

Our 2018/19 Green Bond Impact Report



Summary of the benefits

In January 2018, we issued our inaugural Green Bond and Green Bond Framework in line with International Capital Market Association (ICMA) Green Bond Principles. Every year, we use this framework to report on the environmental benefits that our funded eligible Green Bond projects deliver until their bonds reach maturity.

We choose eligible Green Bond projects based on their strategic, social and environmental importance. This year, our selected projects help to reduce water leaks, encourage customers to use water efficiently, reduce pollutions into rivers, and increase our wastewater treatment capacity.

Project ¹	Project description	Annual energy generated (MWh) ²	Annual CO ₂ e saved (kg) ³	Annual water saved (Mega-litres per day) ⁴	Deliverables
Deephams sewage treatment works (STW)	We're upgrading one of our largest sewage treatment works, which serves 880,000 people, to help accommodate population growth and meet higher environmental standards	24,119	7,409,278	-	Able to serve additional 100,000 customers 2 new Combined Heat & Power (CHP) engines built
Household metering	We're installing water meters across our customer base, helping to reduce water use	-	176,934	23.5	271,282 meters installed 91,581 revenue meters maintained or replaced Reduction in water needing to be produced
Mains rehabilitation	We're replacing and repairing some of the oldest parts of our network, which are up to 100 years old, to help reduce leaks	-	490,513	65.1	243km of mains rehabilitated (including 26km of trunk mains)
Thames Tideway Tunnel interfacing works	This 25km tunnel will help to boost the capacity of London's existing sewerage system – once completed, it'll also prevent millions of tonnes of sewerage from entering the River Thames	-	-	-	As part of our connecting and enabling works, 21 sites have been handed over to the Thames Tideway Tunnel delivery team
Total		24,119	8,076,725	88.8	

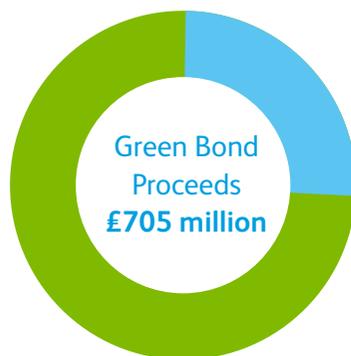
Contributing to Sustainable Development Goals

The Member States of the UN adopted 17 Sustainable Development Goals (SDGs). We make a significant contribution to the SDGs that closely align with our projects and activities, including:

- We provide clean and sanitary water services to over 15 million customers. Our sustainable projects help us achieve this goal.
- We contribute to the circular economy through various initiatives, including putting 100% of sewage sludge to beneficial use and self-generating electricity.
- In 2018/19, we self-generated 22% of our own electricity from sewage, wind, and solar to help power our operations.
- We've committed to achieving net zero operational carbon emissions by 2030.

Allocating the proceeds

We used the proceeds from our Green Bond to refinance existing debt and projects. We completed the projects above between April 2015 and November 2017 and used 100% of the proceeds for capital expenditure.



£523m

Networks projects

Thames Tideway Tunnel connecting works
Mains rehabilitation
Metering

£182m

Treatment projects

Deephams sewage treatment upgrade

- All projects deliver an ongoing annual benefit from commissioning. This was calculated in 2017/18 and independently reviewed by DNV GL, except in the instance of Deephams energy produced as per footnote 2.
- Based on actual outputs from Deephams for 18/19
- Carbon accounting multiple used for water savings and reduced leakage (all for 2018/19): Kg of CO₂e per Mega-litre 20.64, energy generation: 0.31 Kg of CO₂e per kWh
- Data provided by SAP reporting system

Want to hear more about sustainability?

You can find out more about our sustainable performance using the following links:

[Corporate Investor Page](#)
[Green Bond Framework](#)

For any further enquiries, please contact debt.investorrelations@thameswater.co.uk