

# Green Bond Investor Letter 2019

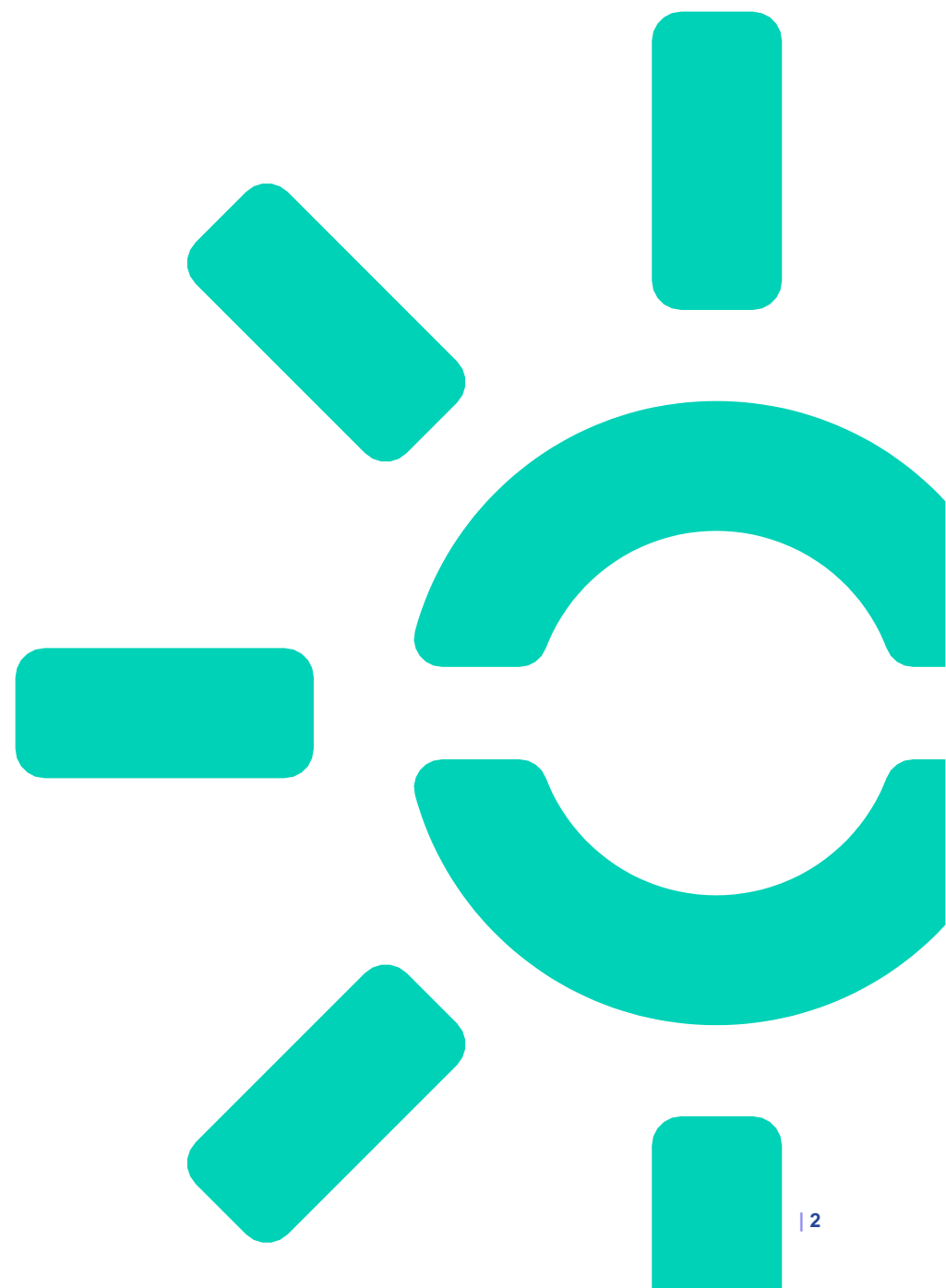
In July 2017, Ignitis Group (until 6th of September 2019 – Lietuvos Energija) issued its inaugural green bond. A year after, in July 2018, the second issue of green bonds of Ignitis Group (hereinafter – “Ignitis Group”, “the Group”) has been successfully distributed.

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 2020.



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# Management's foreword

## Dear Investors,

2019 was a year of tremendous change and transformation for us. After brand consolidation, in September we became an international energy company Ignitis Group.

The new name marks the beginning of a new phase in the Group's readiness to meet its long-term goals and focus on sustainable and environmentally friendly development in the international marketplace, ensuring high quality customer service and operating efficiency.

We feel being responsible in a world facing the challenges of climate change and understand that the energy of the future is inseparable from decarbonisation. We demonstrated this not just by making statements but by taking real actions. 472.7 million Eur, out of the 600 million Eur raised through the issue of green bonds, were invested to green generation projects. These Investments create not only economic value but also environmental benefits for Lithuania. In addition, in December 2019 we became the first company from the Baltic States and Poland to join the "Business Ambition for 1.5°C" initiative of the United Nations and other international organisations. In this way, we committed by 2050 to reduce net carbon dioxide (CO<sub>2</sub>) emissions to zero.

Creating an Energy Smart world and committing to a more sustainable future remains core to all our activities.

Our strategy update, released in June 2020, follows the expectations from the Group's shareholder for the consistent and sustainable growth of Ignitis Group through the modernisation of its energy infrastructure and the further development of its green power generation portfolio.

The Strategy is aligned with the targets of Lithuania's National Energy Independence Strategy. This includes the adoption of smart metering, innovative technologies and the digitisation of the Lithuanian energy sector, as well as the development of additional green energy generation capacity (including offshore in the Baltic sea) and synchronization with continental European energy grids. Active development of green generation remains key priority of sustainable development for the Group. Ignitis Group targets 4 GW of installed green generation capacity by 2030 while creating value for shareholders. The Group is also looking to maintain leadership in its home markets – the Baltic countries, Poland and Finland – and will explore new opportunities in countries which are in the energy transition path.

To sum up, we are transforming our company to create the leading green energy business in the region and create a more sustainable world. In everything we do, we are united by our mission to make the world energy smart: greener, more secure and open to innovation. Culture and values of our organization, together with the recognition and trust from the investors in the future of Ignitis Group, will help us to reach our goals successfully.



**Darius Maikštėnas**  
Chairman of the Board and the CEO  
UAB Ignitis Grupė

# Our approach to sustainability and environment

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. Ignitis Group has been a signatory to the UN Global Compact agreement since 2016, and has adopted its principles into the Group's daily activities.

Ignitis Group's current long-term strategy (the "Strategy") is focused on creating a sustainable future by growing renewables, ensuring resilience and flexibility of the energy system, enabling energy transition and evolution as well as capturing growth opportunities. The vision is to transform for a more sustainable world.

The Group has established a significant track record in sustainable energy development, while at the same time demonstrating a commitment to best-in-class governance and ESG principles. Ignitis Group committed to reduce net carbon dioxide (CO<sub>2</sub>) emissions to zero by 2050, in line with the "Business Ambition for 1.5° C" initiative of the United Nations and other international organizations that the Group joined in 2019.

The Group has aligned its strategy with the National Energy Independence Strategy approved by the Parliament of the Republic of Lithuania on 21 June 2018, which sets targets for Lithuanian domestic energy production and the transition towards renewable energy sources, and has been a key driver of the Group's increased investments in green generation, as well as investments in the distribution infrastructure and in maintaining the capacities to provide services to support the reliability of the Lithuanian energy system.

To get better insights into sustainable development efforts of Ignitis Group please follow [this link to the Strategy and Strategic plan of Ignitis Group for 2020–2023](#), and visit [Reports section on our website](#).



# Main events after the last issue of Green Bond Investor Letter

## Q3 2019

- The Supervisory Board of AB Energijos Skirstymo Operatorius (hereinafter – ESO) approved the updated ESO 10-year Investment plan. By 2028 ESO will invest EUR 1.83bn in increasing network resilience and security, deploying smart solutions, improving customer experience, and promoting the market of services providing a level playing field for all market participants.
- Group's Innovation Center has started to publish open datasets. In the first phase, the datasets provided by ESO have been made published.
- Lietuvos energija UAB changed its legal name and brand to UAB Ignitis Group. The legal name of UAB Lietuvos Energijos Tiekimas was changed to UAB Ignitis, AB Lietuvos Energijos Gamyba to AB Ignitis Gamyba, and UAB Lietuvos Energija Renewables to UAB Ignitis Renewables. In international markets, the Group operates under the Ignitis brand.

## Q4 2019

- The world's first nationwide platform Saulės Parkai (Solar Parks), available throughout the country, started its activity on 1 October. It is easily accessible to residents willing to use renewable solar energy in their homes. Part of a remote solar power plant can be acquired or leased through this platform.
- The first 50 Ignitis ON charging stations for electric vehicles were launched in Vilnius.
- Management of the Company made a decision to initiate the procedures of delisting of Ignitis Gamyba and ESO procedures.
- The Ministry of Finance formed a working group to assess Group's the long-term financing alternatives, including the Company's initial public offering (IPO).
- The Company joined the initiative of the United Nations and other international organizations 'Business Ambition for 1.5°C'. The Company is committed to reduce net carbon dioxide (CO<sub>2</sub>) emissions to zero by 2050.

## Q1 2020

- In January, Ignitis Gamyba started the installation of the largest solar power plant in the Baltic States (3 MW).
- In February, during the test the first heat produced from waste by Kaunas Cogeneration Power Plant (hereinafter – CHP) reached Kaunas households.
- In February, working group formed by Ministry of Finance, provided a recommendation to the Company to prepare for IPO by autumn, 2020.
- In March, European Investment Bank (EIB) allocated EUR ~60 million (PLN 258 million) for development of the first Group's wind farm in Poland (Pomerania).
- During the extreme situation due to Covid-19, Ignitis did not apply self-service system service fees, customer service centers were temporarily closed, preferential payment terms are applied to the customers affected by the quarantine.
- The Articles of Association of the Company have been amended – number of Supervisory Board members have been increased from 5 to 7.

## Q2 2020

- Ignitis Group held an investor conference webinar where the CEO and the Chairman of the Board of Ignitis group Mr. Darius Maikštėnas as well as Member of the Board of Ignitis group, the Director of Finance and Treasury Mr. Darius Kašauskas, introduced Ignitis Group's financial results for the year 2019 as well as the plans for 2020 and answered the participant questions. Webinar recording is available online.
- After the annual credit ratings review, the international credit rating agency S&P Global Ratings affirmed its BBB+ rating for the Company. The rating outlook (negative) also did not change.
- Despite the uncertainty in the financial markets, investors are positive about Ignitis Group's prospects for developing sustainable energy projects in Lithuania and the region. On 14 May Ignitis Group successfully distributed EUR 300 million issue of bonds. The annual coupon of the 10-year senior unsecured bonds will be 2.00 %, the bonds were placed at 2.148 % yield. The bonds have been acquired by 57 investors. Most of the Company's bonds were purchased by institutional investors from Germany, United Kingdom and Lithuania: banks, investment and pension funds and insurance companies
- Ignitis Group, the international energy company, announces its updated long-term corporate strategy and strategic plan for the period 2020–2023. Creating an Energy Smart world and committing to a more sustainable future remains core to all of the Group's activities.

[Follow this link to read all news of Ignitis Group](#)



# Main information about the Green Bonds

Ignitis Group 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 Ignitis Group 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.

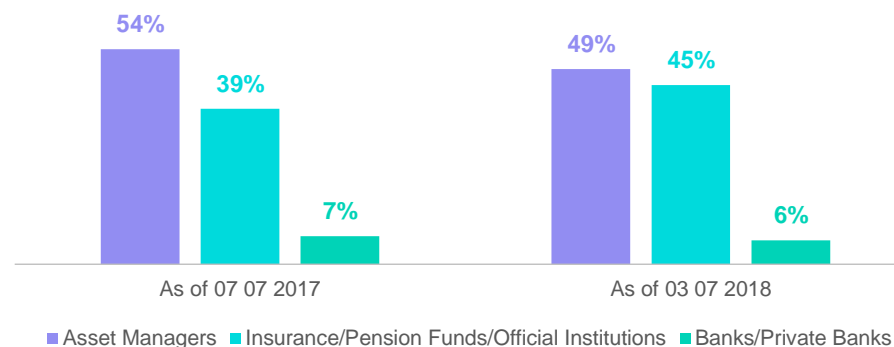
**Table 1. Green Bond Issues**

Issue	2017	2018
Issuer	UAB Ignitis Grupė	UAB Ignitis Grupė
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

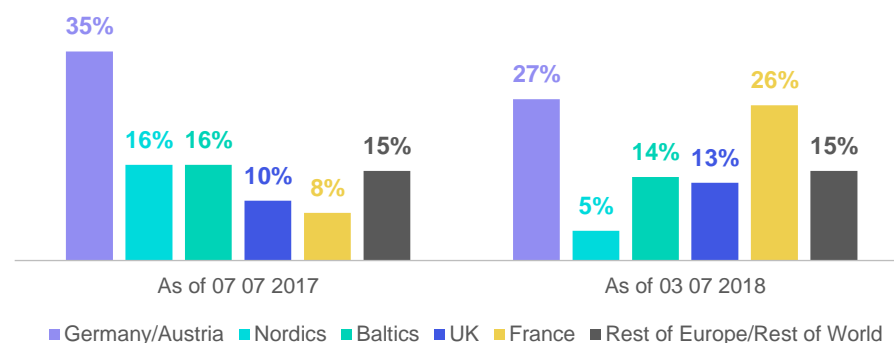
In 2017, the successfully placed EUR 300 million and 10-year maturity bond of Ignitis Group attracted 130 interested investors from 25 countries. The demand for the bonds hit nearly EUR 1.4 billion. It became the largest and the longest maturity bond ever offered by Lithuanian companies, and the largest 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 Ignitis Group.

In 2018, Ignitis Group 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 Ignitis Group. This time Ignitis Group 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**



Ignitis Group 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. Ignitis Group 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

Ignitis Group 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 Ignitis Group has received 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 Ignitis Group’s Green Bond Framework.

## Assessment and selection of eligible projects

The approval for all investment projects is first given by the Board of Ignitis Group 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 departments and subsidiaries of Ignitis Group 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 Ignitis Group.

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	
Ignitis Group’s Green Bond Framework			
2 <sup>nd</sup> LEVEL EVALUATION			
Technical evaluation to asses 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

## The composition of the Green Bond Committee

At the reporting date (31 May 2020) the Green Bond Committee of Ignitis Group consisted of seven members.

**Table 2. The composition of the Green Bond Committee (as of 31 May 2020)**

Name	Position in the Committee	Main position in Ignitis Group
<b>Valentas Neviera</b>	Chairman of the Committee	Head of Sustainability at Ignitis Grupės Paslaugų Centras (Ignitis Group Service Center)
<b>Asta Vaitulevičė</b>	Member of the Committee	Head of Energy Efficiency Programme at ESO
<b>Darius Šimkus</b>	Member of the Committee	Head of Risk Management and Compliance at Ignitis
<b>Virginijus Jagela</b>	Member of the Committee	Coordinator of Operating Wind Energy Capacities at Ignitis Renewables
<b>Arūnas Barauskas</b>	Member of the Committee	Head of Business Development at Ignitis Gamyba
<b>Vidmantas Kvietkauskas</b>	Member of the Committee	Head of Financing at Ignitis Group
<b>Jurgita Seniūnaitė</b>	Member of the Committee	Head of Laboratory at Vilnius CHP

Ignitis Group aims to make sure that the Green Bond Committee consisted of all of the positions listed in the Green Bond Framework. Members of the Green Bond Committee have different responsibilities in the companies of the Ignitis Group. They work in fields of social responsibility, energy efficiency, distribution, finance, environmental protection.

Previous chairman of the Committee Vaidotas Dirmeikis (represented Ignitis Group) and member of the Committee Vigijija Cidzikienė (represented Vilnius CHP) left the Group in 2019. Snieguolė Sasnauskienė (represented ESO) and Gediminas Aliukonis (represented Ignitis) took the position of the member of the Committee until 3 February 2020.





# Projects financed and their impact on environment

In 2017–2020 (as of 31 May 2020), the Board of Directors of Ignitis Group 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 the view of the principles and criteria established in the Green Bond Framework prepared by Ignitis Group. In total, EUR 473 million were allocated to finance the projects out of the net proceeds (EUR 588 million) raised by both issues of green bonds. CO<sub>2</sub>

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 and utilization reporting is done as of 31 May 2020 and is applicable at the date of issuance of this report.

Projected and actual results regarding energy generation and reduction of CO<sub>2</sub> 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, as well as the funds that have not yet been allocated, are expected to be fully utilized by the end of Q2 of 2021. 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<sup>1</sup>**

No.	Issue	Project name	Project category	Project description	Project value, EURm	Green bond funds allocated, EURm	Green bond funds utilized, EURm	Planned energy generation (GWh per year)	2019 actual energy generation (GWh per year <sup>2</sup> )	Projected reduction of CO <sub>2</sub> emissions (tons per year)	2019 actual reduction of CO <sub>2</sub> emissions (tons per year <sup>2</sup> )
1	2017 (all funds allocated and utilized until 31 05 2019)	Renewal of ESO's electricity distribution network (Part I&II)	Energy efficiency projects	<p>ESO implements 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 being 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).</p> <p>For more information follow <a href="http://www.eso.lt">www.eso.lt</a></p>	250.0	166.3	166.3	N/A	N/A	7,811 <sup>3</sup>	7,916 <sup>3</sup>
2	2017 (all funds allocated and utilized until 31 05 2019)	Refinancing of wind power parks in Estonia (Tulleenergia) and Lithuania (Eurakras)	Renewable energy projects	<p>At the beginning of 2016, Ignitis Group acquired wind power parks in Estonia (operated by Tulleenergia OU; 6 turbines) and Lithuania, Jurbarkas district (operated by UAB Eurakras; 8 turbines) with the overall capacity of 42 MW.</p> <p>The acquisition of the wind power parks was financed using borrowings from commercial banks. To optimize the financing structure of projects the company refinanced borrowings using funds raised by green bonds.</p>	66.6	66.6	66.6	136	140	91,937	92,650

No.	Issue	Project name	Project category	Project description	Project value, EURm	Green bond funds allocated, EURm	Green bond funds utilized, EURm	Planned energy generation (GWh per year)	2019 actual energy generation (GWh per year <sup>2</sup> )	Projected reduction of CO <sub>2</sub> emissions (tons per year)	2019 actual reduction of CO <sub>2</sub> emissions (tons per year <sup>2</sup> )
3	2017 (all funds allocated and utilized until 31 05 2019)	Vilnius Cogeneration Power Plant (Part I)	Pollution prevention and control projects	<p>Upon completion, the Vilnius CHP Plant will have a total installed electricity generation capacity of approximately 92 MW and a total installed heat generation capacity of approximately 229 MW. It is expected that the Vilnius CHP Plant, using biofuel and municipal waste, will produce nearly half of the district heat supplied to Vilnius and electricity meeting the needs of approximately 230,000 households. Upon completion of the construction, the Vilnius CHP will be one of the most modern in Europe in terms of environmental protection and energy generation technologies. The commercial activities of the power plant are expected to start in 2021.</p> <p>For more information follow <a href="http://www.vkj.lt">www.vkj.lt</a></p>	375.0	36.6	36.6	1,047	N/A	430,000	Project not yet completed
4.	2017 (all funds allocated and utilized until 31 05 2019)	Kaunas Cogeneration Power Plant	Pollution prevention and control projects	<p>On completion, the Kaunas CHP Plant, which is developed by Ignitis Group together with partner Fortum Lietuva, will have a total installed electricity generation capacity of approximately 24 MW and a total installed heat generation capacity of approximately 70 MW. The new Kaunas CHP Plant is expected to both help resolve waste disposal problems in the region and lower heating bills for Kaunas residents. It is expected that the Kaunas CHP Plant will generate approximately 40 per cent. of the heat required by the Kaunas district and produce electricity meeting the needs of approximately 100,000 households. The commercial activities of the power plant are expected to start in 2020.</p> <p>For more information follow <a href="http://www.kkj.lt">www.kkj.lt</a></p>	150.0	20.0	20.0	675	N/A	114,986	Project not yet completed
5.	2017 (all funds allocated and utilized until 31 05 2019)	Acquisition of a 25% shareholding in the wind power park in Jurbarkas, Lithuania (Eurakras)	Renewable energy projects	<p>Seeking to implement its strategy, which focuses on energy production using renewable energy sources, Ignitis Group 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 allows to manage the park more efficiently. The wind power park 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 CO<sub>2</sub> emissions by 0.02 kg CO<sub>2</sub>/EUR. 106.05 kWh/EUR of electricity will be produced over the useful lifecycle.</p>	4.3	4.3	4.3	Indicators for the full project are provided above in row No. 2 <sup>4</sup>			

No.	Issue	Project name	Project category	Project description	Project value, EURm	Green bond funds allocated, EURm	Green bond funds utilized, EURm	Planned energy generation (GWh per year)	2019 actual energy generation (GWh per year <sup>2</sup> )	Projected reduction of CO <sub>2</sub> emissions (tons per year)	2019 actual reduction of CO <sub>2</sub> emissions (tons per year <sup>2</sup> )
6.	2018 (all funds allocated and utilized until 31 05 2019)	Renewal of ESO's electricity distribution network (Part III)	Energy efficiency projects	The electricity network renewal plan includes more than 730 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	4,429 <sup>3</sup>	2,194 <sup>3</sup>
7.	2018 (all funds allocated and utilized until 31 05 2019)	Acquisition of wind power parks in Lithuania (Vėjo Vatas and Vėjo Gūsis)	Renewable energy projects	Implementing it's strategy to invest in renewable energy production, Ignitis Group acquired 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 CO <sub>2</sub> emissions by 0.02 kg CO <sub>2</sub> / EUR. Over a project's useful life 106.05 kWh / EUR will be produced.	21.8	21.8	21.8	86	91	36,954	39,364
8.	2018 (all funds allocated until 31 05 2019, EUR 4.0 million utilized until 31 05 2019, EUR 11.7 million utilized until 31 05 2020)	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 (row No.3)	15.7	15.7	Indicators for the full project are provided above in row No. 3			
9.	2018 (all funds allocated until 31 05 2019, EUR 2.3 million utilized until 31 05 2019, remaining part planned to be utilized until the end of Q2 of 2021)	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 UAB Ignitis. The focus is on reducing the usage of energy resources and increasing the efficiency of consumption and the development of solar photovoltaic projects. 10,788 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 12.65 GWh 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. For more information follow <a href="http://www.ignitis.lt">www.ignitis.lt</a>	9.9	9.9	2.3	12.65 <sup>5</sup>	2.07	5,455	895

No.	Issue	Project name	Project category	Project description	Project value, EURm	Green bond funds allocated, EURm	Green bond funds utilized, EURm	Planned energy generation (GWh per year)	2019 actual energy generation (GWh per year <sup>2</sup> )	Projected reduction of CO <sub>2</sub> emissions (tons per year)	2019 actual reduction of CO <sub>2</sub> emissions (tons per year <sup>2</sup> )
10.	2018 (all funds allocated until 31 05 2019, EUR 1.2 million utilized until 31 05 2019, remaining part planned to be utilized until the end of Q2 of 2021)	ESCO projects	Energy efficiency projects	<p>The requested investment is to be used by UAB Ignitis 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 2.72 GWh per year<sup>6</sup>. The average new LED lighting life cycle is about 13 years.</p> <p>Until 31 05 2020, 19 ESCO projects were implemented: street lightning was renovated in 4 Lithuanian cities, 15 lightning modernization projects were implemented both for business clients and public sector.</p> <p>For more information follow <a href="http://www.ignitis.lt">www.ignitis.lt</a></p>	1.5	1.5	1.2	N/A	N/A	534	356
11.	2018 (all funds allocated until 31 05 2019, planned to be utilized until the end of Q2 of 2021)	EV charging stations	Clean transportation projects	<p>The installation of new electric vehicles (EV) charging stations and the development of "Ignitis On" network is being implemented by UAB Ignitis. About 147 EV charging stations in the territory of Lithuania are to be installed. These stations would transmit about 6,4 GWh of energy to electric cars per year. It is equal to 25.754 million km of driving distance. The planned lifetime of EV charging stations is 10 years. It is planned to use only green electricity to charge electric vehicles.</p> <p>Until 31 05 2020, 90 EV chargers of different capacity were installed. Installation of 59 EV chargers network in Vilnius was the main project implemented by Ignitis.</p> <p>For more information follow <a href="http://www.ignitis.lt">www.ignitis.lt</a></p>	5.1	5.1	0.0	N/A	N/A	5,150	65
<b>TOTAL:</b>					<b>1,074.2</b>	<b>472.7</b>	<b>459.7</b>	<b>1,957</b>	<b>233</b>	<b>697,256</b>	<b>143,440</b>

<sup>1</sup> Limited assurance provided do not cover projects information on the individual level and review of the reported CO<sub>2</sub> emissions numbers were not a part of external assurance task. Assurance provided by PwC covers reporting period from 31 May 2019 up to 31 May 2020 only.

<sup>2</sup> Provided data reflects the period from 1 January 2019 to 31 December 2019. Actual environmental results are assessed at least once a year.

<sup>3</sup> Recalculated using 1E method of the European Investment Bank methodology, version 10.1.

<sup>4</sup> In Green Bond Investor Letter 2018, the data was mistakenly reported separately and also added to the amount of the full project. This led to incorrect total sum. To correct the mistake, only full project amounts are being disclosed in row No. 2.

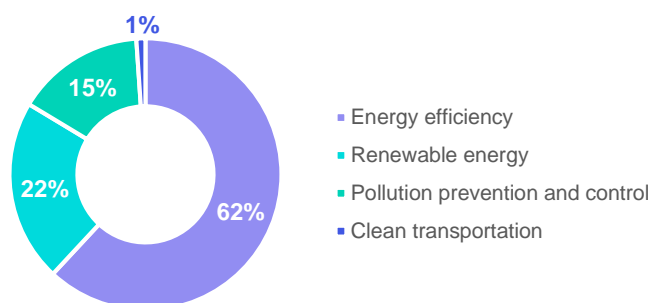
<sup>5</sup> Accumulated number from two applications (in Green Bond Investor Letter 2018, the number only from one application (3 GWh) was provided).

<sup>6</sup> In Green Bond Investor Letter 2018, it was mistakenly reported that the electricity consumption for business and public sector customers could be reduced by 3,036.97 MWh.

**Table 4. Allocation to different eligible categories by the issue, EURm**

	2017	2018	Total (as of 31 05 2020)
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>

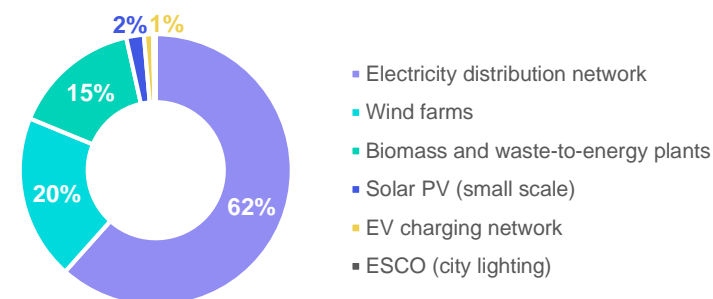
**Picture 3. Allocation to different eligible categories by the issue as of 31 05 2020**



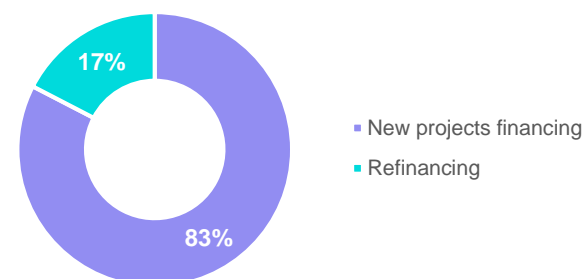
**Table 5. Allocation to different projects by the issue, EURm**

	2017	2018	Total (as of 31 05 2020)
Electricity distribution network	166.3	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
EV 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 2020**



**Picture 5. Allocation to different projects by financing type as of 31 05 2020**



# Awards and recognition

We were awarded with Green Bond Pioneer Award in the New Countries Taking Green Bonds Global category

[Green Bond Pioneer Awards 2018 winners](#)



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

[Nasdaq Baltic Awards 2019 winners](#)



We were a runner up in the Most Impressive CEE Corporate Issuer category

[Bond Awards 2019 winners](#)



We were listed as one of the Top 10 Post Issuance Green reporting issuers across various regions and issuer types

[Post-issuance reporting in the green bond market](#)



Please find more information on these awards and recognitions in [Green Bond Investor Letter 2018](#).

## Sharing experience

Darius Maikštėnas, CEO of Ignitis Group, presented Company's green bonds issuing experience in a virtual seminar organized by Lithuanian City of London Club on 16 June 2020:

***“Green finance is one of the strategic transformation tools for the Ignitis Group, ensuring investments for sustainable future energy solutions: from the development of new green generation capacities to energy efficiency and the development of e-mobility”***