

United Utilities Group PLC

Independent Limited Assurance Statement for the unaudited sections of the directors' remuneration report 2023/24

Ellason LLP has prepared this assurance statement for United Utilities Group PLC, through which it confirms that the unaudited sections of the directors' remuneration report for the year ending 31 March 2024 have received limited assurance.

Responsibilities of United Utilities and Ellason

United Utilities was responsible for preparation of the directors' remuneration report. Ellason was responsible for carrying out the limited assurance engagement for the required scope of assurance in accordance with the International Standard on Assurance Engagements (UK) 3000 (July 2020): Assurance Engagements other than the Audits or Reviews of Historical Financial Information ('ISAE (UK)').

Ellason's independence, team competencies and quality control

We confirm our independence, ethics and competence as follows:

- We are appointed as independent adviser to the Remuneration Committee of United Utilities. No member of the assurance team has any personal relationship with any executive or employee at United Utilities outside of the engagement itself.
- We have complied with the ethical requirements relevant for performance of the engagement. We have acted with the integrity and objectivity to be expected of a professional services provider and the rigour of our work is sufficient to the level required by ISAE (UK). Ellason is a member of the Remuneration Consultants Group (RCG) and a signatory to its Code of Conduct which sets out guidelines to ensure that any advice given is independent and free of undue influence. The Code of Conduct covers themes such as transparency, integrity, objectivity, competence, due care and confidentiality and is available to view at www.remunerationconsultantsgroup.com. Ellason provides regular training to its staff to ensure they are competent to consult within the framework of the Code of Conduct, and reports annually to the Chair of the RCG on its compliance against the Code.
- Ellason applies quality control and management approaches based on the principles of International Standard on Quality Management (ISQM) 1 'Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Service Engagements' tailored as appropriate to the nature of the services provided by Ellason. A copy of our Quality Management Policy is available on our website at www.ellasonllp.com.

Organisational Scope and Subject Matter

The boundary of the assurance process covers the unaudited sections of the directors' remuneration report as set out on pages 140 to 163 in the annual report and accounts for United Utilities Group PLC for the year ending 31 March 2024. The following sections and sub-sections of the directors' remuneration report are unaudited and therefore within scope of this limited assurance engagement:

- Quick facts
- Annual Statement from the remuneration committee chair
- At a glance summary: executive directors' remuneration
- Annual report on remuneration:
 - Performance related pay in 2024/25
 - Supporting our colleagues' wellbeing
 - Cascade of remuneration through the organisation
 - CEO pay ratios
 - Relative importance of spend on pay
 - Company performance and CEO remuneration comparison
 - External appointments
 - Non-executive director fee policy
 - Change in board member and colleague remuneration
 - The remuneration committee
- Compliance with the UK Corporate Governance Code
- 2023 AGM: Statement of voting
- Appendix 1: Directors remuneration policy
- Appendix 2:
 - Vesting of legacy awards for former directors
 - Dilution limits

The other sections of the remuneration report are independently verified as part of the statutory audit process conducted by KPMG LLP.

Objective and materiality thresholds

The objective of the engagement was to ensure that the above disclosures are free from material misstatement to an acceptable materiality threshold. Materiality for this purpose has been set at £175,000 (equivalent to c.5% of total Board remuneration) for any numerical remuneration disclosure and to ensure that the narrative disclosures provide the relevant, material information reasonably required by a shareholder when reading the remuneration report.

Assurance standards and methodologies

The unaudited sections of the directors' remuneration report have been assured to a limited assurance level using ISAE (UK), taking into account the disclosure requirements and methodologies set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations (as amended in 2013, 2018 and 2019).

Ellason's assurance process

Our assurance conclusions are based on the following activities:

- Agreement on the assurance level, objectives, criteria, relevance and materiality thresholds and development of the assurance project plan;
- Review of the data collection systems, controls processes and internal quality assurance procedures used by the Group Reward and Company Secretarial teams when preparing the remuneration report;
- Confirmation of data and statements to primary evidence (e.g. Board papers, payroll records, HR systems, regulatory reports etc.), external information (e.g. Ofwat, EA documentation) or, where applicable, to information that has been subject to separate audit or assurance procedures;
- Review of the appropriateness and application of methodologies and calculations used for analytical data presented (e.g. pay ratio calculations, year-on-year comparisons etc.); and
- Re-calculating and re-performing the analysis where appropriate.

Limitations and exclusions

Ellason has worked on the premise that United Utilities has disclosed all the information available to the best of its knowledge and capability. We have excluded the assurance of other disclosures outside of the specific reporting period and scope of work set out above. Ellason has provided limited assurance to United Utilities – which limits the level of review of procedures and information required to achieve assurance, rather than the substantially greater rigour of 'reasonable' assurance (due to the narrative nature of much of the information disclosed).

Recommendations for improvement

None identified.

Limited assurance conclusion

Based on the assurance procedures followed by Ellason, we have found no information to suggest that the disclosures set out in the unaudited sections of the directors' remuneration report are not:

- Prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations and Listing Rules;
- A materially correct and a fair representation of the remuneration policies and structures in operation at United Utilities Group PLC;
- Worthy of the award of limited assurance

Ellason declares that United Utilities has therefore received limited assurance for reporting year ending 31st March 2024.

Lorna Dodson

Signed by Lorna Dodson, Partner, on behalf of Ellason LLP

Issued: 17/05/2024

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