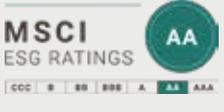


Being a responsible business

Our ESG credentials

Through our purpose, vision and strategic themes, responsible business is a core part of who we are as a business and has been for many years.

We actively participate in a range of global ESG ratings, indices and frameworks to benchmark our approach against best practice and emerging sustainability challenges.

Index/rating	Description	Performance
	The Dow Jones Sustainability Index ranks the sustainability approach of the top 10 per cent of the world's biggest companies based on long-term economic, environmental and social criteria.	For 2020, our overall performance was 79 per cent and we attained World Class status for the 14th consecutive year. We were awarded SAM Bronze Class in the Sustainability Yearbook 2021.
	The FTSE4Good Index Series measures the performance of companies who demonstrate strong ESG practices against globally recognised responsible business standards.	United Utilities Group PLC has been included in the FTSE4Good Index Series since 27 June 2001. Latest review June 2020.
	ISS ESG's Corporate ESG Rating provides investors with comprehensive portfolio company research on social, environmental and governance factors to help identify and mitigate ESG risks and to capitalise on investment opportunities.	In the annual review of November 2020, our status was assessed as Prime. ⁽¹⁾
	Provides ESG ratings on an AAA to CCC scale according to exposure to industry-specific ESG risks and ability to manage those risks relative to peers.	As of February 2021, United Utilities Group PLC received an MSCI ESG rating of AA. ⁽²⁾
	Sustainalytics, a Morningstar company, is a leading independent ESG research, ratings and data firm. Its ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks.	In April 2021, United Utilities received an ESG Risk Rating of 13.0 and was assessed by Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. United Utilities is a Sustainalytics ESG Industry Top Rated Company for 2021. ⁽³⁾
	Vigeo Eiris (V.E), an affiliate of Moody's, is a global leader in ESG assessments, data, research, benchmarks and analytics. Leveraging their extensive proprietary database, they equip market players with the ESG insight they need to manage risks and better understand and address their social and environmental impact. The Euronext ESG indices serve as a benchmark for investors to incorporate ESG considerations into their investment strategies.	We received an overall Advanced ESG score by V.E of 65 and United Utilities Group PLC has been confirmed as a constituent of the Euronext UK 20 and Europe 120 Indices in year 2020. ⁽⁴⁾

(1) issgovernance.com/esg/ratings/badge

(2) msci.com/notice-and-disclaimer

(3) sustainalytics.com/legal-disclaimers

(4) vigeo-eiris.com/privacy-legal-information

Alignment to wider global goals



The Sustainable Development Goals (SDGs) comprises 17 global goals to be achieved by the year 2030, and were adopted by a summit of the United Nations (UN) in 2015. They are designed to be the blueprint to achieve a better and more sustainable future for all. Our approach to responsible business aligns quite naturally with the goals and we have identified six that are most material to our business and where we contribute the most.

We contribute to the delivery of a wider selection of the SDGs through our investment projects and these are described in our sustainable finance framework.

6
CLEAN WATER AND SANITATION

Clean water and sanitation

Part of our purpose is to provide great water and is the reason we exist, ensuring customers in the North West have safe, resilient and affordable water and wastewater services.

This includes avoiding wasting water, and we promote water efficiency through campaigns, advice, education and free water saving gadgets for customers.

We protect and enhance water-related ecosystems across our region through initiatives such as our Catchment Systems Thinking approach.

Generating value for:

8
DECENT WORK AND ECONOMIC GROWTH

Decent work and economic growth

Our daily operations provide direct, indirect and induced employment for 22,700 people, and we are a big contributor to the north west economy.

We provide training and development opportunities in safe, secure working environments, graduate and apprentice opportunities, programmes for young people experiencing difficulties securing employment, offer equal opportunities to all and value diversity among our employees.

Generating value for:

9
INDUSTRY, INNOVATION AND INFRASTRUCTURE

Industry, innovation and infrastructure

We invest heavily in infrastructure, including plans for over £4 billion between 2020 and 2025 to improve the performance and resilience of our assets and operations to impacts such as those arising from climate change.

We embrace innovation, especially in an increasingly digital world, to ensure the region where we operate has reliable, sustainable and resilient infrastructure, now and into the future.

Generating value for:

11
SUSTAINABLE CITIES AND COMMUNITIES

Sustainable cities and communities

We use our understanding of customer needs and priorities to deliver services that meet their expectations and engage with communities to enhance participation in what we do. We plan at least 25 years into the future to prepare for increases in the population and new housing that will need connections for water and wastewater services. We are exploring ways to do this using natural solutions to manage water and wastewater, such as Sustainable Drainage Systems (SuDS).

Generating value for:

13
CLIMATE ACTION

Climate action

Responding to the climate emergency is an imperative for us all.

Reducing our greenhouse gas emissions, delivering against our six carbon pledges and ensuring that we, and the region we serve, are resilient to the impacts that a changing climate might bring, are key to our long-term planning.

➔ Read more about [our approach to climate change](#) on pages 86 to 99

Generating value for:

16
PEACE, JUSTICE AND STRONG INSTITUTIONS

Peace, justice and strong institutions

We run our business in a responsible manner, and being trustworthy is one of our core values.

We have high levels of transparency in our reporting and ethical standards of business conduct and corporate governance – those systems and processes through which our organisation is managed, controlled and held accountable.

Generating value for: