European Investment Bank

Luxembourg, 16th April 2025

Environmental and Social Data Sheet[1]

Overview

Project Name:	EVIDES WATER SUPPLY AND REUSE
Project Number:	2024 0600
Country:	The Netherlands
Project Description:	Support for Evides 2025-2028 capex investment programme aimed at enhancing and ensuring quality, security and efficiency of water supply, treatment and distribution network investments.

EIA required: yes

This is an investment programme made up of multiple schemes. Some of them may require an EIA under Annex II of the EIA directive 2011/92/EC as amended by Directive 2014/52/EU.

Invest EU sustainability proofing required yes

Project included in Carbon Footprint Exercise[2]: yes

Environmental and Social Assessment

Environmental Assessment

This is the third operation with Evides NV ("Evides" or the "Promoter"), headquartered in Rotterdam, one of the 10 Dutch water companies that provides drinking water to 2.5m inhabitants in the provinces of Zeeland, the south-west of the province South-Holland and the west of the province Brabant. In addition, Evides supplies various qualities of processed water and water services to many of the large industries located in its service area and outside. The proposed operation is developed by an experienced promoter and takes into consideration environmental and social aspects as required by European and National requirements.

The proposed operation will co-finance investment schemes that form part of the Promoter's investment programme for 2025-2028. The main categories of the Programme are upgrading and renewal of surface and groundwater abstraction and treatment facilities (mainly pumping stations for abstraction, water treatment and softening plants and storage reservoirs), the rehabilitation and extension of supply lines including transport mains and distribution networks, the enlargement and upgrade of facilities for the supply of processed water for industrial purposes and finally measures such as the upgrade of Information and Communication

[1] The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

[2] Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

European Investment Bank

Luxembourg, 16th April 2025

Technology (ICT) infrastructure which will significantly contribute to the optimization of the existing business processes.

Strategic Environmental Assessment

Most of the key investments such as the upgrade of treatment facilities and the replacement and/or rehabilitation of supply lines fall within higher level strategic frameworks, such as the National Water Plan, Provincial Water Plans and local Spatial Plans. These plans have all undergone Strategic Environmental Assessments (SEA) as per the Directive 2001/42/EC. Evides's activities are fully compliant with the SEA Directive 2001/42/EC. In the spirit of this regulation, Evides is an active player in the monitoring of water quality of Meuse River and fully compliant with the principles of the Water Framework Directive.

Environmental Assessment

The investments under the Programme are expected in general to have long-term positive effects for the environment as they will address water quality issues in various locations of surface and groundwater abstraction sites, and thereby improving security and quality of drinking water supply and processed water supply within a climate vulnerable service area and ensuring a more efficient and sustainable use of water resources. It has positive environmental impacts through the sustainable management of nature protected areas around the ground and surface water abstraction zones. The use of advanced water treatment technologies such as reverse osmosis membranes will allow further biological stability of drinking water and thus further compliance with the stricter water quality requirements of the new Drinking Water Directive (EU) 2020/2184. Moreover, softening of water after aeration has the benefit of reducing limescale deposits among Evides customers which leads to less detergent use. Finally, the Programme aims as well at increasing the water supply network resilience as it includes major investments on constructing new transport mains or replacing aging distribution pipelines reaching their end of life. This will reduce water losses and thus have a positive impact on the usage of raw water resources.

According to the types of schemes expected to be implemented under the proposed operation, the majority of schemes is unlikely to require a full EIA. Depending on the scope, the schemes will fall either under Annex II (i.e. be subject to screening by the Competent Authority) or outside the scope of the EIA Directive 2011/92/EU as amended by the Directive 2014/52/EU (not subject to EIA process). In case a scheme requires a full EIA, its implementation will not start before receiving first all the necessary approvals from the Competent Authority. In this case, the Bank will also require from the Promoter to provide a full copy of the EIA in order to be published on the EIB website.

Likewise, the schemes due to their nature/type are not likely to have significant negative impacts on nature conservation areas. Nevertheless, given that annual revisions may result in slight changes of the Programme (in terms of the type and location of each scheme), some schemes under the Programme may be subject to EIA screening by the relevant competent authority and impact on nature conservation areas will be determined.

In particular, the Promoter confirmed that for the investments that concern the supply of processed water to industrial clients, none of the schemes required a full EIA report nor do they cross areas of nature conservation sites.

For the drinking water supply related investments, none of the schemes until the time of the appraisal required a full EIA report.:

- Security of supply Schouwen-Duivenland - pump station Haamstede

The works concern the replacement of various drinking water pipes with new ones between the drinking water pumping station in Burgh-Haamstede within Natura 2000 area Kop van Schouwen and the N57 (national road). Replacement is necessary in the context of security of supply, because the old pipes have reached their technical lifespan. Part of the work is carried out by means of a controlled drilling and part in an open excavation. For the directed drilling, drilling setups are placed on two locations in the Natura 2000 site Kop van Schouwen. The

European Investment Bank

Luxembourg, 16th April 2025

main impacts and mitigants are related to the construction phase with temporary loss of habitat (access road and work camp) that will be reinstated at the end of the construction, there is no impact on fauna. .

In this context, the Promoter provided study that has sufficiently demonstrated that the works are necessary in the interests of public health or safety or for other overriding reasons of overriding public interest, including those of a social or economic nature and those of a beneficial nature for the environment and in the public interest. In addition, the assessment concluded that the project to be implemented would not have any significant adverse effects on the site's conservation objectives and that unavoidable disturbances were kept to a minimum, only during construction phase.
The environmental permit was granted by the Regional Implementation Service (RUD) Zeeland (Competent Authority) and includes also the derogation in line with the Article 16 of the Habitats Directive..

- Adjustments Goeree-Overflakkee Schouwen-Duiveland

1. Goeree-Overflakkee adjustments.
The works concern the construction and commissioning of a new drinking water softening installation which will lead to an improvement in drinking water quality for consumers on the island of Goeree Overflakkee and part of the island of Schouwen-Duiveland. The purpose of the drinking water softening plant is to reduce the calcium and magnesium concentrations (softening) in the water in order to reduce limescale deposits at the consumer and thus the energy consumption, the maintenance costs of hot water equipment and the use of cleaning products. The drinking water softening site will be realized within the existing site and within the existing fencing / fencing of the Ouddorp production site, just outside the boundary of the Natura 2000 site Duinen Goeree & Kwade Hoek. For this, part of the existing buildings (workshop) will be demolished, pavement will be broken up and a small piece of grassy vegetation will be removed and then the new building for the drinking water softening installation will be constructed. The appropriate assessment conducted concerned only the acidification and fertilisation as a result of nitrogen deposition during construction phase and it concluded that the construction of a new drinking water installation including the replacement of the current boiler for an electrical one did not have a significant negative effect on the conservation objectives of the Natura 2000 site Duinen Goeree & Kwade Hoek. The permit was granted in October 2023 by the relevant environmental department of the province of south Holland.

For the same works, the Promoter applied also in April 2022 for exemption as referred to in Article 3.8(1) of the Nature Conservation Act. This application concerned the deliberate disturbance of the common dwarf bat and the dorsal stripe toad, as well as the damage or destruction of breeding sites or resting places of the common dwarf bat. In addition, the application concerns the deliberate capture, holding and transport of the dorsal stripe path. In January 2023, the same competent authority granted the requested exemption on the basis that the mitigation measures were sufficient to prevent or minimise negative effects and that the demolition and new construction works did not lead to a deterioration in the conservation of the common dwarf bat and dorsal stripe toad. The mitigation measures included provisions that the works would be carried out only during the least vulnerable period of the species and under the guidance of an ecological expert with knowledge of the common dwarf bat and the dorsal stripe toad as well as alternative places of residence and the construction of an additional bat shelter.

European Investment Bank

Luxembourg, 16th April 2025

2. Haamstede; new softening building (phase 1) and expansion of treatment facilities (split into two lines – Phase 2).

All works are located near the water drinking production plant at Haamstede which is located within the dune area of Kop van Schouwen, a Natura 2000 ground water protection area. The production site of Haamstede supplies drinking water to the island of Schouwen-Duiveland and the proposed investments intend to improve the quality of the drinking water. For this, the works consist of two phases.

Phase 1 consists of a new construction of additional purification techniques to improve the hardness of the water that require a physical extension of the existing treatment i.e. a new softening building. In anticipation of the physical new construction, a "make-ready phase" is first planned, in which all underground infrastructure (cables and pipes) on site of the planned new construction is removed and/or converted. Phase 1 is located within the fence or just 'front area' of the planning area. The permits for Haamstede have been applied for in parts.

In December 2022, a derogation in line with the Article 16 of the Habitats Directive was issued on the basis of that the works were necessary in the interests of public health or safety or for other overriding reasons of overriding public interest, including those of a social or economic nature and those of a beneficial nature for the environment and in the public interest. Adverse effects on protected species such as common dwarf mouse, dorsal stripe toad, the tree frog and the live-bearing lizards were assessed and specific mitigation measures were recommended to minimize these effects including the involvement of an ecological expert in all necessary activities.

In March 2023, the decision to grant an exemption under Article 3.51 of the Zeeland Environmental Ordinance to carry out the works for preparing the site for construction (phase 1) in the groundwater protection area Kop van Schouwen, municipality of Schouwen-Duiveland, was issued.

Phase 2 consists of increasing the security of supply of the Haamstede production site. This means that in the event of a calamity (outage or failure of installation components), sufficient drinking water can still be supplied to the island of Schouwen-Duiveland. To this end, the existing purification building on the northeast side will eventually be expanded. Additional filters and associated installation facilities will be included so that the existing treatment can be split into '2-lines'. This requires a physical expansion (new construction) of the existing purification. This new building of Phase 2 will be located at the back of the Evides site. This construction will only start after the completion of phase 1 (softening building) and it is expected that the application for an environmental permit will be submitted in the course of 2025 or early 2026.

For the remaining project components, the Promoter confirmed that, no full EIA study was required, and neither nature conservation sites are crossed.

Environmental Impacts

Due to the nature of the works to be implemented it is anticipated that the negative environmental impacts will likely be only associated with the period of construction and will be mainly localised and temporary and reversible such as (i) minor disturbance due to pipe replacement techniques and (ii) temporary increase of traffic around the construction sites. These negative impacts will be mitigated with appropriate measures (e.g. faster or trenchless pipe replacement techniques, stakeholder information, public consultation and participation, including living spaces or nest boxes in the design for protected species such as weasel (boosting station Chambron) and bats (water softener Haamstede)). The main long-term positive environmental impacts of the operation can be summarised as follows:

- The protection of surface and groundwater bodies and a more efficient and sustainable use of water resources.

European Investment Bank

Luxembourg, 16th April 2025

- The continued maintenance and management of nature protection areas around the abstraction areas namely the Biesbosch reservoirs will foster biodiversity and ensure minor disturbance of bird areas and habitats of vulnerable species.

Climate Assessment

- ***Climate change Mitigation****:*

The promoter investment plan contributes to climate mitigation through investments that concern the replacement of aging distribution networks with new ones and renovating booster pump stations and thus result in reducing energy consumption along the network, and investments that result in methane capture such as the construction of a methane degassing installation at Baahoek which will remove the methane from the water and this methane will be used to produce heat and electricity. Finally, energy savings will be realised by production of renewable energy through the installation of solar panels at the roof of the new head office of Evides at Kralingen.

- ***Climate change adaptation****:*

80% of the total surface water produced by Evides, is extracted from Meuse River with the main surface water intake and storage being the three Brabantse Biesbosch reservoirs which are located within the Meuse Delta area that suffers already from high water stress. Lower water availability due to drought results in higher concentrations of contaminants since less dilution takes place which leads to the additional issue of river water quality deterioration. Moreover, Evides had to address the limited operational reserve in the central Zeeland region and on the Brabantse Wal (Natura 2000 area) as it is one of the drinking water companies that cannot benefit from fully exploiting the groundwater abstraction permit due to limitations imposed for nature restoration purposes.

The promoter investment plan includes many adaptation measures geared towards addressing the above challenges through actions aiming at doubling the redundancy of the supply lines, as well as upgrading and extending treatment facilities to address the deterioration of water quality from both surface and groundwater resources and also to increase the reliability of the supply during summer.

Taking into consideration all these investments and the promoter's approach towards climate change, the project physical risk of failing to adapt to climate change is considered low by the Bank.

- ***Paris Alignment***

The Project has been assessed for Paris Alignment and it is considered to be aligned both against low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (CBR).

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty Evides is in scope and screened out of the PATH framework, because it is not considered high emitting nor high vulnerability.

EIB Carbon Footprint Exercise

The estimated annual emissions of the project in a standard year of operation are about 34 kt tonnes of CO2 equivalent per year. These emissions concern the production of both drinking water and processed water for industrial purposes. The adopted baseline considers a scenario without the planned expansion and upgrade of the water treatment plants. The project results in an increase of about 1 kt tonnes of CO2 equivalent per year due to an increase of appr. 4% in energy consumption due to more stringent water quality requirements and a shift from

European Investment Bank

Luxembourg, 16th April 2025

chemical driven processes towards membrane technologies at the water treatment plants. Evides aims to compensate the residual carbon emissions by buying carbon offsets from 2025 on.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Social Assessment

The proposed investments will yield lasting positive social benefits, including improving the living conditions of the inhabitants within Evides's service area and thus be beneficial for the public health. The works will also contribute to local employment creation during the construction period. The negative social impacts of the Project are only temporary such as the possible disruption of water services and traffic, and noise and temporary occupation of public and private space. They are common for this type of projects and will be addressed as part of the planning permission for the relevant schemes.

Public Consultation and Stakeholder Engagement

The promoter will be requested to ensure compliance with national and European environmental legislation, notably to facilitate public access to environmental information and guarantee public consultation during the environmental decision-making process, where relevant, in accordance with the Aarhus Convention.

Conclusions and Recommendations

The Bank reviewed the environmental and social aspects of the project. Considering that the permitting processes identified limited residual environmental risk in the relevant documentation -subject to the implementation of the measures envisaged in the permits-, it was concluded that no further sustainability proofing is needed.

The project is fully driven by the requirement to ensure compliance with relevant EU environmental legislation and will contribute towards improved climate resilience and emissions reductions. All schemes under the project will be subject to the promoter's compliance with the following requirements:

1. The promoter undertakes not to allocate Bank funds to project schemes that require a full EIA until the EIA and the necessary appropriate assessment, if required, have been finalized and approved by the relevant competent authority. Once any EIA is finalized, the promoter will provide the Bank with an electronic copy of the EIA, for publication on the EIB website.
2. The promoter shall not commit any EIB funds against any scheme that impacts nature conservation sites, without receiving from the relevant competent authorities the confirmation that there are no significant effects and informing the Bank of such confirmation having been obtained.
3. The promoter undertakes to provide to the Bank, if requested, any decision that screens out project schemes from the requirement of a full EIA as well as the decisions issued by the competent authorities regarding impact on Natura 2000 sites.

Under these conditions, the operation is acceptable for EIB financing in environmental and social terms.