

Reporting responsible business performance

Evolving market expectations

The way we report on environmental, social and governance (ESG) issues is evolving as stakeholder interest grows.

There is increasing interest in how companies respond to sustainability challenges and growing expectations on how they disclose relevant information and data on their responsible business activities. For example, there is more interest in the disclosure of the ESG performance of companies and, last year, we published an investor guide to ESG at United Utilities in response to that trend.



unitedutilities.com/globalassets/documents/pdf/united-utilities-esg-booklet-2020.pdf

The way in which we report has evolved over the past ten years to incorporate more ESG information and data through such action as moving to integrated reporting. We have looked to do this without making this report unnecessarily lengthy or difficult to read. Rather than adopt one specific framework, our approach is to use the framework of our purpose-led approach to disclose performance and data for each of the stakeholders we create value for. Many of the ESG indices in which we participate (see page 84) draw their data from this report.

However, we do recognise that some stakeholders prefer to have specific data provided in one place. The following indicates where further information on certain frameworks can be found:

World Economic Forum (WEF) International Business Council (IBC)

The WEF IBC has proposed a set of common metrics for the consistent reporting of sustainable value creation in mainstream annual reports. We already integrate many of these metrics in our annual report and to make this easier for those searching for the information we have collated them into one place on our website.



unitedutilities.com/wef

Sustainability Accounting Standards Board (SASB)

SASB standards aim to standardise disclosure of material sustainability information mainly for companies based in the United States. As many of our shareholders are located in North America we are publishing comparable SASB data on our corporate website. This covers the main SASB data points for the water utilities industry of which we are part.



unitedutilities.com/sasb

TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)



TCFD sets out a framework for companies to provide stakeholders with an assessment of the financial implications of climate change and what this means for governance, strategy, risk and metrics. For the second year, we have included a TCFD section in our annual report.

[Read more on pages 86 to 99](#)

Sustainable Development Goals (SDGs)

We have identified six SDGs that are material to our business. More details can be found on page 85.

We also complete a variety of issue and stakeholder-specific rankings and benchmarks such as the Workforce Disclosure Initiative (WDI). Disclosure of these performance scores can be found on our website.



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