



WHEN TRUST MATTERS



ANGLIAN WATER GREEN BOND 2023



Document title: Second Party Opinion on Anglian Water's Green Bond 2023

Prepared by: DNV Business Assurance Services UK Limited

Location: London, U.K.

Date: 16th June 2023

This assessment is valid so long as the evidence provided to DNV remains materially unchanged and remains applicable in the context of the financial instrument being assessed.

ANGLIAN WATER GREEN BOND 2023

DNV ELIGIBILITY ASSESSMENT

Scope and objectives

Anglian Water Services Financing Plc (hereafter referred to as “Anglian Water” or the “Company”) is the financing subsidiary vehicle of Anglian Water Services Limited. References in this assessment made to “Anglian Water” will cover both Anglian Water Services Financing Plc and Anglian Water Services Limited.

Anglian Water is a water and sewerage company that operates in the East of England and Hartlepool, supplying water and recycling services to nearly seven million customers. The water company employs around 5,000 people and looks after over 38,000 km of water mains, 76,000 km of sewers, 143 water treatment works and 1,128 water recycling centres.

The Company is issuing a **Green Bond** (hereafter referred to as the “Bond”) to the value of GBP 860 million across two tranches, for the purpose of financing capital expenditure to meet the Company’s obligations set out under its “Asset Management Plan” for the period 2020 - 2025 (AMP7). This is a dual-tranche benchmark issuance with two tenors and is being **issued** under its **Sustainability Finance Framework from 2020** (henceforth referred to as the “Framework”).

This Bond will finance in whole, or in part, projects related to the Eligible Green Categories of “**Environmentally Sustainable Management of living natural resources and land use**” and “**Climate Change Adaptation**” with the latter focusing on Resilient water supplies as confirmed by Anglian Water.

DNV Business Assurance Services UK Limited (henceforth referred to as “DNV”) has been commissioned by Anglian Water to provide an assessment of the eligibility of the Green Bond. Our methodology to achieve this is described under the ‘Work Undertaken’ section, as detailed below. We were not commissioned to provide independent assurance or undertake any other audit activities. No assurance is provided regarding the financial performance of the Green Bond, the value of any investments in the Green Bond, the alignment of the Green Bond with Regulatory requirements, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that this Green Bond has met the criteria established on the basis as set out below.

Responsibilities of the Management of Anglian Water and DNV

The management of Anglian Water has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion that is intended to inform Anglian Water’s management and other interested stakeholders as to whether the Green Bond is aligned with the International Capital Market Association (ICMA) Green Bond Principles 2021 (GBPs). To assess the eligibility of the Green Bond, our assessment is supplemented with international guidelines and standards, as well as DNV’s own technical expertise.

In our work, we have relied solely on the information and the facts presented to us by Anglian Water. DNV is not responsible for any aspect of the nominated assets referred to in this opinion, and cannot be held liable if the estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by Anglian Water’s management, and that used as a basis for the assessment were not correct or complete.

Basis of DNV's opinion

We have adapted our Green Bond eligibility assessment methodology to create an **Anglian Water-specific Green Bond Eligibility Assessment Protocol** (henceforth referred to as "Protocol") - see [Schedule 2](#). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Green Bond has been reviewed, are grouped under the following four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining the eligibility of an investment using the green bond proceeds and outline any green impact objectives that it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organisation, that a separate portfolio should be created when necessary, and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least annual reporting of the use of the Green Bond proceeds to the bond investors should be made, and that quantitative and/or qualitative performance indicators should be used, where feasible.

Work undertaken

Our work constituted a high-level review of the information provided to us by Anglian Water, based on the understanding that this information was provided to us in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us.

The work that was undertaken to form our opinion included:

- Creation of an Anglian Water-specific Protocol adapted to the purpose of the Green Bond, as described above and in [Schedule 2](#) of this assessment.
- Assessment of the documentary evidence provided to us by Anglian Water on the Green Bond, supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology.
- Discussions with Anglian Water management, and a review of the relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of the findings against each element of the criteria.

Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's summary findings are listed below, with further detail provided in [Schedule 2](#).

1. Principle One: Use of Proceeds

Under its **Sustainability Finance Framework 2020**, Anglian Water provides its institutional investors with the opportunity to invest in sustainable transactions that will finance parts of the environmental investments made through Anglian Water's Asset Management Plan for the period, AMP7 which is valid from 2020 to 2025.

Specifically, Anglian Water intends to use the proceeds of this specific Bond to invest in projects that fall under the eligible green categories of "**Environmentally sustainable management of living natural resources and land use**" and "**Climate Change Adaptation**" for both their portfolio categories monitoring water supply and water recycling.

DNV has reviewed a detailed project list (see [Schedule 1](#)) and the supporting evidence provided, and we can confirm the projects are aligned with the Framework and the defined Eligible Green Categories. We can also confirm that these projects will provide clear environmental benefits.

DNV concludes that the projects are aligned to the Eligible Green Categories which are in accordance with the criteria set out by the GBPs.

2. Principle Two: Process for Project Evaluation and Selection

Anglian Water has confirmed that the proceeds from this Bond will be used to improve the local environment, the ecological status of water bodies and incorporate natural capital solutions including the resilience of water supply. The project sub-portfolios are outlined in [Schedule 1](#).

We can confirm that Anglian Water has a robust governance process in place for making investments and that this applies to any project proposed project to be funded under the Green Bond. The Anglian Water Governance Framework includes a seven-step process for evaluating and selecting all projects. These are: risk identification; solution selection; solution outline design; detailed solution development & planning; solution completion; financial close & lessons learnt; and scheme close & benefits review.

Any material risks associated with new projects are to be assessed and prioritised by Asset Delivery Planning in collaboration with a range of business representatives, including the Business Stream Totex (total expenditure) Investment Group (TIG), the Business Stream Sub Stream Investment Group (SSIG) and the Total Delivery Group (TDG), as outlined in the Framework.

DNV has reviewed Anglian Water's approach to ensuring there is no duplication of funding across the Green Bonds that are issued under the Framework, and we can confirm that Anglian Water has put in place a robust project tagging system with a clear green finance register, which outlines the projects and assets falling within to help avoid double counting with previous and/or future Green Bonds issued under the framework.

DNV has reviewed the evidence supplied and has held discussions with the representatives of Anglian Water and can confirm that the governance framework in place for project evaluation and selection that has been followed is in

line with the process as defined within the Framework, and that this is in accordance with the criteria as set out by the GBPs.

3. Principle Three: Management of Proceeds

Anglian Water has confirmed that the Treasury Team will be responsible for managing the transactions. To ensure the accuracy of the information reported, and to avoid double counting, the tracking of the proceeds will be monitored by Anglian Water's internal tracking and accounting system.

We can confirm that Anglian Water has committed to depositing the net proceeds from the transactions under a "Capex Reserve Account", and to transfer them to a "Payment Account" with an amount equivalent to the net proceeds assigned for allocation to an accounting category falling within Anglian Water's accounting records.

Should the net proceeds be unallocated, or pending allocation, then an amount equal to the balance of the net proceeds will be temporarily invested in cash or cash equivalents. Anglian Water has further confirmed its commitment to ensuring that such investments will be used only towards sustainable and green investments.

DNV has reviewed the evidence supplied by Anglian Water, and we can confirm that the Company has committed to appropriately managing the proceeds in line with the Framework and that this is in accordance with the criteria as set out by the GBPs.

4. Principle Four: Reporting

Anglian Water has committed to continue to produce an Impact Report on an annual basis. This will report on the allocation of the net proceeds until they are fully allocated, and as appropriate thereafter, in the event of material developments. The Impact Report will list the eligible projects financed alongside an aggregated amount of the allocation of the net proceeds, the balance of unallocated proceeds, and the share of financing and refinancing for the eligible category.

With regards to Impact Reporting, Anglian Water has confirmed that it will measure, wherever feasible, the benefits of the investments and expenditures deriving from the transaction.

DNV concludes that Anglian Water has made the appropriate plans to produce reporting on the allocation and environmental impacts of its investments in line with the Framework and the GBPs.

Based on the information provided by Anglian Water and the work undertaken, it is DNV's opinion that this Green Bond meets the criteria established in the Protocol, that it is aligned with the Anglian Water Services Financing Sustainability Finance Framework 2020, and the stated definition of Green Bonds within the Green Bond Principles 2021.

for DNV Business Assurance Services UK Limited

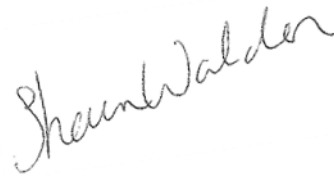
London, 16 June 2023

A handwritten signature in black ink, appearing to read "Niki Bowen".

Niki Bowen (PhD)

Principal ESG Consultant and Project Manager

DNV – Business Assurance

A handwritten signature in black ink, appearing to read "Shaun Walden".

Shaun Walden

Head of Sustainable Finance and Reviewer

DNV – Business Assurance

About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 12,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

SCHEDULE 1: DESCRIPTION OF PROJECTS TO BE FINANCED THROUGH THE GREEN BOND

Anglian Water has confirmed that proceeds from this Green Bond will be used to finance or refinance projects falling under the Eligible Green Category of “Environmentally sustainable management of living natural resources and land use” and “Climate Change Adaptation”.

Anglian Water will be issuing the bond under two tranches (£300m and £560m) to a total of £860m

The list of project categories confirmed by Anglian Water that fall under the Eligible Green Category are detailed in the table below:

Eligible Green Category	Portfolio	Eligible Use of Proceeds to be financed
<p>Environmentally sustainable management of living natural resources and land use</p>	<p>Water Recycling Services (WRS)</p>	<ul style="list-style-type: none"> • Monitor and sample treated water from water recycling facilities to establish the level of removal of certain new chemicals of concern that have the potential to cause environmental harm but are not currently covered by existing regulations. • Investigate the root causes of pathogens present in water at coastal sites that are used for bathing and shellfish industries and eliminate those sources. • Flow monitors that record the duration of spills from overflows in sewage networks and record the flow within our water recycling centres to provide visibility of overflow operation and flow being treated. • Increasing the peak treatment capacity of water recycling centres so that they are able to treat high flows during storm events before untreated flow is discharged to storm tanks. • Increasing the volume of storage available for untreated flows discharged into storm tanks during storms • Investigating the effect of nutrients on biodiversity on specific sections of river and specific actions to improve biodiversity in the river with a view to future new treatment processes to reduce nutrient levels

		<ul style="list-style-type: none"> • Reducing the number of spills of untreated sewage from high-priority overflows in our sewer network during periods of high rainfall by installing storage or removing surface water ingress. • Raising treatment standards at small sites where the population has grown above a threshold of 2,000. • Reduce the level of phosphorus in treated water discharging into rivers from water recycling centres to eliminate any reasons for not achieving good ecological status caused by the water company • Increasing levels of ammonia and nitrogen in specific watercourses to identify root causes and possible future investments to reduce levels
	<p>Water Supply Services (WSS)</p>	<ul style="list-style-type: none"> • Enhanced biosecurity at Grafham dam pumping station to prevent escape of invasive species into Diddington Brook. Water Recycling Centre Maintenance • Measures to mitigate the impacts of water abstraction on watercourses to ensure river ecology is not affected by reduced flows
<p>Climate Change Adaptation</p>	<p>Resilient Water Supplies</p>	<ul style="list-style-type: none"> • Upgrade of standard meters to smart meters to measure water consumption at hourly intervals with results communicated to a central system via a fixed data network. Hourly reads enable leakage detection and rapid reaction to changes in consumption. • Installation of new meters at unmetered properties • Programme of behavioural change to encourage customers to reduce consumption and make use of smart meter data via a customer app providing consumption • Installing the fixed data network to collect meter readings from the smart meters and transmit that to the central system to be shared in the customer app
	<p>Water Supply Services (WSS)</p>	<ul style="list-style-type: none"> • Installation of equipment to identify and remove leakages

SCHEDULE 2: ANGLIAN WATER GREEN BOND ELIGIBILITY ASSESSMENT PROTOCOL

1. Use of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Type of bond	<p>The Green Bond must fall within one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> Green Use of Proceeds Bond Green Use of Proceeds Revenue Bond Green Project Bond Green Securitised Bond 	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023). Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). 	<p>Anglian Water has confirmed that evidence provided, and we can confirm the Green Bond falls within the category of a “Green Use of Proceeds Bond” with two tranches summing to £860 million.</p> <p>Anglian Water has further confirmed that it intends to apply a 24-month lookback period when allocating the proceeds to Capex expenditures that were incurred against Eligible Projects, before the issuance of the Green Bond.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilisation of the proceeds of the Green Bond which should be appropriately described in the legal documentation for security.</p>	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023). Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). Anglian Water WRMP 2019 (online). 	<p>DNV has reviewed the evidence provided, and we can confirm that the projects to be financed fall under the eligible green category of, “Environmentally sustainable management of living natural resources and land use” and “Climate Change Adaptation.”</p> <p>We conclude that the utilisation of proceeds is appropriately described in the legal documentation for the Green Bond and the Green Project Portfolio.</p>
1c	Environmental benefits	<p>All designated Green Project categories should provide clear environmental benefits, which, where</p>	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p>	<p>DNV has reviewed Anglian Water’s latest Water Resources Management Plan (WRMP) 2019, and its WINEP & SPA Allocation Portfolio, and we note that the implementation of projects within the portfolios forms a key part of Anglian</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		feasible, will be quantified or assessed by the issuer.	Evidence reviewed: <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water Sustainable Finance Impact Report 2022 (online). • Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023) • Anglian Water WRMP 2019 (online). • Anglian Water WRMP Strategic Environmental Assessment: Environmental Report (Main Report & Non-Technical Summary). • PR19 final determinations: Anglian Water – Outcomes performance commitment appendix – Dec 2019 (online). 	<p>Water’s Asset Management Plan, especially regarding WINEP. Anglian Water has also outlined the environmental benefits the plan is expected to deliver within the WRMP, as well as committing to reporting on the impact of the Green Bond.</p> <p>Based on the evidence reviewed, it gives DNV the opinion that the green project category will provide clear environmental benefits across a range of relevant areas - including capital carbon, water quality, water consumption, water leakage, pollution incidents and supporting vulnerable customers.</p> <p>DNV also notes Anglian Water’s commitment to ensure that any adverse environmental impacts associated with the green projects to be financed are appropriately reviewed, addressed, and mitigated, as demonstrated through the Habitats Regulations Assessment and the Strategic Environmental Assessment conducted against Anglian Water’s WRMP.</p> <p>In addition, Anglian Water has reported on the metrics it intends to use to report on the environmental benefits of the eligible projects.</p>

2. Process for Project Evaluation and Selection

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Investment-decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> A process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles. The criteria making the projects eligible for using the Green Bond proceeds; and The environmental sustainability objectives. 	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023) 	<p>Anglian Water has a clear process in place for the evaluation and selection of eligible green projects, following a seven-stage process, as outlined below:</p> <ol style="list-style-type: none"> Risk Confirmation – Planned and Emergent needs get prioritised, and risk is validated. Confirm the preferred option for investment selection. This is the optioneering stage. Confirm the outline design. Confirm a detailed design and a solution delivery plan. Confirm solution completion. Confirm the financial close and undertake an assessment of the lessons learned. Close the scheme and review the benefits. <p>Anglian Water has also confirmed that the list of projects in the portfolio, and the project spend being approved, is reviewed by the Head of Asset Management and Planning, ensuring that only eligible projects are added to the portfolio.</p> <p>We can confirm that we have also seen evidence of Anglian Water’s project tagging system which is shown as the WINEP & SPA Allocation portfolio, and based on the discussions held with Anglian Water, DNV can confirm that this seeks to ensure there is no duplication of funding across the Green Bonds that are issued under the Framework.</p> <p>We can conclude based on the evidence provided that Anglian Water has clearly outlined the decision-making process it takes to determine the eligibility of green projects to avoid double counting and that the green projects to be</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				financed by the Green Bond will meet the environmental objectives as set out by Anglian Water.
2b	Issuer's environmental and social and governance framework	In addition to the information disclosed by an issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental sustainability.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Greenhouse Gas Emissions Report 2021 (online). • Anglian Water's "Love Every Drop" strategy (online). • Anglian Water's Net Zero 2030 Strategy (online). • Anglian Water's Net Zero Route Map Summary 2021 (online). • Anglian Water's PAS2080 – Carbon Management in Infrastructure certification • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water Statement of Community Involvement (online). • Anglian Water Sustainable Finance Impact Report 2022 (online). • Anglian Water WRMP 2019 (online). 	<p>On the basis of the evidence reviewed, we can confirm that Anglian Water has made a commitment to improving its sustainability performance across its operations. This includes a comprehensive plan to achieve net zero emissions by 2030, supported by PAS2080 certification of its carbon management system; a "Love Every Drop Strategy" to promote water savings; and reporting on company-wide emission figures broken down into Scopes 1, 2 and 3.</p> <p>In addition to discussions with management and the Treasury team, this gives DNV the confidence that the Company is committed to addressing the environmental impacts of its operations and that sustainability is core to its long-term strategy and a priority to the management team and that the undertaking of this bond contributes towards Anglian Water's environmental strategy and goals.</p> <p>DNV concludes that based on the information provided, the objective of the Green Bond aligns with Anglian Water's approach to managing environmental sustainability and supports the sustainable development of the sector.</p>

3. Management of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water 2022 Statutory Accounts (link) 	<p>Anglian Water has confirmed that its Treasury Team will manage the proceeds from the sustainable finance transactions.</p> <p>Funds raised from the transactions will be paid to a reserve Capex account and then be transferred to a payment account matching the investment and expenditure amount for the relevant transaction.</p> <p>The net proceeds of the transaction will be allocated to an accounting category and recorded in Anglian Water's accounting records.</p> <p>DNV concludes that the Green Bond will be tracked in an appropriate manner and is attested to by a formal internal process.</p>
3b	Tracking procedure	So long as the Green Bonds are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023). 	<p>DNV notes that the net proceeds are to be allocated on a category basis and will be recorded in Anglian Water's accounting records. Anglian Water has confirmed that the project budget will prevent any double counting in the allocation of the proceeds.</p> <p>Anglian Water has also provided us with target allocations to projects until 2024/2025. These amounts will be disbursed periodically and will be tracked and monitored accordingly, as outlined in the WINEP & SPA Allocation Green Project Portfolio and the framework.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				DNV concludes that there is a clear process in place for the tracking of the balance of the proceeds which account for the disbursements.
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). 	<p>Anglian Water has a Capex reserve account for holding funds raised from a transaction. Pending the allocation of a transaction, Anglian Water will temporarily invest an amount equal to the balance of the proceeds held in the Capex reserve account, in cash or cash equivalents.</p> <p>We conclude that Anglian Water has appropriately described how it intends to hold the balance of unallocated proceeds.</p>
3d	Over-collateralisation	The issuer shall demonstrate that the value of the Green Bond is smaller than or equal to the financing needs of the eligible nominated projects.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water WINEP & SPA Allocation Green Project Portfolio.xls (June 2023). 	<p>The evidence reviewed shows that Anglian Water has targeted a 15% over-collateralisation over the lifetime of the allocation for each portfolio. This has been included within the calculations for total allocation.</p> <p>We can confirm that Anglian Water has committed to maintaining a healthy buffer of investments and expenditures at all stages of the Bond.</p>

4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - where possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	<p>In addition to reviewing the evidence below, we interviewed senior managers within Anglian Water.</p> <p>Evidence reviewed:</p> <ul style="list-style-type: none"> • Anglian Water Services Financing: Sustainability Finance Framework 2020 (online). • Anglian Water Sustainable Finance Impact Report 2022 (online). 	<p>With regards to Allocation Reporting, we can confirm that Anglian Water commits to annual reporting on the Green Bond through a Sustainability Finance Report, which will, for each tranche, detail the following:</p> <ul style="list-style-type: none"> • List of eligible projects financed. • Aggregated amount of allocation of the net proceeds in each of the Eligible Green categories. • Balance of unallocated proceeds. • Share of financing and refinancing for the Eligible Green Category. <p>With regards to Impact Reporting, Anglian Water has also stated it will measure, wherever feasible, the environmental benefits of the investments and expenditures deriving from the transaction.</p> <p>We can confirm that Anglian Water has committed to reporting on the green bond and its impact, and that this is in line with the requirements as set out under the GBPs.</p>