

ALTUM Green Bond Project-by-project report

as Annex to ALTUM Green Bond Investor Report as at 30 June 2024

In October 2017, ALTUM became the first development bank in Eastern Europe to issue the Green Bonds.

20 mEUR Green Bond was issued under Green Bond Framework 2017 which received Medium Green shading from CICERO. Revised Green Bond Framework 2021 follows the recommendations outlined in the 2021 edition of the Green Bond Principles by ICMA and received CICERO Medium Green in December 2021. The 20 mEUR Green Bond (ISIN LV0000802353) with tenor of 7 years constitute Senior Unsecured debt obligation of ALTUM.

ALTUM has committed a total of 22.7m EUR and disbursed a total of 22.6 mEUR for green projects included in green projects portfolio as at 30 June 2024. In light of fully repaid green projects of 6.0 mEUR (21% of total Facility amount), and, as such, excluded from green projects portfolio as at 30 June 2024, the total Facility amount would be of 28.7 mEUR with disbursed amount of 28.6 mEUR since Day 1. Almost all funded projects included in green projects portfolio as at 30 June 2024 have been completed with a few projects still in the pipeline contributing to sustainability by estimated annual reduction in GHG emissions of 15 956 CO₂e p.a. (out of that new volume in the reporting period of 3 103 tonnes). That in turn corresponds to an annual reduction of 703 tonnes CO₂e p.a. on total project impact basis per 1 mEUR committed with growth during reporting period up by 11% YoY (2023: 635 tonnes CO₂e p.a.). Results were boosted by new volumes with above average GHG emissions reduction in Energy Efficiency segment.

Green Bond proceeds are allocated to individual projects.

The share of new projects out of total committed Facility amount stands for 94%.

Per Eligible projects categories

Energy efficiency

| Project | Year of Approval | Facility Amount 30 June 2024, EUR | Disbursed Amount 30 June 2024, EUR | Altum Funding 30 June 2024, % | Reduced GHG emissions, tCO ₂ e p.a. | Energy reduced, MWh. p.a. | Reduction of energy use, % |
|---|------------------|--------------------------------------|---------------------------------------|----------------------------------|---|------------------------------|-------------------------------|
| Infrastructure energy efficiency , Salaspils | 2018 | 51 049 | 51 049 | 85% | 59 | 1 608 | 26% |
| Renovation of heating, Rīga | 2018 | 54 995 | 54 995 | 85% | 12 | 117 | 65% |
| Renovation of boiler house, Milzkalne | 2018 | 165 833 | 165 833 | 56% | -2 | 1 252 | 30% |
| Renovation of boiler house, Vangaži | 2018 | 1 118 445 | 1 118 445 | 53% | 3 827 | 2 738 | 14% |
| ESCO-project (district heating) | 2019 | 597 152 | 597 152 | 37% | - | 2 600 | 31% |
| Renovation of boiler house, Ludza | 2018 | 440 000 | 440 000 | 48% | 64 | 4 492 | 11% |
| Renovation of boiler house, Talsi | 2018/2019 | 1 705 846 | 1 705 846 | 60% | 34 | 5 280 | 13% |
| Renovation of heating, Rauna | 2018/2019 | 65 902 | 65 902 | 85% | - | 434 | 75% |
| ESCO-project (lighting)* | 2019/2020 | 1 170 000 | 1 170 000 | 85% | 510 | 5 000 | 67% |
| Biogas Cogeneration plant, Salaspils | 2019 | 231 507 | 231 507 | 75% | 220 | 795 | 11% |
| Tile block processing line, Auri | 2019/2020 | 471 150 | 471 150 | 85% | 40 | 225 | 58% |
| Woodworking equipment, Staicele | 2019 | 638 255 | 638 255 | 58% | 9 | 39 | 80% |
| Renovation and automation of heating system, Murmastiene | 2019 | 647 571 | 647 571 | 39% | - | 413 | 80% |
| Renovation of heating and ventilation, Rīga | 2019 | 200 979 | 200 979 | 85% | 49 | 280 | 30% |
| Renovation of boiler house, Ādaži** | 2020 | 440 640 | 440 640 | 52% | 1 354 | -1288 | -19% |
| Multifunctional CNC cutting and drilling equipment, Rīga | 2020 | 179 506 | 179 506 | 85% | 2 | 20 | 8% |
| Woodworking equipment, Platone | 2021 | 960 000 | 960 000 | 80% | 10 | 529 | 10% |
| Metal parts treatment equipment, Rīga | 2022 | 110 202 | 110 202 | 85% | 3 | 40 | 90% |
| Renovation of lighting, Mežvidi | 2021 | 106 916 | 106 916 | 43% | 9 | 120 | 16% |
| Air treatment equipment, Stopiņi | 2021 | 38 215 | 38 215 | 84% | 65 | 287 | 35% |
| Automated bottle filling machine, Ķekava | 2021 | 158 000 | 158 000 | 72% | 1 | 14 | 78% |
| District heating from renewables, Ogre | 2022 | 203 528 | 203 528 | 85% | 39 | 806 | 30% |
| ESCO-project (ventilation)* | 2022 | 177 946 | 177 946 | 85% | 135 | 573 | 69% |
| ESCO-project (lighting)* | 2022 | 491 133 | 491 133 | 85% | 617 | 2 264 | 61% |
| District heating (transition from fossil to renewables), Ogre | 2022 | 4 050 756 | 4 050 756 | 57% | 5 115 | 22 032 | 0% |
| Sawing equipment, Ogre | 2023 | 752 086 | 709 608 | 89% | 2 | 44 | 26% |
| ESCO-project (lighting)* | 2023 | 324 000 | 324 000 | 85% | 228 | 837 | 59% |
| Pellet boiler for district heating, Vangaži | 2023 | 457 979 | 457 979 | 54% | 224 | 2 114 | 13% |
| Biogas cogeneration unit & food waste shredder, Salaspils | 2023 | 403 000 | 403 000 | 71% | 2 302 | - | 0% |
| ESCO-project (lighting)* | 2023 | 595 993 | 595 993 | 76% | 266 | 583 | 62% |
| District heating (from renewables) infrastructure, Lielvārde | 2023 | 146 527 | 80 891 | 85% | 251 | - | 0% |
| District heating from renewables, Limbaži | 2023 | 106 762 | 106 762 | 67% | - | - | 0% |
| District heating from renewables, Bērzaune | 2023 | 1 653 766 | 1 653 766 | 75% | 56 | - | 0% |
| TOTAL: | | 18 915 640 | 18 807 525 | | 15 499 | 54 248 | |

* ESCO company's deals reported as 1 green project although there is a pool of underlying different size green objects.

** Energy consumption increased in terms of MWh due to change of resources used from natural gas to biomass.

Renewables

| Project | Year of Approval | Facility Amount 30 June 2024, EUR | Dibursed Amount 30 June 2024, EUR | Altum Funding 30 June 2024, % | Reduced GHG emissions, tCO2e p.a. | Energy reduced, MWh. p.a. | Reduction of energy use, % |
|---|------------------|--------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|------------------------------|-------------------------------|
| ESCO-project* Solar panels, Amatsciems | 2021 | 171 784 | 171 784 | 73% | 26 | 257 | 100% |
| Solar panels, Valka | 2019 | 52 832 | 52 832 | 85% | 6 | 60 | 100% |
| Solar panels, Stopiņi | 2021 | 30 000 | 30 000 | 80% | 5 | 18 | 46% |
| Solar panels, Jēkabpils | 2021 | 170 617 | 170 617 | 90% | 15 | 203 | 100% |
| Solar panels, Jēkabpils | 2022 | 70 200 | 70 200 | 89% | 30 | 110 | 71% |
| Solar panels, Mārupe | 2023 | 25 437 | 25 437 | 45% | 6 | 60 | 100% |
| Solar panels, Jelgava | 2023 | 47 342 | 47 342 | 45% | 26 | 240 | 100% |
| ESCO-project* Biomass technology, Balvi | 2021 | 250 470 | 250 470 | 73% | - | 336 | 5% |
| ESCO-project* Biomass technology, Limbaži | 2023 | 163 000 | 163 000 | 80% | - | 338 | 5% |
| ESCO-project* Biomass technology, Ludza | 2023 | 287 023 | 287 023 | 80% | - | 285 | 5% |
| Solar panels, Valka | 2023 | 34 573 | 34 573 | 56% | 9 | 34 | 9% |
| Solar panels, Cēsis | 2023 | 47 850 | - | 45% | 23 | - | 0% |
| TOTAL: | | 1 351 127 | 1 303 277 | | 147 | 1 939 | |

Sustainable transportation

| Project | Year of Approval | Facility Amount 30 June 2024, EUR | Dibursed Amount 30 June 2024, EUR | Altum Funding 30 June 2024, % | Reduced GHG emissions, tCO2e p.a. | Energy reduced, MWh. p.a. | Reduction of energy use, % | Clean transportation p.a., Mkm |
|---------------------|------------------|--------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|------------------------------|-------------------------------|-----------------------------------|
| Electric cars, Riga | 2020 | 2 429 820 | 2 429 820 | 90% | 311 | 903 | 100% | 2 300 000 |
| TOTAL: | | 2 429 820 | 2 429 820 | | 311 | 903 | | |

Methodology

- KPI's: reported actual (where actual data available from clients) or estimated total project impact, excluding any supply/value chain impact.
KPI's represent respective projects contribution to sustainability assessed for each project.
- The actual reduction of GHG emissions for Energy Efficiency and Renewables project categories has been calculated based on respective conversion rates applied to estimated energy savings according to local methodology - Republic of Latvia Cabinet Regulation No.42 "Methodology for Calculating Greenhouse Gas Emissions" dtd 23 January 2018. Conversion rates for Latvia are based on the particular country's energy balance (LV energy consumption balance includes considerable portion of renewable energy) thus leading to lower reduction of GHG emissions as might be in other countries with different structure of the country's energy balance for projects with similar energy saving.
- When the project that was partially financed by Green Bond proceeds repays portion of the loan from external sources (for example, grant received), then such amount is deducted from the initial reported percentage of Green Bond funding (Altum funding, %) in the next Investors Report.
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- Energy Efficiency projects using biomass are treated as CO₂e neutral.
- The actual reduction of GHG emissions for Sustainable Transportation project category has been calculated based on average traditional CO₂ emissions for combustion engines - cars ~ 135g CO₂/100km.

Disclaimer

Actual or estimated for new projects energy / fuel savings per project as well as km of clean transportation have been obtained from ALTUM's customers. The data has been reviewed by ALTUM but has not been verified. The calculations of environmental impact have been carried out by ALTUM. We do our best to quality-assure the information contained in this report.