




## How we're delivering our purpose: stronger

### Key performance indicators

There are a broad range of performance indicators that help us to assess how we're delivering our purpose, working towards a stronger future. The three 'stronger' KPIs below have been selected due to their importance with stakeholders, with additional 'stronger' performance metrics on page 83.

<p><b>Capital programme delivery incentive (CPDi)</b></p> <p>Measures the extent to which we have delivered our capital projects efficiently, on time, and to the required quality standard.</p>	<p><b>Community investment</b></p> <p>Total community investment as measured by the Business for Societal Impact (B4SI) method.</p>	<p><b>Performance across a range of trusted investor indices</b></p> <p>Company performance relative to water and utilities sector participants in a selection of trusted investor ESG ratings and indices.</p>
<p><b>Target</b></p> <p><b>At least 85%</b></p>	<p><b>Target</b></p> <p><b>Average community investment in 2026 to be at least 10% higher than the average between 2015 and 2025 of £3.57 million per annum: £3.92m</b></p>	<p><b>Target</b></p> <p><b>Upper quartile</b></p>
<p><b>Annual performance</b></p> <p><b>100%</b></p> <p>The scaling-up of our activity has not impacted its quality, with the Capital Programme Delivery Incentive (CPDi), our measure of effective, efficient and quality delivery of the capital programme, hitting 100%.</p> <p>2024/25: 99.6%</p> <p>2023/24: 98.0%</p>	<p><b>Annual performance</b></p> <p><b>£3.84m</b></p> <p>Our performance this year is very close to the target of £3.92m, and we expect to see this increase over the remainder of AMP8 with the delivery of our community SuDS programme.</p> <p>2024/25: £9.80m</p> <p>2023/24: £3.99m</p>	<p><b>Annual performance</b></p> <p><b>Upper quartile</b></p> <p>As at the year end, we maintained upper quartile performance across our selection of ESG ratings and indices.</p> <p>2024/25: Upper quartile</p> <p>2023/24: Upper quartile</p>
<p><b>Status</b></p> <p> Met expectation/target</p>	<p><b>Status</b></p> <p> Close to meeting expectation/target</p>	<p><b>Status</b></p> <p> Met expectation/target</p>
<p><b>Key stakeholder</b></p> <p>Investors</p>	<p><b>Key stakeholder</b></p> <p>Community</p>	<p><b>Key stakeholder</b></p> <p>Investors</p>
<p><b>Relevant material themes<sup>(1)</sup></b></p> <ul style="list-style-type: none"> <li>• Customer service and operational performance</li> <li>• Financial risk management</li> <li>• Corporate governance and business conduct</li> </ul>	<p><b>Relevant material themes<sup>(1)</sup></b></p> <ul style="list-style-type: none"> <li>• Supporting communities</li> <li>• Trust, transparency and legitimacy</li> <li>• Recreational land and waters</li> </ul>	<p><b>Relevant material issues<sup>(1)</sup></b></p> <ul style="list-style-type: none"> <li>• Trust, transparency and legitimacy</li> <li>• Corporate governance and business conduct</li> <li>• Political and regulatory environment</li> </ul>
<p><b>Link to remuneration<sup>(2)</sup></b></p> <p>Bonus</p>	<p><b>Link to remuneration<sup>(2)</sup></b></p> <p>n/a</p>	<p><b>Link to remuneration<sup>(2)</sup></b></p> <p>n/a</p>
<p><b>Assurance</b></p> <p>Internal audit team</p>	<p><b>Assurance</b></p> <p>Independent third-party verification</p>	<p><b>Assurance</b></p> <p>Independent third-party verification</p>





















<sup>(1)</sup> Read more about our materiality assessment on pages 24 to 25.

<sup>(2)</sup> Read our remuneration report, with details about the bonus and Long Term Plan (LTP), on pages 140 to 170.

## Status key

Performance against target  Met expectation/target  Close to meeting expectation/target  Behind expectation/target

Stakeholder key  Customers  Environment  Communities  Colleagues  Suppliers  Investors

Measure	2030 target	Performance			Assurance <sup>(3)</sup>	Link to remuneration <sup>(2)</sup>	Key stakeholder	Status
		2025/26	2024/25	2023/24				
Credit rating – UUW senior unsecured debt (Moody's, S&P, Fitch) <sup>(1)</sup>	Baa1, BBB+, A-	Baa1, BBB+, A-	A3, BBB+, A-	A3, BBB+, A-	ITV	n/a		
Anti-bribery: percentage of identified colleagues completing required training	100%	100%	100%	100%	IAT	n/a		
% of suppliers delivering 'strong' performance	95%	76%	n/a	n/a	IAT	n/a		
% of suppliers signed up to responsible sourcing principles	95%	76%	n/a	n/a	IAT	n/a		
% of suppliers subject to enhanced audit within contract lifecycle	10%	2%	n/a	n/a	IAT	n/a		
CIPS ethics mark	Retained	Retained	Retained	Retained	ITV	n/a		
Invoices paid within 60 days	At least 95%	97.7%	98.7%	99.6%	ITV	n/a		
Price control deliverables (PCDs) – timing incentive	£39.5m	On track	New	New	RRA	LTP		
Taxonomy aligned revenue	n/a	93%	87%	New	IAT	n/a		
Taxonomy aligned and eligible revenue	n/a	87%	93%	New	IAT	n/a		

<sup>(1)</sup> Measure relates to the water and wastewater activities of our regulated entity, United Utilities Water Limited.

<sup>(2)</sup> Read our remuneration report, with details about the bonus and Long Term Plan (LTP), on pages 140 to 170. PC = Performance commitment subject to reward and/or penalty as part of customer outcome delivery incentives (ODIs). These feed LTP through return on regulated equity (RoRE). The measurement approach for the purpose of remuneration outcomes may differ from the exact approach shown here.

<sup>(3)</sup> ITV = Independent third-party verification. RRA = Regulatory reporting assurance. IAT = Internal audit team.

## Spotlight on community investment and social value

We are maturing our approach to measuring and reporting how we deliver our strategic priority to 'contribute to our communities'. This means, as we progress through AMP8, we will increasingly look to measure and report the social value we create, as well as the community investment figure that we have reported for many years.

We have developed a medium-term target to reflect this impact of our plan, first focusing on the social value delivered through our recruitment activities. The

target is to create £10 million of social value between FY26 and FY28, and is linked to executive remuneration. This is calculated through a robust external methodology, 'National TOMs' (themes, outcomes and measures), then verified by a third party.

Alongside this, we're looking to quantify the social value delivered through our supply chain, working with our partners to gather and mature the necessary data.

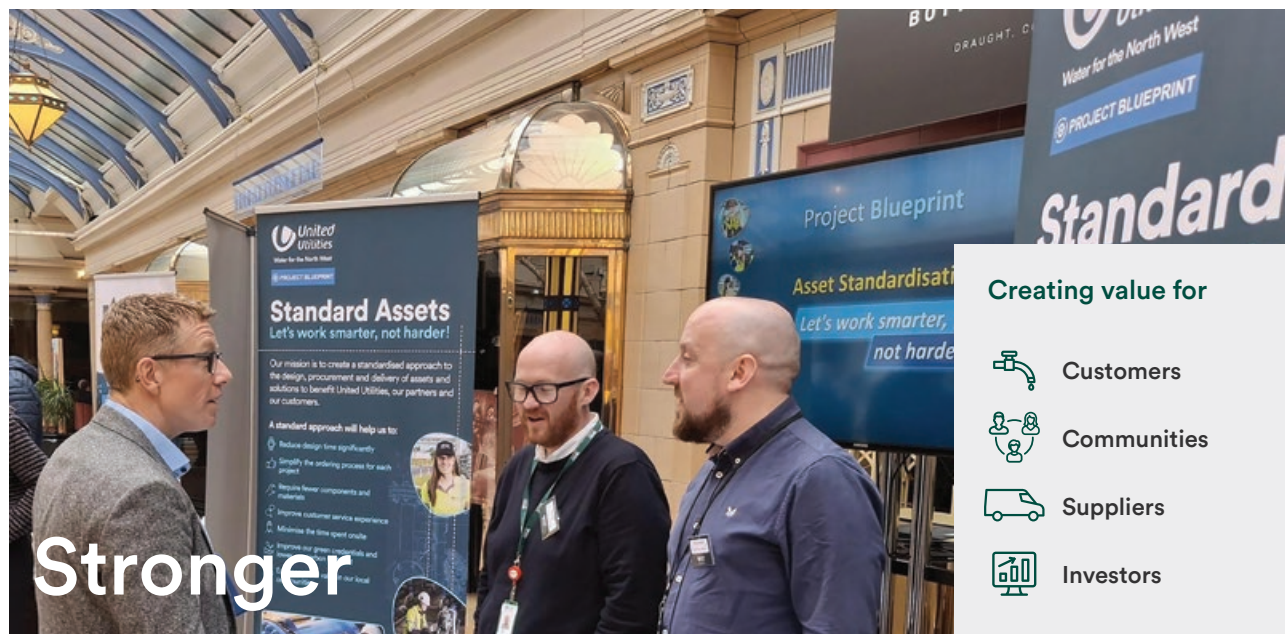
For 2025/26, our target for community investment has been rolled forward from

AMP7 while we develop our broader approach. As we have done so for many years, we will calculate the total value of our community investment, adopting the B4SI methodology, which includes assurance of our approach.

This year, our community investment figure is £3.84 million, and we expect this level of investment to continue to grow in line with the growth of our capital delivery.

► Read more about the activities we have invested in on page 85

## How we're delivering our purpose: stronger



### Efficient and effective capital delivery

With AMP8 representing the largest investment in our water infrastructure in generations, it is critical that we continue to deliver projects efficiently, at a high quality and on time. With the ramp up in investment this year, we're pleased that performance against the Capital Programme Delivery Incentive (CPDi) has remained high, this year hitting 100%.

The scale of the programme means that we are thinking differently about delivery, matching the right project with the right partner. We have three main pathways to delivery: i) Our network of regional build-only partners across the five counties, quick to mobilise and complete smaller-sized projects; ii) Medium projects up to £20 million through our 18 design and build partners; and iii) Large-scale infrastructure projects over £20 million through the United Utilities Enterprise.

### The Enterprise: delivering differently for AMP8

United Utilities' Enterprise is our collaborative delivery model designed to transform how major infrastructure and environmental projects are delivered during AMP8 and beyond. Bringing together eight industry-leading partners into one integrated team, the Enterprise model enables smarter, faster and more efficient delivery across some of the North West's most complex programmes.

This joined-up approach replaces traditional, siloed working with a single-team mindset by co-designing solutions, sharing expertise, and standardising processes to reduce delays and duplication. The focus is on delivering long-term value: improving customer

outcomes, strengthening environmental protection, embedding sustainability, and reducing carbon across every project.

The Enterprise partnership includes United Utilities, Jacobs, Costain, Mott MacDonald Bentley, Murphy, C2V (a Jacobs/VolkerStevin joint venture), Kier, and MWH Treatment. Supported by a robust supply chain and aligned commercial model, the team is equipped to adopt and scale the latest innovations both within and beyond the water sector.

Over the next decade, Enterprise will deliver more than £2 billion of investment across wastewater, bioresources, and water services. Projects are underway in Partington, Lancaster, Southport, Askam-in-Furness, Dukinfield, Crewe, Brampton and Warrington, alongside major programmes across Cumbria, Greater Manchester, Merseyside, Lancashire and Wigan.

With AMP8 representing a huge investment in wastewater, the Enterprise plays a vital role in ensuring projects are delivered efficiently, safely, and sustainably. By working as one team, we are delivering differently for the North West: faster, smarter, and with lasting benefits for customers, communities, and the environment.

### Project Blueprint: standardising designs for multiple benefit

Project Blueprint is our award-winning asset standardisation programme, driving efficiency throughout our programme. The Blueprint methodology identifies and prioritises opportunities to implement standard designs, which can be used across multiple projects/solutions. This approach helps deliver efficiencies in the design phase of projects and ensures United Utilities

can secure critical goods and components through advanced ordering commitments. We are seeing lower costs and reduction in carbon associated with standard designs as well as efficiencies in maintenance and repair activities as our engineers can have a standardised approach.

### Transforming our operations: simpler, smarter, better

During the year, we made significant progress in delivering our 'Simpler, Smarter, Better' operational transformation programme – an initiative designed to strengthen our ability to provide a reliable, high-quality service for customers, communities and the environment.

AMP8 represents the most ambitious investment programme we have ever undertaken, and 'Simpler, Smarter, Better' provides the platform to deliver it successfully. The programme is focused on simplifying how work is carried out so that we get the job done quickly and first time to a consistently high standard, supported by the smart use of technology and readily accessible data to inform decision-making. Our commitment is to drive transformation that empowers our front-line teams to continually improve operational performance.

We are designing a simpler, flexible operation that can respond to changing demands as required. The foundation of this is a high-performance culture where expectations and accountabilities are clear. Across our wastewater teams we have reshaped our operating model to meet increasing regulatory expectations and deliver a more proactive, resilient service. This has included strengthening capacity through new recruitment, improving preventive maintenance practices, and

using data more effectively to anticipate issues before they occur. These changes are contributing to a more stable network, reducing incidents and helping ensure our colleagues return home safe and well.

We have significantly enhanced our capacity and demand planning capability, enabling us to respond more quickly to changing needs and improve the deployment of operational teams. This proactive approach is supporting better sourcing of skills and the development of stronger commercial partnerships. Within bioresources, energy and fleet, we have brought more fleet maintenance in house to improve reliability and increase control over asset availability. We continue to focus on power and chemical usage across our operational sites, applying best practice and exploring innovative approaches to procurement to strengthen resilience for the future.

Our data-driven operations strategy is enhancing our ability to monitor asset performance proactively, enabling us to address issues earlier, improve response times and deliver better service outcomes. This is supported by improvements to our work management processes and tools, ensuring efficient planning and scheduling that gets the right person to the right place at the right time, with the right equipment and information. This has already been trialled, ahead of regional roll-out, with our water services teams, where we are empowering colleagues to self-select activities based on local conditions.

Maintenance excellence remains a core pillar of the programme, focused on advancing asset care through improved management of spares and parts, strengthened preventive maintenance and greater use of asset health data to intervene before failures occur.

## Contributing to our communities

Having historically reported against community investment, we are maturing our capability in terms of measuring and reporting social value. This will allow us to capture, report and improve the additional social value created through our activity, not just the monetary value of the investment. In the near term, we have developed a social value long-term incentive for our executive directors to deliver against a narrow, targeted basket of measures under National TOMs (themes outcomes and measures), focused on recruitment activities. While the target itself is stretching, the £10 million target only represents a small proportion of the total social value delivered through our investments and activities. Going forwards, we are working with our supply chain to improve our capability, with the aim of reporting social value with a much broader scope.

Our community investment total for this year is £3.84 million, with a large proportion of this coming through the UU Trust Fund to support customers who are struggling with affordability. As well as this, our 'SuDS for Schools' programme continues, bringing better management of rainwater, and helping to teach local children about the water cycle, and improve their outdoor spaces. We also support local charities and partnerships, such as the Turning Tides partnership, focused on improving bathing waters along the Fylde coast.

## Strengthening our supply chain

Effective supply chain management continues to be fundamental to delivering high-quality services for customers and achieving our ambition for a stronger, greener, healthier North West. This year, we have continued to strengthen our United Supply Chain (USC) programme, which underpins our supplier collaboration strategy and brings our responsible sourcing principles to life across thousands of partners who help us deliver for the region.

USC is designed to create a high-quality, resilient and values-driven supply chain through strong collaborative relationships with our partners. It establishes a framework through which suppliers can enhance their performance, embed best practice and collaborate closely with us and each other. By moving towards a truly business to business collaborative environment, we are able to build on the strengths of our partners, reduce risk and improve value for customers at the lowest sustainable cost.

76% of our suppliers are signed up to our responsible sourcing principles against a target of 95%. Alongside this, 76% of our suppliers are delivering 'strong' performance, defined as suppliers who consistently achieve above the agreed service level across all key performance indicators.

A further focus this year has been strengthening resilience and reducing risk through increased visibility across supply chains. By working closely with suppliers to understand risk exposures, whether topic-specific, such as modern slavery or climate change, or sector-specific, such as within construction or chemicals, we can target assurance activity more effectively. This may involve additional checks, site visits or supply chain mapping, but delivers significant value through earlier risk mitigation and shared learning. This year, we have delivered enhanced audits across 2% of our suppliers to mitigate these risks.

The benefits of this collaborative approach are already clear. USC supports closer working relationships, stronger alignment

of strategies and improved operational standards. It enables us to deliver environmental and social value through initiatives that benefit communities, enhance biodiversity, and improve workforce health, safety and wellbeing. It also helps drive efficiency by reducing duplication, removing waste and unlocking new ideas.

Our supply chain includes a diverse mix of partners with USC ensuring we harness the full breadth of their skills, expertise and innovation. By treating the supply chain as an integral part of how we serve customers, USC is strengthening assurance, building resilience and helping secure sustainable, efficient outcomes in AMP8 and beyond.

## Performance across trusted investor indices

We have participated in a range of independently assessed global ESG ratings and indices for many years to benchmark our approach against best practice and emerging sustainability challenges. Our approach to responsible business has ensured consistent upper quartile performance in selected ESG ratings.


Index/assessment	2025/26 result	Commentary
FTSE4Good Index Series	Included	Constituent since June 2001; latest review completed December 2025
S&P's corporate sustainability assessment	65%	Reported through the assessment for more than 25 years
Sustainalytics ESG risk rating	14.0 – Low Risk	Rating received in February 2026
MSCI ESG rating	A	Rating held as of August 2025
CDP climate change	A-	Leadership level in 2025 assessment
CDP water security	A-	Leadership level in 2025 assessment
CDP supplier engagement	A	'A list' in 2025 assessment
ISS ESG Corporate ESG Rating	Prime	Prime status maintained
Corporate Knights Europe 50 Most Sustainable Corporations	Ranked	Included as of March 2026

The external perspective provided by these ESG ratings goes beyond the UK water sector and compares our performance against international water utilities, wider utilities and non-utility companies. We continue to respond to best practice and emerging ESG trends to maintain our performance in these ratings, and we are increasing our engagement with investors on ESG matters.

How we're delivering our purpose: stronger



# Striving for asset management excellence.

 Image: Colleagues lead a site tour of Haslingden Grane Impounding Reservoir as part of the asset management audit





## Case study:

### Striving for asset management excellence

Asset management provides a framework and approach to oversee the lifecycle of infrastructure such as pipes and treatment works – fundamental to delivering resilient services, safeguarding the environment and securing value for customers over time.

In October 2025, we became the first water company in the UK to achieve certification to the revised ISO 55001:2024 Asset Management Standard.

We were pleased to be the first in the industry to achieve this standard and, in November 2025, Ofwat set out an ambition that all water companies should demonstrate asset management maturity by attaining the same certification in future.

#### A whole organisation effort

Achieving the new certification required a whole organisation effort to strengthen strategic asset management capability, improve resilience, and enhance the way we use insight and risk-based decision-making to deliver long-term value for customers and the region.

Having initially secured certification to the original standard in 2022, we made the bold strategic decision to transition directly to the new version rather than recertify against an outgoing standard. This choice reflected both our ambition and our confidence in the maturity of our asset management approach.

The new standard introduced a swathe of new requirements, as well as clarification of some pre-existing ones. In preparation, our internal audit and assurance team led a gap analysis, identifying 169 improvement actions to meet the new standard, which we grouped into activity types to implement the changes required.

The gap-closing activities involved over 100 colleagues across multiple departments, resulting in improvements to processes, documents, communications, and training. Our strategic asset management plan was also updated to reflect the improvements made and the requirements of the new standard.

The audit itself was an intensive eight-day interview of 85 colleagues and partners across 13 sites, taking in each county and each discipline to demonstrate the depth of our asset management culture.

Feedback from the audit commended our improved capability, strong leadership, and engaged people.

#### Strengthening our capabilities

Certification is not the end of the journey; it is a platform. It strengthens our ability to make better long-term decisions, manage risk transparently, and deliver sustainable value for our customers and the environment.

By being the first to achieve ISO 55001:2024, we have, once again, demonstrated sector leadership, reinforcing our commitment to a stronger, more resilient water system for the North West.

#### Delivering value for



This is creating value for customers, the environment and investors.

## Our S172(1) Statement

### Our key decisions during the year to 31 March 2026







Throughout this integrated annual report, we provide examples of how the board has thought about the likely consequences of long-term decisions and how we:

- build relationships with stakeholders and balance their needs and expectations with those of the business;
- understand the importance of engaging with our colleagues;
- understand the impact of our operations on the communities in our region and the environment we depend upon;
- are mindful of the interactions we have with our regulators; and
- understand the importance of behaving responsibly and being consistent with the company's purpose, values and strategic priorities.

#### Statement by the directors in performance of their statutory duties in accordance with S172(1) Companies Act 2006

The board of directors of United Utilities Group PLC consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and having regard (amongst other matters) to factors (a) to (f) s172 Companies Act 2006, in the decisions taken during the year ended 31 March 2026, including those described on this page and the next.

#### Our strategic priorities

-  Improve our rivers
-  Create a greener future
-  Provide a safe and great place to work
-  Deliver great service for all our customers
-  Spend customers' money wisely
-  Contribute to our communities



### Implementation of the refreshed 'Home Safe and Well' programme

#### Link to strategy



#### The decision

To explore ways to continually improve our health and safety performance and safety culture across the business.

#### Outcome

Since the first life-saving rule (Driving for Work) was launched in August 2025, there has been around 80% reduction in colleagues' involvement in road traffic accidents. During the year, three other life-saving rules have been launched: working at height, safe systems of work, and service with respect. In terms of process safety, we have developed a suite of process safety performance indicators, including statutory maintenance and management of change, ensuring that our major accident hazards are controlled. There has been a 50% increase in the number of leadership engagement visits, and a 20% increase in the number of safety observations raised by colleagues, resulting in a 30% reduction in our colleague lost time injury rate. The board is fully engaged in the health and safety improvement process as this would be most likely to promote the long-term success of the company for the benefit of its members as a whole.

#### How we engaged with stakeholders

Our Home Safe and Well programme was re-launched at the all-colleague event held in March 2025 in Blackpool, and at a supply chain event in April 2025, with progress updates provided at the all-colleague engagement event held in Liverpool in February 2026 and at the supply chain update held in March 2026 in Blackpool. The size of the capital programme and complex nature of our activities, including process safety risk, reinforces the need to achieve industry-leading health and safety performance. The refreshed programme has introduced three core safety values and 12 life-saving rules, which we are launching as mini safety campaigns over the next 12 months.

The executive team has been fully engaged with the process, with the CEO chairing the monthly executive health and safety meetings. Extensive consultation and communication took place with colleagues across the business, with trade union safety representatives invited to attend health and safety meetings twice a year, and with our contracting partners to ensure it was a collaborative process – leaders across the business were asked to champion Home Safe and Well compliance and share best practice. Simplifying and standardising processes and reporting were key enablers as well as fostering a culture that empowers colleagues to voice concerns. 12 life-saving rules are being rolled out, each one sponsored by a member of the executive team and supported by a series of working groups – comprising colleagues from across the business and trade union representatives to ensure processes are clear and workable. Resourcing in the health and safety and process safety teams has been strengthened, working to create a wider understanding of process safety risk across the business. Positive feedback has been received from the Health and Safety Executive and Environment Agency during routine visits to several sites during the year.



## Cyber security

### Link to strategy



### The decision

The board endorsed the industry-leading position of driving forward collaboration among its peers to support the protection of the group from cyber attacks.

### Outcome

Cyber is an intensely fast-moving environment with nation states increasingly deploying cyber attacks to boost their economic position and bolster military activity. The board is fully supportive of management's actions to protect the group from cyber attacks and the need to react quickly to new threats as they develop, implementing new security controls quickly. Protection of our customers', colleagues' and organisation's data and systems is a priority for the board and would be most likely to promote the long-term success of the company for the benefit of its members as a whole.

### How we engaged with stakeholders

The security team regularly engages with suppliers, appropriate agencies and other companies to keep up to date with developments in the field and knowledge sharing. Colleagues receive training and regular communication in the cyber security sphere of operations and regular cyber incident exercises are undertaken to ensure maximum preparedness to a major cyber attack. The board acknowledges the benefits of industry-wide engagement to protect against malicious cyber activity endorsing the leading position the group holds in driving forward industry collaboration, threat intelligence sharing and incident response.



## Supply chain mobility

### Link to strategy



### The decision

To devise new ways of working in conjunction with our supply chain partners to address the challenges of AMP8.

### Outcome

Clear principles underpin our AMP8 contracting strategy and operating model, influenced by the complexity, size and the type of delivery model to be used with projects grouped into discrete packages. In addition to very large projects that will be developed in accordance with Ofwat's direct procurement for customers (DPC) framework, there are complex design and build (both infrastructure and non-infrastructure), detailed design and build projects, build-only projects and rainwater management projects. The different project types are suited to different contractor types. For the high volume, lower-value build-only projects, we are working with smaller local contractors using repeatable designs and helping to develop new workforce skills in the North West. Tier 1 contractors are involved with the more complex higher-value projects.

Given the fundamental changes to the ways of working, the board requested that an expert assurance panel review and challenge the new approach, and the panel commended the adoption of a standard approach to the design, delivery and procurement of assets. The board endorsed the fundamental change to the ways of working with our supply chain as being most likely to promote the long-term success of the company for the benefit of its members as a whole.

### How we engaged with stakeholders

We have engaged with colleagues, contracting partners, regulators, non-governmental organisations, and customers, and have established closer community relations to support our AMP8 capital programme. We have implemented feedback from our engagement, including simplifying the procurement process and work allocation, simpler contractual documentation and longer-term agreements, greater flexibility in the use of company standards, and greater collaboration.