Our performance 2023/24

Customer summary of our annual performance



Water for the North West

Contents

About this document	3
Understanding our performance	4
Year-four overview	5
Your drinking water is safe and clean	6
You have a reliable supply of water now and in the future	7
The natural environment is protected and improved in the way we deliver our services	8
You're highly satisfied with our service and find it easy to do business with us	9
We will improve the way we work to keep bills down and improve services	10
Collect and recycle wastewater	11
The risk of sewer flooding for homes and businesses is reduced	12
Year-four performance	13
Appendix one	14
Appendix two	15
Useful links	16



Annual Performance Report 2023/24

About this document

This document is a summary of our performance against the commitments we agreed to deliver in year four of the five-year business plan period, which runs from 1 April 2020 to 31 March 2025. This five-year period is sometimes called 'AMP7'. In the fourth year of AMP7 (1 April 2023 to 31 March 2024) we made substantial investments to improve the services that are important to customers and other stakeholders who are affected by and have an interest in our service and performance. This update highlights where our performance has been better than expected, and explains the areas where we have missed our targets and could improve further.

We regularly review our performance with the YourVoice panel. YourVoice is an independent customer and stakeholder group whose aim is to make sure we put our customers at the centre of our day-to-day work to provide services, make decisions and deliver our business plan.

The panel's members include independent customer and business representatives, as well as representatives from the Environment Agency and the Consumer Council for Water. YourVoice is made up of the following four subgroups who contribute to the overall panel.

- Customer research and engagement
- Environment and social capital
- Affordability and vulnerability
- Stakeholder

You can read more about the work of each subgroup, including agendas and minutes of meetings, on the YourVoice website at



YourVoice publishes an independent report on our overall performance for the year, which you can read at

unitedutilities.com/globalassets/documents/pdf/apr-yourvoicestatement-2023-24

This document is a summary of our performance. There are more details in our full Annual Performance Report 2023/24 (APR), which you can read at



unitedutilities.com/globalassets/documents/pdf/united-utilitiesannual-performance-report-2023-24 We are always interested in what customers and stakeholders have to say. If you have any comments about this or any of our other publications, please send them to us at **myview@uuplc.co.uk** and we'll get back to you.

Price review

In October 2023, we submitted our draft business plan to Ofwat for the next five-year period, April 2025 to March 2030 (AMP8). The plan outlines our ambition to protect water supplies and the environment for generations to come, improve services and provide more help to those who need it. It also explains how making these improvements will affect customers' bills. If approved, the new plan would see us invest more than £13 billion over the next five years, delivering the improvements that we all want to see. You can read more about our draft business plan at



Since October, Ofwat has been reviewing and challenging our plans. It published its draft decision on our plan in July 2024, and we will respond to this by late August. Ofwat will then publish its final decision on our plan in December 2024. The final decision will set out the levels of service that customers can expect to get and how much it will cost to provide them.



Understanding our performance

Our business plan for the period from 1 April 2020 to 31 March 2025 is based on direct feedback from over 142,000 household and business customers across the North West. This feedback highlighted the areas that were considered top priorities for the services we provide, and helped shape our plans and the benefits we will deliver.

For AMP7 we have seven 'outcomes' which describe what we want to achieve for customers. Over the next few pages we describe our performance in year four for each of these outcomes.

These outcomes contain a number of 'performance commitments'. These are yearly targets we try to meet and which help show customers and stakeholders how we are performing. We have 47 individual performance commitments across the seven outcomes, as shown in the table below. In this document we tell you how many of the 47 performance commitments we have met or failed to meet. Some of the performance commitments are for targets to be achieved in future years. For these commitments we consider that we have passed the commitment if our plans are 'on track' to achieve the upcoming targets.

Like all water companies, if we beat certain targets we can earn financial incentives called 'outperformance payments'. But for many targets, if we fail to meet them we receive a financial penalty. These incentives and penalties are then reflected in bills – we can issue higher bills when our performance for customers is strong, but must issue reduced bills if our performance has been poor and we have missed our targets.

Appendix one contains more details about how outperformance payments and financial penalties work, and appendix two shows how they affect customers' bills.

Outcome description	performance commitments
1. Your drinking water is safe and clean	5
2. You have a reliable supply of water now and in the future	11
3. The natural environment is protected and improved in the way we deliver our services	9
4. You're highly satisfied with our service and find it easy to do business with us	5
5. We will improve the way we work to keep bills down and improve services	9
6. Collect and recycle wastewater	2
7. The risk of sewer flooding for homes and businesses is reduced	6
Total	47



Number of

Year-four overview

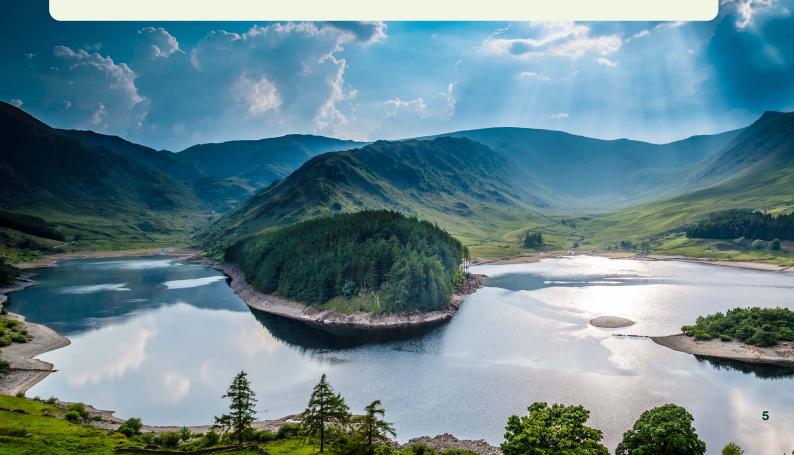
This year we have continued to deliver services that customers value, and have seen strong levels of customer satisfaction and improvements to our operational performance. We are making investments to deliver performance improvements that can be maintained in the future, delivering a better service to customers. In year four we achieved or beat 79% of our performance commitments.

We have delivered this performance on a range of measures that matter most to customers. Despite a challenging year, we have achieved our leakage target for the 18th year running. A combination of methods, including installing more pressure monitors and increasing the number of leak repair teams, helped us to reduce the amount of water lost from our network to the lowest ever level reported in the North West. We have continued to see a reduction in the number of customer contacts about the taste, smell and appearance of water. We are continuing our programme of cleaning and relining the Vyrnwy Aqueduct, having completed over 35 kilometres this year, strengthening our commitment to improving water quality.

The great service we have delivered for customers has been reflected in further improvement in our performance against Ofwat's measure of customer satisfaction, C-MeX. We were ranked fourth of the water and wastewater companies and sixth out of 17 companies overall. In the Customer Service Index in July 2023, we ranked as the highest scoring water and sewage company for customer satisfaction, and fourth within the utilities sector overall. The Customer Service Index is an independent survey, carried out by the Institute for Customer Service, that compares levels of customer service provided by over 280 organisations across many sectors. In January 2024, we maintained both our position as the top-ranking water and sewage company and our top-five position within the 31 utility companies. There are still some areas where we would like to improve our services.

Over the next few pages we describe our performance commitments and outline our plans for how we aim to provide an improved service for customers and stakeholders in the North West. For example, we did not meet our target for interruptions to supply, but we have significantly improved on our performance from the previous year. We continue to reduce disruption to water supplies by focusing on the three Rs – respond, restore and repair. We offer technical and managerial support and use our water tankers (known as alternative supply vehicles) to provide water to customers while we carry out necessary repairs. We have supported other water companies by allowing them to use our alternative supply vehicles during significant incidents.

The diagram on page 13 shows our performance across all measures.



Customers have told us they want a reliable and high-quality water supply that they can trust for quality, taste, appearance and smell. Our water-quality ambition is to meet current and future drinking-water quality standards, providing a reliable supply of safe, clean water for future generations.

We have made five performance commitments about safe, clean water and we have achieved our target, or are on track with delivery, for four of these in year four.

What have we done?

We supply a very high level of water quality, but our waterquality improvement programme aims to provide even better water. We have seen water-quality improvements across a number of our water-quality measures. The water industry measures whether water companies are meeting water-quality standards using a measure called the Compliance Risk Index (CRI), which is defined by the drinking-water quality regulator, the Drinking Water Inspectorate. We aim to achieve a perfect score of zero for this measure, but in year four of AMP7 we missed this target with a score of 5.92. We continue to see the effects of our water-quality improvement programme across our water-quality measures but, this year, the CRI measure was particularly affected by a failure at a single large water treatment works.

Our continued focus on water quality has further reduced the number of customer contacts we received about the taste, smell and appearance of water. We plan to deliver more improvements in the future as we continue to invest in cleaning our water network. Work started at the end of year three to clean and reline the Vyrnwy treated-water aqueduct. Since 1892, the aqueduct has transported water from Lake Vyrnwy in Wales to customers across Cheshire, Merseyside and the North West. It is made up of three parallel pipelines, one metre in diameter, with a combined length of 110 kilometres. Although this work isn't due to be completed until 2028, we have cleaned or relined over 35 kilometres of the aqueduct this year.



improve the quality of the water in their home and reduce the amount of water they use. In surveys to measure this, awareness is at 53.8%, beating our overall target of 27.5%. To achieve this increase we continued to use a number of campaigns aimed at customer groups, and provided advice to customers on how to fit appliances correctly. We continued with a wide range of actions to encourage people to save water, such as through sponsoring local ITV weather forecasts, using 'waterwise' (our water-efficiency campaign) and leak-detection messages.

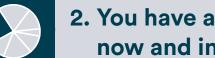
In addition to the improvements made by customers, we replaced lead service pipes in 3,842 customer properties in year four, beating our target of 750 and helping to improve the quality of the water our customers get from their taps.



6

Customer Summary 2023/24





2. You have a reliable supply of water now and in the future

What do customers want?

Our customers want to rely on us to provide enough water to meet their current and future needs. We want to improve the reliability of the water we supply, reducing both shortterm interruptions and the risk of longer-term interruptions. We are focusing on reducing leaks and encouraging water efficiency, which research has shown to be high priorities for customers.

We have made 11 performance commitments about the reliability of the water supply and we have achieved eight of these in year four.

What have we done?

This year we have met our leakage target for the 18th year running. We have achieved this using a mix of traditional and innovative techniques. We continue our work to detect leaks and prioritise the largest leaks. Around 30% of water lost from leaks comes from homes and gardens. We provide information and 'how to' videos on our website, to help customers prevent, identify and fix leaks.

unitedutilities.com/help-and-support/your-water-supply/ 0 your-pipes/leakage

In year four we did not meet our supply-interruptions target of five minutes and 23 seconds for the average time that customers were without a water supply, although our performance of nine minutes 39 seconds was a significant improvement on the previous year. We continue to reduce disruption to water supplies by focusing on the three Rs - respond, restore and repair. We offer technical and managerial support and use our alternative supply vehicles to provide water to customers while we carry out repairs.

Our performance on mains repairs has once again improved on the previous year and we beat our target by completing 105.7 repairs per 1000 kilometres of mains. The number of properties on the low-water-pressure register reduced compared with year three. We delivered a performance of 0.361 customers with low pressure per 10,000 connected properties, beating our target of 0.620.

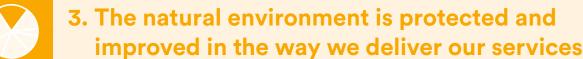
We improved performance against our resilience metrics, which measure how well we take steps to maintain essential services in a range of circumstances. We continue to make progress on our Manchester and Pennine resilience programme. We were hoping to have delivered the Full Business Case for this, but we failed to hit the target date due to the sheer size and complexity of this groundbreaking scheme.

The average amount of water each person in our region uses each day is measured as 'per capita consumption' (PCC). We continue to work with customers to help them understand how to use water efficiently and make informed choices where possible. This includes sending out information on using water efficiently and promoting the use of water meters. We've installed almost 44,000 meters and continue to promote our 'Cheaper with a meter' message and 'lowest bill guarantee'. In year four, the amount of water used, on average, per person reduced compared with the previous year. We did not meet our three-year rolling average target, which was to reduce reported usage by 5.1% compared with a starting position (set at the start of the AMP) of 144 litres per person per day. However, our performance in year four improved and was calculated to be 2.5% lower than the starting position. This year we have achieved a performance of 140.4 litres per person per day.

To help achieve further reductions in the amount of water used, we will focus on providing more communications to customers to help them understand about their water use and how to reduce it, and increasing the number of households with a water meter, to support and encourage people to make changes to their behaviour in order to reduce the amount of water they use.







Customers, stakeholders and regulators expect us to improve the quality of the environment. We are delivering a programme of environmental improvements and, where possible, achieving this in a more sustainable way which can be maintained over the long term and protects resources for future generations. We aim to run and maintain assets such as wastewater treatment works, water sources and pipelines in an effective way which avoids polluting the environment. We are also looking to adapt to the effects of things that are outside our control, such as climate change and population growth, and encourage customers to make changes to their behaviour so we can reduce the amount of water we need to take from environmentally sensitive sites where water is sometimes scarce.

We have made nine performance commitments about protecting and improving the natural environment through the way we provide our services. We have achieved our target, or are on track with delivery, for seven of these in year four.

What have we done?

We have seen an increase in our pollution incidents, which is mainly linked to unpredictable weather conditions and the high number of Met Office named storms. As a result, we had 27.93 incidents per 10,000 kilometres of sewer. This performance includes only one category-1 incident and no category-2 incidents, which are considered the most serious in terms of environmental effect. Despite the negative effects of the weather, we continued to introduce a number of strategic initiatives and targeted approaches, covering topics such as:

- culture;
- systems thinking (understanding how individual parts of the water network system interact in order to identify patterns of behaviour and so predict what will happen in different circumstances);
- training; and
- maintenance;

which are all brought together in our Pollution Incident Reduction Plan (PIRP).

This year we have continued to treat and successfully recycle all of our biosolids, which is the final product from our bioresources operations (our work to treat and dispose of sewage sludge). The biosolids were used in agriculture and for land reclamation (to restore soil quality and ecosystems). Measures have been put in place to improve training at our bioresources sites and to increase focus on sampling practices. This has resulted in us meeting our performance commitment for a third year running. We expect to maintain this performance over the rest of the AMP.

To improve air quality, we want to reduce the environmental effect of emissions from bioresources sites, where we use sewage sludge to produce energy. Work carried out in years one to four has meant we released less nitrous oxide per unit of energy produced from our facilities. Continued monitoring and maintenance of assets meant we were able to reduce the amount of nitrous oxide released per unit of energy produced to 0.96 NOx/GWh (nitrous oxide per gigawatt hour), beating our target of no more than 1.42 NOx/GWh. This year we have been able to generate more renewable energy while minimising the effect of emissions on air quality.

We have also continued with our overall improvement plan so that our water and wastewater treatment works meet the conditions of their Environment Agency permit, and have put in place individual intensive care plans for sites we consider to be at high risk of failing to meet these in the future. This year, 98.97% of treatment works met the conditions of their Environment Agency permit, against a target of 100%. This means that four treatment works (out of a total 388) did not meet all the conditions of their permit. We carried out a detailed investigation for each of the four treatment works to make sure we understand what caused them to fail, and we have put action plans in place to reduce the risk of any similar failures in the future.

Our performance commitment on protecting the environment from growth and development measures the extra capacity that we build at our wastewater treatment works to allow for the future growth in population. This year we have delivered two projects and are currently ahead of our target. We are also considering additional options to further beat our target for building extra capacity within the last year of the AMP.





4. You're highly satisfied with our service and find it easy to do business with us

What do customers want?

We are committed to providing the best possible service for customers.

We work to offer customers the services that they want and value. We promote support for customers in vulnerable circumstances and make sure that the support we provide is of an excellent standard by maintaining our accreditation to the ISO Kitemark international standard: Consumer Vulnerability – ISO22458. This standard shows our commitment to identifying and responding to customers' needs.

We have made five performance commitments about customer satisfaction and being easy to do business with. We have achieved four out of the five commitments in year four.

What have we done?

Our Priority Services scheme is for customers who need extra support or who are in vulnerable circumstances. It offers services such as providing bills in Braille or large print, our staff using passwords when visiting customers' homes, and extra support during supply interruptions. We continue to increase the number of customers on our priority register through a combination of training to raise employee awareness of the scheme and working in partnership with trusted organisations, charities, emergency services and the energy sector. We continue to work with other utility companies to provide the best level of service and use datasharing agreements to register customers for appropriate services. A change in legal basis (the genuine lawful reason and interest needed to share personal information) means we automatically register customers who are aged over 81 for our Priority Services scheme. The number of customers registered for the scheme has gone up from 294,000 to over 400,000. This year, we achieved our performance commitment and successfully maintained accreditation to the ISO Kitemark international standard: Consumer Vulnerability.

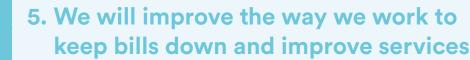
C-MeX is the measure used across the water industry to assess customer service and experience. We expect to achieve sixth place out of 17 companies and be ranked fourth of the water and wastewater companies. We continue to focus on being easy to contact and responding to customers' needs as soon as possible, with helpful and friendly support from our contact centres (which are based in the North West) and teams who work out in the communities we serve. We have a wide range of affordability schemes. We want to make it as easy as possible for customers to be able to get in touch with us, and offer 10 ways for customers to contact us, including traditional contact methods, such as by phone or post, as well as email, social media and live chat. We track customer satisfaction levels daily and received over 17,000 complimentary messages from customers this year through the 'WOW' awards scheme, which asks customers for feedback after they have had contact with us.

D-MeX is the measure of service and experience provided to developers such as housebuilders. It measures the speed of the service we provide to developers for things such as providing quotations for connections, responding to enquiries before development work starts, and site inspections. It also measures customer satisfaction with those services. We expect to achieve sixth place out of 17 companies.

Improving street works is a measure of our performance in delivering high standards in the quality of roadwork sites and reinstatements (filling in excavations). Although we made significant improvement in year four, we failed our target in this area, with 11.11% of completed work failing to achieve the required standard. This was against a target of no more than 9.5%. We continue to work with our partners to improve our performance.

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Customers want bills that are fair and affordable, with support available for those who are struggling to pay, and for money to be spent on programmes of work that will bring real improvements to services and the region as a whole. We also aim to make sure that we are sending bills to all customers who are receiving our services.

We have made nine performance commitments about the way we work to keep bills down and improve our services. We have achieved our target, or are on track with delivery, for eight of these in year four.

What have we done?

We continue to involve customers in many different aspects of the services we offer, including 'stop the block' messages, water-efficiency measures, the winterwise scheme, our leaks service and promoting our app and My Account services. We are very pleased that 79% of customers who took part in a survey say we offer value for money. This is better than our target of 74% of customers.

Water poverty remains a key area of focus for us. A customer is considered to be in water poverty if they spend more than 3% of their household income on their water bill. This year we helped 84,060 customers out of water poverty, which was better than our target of 64,300. We have continued to promote all of our customer support schemes and have made it easier to apply for support. Over this AMP we expect to deliver £280 million of help to customers and have supported over 370,000 customers so far. Around 210,000 customers (6% of our household customers) currently benefit from our affordability schemes. We also work with money advice agencies, such as Turn2Us and StepChange, to promote the additional support they can provide to customers.

So that all bills are fair and customers are charged the correct amount, we must make sure that the information we hold about customers is correct. Properties which are occupied but not billed are called voids. In year four, our voids percentage is 3.70%. This is better than our year-four target of no more than 5.53%.

To make sure we can maintain a resilient water supply for Manchester and the Pennines, a major project is needed to replace tunnels which form part of one of the main aqueducts supplying the areas. We will use a direct procurement for customers (DPC) approach for this. DPC is a process water companies can use to invite competitive tenders (bids) from third parties to design, build, fund, operate and maintain infrastructure (such as, the tunnels needed for this project). This approach will help give the best value to customers.

8/9

measures achieved



Annual Performance Report 2023/24

6. Collect and recycle wastewater



What do customers want?

Customers recognise that removing wastewater is one of our main responsibilities. There is strong customer and stakeholder support for reducing both flooding and pollution incidents associated with wastewater. We aim to achieve this through innovative technologies and planned programmes of work to manage risks before they affect customers.

We have made two performance commitments about collecting and recycling wastewater and met both of these targets in year four.

What have we done?

Sewer collapses can cause blockages and other issues in the sewer, including pollution and unpleasant smells. Our target was that there should be no more than 13.68 sewer collapses per 1,000 kilometres of sewer. In year four we met this by achieving a rate of 13.01. Our positive performance on sewer collapses is a result of our investment programme, improved technical checks of each incident and an active approach to investigating problems on the sewer so that we can stop repeat events. This has helped us to identify collapses and other problems on the sewer network before they affect customers or the environment.

We also have performance targets which specify a maximum number of sewer blockages that should happen on our network. Monitors we have installed as part of our Dynamic Network Management programme tell us when blockages are forming so we can send a dedicated blockage team to clear the blockage before customers need to contact us. To reduce the number of sewer blockages, we are continuing with increased sewer cleaning programmes and are seeing real benefits from customer campaigns such as 'stop the block'.

Our performance in year four was 17,986 blockages, meaning we met our target of no more than 19,656 incidents. This is our best ever performance, and we have seen an improvement every year of AMP7 as the strategies we have put in place continue to improve our performance.





Sewer flooding is one of the worst service failures that customers can experience and we understand the significant long-term effect flooding can have. Customers want us to reduce flooding. We are committed to reducing the number of sewer flooding incidents that happen, whether these are outside homes and businesses (external flooding) or inside them (internal flooding).

We have made six performance commitments about reducing the risk of flooding to homes and businesses. We have achieved four of these in year four.

What have we done?

We know from our extensive customer research that internal flooding is one of the worst service failures customers can experience. This research, along with conversations we've had with organisations from other industries, has led us to prioritise reducing internal flooding and this continues to be a key area of focus. Sewer flooding incidents can happen inside or outside the home. We continue to develop and put into practice a wide variety of schemes and initiatives to reduce the number of sewer flooding incidents. Measures include increasing customer involvement and awareness campaigns, providing more protection for properties, managing surface water and developing and using dedicated blockage teams to respond to incidents faster.

Flooding can be caused by hydraulic issues, which is when the sewer network can't cope with the volume of water during heavy rainfall, or other things such as blockages or collapses. We aim to deal with incidents the first time they happen, limiting the number of repeat incidents and developing a greater understanding of the cause. Understanding what caused an incident helps our teams to take action to prevent future incidents.

In year four, we recorded a total of 1,509 internal flooding incidents, which is equivalent to 4.35 per 10,000 connections and above our performance commitment of 1.44 per 10,000 connections (or 500 incidents). For external flooding, we recorded 7,063 incidents, which is above our target of no more than 6,106 incidents.

In year four we experienced long periods of wet weather, alongside a high number of Met Office named storms. This led to an extremely challenging year for our network. Despite the negative effects of the weather, we continue to develop and put into practice a wide variety of schemes and initiatives to improve our performance against our flooding commitment, including our Dynamic Network Management (DNM) programme, our successful customer-involvement campaigns and schemes to target and manage surface water incidents.

We have continued to promote messages to customers, such as through our 'stop the block' campaign which aims to educate customers about the problems that are caused through sewer misuse, such as flushing baby wipes down the toilet and pouring fat, oil and grease down the drain. We measure the effects of this work through performance targets which measure the level of customer awareness. For this performance commitment we achieved an increased awareness of 48.1% above our baseline, which beat our target of an 8% increase.

We have also completed a range of programmes of work which contribute to our performance against our two hydraulic flood-risk commitments. These include small and major capital schemes to increase the amount of wastewater the sewers can carry. These projects will help reduce the overall hydraulic risk, which means that fewer customers will experience flooding at their properties as a result of the sewers not being able to cope with the volume of water in them.



Year-four performance

This diagram shows our seven outcomes and the 47 performance commitments that make up those outcomes. We have met or beaten 37 (79%) of these performance commitments in year four. This strong performance demonstrates our commitment to delivering what matters to customers and communities, both now and in the future. Love et al a support water now and in the future Plain English Campaign's Crystal Mark does not apply to this diagram.

Outcomes

mechanism

Abstraction incentive n

Treatment works compliance

Enhancing natural c Value for custo

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Performance commitments

Improving the water environment

Manchester

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Water

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Per capita consumption

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Keeping reservoirs resilient

Interruptions to supply Leakage

Your drinking

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Vyrnwy treated water aqueduct

Drought resilience

Helping customers look after their water

Reducing lead risk

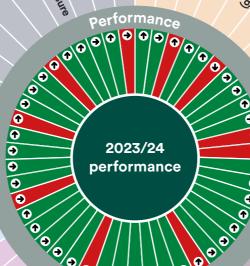
Water quality compliance Reducing water quality contacts

Voids

Gapates (retail)

Cooperation of the second

Systems Thinking



Improving air quality Risk of sewer flooding in a storm Internal sewer flooding incidents

Recycling biosolids

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External sewer flooding incidents

Raising customer awareness Hydraulic external flood risk resilience Hydraulic internal flood risk resilience

Sewer collapses

Sewerblockages

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D.Met

Key:

- Performance commitment not met
- Met or exceeded performance commitment

Performance trend

- ↑ Improving
- → Stable
- Deteriorating

Priority Service (BSI accreditation) Pre-procurement incentive for the HARP Number of customers lifted out of water poverty Customers saying that offer value for money Manchester and Pen Non household vacancy incentive He will indione the way we work to keep bills down and improve services

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You're highly satisfied with our service and find it easy to do business with us

priority services for cust

Street works performa

Collection and rec

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Appendix one – How do underperformance and outperformance payments work?

In AMP7 we have agreed to deliver 47 different performance commitments. Each performance commitment is based on what matters to customers and stakeholders and means that we need to improve the level of service we provide. Each of these commitments has an incentive placed against the performance targets. For some performance commitments we can earn an outperformance payment (or reward) for great performance or have to pay an underperformance payment (a penalty) if we don't perform well. Outperformance and underperformance payments will be reflected in customers' bills. Some commitments have no financial incentive but can have a positive or negative effect on our reputation. The table below shows the different types of incentives.

Incentive	Description
Underperformance	If our performance is worse than our target or deadband level (see below), we will pay an underperformance payment.
Outperformance	If our performance is better than our target or deadband level, we will receive an outperformance payment.
Non-financial	Although we will not pay any underperformance payments or receive any outperformance payments for this type of incentive, poor performance could damage our reputation, while good performance could improve our reputation.

Note: A deadband is a buffer which means we don't pay a penalty or receive a reward as soon as we beat or fail targets. This helps make sure that we receive rewards for great performance and that we are not penalised for small underperformances which might be beyond our control.



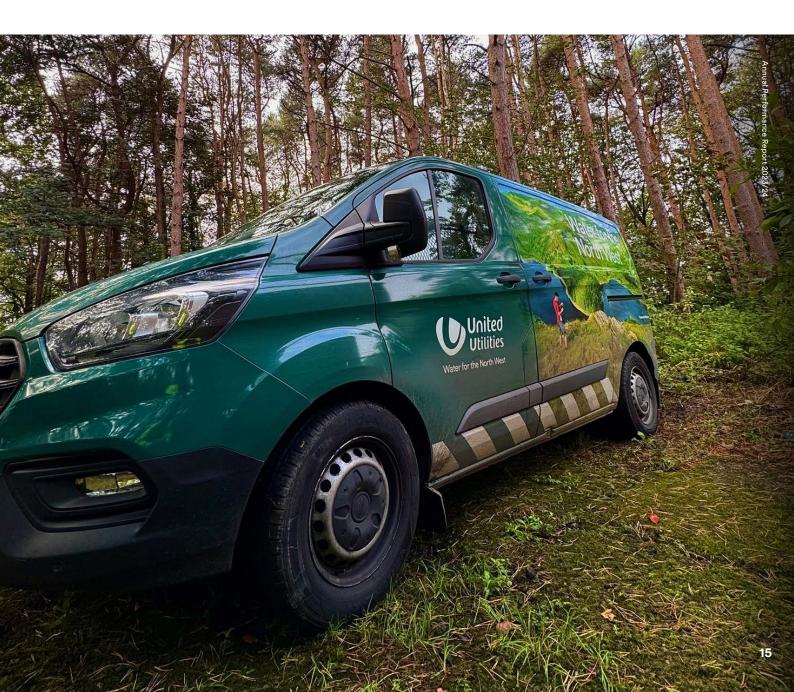
Appendix two – How our performance affects your bill (bill impact)

In-period adjustment – For most of our performance commitments, the penalties and rewards that apply as a result of our performance will be added up at the end of each financial year and reported in our Annual Performance Report. This year if we receive an overall reward, we can make a small increase to customer bills in AMP8. If we are in an overall penalty position, we will reduce customer bills in AMP8.

End of period – For a small number of our performance commitments we will measure and report our performance across the full five years of AMP7 and then work out whether we have met or failed our targets. Any penalties and rewards generated from these performance commitments will be added to or taken off customers' bills in AMP8. We have met or beaten 79% of the targets in year four, improving the services that we provide to customers. Our performance has generated financial penalties of £34.244 million and outperformance payments of £67.441 million .

This means that the net outperformance payment for year four of AMP7 is expected to be £33.195 million. Ofwat will now review our calculations and reported performance and will decide the final value of these payments for year four of AMP7. These will then be reflected in customers' bills in AMP8.

If Ofwat confirms our estimate of an outperformance payment of \pounds 33.197, we estimate this will represent an increase of approximately \pounds 15 to \pounds 16 in the average household bill over one year.



Useful links

United Utilities Annual Performance Report 2023/24
unitedutilities.com/globalassets/documents/pdf/united-utilities-annual-performance-report-2023-24
United Utilities Final Assurance Plan for our Annual Performance Report 2023/24
unitedutilities.com/globalassets/documents/pdf/final-assurance-plan-2023-24
United Utilities Group PLC Integrated Annual Report and Financial Statements for the year ended 31 March 2023
unitedutilities.annualreport2024.com
Historic United Utilities Group PLC Annual Reports
unitedutilities.com/corporate/investors/results-and-presentations/annual-reports
Our Final Business Plan for 2020 – 2025
unitedutilities.com/corporate/about-us/our-future-plans/our-business-plan-submissions/our-business-plan- submissions-for-2020-21-2024-25
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Water for the North West