



# Sustainable Finance Framework

March 2026

# CONTENTS

<b>OVERVIEW</b>	<b>03</b>
<b>Our purpose</b>	<b>03</b>
<b>Our activities</b>	<b>04</b>
<b>How we manage sustainability-related risks and opportunities</b>	<b>05</b>
<b>Environment: Creating a greener North West</b>	<b>06</b>
<b>Social: Creating a healthier North West</b>	<b>08</b>
<b>Governance: Creating a stronger North West</b>	<b>09</b>
<b>OUR SUSTAINABLE FINANCE FRAMEWORK</b>	<b>10</b>
<b>Use of Proceeds</b>	<b>11</b>
<b>Process for project evaluation and selection</b>	<b>19</b>
<b>Management of Proceeds</b>	<b>22</b>
<b>Reporting</b>	<b>23</b>
<b>External review</b>	<b>26</b>
<b>DISCLAIMER</b>	<b>27</b>



## OVERVIEW

# Our purpose



We provide essential water and wastewater services to around eight million people across the North West of England, and we are one of only three listed water companies in England and Wales.

We deliver 1.8 billion litres of drinking water to customers every day and clean and return the wastewater from homes and businesses through our 583 wastewater treatment works. Our £13 billion investment plan through to 2030 will help to improve rivers and seas, bring a more resilient service to customers and support economic growth in our region.

Our purpose is to provide great water for a stronger, greener and healthier North West. Our purpose highlights how environmental, social and governance (ESG) considerations are integral to everything we do.

### Greener

We protect and enhance urban and rural environments, and adapt to the challenges of climate change, allowing people, wildlife and nature to thrive, making the North West a better place to live now and for the future.

### Healthier

We provide great-quality drinking water and safely remove and recycle used water for around eight million people in the North West, while taking care of the beautiful landscapes across the region every day.

### Stronger

We deliver an essential service, help customers in vulnerable situations, invest in local communities across the region, and support thousands of jobs and the economy, giving the North West resilience in a changing world.



# Our activities



The vast majority of our activities sit within our regulated business. The regulatory model for UK water sets revenue over five-year periods, giving a high degree of clarity and certainty over future income.

The regulatory framework offers incentives for companies that outperform through the delivery of customer and environmental outcomes, and achieve strong cost control and efficient financing. We have consistently been one of the strongest performers in the industry against the regulatory framework. Our strong track record and sustainability credentials, alongside predictable earnings, long-term investment drivers, and robust financial resilience, all position us very well for long-term success.

## Water resources Sustainably sourcing water

We collect raw water from a variety of sources, including lakes, rivers and boreholes, but predominantly from open reservoirs. We have more reservoirs than any other water company in England and Wales – the biggest are Thirlmere and Haweswater in the Lake District National Park. We own and manage 56,000 hectares of land, much of which is catchment land (the areas immediately surrounding our reservoirs).

## Water network plus Supplying treated water 24/7

We treat raw water in one of our 86 water treatment works and then store it in covered reservoirs before transporting it to homes and businesses right across the region, using over 43,000 kilometres of water pipes – longer than the circumference of the earth.

## Wastewater network plus Cleaning and returning wastewater

Every day, we collect used water from customers' toilets, emptied sinks, baths, showers and household appliances. 54 per cent of our sewers are combined, meaning they also take rainwater. We have over 79,000 kilometres of wastewater pipes and sewers that transport it to one of our 583 wastewater treatment works, where it is separated and treated, before being returned to the natural environment through rivers and streams, so that the water cycle can begin again.

## Bioresources Generating renewable energy

Sludge is a by-product from the wastewater treatment process. It is transported to our bioresources treatment facilities, which use digestion technologies to safely and compliantly treat more than 200,000 dry tonnes of sewage sludge a year. The digestion treatment process produces biogas, used to generate renewable energy, and biosolids, used as a cost-effective fertiliser for local farmers.

## Household retail Supporting customers

We provide household customer services including meter reading, billing, account management services, and water efficiency support.

## OVERVIEW

# How we manage sustainability-related risks and opportunities

We have identified six strategic priorities aligned to the greener, healthier and stronger elements of our purpose. These permeate everything we do, including our principal risks, board and committee activities, and the measures in our remuneration policy.

Improve our rivers	Deliver great service for all our customers	Spend customers' money wisely
Create a greener future	Provide a safe and great place to work	Contribute to our communities

Our strategic priorities reflect the areas of highest focus for our business and our stakeholders. Underpinning our priorities are our material themes assessed on the potential impact on our ability to create value for the company and for our stakeholders. Our materiality assessment includes 29 themes, from climate mitigation to river water quality, affordability to health and safety, and corporate governance to supporting communities. Each of our themes is managed using the four pillars of the International Sustainability Standards Board, strategy, governance, risks and opportunities and metrics and targets. Our full materiality assessment can be found in our annual report on the link below, with our approach to managing the most material themes included on the following pages of this document.

[Integrated Annual Report](#) >



## OVERVIEW

# Environment: Creating a greener North West



### Responding to climate change

Climate change is already impacting the North West, with average temperatures +1°C above pre-industrial levels. We are already seeing wetter winters, and hotter, drier summers. These changes require robust short-term operational plans and adaptive long-term strategies to maintain resilience.

Our approach combines real-time operational response through our Integrated Control Centre with adaptive strategic planning via our Water Resources Management Plan (WRMP), Drainage and Wastewater Management Plan (DWMP), and Long-Term Delivery Strategy (LTDS), all linked below.

Key 2050 long-term commitments include:

- **Enhanced drought resilience** by 2039, halving leakage, improving water efficiency to 110 litres per person per day, and reducing abstraction from sensitive sites.
- **Storm overflow reduction** by 2050, using nature-based solutions, increased system capacity, and upgraded treatment capabilities.

We stress-test plans against multiple climate scenarios and compound risks, while leveraging interventions with multiple benefits, such as sustainable drainage systems. Climate risks are business risks – five of our top ten operational risks are climate-sensitive – so resilience planning spans operational, corporate, and financial systems.

[Water Resources Management Plan](#) >

[Drainage and Wastewater Management Plan](#) >

[Long-Term Delivery Strategy](#) >

### Mitigating our climate impact

We are committed to achieving net zero emissions across all scopes by 2050, guided by the Science Based Targets initiative (SBTi) Net-Zero Standard, the Glasgow Financial Alliance for Net Zero, and the Transition Plan Taskforce framework. Our strategy builds on a strong foundation of climate change mitigation and transparent reporting.

Our plan focuses on four pillars:

- **Vision and visibility**  
Embed climate considerations into all decisions, supported by verified reporting and compliance with UK and international disclosure standards.
- **Ambition and commitment**  
Set and maintain science-based targets aligned with the Paris Agreement's 1.5°C goal, with long-term and net zero targets approved by SBTi.
- **Demonstrating action**  
Implement measures to reduce, replace, remove, collaborate, and innovate – prioritising absolute emissions reductions before offsets.
- **Beyond here and now**  
Drive industry-wide change through partnerships, innovation programmes, and procurement practices that favour robust greenhouse gas (GHG) management.



## OVERVIEW

# Environment: Creating a greener North West

### Protecting and enhancing nature

Our commitment to providing great water for a greener North West drives us to go beyond regulatory requirements, investing in assets, performance improvements, and nature-based solutions to maximise environmental value.

We integrate nature into business planning through natural capital accounting, valuing ecosystem services at over £4.5 billion across the 56,000 hectares of land that we own. Our land delivers multiple benefits, including carbon sequestration, climate regulation, and access and recreation.

Our largest-ever investment programme for our current five-year business plan to 2030 (AMP8) has been developed by focusing on delivering environmental and social value, including:

- **£2.4bn** to reduce storm overflow spills.
- **£20m** for peatland restoration (1,500 hectares) to boost biodiversity and carbon capture.
- **£224m** for rainwater management in Greater Manchester, plus £49m for climate resilience.
- **£200m** to protect water quality at Windermere through improved wastewater treatment.

Through these actions, we aim to safeguard ecosystems, enhance biodiversity, and deliver lasting benefits for people, wildlife, and nature.



# Social: Creating a healthier North West



### Delivering for customers

Delivering great service for all customers is a core strategic priority. Our approach goes beyond providing clean, safe drinking water and sanitation – we also offer comprehensive support for customers in vulnerable circumstances. Customer engagement has shaped our AMP8 investment priorities, which focus on water quality, leakage reduction, lead pipe replacement, sewer flooding prevention, and affordability.

Key initiatives include:

- **Water quality:** Significant improvements have been made through our Water Quality First programme, recognised by the Drinking Water Inspectorate. AMP8 plans include replacing 900 km of mains, upgrading seven treatment works, and replacing 30,000 lead pipes.
- **Leakage reduction:** Long-term goal to halve leakage by 2050, supported by smart meters, satellite technology, and no-dig repairs.
- **Sewer flooding:** Major upgrades planned over AMP8, including 10,000 sewer-level sensors and property-level flood alerts.
- **Affordability and vulnerability support:** Industry-leading schemes have supported over 540,000 customers. In AMP8, we will double financial assistance to £525m, helping one in six households, and continue to advocate for a national social tariff.

Through these actions, we aim to deliver reliable service, protect public health, and ensure affordability for all customers while adapting to future challenges.

### Creating a great and safe place to work for our colleagues

Our colleagues are central to our success, reflected in our strategic priority to provide a safe and great place to work. We focus on attracting and retaining a diverse, highly engaged workforce, supporting health, wellbeing, and safety while fostering equity, diversity, and opportunity for all. Our strategy promotes openness, leadership development, and representation, ensuring everyone feels valued and included.

Key initiatives include:

- **Diversity and inclusion:** Gender diversity improvements, STEM outreach through our award-winning Engineering Masterclass, and cultural awareness programs.
- **Training and development:** Over 19,000 classroom attendances last year, 420 apprentices trained at our Bolton Technical Training Centre, and extensive digital learning platforms.
- **Safety:** Our Home Safe and Well programme underpins a strong safety culture, supported by three safe behaviours and 12 life-saving rules, critical as we deliver our largest-ever investment programme.
- **Wellbeing:** Virtual GP services, menopause support, enhanced family leave, mental health initiatives with 400 trained first aiders, and partnerships with support networks.

Throughout AMP8, we remain committed to creating an inclusive, safe, and supportive workplace while equipping our people with the skills and resilience to deliver for customers and communities.

# Governance: Creating a stronger North West

## Managing and overseeing ESG-related risks and opportunities

ESG-related risks and opportunities are managed across our principal management committees, primarily the Executive Team chaired by the CEO, the ESG Leadership Group chaired by the Asset Management Director and the Climate Change Mitigation Steering Group chaired by the CFO. The board provides oversight across ESG-related risks and opportunities primarily through the Group Board, with some material themes receiving additional oversight at the ESG Committee.

## Contributing to communities

Supporting communities across the North West is a core strategic priority. We aim to deliver improved services, active engagement, and direct investment in community projects and partnerships. Our place-based planning approach for AMP8 ensures tailored outcomes for each county – Cumbria, Lancashire, Merseyside, Greater Manchester, and Cheshire – based on extensive engagement with 95,000 customers and stakeholders.

To enable successful delivery, we have mobilised our teams into a five-counties structure, aligning investment and performance improvements with local needs, challenges, and opportunities. This approach strengthens community relationships and ensures our plans reflect what matters most to the people we serve.

## Ensuring efficiency

With the scale of AMP8 (2025–30), our focus on efficiency has intensified. We are driving smarter, simpler, and better ways of working through innovation and financial discipline.

Key initiatives include:

- **Technology:** Expanding use of data, sensors, AI, and in-house app development to improve decision-making and operational performance.
- **Right-sourced procurement model:** Leveraging a mix of large and small suppliers to allocate and price risk effectively, including build-only projects to engage local businesses.
- **Make vs buy:** Optimising insourcing and outsourcing decisions to support AMP8 delivery.
- **Standardisation:** Implementing standardised solutions to reduce design costs and achieve economies of scale.

We also encourage colleague-driven ideas through our ‘Call it Out’ mailbox, enabling direct input to the CEO.



As a provider of essential water and wastewater services, we run our business in the interests of the public and wider society.

Sustainability is a significant driver of what we do. This is intrinsically linked to our purpose – delivering great water for a stronger, greener and healthier North West. The issuance of Sustainable Financing Instruments under this Framework supports our efforts to deliver on our purpose.

Our current AMP8 business plan (covering the five-year period to 2030) represents the biggest investment in water and wastewater infrastructure in over 100 years, with subsequent AMPs expected to continue with high investment levels. We are therefore entering a new period of high growth and will be delivering significant improvements for customers, communities and the environment. Consequently, we have revised our Sustainable Finance Framework to reflect evolving market practices and to ensure it remains fit-for-purpose in anticipation of the funding requirements that lie ahead in AMP8 and beyond.

Our Sustainable Finance Framework has been developed to align with the 2025 Green Bond Principles,<sup>1</sup> 2025 Social Bond Principles<sup>2</sup> and 2021 Sustainability Bond Guidelines<sup>3</sup> as published by the International Capital Markets Association (ICMA), as well as the 2025 Green Loan Principles<sup>4</sup> and 2025 Social Loan Principles<sup>5</sup> published by the Asia Pacific Loan Market Association (APLMA), Loan Market Association (LMA), and Loan Syndication and Trading Association (LSTA).

[1. Green Bond Principles | ICMA](#) >

[2. Social Bond Principles | ICMA](#) >

[3. Sustainability Bond Guidelines | ICMA](#) >

[4. Green Loan Principles | APLMA, LMA, LSTA](#) >

[5. Social Loan Principles | APLMA, LMA, LSTA](#) >

[6. Guidelines for Blue Finance | IFC](#) >

We intend to communicate in a transparent manner on the four key pillars outlined by these principles:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

Projects eligible for Blue financing are expected to align with the IFC's Guidelines for Blue Finance Version 2.0.<sup>6</sup>

This Framework reflects the ongoing and anticipated activities of a number of United Utilities entities, including but not limited to United Utilities PLC, United Utilities Water Limited ('Uuw'), and United Utilities Water Finance PLC (Uuw's 100%-owned financing subsidiary, which raises listed issuances on behalf of Uuw).

We anticipate continually evolving our approach to sustainability and intend to periodically review our Sustainable Finance Framework for alignment and consistency with evolving market standards and the regulatory landscape. Any material revisions will be accompanied by a new Second Party Opinion.

We have engaged DNV to review and provide a Second Party Opinion on this Framework.

## OUR SUSTAINABLE FINANCE FRAMEWORK

### Use of Proceeds

Under this Sustainable Financing Framework, United Utilities may issue finance in many forms (including bonds, loans, and private placements or other forms of debt instruments) to meet its funding requirements including Green financing instruments, Blue financing instruments, Social financing instruments and Sustainability financing instruments (together, 'Sustainable Financing Instruments').

An amount at least equal to the net proceeds from the issuance of the Sustainable Financing Instruments, will be used to finance or refinance, in whole or in part, new or existing projects that meet the Project Eligibility Criteria defined on the following pages (thereafter defined as 'Eligible Projects').

United Utilities may additionally choose to allocate proceeds from a Sustainable Financing Instrument issuance to a specific subset of Eligible Projects, allowing United Utilities to frame a specific theme of impact for these issuances.



Eligible Projects may include capital expenditures, selected operational expenditures, and physical assets. Capital and operational expenditures qualify for refinancing provided they were incurred no earlier than three years prior to the issuance year of the Sustainable Financing Instrument. Assets have no lookback period and qualify for refinancing as long as they are in use, follow the relevant Eligibility Criteria at the time of issuance and are still assessed as making a meaningful impact.



# OUR SUSTAINABLE FINANCE FRAMEWORK

## Use of Proceeds | Project Eligibility Criteria





Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<p><b>Sustainable Water Management</b></p> <p><i>Some projects within this category may qualify for Green and Blue financing</i></p>	<p>Planning, construction, extension, operation, and renewal of water collection, treatment and supply systems intended for human consumption based on the abstraction of natural resources of water from surface or ground water sources.</p> <p>This may also include:</p> <ul style="list-style-type: none"> <li>• Projects which improve water quality;</li> <li>• Projects which reduce water losses from the system;</li> <li>• Installation of customer water meters; and</li> <li>• Projects which improve the energy efficiency of the water supply system.</li> </ul> <p><b>To qualify as Blue, projects must also meet one of the following criteria:</b></p> <ul style="list-style-type: none"> <li>• Water extraction activities that are conducted based on a comprehensive assessment of freshwater availability and that ensure a balance between discharge and recharge, thereby preventing overextraction of water;</li> <li>• Water efficiency technologies, equipment, and water management activities that reduce water footprint resulting in at least 10% reductions per unit of service from a documented baseline;</li> <li>• New, expansion, rehabilitation, or retrofitting of sustainable water supply infrastructure that would allow at least a 10% increase in the efficiency of the water supply system, thereby significantly reducing the volume of water abstracted to satisfy a defined demand; or</li> <li>• Development, replacement, and/or rehabilitation of water conveyance and distribution systems that document at least a 10% reduction in physical losses compared to a documented baseline.</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishment of the water supply network to reduce water losses</li> <li>• Installation of customer water meters</li> <li>• Water treatment works enhancements</li> <li>• Water treatment improvement projects (e.g. UV LED)</li> <li>• Lead pipe replacement</li> <li>• Water Quality First programme</li> </ul>	<p><b>Climate Change Mitigation</b></p> <p><b>5.1:</b> Construction, extension and operation of water collection, treatment and supply systems</p> <p><b>5.2:</b> Renewal of water collection, treatment and supply systems</p> <p><b>Sustainable Use and Protection of Water and Marine Resources</b></p> <p><b>2.1:</b> Water supply</p>	 

Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<p><b>Sustainable Wastewater Management/ Pollution Prevention and Control</b></p> <p><i>Projects within this category may qualify for Green and Blue financing</i></p>	<p>Planning, construction, extension, upgrade, operation and renewal of urban and rural wastewater infrastructure including treatment plants, sewer networks, storm water management structures, water storage, connections to the wastewater infrastructure, decentralised wastewater treatment facilities, including individual and other appropriate systems, and discharge structures for treated effluent.</p> <p>Planning, construction, extension, operation, and renewal of sustainable urban drainage systems (SUDS) facilities that mitigate pollution and flood hazards due to discharges of urban and rural runoff and improve the urban and rural water quality and quantity, by harnessing natural processes, such as infiltration and retention.</p> <p>This may include SUDS promoting:</p> <ul style="list-style-type: none"> <li>• Infiltration;</li> <li>• Evaporation; or</li> <li>• Other stormwater treatments or innovative systems.</li> </ul> <p><b>To qualify as Blue, projects must also meet one of the following criteria:</b></p> <ul style="list-style-type: none"> <li>• Wastewater treatment plants and wastewater collection systems, including municipal, industrial, agri-business, commercial, and/or residential;</li> <li>• Wastewater reuse projects that demonstrate reduction of water abstraction or contamination of water bodies; or</li> <li>• Drainage systems, flood management systems, and other adaptation and resilience infrastructure that prevent plastics, chemicals, or pollutants from reaching water runoff in areas close to a water body.</li> </ul>	<ul style="list-style-type: none"> <li>• Wastewater treatment works enhancements</li> <li>• Sewer flooding improvement programme</li> <li>• Projects to reduce storm overflow spills</li> <li>• Rainwater management – capturing, removing, slowing or reusing rainwater before it enters sewers</li> </ul>	<p><b>Sustainable Use and Protection of Water and Marine Resources</b></p> <p><b>2.2:</b> Urban waste water treatment</p> <p><b>2.3:</b> Sustainable urban drainage systems (SUDS)</p> <p><b>Climate Change Mitigation</b></p> <p><b>5.3:</b> Construction, extension and operation of waste water collection and treatment</p> <p><b>5.4:</b> Renewal of waste water collection and treatment</p>	

# OUR SUSTAINABLE FINANCE FRAMEWORK




## Use of Proceeds | Project Eligibility Criteria








Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<b>Renewable Energy</b>	<p>Acquisition, installation, maintenance and repair of renewable energy equipment such as:</p> <ul style="list-style-type: none"> <li>• Solar PV;</li> <li>• Wind power;</li> <li>• Bioenergy;<sup>1</sup> or</li> <li>• Cogeneration of heat/cool and power from bio-energy.<sup>1</sup></li> </ul> <p>Planning, construction, extension, upgrade, operation and renewal of facilities for the treatment of sewage sludge by anaerobic digestion with the resulting production and utilisation of biogas or chemicals, where:</p> <ul style="list-style-type: none"> <li>• A monitoring and contingency plan is in place in order to minimise methane leakage at the facility; and</li> <li>• The produced biogas is used directly for the generation of electricity or heat or upgraded to bio-methane for injection in the natural gas grid, or used as vehicle fuel or as feedstock in chemical industry.</li> </ul>	<ul style="list-style-type: none"> <li>• Renewable energy generation from solar power on land or water</li> <li>• Renewable energy generation from wind power</li> <li>• Renewable energy generation from Biogas-powered combined heat and power plants</li> <li>• Bioresources programme<sup>2</sup> covering the treatment and recycling of sewage sludge</li> <li>• Refurbishment of anaerobic digestion facilities</li> </ul>	<p><b>Climate Change Mitigation</b></p> <p><b>4.1:</b> Electricity generation using solar photovoltaic technology</p> <p><b>4.3:</b> Electricity generation from wind power</p> <p><b>4.8:</b> Electricity generation from bioenergy</p> <p><b>4.20:</b> Cogeneration of heat/cool and power from bioenergy</p> <p><b>5.6:</b> Anaerobic digestion of sewage sludge</p>	 

<sup>1</sup> Emissions of biomass or biofuel used must be 80% lower than fossil fuel baseline or ≤100g CO<sub>2</sub>e/kWh.

<sup>2</sup> There is no introduction of green or municipal waste that would require segregation for recycling prior to anaerobic digestion.

Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<p><b>Environmentally Sustainable Management of Living Natural Resources and Land Use/ Terrestrial and Aquatic Biodiversity Conservation</b></p> <p><i>Some projects within this category may qualify for Green and Blue financing</i></p>	<p>Planning, construction, extension, and operation of nature-based flood or drought management and coastal, transitional or inland aquatic ecosystem restoration measures contributing to preventing and protecting against flooding or droughts, and enhancing natural water retention, biodiversity and water quality.</p> <p>Conservation, including restoration, of habitats, ecosystems and species, including freshwater, marine and coastal systems, where:</p> <ul style="list-style-type: none"> <li>The activity maintains or re-establishes or restores ecosystems, species, or habitats.</li> </ul> <p><b>To qualify as Blue, projects must also meet one of the following criteria:</b></p> <ul style="list-style-type: none"> <li>Conservation, improvement, and restoration of freshwater, marine, and coastal ecosystems, preferably using an ecosystem management approach; or</li> <li>Conservation, improvement, and restoration of natural hydrological and sediment flows.</li> </ul>	<ul style="list-style-type: none"> <li>Wetland creation (including reedbeds) – designed and using processes typical of natural wetlands</li> <li>Sustainable drainage systems that mimic nature to manage water flows</li> <li>Catchment management, e.g. natural flood management, farm infrastructure improvements – interventions within catchments to reduce nutrient and soil loss, improve water quality and improve flow management</li> <li>Moorland restoration – protecting and enhancing upland peat habitats</li> <li>Projects which deliver an increase in natural capital value</li> <li>Fish passage solutions</li> <li>Site of Special Scientific Interest (SSSI) protection schemes</li> <li>Projects making ecological improvements at abstraction sites</li> </ul>	<p><b>Sustainable Use and Protection of Water and Marine Resources</b></p> <p><b>3.1:</b> Nature-based solutions for flood and drought risk prevention</p> <p><b>Protection and Restoration of Biodiversity and Ecosystems</b></p> <p><b>1.1:</b> Conservation, including restoration, of habitats, ecosystems and species contribution to biodiversity</p>	  

Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<p><b>Climate Change Adaptation</b></p> <p><i>Some projects within this category may qualify for Green and Blue financing</i></p>	<p>Construction, extension, renewal and operation of climate adapted centralised wastewater systems including collection (sewer network) and treatment, and water collection, treatment and supply systems where the activity has implemented physical and/or non-physical adaptation solutions, and/or individual adapting measures, that substantially reduce the most important physical climate risks that are material to that activity.</p> <p>This may include:</p> <ul style="list-style-type: none"> <li>• Projects which improve our assets’ resilience to droughts and floods by mitigating associated risks; and</li> <li>• Projects which protect our sites from risks associated with extreme weather events.</li> </ul> <p><b>To qualify as Blue, projects must also meet the following criteria:</b></p> <ul style="list-style-type: none"> <li>• Drainage systems, flood management systems, and other adaptation and resilience infrastructure that prevent plastics, chemicals, or pollutants from reaching water runoff in areas close to a water body;</li> <li>• Water extraction activities that are conducted based on a comprehensive assessment of freshwater availability and that ensure a balance between discharge and recharge, thereby preventing overextraction of water; or</li> <li>• Development, replacement, and/or rehabilitation of water conveyance and distribution systems that document at least a 10% reduction in physical losses compared to a documented baseline.</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishment and/or enhancement of the water supply treatment assets and network to reduce water losses and improve resilience</li> <li>• Refurbishment and/or enhancement of the wastewater treatment assets and network to reduce outages and improve resilience</li> <li>• Projects to address climate resilience, river and coastal erosion and flood resilience</li> </ul>	<p><b>Climate Change Adaptation</b></p> <p><b>5.1:</b> Construction, extension and operation of water collection, treatment and supply systems</p> <p><b>5.2:</b> Renewal of water collection, treatment and supply systems</p> <p><b>5.3:</b> Construction, extension and operation of wastewater collection and treatment</p> <p><b>5.4:</b> Renewal of wastewater collection and treatment</p>	  

Green and/or Blue Eligible Categories	Eligibility Criteria	Example Green and Blue Projects	Indicative EU Taxonomy Objectives and Activities	Relevant UN SDGs
<p><b>Clean Transportation</b></p>	<p>Purchase, financing, leasing, rental and operation of vehicles with zero tailpipe emissions.</p> <p>Construction, installation, modernisation, maintenance, repair and operation of infrastructure that is required for zero tailpipe CO<sub>2</sub> operation of zero-emissions road transport, where:</p> <ul style="list-style-type: none"> <li>The infrastructure is dedicated to the operation of vehicles with zero tailpipe CO<sub>2</sub> emissions, including: electric charging points, electricity grid connection upgrades, and hydrogen fuelling stations.</li> </ul>	<ul style="list-style-type: none"> <li>Battery electric vehicle investment programme</li> <li>Electric vehicle charging infrastructure</li> <li>Zero tailpipe emission alternatives for HGVs and tankers</li> </ul>	<p><b>Climate Change Mitigation</b></p> <p><b>6.15:</b> Infrastructure enabling low-carbon road transport and public transport</p> <p><b>6.5:</b> Transport by motorbikes, passenger cars and light commercial vehicles</p> <p><b>7.4:</b> Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings</p>	 

Social Eligible Category	Eligibility Criteria	Example Social Projects	Target Population and Social Objective	Relevant UN SDGs
<b>Access to Essential Services/ Affordable Basic Infrastructure</b>	Investments and/or expenditures relating to programmes which enable vulnerable customers to maintain access to water and other supplies.	<ul style="list-style-type: none"> <li>Affordability schemes, such as WaterSure, Low Income Water Discount and Low Income Pensioner Discount, providing financial support to economically disadvantaged customers</li> <li>Priority Services Programme<sup>1</sup></li> <li>Hardship Hub<sup>2</sup></li> </ul>	<p><b>Target population</b> UU residential customers that are eligible for one of UU’s support schemes<sup>3</sup> or the Priority Services Register</p> <p><b>Social objective</b> Reduced inequalities</p>	

### Exclusions

Allocations will be made to Eligible Projects as specified above. For the avoidance of doubt, the following Uses of Proceeds are specifically excluded:

- Financing of any fossil-fuel, nuclear, or large hydropower<sup>4</sup> generation projects; and
- Financing of any activities involving tobacco, alcohol, gambling or defence.

<sup>1</sup> The Priority Services Programme is designed to provide tailored support to vulnerable members of society in order to maintain their access to the water supply. Eligible groups include: those suffering from chronic/serious illness (including mental health conditions), restricted movement, the elderly (pensionable age), blind or partially sighted, hearing impaired, language or speech difficulties, financially vulnerable, and young adult householders in temporary accommodation. Further information is available at [unitedutilities.com/help-and-support/priority-services](https://unitedutilities.com/help-and-support/priority-services)

<sup>2</sup> The Hardship Hub gives the region’s money advice community the tools to help pinpoint the right support for the people who come to them for help. The hub has been specifically created to support those organisations throughout the North West who provide expert advice to individuals struggling with debt. Access to the information held on the hub is only available to registered advisors working on a not-for-profit basis. Further information is available at [hardshiphub.co.uk](https://hardshiphub.co.uk)

<sup>3</sup> UU’s support schemes include Back on Track, WaterSure, WaterSure Plus, Low Income Pensioner Discount, Low Income Water Discount, Payment Matching or Financial Hardship Trust Fund. More details on eligibility for each support scheme can be found at [unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/how-we-can-help](https://unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/how-we-can-help). Each application is assessed based upon the customer’s personal circumstances, and typically customers who apply fall within at least one and often several of the target population categories defined in the Social Bond Principles. In particular, a high proportion of applications are made by customers who are unemployed or on low incomes, and often these customers have experienced a change in circumstances, or family event – such as disability, bereavement and/or being unpaid carers which has put a strain on their financial circumstances.

<sup>4</sup> Defined as hydropower projects with a capacity of 25 MW or above, and involving a water impoundment dam.



### Sustainable Finance Committee

To ensure that allocations are made to Eligible Projects as specified above, the Company has established a Sustainable Finance Committee.

Under the current governance structure, the Sustainable Finance Committee is chaired by the Chief Financial Officer and comprises senior-level representatives from the following corporate functions of United Utilities:

- Treasury;
- Asset Management and Sustainability; and
- Finance.

Other representatives of the Company may attend as required.

The Committee will meet on a semi-annual basis or more frequently as required and is responsible for:

- Reviewing proposed allocations and ensuring they are made in alignment with the Sustainable Finance Framework;
- Monitoring the Eligible Projects over the lifetime of the Sustainable Financing Instruments for continued eligibility;
- Approving any proposed changes to the register of Eligible Projects in the event that the projects no longer meet the eligibility criteria (e.g. following divestment, liquidation, technology switch, concerns regarding ongoing alignment with eligibility criteria etc.) and reviewing replacements as soon as reasonably practicable;
- Reviewing and approving Allocation and Impact Reports; and
- Overseeing the Framework, as well as any changes proposed or made to the Framework.

The Sustainable Finance Committee is supported by the Sustainable Finance Working Group, which is a cross-corporate function group that meets approximately monthly or more frequently as required. The Sustainable Finance Working Group conducts detailed analysis and ongoing monitoring of the group's sustainable finance activities and related arrangements. It provides recommendations to the Sustainable Finance Committee for consideration to assist the Sustainable Finance Committee to effectively discharge its responsibilities.

New potential capital expenditure projects are first systematically identified and categorised as part of the Programme Approval Committee process outlined below. The Sustainable Finance Working Group also identifies potential eligible projects where operating expenditure may be available. The Sustainable Finance Working Group then conducts a detailed review of the potential projects to confirm whether the projects meet the Eligibility Criteria and propose the allocation of confirmed Eligible Projects. The Sustainable Finance Committee reviews the proposed allocations, challenging and/or approving the proposals as appropriate, with the Treasury function holding overall responsibility and oversight for allocation decisions.



## OUR SUSTAINABLE FINANCE FRAMEWORK

# Process for project evaluation and selection

### Management of associated environmental and social risks

United Utilities has a comprehensive, integrated, forward-looking, objective and quantitative project risk assessment process. This process aligns to the International Risk Management Standard (ISO 31000), and links to our Wholesale Risk and Asset Planning approach which in turn aligns with the International Standard for Asset Management (ISO 55001). In addition, the business operates under internationally recognised management standards for quality (ISO 9001), environment (ISO 14001), and health & safety (ISO 45001).

United Utilities' risk assessment process is reinforced by the following Group-wide policies:

- **Environmental Policy:** explains how we create value by protecting and enhancing the natural environment
- **Quality Policy:** guides us in delivering an excellent customer experience while continually improving performance and achieving our vision
- **Health, Safety and Wellbeing Policy:** sets out our commitment to act with integrity and to maintain an engaged, safe and healthy workforce
- **Asset Management Policy:** outlines the principles that underpin the management and operation of our assets

More information on our approach to planning and risk management can be found in our integrated annual report and on the ESG governance page of our website on the link below.

[United Utilities' ESG governance page](#) >



## OUR SUSTAINABLE FINANCE FRAMEWORK

# Process for project evaluation and selection



For all capital expenditure, throughout the project lifecycle there are a number of financial approval gateways, which provide approval to proceed. These gateways ensure that:

- The Programme Approval Committee (PAC) confirms that the project meets the required governance, financial, and strategic criteria;
- The senior sponsor commits to supporting the delivery of the project; and
- Senior management, who make up the financial approval committee, commit the necessary resources to support the successful delivery of the project.

The Programme Approval Committee approves the release of allocated funding for each stage of a project. Before a project is submitted to PAC for approval, a series of assurance activities are undertaken to confirm that the project has followed the required steps defined as part of the project lifecycle.

The project delivery team provides the first level of assurance. This involves the Project and Programme Manager ensuring that the delivery team is adhering to the appropriate processes, controls and procedures.

The Finance Governance and Assurance Team provides the second level of assurance, which is independent of the delivery team and operates throughout the life of the project. This includes facilitated gateway reviews to confirm that all necessary activities have been completed before the project progresses to the next phase. The activities include, where relevant, the identification, assessment and management of environmental and social risks. For example, projects complete a Planning, Landscaping and Ecology (PLE) document, which identifies applicable environmental risks, assess their potential impact, and sets out appropriate mitigation measures to be implemented by the project team and delivery partners.

Corporate Audit provides a third level of assurance on project delivery. This includes periodic reviews, undertaken either internally or by external parties to provide assurance that projects are being delivered in line with agreed processes, controls and governance requirements.

### PAC1

The financial approval gateway at the start of the project where the business case is presented for funds to be released to commence the 'Feasibility and Definition' phases. The purpose of the funding is to identify/confirm the need and develop the required contract documentation.

### PAC2

The financial approval gateway at the end of the 'Feasibility and Definition' phase where the business case is presented for funds to be released to commence the 'Deliver and Close' phases. The PAC 2 meeting is prior to project contract award and indicates full approval of the investment.

### PAC3

The financial approval gateway at the end of the project. The purpose is to review items such as the benefits and present any lessons learned during the investment and how these can be applied in the future.

## OUR SUSTAINABLE FINANCE FRAMEWORK

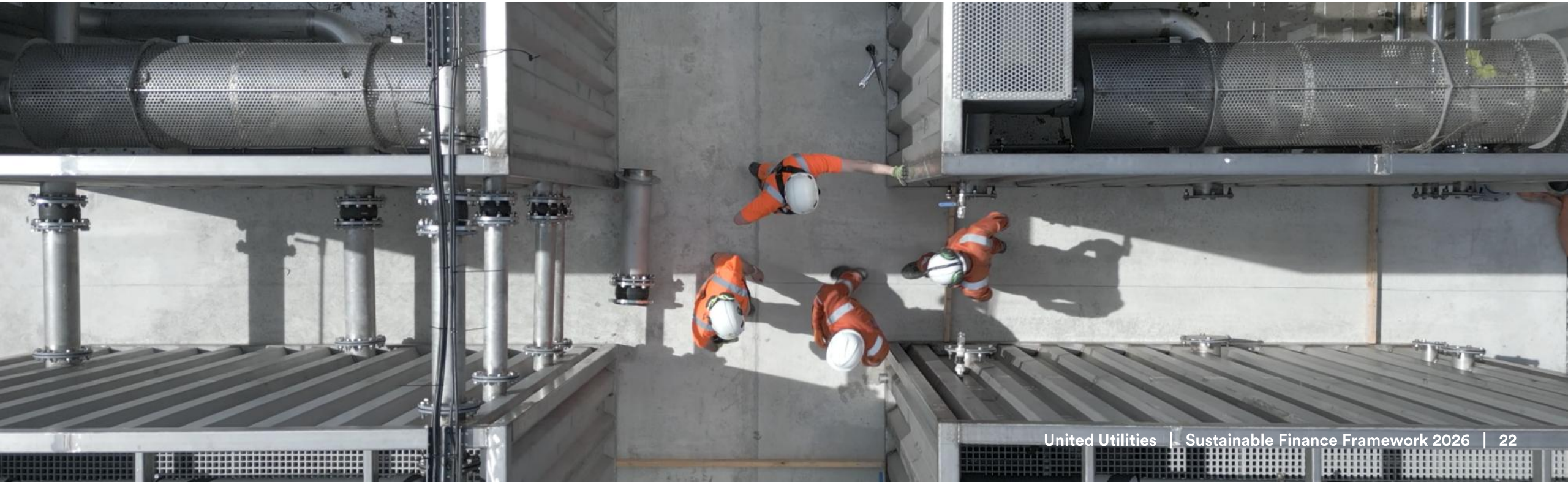
# Management of Proceeds



An amount equal to the net proceeds of each Sustainable Financing Instrument arising from the issuance under this Framework will be managed by our Treasury function on an instrument-by-instrument basis, with an amount equal to the net proceeds earmarked for allocation to the portfolio of Eligible Projects. An amount equal to the net proceeds from the Sustainable Financing Instruments raised will be tracked using internal systems with projects 'tagged' as allocated in internal systems.

Our Treasury team will ensure on a best-efforts basis that the portfolio of Eligible Projects exceeds, or at least is equal to, the amount of Sustainable Financing Instruments raised under this Framework within two years from the date of issuance.

Should an Eligible Project no longer meet the eligibility criteria or be disposed of during the funding period (i.e. prior to the issue maturity), the proceeds initially allocated to the ineligible or disposed project shall be reallocated to another Eligible Project. Replacement of the project(s) will be done within two years on a best-efforts basis. Pending allocation or reallocation, proceeds will be invested on a temporary basis in accordance with the relevant internal policies in cash, cash equivalents or similar short-term, liquid financial instruments.



## OUR SUSTAINABLE FINANCE FRAMEWORK

# Reporting



United Utilities already operates a comprehensive sustainability reporting framework, which includes a wide range of ESG-related corporate KPIs in our sustainability reports, annual reports, annual performance reports and other reports. We anticipate that existing reporting arrangements will continue to provide a comprehensive overview of the environmental and social impacts generated by our activities, investments and expenditures.

Within one year of issuance, and annually thereafter until full allocation of the Sustainable Financing Instruments' net proceeds, we will publish a Sustainable Finance Report. In case of full allocation, the Sustainable Finance Report will be renewed on a timely basis in case of material developments.

The Sustainable Finance Report will include (i) an Allocation Report; along with (ii) an Impact Report, subject to the availability of suitable information and data. These reports will be made available publicly on our website:

[United Utilities' sustainable finance page](#) >

It is anticipated that the Allocation Report will include:

- An overview of the amount outstanding in Sustainable Financing Instruments;
- Summary details of the projects to which Sustainable Financing Instrument proceeds have been allocated, as well as a brief description of the projects;
- The total amount of proceeds allocated to Eligible Projects, per category;
- The proportion of the proceeds allocated to refinancing of existing Eligible Projects versus financing; and
- The balance of unallocated proceeds, if any.

We will also report on the expected or achieved environmental and/or social impact of the Eligible Projects allocated to the Sustainable Financing Instruments in the Impact Report. We intend to report on at least one quantitative impact metric per project category to which proceeds have been allocated. The indicative metrics listed below may be supplemented by qualitative and/or case-study reports on outcomes and impacts of selected projects funded. Where possible and relevant, information will be provided on data, reporting and impact assessment methodologies, to increase transparency.



# OUR SUSTAINABLE FINANCE FRAMEWORK

## Reporting



ICMA Category	Indicative impact metrics
<b>Sustainable Water Management</b>	<ul style="list-style-type: none"> <li>• Water savings from leakage reduction, three-year average MI/d and percentage leakage reduction</li> <li>• Reduction in operational emissions per megalitre of treated water, kg CO<sub>2</sub>e/MI</li> <li>• Drinking water quality compliance (compliance risk index score)</li> <li>• Water supply interruptions per property per year (hours:minutes:seconds)</li> <li>• Number of meters installed</li> <li>• Customer contacts about water quality per 10,000 population</li> <li>• Percentage reduction in water abstractions</li> </ul>
<b>Sustainable Wastewater Management/ Pollution Prevention and Control</b>	<ul style="list-style-type: none"> <li>• Reduction in operational emissions per megalitre of treated water, kg CO<sub>2</sub>e/MI</li> <li>• Total and/or serious pollution incidents per 10,000km of wastewater network</li> <li>• Discharge permit compliance – percentage of treatment works in compliance with their discharge permits on a calendar year basis</li> <li>• Average number of spills per storm overflow</li> <li>• Internal and/or external sewer flooding per 10,000 connected properties</li> <li>• Percentage of Bioresource recycled to land (or percentage of Bioresource classed as enhanced product)</li> <li>• River water quality (phosphorus) – percentage reduction in phosphorus</li> <li>• Bathing water quality – quality percentage score</li> </ul>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>• Annual avoided emissions from renewable electricity generated, tCO<sub>2</sub>e</li> <li>• Annual renewable energy generation in MWh/GWh</li> <li>• Net GHG emission reduction from sewage sludge treatment through the capture and utilisation of the generated biogas</li> <li>• Methane leakage reduction, kg CO<sub>2</sub>e, and percentage reduction</li> <li>• Total energy generated from biomethane, GWh, percentage increase in year-on-year energy generated through CHP</li> </ul>



ICMA Category	Indicative impact metrics
<b>Environmentally Sustainable Management of Living Natural Resources and Land Use/Terrestrial and Aquatic Biodiversity Conservation</b>	<ul style="list-style-type: none"> <li>• Percentage of SSSI-designated<sup>1</sup> land classed as having favourable or recovering status</li> <li>• Number of nature-based solutions implemented</li> <li>• Increase in Natural Capital<sup>2</sup> value</li> <li>• Hectares of peatland restored and certified to the Peatland Carbon Code (or equivalent)</li> <li>• Hectares of woodland created and certified to the Woodland Carbon Code (or equivalent)</li> <li>• Number of trees planted</li> <li>• Increased area managed under nature-based solutions (ha)</li> <li>• Biodiversity per 100km<sup>2</sup> of land</li> </ul>
<b>Climate Change Adaptation</b>	<ul style="list-style-type: none"> <li>• Reduction in flood damage costs</li> <li>• Reduction in number of operating days lost to floods</li> <li>• Reduced/avoided water loss (in reservoirs/waterways/natural habitats, etc.) in m<sup>3</sup> for supporting water resilience</li> <li>• Reduction in land-loss from inundation and/or coastal erosion in km</li> <li>• Additional water availability and/or increased water catchment in m<sup>3</sup>/year</li> <li>• Reduction in household demand for clean water – per capita consumption</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>• Annual GHG emissions reduced/avoided in tCO<sub>2</sub>e per annum</li> <li>• Number of electric vehicles deployed in our fleet</li> </ul>
<b>Access to Essential Services/Affordable Basic Infrastructure</b>	<ul style="list-style-type: none"> <li>• Number of customers listed on our Priority Services Register</li> <li>• Number of customers supported by affordability schemes</li> <li>• Number of customers lifted out of water poverty</li> </ul>

<sup>1</sup> SSSI: Site of Special Scientific Interest – a conservation designation denoting a protected area.

<sup>2</sup> We define the added Natural Capital value of schemes as the sum of the multiple benefits delivered by a scheme, beyond those associated with a conventional engineering-led approach. We calculate the added value of these benefits using an independently assured Natural Capital Accounting methodology. The method assesses six Ecosystem Services (ESS) valued by customers: water quality; climate mitigation; flooding; biodiversity; amenity and recreation; and health and wellbeing. Natural Capital enhancement measures may include afforestation and/or reforestation projects. As a major owner of woodland, we manage our trees in sustainable way to protect water quality, conservation, access, recreation value and timber value. We have been Forest Stewardship Council® (FSC®) certified since 2003. The FSC-UK forest management standard endorses the UK Woodland Assurance Standard (UKWAS), and this certification covers all 4336 hectares of our woodland estate. Our certificate number is SGS-FM/COC-001381. Our License code is FSC-C005555.

# OUR SUSTAINABLE FINANCE FRAMEWORK

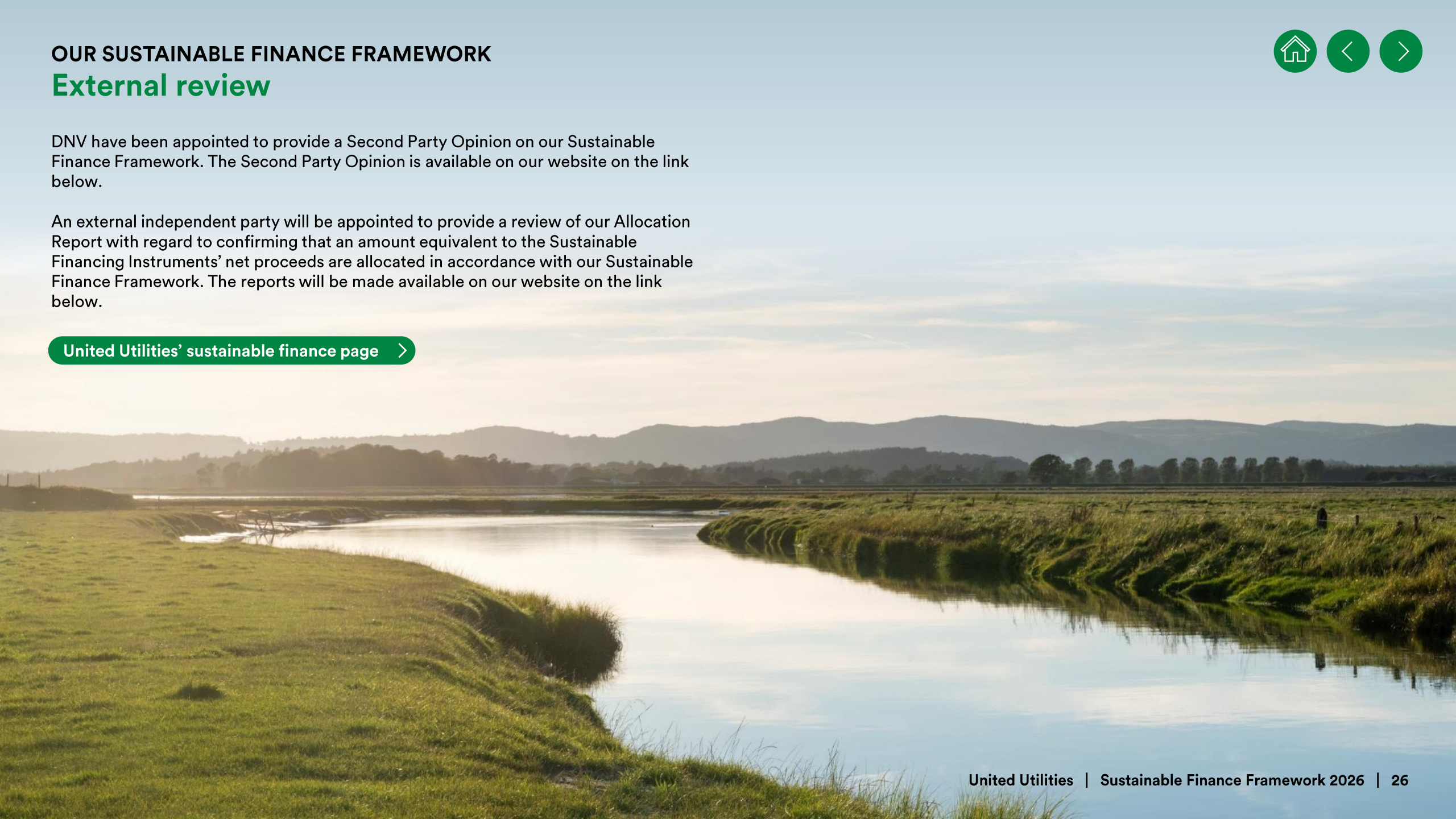
## External review



DNV have been appointed to provide a Second Party Opinion on our Sustainable Finance Framework. The Second Party Opinion is available on our website on the link below.

An external independent party will be appointed to provide a review of our Allocation Report with regard to confirming that an amount equivalent to the Sustainable Financing Instruments' net proceeds are allocated in accordance with our Sustainable Finance Framework. The reports will be made available on our website on the link below.

[United Utilities' sustainable finance page >](#)



# DISCLAIMER



The information and opinions contained in this Framework are provided as at the date of this document and are subject to change without notice. References to this Framework shall, for the purposes of this disclaimer, include any related disclosures, presentations, press releases or other verbal or written communication.

United Utilities does not assume any responsibility or obligation to update or revise any such statements or to correct any inaccuracies in any such information which may become apparent, regardless of whether those statements are affected by the results of new information, future events or otherwise.

The policies and procedures outlined in this Framework are subject to change. United Utilities reserves the right to make any such changes as it deems necessary from time to time. United Utilities shall be under no obligation to inform any recipient of this document of any changes to this Framework or the policies and procedures outlined herein, and United Utilities shall have no liability in respect of any such changes.

This document is not intended to be and should not be construed as providing technical, legal or financial advice or creating legal relations, rights or obligations.

The information in this Framework has not been independently verified. This Framework has not been approved by the UK Financial Conduct Authority, the Water Services Regulation Authority (Ofwat) or any other regulatory authority.

This Framework is provided for information purposes only and does not constitute or form part of, and should not be construed as, any offer or invitation to underwrite, subscribe for or otherwise acquire or dispose of, or any solicitation of any offer to underwrite, subscribe for or otherwise acquire or dispose of, any debt or other securities issued by United Utilities (including, but not limited to, bonds) and is not intended to provide the basis for any credit or any other third-party evaluation of any such instruments of United Utilities. Nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. This Framework does not constitute a regulatory report, submission or other disclosure and is not intended to discharge or be relied upon in connection with any licence, permit, commitment, price control or other regulatory obligation.

Any decision to purchase any United Utilities bonds or other financing instrument should be made solely pursuant to separate and distinct documentation produced in connection with the offering of such bonds or other financing instrument, in the form of a prospectus, offering circular or other equivalent document and any decision to purchase or subscribe for any securities pursuant to such offer or invitation should be made solely on the basis of such documentation and not this Framework.

Prospective investors are required to make their own independent investment decisions. No representation or warranty is made as to the suitability of any United Utilities bonds or other financing instrument to fulfil environmental, social, nature-related, sustainability or other criteria required by prospective investors, and this material should not be considered as a recommendation that any investor should purchase or subscribe for any such United Utilities bonds or other financing instrument. Each potential purchaser of United Utilities bonds or other financing instrument should determine for itself the relevance of the information contained or referred to in this Framework or the relevant documentation for such United Utilities bonds or other financing instrument regarding the use of proceeds and its purchase of any United Utilities bonds or other financing instrument should be based upon such investigation as it deems necessary, and should not rely on any statement made in this Framework for the purposes of such assessment. No statement made by United Utilities in this Framework shall be construed as a representation or warranty of its accuracy or completeness for the purposes of any United Utilities bonds or other financing instruments.

United Utilities has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and investor reporting, in connection with United Utilities bonds or other financing instrument. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any United Utilities bonds or other financing instrument if United Utilities fails to adhere to this Framework, whether due to United Utilities' regulatory obligations or by failing to fund or complete Eligible Projects or to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and impacts as anticipated by this Framework, or otherwise.

In addition, it should be noted that all of the expected benefits of the projects as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in UK government policy (whether with a continuity of the UK government or on a change in the composition of the UK government), obligations under or changes in laws, rules, directives, regulations, subordinate legislation, licences, permits, controls, determinations, performance commitments, cost-sharing mechanisms, common law, codes, industry guidelines, industry agreements, market practice or existing or potential contractual obligations, the lack of available suitable projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives.

## DISCLAIMER



In addition, each environmentally, socially or sustainability focused potential purchaser of United Utilities bonds or other financing instrument should be aware that Eligible Projects may not deliver the environmental, social or sustainability benefits anticipated, and may result in adverse impacts. On this basis, any and all liability, whether arising in tort, contract or otherwise which any purchaser of United Utilities bonds or other financing instrument or any other person might otherwise have in respect of this Framework or any United Utilities bonds or other financing instrument as a result of any failure to adhere to or comply with this Framework is hereby excluded and disclaimed to the maximum extent permitted by law.

This Framework contains certain statements about future events and expectations which may constitute 'forward-looking statements'. These statements typically contain words such as 'expects' and 'anticipates' and words of similar import. Any such statement involves known and unknown risks, uncertainties and other factors which may cause United Utilities' actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts, guarantees or promises, nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive. United Utilities assumes no obligation to update the forward-looking statements contained in this Framework to reflect actual results, changes in assumptions or changes in factors affecting such statements.

This Framework may reference, contain or incorporate third party or public information that has not been validated, reviewed or approved by United Utilities. United Utilities does not make any warranty or representation and does not take any responsibility for or accept liability for the accuracy or completeness of such information.

In preparing environmental, social, governance, nature and other sustainability related disclosures in this Framework, United Utilities has made assumptions, estimates and judgements. Such disclosures are based on data, methodologies, processes and models which are novel, evolving and complex in nature and may not be of the same preciseness, reliability, accuracy or standard as other financial or operational information, in part due to the underlying challenge of using historic data to establish likely trajectories in this context. Sustainability-related disclosures in this Framework therefore contain a higher level or risk and uncertainty. Unless stated otherwise, operational, regulatory, environmental, social, governance, sustainability or nature-related data, information, targets or performance metrics are derived from our regulatory disclosures and annual reporting and should be read by reference to and in the context of such disclosures and reporting.

This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution.





[unitedutilities.com/corporate/investors/credit-investors/sustainable-finance](https://unitedutilities.com/corporate/investors/credit-investors/sustainable-finance)



**Water for the North West**