

2020/21 highlights

Operational highlights

Our transformation to an innovative digital utility has helped us deliver another year-on-year improvement against key targets that our stakeholders value most.



HOW WE REPORT ON OUR PERFORMANCE

In line with our purpose, we measure our performance by reference to the value we create for each of our stakeholder groups. For AMP7, we have selected one operational key performance indicator (KPI) for each of these groups.



Communities

Our work puts us at the heart of local communities in the North West of England, where customers and employees live and work. Working in partnership with others means we can create better places, stronger communities, and accomplish more to address mutual issues together.

Our progress this past year

- Committed to supporting the Government's Kickstart Scheme by providing 250 placements to young people, working with our supply chain.
- Hosted the industry's first Social Mobility Summit.
- Provided ongoing charitable support, including a donation to the FareShare charity, supporting them in delivering 600,000 meals to struggling families across the region.

- Adapted our community engagement approach in response to COVID-19 restrictions, consulting virtually rather than traditional face-to-face exhibitions.

KPI performance

- Community investment
- ➔ Read more about how **our performance in 2020/21** created value for communities on pages 52 to 53
- ➔ Read more about how we are **supporting the Kickstart Scheme** on page 54



Customers

We put customers at the heart of everything we do. Through innovation and efficiency we provide a continually improving service at an efficient, low cost, and we support thousands of vulnerable customers through a wide range of assistance schemes.

Our progress this past year

- Took swift proactive action to secure an additional £15 million to help customers whose incomes had been affected by COVID-19.
- Accelerated payments of the £71 million financial support we committed to provide over AMP7, providing much needed assistance to struggling families.
- Now supporting around 200,000 customers through our extensive range of support schemes.
- Significantly increased the availability and performance of our digital channels with over 1 million customers engaging with us digitally.

- Met or exceeded over 80 per cent of performance commitments in areas that customers value most.
- Achieved the Utilities and Telecoms Team of the Year at the 2020 Credit Awards.

KPI performance

- C-MeX
- ➔ Read more about how **our performance in 2020/21** created value for customers on pages 55 to 57
- ➔ Read more about how we are **supporting customers in need** on page 58

KPI STATUS KEY

- Met expectation/target
- Close to meeting expectation/target
- Behind expectation/target
- Baseline year



Employees

Our people are critical to enabling us to deliver a great public service now and into the future. It is important we give them the opportunity to develop their skills and knowledge and support them with the most effective technology.

Our progress this past year

- Facilitated home working for over 3,000 of our employees during the COVID-19 pandemic.
- Conducted over 390 COVID-secure risk assessments.
- Supported the wellbeing needs of our colleagues, delivering initiatives to help build resilience across our workforce.
- Included in the top one per cent of 15,000 companies across Europe in the Financial Times' Statista Survey for Diversity and Inclusion Leadership.

- Our employee accident frequency rate for 2020/21 was 0.094 accidents per 100,000 hours worked, representing a 15 per cent improvement on performance from the prior year.

KPI performance

- Employee engagement score
- ➔ Read more about how **our performance in 2020/21** created value for employees on pages 59 to 61
- ➔ Read more about **our commitment to diversity and inclusion** on page 62



Environment

We have a deep and strong relationship with the environment. Our plans ensure we protect and enhance the natural environment in the way we deliver our services.

Our progress this past year

- Met our leakage target for the 15th consecutive year, and we are now at the lowest ever level reported in the North West.
- Delivered zero serious pollution incidents for the second year running, and around one third reduction in pollution overall.
- Progressing well with our six carbon pledges, including the use of science-based targets to reduce our carbon footprint.
- Committed to the sector's net zero carbon pledge by 2030, and became a proud signatory to the UN Race to Zero campaign.

- Continued to develop our approach to natural capital, working with stakeholders to develop a north west natural capital baseline.

KPI performance

- Environment Agency's annual performance assessment
- ➔ Read more about how **our performance in 2020/21** created value for the environment on pages 63 to 65
- ➔ Read more about **our approach to climate change** on pages 86 to 99

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Investors

Our investment strategy and digital transformation, underpinned by our pioneering Systems Thinking approach, is delivering significant performance improvement and efficiency. We manage risk prudently, investing in our assets for growth and resilience.

Our progress this past year

- Achieved a £21 million net customer ODI reward for 2020/21. The net reward earned this year will be reflected in an increase to revenues earned in 2022/23.
- Our AMP7 totex plans will be extended by £300 million, with plans to accelerate our digital transformation, extend our environmental programme and exploit spend to save opportunities.
- Published our new sustainable finance framework, allowing us to raise finance based on our strong ESG credentials, and subsequently issued our debut sustainable bond.

- Attained World Class rating in Dow Jones Sustainability Index for the 14th consecutive year.
- Ranked as leading water utility in the Sustainalytics' ESG Risk Rating assessment.

KPI performance

- Return on Regulated Equity (RoRE)
- ➔ Read more about how **our performance in 2020/21** created value for investors on pages 67 to 69
- ➔ Read more about **our sustainable finance framework** on page 70



Suppliers

Through our capital programme we invest in the north west infrastructure, generating jobs, skills and income across the region. Treating our supply chain fairly, through prompt payments and adequate guidance and support, is something we are fully committed to.

Our progress this past year

- Continued to work closely with our supply chain, protecting our suppliers and customers while maintaining delivery of critical services during the pandemic.
- Supported the north west economy through acceleration of capital expenditure in the first year of AMP7, helping to generate jobs and income.
- Successfully launched our new responsible approach to supply chain management for AMP7 called United Supply Chain (USC), recognising suppliers as an extension of the United Utilities family.

- Launched our third Innovation Lab programme, encouraging innovative solutions from suppliers around the world.

KPI performance

- Invoices paid within 60 days
- ➔ Read more about how **our performance in 2020/21** created value for suppliers on pages 71 to 72
- ➔ Read more about **United Supply Chain** on page 73

KPI STATUS KEY



Met expectation/
target



Close to meeting
expectation/target



Behind
expectation/target



Baseline
year