

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.
- 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 financing in the next Investors Report.
- 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.