# How we create value

## We create sustainable long-term value for a range of stakeholders





### Customers

**Resilient and continually** improving service We focus on providing a continuous. resilient and reliable service for customers, ensuring clean water is available at their taps when they need it, and wastewater is taken away when it goes down their drains. Providing clean, safe drinking water and hygienic sanitation makes a major contribution to long-term health and wellbeing across the North West. We are always looking for ways we can improve further. We proactively engage and consult with customers on their priorities, and set ambitious targets, for example to further improve drinking water quality, reduce leakage, and enhance the customer experience.

### Sharing the cost of long-term investment

Through long-term financing and the regulatory framework, we are delivering multi-million pound infrastructure projects to improve services and resilience for the long term. We pre-fund significant amounts to ensure the cost of this is shared fairly and affordably between those that benefit now and in the future, helping to keep bills affordable.

### Customer support

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We focus on efficiency and maintain bills that are good value for money, as well as providing help and support for those who are struggling to pay, and additional help to vulnerable customers. Our summits on affordability and vulnerability help us to share ideas and best practice, and the Hardship Hub enables debt advisers to help more people and find cross-industry help more quickly, all in one accessible place. When customers need to contact us. we are helpful, friendly and supportive, talking and listening to them so that we can understand and meet their expectations, and act quickly to resolve any issues.

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# Environment

Reducing the environmental impact of our services We meet increasingly stringent environmental consent levels, such as reducing the level of phosphorus in treated wastewater, and manage our land in a way that safeguards habitats and protects wildlife. Our investment in renewable energy generation and transition to a green fleet are helping us to reduce our carbon footprint and contribution towards climate change.

Reducing spills from storm overflows We are investing to reduce the use of storm overflows, helping to improve the quality of rivers and bathing waters. With an industry-leading investment dedicated to this over the next five years, we aim to reduce spills by more than 60 per cent this decade, having already delivered a 39 per cent reduction since 2020.

### Innovative long-term planning

We plan far ahead to ensure our activities and investment enhance the resilience of rural and urban environments in the North West. We are increasingly looking at blue/green nature-based solutions where practicable, and use adaptive planning to ensure we are delivering the best long-term solutions.

#### Protecting the long-term resilience of water resources

Investment in infrastructure, such as our West-East Link Main and West Cumbria pipeline, allows us to transfer water around the region more efficiently to avoid the depletion of individual water sources. We provide tools and tips to help customers reduce their consumption, and promote campaigns to educate the public and younger generations on water usage, all of which helps to protect this valuable resource and reduce usage now and for years to come.



# Communities

Access and recreation We look after beautiful rural landscapes and pockets of urban green space, and open much of our land to the public, supporting regional tourism and offering communities health and wellbeing benefits through access to relaxation and recreation in nature.

### Giving back

We make direct community donations to support local groups, and the total taxes we pay - including business rates, employment taxes, and environmental taxes - contribute significant amounts to public finances, helping to fund essential public services.

### Active engagement and collaborative partnership

Our operations and projects are often near homes and businesses, and we engage with these communities to build understanding and trust. Our innovative approach, as set out on page 55, has allowed us to prepare targeted plans for each of the five unique counties across our region. We also work in partnerships, enabling us to accomplish more, such as engaging people with nature and river improvements.

### Future generations

Our graduate and apprentice programmes provide skills development and opportunities across the region. We work with teachers and children to raise awareness about water and the natural environment, giving the next generation an understanding of the true value water brings and how we can all play our part in protecting the services that nature provides. Managing land responsibly means we leave the North West region in a better condition for future generations.



# Colleagues

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Health, safety and wellbeing We have a strong focus on health, safety and wellbeing and our number one priority is that all colleagues go home safe and well at the end of each day. This applies to both physical and mental health. We promote awareness of stress and other mental health issues. promoting an all-round healthy lifestyle in the long term which, in turn, reduces the burden on healthcare services in the region. We provide pension offerings that support colleagues in later life. We also provide colleagues with up to three days' paid volunteering leave per year, match individual colleague fundraising efforts to any UK-registered charity up to £200 per person per year, and cover the admin fees of payroll giving, or 'Give As You Earn'.

### Skilled and diverse workforce

We invest in training and development to enable our colleagues to grow their skills and to keep them motivated. Investing in the development of current, and future, colleagues means we will have a workforce with the right skills for the future. Promoting equity, diversity and inclusion helps ensure we have a workforce that truly represents the region.

### Communication and engagement

Listening to our colleagues helps to create an engaged workforce, increasing job satisfaction, and through colleague communications and conferences we update our people on business developments so they feel part of a team. As well as regular communications within teams and monthly updates from our Chief Executive, we have open channels for colleagues to raise anything they wish, and we have hosted all-colleague events on our plans for AMP8.



# **Suppliers**

Supporting the regional economy Our AMP8 activities will support 30,000 jobs, directly and through our supply chain, including 7,000 new jobs created. We spend significant amounts with suppliers each year, and paying invoices on time allows them to maintain cash flow and become more resilient. Supporting jobs through our supply chain catalyses the development of skills and opportunities in the North West, providing a stimulus to benefit

Partnership and innovation We encourage and incentivise innovation within our supply chain, and have a strong track record of strategic partnerships that help us to deliver more by working in collaboration. Our Innovation Lab invites ideas, products and solutions from innovators across the world. This creates a unique opportunity for small and medium-sized enterprises (SMEs) and start ups, who we would otherwise not have worked with, to develop and test their products and ideas in a live customer environment with the potential to lead to long-term partnerships. We have enjoyed success with a range of partners through this initiative.

### Responsible business

We act with integrity, transparency and fairness, giving suppliers confidence in the way we do business. While our operations and suppliers are mainly UK and European, so lower risk, we work closely with them to address human rights, and, in particular, modern slavery. Our United Supply Chain (USC) approach recognises suppliers as an extension of United Utilities and asks them, as a minimum, to sign up to our responsible sourcing principles.

Overview

Overview

the regional economy in the long term.



# Investors

Strong performance and sustainability credentials

Our focus on innovation drives continuous improvements, enabling us to be at the frontier of our industry. Our regulatory returns are linked to customer and environmental commitments, and we link debt investor returns to environmental and social projects through our sustainable finance framework.

### Asset growth and inflation-linked dividend

Investors lend us their money in exchange for a share in the company's risk and return, and we provide an appropriate return through a combination of dividend income and long-term growth. The record levels of investment in AMP8 and long-term investment drivers will see a big step-up in asset growth, and the group dividend policy is to increase annually in line with CPIH inflation, having grown at least in line with inflation since 2010. Our shareholders include charities. customers, pension funds that provide income to millions of elderly people, and many colleagues through our employee share scheme. This means that the dividends that we pay are relied upon by millions of individuals and families, both directly and indirectly.

### Long-term resilience

We plan far into the future and invest in our infrastructure to ensure sustainability, and we manage risk prudently to provide stability and resilience in the round.

### Robust governance and reporting

We maintain a high level of quality and transparency in what we report, and we are committed to high ethical standards of business conduct, strong corporate governance and doing the right thing, so investors can have confidence in the way that we do business.