance (SEKm)
Electric vehicles	50	237
Bio-fuel vehicles	90	219
On order (Electric vehicles)	4	27
Total	144	483

Green Bond Portfolio 2020-02-29, % of balance (SEKm)



Impact reporting

The environmental impact and benefits of Clean transportation are evaluated with regards to the following metrics:

- Estimated annual greenhouse gas emissions reduced or avoided from total investments, t CO₂e.
- Estimated number of passengers travelling by fossil free vehicles such as electric and/or vehicles powered by biofuels.

Nobina is aware that buses have environmental impact in other ways than CO₂ emissions, for example, a life-cycle analysis for the bus has not been established nor have particle emissions been included.

The basis for the calculations is the estimated consumption of each individual bus. The expected CO₂ reduction is calculated by the difference between the emissions of buses financed by Nobina's Green Bond and the average emission of a diesel bus, by the definition of the Swedish Energy Office, Energimyndigheten. According to Energimyndigheten, the average emission per km from a diesel bus was 923 gCO₂/km in 2018. By comparing Nobina's electric and bio-fuel buses per 2020-02-29 with average emissions for diesel buses, we estimate an annual reduction of 8,250 tCO₂ for the vehicles through the entire green bond portfolio. The CO₂ reduction is calculated on an average annual basis on mileage of 82,000 km/year and bus.

As a result of the 140 buses we have invested in and financed with the green bond proceeds we have enabled fossil free transportation for approximately 8,5 million passengers during this past year. This calculation is based on the statistics, provided by the PTA's, of total number of boarding passengers on these specific buses. To put some context to it this corresponds to the full population of New York City.



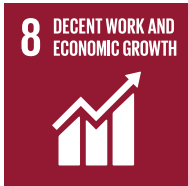
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WE HAVE ENABLED FOSSIL FREE TRANSPORTATION FOR APPROXIMATELY 8,5 MILLION PASSENGERS DURING THIS PAST YEAR.

THE ESTIMATED ANNUAL REDUCTION OF 8,250 TCO₂ FOR THE VEHICLES CORRESPONDS TO THE EMISSION FROM ALMOST 3,500 SMALLER CARS.

UN Sustainability development goals

Nobina's green bond framework addresses three of the UN Sustainable Development Goals.



Most common buses in the Green Bond portfolio



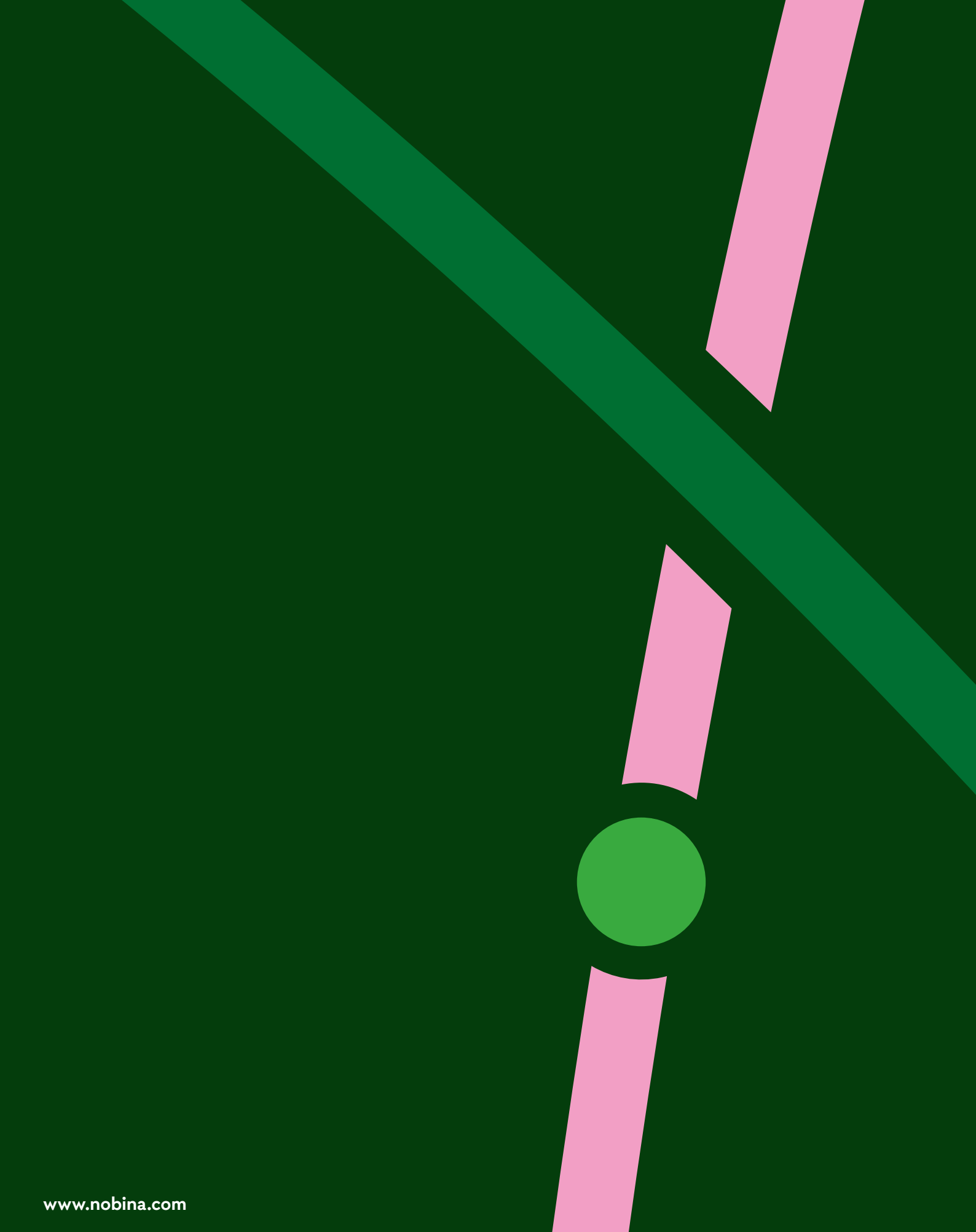
Fully electric BYD bus operating in the Ale contract outside of Gothenburg.



Mercedes-Benz Citaro Hybrid articulated bus in the Malmö City contract fueled with biogas.



Fully electric BYD bus operating in the Södermanland contract.



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