

SIA "Rīgas ūdens"

# EUROPEAN GREEN BOND FACTSHEET

*This document and its contents are not subject to any approval or endorsement from ESMA or any other competent authority.*

## 1 General information

Date of publication of the European Green Bond factsheet: 6 May 2025

The legal name of the issuer: SIA Rīgas Ūdens

Where available, the legal entity identifier (LEI) of the issuer: 6488Z9Y7BN122Y40LD08

Website address providing investors with information on how to contact the issuer:  
<https://www.rigasudens.lv/en/contacts-for-investors>

Where available, the name of the bond(s) assigned by the issuer: [•]

Where available, the international securities identification numbers (ISIN) of the bond(s): [•]

Where available, the planned issuance date or period: [•]

The identity and contact details of the external reviewer: Sustainable Fitch Ireland Limited, legal address: 38 Upper Mount Street, Dublin 2, D02 PR89, Ireland

Where applicable, the name of the competent authority that has approved the bond prospectus(es): [•]

## 2 Important information

This bond uses the designation 'European Green Bond' or 'EuGB' in accordance with Regulation (EU) 2023/2631 of the European Parliament and of the Council<sup>1</sup>.

## 3 Environmental strategy and rationale

The issuer shall draw up and make public an impact report on the environmental impact of the use of this EuGB proceeds in accordance with Article 12(1) of Regulation (EU) 2023/2631 after the full allocation of the proceeds and at least once during the lifetime of this EuGB. At this stage, the issuer does not envisage having the impact reports reviewed by an external reviewer, in line with Article 12(3) of Regulation (EU) 2023/2631.

### Overview

The European Green Bond issued by Rīgas Ūdens aligns with the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852, specifically:

- Climate change mitigation – through investments in energy efficiency improvements and renewable energy installations within water and wastewater infrastructure.
- Sustainable use and protection of water and marine resources – by enhancing the efficiency and resilience of water supply and wastewater treatment infrastructure, thereby reducing pollution and water losses.

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<sup>1</sup> Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (OJ L, 2023/2631, 30.11.2023, ELI: <http://data.europa.eu/eli/reg/2023/2631/oj>).

### Link with the assets, turnover, CapEx, and OpEx key performance indicators

Rīgas Ūdens is not subject to Article 8 of Regulation (EU) 2020/852 at the time of issuance of this EuGB.

### Link to the transition plans

The proceeds from the EU Green Bond issued by Rīgas Ūdens will be allocated to finance and/or refinance projects that support the company's climate change mitigation, climate adaptation, and sustainable resource management objectives as outlined in the company's Sustainable Development Strategy 2040<sup>2</sup> and Medium-Term Strategy 2025–2030<sup>3</sup>.

The core ambition of the transition plan is to reduce Scope 1 and 2 greenhouse gas (GHG) emissions by at least 50% by 2040 and to develop a water and wastewater infrastructure that is climate-resilient, energy-efficient, and aligned with circular economy principles. Additionally, a climate-neutral operational model is targeted by 2050. The Green Bond proceeds will be used to implement investment programs that contribute to these objectives:

- The necessity to gradually renew the outdated water supply and wastewater system – the gradual approach is split into three five-year periods (2025–2030, 2031–2035, and 2036–2040) starting with the most critical parts of the network which tend to experience breakdowns and need repairs more often;
- As a result of the water supply system renewal, it will be possible to reduce the volume of annual water leakage amounts by 30% or more (by 2040);
- As a result of improvements in both networks, as well as implementation of energy efficiency and renewable energy generation projects, the energy consumption and, consequently, Scope 1 and 2 greenhouse gas emissions caused by water supply and wastewater treatment will be reduced by 50% (by 2040);
- Overflow of polluting waters caused by heavy rainstorms (climate change effect, among other things) will be decreased below 2% of the annual collected urban wastewater load calculated in dry weather conditions;
- Water supply and wastewater network will be expanded to ensure its accessibility to more than 98% inhabitants of Riga, thus improving their living conditions and decreasing pollution from individual wastewater systems;
- Overall water supply quality will be improved.

### Securitisation

This EuGB is not a securitized bond.

## 4 Intended allocation of bond proceeds

### Intended allocation to taxonomy-aligned economic activities

Rīgas Ūdens intends to allocate an amount equal to the net EuGB proceeds to capital expenditures in accordance with the gradual approach, referred in Article 4(1) of Regulation (EU) 2023/2631.

This EuGB is not a securitization bond.

<sup>2</sup> <https://www.rigasudens.lv/sites/default/files/For-investors/corporate-governance/Sustainable%20Development%20Strategy%202040.pdf>

<sup>3</sup> <https://www.rigasudens.lv/en/corporate-governance>



100% of EuGB proceeds will be allocated to activities that are environmentally sustainable under Article 3 of Regulation (EU) 2020/852, according to the methodology in the allocation report, that will be published annually until the full allocation of the bond proceeds, in accordance with Article 11 of Regulation (EU) 2023/2631.

The proceeds from this EuGB will be allocated to financing new projects in line with the Rīgas ūdens 2040 Sustainability Strategy. It is not intended to allocate proceeds to refinancing ongoing or recently completed eligible activities.

Rīgas ūdens is not a sovereign.

This EuGB will contribute to the following environmental objectives: the sustainable use and protection of water and marine resources, climate change mitigation environmental targets, as referred in Article 9 of Regulation (EU) 2020/852.

The proceeds from the EU Green Bond issued by Rīgas ūdens are intended to be allocated to sustainable economic activities aligned with the EU Taxonomy and classified according to the NACE (Statistical Classification of Economic Activities) system, as established in Regulation (EC) No 1893/2006.

<b>EU Taxonomy Environmental Objective</b>	<b>Economic Activity (as per Regulation (EU) 2020/852)</b>	<b>NACE Code</b>	<b>Sector Description</b>	<b>Proceeds Allocated (M EUR)</b>
Sustainable Use and Protection of Water and Marine Resources (WTR)	2.2. Urban wastewater treatment	E37.00	Construction, extension, upgrade, operation and renewal of urban wastewater treatment plant, sewer networks and pumping stations	41.06 (68.43%)
	4.1. Provision of IT/OT data-driven solutions	J62.01	Installation of leakage monitoring solutions	0.33 (0.55%)
Climate Change Mitigation (CCM)	4.1. Electricity generation using solar photovoltaic technology	D35.11	Construction of electricity generation facilities	1.07 (1.79%)
	5.6. Anaerobic digestion of sewage sludge	E37.00	Construction of facilities for the treatment of sewage sludge by anaerobic digestion	16.56 (27.60%)
	7.3. Installation, maintenance and repair of energy efficiency equipment	F43.22	Installation and replacement of energy efficient light sources and ventilation system	0.98 (1.63%)

The economic activities mentioned above have been classified by Rīgas Ūdens into six categories:

- **Wastewater collection and treatment** (considered under the EU Taxonomy activity WTR 2.2.);
- **Reduction of water leakages in the water supply system** (specific activities considered under the EU Taxonomy activity WTR 4.1.);
- **Electricity generation from renewable energy sources** (considered under the EU Taxonomy activity CCM 4.1.);
- **Production of biogas for the generation of electricity and heat** (considered under the EU Taxonomy activity CCM 5.6.);
- **Implementation of energy efficiency recommendations and improvements** (considered under the EU Taxonomy activity CCM 7.3.).

### Intended allocation to specific taxonomy-aligned economic activities

The following economic activities intended to be financed by the proceeds of this EuGB are considered as enabling economic activities:

- Provision of IT/OT data-driven solutions for leakage reduction (0.55% of the total intended allocation)
- Installation, maintenance and repair of energy efficiency equipment (1,63% of the total intended allocation)

The proceeds will not be allocated to transitional economic activities.

The proceeds will not be allocated to activities related to nuclear energy or fossil gas.

### Intended allocation to economic activities not aligned with the technical screening criteria

The net proceeds of this EuGB are fully intended to be allocated to economic activities that are aligned with the EU Taxonomy, as per Article 5 of Regulation (EU) 2023/2631. No portion of the bond proceeds will be allocated to economic activities that do not meet the technical screening criteria of the EU Taxonomy Regulation (EU) 2020/852.

### Process and timeline for allocation

Rīgas Ūdens intends to fully allocate an amount equal to the net proceeds of this EuGB within 5 years following the bond issuance.

Rīgas Ūdens has developed guidelines for Taxonomy assessment which are approved by the Management Board. The guidelines:

- Define the process for Taxonomy assessment (step-by-step approach for the assessment of the technical screening criteria, Do No Significant Harm criteria and minimum social safeguards criteria),
- Assign responsible parties for the assessment (investment project initiators for CapEx and the Financial Department for OpEx and turnover), and
- List the most applicable economic activities and respective criteria for Rīgas Ūdens (mostly, related to Sustainable Use and Protection of Water and Marine Resources and Climate Change Mitigation).

### Issuance costs

Rīgas Ūdens will allocate an amount equal to the gross proceeds of this EuGB to environmentally sustainable economic activities, without deduction of costs.

## 5 Environmental impact of bond proceeds

Rīgas ūdens is committed to ensuring that the proceeds of its EU Green Bond contribute to measurable environmental benefits in line with its 2040 Sustainability Strategy and the EU Taxonomy Regulation (EU) 2020/852.

After full allocation of the bond proceeds, and at least once during the bond's lifetime, Rīgas ūdens will publish an Impact Report detailing the environmental outcomes of the financed projects. This report will include:

- Quantitative impact metrics, using Key Performance Indicators (KPIs) aligned with the EU Taxonomy and Rīgas ūdens' sustainability strategy.
- Methodologies and assumptions underlying impact calculations.

The proceeds from the bond issuance are expected to drive environmental improvements, including:

- Greenhouse Gas Emission Reduction – by generating more renewable energy on-site and upgrading building structures and energy-efficient comfort systems, Rīgas ūdens aims to cut greenhouse gas emissions by at least 160 tonnes of CO2 equivalent per year.
- Increase in Renewable Energy Generation – boost the use of renewable energy by 2.57%, enhancing Rīgas ūdens role in climate action.
- Enhanced Wastewater Treatment Efficiency – modernization of the wastewater network will improve water quality and reduce pollution overflows to below 2% of total annual collected wastewater.
- Improvement of Access to Sanitation – expansion of the wastewater system will provide access to safely managed wastewater service for at least 800 inhabitants in Riga City.
- Pollution prevention – renewal of at least 21 km of the sewer gravity and pressure pipe network.

## 6 Information on reporting

Link to the issuer's website as required by Article 15(1) of Regulation (EU) 2023/2631:  
<https://www.rigasudens.lv/en/investors/eugb>

Link to consolidated management report: <https://www.rigasudens.lv/en/financial-information>

The first reporting period starts on the EuGB issuance date.

Where feasible, the allocation reports will include project-by-project information on amounts allocated and environmental impacts.

## 7 CapEx plan

Not applicable as Rīgas ūdens will allocate use of proceeds of this EuGB only to capital expenditures aligned with EU Taxonomy.

## 8 Other relevant information

Not applicable.