

**United Utilities Group PLC (the Company)**  
**Companies Act 2006 Section 430(2B) Statement**

**Steven Richard Fraser**

Further to the announcement made by the Company on 29 July 2019, Steven Richard Fraser will leave the Company and cease to be a director and Chief Operating Officer with effect from 31 August 2019 (his leaving date).

The following information is provided in accordance with section 430(2B) of the Companies Act 2006, and is in accordance with the Company's Directors' Remuneration Policy published in the 2019 Annual Report and Financial Statements and as approved by shareholders at the 2019 Annual General Meeting held on 26 July 2019.

**Salary and benefits**

He will continue to receive his contractual salary, benefits and pension cash allowance as usual until his leaving date. There will be no payment in lieu of notice. He will not be eligible for a bonus payment in respect of the financial year 2019/20.

**Share plans:**

**Deferred Bonus Plan (DBP)**

He will retain the three DBP awards held as at his leaving date, which were awarded in relation to the three financial years 2016/17, 2017/18 and 2018/19. Each award will vest after the normal three year deferral period, in June 2020, June 2021 and June 2022 respectively (subject to deductions for income tax and national insurance at the applicable rates).

**Long Term Plan (LTP)**

LTP awards granted to him in 2017 and 2018 will lapse. Following the announcement of his departure in June, he did not receive an award under the 2019 grant.

Under the rules of the LTP he is entitled to retain his 2016 LTP award because he was an employee for the complete three-year performance period which ended on 31 March 2019 (defined in the scheme rules as the 'initial period'). The award is expected to vest later in 2019, once the outcome of the customer service excellence measure is known. The estimated vesting outcome is 60%, and so on the vesting date he would be entitled to receive 60% of the shares held under the award, and the remaining 40% would lapse. The vesting shares will not be subject to a further holding period because the award was granted in 2016 prior to his appointment as an executive director but will be subject to deductions for income tax and national insurance at the applicable rates.

Malus and clawback provisions as set out in the rules of both the DBP and the LTP will continue to apply after his employment ceases.

29 July 2019