

Our 2019/20 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 the maturity of the bonds.

We choose eligible Green Bond projects based on their strategic, social and environmental importance. 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	KPI outputs 2019/20				Total AMP6 Spend (£m)	Deliverables
		Energy generated (MWh) ²	CO ₂ e saved (kg) ³	Water saved (Ml/day)	Effluent discharge prevented (Ml) ⁵		
Deephams sewage treatment works (STW)	We have upgraded one of our largest sewage treatment works, which serves 880,000 people, to help accommodate population growth and meet higher environmental standards.	13,704	7,720,636 ⁽⁴⁾	-	306.4	216.7	Able to serve additional 100,000 customers Two new Combined Heat & Power (CHP) engines installed
Household metering	We're installing water meters across our customer base, helping to reduce water use.	-	168,276	23.5	-	511.3	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 to help reduce leaks.	-	466,510	65.1	-	290.1	243km of mains rehabilitated (including 26km of trunk mains)
Thames Tideway Tunnel interfacng works	This 25km tunnel will help to boost the capacity of London's existing sewerage system and prevent millions of tonnes of sewage from entering the Thames.	-	-	-	-	298.7	21 sites handed over to the Thames Tideway Tunnel delivery team as part of connecting and enabling works
Total		13,704	8,355,422	88.6		1,316.8	

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.



We provide a clean and sanitary water supply to over 15 million customers. Our sustainable projects help us deliver this essential service.



In 2019/20, we self-generated 23% of our own electricity from sewage, wind, and solar to help power our operations.



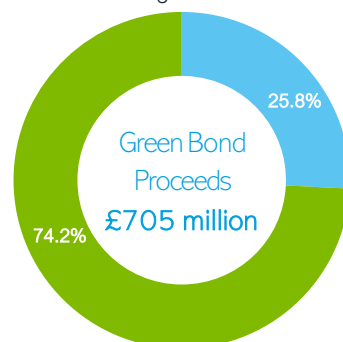
We contribute to the circular economy through various initiatives, including putting 100% of sewage sludge to beneficial use.



We've committed to achieving net zero operational carbon emissions by 2030.

Allocating the proceeds

The total spend across all projects from April 2015 to March 2020 was £1.32 billion. We used the £705m proceeds from our Green Bond to refinance existing debt and the projects above between April 2015 and November 2017. 100% of the proceeds of the bond were used for capital expenditure. There is a remaining project spend of £615m which is unallocated to Green Financing as at 31 March 2020.



£523m

Networks projects

- Thames Tideway Tunnel interfacng works
- Mains rehabilitation
- Household metering

£182m

Treatment projects

- Deephams STW

¹All projects deliver an ongoing annual benefit from commissioning. This was calculated in 2017/18 and independently reviewed by DNV GL.

²This is based on actual outputs from Deephams for 2019/20. Due to a change in methodology, we now only consider the 55% increase between previous renewable electricity generation and the new output.

³We use carbon accounting multiples for water savings and reduced leakage (all for 2019/20): Kg of CO₂e per mega-litre is 19.63, energy generation is 0.28 Kg of CO₂e per kWh; CO₂e means carbon dioxide equivalent emissions.

⁴This figure now includes any emissions reductions that have resulted from heat generated by our new CHP engines to heat the anaerobic digestors instead of fossil fuels and from avoided gasoil used in the old CHP units.

⁵Effluent prevented from flowing into the river during storm surges. Spill Data is missing from April 2019 to July 2019 due to historic installation issues

Want to hear more about sustainability?

Find out more about our sustainable performance:
[Corporate Investor Page](#)
[Green Bond Framework](#)
[Annual Report \(page 132\)](#)

For any further enquiries, please contact
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