RĪGAS ŪDENS

# EUROPEAN GREEN BOND ALLOCATION REPORT 2025

This document and its contents are not subject to any approval or endorsement from ESMA or any other competent authority.

# 1. GENERAL INFORMATION

| | |
|---|---|
| Date of issuance of the bond(s) or tranches of the bond(s): | **6 May 2025** |
| Date of publication of the allocation report: | **7 May 2026** |
| The first and last date of the period to which the annual allocation report refers: | **6 May 2025 - 31 December 2025** |
| The legal name of the issuer: | **SIA Rīgas ūdens** |
| Where available, the legal entity identifier (LEI) of the issuer: | **6488Z9Y7BN122Y40LD08** |
| Website address providing investors with information on how to contact the issuer: | **https://www.rigasudens.lv/en/contacts-for-investors** |
| Where the allocation report has been subject to post-issuance review, the identity and contact details of the external reviewer: | **Sustainable Fitch Ireland Limited, legal adress: 38 Upper Mount Street, Dublin 2, D02 PR89, Ireland** |

# 2. IMPORTANT INFORMATION

This bond uses the designation 'European Green Bond' or 'EuGB' in accordance with Regulation (EU) 2023/2631 of the European Parliament and of the Council.[1]

# 3. ENVIRONMENTAL STRATEGY AND RATIONALE

## Overview

The European Green Bond issued by Rīgas ūdens aligns with the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852, specifically:

- Climate change mitigation – through investments in energy efficiency improvements and renewable energy installations within water and wastewater infrastructure;
- Sustainable use and protection of water and marine resources – by enhancing the efficiency and resilience of water supply and wastewater collection and wastewater treatment infrastructure, thereby reducing pollution and water losses.

## Link with the assets, turnover, CapEx, and OpEx key performance indicators

In the reporting period of the 2025 financial year, funds allocated from bonds (EUR 17.14 million), as reflected in the total amounts of Table A, accounted for ~63% of the Rīgas ūdens' total taxonomy-compliant capital expenditures (CapEx) in accordance with Article 8 of Regulation (EU) 2020/852. This made a significant contribution, primarily towards the modernisation of wastewater collection and treatment infrastructure, and sludge treatment infrastructure while also supporting the achievement of environmental objectives.

[1] Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (OJ L, 2023/2631, 30.11.2023, ELI: http://data.europa.eu/eli/reg/2023/2631/oj;
consolided version 09.01.2024, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02023R2631-20240109

## Link to the transition plans

The proceeds from the EU Green Bond issued by Rīgas ūdens will be allocated to finance and/or refinance projects that support the company's climate change mitigation, climate adaptation, and sustainable resource management objectives as outlined in the company's:

- Sustainable Development Strategy 2040[2]
- Medium-Term Operational Strategy 2025-2030[3]

The core ambition of the transition plan is to reduce Scope 1 and 2 greenhouse gas (GHG) emissions by at least 50% by 2040 and to develop a water and wastewater infrastructure that is climate-resilient, energy-efficient, and aligned with circular economy principles. Additionally, a climate-neutral operational model is targeted by 2050. The Green Bond proceeds will be used to implement investment programs that contribute to these objectives:

- The necessity to gradually renew the outdated water supply and wastewater system – the gradual approach is split into three five-year periods (2025-2030, 2031-2035, and 2036-2040) starting with the most critical parts of the network which tend to experience break-downs and need repairs more often;
- As a result of the water supply system renewal, it will be possible to reduce the volume of annual water leakage amounts by 30% or more (by 2040);
- As a result of improvements in both networks, as well as implementation of energy efficiency and renewable energy generation projects, the energy consumption and, consequently, Scope 1 and 2 greenhouse gas emissions caused by water supply and wastewater treatment will be reduced by 50% (by 2040);
- Overflow of polluting waters caused by heavy rainstorms (climate change effect, among other things) will be decreased below 2% of the annual collected urban wastewater load calculated in dry weather conditions;
- Water supply and wastewater network will be expanded to ensure its accessibility to more than 98% inhabitants of Riga, thus improving their living conditions and decreasing pollution from individual wastewater systems;
- Overall water supply quality will be improved.

## Securitisation

This EuGB is not a securitized bond.

[2] https://www.rigasudens.lv/sites/default/files/For-investors/corporate-governance/Sustainable%20Development%20Strategy%202040.pdf
[3] https://www.rigasudens.lv/sites/default/files/Investoriem/Korporativa-parvaldiba/Rigas%20udens_Videja%20termina%20darbibas%20STRATEGIJA%202025_2030_ENG.pdf

# 4. ALLOCATION OF BOND PROCEEDS

## Allocation to taxonomy-aligned economic activities

Rīgas ūdens allocates an amount equal to the net EuGB proceeds to capital expenditures in accordance with the gradual approach referred to in Article 4(1) of Regulation (EU) 2023/2631.

This EuGB is not a securitization bond.

This is the first allocation report. In accordance with Article 11(6) of Regulation (EU) 2023/2631, we confirm that the composition of the portfolio of financial and fixed assets remains unchanged from the portfolio included in the Fact Sheet.

Table A has been completed as the gradual approach to the allocation of proceeds is being utilised in accordance with Article 4(1) of Regulation (EU) 2023/2631. The corresponding totals have also been filled in, reflecting the progressive allocation of the net EU Green Bond proceeds to taxonomy-aligned capital expenditures as specified in the allocation report. This ensures transparency and compliance with the relevant regulatory requirements regarding the allocation methodology.

According to the Rīgas ūdens 2025 Annual Report (Annual Sustainability Report and Financial Statements) prepared in accordance with ESRS requirements and having received limited assurance from an independent auditor, it is confirmed that:

- Rīgas ūdens complies with the minimum social safeguards in accordance with Article 3 and 18 of the EU Taxonomy Regulation (EU) 2020/852 for the reporting period;
- Taxonomy-eligible economic activities are carried out in line with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO core conventions transposed into Latvian legislation;
- In 2025, no material human rights violations, forced or child labour, confirmed incidents of corruption, or systematic discrimination were identified.

Rīgas ūdens is not a sovereign.

# Table A: Taxonomy alignment of proceeds information for bonds making use of the gradual approach to the allocation of bond proceeds

The information in the table below covers the period from the issuance of the bond concerned up to the reporting date.

**Totals**

| **Since issuance:** | | **In the reporting period (6 May 2025 - 31 December 2025):** | |
|---|---|---|---|
| Total amount of bond proceeds allocated since issuance (MEUR): | **17.14** | Total amount of bond proceeds allocated in the reporting period (MEUR): | **17.14** |
| Of which, total amount of bond proceeds allocated to taxonomy-aligned economic activities since issuance (MEUR): | **17.14** | Of which, total amount of bond proceeds allocated to taxonomy-aligned economic activities in the reporting period (MEUR): | **17.14** |
| | | Of which: | |
| | | - Total amount of bond proceeds allocated to taxonomy-aligned capital expenditure in the reporting period (MEUR): | **17.14** |
| | | - Total amount of bond proceeds allocated to taxonomy-aligned operating expenditure in the reporting period (MEUR): | **0.00** |
| | | - Total amount of bond proceeds allocated to taxonomy-aligned [other] in the reporting period (MEUR): | **0.00** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **1. Project (or group of projects or economic activity) name, location and description** | **1.1. Name** | **Wastewater collection and treatment** | **Reduction of water leakages in the water supply system** | **Electricity generation from renewable sources** | **Production of biogas for the generation of electricity and heat** | **Implementation of energy efficiency recommendations and improvements** |
| | **1.2 Location** | Latvia,<br>Riga city | Latvia,<br>Riga city | Latvia,<br>Riga city | Latvia,<br>Riga city | Latvia,<br>Riga city |
| | **1.3. Basic description** | The group of projects encompasses the construction, expansion, upgrading, operation, and renewal of urban wastewater treatment plant, sewer networks, and pumping stations. These investments may involve renovation and extension of sewer networks; rehabilitation of sewerage pumping stations; modernization of essential automatic control systems; replacement of pumps; installation of flow meters; substitution of valves and shut-off devices; installation of coarse particle grinders; refurbishment of ventilation and electrical supply systems; construction of urban wastewater retention tanks; implementation of hydraulic monitoring systems for the sewage network; rehabilitation of sewer maintenance equipment; installation of mechanical treatment units at emergency discharge points; renovation of wastewater treatment plant structures, such as primary and secondary settling tanks; replacement of operational and maintenance equipment and machinery, lighting and heating systems, as well as laboratory equipment used for wastewater analysis.<br>The primary objective of these projects is to enhance the efficiency, safety, climate resilience, and long-term sustainability of Riga's wastewater services. The projects will also increase access to reliable and affordable sanitation services for residents of Riga. This will lead to greater service reliability, reduced environmental impact, and improved public health outcomes, ultimately contributing to a higher quality of life for people living in the serviced areas | The group of projects provides IT/OT data-driven solutions for leakage reduction, including establishment of water supply zoning, which plans to extend the water supply network monitoring (flow/pressure) system to create closed district metering areas (DMAs), as well as implementation of a digital shadow (also known as a digital twin) solution for the water supply system, including enhanced leakage analytics and identification | The group of projects includes the installation of solar photovoltaic panels at various locations within the water management infrastructure — specifically at the Daugava drinking water treatment plant and the Daugavgrīva biological wastewater treatment plant.<br>The investments are expected to increase the generation of renewable energy - electricity, reducing greenhouse gas emissions, as well as, promoting the achievement of energy neutrality at the wastewater treatment plant by 2040 | The project involves constructing two new sludge digestion tanks, each with a capacity of 6,000 m³, as well as a modern pumping station equipped with advanced technological maintenance facilities. These investments are designed to boost the generation of renewable energy — both electricity and heat — at the wastewater treatment plant. By reducing greenhouse gas emissions, the initiative will play a crucial role in advancing the wastewater treatment plant toward energy neutrality by 2040 | Installation and replacement of energy-efficient equipment, such as interior lighting and ventilation systems. These investments are expected to increase energy efficiency |

| | | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
|---|---|---|---|---|---|---|
| **2. Amount of proceeds allocated from the bond(s)** | **2.1. Bond proceeds allocated to this project/group of projects/ economic activity since the issuance date (MEUR)** | 13.13 | 0.00 | 0.87 | 3.11 | 0.03 |
| | **2.2. Bond proceeds allocated to this project/group of projects/ economic activity in the reporting period (MEUR)** | 13.13 | 0.00 | 0.87 | 3.11 | 0.03 |
| | **2.3. Share of project that is funded by the bond(s) (%)** | 61% | 0% | 55% | 79% | 99% |
| **3. Share of total proceeds used for financing (in the year of issuance or after the year of issuance) or refinancing (earlier)** | **3.1. The share of the amount in 2.1 used for financing and refinancing (%)** | 100% Financing | 0% Financing | 100% Financing | 100% Financing | 100% Financing |
| | **3.2. The share of the amount in 2.2 used for financing and refinancing (%)** | 100% Financing | 0% Financing | 100% Financing | 100% Financing | 100% Financing |
| **4. Type and sector of economic activities funded by the bond(s)** | **4.1. The types/sectors description** | Construction, extension, upgrade, operation and renewal of urban wastewater treatment plant, sewer networks and pumping stations | Installation of leakage monitoring solutions | Construction of electricity generation facilities | Construction of facilities for the treatment of sewage sludge by anaerobic digestion | Installation and replacement of energy efficient light sources and ventilation system |
| | **4.2. NACE codes in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006 of the European Parliament and of the Council[4]** | E37.00 | J62.01 | D35.11 | E37.00 | F43.22 |

[4] Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1)

| | | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
|---|---|---|---|---|---|---|
| **5. Amount of proceeds allocated from the bond(s) that are taxonomy-aligned** | **5.1. Of the total bond proceeds allocated to the project, the amount that is allocated to an activity which is taxonomy-aligned since the issuance date (MEUR)** | 13.13 | 0.00 | 0.87 | 3.11 | 0.03 |
| | **5.2. Percentage share of amount given in 2.1 (%)** | 100% | 0% | 100% | 100% | 100% |
| | **5.3. Of the bond proceeds allocated to the project in the reporting period, the amount that is allocated to an activity which is taxonomy-aligned in the reporting period (MEUR)** | 13.13 | 0 | 0.87 | 3.11 | 0.03 |
| | **5.4. Percentage share of amount given in 2.2 (%)** | 100% | 0% | 100% | 100% | 100% |
| **6. Environmental objectives and technical screening criteria** | **6.1. The targeted environmental objective(s), as referred to in Article 9 of Regulation (EU) 2020/852** | The sustainable use and protection of water and marine resources (WTR) | The sustainable use and protection of water and marine resources (WTR) | Climate change mitigation (CCM) | Climate change mitigation (CCM) | Climate change mitigation (CCM) |
| | **6.2. An indication of which delegated acts adopted in accordance with Article 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are used to determine the technical screening criteria, and their application dates** | Commission Delegated Regulation 2023/2486, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 Technical screening criteria of Annex 1 - (WTR) 2.2. Urban waste water treatment | Commission Delegated Regulation 2023/2486, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 Technical screening criteria of Annex 1 - (WTR) 4.1. Provision of IT/OT data-driven solutions for leakage reduction | Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 Technical screening criteria of Annex 1 - (CCM) 4.1. Electricity generation using solar photovoltaic technology | Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 Technical screening criteria of Annex 1 - (CCM) 5.6. Anaerobic digestion of sewage sludge | Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 Technical screening criteria of Annex 1 - (CCM) 7.3. Installation, maintenance and repair of energy efficiency equipment |
| | **6.3. Information on the methodology and assumptions used for the calculation of key impact metrics in accordance with delegated acts adopted under Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852, and for any additional impact metrics** | according to Annex 1 | according to Annex 1 | according to Annex 1 | according to Annex 1 | according to Annex 1 |

| | | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
|---|---|---|---|---|---|---|
| **7. Nature of environmentally sustainable assets and expenditure** | **7.1. Of the amount allocated in the reporting period in 5.3, capital expenditure amount (MEUR)** | 13.13 | 0.00 | 0.87 | 3.11 | 0.03 |
| | **7.2. Of the amount allocated in the reporting period in 5.3, operating expenditure amount (MEUR)** | not applicable | not applicable | not applicable | not applicable | not applicable |
| | **7.3. Of the amount allocated in the reporting period in 5.3, fixed assets amount (MEUR)** | not applicable | not applicable | not applicable | not applicable | not applicable |
| | **7.4. Of the amount allocated in the reporting period in 5.3, financial assets amount (MEUR)** | not applicable | not applicable | not applicable | not applicable | not applicable |

| | | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
|---|---|---|---|---|---|---|
| **8. Other relevant information** | **8.1. Description of completed projects or progress in the reporting period** | A wide range of projects were completed within the wastewater collection and treatment infrastructure, including the renovation of both gravity and pressure sewer networks, expansion of sewer system in Jugla and Ziepniekkalns neighborhood, refurbishment of pumps and electrical equipment (such as flow meters and frequency converters), replacement of gate valves, and reconstruction of the wastewater pumping station at Slimnīcas Str. 8a. In addition, equipment and mechanisms at the wastewater treatment plant - such as pumps, mixers, screens, measuring devices - were replaced, and the reconstruction of the external lighting at the WWTP was initiated. | The procurement process has begun for the implementation of the digital shadow of the water supply system | Construction is underway for a 0.499 MW solar plant at Daugavgrīva wastewater treatment facility and a 0.962 MW solar plant at Daugava drinking water treatment facility | Construction of new sludge digestion tanks began in 2025 | The interior lighting modernization design project for the wastewater treatment plant buildings continued in 2025 |
| | **8.2. Links to websites with revelant public information about projects in the reporting period** | https://www.rigasudens.lv/lv/rigas-udens-tiklu-atjaunosana-sogad-ieguldis-vairak-neka-24-miljonus-eiro<br><br>https://www.rigasudens.lv/lv/biologiskas-attirisanas-stacija-daugavgriva-tiks-modernizeta-apgaismojuma-sistema | https://www.rigasudens.lv/lv/digitalas-enas-ieviesana-eng-implementation-digital-shadow | https://www.rigasudens.lv/lv/biologiskas-attirisanas-stacijas-daugavgriva-teritorija-tiks-buveta-saules-elektrostacija<br><br>https://www.rigasudens.lv/lv/rigas-udens-saules-parku-buvnieciba-tuvojas-noslegumam<br><br>https://www.rigasudens.lv/lv/udens-stacijas-daugava-teritorija-tiks-buveta-saules-elektrostacija | https://www.rigasudens.lv/lv/riga-apstiprinats-viens-no-nozimigakajiem-udenssaimniecibas-infrastrukturas-projektiem-tiks-buveti | - |

## Allocation to specific taxonomy-aligned economic activities

| | |
|---|---|
| The following economic activities were financed by the proceeds of this EuGB and are considered as enabling economic activities: | • Provision of IT/OT data-driven solutions for leakage reduction (amount allocated: 0.00 MEUR; proportion: 0.0% of the total proceeds allocated during the reporting period);<br><br>• Installation of energy efficient equipment (amount allocated: 0.03 MEUR; proportion: 0.18% of the total proceeds allocated during the reporting period). |

The proceeds were not allocated to transitional economic activities.

The proceeds were not allocated to activities related to nuclear energy or fossil gas.

## Allocation to economic activities not aligned with the technical screening criteria

The net proceeds of this EuGB are fully allocated to economic activities that are aligned with the EU Taxonomy, as per Article 5 of Regulation (EU) 2023/2631. No portion of the bond proceeds were allocated to economic activities that do not meet the technical screening criteria of the EU Taxonomy Regulation (EU) 2020/852, as per Article 5 of Regulation (EU) 2023/2631.

## Issuance costs

Rīgas ūdens allocated an amount equal to the gross proceeds of this EuGB to environmentally sustainable economic activities, without deduction of costs.

# 5. ENVIRONMENTAL IMPACT OF BOND PROCEEDS

The positive and negative environmental impacts of Rīgas ūdens operations have been assessed in the 2025 Annual Report (Annual Sustainability Report and Financial Statements).[5]

The estimated environmental impacts of the bond proceeds were assessed using the impact monitoring indicators (KPIs), in accordance with the Rīgas ūdens Medium-Term Operational Strategy 2025–2030, the Sustainable Development Strategy 2040, and the EU Taxonomy Regulation (EU) 2020/852, during the reporting period. The methodology, assumptions, and key impact metrics applied in evaluating the project's impacts are detailed in Annex 1.

| | | **Climate change mitigation** | | | **Sustainable use and protection of water and marine resources (Pollution prevention and control)** | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **KPI:** | **Reduced Greenhouse Gas (GHG) Emission ($CO_2$ equivalent per year)** | **Increased share of renewable energy sources in gross energy consumption of the wastewater treatment plant (absolute %)** | **Increased share of renewable energy sources in gross energy consumption of the Rigas ūdens operations (absolute %)** | **Improvement of Access to Sanitation** | | **Length of sewer pipes renovated (km)** | **Wastewater treated to acceptable standards (total phosphorus $P_{tot}$ and total nitrogen $N_{tot}$)** | **Treated wastewater to total wastewater collected (%)** |
| | | | | | **The number of persons provided with access to centralised sewerage services (inhab.)** | **Length of new sewer pipes built (km)** | | | |
| EU Green Bond project portfolio: environmental impact overview | | 0 | 0 | 0 | 408 inhab. | 4.7 km | 6.7 km | $P_{tot}$ = 0.68 mg/l<br>$N_{tot}$ = 7.59 mg/l | 98.01% |

The KPIs mentioned above apply only to EuGb proceed projects; therefore, the environmental impact values may differ from those assessed for Rīgas ūdens operations and the KPI results published in the Rīgas ūdens 2025 Annual Report (Annual Sustainability Report and Financial Statements).

[5] https://www.rigasudens.lv/sites/default/files/For-investors/financial-information/Rigas%20udens_Annual%20Report_2025.pdf

| | |
|---|---|
| Description of additinal positive and negative environmental impacts of bond proceeds during the reporting period: | • The majority of bond proceeds were allocated to ensure the renewal and operation of the wastewater collection and treatment system. This included the renovation of the sewer network, refurbishment of pumps and electrical equipment, replacement of gate valves, reconstruction of the wastewater pumping station, as well as replacement of equipment and mechanisms at the wastewater treatment plant. The Daugavgrīva Biological Wastewater Treatment Plant complies with the requirements established in Directive 91/271/EEC, Cabinet Regulation No. 34, "Regulations Regarding Discharge of Polluting Substances into Water"[6], and holds a Category B polluting activity permit for the reporting period. These improvements have contributed positively to the environment by reducing the risk of pollution, ensuring safer wastewater management, and supporting the health of local water bodies through efficient and reliable treatment processes.<br>• The expansion of wastewater networks further contributes to positive environmental impacts by increasing access to safe sanitation, supporting healthier ecosystems, and minimizing the risk of pollution in surrounding areas.<br>• Additional positive environmental impacts will result from the construction of solar panel projects and sludge digestion project. Construction works for these projects began in 2025. Upon completion, solar panel installations will provide clean, renewable energy, reducing reliance on fossil fuels and lowering greenhouse gas emissions. Sludge digestion projects will contribute to the sustainable management of wastewater sludge by converting organic material into biogas, which can be used for energy production, thus minimizing environmental pollution and supporting a circular economy. These projects will collectively promote resource efficiency and further support climate change mitigation efforts.<br>• More detailed information about the sustainable activities and impacts of Rīgas ūdens operations is provided in the 2025 Annual Report (Annual Sustainability Report and Financial Statements) under the relevant ESRS section. |
| Description of additinal positive and negative environmental impacts of bond proceeds during the reporting period: | • By implementing greenhouse gas (GHG) emission reduction targets and enhancing its GHG emission monitoring system, Rīgas ūdens created new positions for a junior energy efficiency engineer and an electrical power engineer.<br>• Furthermore, a dedicated sustainability specialist role was separated from Corporate Governance and established to comprehensively address sustainability matters, including reporting on Taxonomy alignment. |

[6] https://likumi.lv/ta/en/en/id/58276

# 6. INFORMATION ON REPORTING

| | |
|---|---|
| Link to the issuer's website as required by Article 15(1) of Regulation (EU) 2023/2631: | https://www.rigasudens.lv/en/bonds |
| Link to consolidated management report: | https://www.rigasudens.lv/en/financial-information<br>https://www.rigasudens.lv/en/corporate-governance |

# 7. CAPEX PLAN

Not applicable as Rīgas Ūdens will allocate use of proceeds of this EuGB only to capital expenditures aligned with EU Taxonomy.

# 8. OTHER RELEVANT INFORMATION

Not applicable.

## Annex 1. Information on the methodology and assumptions used for the calculation of key impact metrics

| Name (for each project/group of projects/economic activity, as applicable) | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
|---|---|---|---|---|---|
| **Environmental objective(s), as referred to in Article 9 of Regulation (EU) 2020/852** | The sustainable use and protection of water and marine resources (WTR) | The sustainable use and protection of water and marine resources (WTR) | Climate change mitigation (CCM) | Climate change mitigation (CCM) | Climate change mitigation (CCM) |
| **Taxonomy activity name** | (WTR) 2.2. Urban waste water treatment | (WTR) 4.1. Provision of IT/OT data-driven solutions for leakage reduction | (CCM) 4.1. Electricity generation using solar photovoltaic technology | (CCM) 5.6. Anaerobic digestion of sewage sludge | (CCM) 7.3. Installation, maintenance and repair of energy efficiency equipment |
| **Description of the activity** | Construction, extension, upgrade, operation and renewal of urban waste water infrastructure including treatment plants, sewer networks, storm water management structures, connections to the waste water infrastructure, decentralised wastewater treatment facilities, including individual and other appropriate systems, and discharge structures for treated effluent. The activity may include innovative and advanced treatments, including the removal of micropollutants | The activity manufactures, develops, installs, deploys, maintains, repairs or provides professional services, including technical consulting for design or monitoring, for information technology (IT) or operational technology (OT) data driven solutions to control, manage, reduce and mitigate leakage in water supply systems (WSSs) | Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology | Construction and operation of facilities for the treatment of sewage sludge by anaerobic digestion with the resulting production and utilisation of biogas or chemicals | Installation, maintenance and repair of renewable energy technologies, on-site |
| **Associated NACE codes** | E37.00 and F42.9 | E36, F42.99 and J62 | D35.11 and F42.22 | E37.00 and F42.99 | F42, F43, M71, C16, C17, C22, C23, C25, C27 and C28 |
| **Substantial contribution** | See Technical Screening Criteria for Substantial Contribution as per activity 2.2. Urban wastewater treatment of Annex I of Commission Delegated Regulation 2023/2486 of 27 June 2023, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Substantial Contribution as per activity 4.1. Provision of IT/OT data-driven solutions for leakage reduction of Annex I of Commission Delegated Regulation 2023/2486 of 27 June 2023, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Substantial Contribution as per activity 4.1. Electricity generation using solar photovoltaic technology of Annex I of Commission Delegated Regulation 2021/2139 of 4 June 2021, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Substantial Contribution as per activity 5.6. Anaerobic digestion of sewage sludge of Annex I of Commission Delegated Regulation 2021/2139 of 4 June 2021, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Substantial Contribution as per activity 7.3. Installation, maintenance and repair of energy efficiency equipment of Annex I of Commission Delegated Regulation 2021/2139 of 4 June 2021, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 |

## Annex 1. Information on the methodology and assumptions used for the calculation of key impact metrics

| Name (for each project/group of projects/economic activity, as applicable) | Wastewater collection and treatment | Reduction of water leakages in the water supply system | Electricity generation from renewable sources | Production of biogas for the generation of electricity and heat | Implementation of energy efficiency recommendations and improvements |
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| **Do Not Significant Harm (DNSH)** | See Technical Screening Criteria for Do Not Significant Harm (DNSH) as per activity 2.2. Urban wastewater treatment of Annex I of Commission Delegated Regulation 2023/2486, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Do Not Significant Harm (DNSH) as per activity 4.1. Provision of IT/OT data-driven solutions for leakage reduction of Annex I of Commission Delegated Regulation 2023/2486, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Do Not Significant Harm (DNSH) as per activity 4.1. Electricity generation using solar photovoltaic technology of Annex I of Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Do Not Significant Harm (DNSH) as per activity 5.6. Anaerobic digestion of sewage sludge of Annex I of Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 | See Technical Screening Criteria for Do Not Significant Harm (DNSH) as per activity 7.3. Installation, maintenance and repair of energy efficiency equipment of Annex I of Commission Delegated Regulation 2021/2139, amended by Commission Delegated Regulation 2026/73 of 4 July 2025 |
| **Impact monitoring indicators** | • Length of new sewer pipes built (km)<br>• Length of sewer pipes renovated (km)<br>• Wastewater treated to acceptable standards laid down in Directive 91/271/EEC, Cabinet Regulation No. 34 "Regulations Regarding Discharge of Polluting Substances into Water"[7], and Category B polluting activity permit No. RI12IB0013BASD<br>and/or<br>• Wastewater treated to acceptable tertiary treatment standards (total phosphorus, $P_{tot}$, and total nitrogen, $N_{tot}$), (mg/l)<br>• Treated wastewater to total wastewater collected (%) | There is no direct impact indicator other than<br>• The completion of the project | • Increased share of renewable energy sources in gross energy consumption of the wastewater treatment plant (absolute %)<br>• Increased share of renewable energy sources in gross energy consumption of the Rigas ūdens operations (absolute %)<br>• Reduced Greenhouse Gas Emission ($CO_2$ equivalent per year) | • Increased share of renewable energy sources in gross energy consumption of the wastewater treatment plant (absolute %)<br>• Increased share of renewable energy sources in gross energy consumption of the Rigas ūdens operations (absolute %)<br>• Reduced Greenhouse Gas Emission ($CO_2$ equivalent per year) | Usually, in such projects, the affected small part of the infrastructure does not have monitoring implemented to accurately measure energy efficiency savings or to calculate GHG emission reductions; therefore, there is no direct impact indicator other than<br>• The completion of the project. |
| **Link to Delegated Regulation** | https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02023R2486-20260101 | | https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02021R2139-20260101 | | |

[7] https://likumi.lv/ta/en/en/id/58276

Rīgas ūdens has developed Guidelines for Assessing Taxonomy Compliance in Rīgas ūdens Operations. The guidelines include both the procedures to be followed, as well as information regarding the scope and limitations of financial indicator accounting and contain a detailed list of EU Taxonomy criteria most relevant to Rīgas ūdens activities, along with instructions on the information required for compliance assessment.

A detailed EU Taxonomy compliance assessment is documented and provided to an external reviewer as an additional document upon request.

Impact monitoring indicators (KPIs) are aligned with the EU Taxonomy Regulation (EU) 2020/852 framework, the Rīgas ūdens Medium-Term Operational Strategy 2025–2030, the Sustainable Development Strategy 2040, and the information is disclosed in the Rīgas ūdens Annual Report (Annual Sustainability Report and Financial Statements).

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| Information on the methodology and assumptions used for the calculation of key impact metrics | • Information regarding wastewater collection and treatment is evaluated in accordance with the national "2-Ūdens" reporting requirements, Cabinet Regulation No. 34 "Regulations Regarding Discharge of Polluting Substances into Water" requirements and is available on the public website.[8]<br><br>• The general information related to the status of water bodies, to the activities potentially impacting the status and to the measures taken to avoid or minimize such impacts, is included in the national document "Daugava River Basin District Management Plan and Flood Risk Management Plan 2022–2027,"[9,10] developed by the Latvian Environment, Geology and Meteorology Centre.<br><br>• The methodology for calculating and monitoring greenhouse gas (GHG) emissions is based on the Rīgas ūdens Medium-Term Operational Strategy 2025-2030 performance indicator methodology. Following IPCC and GHG Protocol guidelines, it establishes strategic KPI accounting and monitors activity-level emission reductions (measured in $tCO_2e$) to ensure reliable tracking of impacts.<br><br>• The share of renewable energy (RES) monitoring adheres to the Rīgas ūdens Medium-Term Operational Strategy 2025-2030 performance indicator methodology. RES in the gross energy use of wastewater treatment plant (WWTP) and RES in the gross energy use of Rīgas ūdens operations are calculated according to Latvian energy law, Cabinet Regulations, and ISO 50001 standard. Impact assessment follows national methods and is verified by ISO 50001 Energy Management certification and third-party audits or feasibility studies.<br><br>• The number of persons provided with access to centralised sewerage services is calculated according to the data of the Office of Citizenship and Migration Affairs (PMLP) on the number of declared residents following the construction of new sewerage networks. This indicator shows the number of inhabitants who have the opportunity to connect to newly built centralised sewerage networks.<br><br>• The total length of renovated and newly constructed sewer pipes in the sewerage network project portfolio is determined based on the project completion documentation, by summing the values from each sub-project. |

[8] https://likumi.lv/ta/en/en/id/58276
[9] https://videscentrs.lvgmc.lv/files/Udens/Udens_apsaimniekosana_plani_2022_2027_07_04_2024/Daugavas%20UBA%20plans%202022-2027_v2.pdf
[10] https://videscentrs.lvgmc.lv/files/Udens/Udens_apsaimniekosana_plani_2022_2027_07_04_2024/DUBAP_pielikumi_v2.zip

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| **Information on the methodology and assumptions used for the calculation of key impact metrics** | • Wastewater treated to acceptable standards refers to meeting the general secondary and tertiary treatment requirements established by Directive 91/271/EEC, Cabinet Regulation No. 34 "Regulations Regarding Discharge of Polluting Substances into Water," and Category B polluting activity permit No. RI12IB0013BASD. Calculations are conducted in accordance with Directive 91/271/EEC concerning urban wastewater treatment, as well as the requirements of Cabinet Regulation No. 34 "Regulations Regarding Discharge of Polluting Substances into Water."<br><br>• The KPI for wastewater treated to acceptable tertiary treatment standards (total phosphorus, Ptot, and total nitrogen, Ntot) places special emphasis on meeting the requirements for tertiary treatment, as specified by Directive 91/271/EEC concerning urban wastewater treatment, Cabinet Regulation No. 34 "Regulations Regarding Discharge of Polluting Substances into Water," and the Category B polluting activity permit. The calculation is performed in accordance with Directive 91/271/EEC concerning urban wastewater treatment, as well as the requirements of Cabinet Regulation No. 34, "Regulations Regarding Discharge of Polluting Substances into Water." The target values (total phosphorus $P_{tot}$ ≤ 1.0 mg/l and total nitrogen $N_{tot}$ ≤ 10 mg/l) are set in the Rīgas ūdens Medium-Term Operational Strategy 2025–2030.<br><br>• The KPI "Treated wastewater to total wastewater collected" calculates the percentage ratio between the amount of wastewater treated at WWTP and the total amount of wastewater collected in the centralized sewer system. The remaining percentage of wastewater indicates the volume discharged during emergency overflows, which occurs due to extreme climate conditions, mainly because of heavy or prolonged rainfall. The target value ≥ 98% is set in the Medium-Term Operational Strategy 2025–2030. |

For all activities, it is necessary to ensure that minimum social safeguards are observed, meaning that policies and procedures have been implemented to guarantee compliance with business ethics and human rights (including, for example, ethical conduct, prohibition of discrimination, prevention of corruption and conflicts of interest, provision of occupational safety and other security measures, transparent selection and management of suppliers, and other areas). It is considered that the majority of social risks in the operations of Rīgas ūdens, including those related to specific activities or capital investments, are managed by the following documents and the associated processes for their implementation:

- Code of Ethics;
- Supplier Code of Conduct;
- Conflicts of Interest, Corruption Risk Prevention and Whistleblowing Policy;
- Remuneration and Human Resources Policy;
- Procurement and Outsourcing;
- Privacy Notice;
- Internal Control, Compliance and Risk Management Policy;
- Sustainable and Responsible Business Policy;
- Corporate Governance Policy;
- Occupational Safety Management System and related procedures (these are internal documents and are not publicly accessible).

Link to the policies and reports referred to in this document: https://www.rigasudens.lv/en/corporate-governance