



Independent Limited Assurance Report

To the Board of Directors of Lietuvos Energija UAB

Objectives and scope of work performed

This report has been prepared in accordance with the terms of our engagement letter dated 4 June 2019 to provide limited assurance on the Selected Information reported in the Green Bond Investor Letter, dated 28 June 2019, concerning the Green Bonds of Lietuvos Energija UAB (the Company) issued on 7 July 2017 and 3 July 2018 (“Investor Letter 2018”).

Selected Information

The scope of our work was limited to information disclosed in table 3 of the Investor Letter 2018 and presented in the columns of Project category, Green Bond funds allocated and Green Bond funds utilised for the period from 1 April 2018 to 31 May 2019 (“Selected Information”).

Our limited assurance does not extend to any information in the Investor Letter 2018 other than Selected Information. We have not performed any limited assurance procedures and do not provide any assurance over any individual project information reported other than Selected Information, including information on planned and actual energy generation, and on projected and actual reduction of CO₂ emissions.

Reporting Criteria

We considered whether the Selected Information has been prepared in accordance to the following reporting criteria (the “Reporting Criteria”):

- The projects included to the Selected Information meet the requirements for eligible project categories as described in the Lietuvos Energija Green Bond Framework.
- The procedures for allocation (evaluation and selection) of projects included to the Selected Information were followed:
 - *projects were approved by the Board and assessed for eligibility by the Green Bond Committee;*
 - *decisions of the Green Bond Committee were unanimous.*

- The procedures for utilisation (use and management) of Green Bond proceeds as reported in the Selected Information were followed:
 - *proceeds were transferred to projects under appropriate documents; and*
 - *unallocated proceeds were managed as described in the Lietuvos Energija Green Bond Framework.*

Responsibilities of the Management

The management of the Company is responsible for establishing the Reporting Criteria, evaluating and selecting eligible projects, for the use and management of bond proceeds, and for preparation of Selected Information that is free of material misstatements, whether due to fraud or error, in accordance with the Reporting Criteria.

Responsibilities of the Independent Auditor

We are responsible for planning and performing the engagement to obtain limited assurance on the Selected Information; forming and reporting our independent limited conclusion based on the procedures we have performed and evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000, ‘*Assurance Engagements other than Audits or Reviews of Historical Financial Information*’ issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparation of the Selected Information and for the management of the bond proceeds and the process of selections of eligible projects, and applying other evidence gathering procedures to the information, as appropriate. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Selected Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

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PricewaterhouseCoopers UAB, company code 111473315, is a private company registered with the Lithuanian Register of Legal Entities.



Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures performed

For the purpose of our limited assurance work we performed the following procedures:

- Examined the requirements set out in the Lietuvos Energija Green Bond Framework, Lietuvos Energija Treasury management policy;
- Interviewed members of management of the Company responsible for processes, related to the Green Bond fund management, project evaluation and selection;
- Obtained the internal listing of projects allocated into the green bonds;
- Performed limited substantive testing of the Selected Information to check that funds utilised were recorded accurately and supported by appropriate payment documents;
- Inspected project description assessed by Green Bond committee to check that project category is in line with eligible project categories specified in the Lietuvos Energija Green Bond Framework;
- Inspected minutes of the Green Bond Committee to confirm that the allocated projects have been considered and approved unanimously; inspected minutes of the Board to confirm that the projects were approved by the Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information for the period from 1 April 2018 to 31 May 2019 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction of Use and Distribution

This report, including the conclusion, has been prepared solely for the Board of Directors of Lietuvos Energija UAB to assist them in reporting on Lietuvos Energija Green Bond performance and activities. We permit the disclosure of this report within the Investor Letter 2018 as at 31 May 2019, to assist the Board in reporting on their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Lietuvos Energija UAB for our work or this report, except where terms are expressly agreed in writing.

On behalf of PricewaterhouseCoopers UAB

Rasa Radzevičienė
Partner
Auditor's Certificate No.000377

Vilnius, Republic of Lithuania
28 June 2019

The maintenance and integrity of the Lietuvos Energija UAB website is the responsibility of the directors; the work carried out by the assurance provider does not involve consideration of these matters and, accordingly, the assurance provider accepts no responsibility for any differences between the Selected Information of Lietuvos Energija UAB on which the assurance report was issued or the assurance report that was issued and the information presented on the website.

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