



Tideway

SUSTAINABLE FINANCE FRAMEWORK 2025



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Introduction

The Thames Tideway Tunnel (TTT) is a major new sewer in London, which was urgently needed to protect the tidal River Thames from pollution.

The TTT is currently in commissioning. All sites were connected by February 2025, the TTT is intercepting flows and is expected to achieve Handover in the second half of 2025. As at 15 May 2025 the TTT has diverted more than seven cubic metres of sewage from the River Thames. It is being delivered by Tideway, an independent regulated company. Bazalgette Tunnel Limited (BTL, trading as Tideway) and its financing associate Bazalgette Finance plc (BFP) have developed a Sustainable Finance Framework (the “Framework”) under which they can raise debt to support the financing and/or refinancing of assets and expenditures of a sustainable nature across its activities.

Tideway began operating as an independent regulated infrastructure provider in August 2015 when Ofwat awarded the licence to design, build, finance, commission and maintain the Thames Tideway Tunnel. The Tideway Sustainable Finance Framework supports the financing and refinancing of the Thames Tideway Tunnel. Tideway is a ‘pure play’ entity, deriving all its revenues from green assets, i.e. the tunnel that has been constructed. It also aligns the group’s financing with the company’s legacy commitments and with the United Nations Sustainable Development Goals.

The Framework follows the International Capital Market Association (ICMA) Green Bond Principles (Green and Blue Bonds) and the Loan Market Association (LMA) Green Loan Principles, both comprising of four key components:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework aligns with ICMA Practitioner’s Guide “Bonds to Finance the Sustainable Blue Economy” (BFSBE) 2023.

The Framework is also aligned with the LMA Sustainability Linked Loan Principles based around the following five core components:

1. Selection of key performance indicators (KPIs)
2. Calibration of sustainability performance targets (SPTs)
3. Loan Characteristics
4. Reporting
5. Verification

This Framework updates our Sustainable Finance Framework from 2023 and encompasses an array of funding instruments that may be issued, including the issuance of Blue Bonds, which align well with Tideway’s purpose and activities now that the super sewer has begun its work:

- Committed Facilities (revolving and term debt from banks and institutional investors)
- Green and Blue Bonds
- Private Placements (including US Private Placements).

This Framework is reviewed on a regular basis and such reviews may result in this Framework being updated, amended and re-published. The updates may reflect Tideway's progress on project and legacy delivery or external factors including updates to sustainable finance market practice such as ICMA or LMA principles or evolving environmental and social taxonomies, both in the EU and the UK.

Tideway and the Thames Tideway Tunnel

London relied on a 150-year-old sewer system built for a population less than half its current size. As a result, millions of tonnes of raw sewage overflowed the system each year and ended up in the tidal River Thames. Tideway has built the tunnel to tackle the problem for at least the next 100 years and to enable the UK to meet European environmental standards.



London's sewer network was built by Sir Joseph Bazalgette in the 1860s, to cope with a population of up to four million people.

The system now struggles to serve a city of more than eight million people. This population increase, the higher use of water per head and the loss of green space available to soak up rainfall meant that the network was regularly overwhelmed, resulting in discharges into the tidal River Thames via combined sewer overflows (CSOs), which were designed to release excess sewage flows during heavy storms. These discharges had increased from one to two a year in Victorian times to an average of one a week. This resulted in millions of tonnes of sewage entering the tidal section of the Thames each year.

By intercepting the sewage before it enters the river, the Thames Tideway Tunnel helps prevent the tidal River Thames from being polluted with untreated sewage, which can stay in the river for up to three months before the ebb and flow of the tide finally takes it out to sea.

Construction work for the 25-kilometre interception, storage and transfer tunnel running up to 66 metres below the river is complete. It is currently in the system commissioning and testing phase, ahead of full operation and handover to Thames Water towards the end of 2025.

Starting in west London, the main tunnel generally follows the route of the River Thames to Limehouse and then continues north-east to Abbey Mills Pumping Station near Stratford. From there, it connects to the Lee Tunnel, which transfers the sewage to Beckton Sewage Treatment works.

The main tunnel construction used tunnel boring machines (TBMs) in four drives from three main sites with two additional connection tunnel drive sites. The main drive sites were located in Fulham, Battersea, and Bermondsey.

Efforts to minimise disruption to local residents and businesses included building steel acoustic sheds over the excavation sites, which reduced the tunnelling noise; and removing

more than 90 per cent of the excavated material from the main sites by barge to minimise our impact on congestion and air quality and reduce carbon emissions.

As part of the London Tideway Improvements Scheme, the tunnel will intercept more than 90 per cent of the sewage that had previously discharged into the tidal River Thames every year. The reduction in faecal pollution will make the River Thames cleaner, so it is less likely that recreational users of the river will fall ill. Higher levels of oxygen in the water, due to lower levels of bacteria, will allow the fish populations to flourish. The River Thames is a key nursery area for millions of bass and flounder, which are both very important commercial and recreational angling fish. Species higher up the food chain (birds, porpoises, dolphins, and seals) will also benefit from the abundance of fish. In addition, the Thames Tideway Tunnel will reduce visual pollution by capturing floating sewage litter, including non-degradable wet wipes that accumulate along the slow-flowing parts of the River Thames.

Sustainable Legacy at Tideway

Tideway's commitment to sustainability is two-fold. Firstly, we have built infrastructure that supports London in becoming a more environmentally sustainable and resilient city by preventing sewage pollution within the River Thames, delivering the core benefit of improved water quality. Secondly, we are doing as much as we can to deliver the project and operate our company in a way that is sustainable and have aligned our financing with this dual purpose.

Our approach to sustainability is set out in our [Legacy Plan](#), first published in 2015. The origins of our legacy were set out in the [Sustainability Statement](#), which was submitted as part of our Development Consent Order (DCO) application. The Statement contained 15 objectives under 11 thematic areas used to appraise the sustainability performance of the project. Some of these objectives were addressed through the planning stage, such as land use, while others will be realised as outcomes of the project during operation, e.g. enhanced river water quality.

Our Legacy Plan details 54 measurable commitments under five themes that capture the range of opportunities created by the project—Environment; Health, Safety and Wellbeing; Economy; People; and Place. Our legacy commitments are a wide-ranging set, but all of them are intended to ensure we leave a positive and lasting legacy – which is how we define sustainability. We have aligned our commitments to the UN Sustainable Development Goals (SDG) mapping against 10 SDGs and 27 targets. We have identified SDG 6 Clean Water and Sanitation and SDG 11 Sustainable Cities and Communities as our core, long term goals alongside 8 further SDGs that we are positively contributing to, mainly during the construction phase. However, construction by its very nature has negative environmental impacts, even when working towards a positive end result.

Through our legacy commitments, Tideway has brought many associated benefits to London and the rest of the UK. The core environmental legacy of the tunnel has begun to be delivered, with the tunnel intercepting more than seven million tonnes of sewage by May 2025.

Achievements delivering a wider social and environmental legacy include:

- The creation of more than 25,000 jobs. We achieved our target for a quarter of the workforce to come from the 14 local boroughs along the tunnel route, and almost 70% of our river workers came from London, Kent or Essex (target 30%). More than 1,000 people previously out of work got a job with us and we employed 37 people who had a previous conviction.
- A total of 151 individuals had a sustained apprenticeship, which represents one in 29 workers - our target was 1 in 50. This included the industry's first cohort of Tunnelling Operative apprentices. We also funded more than 75 river apprenticeships through the Thames Skills Academy (TSA), of which we were a founding partner. More than 70% of River Thames operators are now members of the TSA.
- Our 'more by river' commitment, to transport as much material as possible by river rather than road, resulted in almost 5.9 million tonnes of material being moved by river, keeping more than 350,000 HGVs off the road and saving 24,600 tonnes of CO2 by March 2025.

- We were the first company outside banking to establish a Returners' Programme for those who had taken time out of the workforce. We worked with our staff to design, for the first time in construction, Personal Protective Equipment (PPE) for women who respect the hijab and burka, as well as maternity PPE.
- Tideway has had a lower incident and injury rate compared to published data for the sector. Our wider achievement has been to set new standards in health, safety and wellbeing – for example our 'EPIC' induction, a one-day immersive experience which everyone who works on the project is required to attend, is now being used by other projects. We were also a founding partner of new industry mental health charity Mates in Mind.
- We are leaving an above-ground legacy of seven new areas of riverside community space for London, some of which include enhancements to the Thames Path – three had opened to the public by March 2025. We have exceeded our target to plant two trees for every one displaced and we have delivered significant social value through our community investment programme, including long-term partnerships with river charities to support our vision to 'reconnect London with the Thames'.

By March 2025 we had closed out 43 of the 54 commitments, a total of 80 per cent. Of those 43 commitments, we had achieved or exceeded the target we set in 39 (91%) of them. We expect to complete a further seven commitments by Handover later in 2025, with four remaining commitments relating to long-term environmental benefits such as water quality.

Evaluation of our Legacy performance data has been undertaken through a robust and comprehensive evaluation of the social impact being created by Tideway's Legacy programme. You can read our Social Impact report [here](#). In line with best practice, we appointed a third party to undertake a critical review of our carbon data for the project's main construction phase following the Greenhouse Gas Protocol. This provides us, and our stakeholders, with confidence in our data.

Further information on our legacy achievements can be seen in our [Sustainability Report](#) for the project's construction phase and our latest progress against all 54 commitments, including how they map to the UN SDGs, can be found in our [ESG databook](#).

When the tunnel is in operation the long-term environmental legacy of the project, which includes the commitments to improved water quality and a reduction in sewage-derived litter, will be tracked by Thames Water and reported annually through its Thames Tideway Tunnel Benefits Realisation Report.

Green Bond and Green Loan Principles

Tideway's Framework is aligned with the four core components of the ICMA Green Bond Principles (GBP) which include blue bonds and LMA Green Loan Principles (GLP), which includes Blue Loans, both a set of voluntary process guidelines that recommend transparency, disclosure and reporting. In addition, the Framework is aligned with ICMA Practitioner's Guide "Bonds to Finance the Sustainable Blue Economy" 2023.

Use of Proceeds

Tideway is a regulated infrastructure provider restricted by its licence to designing, constructing, maintaining, owning and financing the tunnel. The tunnel prevents millions of tonnes of sewage from overflowing into the River Thames leading to a substantial improvement in the ecology of the river. The net proceeds from the issuance of Green and Blue debt instruments are used to finance and refinance the delivery of the Thames Tideway Tunnel. All Tideway's revenues are derived from the tunnel. This asset falls into the GBP and GLP use of proceeds for 'pollution prevention and control' and 'sustainable water and wastewater management' as published by the ICMA (2021 with June 2022 Appendix) and LMA (2025).

ICMA's GBP and LMA's GLP state that Blue Bonds/ Blue Loans are also Green Bonds/ Green Loans, as long as they align with the four Core Components of the GBP or GLP. Such debt instruments emphasise the importance of the sustainable use and protection of water resources and the promotion of related sustainable economic activities. ICMA's BFSBE guidance provides additional criteria for Blue Bonds.

Similarly to the GBP and the GLP, Tideway's activities fall under criteria 6. Marine Pollution: "Pollution Prevention and Control"/ "Sustainable Water and Wastewater Management". The BFSBE guidance requires that wastewater management projects must be within 100 km of the coast, which is the case of the Thames Tideway Tunnel. With the tunnel now in use and avoiding discharges into the river Thames, Tideway and BFP may elect to issue blue debt, highlighting the main purpose of the company of cleaning the river and preventing discharges from reaching the North Sea. We will also comply with the appropriate exclusions defined in the BFSBE guidance.

The Thames Tideway Tunnel is a high-quality asset built to achieve 120 years design life, expected to require minimal maintenance of deep level assets contributing to the low carbon footprint during the long operational stage. The TTT is designed to be resilient to climate change and population growth in London until at least the 2080s – please refer to our latest Annual Report which includes our Climate-related Financial Disclosures report. The tunnel will continue to provide clear environmental benefits and make a meaningful impact to the environment and human health well into the next century.

Tideway's financing during the delivery phase has seen green bond and loan maturities of between 10 and 35 years, with the first maturity in 2027. ICMA's Guidance Handbook (2024) provides guidance on refinancing assets that have a longer operating lifetime than the bond's tenor, such as the Thames Tideway Tunnel. In particular, the Use of Proceeds section 2.1 covers various aspects of such refinancing, including transparency (2.1.1) and others of a more operational nature (e.g. 2.1.5, 2.1.6, 2.1.7). LMA's Guidance on GLP (2025) includes similar guidance.

Process for Project Evaluation and Selection

A full-length tunnel solution was selected by Government as the most timely and cost-effective solution to tackle the tens of millions of tonnes of untreated sewage that discharged into the tidal River Thames every year.

The Thames Tideway Strategic Study was set up in 2000 to investigate the environmental impact of combined sewer discharges into the tidal River Thames and to propose potential solutions to dealing with the pollution and ensure compliance with European Union directive on Urban Waste Water Treatment.

The main report published in 2005 led to the tripartite London Tideway Improvements Scheme:

- Improvements to five sewage treatment works (Beckton, Crossness, Long Reach, Riverside and Mogden), which were completed by Thames Water in 2014. These improvements increased the treatment works capacity and enabled the generation of renewable energy from the sludge that results from the treatment process;
- The Lee Tunnel, which became operational in January 2016, collects excess storm flows to prevent discharges at Abbey Mills CSO and stores the captured flow until it can be treated at the upgraded Beckton STW; and
- The Thames Tideway Tunnel. The study considered a number of alternatives, including rebuilding and separating the combined sewerage system and sustainable drainage systems.

These are discussed in a report published by the Department for Environment Food & Rural Affairs (Defra) in October 2015: 'Creating a River Thames fit for our future: an updated strategic and economic case for the Thames Tideway Tunnel', which also describes the economic benefits of the project.

The social and environmental risks were identified as part of the DCO process during the application stage as described above in the Sustainable Legacy section. Some of the risks were addressed during the design stage (e.g. the TTT was designed to be resilient to climate change and population growth in London until the 2080s – please refer to our latest Annual Report which includes our Climate-related Financial Disclosures.

The risk analysis process led to the setting of a number of social and environmental objectives in the DCO and Section 106 agreements. These, along with Tideway's own legacy aims, were codified in our Legacy Plan (discussed above) which sets out targets for delivering a sustainable legacy. The Main Works Contractors were required to report on a quarterly basis on many of these commitments during the construction stage and semi-annually during the current commissioning phase. We use this information to report performance in our annual Sustainable Finance Report (part of our Annual Report) against each commitment, detailing the measure, target and performance.

Our performance is reviewed twice a year with the Health, Safety, Wellbeing and Environment (HSSE) Board committee.

A Social Impact Assessment of Tideway's Legacy programme was concluded in 2023. The assessment is a robust and comprehensive third party evaluation of the social value created by Tideway's Legacy programme. Our Social Impact Report can be found [here](#).

Management of Proceeds

The proceeds from Green and Blue debt instruments will be deposited into Tideway's sole operating bank account and drawn to fund the project construction activities or to refinance existing eligible debt. Tideway aims to hold liquidity in excess of 12 months. Whilst in the operating account, the funds are managed by Tideway's Treasury team in accordance with the company's investment management policy that aims to preserve capital and liquidity. Funds are invested in deposits with the company's relationship banks and/or in liquid money market funds in compliance with the requirements of our financing documents (described in our bond prospectus – see Cash management and Cash and Cash Equivalent Investment).

Funds are disbursed to pay for Allowable Project Spend, as defined in the licence, which is the cumulative expenditure incurred with the Thames Tideway Tunnel and that will constitute the regulatory capital value. The Allowable Project Spend is calculated by the company and verified on a monthly and quarterly basis by the Independent Technical Assessor (ITA), appointed in connection with the Liaison Agreement, establishing a Liaison Committee.

The Liaison Committee was created to oversee the delivery of the project and is made up of senior representatives from each of the parties to the project: Tideway, Thames Water and Defra. The Committee meets quarterly, with representatives from the Environment Agency (EA) and the water regulator, Ofwat, attending as observers. The engineering consultancy firm Mott McDonald was appointed as the ITA for the project, with a duty to review, evaluate, comment, verify and advise as applicable the members of the Liaison Committee and Ofwat on Tideway's assessment of project costs, quarterly reports to the Committee, and such engineering and other technical issues that may arise as the project progresses.

Where a green or blue loan takes the form of one or more tranches of a loan facility, each tranche applicable to finance or refinance Allowable Project Spend shall be clearly labelled, with net proceeds of the green or blue tranche(s) credited to a separate account or otherwise tracked in an appropriate manner.

Funds may also be disbursed to fund the refinancing of previously issued use of proceeds green or blue debt instruments in accordance with ICMA and LMA's Guidance.

Reporting

Allocation Reporting

Allocation Reporting will be provided to investors within one year from the date of a green or blue debt issuance until full allocation of proceeds. The proceeds will be allocated to finance or refinance Allowable Project Spend and will be drawn to fund the design and construction of the tunnel. This information is being reported in our annual Sustainable Finance Report.

Impact Reporting

The impact reporting will cover the construction and acceptance and the operational phases of the project. Tideway will report at least annually as part of integrated reporting or in a separate report that will be published on Tideway's website.

This is done through our Annual Report published annually. Tideway and Thames Water agreed with Defra and the Environment Agency on what and how to report against the economic, environmental and social benefits stated by Defra at the outset of the project. This includes pre and post operational phase benefits.

Construction and acceptance phase reporting

- The expected environmental and economic benefits of the tunnel remain as per the original DCO until the tunnel is built:
 - In a typical year, for 2006 conditions, the tunnel will reduce polluting discharges by circa 16 million cubic metres (avoided and captured for treatment); and
 - The three components of the London Tideway Improvements work conjunctively to reduce discharges in a typical year by about 37 million cubic metres.
- Tracking of legacy commitments, including the impact of construction activities:
 - Tideway setup a number of KPIs designed to measure the tunnel's environmental performance and, in doing so, the efficiency of the environmental management system during the construction phase and also the office activities; and
 - The project has made a number of public commitments that were included in the DCO application and other supporting documents. These have informed the development of the KPIs and the headline DCO commitments.

River Transport Strategy	<ul style="list-style-type: none"> At least 90 per cent of specified materials to be transported by river
The Excavated Material and Waste Commitments	<ul style="list-style-type: none"> Divert at least 80 per cent of construction and demolition waste from landfill Beneficially use at least 85 per cent of non-hazardous excavated material
Design Principles	<ul style="list-style-type: none"> Regarding net increase in trees and the provision of bird and bat boxes
Code of Construction Practice (CoCP)	<ul style="list-style-type: none"> The CoCP sets out a series of measures and controls to be applied throughout construction to mitigate the potential impact of site activities on the natural and historic environments, amenity, wellbeing, health and safety of local residents, road users and traffic flow, businesses and the public
Heritage Statement	<ul style="list-style-type: none"> Heritage management plan for each site which will include monitoring of heritage assets
Energy and Carbon Footprint Report	<ul style="list-style-type: none"> This sets out the estimated carbon footprint of the project and highlights the project's aims to maximise energy efficiency and minimise the carbon footprint of the project
Sustainability Statement	<ul style="list-style-type: none"> This sets out objectives to deliver the project sustainably
Legacy Strategy	<ul style="list-style-type: none"> This re-confirms a number of the commitments in the DCO and sets legacy targets regarding public realm improvements, such as enhancing ecology with two trees planted for every one displaced

Tideway's Annual Report provides an update of progress against the legacy commitments within our Legacy Plan.

Operational Phase

The operational phase will start with the acceptance of the tunnel by Thames Water to operate, following which Tideway will be responsible for the maintenance of the tunnel and shafts. During this stage and as long as Green or Blue debt instruments are outstanding, reporting will

include the amount of raw/untreated wastewater discharges avoided and captured by treatment by the tunnel.

Where applicable, Tideway will report in accordance with the Handbook on Harmonized Framework for Impact Reporting published by the Green Bond Principles, in particular ‘Core Indicator B. Wastewater Treatment Projects, #2) Annual amount of raw/untreated wastewater discharges avoided’. The indicator is the annual absolute (gross) amount of wastewater discharged before and after the project in m³ per annum and as a percentage.

The Operation and Maintenance Agreement between Tideway and Thames Water stipulates that Thames Water will ‘collect, collate, analyse and report on CSO event monitoring data and will ensure that the level and flow monitoring associated with residual CSO discharge and CSO bypass pumping is logged and reported to the Environmental Agency as required by the Environmental Permit and the Operating Techniques’. Tideway will receive this information as part of the Operation and Maintenance Agreement reporting. The Operating Techniques were agreed between the Environment Agency and Thames Water in 2012 and describe the principles of how the London Tideway Tunnels (the Thames Tideway Tunnel and the Lee Tunnel) will be operated to limit combined sewer overflow discharges to the tidal River Thames. It also provides the methodology and specifications with respect to the spill event monitoring of CSOs to be undertaken for frequency and duration of flows discharged.

The methodology and assumptions of the impact indicator described above will be updated at the start of operations should there be changes to the Operating Techniques between Thames Water and the Environment Agency. The data is provided by Thames Water, which is independent from Tideway and monitored and verified as required by the Environment Agency, one of Tideway’s regulators, strengthening the independence of the reporting process.

In addition to sewage discharges, there are other indicators that may be published by the operator – Thames Water – as part of its Benefits Realisation Report, with the first report due to be published in 2026. These may include dissolved oxygen levels <5mg/l at monitoring stations; the amount of Sewage Derived Litter (SDL) intercepted (extrapolated from the average SDL at Abbey Mills PS) and the number of elevated health risk days.

Sustainability Linked Loan Principles

Tideway's Framework is aligned with the five core components of the LMA Sustainability Linked Loan Principles, a set of voluntary process guidelines that recommend transparency, disclosure and reporting.

Selection of KPIs

The Tideway project is cleaning up the River Thames for generations to come by intercepting millions of tonnes of raw sewage that previously polluted the river every year. As well as building the Thames Tideway Tunnel, Tideway aims to deliver a wider legacy for London, maximising the benefits the project can offer and supporting the company's vision to 'reconnect London with the River Thames'.

We want people to enjoy the Thames in their leisure time, participating in water sports and appreciating the foreshores, views and walks. It is not just what we do that is important to us, but how we do it. With a greater commitment to sustainability, innovation and safety, our aim was to transform the way the industry operates. In particular, we wanted to see a step change in the health and wellbeing of everyone working on the project, as well as those that we engage with, local residents and our partners and stakeholders. We bring our values to life every day, whether that is through our focus on safety and wellbeing in the workplace, volunteering with our charity partners, engaging local residents on what we are doing or supporting people to develop skills and find employment. This has been outlined in the project's public Legacy Plan.

As described in the Sustainability section above, our commitments have evolved into 54 metrics within our Legacy Plan under five themes that capture the range of opportunities created by the project — Environment; Health, Safety and Wellbeing; Economy; People; and Place. We are maintaining a high standard of overall performance against the Legacy commitments, which are monitored and reported regularly. We have mapped our Legacy commitments against the UN SDGs and this Framework highlights the UN SDGs where we expect to make a significant contribution.

These 54 Legacy commitments form the basis of the SPTs used for the sustainability linked loans and, specifically, the KPI used to demonstrate our commitment to improving our sustainability profile over the term of the loan. Using this approach our sustainable financing strategy is clearly aligned to the Company's sustainability mission and its Legacy commitments in particular, and will build on a process and strategy that the company fully associates itself with and which has been its core sustainability purpose since the outset of the project.

Calibration of SPTs

The company has set itself the target to have at least 85 per cent of the live Legacy Commitments on track. Most of the 54 metrics have already been achieved and retired, while others are becoming active as the tunnel becomes operational. Of the eleven remaining, seven are expected to complete in 2025, at which time we will consider retiring or replacing the KPI. The four remaining commitments relate to long-term environmental benefits such as water quality.

Loan Characteristics

Tideway currently has one sustainability linked loan which includes the agreed sustainable KPI which is the meeting of at least 85 per cent of the live Legacy commitments. The credit margin on the facility is reduced if the performance target is met.

Reporting

Tideway reports on its performance on the legacy commitments in the Annual Report and the ESG Databook so the information relating to the KPI is made publicly available at least once a year. These include how the commitments map to the UN SDGs and targets. The methodology and any assumptions relevant to the calculations of the KPI are clearly explained in our reporting.

Tideway's performance on the Legacy commitments is shared regularly with the Environment Agency and Defra, and semi-annually with the HSSE Board Committee which provides strategic leadership on legacy, environmental and sustainability issues.

Verification

The May 2021 update to the SLLP (further updated in February 2023 and March 2025) requires borrowers to obtain independent and external verification of the borrower's performance level against each KPI at least once a year. This update included an exception to transactions completed prior to June 3, 2021 following the revised SLLP, and instead should be reviewed in conjunction with the SLLP published in May 2020. This is the case of Tideway's RCF. Tideway has developed a robust internal process to validate the calculation of its performance against the KPI. Furthermore, the social impact study published in 2023 provided a level of external scrutiny of our performance against the Legacy commitments. Our Scope 3 (embedded) carbon data for the project's construction phase has been third party verified. During the construction phase, Legacy information from across the three contract areas of the project was compiled into a standardised reporting workbook by assigned Legacy Managers within each MWCs Joint Venture (MWC JV) and submitted quarterly to Tideway for assurance. For the commissioning and testing phase, with significantly reduced number of live commitments and data, reporting from MWC JVs and Tideway's own commitment owners is six-monthly, with performance and commitment close-out rationale assured by a sub-committee of the Tideway executive committee. Performance reports are also subject to internal review and verification by Tideway's Regulation and Finance departments and are shared with Defra and Environment Agency, and with Tideway's Board semi-annually.

External Review

S&P Global Ratings provides a Second Party Opinion (SPO), an independent, point-in-time analysis of a sustainable finance instrument, program, or framework, backed by the Shades of Green approach. The SPO is provided for Tideway's bond programme, to bond series issued under the programme and to the US private placements. The Framework and the SPO are published on Tideway's website.

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