

## European Investment Bank backs GBP 100m Southern Water investment

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The European Investment Bank - EIB, has agreed to provide GBP 100 million to improve water supply and waste water treatment in the Southern Water region.

The new 10 year loan represents the first ever loan to Southern Water by the world's largest lender to the water sector and the first support to any UK water company for investment in the 2015-2020 regulatory investment period, AMP 6. The new EIB loan will support capital investment by Southern Water to ensure reliable a constant supply of high quality drinking water and effective treatment of waste water, and improve the quality of bathing water along the south coast.

The new support was announced during a visit to the Peacehaven Wastewater Treatment Works by Jonathan Taylor, Vice President of the European Investment Bank and Matthew Wright, Chief Executive Officer of Southern Water to see at first-hand how a recently completed GBP 300m facility treats 95 million litres of wastewater a day from Brighton and Hove. "Our Business Plan for 2015 to 2020 sets out how we will further improve water and wastewater services to our 4.6 million customers across Kent, Sussex, Hampshire and the Isle of Wight. During this period we will be investing GBP 1.5 billion in looking after the environment, maintaining and improving our water supply and wastewater treatment works, and expanding and maintaining our network of water mains and sewers. The European Investment Bank is an important provider of the finance we need for the successful delivery of our plan," said Matthew Wright, Chief Executive Officer of Southern Water. "Long-term investment in water infrastructure is crucial to ensure a secure supply of safe drinking water and effective treatment of wastewater for years to come. The impressive scheme at Peacehaven sets a benchmark for water treatment across Europe and shows how challenges can be successfully tackled. The European Investment Bank is pleased to support significant new investment by Southern Water that will benefit millions of people across the region. We look forward to working with other UK water companies in the new regulatory period." said Jonathan Taylor, Vice President of the European Investment Bank.

Proceeds of the loan from the EIB will include supporting the GBP 63 million redevelopment of the wastewater treatment works at Woolston (in Southampton) which will ensure improvement in treated wastewater from this site meets new standards set by the Environment Agency. Upgrades to water and wastewater treatment works meet the challenge of a growing population in the South East, deliver improvement to bathing waters, and contribute to the mitigation and adaptation of climate change.

Last

year the European Investment Bank provided a record GBP 6 billion for long-term investment in key infrastructure across the UK, including support for new hospitals, better water and sewerage infrastructure, renewable energy and energy transmission and private sector investment.

European Investment Bank - EIB