



It's everyone's water

Building a Sustainable Future

Sustainability Report and ESG Statement 2024

Our Sustainability Report – Becoming more sustainable



We're taking steps to tell our sustainability story in a more straightforward way, so you, our stakeholders and customers know what our priorities are, how we're incorporating sustainability into our decision making and what we're doing to build a more sustainable Thames Water.

[Sustainability report](#)

[Case studies – nine themes](#)

[ESG statement](#)

Introduction from Chris Weston



Everything we do is linked to our environment and the communities we serve. Our performance is not where we or our customers expect it to be, and we are taking action to restore our performance as quickly as possible and create the right foundations for the future. I am working to prioritise what is important to our customers and that we deliver it in a sustainable way.

The success of Thames Water matters to our customers, our stakeholders, the environment and the UK's economy and that's why I joined as CEO in January. Despite the challenges facing the business I've been able to get out to see our operations and it's quite incredible what we do every day, much of it taken for granted. We deliver 2.6 billion litres of safe, clean, wholesome, drinking water to over 10 million customers and treat 4.6 billion litres of wastewater for nearly 16 million customers on demand every single day.

Our turnaround plan is already starting to deliver some early results. Our internal sewer flooding performance has improved for the third year running. We have also made a step change in our water quality (CRI) performance and leakage, whilst falling short of our regulatory target, is now at its lowest ever level. Our performance is not where we, or our customers, expect it to be and we are therefore taking action to restore our performance as quickly as possible and create the right foundations for the future.

My priority is the health and safety of our workforce and our customers. I am also focussed on improving operational performance, including pollutions, leakage, and customer service; to invest in our asset health, both the infrastructure we rely on to provide our services and our digital estate; and that we live within our means.

We will focus our resources on those outcomes that will evidence progress to our customers, regulators, shareholders and other stakeholders. To do this, we are delivering a three-year Turnaround Plan. Our plan sets out our ambition to provide a resilient infrastructure that delivers positive outcomes for customers, communities and the environment and can cope with the increasing demands of climate change and demand growth, both substantial challenges in their own right.

By delivering the Turnaround we will demonstrate, to you our customers and stakeholders, through our actions, that we are actively navigating our way back to delivering the service and performance our customers expect today and in the future in a sustainable way.

Our Turnaround plan reflects my focus on understanding root cause issues and prioritising improving key outcomes. It is also the foundation for the delivery of our ambitious plan for customers and the environment during the next regulatory period spanning 2025 to 2030 ("AMP8"). More information about our Turnaround is included in our [Annual Report and Accounts](#).

Sustainability and Thames Water

We've had a longstanding goal to be more sustainable in all areas of our business and this is embedded in our turnaround plan. Sustainability is not an isolated activity that we undertake; it is integrated across all our activities. It is described across the nine sustainability themes of our sustainability policy.

These themes affect each element of environment, social and governance; they reflect what we do as a business but also guide how we do it.

Environment – The world around us sustains us and so we all have a responsibility to look after it today and for future generations. We rely on our rivers, and the groundwater sources that provide much of their flow, for the safe, clean and wholesome drinking water we provide to our customers. We also bear a huge responsibility in treating the wastewater to a standard that can be safely discharged back to those same rivers.

Social – We want to be a positive force for good in our communities and we have great opportunities to do this. We're focused on making sure we look after and support our people as part of 'Team Thames', as well as being a responsible and respected part of the local communities we serve.

Governance – We take our responsibilities as a monopoly provider of an essential service very seriously. We're committed to the highest levels of governance and being led by our Purpose in everything we do.

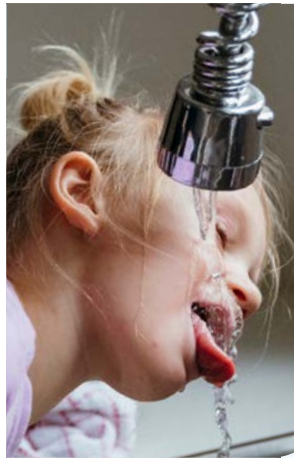
About our Sustainability Report and ESG Statement.

Over the next few pages of our Sustainability Report and Environmental, Social and Governance ('ESG') Statement, you'll find a snapshot of what we've been doing over the last year and our current priorities. In addition, we have included case studies to reflect and bring to life each of our nine sustainability themes. We'll keep updating you on our journey in future reports.

This Sustainability Report also includes our ESG statement, which covers a wide range of ESG metrics with data covering a five-year period to help illustrate transparency, progress, challenges and trends.

Our ESG statement brings together five years of data in an accessible and transparent format to give a balanced view of our current and past performance against ESG measures. By providing these tables, we demonstrate our commitment to transparency and go beyond statutory reporting requirements.

What does sustainability mean to Thames Water?



What we do

We supply clean and safe drinking water to more than 10 million customers every day, and we treat the wastewater of nearly 16 million customers in the South East of England.

Environmental

A healthy natural environment is fundamental to our business - to be able to deliver life's essential service. Protecting the environment and enabling it to thrive is a key part of what we do.

Social

We're focused on making sure we look after and support our colleagues, as well as being a responsible part of the communities we operate in.

Governance

We're committed to the highest levels of governance and being led by our Purpose in everything we do.



Sustainable Development Goals

Supporting the SDGs isn't an additional task for our business - it's part of what we do every day through our purpose to deliver life's essential service, so our customers, communities and the environment can thrive.

We fully support the aspiration of all 17 goals, but there are six specific goals where we believe we can make a real contribution.



9 sustainability themes

- Protecting water, a precious resource
- Managing wastewater and sustainable drainage
- Mitigating climate change
- Adapting to climate change
- Delivering efficient operations
- Investing sustainably for the long-term
- Ensuring responsible operations
- Enhancing customer inclusion
- Maintaining a safe and sustainable workforce



Our purpose...

is to deliver life's essential service, so our customers, communities and the environment can thrive

Our vision for 2050

- Make sure everyone always has access to **top-quality water** and an effective waste system
- Provide outstanding service and **value** for all our customers
- Motivate customers to save water and **protect the environment**
- Use our land to benefit surrounding communities
- Equip local communities with the skills they need to thrive
- Champion our people to **deliver our purpose**
- Invest in our network to **prevent leaks** and keep water flowing
- **Prevent all wastewater pollution** and lead wider efforts to restore river health and increase biodiversity
- Produce all the **green energy** we can to power what we do



A snapshot of the year



Water

- 1,039,913 Smart meters installed since 2016 (total number)
- 570.4 MI/d annual average leakage
- PCC (Baseline) 140.3 litres per person per day
- 99% Security of Supply
- 99.8% compliance with abstraction licences
- Revised draft Water Resource Management Plan submitted

Wastewater

- Published updated River Health Action Plan
- 100% of agreed coverage of Event Duration Monitors
- 99.22% Sewage Treatment Works Compliance
- 100% sludge management compliance
- Construction of Tideway Tunnel Completed

Energy & Carbon

- 268.5 GWh of renewable electricity generated
- Where we couldn't generate enough renewable electricity, we purchased it
- 6% Reduced fossil fuel use
- 1260.4 GWh renewable electricity consumed
- 350.4 Net annual emissions ktCO₂e (market)
- 60.3 KgCO₂e/ML Water GHG intensity (market)
- 158.4 KgCO₂e/ML Wastewater GHG intensity (market)

Community

- 3,357 customers supported through our customer assistance fund
- 358,357 customers on social tariffs
- 450,375 customers on Priority Service Register
- 100 new Apprenticeships

Biodiversity

- 26 sites enhanced
- 94.7% of SSSI sites in favourable condition

Our plans

UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) address challenges such as poverty, inequality, climate, environmental degradation, prosperity, peace and justice. They have been developed to make the world more sustainable by 2030.

The 17 SDGs help describe a road map to a more sustainable future but can only be achieved if governments, businesses, civil society and citizens work together.

Supporting the SDGs is part of what we do everyday as we deliver life's essential service, so our customers, communities and the environment can thrive, it's part of what we do every day.

We fully support the aspiration of all 17 goals, but there are six specific goals where we believe we can make a real contribution.



In the following infographic we have linked the six SDGs that we are actively contributing towards to the water cycle which describes our interaction with customers and the environment. We will update our web site with additional information later in the summer.



Becoming more sustainable

Abstract from rivers and aquifers

- Protecting chalk streams
- Creating partnerships and wetlands
- Improving biodiversity
- Managing invasive species



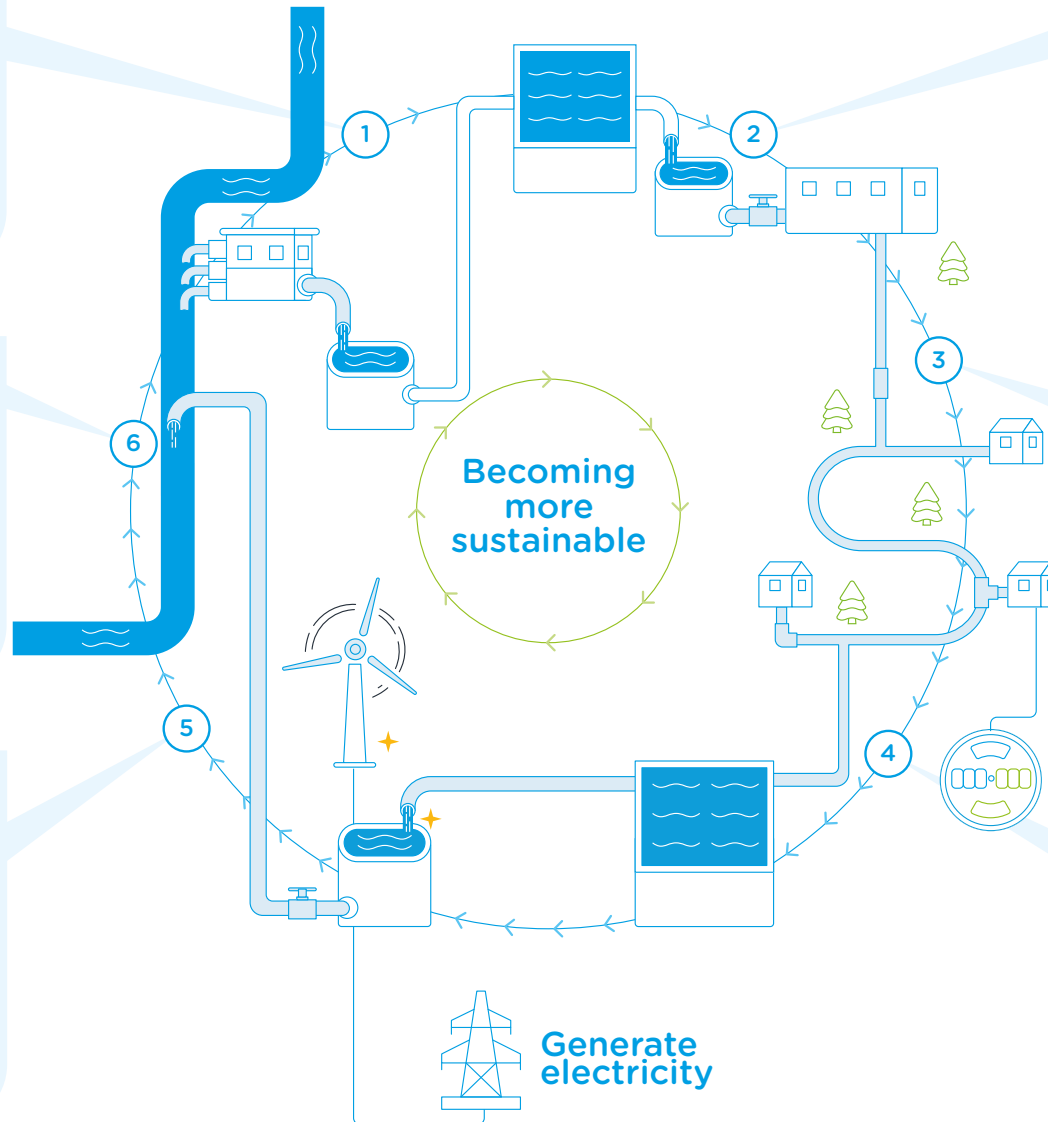
Safe return of clean water to the environment

- Treated sewage sludge used beneficially
- River Health Plan updated
- 100 % of agreed coverage of Event Duration Monitors
- Pollution Incident Reduction Plan updated



Treat wastewater at our sewage treatment works

- Commissioned new Mogden Gas-to-Grid plant
- Generated 27.3 % of our energy needs renewably
- Treated 5,100 MI/d of wastewater each day



Clean water at our water treatment works

- Producing over 2,500 MI/d of clean safe drinking water daily
- Published a 50-year Water Resource Management Plan
- Working with Water Resources in the South East on Strategic Resource Options
- Supporting Water Aid



Deliver water to customers' homes and businesses via our network of pipes

- Provide safe and wholesome drinking water to over 10.5 million customers daily
- Installed over 1 million smart meters to give customer more control over water use
- Financially supported over 358,000 customers via social tariffs



Remove wastewater from customers' homes and businesses

- Safely treating the sewage of nearly 16 million customers daily
- Published our 25 year Drainage and Wastewater Management Plan



Smarter Water Catchments – River Crane

Our rivers are experiencing a range of pressures that are having a serious impact on their health. We recognise that, as one of the major contributors* to this vulnerable state, we have a leading role to play in restoring them.

We also recognise that alone we do not have all the knowledge, answers, capacity, or capability to deliver the necessary changes. We believe the best way to improve the health of rivers is through working in partnership.

What is Smarter Water Catchments?

In 2020 we developed a methodology to put our aspirations into practice, named Smarter Water Catchments. It looks to use an evidence-based approach to identify the most appropriate course of action through data collection, monitoring and analysis working in a unified way with a diverse set of committed stakeholders to deliver catchment-wide solutions to address multiple challenges holistically. We identified three trial catchments; River Chess, River Crane and River Evenlode, that are representative of the varying challenges found across our region. We have developed a set of key themes for each catchment and developed a 10-year action plan, we are working together to achieve.

Progress so far

- Published a [State of the Crane Environment Report](#) in October 2022 outlining the baseline and next steps for each theme.
- Developed two grant funds: a Project Fund and a Community Fund and allocated over £800k of funding to date.
- Engaged with over 70 community-based groups who have an interest in the Crane Valley.
- Expanded the Citizen Crane citizen science water quality programme to include geomorphological and ecological surveys.
- Delivered significant improvements against each of the key themes in the plan (community & access; biodiversity; flood resilience; water quality and geomorphology).
- Unlocked match funding: for every £1 we have invested, we are seeing an additional £4 of investment in the catchment

* <https://theriverstrust.org/rivers-report-2024>



Our future plans

During the final year of the trial (2024/25) and will be focusing on capturing and reporting the benefits delivered since 2020. We will continue to work in partnership to deliver the actions set out in the [10-year catchment plan](#) and provide funding to communities and organisations through the Project and Community Funds.

‘Smarter Water catchments has been a game-changer for our partnership, and for the first time we are seeing significant positive changes in the community and environmental value of the Crane Valley at a catchment level.’

Rob Gray, Chair of Crane Valley CiC

Reducing London Sewer Flooding

In July 2021, many of our customers' homes in central London were devastated by severe flooding after two extreme storms hit the capital. More than a month's worth of rain fell in under an hour resulting in extensive surface water flooding as our drainage systems became overwhelmed.

Whilst the storms that caused this are currently rare, they may happen more often in the future due to climate change. In areas where the flooding experienced was due to sewer flooding, we want to reduce the risk and impact of this happening to customers in the future.

For homes that were impacted by the flooding in 2021 we set up the Sewer Flooding Resilience Programme (SFRP) to provide property-level mitigation to affected homes to reduce the risk of these properties flooding again in the future. In response we have developed a £24 million two-phase mitigation programme to provide sewer flooding resilience and deliver better outcomes for our customers, communities and the environment.

To understand the issue, we undertook a survey the sewers of over 940 properties that reported flooding using our sewer flooding questionnaire.

We used this information together with the flood history of neighbouring properties to understand the risk of specific properties flooding in the future. The survey also helped us identify the best type of solution for high-risk properties.

Where properties were identified at high risk of sewer flooding, we installed a one-way non-return valve (NRV) in the property's sewer connection that significantly reduces the chance of wastewater backing up into the property. Where there is a vulnerable customer living in the property, we have installed one-way valves with a

pump, known as a Flooding Local Improvement Process (FLIP). In Phase 1 which started in December 2022 and will finish in 2024/25 we are spending £14 million to protect 500 properties. As part of phase 2, we have already started work that will protect a further 260 properties from sewer flooding.

NRVs are passive mitigation devices that only allow the flow of fluids in one direction, shutting off when the sewer is full and preventing flooding from our sewers.

A FLIP is an active drainage device, essentially a micro pumping station which continues to pump waste away even if the sewer is full.



Mogden Gas to Grid

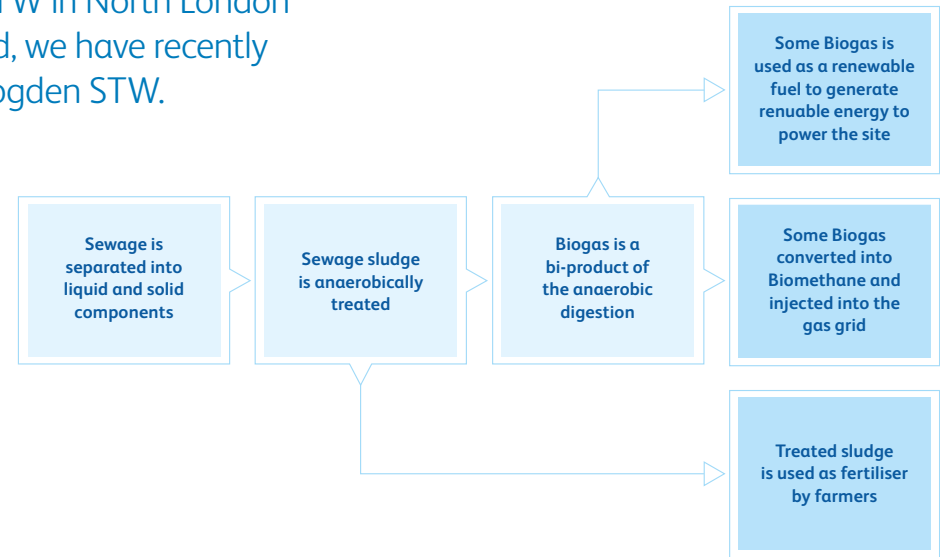
Building on the success of the gas-to-grid model established at Deephams STW in North London in 2021, where biogas is converted into biomethane to inject into the gas grid, we have recently completed the development of our second gas-to-grid plant in London at Mogden STW.

Mogden STW in west London currently serves over 2 million customers and is the third largest STW in the UK and has the potential to reach and supply gas to 4000 homes in West London. This comes as part of the company's commitment on energy transition, by transforming the way it creates and uses power to reach net zero carbon emissions. Last year Thames Water self-generated 497.6 GWh of renewable energy, covering 27.3 per cent of our energy needs, which provides a better environmental outcome for our customers and helps protect the water cycle for future generations.

The new plant will export biomethane into the gas grid to substitute fossil fuel Natural Gas, equivalent to providing the heating and cooking requirements of over 4,000

homes. This is part of the company's commitment on energy transition and resilience, by transforming the way we create and use power to decarbonise our operations.

Biogas is a beneficial bi-product of the anaerobic treatment of the solid part of sewage. Our Gas-to-Grid facility at Mogden takes some of the biogas and filters and scrubs it turning it into Biomethane and then compresses the gas which is then high quality enough to be exported to the gas network. The remaining biogas is used on-site as a renewable fuel to generate renewable energy which is used to power the site.



Councillor Katherine Dunne, Deputy Leader of Hounslow Council and Cabinet Member for Climate, Environment and Transport said:

'The Mogden Sewage Treatment Works upgrade will reduce carbon emissions from the plant and is another positive step on Hounslow's Pathway to Net Zero... We welcome Thames Water's ambitious work to further decarbonise its estate and the positive impact this will have for local communities.'

Climate Change and Planning

Climate change is one of the biggest challenges our business is facing. Our goal is to ensure that we maintain customer water and wastewater service and to ensure that our plans proportionately accommodate current and future risks such as climate change.

We have made significant assessments to understand climate related risks and opportunities, and their impact on our future plans, with more detail in our revised draft Water Resource Management Plan and Drainage and Wastewater Management Plan which cover medium-term and long-term planning assessments risk and responses. These plans directly feed into our Periodic Review financial plan which is submitted to our financial regulator who sets how much we can charge our customers.

Whilst climate change is explicitly considered in these plans, it is not considered in isolation from the other significant risks that impact on our business including population growth, environmental regulation, financeability and affordability to customers.

Further detail about how we reflected climate change in our planning can be found below:

- [Revised draft Water Resource Management Plan 2025-2050](#)
- [Draft Drainage and Wastewater Management Plan 2025-2050](#)
- [Draft Price Review Business Plan 2025-2030](#)

We have interdependencies beyond our own operational boundary that we need to consider. We have actively supported and participated in the development of a regional water resilience plan by Water Resources in the South East (WRSE) whose aim is to secure the water supply for future generations, through a collaborative, regional approach to managing water resources resiliently.

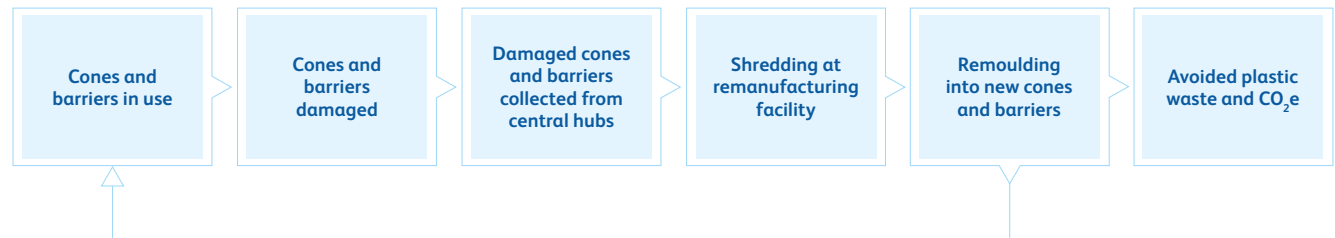
In 2021, we produced an update on how we are responding to climate change for Government called Protecting our Water and World. It described the challenges we face, how we are embedding responses into our plans and progress towards becoming a climate resilient business. During 2024 we will be updating this report and will publish it on our web site at the end of 2024. Protecting our Water and World can be found by following the link [here](#).



Reducing Traffic Management Waste



Every time we undertake street works in public spaces, we use a range of traffic management measures including traffic cones and safety barriers to make sure they are visible, safe and protect the public. In a typical year we need to replace over 14,000 traffic cones and 8,000 safety barriers that have become damaged.



Historically due the lack of options to recycle these items they ended up in landfill which is neither sustainable or environmentally friendly.

Over the past year we have been working in collaboratively with our supplier P. F. Cusack to find a more sustainable way of disposing of traffic management cones and safety barrier and reducing disposal costs and landfill tax.

Our damaged traffic cones and safety barriers no longer go to landfill, they are now recycled, and the plastic recovered and turned into new traffic cones and

safety barriers. This leads to a saving in the amount of plastic going to landfill, disposal costs, avoided landfill tax and avoided carbon emissions.

During the first six months of the contract, we have avoided 8.9 tonnes of plastic waste and 20.7 tonnes of CO₂e emissions. This is equivalent to more than 200,000 one litre single use plastic water bottles.

Delivering the future

Every five years, we develop, consult on and publish our plans for the next financial planning period. We've developed our AMP8 plan through extensive engagement with our customers, our communities, our Customer Challenge Group, our supply chain and the active involvement of our Board.

We have set out our plans for the 2025–2030 period in PR24 Our Business Plan 2025-2030 submitted to Ofwat at the start of October 2023 and updated in April 2024. This plan is supported by our Water Resource Management Plan (WRMP) and Drainage and Wastewater Management Plan (DWMP) which look out as far as 2050.

Water

Our Water Resource Management Plan (WRMP) is a long-term plan that requires us to forecast the future that we update every five years. The further ahead we look the more uncertain the future is, and we take this into account by using an adaptive planning approach that considers a wide-range of potential futures.

Our plan covers the period from 2025 to 2075 and builds on our previous plan WRMP19. We have taken a long-term view, setting a 50-year planning period, recognising the challenges and risks that we face for future water supply. The primary objective of the plan is to ensure that there is sufficient water available to meet anticipated demands, under various weather conditions, but in particular, in dry and very dry conditions, whilst protecting the environment.

Wastewater

We've also developed a 25-year Drainage and Wastewater Management Plan (DWMP) with customers and stakeholders that will reduce future pressures on our wastewater service. It sets out our approach to make sure we can continue delivering our services reliably and sustainably, along with positive outcomes for our customers, communities and the environment, for generations to come.

Our sewers collect your wastewater from loos, showers, washing machines, and sinks; along with rainwater from downpipes. We treat it before returning it back into rivers and waterways. This is getting more difficult, due to our aging assets and the impact of climate change and population growth, and we know we've got a lot to do to get our wastewater service right.

The plan is designed to help protect the environment, look after the health of our rivers, improve resilience to the risks of flooding and generate wider benefits to the communities we serve. Because responsibilities for drainage are spread across a range of different organisations, collaboration across organisations has been fundamental to development of the DWMP.

[Details of our draft business plan can be found here](#)



[Details of our DWMP can be found here](#)



[Details of our WRMP, the options considered including new water resources, and consultation responses can be found here](#)



Our vision for 2050



Our purpose is to deliver life’s essential service so our customers, communities and the environment can thrive. As the world around us changes, we can only deliver our purpose if we change too.

Our vision imagines a world where we’ve learnt from the past and adapted to the future so our customers, communities and the environment can thrive.

We have developed an ambitious vision for 2050 which forms the basis of our Long-term Delivery Strategy (LTDS). Our vision for 2050 combines the key requirements that have been set because of government and regulatory policy, with a further set of ambitions determined through our active customer and stakeholder engagement process.

Our LTDS, describes a long-term plan to set us on the trajectory to achieving our vision for 2050. The strategy identifies a performance trajectory across our key outcomes up to 2050, along with the service improvements and investment that will be needed to deliver them.

More information about the LTDS can be found here



Supporting customers who are struggling to pay



As the cost-of-living crisis continues to impact household finances, we have stepped up our support. We provided £69 million of financial support for customers in 2023/24, supporting more than 358,000 customers, over 16% more than last year.

To support customers who may be struggling to pay their bills we have implemented a three-staged approach:



1 Seek out customers first to increase their awareness of the support we can provide

We do this because only a quarter of our customers are aware that we provide flexible payment plans and 13% that we provide discount tariffs.

2 Act before it is a problem

Once customers engage with us, we can understand their needs and take steps to ensure they do not go further into arrears. Our income and expenditure review plays a key role in this. We assess a customer's ability to pay and match that to a sustainable payment plan, which may include deferment of charges.

3 Provide sustainable support

Using an income and expenditure review will identify if sustainable support is required. We have two main schemes to support our customers:

- **WaterHelp**, which provides a 50% discount on their bill to eligible customers. Find out more [here](#).
- **WaterSure**, which caps a customer's bill at the average value of the bill of other customers if they are on means-tested benefits and additionally have a high dependency on water – from either having responsibility for three or more children or a water dependent medical need. Find out more [here](#).

Extra help – Sometimes our vulnerable customers need a little extra help. Our Priority Service Register (PSR) is a free service designed to give vulnerable customers easy access to extra relevant support during supply interruptions and everyday life. Our PSR is forecast to reach 26% of our eligible population by 2025 increasing to 75% by 2030, registering over 1m customers.

Upskilling our workforce

While currently facing skill challenges, we've developed and implemented a robust strategy to address this gap and prepare for the future. Our focus remains on nurturing diverse talent pipelines and tapping into untapped talent pools.

By understanding local demographics and economic landscapes, we are striving to drive social value and mobility in our communities while meeting our business needs.

Through our skills strategy, we're shaping the future of our workforce - aiming to improve the diversity across our business, create sustainable careers for our people, and provide opportunities for those not in education, employment, or training. We're thrilled to have just passed an important milestone in our journey having placed over 200 people into our business through our community recruitment initiatives.

Over the past two years we've built partnerships with specialist referral partners, invested in outreach to under-represented community groups, removed barriers for the most underrepresented in society and introduced employability programmes that support those who need it most. This includes 'Flow' and 'Surge' which are one-day and three-day courses designed to allow potential employees build the confidence and skills needed to succeed at interview and beyond.

We've been actively working to advance our inclusive recruitment practices and removing barriers to opportunities. This involved reviewing the candidate experience, refining our end-to-end hiring processes, initiating the collection of social mobility data during recruitment and removing barriers to access. Our efforts were recognised when we achieved a commendable score of 9 out of 10 for inclusive recruitment in the WISE 10 steps measurement framework.



More information on our Skills Strategy can be found in our PR24 Business Plan 2025-2030



ESG statement – Introduction



This is our seventh Environment, Social and Governance (ESG) statement. It gives an overview of our ESG performance in one place to make it easier for you, our stakeholders, to find the ESG information you need.

The tables in the following pages bring together five years of data in an accessible and transparent format. As a company we are committed to becoming more sustainable, promoting social responsibility, and maintaining high standards of governance in all aspects of our business. We continue to evolve and continuously improve the data tables and believe that they provide a clear and balanced view of the company's performance against ESG measures.

Our goal is to provide a transparent and comprehensive overview of our ESG performance over the past five years.

Our ESG statement covers the following areas:

- **Environment:** Reflecting the interaction of our operations with the natural environment
- **Social:** Illustrating our relationships with our employees, suppliers, customers and communities, and our impact on the economy
- **Governance:** Covering the way our business is governed, including leadership, remuneration, audits and internal control, and external shareholder dividends

Our ambition is to create value for all of our stakeholders, including customers, employees, shareholders, and the communities where we operate. To help achieve this we recognise that that it essential that we have, and demonstrate, a strong commitment to sustainability and ethical governance.

Environment

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Water	Number of customers – water service (millions)	10.5	10.4	10.3	10.3	10.1	We supply clean, fresh drinking water to 10.5 million customers every day.	Annual Performance Report 2023/2024, p141, Table 4R, Line 28
	Compliance Risk Index - target 0.0	1.43	10.96	2.59	2.42		Our Compliance Risk Index performance this year improved to 1.43. Compliance Risk Index was designed by the Drinking Water Inspectorate to illustrate the risks arising from treated water compliance failures.	Annual Performance Report 2023/2024, p25
	Annual average of daily water into supply (MI/d)	2,524.25	2,574.10	2,547.60	2,589.40	2,602.40	We supply over 2.5 billion litres of clean, fresh drinking water to more than 10 million customers every day.	Annual Performance Report Data Tables, 6B.38
	Compliance with water abstraction licences (%)	99.79	99.84	99.97	99.98	99.89	During 2023/24, we achieved 99.79 % compliance with our daily water abstraction licences.	Thames Water Asset Management Team
	Security of Supply Index (%)	99	99	100	100	100	Our Security of Supply Index was 99 %, which rates our ability to maintain a water supply, particularly during a drought.	Annual Performance Report 2023/2024, p42
	Leakage performance (MI/d), based on a rolling three-year average	591.9	598.3*	603*	636.7*	672.9*	We have incorporated some minor improvements to our leakage reporting methodology to increase our compliance with Ofwat common guidance. Our leakage performance continues to improve and was 591.9 MI/d this reporting year. *We have applied the methodological improvements to our previously reported performance.	Annual Performance Report Team
	Leakage performance (MI/d), annual average	570.4	613.5	591.8	589.6	627.6	This year we have incorporated some minor improvements to our leakage reporting methodology to increase our compliance with Ofwat common guidance. We have applied these improvements to our previously reported performance. Note: previously reported as a rolling three-year average.	Annual Performance Report 2023/2024, p21-22
	Number of new smart meters installed	126,910	145,494	163,521	93,536	97,709	We installed 126,910 new smart meters this year. We have installed over one million smart meters since 2016.	Thames Water Smart Metering Team
Wastewater	Number of customers – wastewater service (millions)	15.9	15.6	15.6	15.6	15.8	We collect and treat the wastewater of almost 16 million customers every day.	Annual Performance Report 2023/2024, p141, Table 4R, Line 28
	Wastewater treatment works discharge compliance (%)	99.22	99.48	98.96	99.74	99.71	This metric is the percentage of our treatment works that are compliant with their discharge permit conditions.	Annual Performance Report 2023/2024, p29
	Annual wastewater treated (MI/d)	5,100	4,272	4,586	4,670	4,642	Over 5 billion litres of wastewater arrives at our sewage treatment works each day, before being treated and safely returned to rivers:	Annual Performance Report Data Tables, 7C.13
	Event Duration Monitor (% compliance)	100*	61.8**	100			* Statistic updated to show % confirmed storm overflows listed with EDM commissioned **For locations where additional Event Duration Monitors were programmed, but not yet installed, data not available. Note: this is a calendar year measure	Thames Water River Health and Community Team

Environment

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Wastewater	Total category 1–3 pollution incidents from sewage related premises (number of incidents)	350	331	271	292	321	"This year we have reduced our serious pollution incidents to 13 (2022:17). We have reported 350 category 1-3 incidents this year. This is due to prolonged periods of heavy rainfall and exceptionally high groundwater levels. Note: this is a calendar year measure"	Annual Performance Report 2023/2024, p23
	Total sewage sludge produced (thousand tonnes dry solids/yr.)	365.6	353.9	371.7	345.3	371.6	All sewage sludge is treated by Thames Water Utilities Limited.	Annual Performance Report Data Tables, 8A.3
	Sludge management compliance with regulations and codes of practice (%)	100	100	100	100	100	We were externally audited against the Biosolids Assurance Scheme standard in 2023 and found to be compliant.	Thames Water Bioresources Team
Climate change	Number of live Biomethane Gas-to-Grid installations	2	1	0	0	0	Building on the success of the gas-to-grid model established at Deephams STW in North London in 2021, we have recently completed the development of our second gas-to-grid plant in London at Mogden STW.	Thames Water Energy and Carbon Team
	Scope 1 emissions – water (kTCO ₂ e)	8.8	6.7	6.4	7	6.5	Includes fossil fuels, site process and fugitive emissions and vehicle transport (Fleet). Scope 1 emissions increased due to further insourcing of Fleet activities.	Thames Water Energy and Carbon Team
	Scope 1 emissions – wastewater (kTCO ₂ e)	215.9	213.7	222.5	214.9	232.8	Includes fossil fuels, site process and fugitive emissions and vehicle transport (Fleet). Scope 1 emissions increased due to further insourcing of Fleet activities.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Market) – water (kTCO ₂ e)	0.0021	*0.0015	0	0	0	*Data restated, as now includes emissions associated with home charging.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Market) – wastewater (kTCO ₂ e)	0.0043	*0.0031	0	0	0	*Data restated, as now includes emissions associated with home charging.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Location) – water (kTCO ₂ e)	104.7	98.0	96.3	97	99.2	Scope 2 emissions have primarily increased due to an increase in the grid emission factor.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Location) – wastewater (kTCO ₂ e)	82.9	75.7	72.9	76.5	77	Scope 2 emissions have primarily increased due to an increase in the grid emission factor. Electricity purchased from the grid also increased due to prioritising biogas use in boilers and for biomethane production rather than self generation.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Market) – water (kTCO ₂ e)	46.9	*47.7	32	34.8	36.4	In 2023/24 we reduced our emissions associated with the purchase of chemicals and disposal of waste. *2022/23 data restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
Scope 3 emissions (Market) – wastewater (kTCO ₂ e)	84.4	*93.1	81.4	80.4	80.8	In 2023/24 we reduced our emissions associated with the purchase of chemicals and disposal of waste. *2022/23 data restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team	

Environment

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Climate change	Scope 3 emissions (Location) – water (kTCO ₂ e)	70.2	*71.1	55.1	58	60.1	In 2023/24 we reduced our emissions associated with the purchase of chemicals and disposal of waste. *2022/23 data restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Location) – wastewater (kTCO ₂ e)	103.0	*111.2	99.7	98.7	99.3	In 2023/24 we reduced our emissions associated with the purchase of chemicals and disposal of waste. *2022/23 data restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Market) – water (kgCO ₂ e/MI)	60.3	*57.9	41.6	44.3	44.7	Market-based GHG emissions intensity for water increased. *2022/23 data restated.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Market) – wastewater (kgCO ₂ e/MI)	158.4	*192.5	178.3	171	183.3	Market-based GHG emissions intensity for wastewater decreased.*2022/23 data restated.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Location) – water (kgCO ₂ e/MI)	199.3	*187.5	170.6	172	173.1	Location-based GHG emissions intensity for water increased. *2022/23 data restated.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Location) – wastewater (kgCO ₂ e/MI)	212.4	*251.8	232.8	226.6	239.6	Location-based GHG emissions intensity for wastewater increased.*2022/23 data restated.	Thames Water Energy and Carbon Team
	Total electricity consumed (GWh)	1,260.4	1,248.9	1,244.3	1,260.3	1,301.4	The wet weather experienced in 2023/24 contributed to a reduction in efficiency in our wastewater systems, leading to an increase in electricity consumption.	Thames Water Energy and Carbon Team
	Grid electricity consumed (GWh)	905.7	897.9	874.6	897.7	911.3	Thames Water buys 100% renewable electricity via our supplier. Electricity purchased from the grid increased due to prioritising biogas use in boilers and for biomethane production.	Thames Water Energy and Carbon Team
	Renewable grid electricity consumed (GWh)	905.7	897.9	874.6	897.7	911.3	Thames Water buys 100% renewable electricity via our supplier. Electricity purchased from the grid increased due to prioritising biogas use in boilers and for biomethane production.	Thames Water Energy and Carbon Team
	Renewable electricity self-generated consumed (GWh)	268.5	266.8	297.1	290.6	305.4	Renewable electricity self generated and used on site by CHP, SPG, wind and own PV.	Thames Water Energy and Carbon Team
	Renewable energy self-generated consumed (GWh)	497.6	410.3	455.6	470.3	516.7	Renewable energy self generated and used on site by CHP, SPG, wind and own PV and heat increased by 87.3 GWh.	Thames Water Energy and Carbon Team
	Renewable electricity self-generated consumed (%)	21.1	21.3	23.8	22.9	23.4	% Renewable electricity self generated and used on site by CHP, SPG, wind and own PV of our total electricity consumption.	Thames Water Energy and Carbon Team
	Renewable energy self-generated consumed (%)	27.3	27.1	27.2	25.8	25.3	% Renewable energy self generated and used on site by CHP, SPG, wind and our own PV and heat of our total energy consumption. Renewable heat generation increased by 8GWh.	Thames Water Energy and Carbon Team

Environment

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Biodiversity	Biodiversity – Sites of Special Scientific Interest in favourable condition (% of Ha)	94.7	94.5	94	50.89	50.89	Natural England have classified that 94.7% (hectares) of our SSSI land are considered to be in a healthy state and are being conserved by appropriate management	Thames Water Biodiversity Team
	Biodiversity – Sites of Special Scientific Interest favourable condition/unfavourable recovering (%)	100	99.8	100	99	99	100% of our SSSI land area is classified as 'favourable' or 'unfavourable recovering' by Natural England.	Thames Water Biodiversity Team
	Number of sites improved for biodiversity and access (in year)	26	46	44	41	18	26 Sites for Enhancement Biodiversity and Access projects were completed during 2023/2024.	Thames Water Biodiversity Team
Policies	Environment Policy	Yes	Yes	Yes	Yes	Yes	We are committed to continually improving our environmental performance, protecting and enhancing the environment in which we operate, preventing pollution and sustainably managing water resources.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Climate Change Policy	Yes	Yes	Yes	Yes	Yes	We believe that a twin track approach of managing the unavoidable impacts of climate change on our business ('adaptation'), combined with a reduction in our greenhouse gas emissions ('mitigation'), is essential if we are to manage the challenges that climate change represents.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Biodiversity Policy	Yes	Yes	Yes	Yes	Yes	To balance the needs of the animals, plants, birds and insects that call our sites home we are committed to continually improving our biodiversity performance at those sites and beyond, whilst aiming to deliver our services in the most sustainable way.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies

Social

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Customer	C-Mex - scored out of 100	71.74	67.06	68.86	72.91		We have improved our C-MeX score to 71.74 this year, however we remain 17th in the industry.	Annual Performance Report 2023/2024, p33
	D-Mex- scored out of 100	74.49	80.46	79.64	77.56		Our D-MeX score is now 74.49, placing us 17th in the industry rankings.	Annual Performance Report 2023/2024, p33
	Priority Services Register, number of customers registered	450,375	358,899	280,000	197,000	82,000	We have increased the number of individual customers on the Priority Services Register to more than 450,000.	Annual Performance Report 2023/2024, p32
	Number of customers helped to pay their water bills through our customer assistance fund	3,357	9,608*	5,000	3,767	5,613	We helped support 3,357 customer to pay their water bills through our customer assistance fund. *Restated 2023/2024	Thames Water Customer Strategy Team
	Customers on social tariffs (Water Sure and Water Sure Plus) (No.)	358,357	306,506	267,033	210,000	circa 150,000	We are helping 358,257 customers on social tariffs, up from 306,506 in 2022/23. The tariffs reduce bills by up to 50%.	Annual Performance Report 2023/2024, p46
Health & Safety Policy	Health & Safety Policy	Yes	Yes	Yes	Yes	Yes	We have a clearly defined strategy, safety protocols and standards that are set, monitored and reported to our Board members and executive team each month. We continue to introduce initiatives based on emerging risk areas to reinforce our vision of Zero incidents, Zero harm and Zero compromise every day. The policy applies to all employees, contractors and partners.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Lost time injury frequency rate - Employee (over 1 day per 100,000 working hours)	0.13	0.17	0.15	0.08	0.15	Our employee lost time injury frequency rate decreased from 0.17 to 0.12.	Annual Report 2023/2024, p13
	Number of lost time injuries - Employees	21	22**	27	12	25*	We had 21 lost time injury incidents involving Thames Water employees in the reporting year. *Restated 2020/21. **Restated 2023/2024	Thames Water Health, Safety & Wellbeing Team
	Number of fatal employee accidents	0	0	0	0	0	There were no fatal employee accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of customer or community accidents	0	0	0	0	0	There were no HSE reportable customer / community accidents at Thames Water sites in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of fatal customer or community accidents	0	0	0	0	0	There were no fatal customer/community accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Contractor - Lost time injury frequency rate (over 1 day per 100,000 working hours)	0.13	0.15				Our contractor lost time injury frequency rate decreased from 0.15 to 0.13.	Thames Water Health, Safety & Wellbeing Team
	Contractor - Number of lost time injuries	20	10				We had 20 lost time injury incidents involving contractor employees in the reporting year.	Thames Water Health, Safety & Wellbeing Team
Number of fatal contractor accidents	0	1				There were no fatal contractor employee accidents in the reporting year	Thames Water Health, Safety & Wellbeing Team	

Social

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Corporate Responsibility	Charitable grants and community investment (£million)	0.145	1.13	0.93	0.44	0.07	We provided £145k of support through community grants and community investment.	Thames Water Corporate Responsibility Team
	Charitable grants projects (No.)	34	43	97	52	25	Last year we contributed charitable funding to 34 projects across a variety of organisations including Sea Scouts, rowing clubs, and Search & Rescue	Thames Water Corporate Responsibility Team
	Community projects supported (No.)	14	40	68	1		We completed 14 projects funded by our Charitable Investments programme	Thames Water Corporate Responsibility Team
	WaterAid support (£K)	233	140	108	55	266	We raised £233k for our new WaterAid country project in Madagascar	Thames Water Corporate Responsibility Team
	Employee volunteering (Hours)	4,670	3,724	2,602	729	4,764	Last year the number of employee volunteering hours increased.	Thames Water Corporate Responsibility Team
Human Resources	Diversity and inclusion policy	Yes	Yes	Yes	Yes	Yes	Our internal diversity and inclusion policy provides employees and managers with the knowledge, guidance and support needed to ensure Thames Water is a diverse and inclusive great place to work.	Internal policy
	Employee diversity (% female employees)	32	32	32	33	33	32% of our whole business salaried employees are female.	Annual Report 2023/2024, p33
	Manager diversity (% female managers)	32	32	33	35	35	32% of our management level salaried employees are female.	Thames Water Human Resources Team
	Executive diversity (% female)	38	42	36	33	33	42% of our executive team are female.	Annual Report 2023/2024, p33
	Number of direct employees	7,851	7,869	7,453	7,144*	6,404	Salaried employees only. All Company employees are based in the United Kingdom. * In 2020/21 we changed our way of recording employee numbers to average salaried FTE.	Thames Water Human Resources Team
	Number of contractors	70	114				Contractors - employees who are not directly employed by Thames Water but who occupy a permanent position in the headcount structure.	Thames Water Human Resources Team
	Gender pay gap (%)	5.2	5.3	9.1	9.5	8.5	The gender pay gap is the difference in the average earnings between men and women, regardless of the work they do.	Annual Report 2023/2024, p33
	Employee turnover - Total (%)	17	18	15	7	15	Last year our total employee turnover was 17%.	Thames Water Human Resources Team
	Employee turnover - Voluntary (%)	12	13	13	6		Last year our voluntary employee turnover was 12%.	Thames Water Human Resources Team
Employee training (thousand days)	34.5 circa	25.5 circa	16.6 circa	9.1 circa	19.5 circa	During 2022/23 there were circa 34,500 training days.	Thames Water Human Resources Team	

Social

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Human Resources	Employee absenteeism rate (%)	3	3**	7.43	5.91*	3.5	The rate is calculated by dividing the total number of sickness absence days in a 12-rolling months period by number of total number of planned working days in the same period. This calculation is more in line with standard practice. *In 2020/21 we changed our way of recording absenteeism to days rather than as a percentage. ** In 2022/23 we changed our way of recording absenteeism to a percentage format.	Thames Water Human Resources Team
	Employee relations – strikes (No.)	0	0	0	0	0	There were no strikes in 2023/24.	Thames Water Human Resources Team
	Employee engagement survey engagement score (%)	80	69	69	75	64	80% of colleagues responded to our annual employee engagement survey in April 2023, our highest-ever response rate.	Annual Report 2023/2024, p19
	Human Rights issues addressed	Yes	Yes	Yes	Yes	Yes	We acknowledge and operate in accordance with the United Nation’s guiding principles on business and human rights. We promote human rights through our employment policies and practices and through our supply chain. We have policies and processes in place which ensure we’re compliant with these requirements, and they’re enforced throughout our business.	Annual Report 2023/2024, p47
	Statement on Modern Slavery	Yes	Yes	Yes	Yes	Yes	Our 2023 Modern Slavery Act statement can be found on our website.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Whistleblowing	Yes	Yes	Yes	Yes	Yes	We have a 24-hour Employee Assistance Helpline available and a robust whistleblowing mechanism in place.	Annual Report 2023/2024, p26
Supply Chain	Procurement spend (£billion)	2.72	2.3	1.95	1.83	1.82	Last year our procurement spend was £2.72 billion.	Thames Water Procurement Team
	Average days taken to pay supplier on receipt of correct invoice (no. of days)	54	54	54.4	58	57	Last year the average days taken to pay supplier on receipt of correct invoice reduced to 54 days.	Thames Water Procurement Team
	Number of strategic frameworks	164	165	175	169	203	We operate in a regulated industry which means that the process to become one of our supply partners has a formal structure. We recognise that we can’t solve all our challenges alone and we need excellence in our supply chain to help us deliver for our customers. Our partners are a big part of our success.	Thames Water Procurement Team
	Number of unique suppliers in strategic framework arrangement	450	433	431	427	408	We have a diverse network of suppliers delivering everything from everyday equipment to operations and maintenance services. They range from large multi-nationals to small micros businesses.	Thames Water Procurement Team
	Number of contractors/ supplier with a valid Achilles H&S audit	505	538				As part of our focus on “Zero Compromise,” we have a process for assessing the health and safety competency of our contractors and suppliers. Assessments are conducted independently on our behalf by the Achilles organisation using the utilities verification and assessment scheme UVDB verify.	Thames Water Procurement Team

Social

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
S C	Honest and Ethical Behaviour	Yes	Yes	Yes	Yes	Yes	To provide the best possible service and safeguard our employees, we're committed to conducting all aspects of our business in an honest, ethical and transparent manner. Employees undertake mandatory Ethical Behaviour training annually.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
Legal	Environmental prosecutions (No.)	1	0	2	3	1	We were fined £3.34 million for a pollution that happened in Crawley in 2017. There has been a thorough internal investigation since.	Annual Report 2023/2024, p5

Governance

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Board	Ownership	Private	Private	Private	Private	Private	Thames Water is a privately-held organisation, with shareholder representation on the Board of Directors and its committees.	Annual Report 2023/2024, p53
	Country of incorporation	UK	UK	UK	UK	UK	Thames Water operates solely in the South East of England.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-structure
	Board governance detailed and reported in Annual Report and Annual Performance Report	Yes	Yes	Yes	Yes	Yes	We describe compliance with the UK Corporate Governance Code 2018 in our Annual Report 2023/24.	Annual Report 2023/2024, p52
	Compliance with UK Corporate Governance Code Statement.	Yes	Yes	Yes	Yes	Yes	The Board ensures that the Company's governance processes align with the UK Corporate Governance Code 2018, which applies to 2023/24, and Ofwat's Principles of Board Leadership, Transparency and Governance, which are built in to our own governance framework.	Annual Report 2023/2024, p52
	Independent Chairman	Yes	No	No*	Partial*	Partial*	Sir Adrian Montague was appointed chairman in July 2023. * Restated in 2022/23	Annual Report 2023/2024, p52
	Independent Board members (%)	50	55	55	46	50	The board is chaired by Sir Adrian Montague and consists of two Executive Directors, 5 Independent Non-Executive Directors and two Non-Executive (Investor) Directors. At 31st March 2024.	Annual Report 2023/2024, p54-55
	Female Board members (%)	30	36	36	31	16.6	3 out of 10 (30%) board members are female.	Annual Report 2023/2024, p56
	Public reporting on Executive reward and remuneration	Yes	Yes	Yes	Yes	Yes	Our remuneration policy is built on principles designed to attract, retain and motivate our leaders and senior management and ensure they are focused on delivering business priorities within a framework designed to promote the long-term success of the Company. This policy underpins the activities of the Remuneration Committee.	Annual Report 2023/2024, p78-87
	Corporate structure and explanation included in Annual Report	Yes	Yes	Yes	Yes	Yes	We reported ownership of Thames Water and those subsidiaries that connect Kemble Water Holdings Limited to the regulated company, Thames Water Utilities Limited.	Annual Report 2023/2024, p53
	Provision in place to prevent disempowerment of investors	Yes	Yes	Yes	Yes	Yes	Thames Water Utilities Limited Articles of Association set out rules governing the Board, its directors, and shareholders.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-structure
Political donations	No	No	No	No	No	We do not make political donations.	Annual Report 2023/2024, p96	

Governance

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Financial	Pensions deficit (£ million)	119.1	176	245	219.2	114.6	As of 31 March 2024, the net pension deficit is £119.1 million.	Annual Report 2023/2024, p146
	Regulatory Capital Value (£billion)	19.9	18.9	16.6	15.0	14.7	The regulatory capital value (“RCV”) has been developed by Ofwat as a measure of the regulatory net book value of our assets. In the last financial year the RCV increased to £18,945 million	Annual Report 2023/2024, p45
	Underlying revenue (£million)	2,401	2,180.7	2,092.0	2,032.9	2,108.5	All revenue is derived from activities based in the UK. Revenue on Bazalgette Tunnel Limited’s activities is disclosed separately to the Company’s underlying performance. Our underlying revenue for the year ended 31 March 2023 was £2,401 million.	Annual Report 2023/2024, p43
	Credit Rating	Baa3 negative	Baa2 stable	Baa2 stable	Baa2 stable	Baa2 stable	In April 2024, Moody’s completed a periodic review of TWUL Group ratings, with the Corporate Family Rating (“CFR”) for TWUL downgraded to Baa3 with a negative outlook.	Annual Report 2023/2024, p45
	Publicly available clear and transparent position on tax strategy	Yes	Yes	Yes	Yes	Yes	Our tax strategy is available on our website.	Thames Water website – https://www.thameswater.co.uk/about-us/governance/our-policies
	Publicly available clear and transparent position on finances and financial structure	Yes	Yes	Yes	Yes	Yes	We regularly update and publish an explanation of our structure and finances in ‘Our Finances Explained’. It was last updated in October 2022.	Thames Water website – Our Finances Explained - https://www.thameswater.co.uk/about-us/investors
	Underlying Operating Profit (£million)	445	271.6	344.4	415.2	513.4	Our underlying operating profit for the year was £445 million.	Annual Report 2023/2024, p44
	Tax paid (£million)	287	258	218	229	196	During this financial year, we paid significant contributions to HMRC totalling £287 million in business rates, national insurance contributions, PAYE and other taxes.	Annual Report 2023/2024, p44
	Dividends paid to external shareholders (£million)	0	0	0	0	0	No distributions were made to external shareholders relating to 2023/24.	Annual Report 2023/2024, p46
	Bad debt (%)	4.3	4.0	3.2*	4.1	3.4	Our total bad debt charge equates to 4.3% of total gross revenue. We are working hard to reduce bad debt and have implemented several initiatives to reduce the overall charge as a percentage of gross revenue. * Restated in 2022/23	Annual Report 2023/2024, p43
	Outcome delivery incentive performance penalties (£million)	-38.564	-82.277	-35.528	-29.252	0.89	Our performance this year means that we have incurred both penalties and rewards. The amount we incur is also known as outcome delivery incentives (ODI) and depends on how far we’ve missed or exceeded the target for an individual performance commitment, and specific calculation rules set by Ofwat. *Restated in 2022/23	Annual Performance Report 2023/2024, p17

Governance

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Risk	Transparent risk management process in place reviewed by the Board (including legal/litigation) and material risks reported in Annual Report and Annual Performance Report	Yes	Yes	Yes	Yes	Yes	Our Board has ultimate responsibility for maintaining a sound system of risk management and internal control. The Audit, Risk and Reporting Committee evaluates the effectiveness of our overall risk management framework and makes recommendations for improvement. Our risk management process is developed to align with the Risk Management International Standard, ISO 31000, which aids our compliance with the Financial Reporting Council's UK Corporate Governance Code guidance on risk management.	Annual Report 2023/2024, p21-27
Stakeholder	Stakeholder engagement programme	Yes	Yes	Yes	Yes	Yes	Moving forward together is central to our turnaround and this year we've continued to engage extensively with our stakeholders so that everyone's included on our journey to turn around Thames Water.	Annual Report 2023/2024, p19-20
ESG	Environment, Social and Governance (ESG) Statement	Yes	Yes	Yes	Yes	Yes	As part of our commitment to increase transparency of the organisation we have developed this ESG Statement.	This document
Policies	Public Value policy (Formally Corporate Responsibility policy)	Yes	Yes	Yes	Yes	Yes	Our aim is to understand what others expect of us and to look for opportunities to work in partnership with them. We aim to be responsive to the needs of all our stakeholders, including our customers, employees, government, shareholders, investors, regulators, suppliers, alliance partners, and the wider community in which we operate.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Data protection policy (and privacy policy)	Yes	Yes	Yes	Yes	Yes	Our data protection policy sets out the data protection principles and obligations under the Data Protection Act 2018 with which we must comply. Our Thames Water privacy notice is available on our website. It explains how we process the personal data of our customers and other individuals with whom we have contact. We have a separate privacy notice outlining how we process our employees' data. We regard sound privacy practices as a key element of corporate governance and accountability.	Internal policy
	Cybersecurity policy/monitoring/training	Yes	Yes	Yes	Yes	Yes	Recognising the threat of cyber security, particularly in our industry, we rolled out cyber security and general data protection regulation ("GDPR") training across the business. Employees undertake mandatory Cyber Security awareness training annually.	Part of our Internal Security policy
	Honest and Ethical Behaviour policy	Yes	Yes	Yes	Yes	Yes	To provide the best possible service and safeguard our employees, we're committed to conducting all aspects of our business in an honest, ethical and transparent manner.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies

Governance

	Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Commentary for 2023/24	Data Source 2023/24
Policies	Sustainability policy	Yes	Yes	Yes	Yes	Yes	Striking a balance, doing the right thing for people, for the performance of our business and for the natural environment is what being more sustainable means to us.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Procurement policy	Yes	Yes	Yes	Yes	Yes	Our procurement policy incorporates our position on maintaining a sustainable supply chain and sets out how we source and procure all goods and services across the business responsibly, ethically and sustainably.	Internal policy



It's everyone's water

This document covers the period 1 April 2023 to 31 March 2024