Sustainable Financing and Green Bond Annual Impact Reports 2022/23 2023/24 2024/25

Introduction

This report provides information to investors in Thames Water's Green Bonds, issued under our 2018 Green Bond Framework ("GBF") and under the 2021 Sustainable Financing Framework ("SFF"), about the benefits delivered during 2022/23, 2023/24 and 2024/25 from the projects funded by the proceeds of the debt issued under those frameworks.

The 2018 GBF was superseded in 2021 by our SFF, which is a broader framework and includes social or sustainable debt issues in addition to green bonds. The SFF helps us to raise funds to support our Environmental, Social and Governance ("ESG") agenda, under which we strive to incorporate sustainability into every aspect of our business.

In January 2022, we issued our first green bonds under the SFF, which follows the ICMA Green Bond Principles 2021; we raised €1.15 billion (£965 million after conversion to Sterling at the time of issuance) across two debt issues. In January 2023, we issued further green bonds under our SFF, €1.65 billion in total (£1.46 billion after conversion to Sterling at the time of issuance) across two further debt issues, to refinance eligible projects and fund new projects across multiple areas including renewable energy and pollution prevention and control. DNV Business Assurance Services UK Limited ("DNV")'s assessment will be published on our website alongside this report and sets out the metrics which they have verified.

Our Purpose

Our Purpose is to deliver life's essential service, so our customers, communities and the environment can thrive. Our Purpose directly focuses on ESG outcomes with its reference to enabling customers, communities and the environment to thrive.

At Thames Water, sustainability is part of everything we do. Our sustainability approach is built around nine key themes, covering environmental, social, and governance areas. These themes guide both what we do and how we do it.

Environmental – The environment is vital to us all, and we have a shared responsibility to protect it for future generations. We depend on healthy rivers and groundwater to provide clean, safe drinking water for our customers. We also have a major role in ensuring that the wastewater we treat meets high standards before it's safely returned to those rivers.

Social – We want to be a positive influence in our communities. That means supporting our people within 'Team Thames' and making sure we're a responsible, trusted part of the local areas we serve.

Governance – As a provider of essential services, we take our responsibilities seriously. We're committed to strong, transparent governance and maintaining alignment with our core Purpose in everything we do.

UN Sustainable Development Goals

The United Nations Sustainable Development Goals ("SDGs") have been developed to make the world more sustainable by 2030. Supporting them isn't an additional task for our business – it's part of what we do every day. We fully support the aspiration of all 17 goals, but there are six specific goals where we believe we can make a real contribution.

We provide a clean and sanitary water supply to over 16 million customers. Our sustainable projects help us deliver this essential service.

In 2022/23, we self-generated 27.1% of our own energy from sewage, wind, and solar to help power our operations. In 2023/24, we self-generated 27.3% of our energy needs and in 2024/25 we self-generated 25.8% of our energy needs.

We support customers in vulnerable circumstances through programmes such as our social tariffs, flexible payment schemes and Customer Assistance Fund.

We contribute to the circular economy through various initiatives, including generating renewable energy from sewage treatment and putting treated sewage sludge to beneficial use.

Since we made our Net Zero pledge in 2019 there have been some significant changes to the original assumptions used by the water sector, that will significantly impact the size of the net zero challenge.

In 2022/23:

- We created over 6 hectares of new biodiversity habitat
- Where we have been able to measure, we generated 28.69 biodiversity units of habitat
- We enhanced 46 sites for biodiversity
- We planted 20,000 trees on our sites and with local partners

In 2023/24:

- 26 sites enhanced
- 94.7% hectares of Sites of Special Scientific Interest ("SSSI") were considered to be in favourable condition

In 2024/25:

- 157 sites enhanced across AMP 7
- 94.7% of SSSI sites in favourable condition
- 8 new wetlands created covering over 11.55 hectares in AMP 7

2018 Green Bond Framework

In January 2018, we issued our inaugural Green Bond and published our Green Bond Framework in line with International Capital Market Association ("ICMA") Green Bond Principles. For the life of the debt issued under this Framework we've committed to giving investors information about the environmental impact of the category of projects funded by our outstanding Green Bonds, until the maturity of the debt.

We chose Eligible Green Projects based on their strategic, social and environmental importance. These projects help to reduce water leaks, encourage customers to use water efficiently, reduce pollutions into rivers, and increase our wastewater treatment capacity.

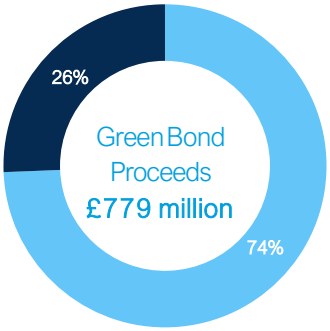
The Green Bonds issued under the 2018 framework are:

- $55m due March 2023 (matured) (ISIN GB00BDC5BH76 issued 22 March 2018)
- $285m due March 2025* (ISIN GB00BDC5BJ90 issued 22 March 2018)
- $40m due December 2027* (ISIN XS2278588343 issued 22 March 2018)
- £216m due April 2028* (ISIN GB00BDC5BK06 issued 22 March 2018)
- £210m due March 2030* (ISIN GB00BDC5BL13 issued 22 March 2018)
- $57m due November 2030* (ISIN XS2254339331 issued 12 November 2020)
- £40m due March 2033* (ISIN GB00BDC5BM20 issued 23 December 2020)

*Maturity date has since been extended by two years

Allocating the proceeds[1]

The total spend across the Eligible Green Projects from April 2015 to March 2020 was £1.32 billion. We used the c.£779m proceeds from the debt issued under the Framework to refinance existing debt for the selected projects for spend between April 2015 and March 2018 and the benefits are shown on a pro-rata basis. 100% of the proceeds of the debt issues were used for capital expenditure. Impacts from Green Bonds issued since March 2021 are reported under the section titled '2021 Sustainable Financing Framework'.



£580 million

Networks projects

- Thames Tideway Tunnel interfacing works
- Mains rehabilitation
- Household Smart metering

£199 million

Treatment projects

- Deephams Sewage Treatment Works

[1] The allocated expenditure includes an element of over collateralisation (c.16%), which could be used should the projects require substitution during the life of the bonds. The reported benefits arise out of the total spend allocated, which is project spend up to March 2018.

2018 framework projects and benefits

Project[1]	Project description	KPI outputs for financial year 2022/23				Total AMP6 Spend (£m)	Total Project Deliverables
		Additional renewable energy generated (MWh)[2]	tCO_2e saved[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 to help accommodate population growth and meet higher environmental standards.	1,044	4,595[4]	-	296.3	216.7	Serves additional thousands of customers Multiple Combined Heat & Power (CHP) engines installed
Household metering	We're installing water meters across our region, helping to reduce water use.	-	1,751	28.3*	-	511.3	301,313* meters installed 97,578* revenue meters maintained or replaced Reduction in water needing to be treated
Mains rehabilitation	We're replacing and repairing some of the oldest parts of our network to help reduce leaks.	-	4,338	70.0*	-	290.1	246km* 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 and prevent millions of tonnes of sewage from going into the Thames.	-	-	-	-	298.7	21** sites handed over to the Thames Tideway Tunnel delivery team as part of connecting and enabling works
Total		1,044	10,684	98.3	296.3	1,316.8	

[1] All projects deliver an ongoing annual benefit from commissioning. This was calculated in 2017/18 and independently reviewed by DNV.
[2] This is based on actual outputs from Deephams for 2022/23.
[3] We use carbon accounting multiples for water savings and reduced leakage (all for 2022/23): tonnes of CO_2e per mega-litre is 0.16975 and note that the methodology to calculate "operational GHG emissions per Ml of water treated" changed in 2022/23 and as per Ofwat's determinations, now includes additional Scope 3 measures such as Well-to-tank emissions, emissions from chemicals and from disposal of waste. Please see "Thames Water Annual Performance Report 2022/23" published on our website. We have also used energy generation as 0.00021 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.
[4] This figure includes any emissions reductions resulted from additional renewable electricity and renewable heat generated by the CHP engines, which is utilised to power the site and provide heat to the anaerobic digestors, respectively, eliminating the use of fossil fuels which were used in the old CHP engines.
[5] Effluent prevented from flowing into the river during storm surges.
* Verified in prior report
** Unverified by DNV

2021 Sustainable Financing Framework ("SFF")

Our SFF supports the financing of our water and wastewater recycling projects related to the environmentally sustainable management of natural resources and land use, as well as climate change adaptation. We aim to provide transparency, disclosure, integrity, and quality in our Sustainable Financing reporting.

We have developed a Framework under which the entity Thames Water Utilities Limited (TWUL) and its subsidiary, Thames Water Utilities Finance plc (TWUF), can issue three types of Sustainable Financing instruments:

1. Green Bonds/Loans – for which the funds raised are exclusively allocated to Eligible Green Projects
2. Social Bonds/Loans – for which the funds raised are exclusively allocated to Eligible Social Projects
3. Sustainability Bonds – whereby the funds raised are exclusively allocated to Eligible Green Projects and to Eligible Social Projects

Together, all the financing instruments that can be issued under this Framework are called Sustainable Financing Instruments.

We follow the ICMA Green Bond Principles 2021 ("Green Bond Principles"), ICMA Social Bond Principles 2021 ("Social Bond Principles"), ICMA Sustainability Bond Guidelines 2021 ("Sustainability Bond Guidelines"), the Loan Market Association Green Loan Principles 2021 ("Green Loan Principles") and the Loan Market Association Social Loan Principles 2021 ("Social Loan Principles").

For the life of the debt issued under the SFF, we've committed to giving investors information about the environmental impact for each category of projects funded by our outstanding bonds under that framework, until the maturity of the debt.

The Green Bonds issued under our 2021 SFF up to 31 March 2023 are:

- €575m due January 2028* (ISIN XS2438026440 issued 31 January 2022)
- €575m due January 2032* (ISIN XS2438026366 issued 31 January 2022)
- €650m due April 2027* (ISIN XS2576550326 issued 18 January 2023)
- €1,000m due January 2031* (ISIN XS2576550672 issued 18 January 2023)

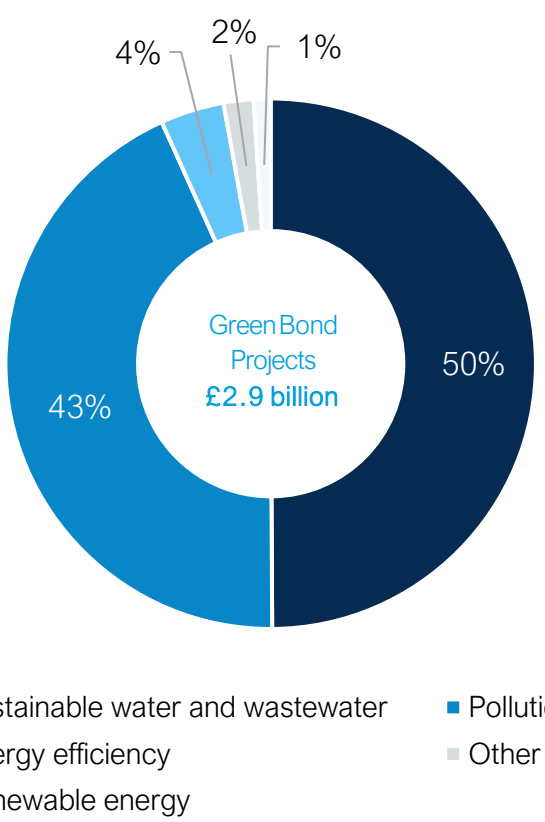
*maturity date has since been extended by two years

The bond proceeds were swapped to GBP and the net proceeds were immediately allocated to approved Eligible Green Projects.

Allocating the proceeds

Under our SFF, Eligible Project spend from up to three financial years prior to the debt issuance can be allocated as refinancing spend. The net proceeds of the Green Bonds issued in January 2022 of £965 million matched the total spend of selected Eligible Green Projects with spend between April 2018 to March 2020. The net proceeds of the Green Bonds issue in January 2023 or £1.46 billion, were allocated to a portion of £1.76 billion of approved Eligible Green

Projects with spend between April 2019 and March 2023. The net proceeds were used for financing or refinancing of capital expenditure. Due to the number and different durations of the project investments, we are unable to provide the total expected expenditure from start to completion of the Eligible Green Projects. The categories of expenditure of the Eligible Projects are shown below, along with examples of some of the projects which fall under each category.



£1,454 million

- Mains rehabilitation
- Meter installations
- Leakage reduction
- Flooding resilience

£1,264 million

- Flooding alleviation
- Waste infrastructure including storm tanks

£113 million

- Thermal heat and power projects
- Combined heat and power projects

£53 million

- Climate Change Adaptation
- Terrestrial and Aquatic Biodiversity Conservation

£30 million

- Crossness sludge to energy project

The green bond issue proceeds were allocated to projects in the categories shown below:

£m	January 2022 bonds	January 2023 bonds	Total
Sustainable Water and Wastewater Management	572	682	1,254
Pollution Prevention and Control	336	679	1,015
Energy Efficiency	35	56	91
Renewable Energy	22	6	28
Other	-	38	38
Total	**965**	**1,461**	**2,426**

There have been no further issuances of green bonds in 2023/24 or 2024/25.

2021 SFF projects and benefits

The proceeds from the bonds issued in January 2022 and January 2023 were allocated to a significant number of Eligible Green Projects. The table on the pages below details allocation by category and projects where there have been environmental benefits delivered during 2022/23, which are shown on a pro rata basis of the funds allocated as a proportion of the total project spend. A large number of the funded projects were not yet complete and/or commissioned by 31 March 2023, with further investment ongoing, and therefore the environmental benefits of some funded projects are expected to emerge in future years. No estimate of future benefits are provided.

Projects	Project description	KPI outputs for financial year 2022/23			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)[1]	tCO_2e saved[2]	Water saved (Ml/day)	
Sustainable Water and Wastewater Management					£1,254 million
Water mains rehabilitation	We're replacing and repairing our mains to improve resilience and help reduce leaks	-	-	12	101km distribution mains renewals in 2022/23 374km* (of which 36km were in 2022/23) mains decommissioned 3km* (of which none were in 2022/23) trunk mains replaced 6km* (of which 1km was in 2022/23) trunk mains relined
Water mains monitoring	Monitoring enables us to identify and reduce leakage	-	-	107[3]	Investment in trunk mains leakage monitors and pressure monitors
Water meter installations	Meter installation and replacement delivers reductions in water usage and leakage	-	-	96	294,318* (of which 187,139 were installed in 2022/23) meters installed or replaced

[1] This is based on actual outputs during 2022/23.

[2] We use carbon accounting multiples for water savings and reduced leakage (all for 2022/23): tonnes of CO_2e per mega-litre is 0.16975 and note that the methodology to calculate "operational GHG emissions per Ml of water treated" changed in 2022-23 and as per Ofwat's determinations, now includes additional Scope 3 measures such as Well-to-tank emissions, emissions from chemicals and from disposal of waste. Please see "Thames Water Annual Performance Report 2022/23" published on our website for further detail. We have also used energy generation as 0.00021 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[3] Estimated prevention of future leakage (not reduction in historic leakage).

* Verified in prior report

Projects	Project description	KPI outputs for financial year 2022/23			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)[1]	tCO_2e saved[2]	Water saved (Ml/day)	
Sewage discharge monitoring	Event duration and pass forward monitoring programmes ensure that we have full oversight of storm discharge events from our assets	-	-	-	318* (of which 81 were installed in 2022/23) monitors installed - a regulatory requirement as part of the Environment Agency's Water Industry National Environment Programme ("WINEP")
Investment in wastewater management sites	Planned and reactive site managed capital investment programmes deliver serviceability, mitigate health & safety risk and extend asset life in key risk area	-	-	-	7,345* (of which 3,273 were carried out in 2022/23) activities carried out to maintain sites These programmes serve to protect the environment and ensure optimal service for our customers is maintained, is safe and reliable
Resilience and growth investment	We invest in our assets to increase resilience and capacity	-	-	-	416* (of which 62 were in 2022/23) properties protected Flood alleviation schemes protect customers from flooding as a result of rainfall 1,268 population equivalent sewage treatment works capacity added in 2022/23 46,355* additional tonnes of dried solid Increased digestion sludge treatment capacity
Pollution Prevention and Control					£1,015 million
Chemical investigations programme	Capex investment relating to chemical investigation programmes	-	-	-	59* (of which 1 was in 2022/23) investigations were carried out to pilot processes capable of reducing trace contaminants from wastewater effluent, which is a regulatory requirement as part of the Environment Agency's WINEP
Energy Efficiency					£91 million
Energy efficiency from wastewater operations	Changes in wastewater treatment processes to reduce energy consumption				Reduction in embodied carbon, operational and energy changes to improve energy efficiency.

Maple Lodge STW	Combined heat and power	2,362[1]	2,154[2]	-	Energy efficiency delivered emissions reductions
Basingstoke STW	Combined heat and power	7,304	1,815[3]	-	Energy efficiency delivered emissions reductions
Early CHP replacement projects	Combined heat and power	23,521	4,965[4]	-	Energy efficiency delivered emissions reductions
Crossness STW – sludge	Energy from waste	-	5,675[5]	-	Energy efficiency delivered emissions reductions
Hogsmill STW	Energy from waste	4,259[6]	899	-	Energy efficiency delivered emissions reductions
Renewable Energy					£28 million
Other					£38 million
Total		37,446	15,508	215	£2,426 million

[1] 4 gasoil / sewage gas CHP engines were replaced by 2 sewage gas-only CHP engines in April 2020. CHP engines provide electricity for onsite use and heat for the digestion process. All generated is 100% renewable.

[2] Emissions savings achieved from the avoidance of grid electricity and avoidance of fossil fuel usage.

[3] We have measured here the tCO_2e emissions savings achieved per year following the installation of the THP plant (2 CHP engines and 1 boiler).

[4] Original CHP engines reached the end of their life and were less efficient; they were already 100% biogas fired. There are no fossil fuel reductions from CHP engine replacements and carbon savings are a result of grid electricity import avoidance.

[5] THP plant consists of 3 biogas-only CHP engines, providing electricity for onsite use and together with the 2 dual fuel boilers providing heat (in the form of steam) for the digestion process. This is a more efficient process. SPG provided electricity, but not heat, for onsite use. Savings primary stem from emissions avoidance from natural gas use in the SGP vs. THP boilers.

[6] In 2017, an additional CHP engine was installed on site, in addition to the existing 2 CHP engines. CPH engines provide renewable electricity for onsite use. Savings are from grid import electricity avoidance.

* Verified in prior report

Addendum – Thames Water Impact Report 2023/24

2018 framework projects and benefits

Project[1]	Project description	KPI outputs for financial year 2023/24				Total AMP6 Spend (£m)	Total Project Deliverables
		Additional renewable energy generated (MWh)[2]	tCO_2e saved[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 to help accommodate population growth and meet higher environmental standards.	2,025	4,766[4]	-	450.2	216.7	Serves additional thousands of customers Multiple Combined Heat & Power (CHP) engines installed
Household metering	We're installing water meters across our region, helping to reduce water use.	-	2,055	28.3*	-	511.3	301,313* meters installed 97,578* revenue meters maintained or replaced Reduction in water needing to be treated
Mains rehabilitation	We're replacing and repairing some of the oldest parts of our network to help reduce leaks.	-	5,093	70.0*	-	290.1	246km* 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 and prevent millions of tonnes of sewage from going into the Thames.					298.7	21** sites handed over to the Thames Tideway Tunnel delivery team as part of connecting and enabling works
Total		2,025	11,914	98.3	450.2	1,316.8	

[1] All projects deliver an ongoing annual benefit from commissioning. This was calculated in 2017/18 and independently reviewed by DNV.
[2] This is based on actual outputs from Deephams for 2023/24.
[3] We use carbon accounting multiples for water savings and reduced leakage (all for 2023/24): tonnes of CO_2e per mega-litre is 0.19930 and energy generation is 0.00022 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.
[4] This figure includes any emissions reductions resulted from additional renewable electricity and renewable heat generated by the CHP engines, which is utilised to power the site and provide heat to the anaerobic digestors, respectively, eliminating the use of fossil fuels which were used in the old CHP engines.
[5] Effluent prevented from flowing into the river during storm surges.
* Verified in prior report
** Unverified by DNV

2021 SFF projects and benefits

Projects	Project description	KPI outputs for financial year 2023/24			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
Sustainable Water and Wastewater Management					£1,254 million
Water mains rehabilitation	We're replacing and repairing our mains to improve resilience and help reduce leaks	-	-	12	101km distribution mains renewals 374km* mains decommissioned 3km* trunk mains replaced 6km* trunk mains rehabilitated
Water mains monitoring	Monitoring enables us to identify and reduce leakage	-	-	107[2]	Investment in trunk mains leakage monitors and pressure monitors
Water meter installations	Meter installation and replacement delivers reductions in water usage and leakage	-	-	96	294,318* meters installed or replaced
Sewage discharge monitoring	Event duration and pass forward monitoring programmes ensure that we have full oversight of storm discharge events from our assets	-	-	-	318* monitors installed - a regulatory requirement as part of the Environment Agency's Water Industry National Environment Programme ("WINEP")
Investment in wastewater management sites	Planned and reactive site managed capital investment programmes deliver serviceability, mitigate health & safety risk and extend asset life in key risk area	-	-	-	7,345* activities carried out to maintain sites These programmes serve to protect the environment and ensure optimal service for our customers is maintained, is safe and reliable
Resilience and growth investment	We invest in our assets to increase resilience and capacity	-	-	-	416* properties protected Flood alleviation schemes protect customers from flooding as a result of rainfall 1,268 population equivalent sewage treatment works capacity added

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2023/24): tonnes of CO_2e per mega-litre is 0.19930 and energy generation is 0.00022 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] Estimated prevention of future leakage (not reduction in historic leakage).

* Verified in prior report

Projects	Project description	KPI outputs for financial year 2023/24			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
					46,355* additional tonnes of dried solid Increased digestion sludge treatment capacity
Pollution Prevention and Control					£1,015 million
Chemical investigations programme	Capex investment relating to chemical investigation programmes	-	-	-	59* investigations were carried out to pilot processes capable of reducing trace contaminants from wastewater effluent, which is a regulatory requirement as part of the Environment Agency's WINEP
Energy Efficiency					£91 million
Energy efficiency from wastewater operations	Changes in wastewater treatment processes to reduce energy consumption				Reduction in embodied carbon, operational and energy changes to improve energy efficiency.
Maple Lodge STW	Combined heat and power	2,884[2]	2,290[3]	-	Energy efficiency delivered emissions reductions
Basingstoke STW	Combined heat and power	8,003	2,137[4]	-	Energy efficiency delivered emissions reductions
Early CHP replacement projects	Combined heat and power	22,172	4,989[5]	-	Energy efficiency delivered emissions reductions

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2023/24): tonnes of CO_2e per mega-litre is 0.19930 and energy generation is 0.00022 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] 4 gasoil / sewage gas CHP engines were replaced by 2 sewage gas-only CHP engines in April 2020. CHP engines provide electricity for onsite use and heat for the digestion process. All generated is 100% renewable.

[3] Emissions savings achieved from the avoidance of grid electricity and avoidance of fossil fuel usage.

[4] We have measured here the tCO_2e emissions savings achieved per year following the installation of the THP plant (2 CHP engines and 1 boiler).

[5] Original CHP engines reached the end of their life and were less efficient; they were already 100% biogas fired. There are no fossil fuel reductions from CHP engine replacements and carbon savings are a result of grid electricity import avoidance.

* Verified in prior report

Projects	Project description	KPI outputs for financial year 2023/24			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
Crossness STW – sludge	Energy from waste	-	5,017[2]	-	Energy efficiency delivered emissions reductions
Hogsmill STW	Energy from waste	3,655[3]	822	-	Energy efficiency delivered emissions reductions
Renewable Energy					£28 million
Other					£38 million
Total		36,714	15,255	215	£2,426 million

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2023/24): tonnes of CO_2e per mega-litre is 0.19930 and energy generation is 0.00022 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] THP plant consists of 3 biogas-only CHP engines, providing electricity for onsite use and together with the 2 dual fuel boilers providing heat (in the form of steam) for the digestion process. This is a more efficient process. SPG provided electricity, but not heat, for onsite use. Savings primary stem from emissions avoidance from natural gas use in the SGP vs. THP boilers.

[3] In 2017, an additional CHP engine was installed on site, in addition to the existing 2 CHP engines. CPH engines provide renewable electricity for onsite use. Savings are from grid import electricity avoidance.

Addendum – Thames Water Impact Report 2024/25

2018 framework projects and benefits

Project[1]	Project description	KPI outputs for financial year 2024/25				Total AMP6 Spend (£m)	Total Project Deliverables
		Additional renewable energy generated (MWh)[2]	tCO_2e saved[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 to help accommodate population growth and meet higher environmental standards.	3,483	5,237[4]	-	220.5	216.7	Serves additional thousands of customers Multiple Combined Heat & Power (CHP) engines installed
Household metering	We're installing water meters across our region, helping to reduce water use.	-	1,986	28.3*	-	511.3	301,313* meters installed 97,578* revenue meters maintained or replaced Reduction in water needing to be treated
Mains rehabilitation	We're replacing and repairing some of the oldest parts of our network to help reduce leaks.	-	4,920	70.0*	-	290.1	246km* 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 and prevent millions of tonnes of sewage from going into the Thames.					298.7	21** sites handed over to the Thames Tideway Tunnel delivery team as part of connecting and enabling works
Total		3,483	12,143	98.3	220.5	1,316.8	

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

[2] This is based on actual outputs from Deephams for 2024/25.

[3] We use carbon accounting multiples for water savings and reduced leakage (all for 2024/25): tonnes of CO_2e per mega-litre is 0.19252 and energy generation is 0.00023 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[4] This figure includes any emissions reductions resulted from additional renewable electricity and renewable heat generated by the CHP engines, which is utilised to power the site and provide heat to the anaerobic digestors, respectively, eliminating the use of fossil fuels which were used in the old CHP engines.

[5] Effluent prevented from flowing into the river during storm surges.

* Verified in prior report

** Unverified by DNV

2021 SFF projects and benefits

Projects	Project description	KPI outputs for financial year 2024/25			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
Sustainable Water and Wastewater Management					£1,254 million
Water mains rehabilitation	We're replacing and repairing our mains to improve resilience and help reduce leaks	-	-	12	101km distribution mains renewals 374km* mains decommissioned 3km* trunk mains replaced 6km* trunk mains rehabilitated
Water mains monitoring	Monitoring enables us to identify and reduce leakage	-	-	107[2]	Investment in trunk mains leakage monitors and pressure monitors
Water meter installations	Meter installation and replacement delivers reductions in water usage and leakage	-	-	96	294,318* meters installed or replaced
Sewage discharge monitoring	Event duration and pass forward monitoring programmes ensure that we have full oversight of storm discharge events from our assets	-	-	-	318* monitors installed - a regulatory requirement as part of the Environment Agency's Water Industry National Environment Programme ("WINEP")
Investment in wastewater management sites	Planned and reactive site managed capital investment programmes deliver serviceability, mitigate health & safety risk and extend asset life in key risk area	-	-	-	7,345* activities carried out to maintain sites These programmes serve to protect the environment and ensure optimal service for our customers is maintained, is safe and reliable
Resilience and growth investment	We invest in our assets to increase resilience and capacity	-	-	-	416* properties protected Flood alleviation schemes protect customers from flooding as a result of rainfall 1,268 population equivalent sewage treatment works capacity

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2024/25): tonnes of CO_2e per mega-litre is 0.19252 and energy generation is 0.00023 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] Estimated prevention of future leakage (not reduction in historic leakage).

* Verified in prior report

Projects	Project description	KPI outputs for financial year 2024/25			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
					46,355* additional tonnes of dried solid Increased digestion sludge treatment capacity
Pollution Prevention and Control					£1,015 million
Chemical investigations programme	Capex investment relating to chemical investigation programmes	-	-	-	59* investigations were carried out to pilot processes capable of reducing trace contaminants from wastewater effluent, which is a regulatory requirement as part of the Environment Agency's WINEP
Energy Efficiency					£91 million
Energy efficiency from wastewater operations	Changes in wastewater treatment processes to reduce energy consumption				Reduction in embodied carbon, operational and energy changes to improve energy efficiency.
Maple Lodge STW	Combined heat and power	2,806[2]	2,277[3]	-	Energy efficiency delivered emissions reductions
Basingstoke STW	Combined heat and power	8,183	2,298[4]	-	Energy efficiency delivered emissions reductions
Early CHP replacement projects	Combined heat and power	24,502	5,521[5]	-	Energy efficiency delivered emissions reductions

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2024/25): tonnes of CO_2e per mega-litre is 0.19252 and energy generation is 0.00023 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] 4 gasoil / sewage gas CHP engines were replaced by 2 sewage gas-only CHP engines in April 2020. CHP engines provide electricity for onsite use and heat for the digestion process. All generated is 100% renewable.

[3] Emissions savings achieved from the avoidance of grid electricity and avoidance of fossil fuel usage.

[4] We have measured here the tCO_2e emissions savings achieved per year following the installation of the THP plant (2 CHP engines and 1 boiler).

[5] Original CHP engines reached the end of their life and were less efficient; they were already 100% biogas fired. There are no fossil fuel reductions from CHP engine replacements and carbon savings are a result of grid electricity import avoidance.

* Verified in prior report

Projects	Project description	KPI outputs for financial year 2024/25			Funded Project Expenditure and Deliverables, since inception of the bond
		Additional renewable energy generated (MWh)	tCO_2e saved[1]	Water saved (Ml/day)	
Crossness STW – sludge	Energy from waste	-	5,303[2]	-	Energy efficiency delivered emissions reductions
Hogsmill STW	Energy from waste	3,926[3]	885	-	Energy efficiency delivered emissions reductions
Renewable Energy					£28 million
Other					£38 million
Total		39,417	16,284	215	£2,426 million

[1] We use carbon accounting multiples for water savings and reduced leakage (all for 2024/25): tonnes of CO_2e per mega-litre is 0.19252 and energy generation is 0.00023 tonnes of CO_2e per KWh; CO_2e means carbon dioxide equivalent emissions.

[2] THP plant consists of 3 biogas-only CHP engines, providing electricity for onsite use and together with the 2 dual fuel boilers providing heat (in the form of steam) for the digestion process. This is a more efficient process. SPG provided electricity, but not heat, for onsite use. Savings primary stem from emissions avoidance from natural gas use in the SGP vs. THP boilers.

[3] In 2017, an additional CHP engine was installed on site, in addition to the existing 2 CHP engines. CPH engines provide renewable electricity for onsite use. Savings are from grid import electricity avoidance.

It's everyone's water