



# GREEN BOND INVESTOR LETTER

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## 2018



# ABOUT THE LETTER

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In July 2017, Lietuvos Energija issued its inaugural green bond. A year after, in July 2018, the second issue of green bonds of Lietuvos Energija has been successfully distributed.

This investor letter is to report on the green bond funds allocation to the eligible projects and their assumed positive environmental effect as of 31 May 2019.

Investor letter prepared on 28th of June, 2019.

# LIETUVOS ENERGIJA APPROACH TO SUSTAINABILITY AND ENVIRONMENT

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As one of the major companies in Lithuania and the Baltic states we recognize our strong role towards sustainable development of the country and the region. Lietuvos Energija has been a signatory to the UN Global Compact agreement since 2015, and has adopted its principles into the Group's daily activities. At the same time the development of the green generation and efficient use of energy took a center piece in our strategy. The importance of green generation is growing not only in our business portfolio, but also serves as a big part of Lithuania's long-term National Energy Strategy (NES). To get better insights into sustainable development efforts of Lietuvos Energija please visit the [reports section on our website](#).



## CEO WORD

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The global business landmark is rapidly changing and businesses around the globe, including energy industry, are recognizing that only sustainable businesses and business models will survive and thrive. We have started our journey towards sustainability in 2015 with acquisition of few wind parks in Lithuania and Estonia. Since then, we have launched our new strategy for the years 2018–2030, where green generation and other green initiatives play a major role. The strategy of the company marks a new era for us and stresses our strong promise to sustainable future. We hope to bring sustainable solutions that will create value not only to our shareholders and investors, but also to the society.

In the pursuit of the set targets we are also expanding the green generation. In 2018, we have acquired three operating wind farms and wind farms development project. Lietuvos Energija already operates 32 wind turbines that generate the total power of 76.1 MW. We are the second largest wind power producers in the Baltic States.

The year 2018 was also exceptional for the record-high investments in the distribution network renewal, with the aim to reduce energy losses and make network more climate resilient. Also, it was a year when we have launched our smart metering project which attracted much attention from the market. We expect that implementation of over 1 million units of smart meters will allow Lithuania to save over 6% percent of energy and will create added value to the business and private consumers.

International investors have already expressed their confidence in the future trend of Lietuvos Energija. In 2018, we have distributed the second 10-year green bond issue with the value of EUR 300 million. Its demand has even four times outstripped the supply.

The success of this green bond issue demonstrates a strong investors' confidence of the new, ambitious LE 2030 strategy. In particular, the investors supported the green focus of LE 2030 strategy, financial reliability, its efficient performance, and compliance with the strategic renewable energy objectives of the state. Now, when the global financial markets are less stable, such a successful transaction indicates international recognition and trust in the future of Lietuvos Energija.

*Darius Maikštėnas*  
*Chairman of the Board and the CEO of Lietuvos Energija UAB*

# PROGRESS OF THE IMPLEMENTATION OF LE 2030 STRATEGY

Since May 2018, the presentation of the LE 2030 strategy, to the day this report was published, some major decisions were made and projects started which helped Lietuvos Energija to gather a momentum in the process of the implementation of the LE 2030 strategy:

- In August 2018, Lietuvos Energija concluded two share sale-purchase agreements to acquire a portfolio of three operational wind power plants with a total capacity of 34 MW run by Vėjo Vatas and Vėjo Gūsis. The acquisition was completed in November 2018.
- In September 2018, Lietuvos Energijos Gamyba, part of Lietuvos Energija group, reported on its plans to install an experimental solar power plant floating on the water in Kruonis Pumped Storage Power Plant.
- In December 2018, Lietuvos Energija has acquired 100 % percent of shares of VVP Investment, which currently develops a wind farm of 20 turbines with capacities of 60 MW in the north-western part of Lithuania.
- In December 2018, seeking to develop its renewable generation portfolio further and optimize the activities of its wind energy generation companies, Lietuvos Energija has approved the establishment of a new company, Lietuvos Energija Renewables. The company will control the shares of its existing subsidiaries, engaged in wind power generation and renewable power generation development.
- In January 2019, Lietuvos Energijos Gamyba, a company of Lietuvos Energija group, announced the start of the project aimed at installing a one-megawatt energy storage system in Kaunas A. Brazauskas' Hydroelectric Power Plant. Operating in synergy with the plant, the new storage system would become the first and the biggest innovation of this kind in the Baltic States.
- In February 2019, Lietuvos Energija announced international search for a strategic partner to develop offshore wind energy projects. The company expects to find an experienced partner with a proven track record who would bring best-practices and expertise in building offshore wind projects and, later on, could develop joint offshore wind energy projects in Lithuania.
- In May 2019, Lietuvos Energija Renewables concluded an agreement regarding the acquisition of a 94 MW wind farm project in Poland – Pomerania wind farm. Lietuvos Energija is planning to complete the construction of one of the largest new onshore wind farms in Poland by 2021 and to invest a total of EUR 127 million into the development of Pomerania wind farm.
- In June 2019, Lietuvos Energija announced on creating a platform that will enable every resident of the country to become the owner of a solar power plant. The online platform would give electricity consumers the opportunity to buy or rent part of the remote solar power plant anywhere in Lithuania.

Building renewable energy capacity and competences is among the pillars of the strategy LE 2030. Lietuvos Energija plans to expand its green generation capabilities in the Baltics and Poland up to 400 MW by 2020 and own as much as 3 GW by 2030 globally.

[Follow this link to see the full strategy of Lietuvos Energija – LE 2030.](#)



# MAIN INFORMATION ABOUT GREEN BONDS

Lietuvos Energija has established a Euro Medium Term Note Programme for the issuance of up to EUR 1,500,000,000 in aggregate principal amount of notes.

Inaugural green bonds of Lietuvos Energija were issued on 7 July 2017 and the second issue was distributed on 3 July 2018.

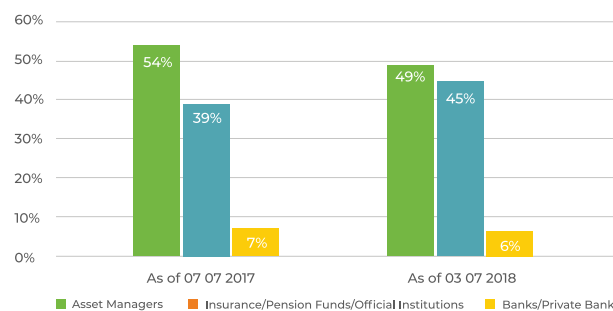
Both issues of the Bonds are dual-listed on the Nasdaq Vilnius and the Luxembourg Stock Exchange.

Issue	2017	2018
Issuer	Lietuvos Energija UAB	Lietuvos Energija UAB
Status	Senior Unsecured	Senior Unsecured
ISIN Code	XS1646530565	XS1853999313
Denominations	EUR 100,000/EUR 1,000	EUR 100,000/EUR 1,000
Issue Size	EUR 300,000,000	EUR 300,000,000
Listing	Nasdaq Vilnius, Luxembourg Stock Exchange	Nasdaq Vilnius, Luxembourg Stock Exchange
Maturity	10-year	10-year
Payment Date	14 July 2017	10 July 2018
Maturity Date	14 July 2027	10 July 2028
Coupon	2.000 %, annual	1.875 %, annual
Yield at Issue	2.193 %	2.066 %
Issuer Rating	S&P: BBB+, stable	S&P: BBB+, stable

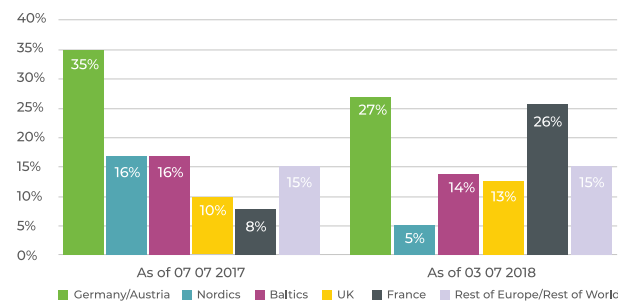
In 2017, the successfully placed EUR 300 million and 10-year maturity bond of Lietuvos Energija attracted 130 interested investors from 25 countries. The demand for the bonds hit nearly EUR 1.4 billion. It became the largest and the longest maturity bond ever offered by Lithuanian companies, and the largest and longest maturity green corporate Eurobond among the issuers from Central and Eastern Europe (CEE). Four years prior to that, no company from the CEE region managed to raise funds in the capital markets at a lower interest rate for a ten-year period than Lietuvos Energija.

In 2018, Lietuvos Energija has successfully distributed the second EUR 300 million issue of green bonds. The bonds have been acquired by 115 investors from 22 countries and the demand for the bonds outstripped the supply 4 times – investors were willing to lend EUR 1.1 billion to Lietuvos Energija. This time Lietuvos Energija successfully distributed the issue at lower cost than in 2017 despite the fact that market conditions were less favorable in 2018. International and local investment and pension funds, banks and insurance companies were competing for the securities of the Company.

Picture 1. Investor Allocations by Type



Picture 2. Investor Allocations by Region



Lietuvos Energija intends to use the funds raised for further financing of the investments in wind energy, enhancement of efficiency of the power distribution grid, as well as for the projects of energy production from waste and biomass. Lietuvos Energija undertook to use the funds attracted through the green bonds issue to finance only the investments designated for green energy projects in accordance with the Green Bonds Framework. As a result, a contribution toward implementation of sustainable energy development and the United Nations Sustainable Development Goals is being made.

# GREEN BOND FRAMEWORK AND ITS CERTIFICATION

Lietuvos Energija has prepared a **Green Bond Framework** which ensures that funds received are used exclusively to finance the following type of green energy projects:

- Renewable energy, including wind, hydro, biogas, solar and geothermal production capacities and related infrastructure;
- Pollution prevention and control projects, including energy production using waste;
- Energy efficiency solutions comprising distribution network development and renewal projects aimed at reduction of the network's losses and/or creation of conditions for connection of renewable energy sources, as well as smart network and ESCO projects;
- Clean transportation solutions for maintenance vehicles based on non-fossil fuel and supporting infrastructure.

The Green Bond Framework prepared by Lietuvos Energija enjoys a Second Party Opinion certification from CICERO (Center for International Climate Research) and SEI (Stockholm Environment Institute (SEI)). The Green Bond Framework has been awarded a Dark Green shading, which is the highest green category possible. Read the full report: **'Second Opinion' on Lietuvos energija's Green Bond Framework.**

# ASSESSMENT AND SELECTION OF ELIGIBLE PROJECTS

The approval for all investment projects is first given by the Board of Directors of Lietuvos Energija by approving the budgets of the companies controlled by the Group. The projects are then evaluated by the Green Bond Committee, which consists of representatives from different company's departments and subsidiaries to assess the compliance of the projects with the Framework's requirements and main criteria are then evaluated by the Green Bond Committee to ensure a positive long-term impact on the environment and the climate change effect. The Committee's composition and its Rules of Procedure have been approved by the Board of Directors of Lietuvos Energija.

*"Overall, Lietuvos Energija's Green Bond Framework together with its Corporate Social Responsibility Policy, commitments to achieving climate change targets in line with the Lithuania's National Climate Change Management Plan, as well as its management systems provide a sound base for climate-friendly investments."*

*Based on the overall assessment of the project types that will be financed by the green bonds and governance and transparency considerations, Lietuvos Energija's Green Bond Framework receives a Dark Green shading."*

CICERO/SEI 2017

Project assessment is based on two level evaluation:

## 1<sup>st</sup> LEVEL EVALUATION

General evaluation to assess project's eligibility. All eligible projects should be in line with the requirements of the below documents.

Green Bond Principles	UN Global Compact	National Climate Change Management Plan of Lithuania
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## LE Green Bond Framework

## 2<sup>st</sup> LEVEL EVALUATION

Technical evaluation to assess actual expected results from the investment project.

Renewable energy projects evaluation guidelines	Energy efficiency projects evaluation guidelines	Pollution prevention and control projects evaluation guidelines	Clean transportation projects evaluation guidelines
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# THE COMPOSITION OF THE GREEN BOND COMMITTEE

At the reporting date (31 May 2019) the Green Bond Committee of Lietuvos Energija consisted of four members.

Table 2. The composition of the Green Bond Committee (from 1 April 2018 to 1 June, 2019).

Name	Position in the Committee	Main position in Lietuvos Energija Group
<b>Vaidotas Dirmeikis</b>	Chairman of the Committee	Head of Financing at Treasury Department of Lietuvos Energija UAB (until 2019-06-21)
<b>Gediminas Aliukonis</b>	Member of the Committee	Head of Project Implementation Division of Lietuvos Energijos Tiekimas UAB (until 2019-05-13)
<b>Snieguolė Sasnauskienė</b>	Member of the Committee	Senior Engineer at Investment Planning Team of Energijos Skirstymo Operatorius AB
<b>Valentas Neviera</b>	Member of the Committee	Head of Sustainability Communications Division of Verslo Aptarnavimo Centras UAB

Lietuvos Energija aims to make sure that the Green Bond Committee consisted of all of the positions listed in the Green Bond Framework, but there are possible deviations due to staff changes during the year. In different periods of 2018, Vigilija Cidzikienė (represented Vilnius Cogeneration Power Plant UAB and Kaunas Cogeneration Power Plant UAB), Donatas Černiauskas (represented Energijos Sprendimų Centras UAB) and Tomas Urniežius (represented Energijos Skirstymo Operatorius AB) took the position of the member of the Committee.



# PROJECTS FINANCED AND THEIR IMPACT ON ENVIRONMENT

In 2017–2019 (as of 31 May 2019), the Board of Directors of Lietuvos Energija and the Green Bond Committee approved the allocation of financing to these projects using funds raised by green bonds.

All projects that received financing were selected in view of the principles and criteria established in the Green Bond Framework prepared by Lietuvos Energija. In total, EUR 473 million were allocated to finance the projects out of EUR 600 million raised by both issues of green

bonds. CO2 emissions are calculated based on the European Investment Bank methodology ([Methodologies for the Assessment of Project GHG Emissions and Emission Variations Version 10.1](#)).

Project allocation reporting is done as of 31 May 2019 and is applicable at the date of issuance of this report.

Projected and actual results of the projects are reported as a full calendar year results for the future comparison reasons. Environmental benefits relate to the entire project where green financing is only part of the total project cost.

The share of allocated funds, that have not yet been utilized, is expected to be fully utilized by the end of Q1 of 2020. Unallocated green bond proceeds are managed as a short term Group's liquidity reserves via notional cash pool or other instruments.

Table 3. Projects financed and their impact on environment\*

Issue	Project name	Project category	Project description	Project value, mEUR	Green bond funds allocated, mEUR	Green bond funds utilized, mEUR	Planned energy generation (GWh per year)	Actual energy generation (GWh per year*)	Projected reduction of CO2 emissions (tons per year)	Actual reduction of CO2 emissions (tons per year**)
2017 (all funds allocated and utilized before 31-03-2018)	Renewal of ESO's electricity distribution network (Part I&II)	Energy efficiency projects	Energijos Skirstymo Operatorius (ESO) plans to implement various projects related to the repair, replacement and optimization of the electricity network. The electricity network renewal plan includes more than 2,000 projects that are going to be implemented in five regions of Lithuania. The projected operational period of individual projects is between 30 and 50 years. Annual energy savings are expected to reach more than 39,600 MWh (more than 1,357,000 MWh over the projected operational period of the projects; 0.008 MWh per EUR 1 of investments over the projected operational period of the projects). The implementation of the mentioned projects was expected to reduce the network's losses from 6.14% to 6.04% in 2018. The reduction of losses by 0.1% is equal to slightly more than 1 million KWh.	250.0	166.3	166.3	N/A	N/A	1,729	1,806

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Issue	Project name	Project category	Project description	Project value, mEUR	Green bond funds allocated, mEUR	Green bond funds utilized, mEUR	Planned energy generation (GWh per year)	Actual energy generation (GWh per year*)	Projected reduction of CO2 emissions (tons per year)	Actual reduction of CO2 emissions (tons per year**)
2017 (all funds allocated and utilized before 31-03-2018)	Refinancing of wind power parks in Estonia and Lithuania	Renewable energy projects	At the beginning of 2016, Lietuvos Energija acquired wind power parks in Estonia and Lithuania with the overall capacity of 42 MW. The acquisition of the wind power parks was financed using borrowings from commercial banks. To optimize the financing structure of projects the company wishes to refinance borrowings using funds raised by green bonds. The wind power parks operating in Estonia and Lithuania produce around 136 GWh of electricity per year.	66.6	66.6	66.6	136	117	91,937	78,141
2017 (all funds allocated before 31-03-2018, amount of funds utilized after 31-03-2018 is EUR 11.7 million)	Vilnius Cogeneration Power Plant (Part I)	Pollution prevention and control projects	The cogeneration power plant in Vilnius which will be put into operation in 2020 will produce about 40% of heat energy supplied to the district heating sector in Vilnius city. Up to 160,000 tons of non-recyclable municipal waste that remain after sorting and around 400,000 tons of biofuel per year would be used for energy production. The power plant is expected to produce around 0.4 TWh of electricity, which is a sufficient volume of electricity to meet the demand of 230 thousand households. It will also contribute to solving waste management problems in the country and implementation of the EU Circular Economy objectives.	375.0	36.6	36.6	1,047	N/A	430,000	Project not yet completed. Planned to be operational Q1 of 2020
2017 (all funds allocated before 31-03-2018; amount of funds utilized after 31-03-2018 is EUR 5.7 million)	Kaunas Cogeneration Power Plant	Pollution prevention and control projects	The Lietuvos Energija in cooperation with the selected partner Fortum Heat Lietuva is implementing the construction project of a modern waste and biofuel-fired high-efficiency cogeneration power plant in Kaunas. The power plant will ensure lower heat production prices for consumers in Kaunas city as well as additional production of local electricity at a competitive price and will solve waste management problems. The cogeneration power plant in Kaunas which will be put into operation in 2020 will produce about 40% of heat energy supplied to the district heating sector in Kaunas. Heat and electricity will be produced using not only municipal waste remaining after sorting, but also non-hazardous industrial waste and sewage sludge accumulating at waste water treatment plants. These capacities will enable to more rationally use around 200 thousand tons of waste accumulating in the region and produce around 500 GWh of heat and around 170 GWh of electricity.	150.0	20.0	20.0***	675	N/A	114,986	Project not yet completed. Planned to be operational Q1 of 2020



Table 3. Projects financed and their impact on environment\*

Issue	Project name	Project category	Project description	Project value, mEUR	Green bond funds allocated, mEUR	Green bond funds utilized, mEUR	Planned energy generation (GWh per year)	Actual energy generation (GWh per year*)	Projected reduction of CO2 emissions (tons per year)	Actual reduction of CO2 emissions (tons per year**)
2017 (all funds allocated and utilized before 31-03-2018)	Acquisition of a 25 % shareholding in the wind power park in Jurbarkas	Renewable energy projects	Seeking to implement its strategy, which focuses on energy production using renewable energy sources, Lietuvos Energija made a decision to acquire a 25 % minority shareholding in the wind power park in Jurbarkas operated by Eurakras UAB. A 100 % shareholding held in the wind power park will allow to manage the park more efficiently. The wind power park in Rotuliai, Jurbarkas region, operated by Eurakras UAB was launched in August 2016 and it consists of 8 wind turbines with the capacity of 3 MW each. One euro invested over the course of the project's useful lifecycle reduces CO2 emissions by 0.02 kgCO2/EUR. 106.05 Kwh/EUR of electricity will be produced over the useful lifecycle. The annual volume of electricity generated by the wind power park will reach 19.75 Gwh.	4.3	4.3	4.3	79	69	8,504	7,424
2018 (all funds allocated and utilized after 31-03-2018)	Renewal of ESO's electricity distribution network (Part III)	Energy efficiency projects	The electricity network renewal plan includes more than 731 projects that are going to be implemented in five regions of Lithuania. The projected operational period of individual projects is between 30 and 50 years. Annual energy savings are expected to reach more than 22,000 MWh (more than 784,500 MWh over the projected operational period of the projects; 0.0063 MWh per EUR 1 of investments over the projected operational period of the projects).	190.0	124.9	124.9	N/A	N/A	11,388	8,369
2018 (all funds allocated and utilized after 31-03-2018)	Acquisition of two wind power parks in Lithuania	Renewable energy projects	In its long-term strategy Lietuvos Energija aims to invest in renewable energy production including the development of new wind power parks. The company made a decision to acquire Vėjo Vatas UAB and Vėjo Gūsis UAB (three wind farms in total). Vėjo Vatas operates one wind farm of 14.9 MW (7 turbines) in Tauragė district. Vėjo Gūsis operates two wind farms with the capacity of 10 MW and 9.1 MW (11 turbines in total) in Kretinga and Tauragė district. Over a project's useful life one invested EUR reduces CO2 emissions by 0.02 kg CO2 / EUR. Over a project's useful life 106.05 kWh / EUR will be produced.	21.8	21.8	21.8	86	11 (Results after the acquisition, i. e. 2 months of 2018)	36,954	4,751 (Results after the acquisition, i. e. 2 months of 2018)

Table 3. Projects financed and their impact on environment\*

Issue	Project name	Project category	Project description	Project value, mEUR	Green bond funds allocated, mEUR	Green bond funds utilized, mEUR	Planned energy generation (GWh per year)	Actual energy generation (GWh per year*)	Projected reduction of CO2 emissions (tons per year)	Actual reduction of CO2 emissions (tons per year**)
2018 (all funds allocated and utilized after 31-03-2018)	Vilnius Cogeneration Power Plant (Part II)	Pollution prevention and control projects	Additional funding to Vilnius CHP. Find the detailed description of the project above in this table.	Refer Part I above	15.7	4.0				Indicators for the full project are provided above in this table.
2018 (all funds allocated and utilized after 31-03-2018)	Small residential and industrial solar PV projects	Renewable energy projects	The implementation activities on the basis of ESCO and PPA business models were suggested to clients by Energijos Tiekimas UAB, which was connected with Lietuvos Energijos Tiekimas UAB from 1 June 2019. The focus is on reducing the usage of energy resources and increasing the efficiency of consumption and the development of solar photovoltaic projects.  10788 kWp of solar photovoltaic installations for business and public sector customers is planned to be installed. The above-mentioned combined solar photovoltaic installations, taking into account the depreciation of photovoltaic modules, would generate on average about 9,633,658 MWh of electricity per year. According to the guarantees of the manufacturers of the solar photovoltaic installations, after 25 years the operational capacity of the solar photovoltaic installations will be at least 80% of the nominal capacity.	9.9	9.9	2.3	3	N/A	5,455	Not yet implemented. Planned to be operational by 2020
2018 (all funds allocated and utilized after 31-03-2018)	ESCO projects (city lighting)	Energy efficiency projects	The requested investment is to be used by Lietuvos Energijos Tiekimas (after the connection of Energijos Tiekimas UAB and Lietuvos Energijos Tiekimas UAB from 1 June 2019) mostly for modernization of lighting for business and public sector customers. Based on the ESCO experience, one invested euro reduces electricity consumption on average by 1.98 kWh per year. After implementation of ESCO projects, electricity consumption for business and public sector customers could be reduced by 3,036.97 MWh per year. The average new LED lighting life cycle is about 13 years.	1.5	1.5	1.2	N/A	N/A	534	Not yet implemented. Planned to be operational by 2020

Table 3. Projects financed and their impact on environment\*

Issue	Project name	Project category	Project description	Project value, mEUR	Green bond funds allocated, mEUR	Green bond funds utilized, mEUR	Planned energy generation (GWh per year)	Actual energy generation (GWh per year*)	Projected reduction of CO2 emissions (tons per year)	Actual reduction of CO2 emissions (tons per year**)
2018 (all funds allocated and utilized after 31-03-2018)	Electric cars charging stations	Clean transportation projects	The installation of new electric car charging stations and the development of "Charge it on" network is planned by Lietuvos Energijos Tiekimas (after the connection of Energijos Tiekimas UAB and Lietuvos Energijos Tiekimas UAB from 1 June 2019). About 147 electric car charging stations in the territory of Lithuania are to be installed. These stations would transmit about 6.438.6 MWh of energy to electric cars per year. It is equal to 25754400 km of driving distance. The planned lifetime of electric car charging stations is 10 years. It is planned to use only green electricity to charge electric cars	5.1	5.1	0.0	N/A	N/A	5,150	Not yet implemented. Planned to be operational by 2020
<b>TOTAL:</b>				<b>1,074.2</b>	<b>472.7</b>	<b>448.0</b>	<b>2,026</b>	<b>197</b>	<b>706,637</b>	<b>100,491</b>

\* Limited assurance provided do not cover projects information on the individual level and review of the reported CO2 emissions numbers were not a part of external assurance task. Assurance provided by PwC covers reporting period from 31 March 2018 up to 31 May 2019 only.

\*\* Provided data reflects the period from 1 January 2018 to 31 December 2018. Actual environmental results are assessed at least once a year.

\*\*\* In Green Bond Investor Letter 2017, it was mistakenly reported that the amount of green bonds fund utilized for the Kaunas Cogeneration Power Plant is EUR 2 million. As of 31 March 2018, EUR 14.3 million was already utilized instead of reported EUR 2 million.

Table 4. Allocation to different eligible categories by the issue

mEUR	2017	2018	Total (as of 31 05 2019)
Energy efficiency	166.3	126.4	292.7
Renewable energy	70.9	31.7	102.6
Pollution prevention and control	56.6	15.7	72.3
Clean transportation	-	5.1	5.1
<b>TOTAL ALL CATEGORIES</b>	<b>293.8</b>	<b>178.9</b>	<b>472.7</b>

Picture 3. Allocation to different eligible categories by the issue as of 31 05 2019

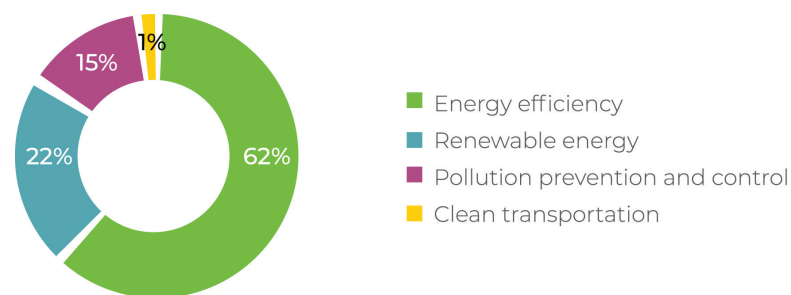
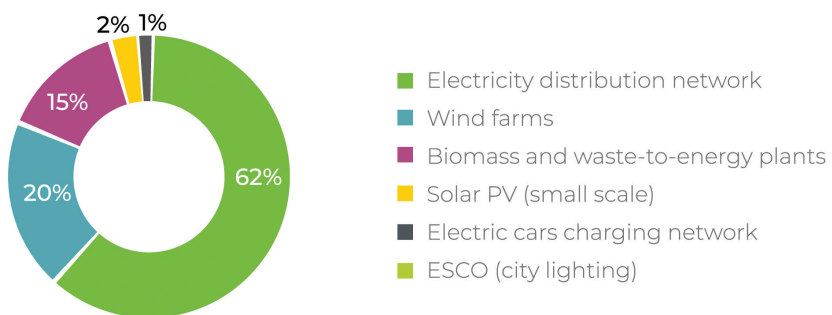


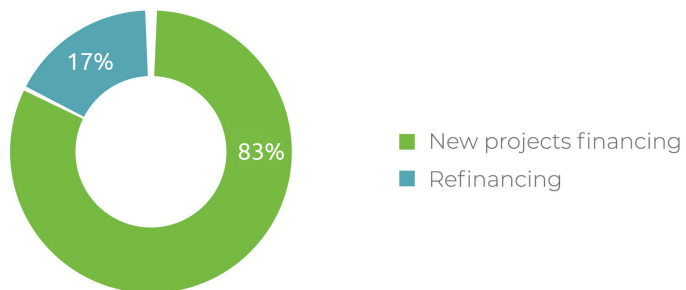
Table 5. Allocation to different projects by the issue

mEUR	2017	2018	Total (as of 31 05 2019)
Electricity distribution network	116.3	124.9	291.2
Wind farms	70.9	21.8	92.7
Biomass and waste-to-energy plants	56.6	15.7	72.3
Solar PV (small scale)	-	9.9	9.9
Electric cars charging network	-	5.1	5.1
ESCO (city lighting)	-	1.5	1.5
<b>TOTAL ALL PROJECTS:</b>	<b>293.8</b>	<b>178.9</b>	<b>472.7</b>

Picture 4. Allocation to different projects by the issue as of 31 05 2019



Picture 5. Allocation to different projects by financing type as of 31 05 2019



# AWARDS AND RECOGNITION

**Lietuvos Energija was awarded with Green Bond Pioneer Award in the New Countries Taking Green Bonds Global category.**

International leadership in green finance has been recognized at the 3rd Annual Green Bond Pioneer Awards (GBPA), announced before an international audience as one of the highlights of the Climate Bonds 2018 Annual Conference, in London.

Climate Bonds Initiative is an investor-focused non-profit international organization working solely to mobilize the largest capital market of all, the \$100 trillion bond market, for climate change solutions. The Awards are in recognition of organizations, financial institutions and government bodies and individuals who have led the development of green finance and green bond markets in the past year and through their pioneering initiatives and issuance have provided positive examples of climate resilient and low carbon investment.

## **Green Bond Pioneer Awards 2018 winners**



**At the solemn ceremony of The Nasdaq Baltic Awards 2019 Lietuvos Energija received award for the best bond issuer's relations with investors.**

Lietuvos Energija appeared among the evaluated companies of Nasdaq Baltic market after it has particularly successfully distributed already the second green bond issue in 2018. The company has received a favorable opinion after evaluating the quality of information disclosure in the annual report and other statements, transparent governance of the company and its presentation to investors as well as other criteria.

The Nasdaq Baltic Awards take place once every two years, and involve Nasdaq Baltic stock exchanges and the Central securities depository of the Baltic States (Nasdaq CSD).

Companies are evaluated according to the criteria developed through the insights of the Baltic capital market and international experts. The awards are designed to honor and mark the listed companies that have achieved the best results in the fields of transparency, good corporate governance and investor relations, also the companies with the highest added value for shareholders.

## **Nasdaq Baltic Awards 2019 winners**



**Lietuvos Energija was a runner up in the Most Impressive CEE Corporate Issuer category.**

Lietuvos Energija appeared in the list of the winners of GlobalCapital 2019 Bond Awards, which was announced in May 2019.

GlobalCapital is presented as a leading news, opinion and data service for people and institutions using and working in the international capital markets. Every year, GlobalCapital gathers the world's leading capital markets bankers, borrowers and investors, to recognize the very best institutions and people operating in the primary markets.

## **Bond Awards 2019 winners**

**GlobalCapital**

**Lietuvos Energija was listed as one of the Top 10 Post Issuance Green reporting issuers across various regions and issuer types.**

Post-issuance reporting on use of proceeds is a core component of the Green Bond Principles and the Green Loan Principles. It is also recommended that issuers report on the environmental impacts of funded projects. Post-issuance disclosure provides transparency, ensures accountability and underpins the credibility of green bonds and loans.

Lietuvos Energija was not only listed as one of the TOP 10 issuers but its report was also mentioned as a good example how the report should be prepared.

## **Post-issuance reporting in the green bond market**

