

WSX44 - Our assurance strategy and assurance statements

Business plan
2025-2030



Wessex Water
YTL GROUP

FOR YOU. FOR LIFE.

WSX44 - Our assurance strategy and assurance statements

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For annexes, see supporting document WSX45 – Annexes – assurance reports

This supporting document is part of Wessex Water's business plan for 2025-2030.

Please see 'WSX00 – Navigation document' for where this document sits within our business plan submission.

More information can be found at [wessexwater.co.uk](https://www.wessexwater.co.uk).

Executive summary

This document sets out the Board's assurance statement. It is supported by detailed evidence as to the Board's involvement in the development of the plan as well as challenge to the recommendations.

It also sets out the external assurance activity completed to support the Board's approval of the statement, alongside the wider governance of the plan.

We fully recognise and embrace the importance of Board level challenge of the PR24 Business Plan (the "Plan") and are clear that our Board is fully satisfied that the Plan represents the long-term vision and ambition of the Company within the current statutory and regulatory requirements.

We have a very experienced and talented Board, and, as we have evidenced, we have fully engaged and utilised those talents at every stage of the development of the Plan. This is how we have ensured that the final Plan represents a high quality, financeable and deliverable part of a long-term strategy to provide the services that our customers want and is affordable.

The Board's scrutiny of the Plan and engagement with it, is founded on the Board having assured itself that Wessex Water's internal systems for generating the data and information on which the Plan is based are consistent, accurate and assured and that there are effective internal systems, controls, and processes to ensure that the data and information on which the Plan is based are wholly reliable. This has provided the basis for the Board to robustly challenge Company management on all the key elements of the Plan and as a whole.

The Board has been particularly focused on ensuring that all the elements of the Plan have been stress tested, considering multiple options to mitigate risks across a wide range of scenarios and we are confident that the Plan is adaptive to future developments. While the future is by nature uncertain, our Board involvement with the Plan has helped to ensure that the Plan provides a robust five-year foundation for taking us from where we are now to delivering on our longer-term objectives, while continuing to meet our statutory and licence obligations, across an extremely wide range of future eventualities in an efficient and customer focused manner. The Water Industry National Environment Programme (WINEP) will require updating to take into account recent legal and regulatory changes including nutrient neutrality and Common Standards Monitoring Guidance.

There are other areas where there has either been regulatory resistance or lack of response to proposals that are material to the company meeting its statutory and licence obligations. The members of the Board have also recognised that scrutiny of the Plan must align with their wider statutory duties under the Companies Act including the need to promote the success of the Company. In considering and challenging the Plan, the Board has therefore considered the long-term consequences of their decisions, the fostering of relationships with suppliers and customers and the impact of operations on the community and the environment and concluded that it is consistent with ensuring a deliverable, affordable and financeable Plan that achieves the goals set for the Company.

Finally, as a Board we are confident that the Plan comfortably exceeds Ofwat's minimum expectations for a Quality Plan and we are proud of the ambition it shows to exceed the expectations of our current and future customers and deliver high quality water and sewerage services for them on an affordable basis into the long term.

The following sets out the PR24 governance and assurance process and includes detailed evidence of the challenges and decisions made by the Board.

1. Our assurance strategy

1.1. Introduction

Owat is using the Quality and Ambition Assessment (QAA) to assess company plans. The quality element of the QAA includes six test areas including 'Data, information and assurance'. There are five elements to the data, information and assurance test:

1. The plan is accessible and follows a clear structure, meeting our requirements as specified in our guidance, such as page and document limits where specified.
2. The company's PR24 business plan is fully consistent with the long-term delivery strategy and the company presents a single adaptive strategy, rather than multiple alternate plans.
3. The company provides sufficient and convincing evidence to demonstrate how its track record of performance, or lessons learnt from poor performance, support the credible delivery of the proposals in its plan.
4. The company's full Board provides an assurance statement that meets our Board assurance requirements as specified in our guidance.
5. The company provides the data and information as requested in our methodology and business plan tables. This data and information is consistent, accurate and assured using effective internal systems, controls, and processes.

This section sets out the processes we have followed in order to provide the data and information requested. It details the internal systems, controls and processes used to ensure the data and information provided is consistent, accurate and assured.

1.2. Our governance and assurance framework

1.2.1. Our assurance framework

Audit and assurance policy

The Company developed an Audit and Assurance Policy (AAP) for the Plan, explaining the approach to governance and assurance at the first, second, and third lines of defence. The AAP was reviewed and approved by the PR24 Non-Executive Group.

The overall approach to assurance is governed by the business risk assurance map, which is published on the website [here](#). The business risk assurance map is based on three levels of defence:

- First level of defence:** director and management oversight of 'business-as-usual' risk mitigation measures covered by policies and procedures.
- Second level of defence:** functions that oversee or specialise in risk management and/or compliance.
- Third level of defence:** functions that provide independent assurance, e.g., external audit.

The AAP was based on the assurance requirements set out in the PR24 Final Methodology. It includes a responsibility schedule for each area of the assurance statement.

Assurance process

The Regulatory Assurance Manual (the “**Manual**”) outlines the Company’s framework for the assurance of data and information, including submissions to Ofwat such as the Plan. The overall approach is governed by the Company’s business risk assurance map, which is based on three levels of defence. This is supported by the Company’s corporate risk management process.

A specific risk register was established for the PR24 programme. This was supported by the corporate risk policy which includes risk guidance to assess and rank risk based on the financial, customer, public health, environmental, regulatory/legislative requirements and health and safety impacts. Each risk was identified, and assessed for its inherent and residual exposure, identifying all control measures.

We used the processes set out in the Manual for assurance of the Plan. These are detailed below.

The PR24 programme was subject to assurance processes at the first, second and third lines of defence. The key assurance activities were:

- External audit
- Peer review
- Certification of data tables

External audit

We engaged external technical auditors (Mott MacDonald) to provide the principal external assurance of the Plan. Their scope included:

- Reviewing the requirements of the Board Assurance Statement
- Checking the data tables
- Checking that the Plan meets the “must” requirements of the regulatory guidance – those actions relating to statutory requirements, that may lead to a Plan that is not legally compliant if not met.

Any recommendations arising from the external audit of the assurance process have been reflected in the Plan. The recommendations were all minor and included observations, all of which were acted upon, such as:

- Additional detail in method statements, for example when compared to the Annual Performance Report, to aid transparency.
- Inconsistencies in the data tables, typically as a result of the interconnected nature of tables.
- Additional information in commentaries to better communicate the plan development.

Peer review

As the Plan was developed and revised following either challenge or changing requirements, a range of leading internal and external experts were engaged to develop the relevant component parts of the Plan.

Certification of data tables

The certification process used for regulatory submissions is detailed in the Manual. This process was followed for all the PR24 data tables. For each of the tables a compiler, owner, and reviewer were identified. These are defined as per the descriptions in Table 1 below.

Table 1: Data table role descriptions

Role	Description
Compiler	The person responsible for compilation of data or information into the format required.
Owner	Senior manager with overall responsibility for the data and information, including checking that the correct methodology has been followed and reviewing and challenging commentary where provided.
Reviewer	The Director or Head of Department responsible for the area of the business that the data or information relates to. Assesses submissions for alignment with strategic direction.

The flow of data in the certification process is:

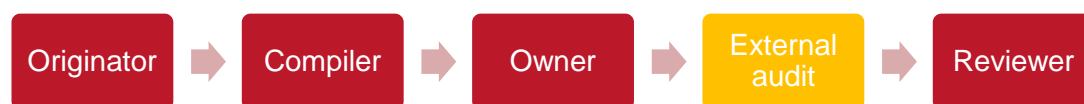


Figure 1 - Certification process

The certification process was managed through a SharePoint workflow. Each role was required to certify that:

- Information is accurate, reliable, and complete in all material respects.
- Data represents a true and fair view of transactions / performance of the company.
- Estimates / projections have been made in good faith, based on reasonable assumptions.

Board engagement

Given the critical importance of the Plan, and the need for significant engagement and challenge to be fully satisfied that the Plan represents the long-term vision and ambition of the Company, the Board formed a dedicated PR24 Non-Executive Working Group and Executive Group to support and challenge the Plan and associated submissions. Where required, the Audit and Risk Committee (also formed of Non-Executive Directors) considered parts of the Plan and made recommendations to the Board for approval of key submissions during the process.

We recognise that good assurance and governance of our submissions are vital if stakeholders are to have confidence in the data and information presented.

The AAP is supported by an assurance plan, which details the sources of third line external assurance in relation to the Board assurance statement requirements. This is in addition to the assurance at the first and second lines. The PR24 Assurance Working Group has oversight of the scope of any external assurance engagements.

The external assurance carried out in relation to each area of the Board assurance statement is detailed below.

The high-level governance structure for the Plan is shown below:

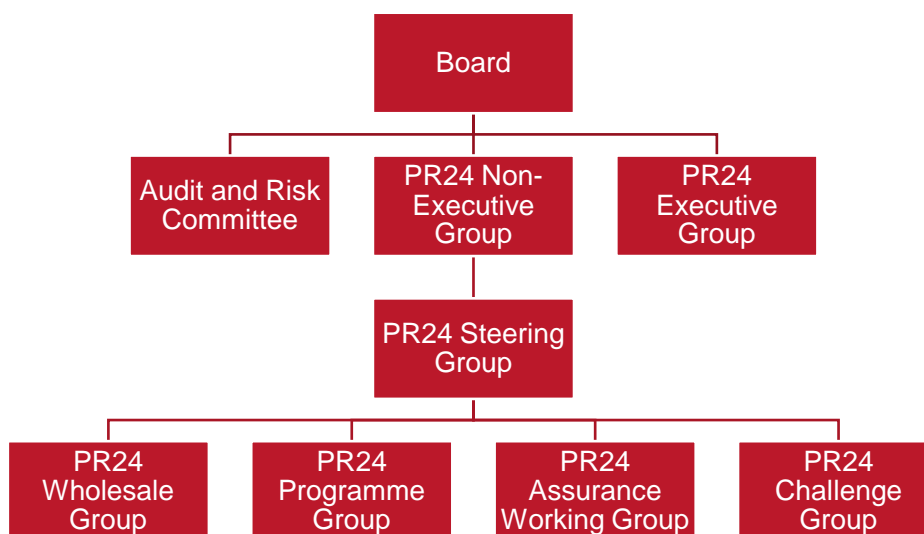


Figure 2 - PR24 Governance Structure

The following groups supported delivery of the Plan:

Audit and Risk Committee: This Committee comprises all the independent non-executive Board members. Its role in this context is to:

- scrutinise the Company's proposals, information, and data submissions,
- ensure that these submissions are accurate, reliable, and complete, and consistent with the Company's statutory obligations,
- report at each Board meeting the outcome of its activity at the previous meeting. It may also recommend to the Board whether we can approve the submission of regulatory information.

The Audit and Risk Committee was used to formally approve matters that were discussed by the PR24 Working Group.

PR24 Non-Executive Group: This group comprised the Non-Executive Directors with key management personnel attending to provide updates. The responsibilities of the group were broad and included ensuring that the Company had appropriate processes in place to provide effective assurance of the Plan.

PR24 Executive Group: This group comprised the full Executive Leadership Team (Chief Executive, Chief Finance Officer, Chief Operating Officer, and Chief Compliance Officer) as well as the Director of Strategy and Regulation, the Group Director of Environmental Futures, the Director of Risk and Investment, and the PR24 Programme Manager as secretariat. The responsibilities of the PR24 Executive Group were broad and included:

- setting the strategy for the Plan, and recommending the approach to the Board.
- challenging the PR24 Steering Group to deliver a Plan that meets the Company's purpose, strategy, and values.
- monitoring and actioning strategic risks to the delivery of the Plan.
- recommending approval of the Plan to the Board.

The members of the PR24 Executive Working Group and PR24 Non-Executive Group are detailed below.

Table 2 – PR24 Non-Executive Group

Name	Experience
Jim McKenna	<p>Jim has a background in technology and services, working with a number of early-stage technology companies as both an investor and mentor. In his executive career Jim was the chief operating officer at Logica PLC having previously worked for GEC-Marconi and the Plessey Company PLC.</p> <p>Appointed to the Board of Wessex Water Services Limited in June 2019, he became the senior independent director in November 2020. Jim is a member of the nominations, remuneration and audit committees.</p> <p>Jim is the chairman of the Liverpool School of Tropical Medicine and chairman of the SS Great Britain Trust. He is also vice-president of Catch22, a social business he helped create in 2008.</p> <p>Previously chairman of Parsons Brinckerhoff (Europe) and chairman of Azzurri Communications, Jim also chaired the Senate at the University of East London and was a member of the government's Senior Salaries Review Board.</p>
Kate Mingay	<p>Kate has extensive experience of energy and transport infrastructure in both the public and private sectors, as well as the economic regulatory environment. Building on her corporate finance background, Kate has worked on structuring and funding investment in large scale, complex, projects in a variety of senior roles.</p> <p>Kate began her career with S G Warburg (subsequently UBS), before moving to Goldman Sachs, later becoming Director, Corporate Finance at the Department of Transport. She was a member of HM Treasury's Major Projects Review Group.</p> <p>Appointed to the Board of Wessex Water Services Limited in June 2019, Kate was appointed chair of the audit and risk committee in August 2020. She is also a member of the remuneration, nomination, and environmental and public value committees.</p> <p>Kate is currently the Senior Independent Director at Mutual Energy and a trustee of the British Science Association having previously been a NED at Ansaldo STS S.p.A. (now Hitachi Rail STS). She is actively involved in economic and corporate finance consulting including being a senior adviser at Cambridge Economics Policy Associates.</p>
Tim Gardam	<p>Tim's career began in broadcasting at the BBC where he was Editor of Newsnight, Panorama, and Head of Current Affairs Programmes, and then went on to executive roles at Channel 5 and Channel 4 TV. Tim has held several senior roles across a variety of commercial, regulated and consumer sectors.</p> <p>Appointed to the Board of Wessex Water Services Limited in January 2020, Tim is a member of the audit and risk and nomination committees. He is also a member of the Futures Panel.</p> <p>Tim was previously the Chair of the Consumers Association (Which?). He also was a non-executive member of the Ofcom Board from 2008 to 2015. Tim was also the Principal of St Anne's College at the University of Oxford from 2004-2016. Tim is currently the Chief Executive of the Nuffield Foundation and a member of Council of the University of Birmingham.</p>

Name	Experience
Kevin Wall	<p>Kevin has extensive experience in the banking and finance sectors having spent four decades working for Barclays Bank in senior leadership roles in the UK and overseas. Kevin retired from Barclays Bank in 2020 and his last role was as CEO and Board member of Barclays European subsidiary as well as being a member of the Barclays Bank PLC executive committee.</p> <p>Appointed to the Board of Wessex Water Services Limited in January 2021, Kevin is a member of the audit and risk, remuneration and nomination committee.</p> <p>Kevin was previously a non-executive director of Which? Ltd, the Business Growth Fund and served as a trustee director of the Barclays Pension Fund.</p>
Dame Fiona Reynolds DBE CBE	<p>Dame Fiona Reynolds DBE was Master of Emmanuel College, Cambridge from 2012 until 2021. She came to the college from the National Trust, where she was Director-General from 2001-2012. Before the Trust, she was Director of the Women's Unit in the Cabinet Office (1998-2000), Director of the Council for the Protection of Rural England (now Campaign to Protect Rural England) from 1987-98 and Secretary to the Council for National Parks (now Campaign to Protect National Parks) from 1980-87.</p> <p>Fiona holds a number of other non-Executive roles. She is Chair of the National Audit Office, the International National Trusts Organisation, the Cathedrals Fabric Commission for England, Cambridge University's Botanic Garden and its Bennett Institute for Public Policy, and the Royal Agricultural University's Governing Council. She is a Trustee of the Grosvenor Estate and the charity Green Alliance. Her book <i>The Fight for Beauty</i> was published in 2016.</p>
David Barclay	<p>With more than 30 years' experience in the city, David has an in-depth knowledge of corporate finance and corporate governance. He has held directorships in a wide variety of sectors including engineering, construction, retail and investment management. David's recent roles include Deputy Chairman of the John Lewis Partnership, Deputy Chairman of the British Library and Chair of the Maudsley Charity.</p> <p>David assisted YTL Corporation with its acquisition of Wessex Water in 2002 and since then has been a director of Wessex Water Services Limited. David formerly chaired the audit and risk committee and is also a director of Wessex Water Limited, the holding company for Wessex Water Services, and YTL Land and Property Limited.</p>

Table 3 – PR24 Executive Working Group

Name	Experience
Group Chief Executive – Colin Skellett	<p>Colin Skellett is a scientist and engineer by training and a Fellow of the Royal Society of Chemistry. He has worked largely in the water industry and was appointed chief executive in 1988. He took the company through privatisation, creating a business that consistently delivers the highest environmental and customer service performance within the industry.</p> <p>He has had non-executive roles in rail, travel and international infrastructure businesses, served on the Board of the South West Regional Development Agency and is involved with a number of charities. Colin was also chair of the West of England Local Enterprise Partnership from 2011 until the beginning of 2016.</p>

Name	Experience
	Colin was awarded an OBE for services to business and WaterAid in the 2012 Queen's Birthday Honours and has Honorary Doctorates in Engineering from the Universities of the West of England and Bristol.
Chief Finance Officer - Andy Pymer	<p>A civil engineer turned economist, Andy is a Chartered Director and Fellow of the Institute of Directors with more than 25 years' experience in the water sector. Andy was previously managing director of Wessex Water's regulated water and sewerage business from 2016 and director of regulation and customer services from 2012.</p> <p>Andy was appointed to the Board of Wessex Water Services Limited in August 2012. He is also co-chair of Wessex Water's joint venture billing company, Pelican Business Services, and chair of Wessex WaterAid, which has raised more than £1.5m for the charity over the past 10 years.</p>
Chief Operating Officer – John Thompson	<p>John is the Chief Operating Officer for Wessex Water with overall responsibility for meeting the needs of our customers through sustainable operations and engineering. John joined Wessex Water in 2006 after a varied career in the oil, gas, aviation, defence and water industry sectors. John has over 20 years' experience in empowering and leading large teams to deliver award winning services with a proven record of creating a positive inclusive team culture, supporting people development and providing strong commercial growth.</p> <p>John's appointment as Health and Safety Board Director in March 2021 recognises his experience, collaborative ethos and commitment to continuously improve throughout Wessex Water and the wider industry.</p> <p>Appointed to the Board of Wessex Water Services Limited in June 2020, John is a director of the Wessex Water Services Pension Trustee Board and a member of the Environment and Public Value Committee.</p> <p>John is a Trustee of Futura Learning Partnership, a partnership of schools which span the Bristol, Keynsham, Bath and Clevedon areas that are working together to provide high quality educational experience and life skills for all students in their care.</p>
Chief Compliance Officer – Ruth Jefferson	<p>Ruth is the Chief Compliance Officer and Group General Counsel for Wessex Water. Ruth joined Wessex Water in 2016 after a legal career in London and Bristol specialising in competition law issues across a broad range of sectors and clients. Ruth has wide experience of legal and governance matters and overall responsibility for the group services and compliance issues.</p> <p>Ruth was appointed to the board of Wessex Water Services Limited in September 2022. Ruth is also Board member of the West of England Local Enterprise Partnership.</p>
Director of Strategy and Regulation – Matt Greenfield	<p>A major infrastructure professional, Matt has worked across strategy, regulation, operations, and commercial in the aviation and water sectors. He held roles including Head of Forecasting and Head of Regulatory Strategy at Heathrow Airport, as well as playing a leading role in the opening of the airport's new Terminal 2 in 2014 as Head of Operational Planning.</p> <p>Matt joined Wessex Water in 2016 and now leads strategy across the business from water resources to bioresources, as well as customer policy and experience, business planning, charging, economic regulation, and assurance. He has led significant legislative and regulatory reform for the industry.</p>

Name	Experience
	As Director of Strategy and Regulation since 2020, Matt attends both Executive and Board as well as Audit and Risk Committee, Environment and Public Value Committee, and the PR24 Non-Executive Group.
Group Director of Environmental Futures – Guy Thompson	<p>Guy has extensive experience of environmental policy and regulation, having worked to accelerate action on nature and climate recovery in senior executive roles in the private, public and voluntary sectors. Guy has a dual role with Wessex Water as Group Director of Environmental Futures and Managing Director of EnTrade.</p> <p>He was previously Chief Operating Officer and a founding Executive Director of Natural England. Before that, he was Director of Green Alliance and the UK Board Member of the European Environment Bureau. He has held a series of senior roles with environmental NGOs including as Head of Government Affairs of RSPB and Principal Policy Adviser to Forum for the Future.</p> <p>Guy is a Board Member of the Broadway Initiative, the Conservative Environment Network, and Vice Chair of PHA Homes. He was previously a member of the CBI South West Regional Council.</p>
Director of Planning, Risk and Investment – Neil Wilson	<p>Neil is the Director of Planning, Risk & Investment at Wessex Water. The role involves providing a risk and asset management framework across the business to enable informed investment decision-making to maximise value through balancing performance, cost and risk. Neil joined Wessex Water in 1990 and has held leadership team roles within Operations, Engineering and Finance functions as well as commercial experience in the wider group.</p> <p>Neil has over 20 years' experience of regulatory liaison, finance and business planning and is responsible for the development of the wholesale plans.</p> <p>Neil is Vice Chair of the corporation governing body at Bath College and is Chair of the Audit Committee.</p>
PR24 Programme Manager – Laura Mann	<p>Laura is the PR24 Programme Manager and has extensive experience in developing strategies and plans for Wessex Water.</p> <p>She joined Wessex Water in 2009 and has worked as a Commercial Manager, Head of Strategy Development and, prior to leading on the development of PR24, led the implementation of the 'Open System' approach detailed in the PR19 plan as Head of Open Systems.</p>

In addition to the PR24 Non-Executive Group and PR24 Executive Working Group, the following were created to oversee delivery of the Plan:

PR24 Steering Group: A group established to manage the governance of the PR24 programme, reviewing the risk register and escalating risks to the PR24 Non-Executive Group as required.

PR24 Wholesale Group (WSG): Reporting in to the PR24 Steering Group, the WSG was established to oversee the approach, development, and delivery of the elements of the Plan related to the relevant price controls and raise risks to the PR24 Steering Group as required.

PR24 Programme Group (PG): Reporting in to the PR24 Steering Group, this group was accountable for ensuring that appropriate assurance processes and reviews are in place and to review the content and creation of the Plan.

PR24 Assurance Working Group: Reporting into the PR24 Steering Group, this group was established to provide oversight of the data, information, and assurance requirements for PR24 and assist the PR24 Non-Executive Group and PR24 Programme Group in discharging their responsibilities in relation to assurance of the Plan.

PR24 Challenge Groups: Assurance was provided through a series of internal challenge groups. These delivered a focused review of the current status of each of the investment areas. The outputs from the challenge meetings were reported to the PR24 Steering Group.

Internal audit

Our Internal Audit function is supported by a Charter outlining the standards of its service in line with the International Professional Practices Framework (IPPF) for Internal Audit. The Internal Audit function is subject to an independent, external quality audit (EQA) every five years, in accordance with the IPPF standards. The last EQA review took place in 2019.

Internal Audit follow a risk-based approach. Potential auditable areas are mapped, and risk assessed on an ongoing basis. As risks arise or change the audit plan adapts accordingly. The Audit and Risk Committee approves the annual programme of work, including the following audits directly related to the PR24 programme as well as specific focused audits on PCs such as CRI, ERI, and C-Mex:

Table 4 – Summary of internal audits

Date	Title / Scope
March 22	Benefits Realisation – The audit looked at the project delivery process with a view to realising the benefits from capital spend. The audit looked at the EDA tool, its operating framework, and the prioritisation process derived from it.
Nov 22	PR24 programme management – The audit looked at the governance of our PR24 approach and the programme management / delivery process.
June 23	Abstraction Licencing – The audit looked at the compliance with abstraction licencing and the work being done for stream support as well as regulatory implications.
June 23	Leakage Strategy – The audit looked at the company’s strategic activity to meet the long-term target of 50% reduction by 2050.
Sept 23	Physical Access Controls and Security – The audit looked at the physical security of our sites in relation to the Water UK 2023 standards. The audit noted that recent changes in the standards needs to be embedded into the company standards and communicated out. The audit noted recent changes announced by the DWI regarding security of waste sites.
Sept 23	NIS Implementation – The audit looked at both the programme delivery of changes to meet NIS standards and the ongoing work to maintain the standard.

External audit

Our external technical auditors (Mott MacDonald) and financial auditors (EY) reviewed the data tables, commentary and narrative to assess the extent to which we had provided the data and information requested in the methodology and business plan tables.

In addition, Mott MacDonald provided assurance on the strategic planning frameworks which set the long-term direction of travel across key areas of Company activity. These include:

- Drainage and Wastewater Management Plan (DWMP) – draft and final

- Water Resources Management Plan (WRMP) – draft and final
- WINEP
- DWI submission

They also provided assurance on data and information requests made in advance of the Plan submission by the regulator including:

- Base and residential retail data request
- Enhancement and water balance
- Leakage data request
- Developer services information requests
- Growth expenditure data request
- Operational resilience information request
- Bioresources opex - energy and liquor
- Network reinforcement data request
- PR19 reconciliation models

All external assurance reports are included in the supporting document WSX45 – Annexes – assurance reports.

We used a Conflict Management Plan which was developed to demonstrate that adequate measures are in place to identify and manage any actual, potential and perceived conflicts arising from third parties delivering both consultancy and assurance services.

1.2.2. Board assurance statement – external assurance

The Board has received external assurance from a wide range of organisations and individuals with regard to the Board assurance requirements, as detailed in Table .

Table 5 – External assurance – Board assurance statement

Area	Board assurance requirements	
Long-term delivery strategies	That the Board has challenged and satisfied itself that the long-term delivery strategy: <ul style="list-style-type: none"> • is high quality, and represents the best possible strategy to efficiently deliver its stated long-term objectives, given future uncertainties. • will enable the company to meet its statutory and licence obligations, now and in the future. • is based on adaptive planning principles; and • has been informed by customer engagement 	Mott MacDonald
Affordability	The full implication of the 2025-30 business plan for customers was considered and that the plan achieves value for money.	Wessex Water Customer Challenge Group Economic Insight
	The long-term delivery strategy protects customers' ability to pay their water bill over the long term and delivers fairness between what existing customers will pay and what is paid for by future customers.	Economic Insight
Costs and outcomes	The performance commitment levels in the plan are stretching but achievable and reflect performance improvements expected from both base and enhancement expenditure.	Mott MacDonald

Area	Board assurance requirements	
	The expenditure forecasts included in the company's business plan are robust and efficient.	ChandlersKBS
	The needs for enhancement investment are not influenced by non-compliance or non-delivery of programmes of work (both base and enhancement) that customers have already funded.	Mott MacDonald
	The options proposed within the business plan are the best option for customers and a proper appraisal of options has taken place.	Mott MacDonald Gartner
	The plan includes price control deliverables covering the benefits of material enhancement expenditure (not covered by performance commitments).	Mott MacDonald
	That the expenditure proposals are affordable by customers and do not raise bills higher than necessary.	Economic Insight Wessex Water Customer Challenge Group
	The expenditure proposals reflect customer views on performance and investment, and where appropriate are supported by customers.	Wessex Water Customer Challenge Group
Risk & return	Financeability That the Board should: <ul style="list-style-type: none"> provide assurance that the business plan is financeable on the basis of the notional capital structure. 	Economic Insight Evercore EY
	Financial resilience That the Board should: <ul style="list-style-type: none"> provide an assurance statement that the actual company is financially resilient over the 2025-2030 period and beyond under its business plan. 	Frontier Economics Evercore
Customer engagement	That the Board should provide assurance that the company's customer engagement and research meets the standards for high-quality research and any other relevant statements of best practice and has been used to inform its business plan and long-term delivery strategy.	Wessex Water Customer Challenge Group Mott MacDonald Professor Cherchi

The scope of the assurance provided is summarised below. Please see WSX45 – Annexes – assurance reports for further detail.

Wessex Water Customer Challenge Group (CCG)

The CCG provided advice and challenge on our preparation for PR24 and the Plan, particularly to ensure customers' views feed into the Plan and to review and assess the company's approach to affordability and vulnerability. Its independent chair will continue to have direct access to both the company senior independent director and the company managing director.

The CCG provided advice around the:

- Quality of our customer engagement
- Independence, transparency and Board accountability.

- Affordability and acceptability testing
- Triangulation of ODI rates

EY

EY have undertaken an independent review of our financial data which supports the Plan. They have assessed whether our data and information is consistent, accurate and assured using effective internal systems, controls, and processes. The assurance scope covered:

- Financial data tables

Mott MacDonald

Mott MacDonald held structured interviews to develop an understanding of our approach to developing our preferred (or “optimised”) Plan. Our overall approach was considered in the context of Ofwat’s Board assurance requirements for costs, outcomes, and customer engagement. The assurance scope covered:

- PR24 narrative, commentaries and overall report
- Solutions process
- LTDS
- PCDs
- Cost adjustment claims
- Strategic documents – DWMP, WRMP, WINEP
- DWI submissions
- Early submission of data for PR19 reconciliation models.

Economic Insight

Economic Insight has undertaken an independent review on financeability under the notional and actual structures.

Evercore

Evercore completed financial modelling for the WWSL business through AMP8 and reviewed the associated financial assurance statements. Evercore also provided evidence of expected equity investor returns based on the latest M&A activity in which it had been involved. Evercore confirmed its agreement to the proposed assurance statements and to the equity return proposed for the assessment of financial resilience.

ChandlersKBS

ChandlersKBS have been involved in the design, creation and management of unit cost databases and Work Breakdown Structure (WBS) for several water companies. We engaged ChandlersKBS to provide Capex estimates for cost assurance benchmarking for the Plan. The areas covered were:

- Nutrient removal (Wastewater Treatment)
- WINEP Wastewater Treatment Models
- Storm overflows
- Smart meters
- Sludge Storage (barns)
- Mains replacement
- Bioresources IED

Frontier Economics

Frontier Economics has undertaken an independent review on our long term viability model to ensure it accurately reflects the scenarios chosen.

Professor Cherchi

We engaged a 3rd party subject matter expert at Newcastle University to review our novel methodology to collecting consumer preferences for specific attributes of interest, and to measure consumers' willingness to pay (WTP) for these attributes.

Gartner

Gartner offer research in IT and Cyber market trends, performance and information. As part of our contract with Gartner we asked them to provide any research they had carried out around global cyber security trends and industry roadmaps. Gartner provided a number of documents detailing the key sector trends that included reports on the following:

- Top trends in Cyber Security 2022
- State of Privacy in the European Union
- Strategic Roadmap for Data Security Platform Adoption (2023)
- Leadership Vision for Security and Risk Management (2023)
- IAM Leaders Guide to Privileged Access Management
- 2023 Predictions on Supply Chain Technology

These documents helped inform our approach to our Cyber Security proposals. We are unable to share the details of these documents as the Intellectual Property lies with Gartner and is classed as confidential.

1.3. Board engagement

The Board has engaged, overseen and scrutinised all stages of development of the Plan. The meetings where the Plan was discussed are set out below. A fuller description of evidence, challenges and changes is set out in the relevant sections of this document.

Table 6 – Board engagement

Date	Meeting	Topics considered
September 2021	PR24 Executive Group	Risk and Return: PR24 governance structure Long-term delivery strategies: strategic direction statement
December 2021	PR24 Executive Group	Risk and Return: PR24 governance structure Long-term delivery strategies: strategic direction statement
February 2022	PR24 Non-Executive Group/ Executive Group	Long-term delivery strategies: strategic direction statement
		Affordability: Bill levels and investment
		Risk and Return: Top-down analysis for PR24
		Costs and outcomes: Carbon
		Customer engagement: Customer research

Date	Meeting	Topics considered
		Costs and outcomes: DWMP submission
		Costs and outcomes: WRMP submission
May / June 2022	PR24 Non-Executive Group/ Executive Group	Long-term delivery strategies/bioresources
		Customer engagement
		Risk and return: Assurance
		Costs and outcomes: DWMP submission
		Costs and outcomes: WRMP submission
		Affordability
		Cost and outcomes: Bioresources
		Cost and outcomes: Direct Procurement for Customers
		Costs and outcomes: WINEP submission
August 2022	PR24 Non-Executive Group/ Executive Group	PR24 Draft methodology
		Costs and outcomes: WRMP submission
October 2022	PR24 Non-Executive Group/ Executive	Long-term delivery strategies
		Risk and return: Audit and Assurance Policy
		Costs and outcomes: WINEP submission
		Costs and outcomes: DWMP submission
		Costs and outcomes: WRMP submission
November 2022	PR24 Non-Executive Group	Costs and outcomes: WINEP submission
February / March 2023	PR24 Non-Executive Group/ Executive Group	Long-term delivery strategies
		Cost and Outcomes: Bespoke performance commitments
		Risk and return: Initial Business Plan Approval
		Costs and outcomes: Cost adjustment claims
		Costs and outcomes: Performance Commitments
		Costs and outcomes: WRMP submission
		Costs and outcomes: DWI submission
June 2023		Long-term delivery strategies

Date	Meeting	Topics considered
	PR24 Non-Executive Group/ Executive Group	Customer engagement
		Costs and outcomes: Price Control Deliverables
		Costs and outcomes: Direct Procurement for Customers (DPC)
		Costs and outcomes: WRMP submission
July 2023	PR24 Non-Executive Group/ Executive Group	Risk and return: Uncertainty mechanisms
		Risk and return: Financing
		Costs and outcomes: Cost adjustment claims
		Costs and outcomes: WRMP submission
		Cost and outcomes: PR24 key areas of expenditure
August 2023	PR24 Executive Group	Cost and outcomes: Price Control Deliverables
		Cost and outcomes: Performance Commitment Profiles
		Risk and return: Financeability, bill profiles and uncertainty mechanisms
		Risk and return: Deliverability

1.3.1. Long-term delivery strategy

The Board supports the Company's approach to long-term stewardship and challenges the management team to both set an ambitious strategy across all aspects of the business and that each individual element of delivery is aligned with that strategy. The Board therefore supports the concept of the Long-Term Delivery Strategy (LTDS) as one very similar to the approach it already takes. This strategic framework is a key component of the Company's approach to achieving its long-term objectives, bringing together the suite of strategic plans.

In February 2022, the Board considered the strategic direction statement (SDS), which frames the long-term delivery strategy. The Board were clear that the LTDS must align with the SDS in order to remain aligned to the holistic approach to delivering outcomes and to ensure that the Company does the best for customers, communities and the environment in the long term. The PR24 Non-Executive Group spent considerable time and effort focusing on the intent and detail within the SDS to ensure it reflects the Company's high level of ambition. This led to revisions to outcomes, metrics, and targets. The relationship between the 25-year objectives set out in the SDS and the proposed five-year plan was challenged to confirm the credibility of each. This ensured that the next 5-year plan would be representative of the first 5 year of the LTDS. The Board have continued to refer back to the SDS outcomes throughout the development of the LTDS and the Plan to ensure that the proposals are all pulling in the same direction and that the Plan is credible, ambitious, and specific in its aims.

In October 2022, the Board reviewed the proposed structure of the LTDS and the core and common reference scenarios and, in February 2023, the Board reviewed the methodology used to set the performance forecasts to 2050. The Board discussed whether the LTDS represented the best strategy to meet the Company's stated long-term objectives and how they can continue to support ongoing engagement with our regulators to develop the most efficient planning framework. The Board noted the uncertainty of future statutory and regulatory licence obligations and has taken this into account when reviewing the planning frameworks. As the LTDS is based upon adaptive

planning principles the Board is confident in assuring the Plan given future uncertainties and given the ability to react to changes in regulation and other external factors.

In February 2023, the Board were also briefed on the customer engagement, both carried out to date and planned, to ensure that the LTDS reflected customer priorities. The Board is content with the proposals to ensure that the LTDS delivers the best solutions at the right investment pace based on customer feedback and delivers on the targets set out in the SDS.

In June 2023, the Board again discussed the performance commitment levels to 2050 which were developed as part of the LTDS. It was confirmed that these aligned with the outcomes in the SDS, although was noted that for some outcomes there were more PCs than overarching metrics. The Board also noted the inherent risk in targeting stretching performance commitment levels for Total Pollution Incidents and Serious Pollution Incidents. The Board is confident that a reduction in incidents can be achieved with the level of investment being proposed, and committed to implementing mitigation measures for third parties as well as improving sewer monitoring required to achieve the performance level. The Board also challenged the proposed approach to mains repairs noting that it is particularly stretching and requires a change in approach, being satisfied that with sufficient funding the target can be achievable.

During this period, the Board also reviewed the customer research conducted in Spring 2023, which shows that customers' top outcomes were 'safe and reliable water', 'effective sewerage system', 'excellent river and coastal quality' and 'affordable bills'. This information was reflected in the LTDS. The outcome of the affordability and acceptability research was used to influence the Plan, in particular for smart metering and storm overflows.

In August 2023, the Board reviewed the outcomes of the customer engagement to test smart metering and storm overflow investment trajectories, the results of which were incorporated into the LTDS. In response to this customer feedback, the smart metering programme was scaled back with a further roll out in AMP9. Both deliverability and affordability concerns were flagged with the acceleration of the storm overflow plans, also leading to a scaling back albeit noting the political, public, and Company desire to ensure the programme remains as ambitious as possible. These are examples of the steps the Board has taken to secure long term affordability for current and future customers.

The Board have scrutinised the strategic planning frameworks that align to the LTDS to confirm consistency. The specific challenges across these strategic planning frameworks can be found in the Costs and Outcomes section.

1.3.2. Affordability

At the beginning of this process the Board returned to first principles to challenge the Company's definition of affordability - assessing the differences between customers being able to afford their bills in the short term versus average bill rises. Affordability was considered across all strategic planning frameworks, for example DWMP, WRMP and WINEP. Long term bills were considered, in particular the trade-off between bill rises and the scale of response to addressing nutrients and storm overflows in the DWMP and WRMP. The Board reviewed the balance between customers' ability to pay for water and wastewater services over the long term and fairness between current and future customers, with a conclusion that there was a low immediate need for significant water resources expenditure. The Board also frequently challenged whether this represents a value for money plan, notwithstanding the Plan's constraints. The Board concluded that, given future uncertainty and the set of criteria under which PR24 plans must be submitted, the Plan represents value for money both for current and future customers.

The Board considered the affordability and acceptability research conducted to influence the plans, most notably on smart metering and storm overflows, as discussed under the LTDS. The Board recognises that although the Plan has a high level of ambition, the pace of delivering on this ambition must be married with customers' willingness to pay.

The PR24 Executive Group met in February 2022 and discussed the constraints and trade-offs between bills, investment and financeability.

In May 2022, the Board reviewed the proposed scale of investment. They requested that the business plan submission level of investment versus the bill impacts were set out for consideration for the next meeting.

The PR24 Executive Group met in February and June 2023 and discussed affordability and the impact on social tariffs. The Board recognised that with an increase in bill rises there would be an increase in customers on social tariffs. Based on research commissioned to understand awareness of support for customers in vulnerable circumstances and willingness to pay for cross subsidies to fund social tariffs, the results indicated that customers were willing to pay to support other customers.

In March 2023, the PR24 Working Group discussed the Company's commitment to eradicating water poverty by 2030 and the importance of maintaining affordability alongside any plan in the context of greater investment and higher bills in the preferred plan. They recognised the challenge that delivering a plan of this scale could not be achieved with flat or lower bills and that the number of households receiving support would increase due to the associated bill rises in the Plan. The Board challenged the approach to social tariff and what is meant by no customers in water poverty. The Company's approach is to continue to collect payment from social tariff customers within their means, as opposed to making water free to maintain payment habits.

1.3.3. Costs and Outcomes

Deliverability

The deliverability of the investment programme required for the company to meet its statutory obligations and fulfil the expectations of its customers at PR24 has been a key area of discussion and scrutiny by the Board. The Board has taken comfort in the fact that, owing to the company's multidisciplinary in-house capability and strong partnerships with its supply chain, it has a proven track record of successful delivery, despite external barriers such as the COVID-19 pandemic, Brexit, and the war in Ukraine. Nevertheless, the Board recognises that the size of the investment programme at PR24 (£3.5 billion), represents a material increase compared to previous price controls (£1.5 billion at PR19).

Therefore, the Board has scrutinised the company's plan for delivery at successive Board meetings as well as at the meetings of the dedicated PR24 Non-Executive Group. Specifically, the Board has continuously challenged the company to develop a stretching but deliverable plan, which is based on a careful consideration of the key risk factors to delivery (especially, the external factors related to supply-chain capacity and regulatory uncertainty) and develop a plan for mitigation of these key risks, while recognising that some risk factors are largely out of the company's control.

To provide the Board the required level of assurance, the company has adopted a comprehensive approach to risk assessment and management of its PR24 investment programme, which has been assured by Economic Insight to be consistent with the widely-recognised approach taken for risk management of large infrastructure projects. Specifically, this has involved the following steps.

- Identification of the key inputs required. The company has undertaken detailed work to consider the key inputs required for each of the delivery workstreams in the Plan, including WINEP (nutrient removal); storm overflows; bioresources; water quality metering and smart metering. It has taken a delivery approach that maximises the effectiveness of in-house capability and supply chain partners based on: work type; complexity; site familiarity and performance; site data quality; value; risk and market incentives.
- Identification of the key risks to delivery. For each of the delivery workstreams, the company has considered the key risks to delivery based on an assessment of the in-house and supply chain capacity; scope for expansion at the rate required; external risk factors such as the wider sector experiencing similar levels of growth; etc.
- Development of a risk mitigation plan. Based on the above, the company has developed and, where possible, already actioned a mitigation plan linked to the key deliverability risks identified within the supply chain, regulators and third parties.

The Board has been provided further reassurance since the company has put in place a risk mitigation plan which includes the following (further details of the mitigation plan, which have been reviewed by the Board, are provided in WSX29 – Transition and Delivery).

- Expansion of in-house capability. The company plans to grow its in-house capacity, particularly around programme delivery by c.30%, by focussing on retention and development of current staff as well as expanding intake of new staff. Specifically, it will increase its apprentice intake; expand its Academy; and offer more industrial placements. It plans to target new staff by forging closer links with Bath and Bristol universities as well as drawing on the global workforce (e.g. from Malaysia where its owner YTL is based).
- Growth plan for supply chain. The company has already started engaging with existing subcontractors and delivery partners to explain its AMP8 requirements and allow them to plan for growth. In addition, it has deployed a regular engagement plan with the wider supply chain to provide ongoing updates around its AMP8 workload and volumes. For the nutrient removal programme specifically, where it considers that a material deliverability risk may exist, the company has gone to the market with an Expression of Interest (EoI) in June 2023 and engaged an external assurance provider, Hargreaves Jones, to review initial responses.
- Early commitments on procurement. The company has already begun exploring procurement options for products and equipment, e.g. through the expansion of existing supply partners; providing early commitments on required volumes; and considering acquisitions where necessary. Furthermore, it is also considering procuring materials from Asia, which will allow it access to new products, but also escape competition for the same UK/European supplies with others in the industry.

To ensure that its PR24 plan will be deliverable, while awaiting the final determination in December 2024, the company has already committed transitional funding to undertake process and asset reviews; electrical and mechanical surveys and forward planning; identifying and progressing land purchases; and placing orders for anticipated power upgrades.

On this basis, the Board is sufficiently confident that expenditure proposals of £3.5 billion are deliverable, provided that the Plan as a whole is agreed, and the total value of investment expected does not exceed that. However, the Board also recognises that, despite the best efforts of the company to get ahead and ensure successful delivery, the nature of large investment programmes is such that it is not possible to avoid all risks. Therefore, while appropriate mitigation plans are in place, the Plan holds delivery risks due to external factors that are ultimately outside of companies' control, and which are common across the industry. These factors include:

- Lack of specificity and clarity around regulatory requirements.
- Supply chain tightness around key inputs.
- Availability of resource and specialist skills.
- Local Government Planning and Highways.
- Environmental and Flooding Impact Assessments and permitting.
- Land acquisition for site expansion and new sites.
- Power network expansion restrictions.
- PR24 Plan uncertainty delaying early commitment.

Engagement by the Board

The Board has been actively engaged in this process through scrutiny of Board papers and updates provided by officers in the Company, as well as meetings of the dedicated PR24 Non-executive Group. The Board has subjected the Company to challenge during these discussions, for example to ensure that appropriate allowances have been made for lead-in times and for external factors outside of the Company's control.

The Board has reviewed the evidence provided to support the deliverability of the Plan and has provided further challenge in Board meetings to ensure that the Company has given ample consideration to securing reliable delivery partners in the supply chain, that appropriate mitigation of risk has been put in place, and that steps are being taken to provide for adequate internal resource.

The Board has confidence that the expenditure proposals in the Plan are deliverable, provided that the Plan as a whole is agreed.

The Board has challenged the cost and outcomes included in the Plan robustly throughout the process. At a high level the costs and outcomes assessment has included:

- The Company's performance commitment levels.
- Expenditure forecasts.
- Options proposed within the Plan.
- Incorporating customer views into solution proposals.

The scope of the cost and outcomes assessment includes:

- WRMP
- DWMP
- WINEP
- Carbon
- Bioresources
- Direct Procurement for Customers
- Cost adjustment claims
- Performance Commitments
- DWI submission
- Price Control Deliverables (PCDs)

There are a number of strategic planning frameworks in place to ensure the right outcomes are delivered at the right time. The Board has been briefed frequently across all planning frameworks and scrutinised the risks and proposed performance improvements expected to be delivered through these programmes of works from base expenditure and enhancement expenditure.

The Board have also been involved in challenging proposed performance commitments and PCDs which will measure progress towards delivering proposals in the Plan.

WRMP

In November 2021, the Board reviewed a summary of the new regulatory requirements and the Company's current position with the WRMP development, including drought resilience, licence reductions, and decision-making parameters. The Board tested the scale of the challenge around future supply deficit and the reasons for the changes to planning parameters by regulators. Considerations were made around the trade-offs between carbon, cost, drought resilience, and environmental impacts. The Board approved an engagement plan that set out updates at future Board meetings and Non-Executive Group meetings to monitor progress prior to submission.

In February and June 2022, the Non-Executive Group were informed that meetings with both Ofwat and the Environment Agency had raised no major concerns and confirmed the successful completion of the pre-consultation. The new regulatory requirements were shown to increase the future supply-demand balance deficit and set out that over 300 unconstrained options were being considered to address the deficit. The Board group challenged the range of opportunity in delivery of leakage and PCC reductions and gained clarity on those targets that are statutory or not.

In particular, the members provided challenge to ensure that the WRMP aligned with the SDS to make the case for delivering against an outcome-focused set of incentives with a clear rationale for why change is needed in the standard approach to planning. They noted that the Company must be true to its purpose and consistent in the narrative across the range of strategic planning frameworks.

A review of the decision-making process confirmed that the Plan would identify solutions under a range of potential future scenarios to account for future uncertainties such as climate change. For each of these future scenarios, the

plan would identify a set of preferred programmes for investment based on best-value planning criteria that will include cost (and therefore bill affordability), drought resilience, carbon emissions, biodiversity net gain, natural capital, inter-generational equity (fairness in bill impact), and abstraction reduction in environmentally sensitive catchments. This was endorsed by the group.

A significant risk of late additions to requirements or ongoing lack of clarity in some areas was raised. The group supported a series of lines in the sand that would set cut-off points for making changes where feasible and appropriate, particularly to ensure sufficient assurance could be completed in time.

The group considered the latest customer research that showed a good level of support for the regional plan, but that bill rises are going to be important. It also showed that customers are less worried about drought resilience, except in the very extreme, with more focus on other environmental outcomes. Targets for carbon and leakage are secondary factors for customers, although household customers have a clear preference for the 2050 national targets to be achieved. There is an appetite for actions to reduce demand although this does not extend to measures that would affect the day-to-day use of water by customers (i.e. PCC < 110l/p/d). This was accepted by the group with a challenge to ensure the plan is sufficiently adaptive to cope with future changes and a focus on environmental outcomes above a push for short-term leakage reductions if that proved to be less efficient at delivering the holistic outcomes.

In July 2022, the Board considered in detail the baseline supply demand balance, the assessment that had taken place, the phasing of future changes, and the causes of changes in surplus/deficit. It agreed a position that a targeted smart meter 'proof of concept' in PR24 in an area of local supply stress would help meet both regulatory aspirations and the Company's own requirements. An update was provided on decision-making and customer research.

In September 2022, the Board noted the key features and overall direction of the assured WRMP and approved the draft submission of the plan to Defra on 3 October, as well as approving the Board assurance statement. This was on the basis of the involvement of the Board in the development of the plan to date, alongside the external assurance provided. It considered a range of scenarios and, after challenge, supported the approach proposed which contained a small extension to the smart metering programme, a limited leakage reduction plan, and a focus on other demand management activity including water efficiency programmes and promotion of government water efficiency labelling of appliances. The Board was clear that this was most aligned with the outcomes approach.

The Non-Executive Group met in March and June 2023 and considered the range of consultation responses received on the draft plan. A particular concern was raised around alignment with South West Water, whose draft plan had been delayed and overall timetable had slipped later than the Company's. The group noted that the Company should be clear with the relevant regulators about this risk. An update noted that the Company originally proposed to install compulsory basic metering, a trial roll out of smart metering, and a small leakage reduction due to the relative cost effectiveness and environmental impacts of the options. The Company also proposed to develop some small supply-side schemes and continue developing the Poole effluent reuse and Mendip quarries strategic schemes for implementation in 2035, and 2067, respectively. However, the EA had recommended that, amongst other things, the company should "Ensure its preferred pathway included reducing leakage by 50% from 2017/18 levels by 2050" and "Ensure its draft plan per capita consumption meets the government's target of 110 litres per person (PCC) per day by 2050 or explain why this cannot be achieved". The group had significant debate about how to align these new requirements and agreed that each of these areas were to be updated in the final plan to demonstrate further ambition but noted that regulation seemed to be driving worse outcomes than the draft plan.

The group further agreed changes to supply side options following work with the West Country Water Resources Group to take forward the development of Cheddar 2 reservoir from 2035. The external assurance process was also discussed and dates for review were shared with a draft assurance statement noting that it was contingent on Mott Macdonald's report.

In July, the Board considered the proposed final plan, and the external assurance statement, agreeing a final set of proposals to address representations received to the consultation and ensured that this supporting evidence to the Board assurance statement would demonstrate the breadth and depth of challenge, to evidence what the Board has

considered, and to record challenges and recommendations provided. On conclusion of this process, the Board approved the plan and the assurance statement, delegating final signature to the Chief Finance Officer on behalf of the Board subject to any final amendments being non-material.

Costing approach and calculations

Costing of options was undertaken by Chandler KBS (supply options), HR-Wallingford (metering options) and RPS consultants (leakage). The costing approach followed the industry methodology, which was developed for Ofwat's RAPID programme. The costs of each option were also peer reviewed by DHCR Limited.

DWMP

The Board reviewed the Company's Drainage and Wastewater Management Plan (DWMP) obligations and progress against the framework.

The Board considered the 12 DWMP metrics and their alignment with the Company's outcomes, as below.

Unconstrained mapping of DWMP planning objectives to outcomes

	Outcomes								Theme	Baseline (2025) PO performance	Future (2050) PO performance prediction
	An effective sewerage system	Greater customer experience	Good environmental water quality	Increased biodiversity	Water resource benefits	Net zero carbon	Affordable bills				
WRC quality compliance	✓✓	✓	✓✓	✓	✓				Environmental	Y	Y
WRC flow compliance	✓✓	✓	✓✓	✓	✓				Environmental	Y	Y
Environment improved	✓✓	✓✓	✓✓	✓					Environmental	Y	
Storm Overflows	✓✓	✓✓	✓✓	✓	✓				Effective sewerage	Y	Y
Internal flooding	✓✓	✓✓	✓	✓	✓				Effective sewerage	Y	Y
Flooding in a storm	✓✓	✓✓	✓	✓					Effective sewerage	Y	Y
Blockages	✓✓	✓✓	✓			✓			Effective sewerage	Y	Y
Pollutions	✓✓	✓✓	✓✓			✓			Effective sewerage	Y	Y
Sustainable drainage	✓✓	✓✓	✓✓	✓✓	✓	✓✓			Effective sewerage	Y	
Partnership working	✓✓	✓	✓✓	✓✓	✓	✓	✓		Effective sewerage	Y	
Collapses	✓✓	✓✓	✓			✓			Asset health	Y	Y
Groundwater inundation	✓✓	✓	✓		✓				Asset health	Y	

Figure 3 – DWMP planning objectives.

In preparation for the submission of the draft DWMP, the Board considered the linkage between the planning objectives and the SDS outcomes and the Board confirmed that the plan should prioritise based on the risks that the DWMP process had identified, including the use of catchment and nature-based solutions where possible to deliver the SDS outcomes.

The Board reviewed specific DWMP customer research that was conducted to inform the DWMP options, programme appraisal, willingness to pay and reporting stages. The Board was confident that this research shows that customers are willing to pay for improved flooding, treatment, and storm overflow levels of service, and prefer that we invest sooner rather than waiting for the long-term. However, the Board noted that customers' preferences need to be tested in the overall PR24 plan rather than just on DWMPs alone to understand their priorities compared to other areas. Accordingly, further research was commissioned, and the results demonstrated that the majority of customers find the overall plan affordable and acceptable.

With surface and groundwater management being a multi-stakeholder issue, the Board recognised that this presents opportunities for future collaborative projects with potential for partnership funding to deliver multiple benefits (e.g., highways providing permeable paving). Accordingly, the Board supported the many external stakeholder meetings carried out by the Company for pre-consultation awareness and to get other key stakeholders' inputs to the process, including with Ofwat, the Environment Agency, Lead Local Flood Authorities and other risk management authorities.

The Board supported development of the Company's new DWMP hub (two-way geospatial information sharing platform) for key stakeholders contains more information than is available on the DWMP public website to allow for partnership funding opportunities and synergies. The DWMP public website has been available for the public as well as all stakeholders to begin to see visibility of the DWMP since autumn 2018. This includes a geospatial view of storm overflow performance, showing which overflows are spilling frequently.

In May 2022, the Board considered options and spend profiles to AMP12. The DWMP presented included a 'core' scenario to achieve the Defra storm overflow policy of 1 spill per year and a 'full scenario' to eliminate all discharge of untreated sewage from storm overflows using grey solutions. Having considered these, the Board approved publication of the Draft DMWP in June 2022 following a detailed review of the customer facing document, the non-technical summary, and the plan itself.

The Board considered feedback from stakeholders engaged as part of the consultation after it closed. Whilst the plan received positive feedback from the regulator including that it is well structured and technically well developed, there was room for improvement. Based on this feedback, the level of ambition outlined in the plan increased to meet Defra's storm overflow reduction policy and provide no regrets investment, further improvements to limit storm overflow / untreated discharge by 2050 to align with the SDS and to increase sewerage investment to halve flooding by 2050. The Board agreed to draft the final DWMP on this basis, noting that the plan must work holistically with other strategic planning frameworks to create a PR24 business plan that is affordable, deliverable, and financeable.

The Non-Executive Group met in March 2023 and reviewed material changes from the draft which had been made since the previous review; in particular, to align to the PR24 approach with adaptive pathways set out in a format more similar than in Ofwat's final methodology; as well as due to significant changes to nutrient reduction requirements. There was agreement that the 'preferred plan' submitted aligned to the SDS (i.e. eliminate untreated discharges by 2050) and that adaptive pathways will be used to meet different goals. The group noted the updates and progress and requested that the Board delegate authority to the Chief Finance Officer for final approval subject to there being no material changes. With the Board having delegated authority, the Chief Finance Officer gave this approval with the associated assurance statement.

Mott MacDonald provided external assurance prior to submission and the Board is comfortable that Defra's Guiding Principles and the DWMP technical framework has been followed.

WINEP

The Water Industry National Environment Programme (WINEP) is a key strategic planning framework that sets out the Company's environmental obligations. The Board noted that while the WINEP process has delivered some progress to date, Defra, EA and Ofwat all recognise that adapting the approach is crucial to help deliver wider environmental benefits, e.g., on carbon and biodiversity, and maximise value for money. For PR24, the approach is notionally outcomes based using a tiered approach, Tier 1 High level outcomes, Tier 2 Areas/issue specific objectives and Tier 3 outcomes. In May 2022, the PR24 executive group noted that the SDS outcomes did not directly align to the WINEP tier 1 and 2 outcomes, with some Tier 1 or 2 actions not having a matching category to the Company's SDS. In addition to this, the Board noted that the Company's promotion of Outcome Based Environmental Regulation (OBER) is at odds with listing Tier 3 outputs and requested that the management team continue to push the outcomes-based approach and offered the full support of any individual Board member where appropriate and helpful in influencing policy.

The PR24 executive group met in May 2022 to review the most recent updates and changes to the WINEP. The Board recognised that for this WINEP submission there was significantly more information required at an earlier stage in the price review process than in previous years and that the potential scale of investment (c.£1bn on Water Recycling Centres (WRCs) alone) was also a significant step change. The Board challenged the deliverability of this scale of programme, which was reconciled through the deliverability assurance process and led to the later decision to propose an approach to nutrients that met statutory obligations using catchment management approaches and deferring a small number of the biggest and most complex schemes.

In October 2022, the Board reviewed the latest WINEP. They endorsed the approach to managing storm overflows including recognising a need for a potential early start to evaluate 'no harm' from storm overflows to mobilise improvement rollout in AMP8. The Board also recognised that, with regard to environmental investigations and

implementation programmes, there remained uncertainty in scope and costs. The Board repeated its reservations about the ability to deliver phosphorus to these levels on smaller sites – and that the supply chain and chemical manufacturers pose risks to the delivery, as discussed in the deliverability challenge process. This was made clear in the WINEP submission.

The Company's original WINEP proposals were submitted to meet the EA's deadline of 30 November 2022. Due to the late publication of guidance, linked in some cases with legislation still going through Parliament, the EA extended the deadline for the submissions for nutrient (phosphorus and nitrogen) reduction, storm overflow improvements, emergency overflow monitoring and environmental destination options appraisal to 23 January 2023 and the environmental benefits spreadsheet to 16 January 2023. Therefore, the WINEP was resubmitted in January 2023 to allow time to incorporate the guidance. The Board reviewed both submissions and approved the WINEP submissions.

Ofwat and the EA invited companies to propose advancing environmental improvements through the WINEP, by way of an Advanced WINEP (A-WINEP). The Board strongly supported the opportunity to deliver environmental outcomes more efficiently by taking a holistic approach and using catchment and nature-based solutions rather than the fragmented, prescriptive, and output focused approach used in the standard WINEP. However, the Board noted that opportunities to fully adopt this approach were limited across the business and likely only to be acceptable for nutrients. The Company's A-WINEP (submitted alongside the January 2023 submission) included a full catchment permitting and catchment nutrient balancing approach to nutrient (phosphorus and nitrogen) reduction associated with our WRC discharges. To deliver the A-WINEP required a shift in policy and legislation to enable these approaches as the current and proposed legislation or regulation limits the implementation of the full suite of catchment and nature-based solutions. The Board was informed throughout the development of the proposals, through briefings in October 2022 and March 2023, and approved the Company's approach to A-WINEP.

In March 2023, the Board reviewed and approved the proposed updates to the WINEP post December 2022 and January 2023 submission in preparation for submission of the plan in October 2023 in alignment with their view on deliverability of both individual elements and the overall plan.

Carbon

The Company has targets to achieve net zero operational emissions by 2030 and net zero total emissions (i.e. including supply chain / embodied carbon emissions) by 2040. In February 2022, the Board reviewed the activities initiated to prepare for PR24 to align with the overarching carbon targets which included:

- devising a challenge to the WINEP, including specific net zero carbon lines framed as environmental enhancement measures.
- understanding the relative costs and carbon benefits of nature-based solutions
- identifying areas where the company needs to improve our knowledge and evidence-base.
- developing methods to inform future operating costs based on forecast carbon prices.
- developing a 2022-30 programme for net zero carbon to accompany annual work packages.

Whilst the Board approved the approach, they did request that a longer-term sludge strategy was brought to the next meeting for further consideration. The Board approved the proposal to seek industry support for implementing new technology in the sludge supply chain to mitigate nationwide risks, including through the Ofwat innovation fund.

Carbon impacts from the proposed PR24 plan have been considered and approved by the Board alongside our suite of costs, benefits and risks.

Bioresources

There is significant uncertainty regarding the environmental regulation of the sector, particularly regarding the disposal of biosolids, and an outline adaptive plan was presented to the Board for consideration. In May 2022, the Board reviewed the key risks affecting bioresources which are loss of landbank, insufficient treatment capacity and quality, investment to maintain existing sites and carbon impacts and opportunities. These risks were noted.

In May 2023, the Environment and Public Value Committee of the Board held a full session with the Atkins global lead and industry expert on the risks, potential mitigations, and opportunities in the bioresources arena. This guided the decision of the Board to support ATC trials within an industry programme making use of the innovation fund as a part of the best mitigation strategy to significant risks in the bioresources area.

Direct Procurement for Customers (DPC)

In June 2023, the Board considered the recommended approach to DPC assessment for PR24. Whilst individual projects may not trigger DPC, given the significant upsizing of the enhancement programme for AMP8 and beyond, the Board considered a number of programmes which would trigger DPC assessment and potential Ofwat challenge. Taking this into account, the Board concluded that as well as the Strategic Resource Options that have already been determined through the RAPID process as DPC eligible, that the Continuous Water Quality monitoring programme be proposed for DPC. Ofwat's later guidance that CWQM and similar programmes were not suitable for DPC was noted.

Cost adjustment claims

In February 2023, the Board reviewed the regulatory requirements and timelines for cost adjustment claims and the proposed claims within the PR24 framework. Third line assurance was provided for claims by the Company's external technical auditor (Mott MacDonald) and other specialists as required in line with the PR24 Audit and Assurance Policy.

DWI submission

The Board had sight of the early submission to the DWI in February 2023. They considered each of the individual scheme details which the DWI were likely to use to issue legal instruments in order to provide a statutory obligation to complete a programme of work, with the exception of the Maundown resilience scheme, where DWI commendation was sought for the Company's approach. In response to this review, the Board requested a higher lead pipe replacement rate in anticipation of the DWI's expectations around the level of ambition.

Performance Commitments

The PR24 final methodology challenges companies to deliver the right outcomes, at the right time, to help meet long-term objectives for water customers, communities, and the environment. The outcomes framework supports this challenge by holding companies to account through performance commitments (PCs) which measure the level of service provided for a particular outcome that customers pay for.

The Company has proposed a very ambitious set of performance commitment levels, and these have been challenged by the Board throughout the PR24 process.

The Board approved proposed performance commitment levels for PR24 in July. However, following changes to regulatory guidance and recent audits, some proposed performance commitment levels were updated. These updates were approved by the Board in August 2023.

In March 2023, the Board discussed the proposal to develop a bespoke performance commitment for nitrogen in AMP8. The purpose of this PC was to bridge the gap between the common performance commitments and the proposed metric for the additional removal of nitrogen in the SDS. The Board considered it appropriate to include a PC for nitrogen and to use it to help inform design of the common PC for phosphorus. It was noted by the Board that the PC did not strictly meet the requirements of the final methodology. On publication of the PC definition for phosphorus, which could be seen to drive companies to take less efficient decisions, the Board suggested that a bespoke PC for nitrogen could also lead to less efficient delivery. For this reason, and because the Company does not have any items that meet the other criteria for bespoke PCs (particularly poor performance in one area, or Company-specific items that are not replicated across the industry), the Board endorsed a null submission for bespoke PCs.

Price Control Deliverables (PCDs)

In July and August 2023, the Board considered the areas of concern raised around PCDs – most notably the treatment of PCDs against PC reward and penalty payments. Ofwat's model combines the customer protection aspect of the PCD with incentives that potentially reflect the customer/environmental benefits associated with the deliverable. The choice of appropriate parameters (performance commitment target, incentive rate, etc) for a performance commitment associated with an aspect of performance that is also covered by a PCD is a complex one, which the Board has considered during the PR24 process. The Board noted its concern over the impact of PCDs on deliverability and financeability. The Board also noted that there remains uncertainty about the detail of how PCDs will function and the potential materiality of their impact. This is an area where further careful consideration will be required.

1.3.4. Risk and return

To support the assurance process, the Company engaged the following advisers:

- Economic Insight to provide support on the financeability and financial resilience elements of the assurance statement.
- KPMG to provide robust evidence of the costs of debt and equity for the sector.
- Evercore Investment Group on the modelling, assurance statements and proposed equity return.
- Frontier Economics in relation the detailed financial modelling element of the requirement for the Board to provide assurance that the business plan is financeable on the basis of the notional capital structure.

In February 2022, the Board reviewed an outline of the key investment constraints and modelling assumptions set out in the plan. They recognised that this plan is a significant step change to the levels of investment compared to any previous price review. The Board was conscious that the proposed plan needed to be suitable for the customers of today and the future. Specific considerations made by the Board related to customer bills can be found in the affordability section of this document.

In July 2023, the Board agreed to the application of the WACC across all four wholesale price controls. However, there was considerable debate about whether even the notional plan was financeable at Ofwat's WACC with the conclusion that it was not sustainably financeable beyond 2030. Relatedly, the discussion at the June Audit and Risk Committee on the long-term viability statement contained in the company's 2023 Annual Report focused heavily on equity financeability. This was touched upon at the July Board, with the concept of 'fair return' being highlighted as key to the ability to raise further equity in this regard.

A further meeting with advisers and a subcommittee of NEDs was held later in August to consider these issues in more detail.

For the purpose of submitting the Plan, the Board concluded that it could adopt Ofwat's WACC; and make the narrow statement required by Ofwat that we have tested (and can confirm) that the resultant financial ratios would be consistent with securing a target investment grade rating for debt finance (two notches above the minimum grade, i.e. Baa1/BBB+) under Ofwat's view of the notional firm and notional capital structure, under a base case scenario, and over the period from 2025-2030.

However, it is the Company's view that this does not provide a meaningful basis for concluding that (an appropriately characterised) notional firm is, in fact, financeable under Ofwat's methodology. This is because: (i) the financeability assurance statement requirement does not consider long-term financeability, nor financeability under downside scenarios, and debt metrics deteriorate within AMP8 so, whilst the notional firm remains financeable in debt ratings terms during AMP8, this is not sustainable in the long-term; (ii) to be financeable, it is important to ensure the expected equity return is sufficient (but the assurance statement requirement is solely focused on debt finance); (iii) for the assessment of notional financeability to be robust, it is important that notional gearing is in-line with the efficient level, and that assumptions regarding the notional firm are internally consistent

(Ofwat has not sufficiently ensured this is the case); and (iv) Ofwat's early view of the WACC is insufficient to compensate equity investors for the risks they face.

The Board identifies increased risks at PR24 because of: (i) the significant scale of the capital programme; (ii) changes to the regulatory framework; (iii) the need to invest in ambitious and innovative solutions to mitigate the impact of the cost-of-living crisis for customers (by delivering productivity gains); and (iv) uncertainty regarding the current macroeconomic environment. The Board has assessed downside shocks, the consideration of the base case versus alternatives, a wide evidence base for the appropriate cost of capital, and whether there are company-specific issues that could impact cost of equity. On financial resilience, the Board asked the management team to set out the steps it has taken to enable it to make that statement, the factors it has taken account of, and the suite of financial metrics used to ensure the Company is financially resilient. The Board ensured the Company demonstrated the basis on which the assessment has been carried out, including how the base case and downside scenarios have been established and assessed.

The Board also reviewed the robust cost of equity case which has undergone a comprehensive and rigorous assessment, provided by KPMG, that uses current market data and is based on methodologies consistent with the financial literature and best regulatory practice.

The Board also reviewed the work undertaken by Evercore, who completed financial modelling for the WWSL business through AMP8 on the assumption of a £3.5bn capital programme and reviewed the associated financial assurance statements. Evercore, a leading financial advisor in the infrastructure sectors also provided evidence of expected equity investor returns based on the latest relevant advisory activity and transactions in which it had been involved. Evercore confirmed its agreement to the proposed assurance statements and to the equity return used in the assessment of long-term financial resilience.

Following these analyses, we find that (under our actual Plan and capital structure) we are able to retain our financial resilience over 2025-30 (and also over the long term), so long as we can attract and retain the investment required to respond to any shocks that may materialise. However, that requires us to offer (responsible) investors an expectation that they can earn returns commensurate with the increased risks they face at this time. Accordingly, to be financially resilient, the WACC needs to reflect a market return consistent with the increased risks faced at PR24 and, accordingly, should be higher than that currently proposed by Ofwat (under its early view).

In August 2023, the Board also considered the scope for including uncertainty mechanisms in the PR24 Business Plan to manage the uncertainty around the specific statutory obligations to deliver against, which impacts the size of the investment programme. The outcome of this assessment is that while uncertainty mechanisms such as the re-openers used by Ofgem can be helpful in managing legislative uncertainties, their application would generate significant administrative burden as well as risks around cost recovery and/or delivery of statutory obligations. However, the Board supported a proposal to mitigate the risks associated with investment in bioresources.

1.3.5. Customer engagement

The Board has put customers at the heart of the Plan, ensuring that insights gathered from the engagement activities completed have been used to inform the Plan.

The PR24 Board and Non-Executive Group have demonstrated this commitment to customer engagement throughout the development of the Plan. Firstly, they have recognised the value in having a physical presence at stakeholder engagement meetings. An Independent Non-Executive Director attended core CCG meetings which has meant that there has been an ongoing connection to the Working Group to understand the emerging views to be fed back into the Plan. Also, an Independent Non-Executive Director attended the 'You Water, Your Say' session in order to hear feedback first hand and report back to the Board as well as demonstrating support for the process. The Board has also influenced the customer engagement process by championing face to face sessions to gather customer feedback and arranging an online webinar with stakeholders.

The Board also recognise the value in feedback from stakeholders which is demonstrated by the addition of a standing agenda item covering customer engagement added by the Board to the meeting agenda. This ensured

that the engagement programme and emerging outputs were under continuous review and could be used as a guiding principle for the Plan.

The requirements state that 'the Board should provide assurance that the company's customer engagement and research meets the standards for high-quality research and any other relevant statements of best practice and has been used to inform its business plan and long-term delivery strategy'. Assurance is being provided by a range of organisations / individuals including the CCG, Mott MacDonald, Professor Cherchi, University of Newcastle willingness to pay research expert, and those delivering the research on behalf of the Company.

In addition to the external assurance carried out or planned, a range of specialist consultants have supported development of the Plan to ensure that the insights gained from the engagement are of the highest quality and provide a robust basis for decision-making.

In February 2022, the Board were briefed on the suite of customer engagement activities planned to ensure that the Plan and strategic planning frameworks reflected the views of customers and wider stakeholders. During this initial session the PR24 Executive Group requested that stakeholder engagement was taken wider to draw in a broader set of views for example local councils.

In May 2022, the Board were provided with an update on customer engagement activities. The Board sought to engage with CWW to elicit feedback on the scale of investment proposed.

In August 2022, the Board confirmed their intention to run separate engagement sessions in early 2023 in addition to Ofwat's open challenge sessions Your water, Your say alongside CCW.

In June 2023, the Board reviewed the outputs of the customer research conducted and the methodology for triangulation of customer research outputs.

2. Board assurance statement

We fully recognise and embrace the importance of Board level challenge of the PR24 Business Plan (the “**Plan**”) and are clear that our Board is fully satisfied that the Plan represents the long-term vision and ambition of the Company within the current statutory and regulatory requirements.

We have a very experienced and talented Board, and, as we have evidenced, we have fully engaged and utilised those talents at every stage of the development of the Plan. This is how we have ensured that the final Plan represents a high quality, financeable and deliverable part of a long-term strategy to provide the services that our customers want and is affordable.

The Board's scrutiny of the Plan and engagement with it, is founded on the Board having assured itself that Wessex Water's internal systems for generating the data and information on which the Plan is based are consistent, accurate and assured and that there are effective internal systems, controls, and processes to ensure that the data and information on which the Plan is based are wholly reliable. This has provided the basis for the Board to robustly challenge Company management on all the key elements of the Plan and as a whole.

The Board has been particularly focused on ensuring that all the elements of the Plan have been stress tested, considering multiple options to mitigate risks across a wide range of scenarios and we are confident that the Plan is adaptive to future developments. While the future is by nature uncertain, our Board involvement with the Plan has helped to ensure that the Plan provides a robust five-year foundation for taking us from where we are now to delivering on our longer-term objectives, while continuing to meet our statutory and licence obligations, across an extremely wide range of future eventualities in an efficient and customer focussed manner. The WINEP will require updating to take into account recent legal and regulatory changes including nutrient neutrality and Common Standards Monitoring Guidance.

There are other areas where there has either been regulatory resistance or lack of response to proposals that are material to the company meeting its statutory and licence obligations. The members of the Board have also recognised that scrutiny of the Plan must also align with their wider statutory duties under the Companies Act including the need to promote the success of the Company. In considering and challenging the Plan, the Board has therefore considered the long-term consequences of their decisions, the fostering of relationships with suppliers and customers and the impact of operations on the community and the environment and concluded that it is consistent with ensuring a deliverable, affordable and financeable Plan that achieves the goals set for the Company.

Finally, as a Board we are confident that the Plan comfortably exceeds Ofwat's minimum expectations for a Quality Plan and we are proud of the ambition it shows to exceed the expectations of our current and future customers and deliver high quality water and sewerage services for them on an affordable basis into the long term.

Based on the PR24 governance and assurance process and detailed evidence of challenge and recommendations described above, the Board makes the following assurance statement:

The Board has challenged and satisfied itself that the long-term delivery strategy:

- reflects a long-term vision and ambition that is shared by the Board and Company management;
- is high quality, and represents the best possible strategy to efficiently deliver its stated long-term objectives, given future uncertainties;
- will enable the Company to meet its statutory and licence obligations, now and in the future;
- is based on adaptive planning principles;
- has been informed by customer engagement; and
- has taken steps to secure long-term affordability and fairness between current and future customers.

The Board has challenged and satisfied itself that the 2025-30 business plan implements the first five years of the long-term delivery strategy. However, the Board also recognises that due to the latest regulatory changes published

at the time of submission, adjustments to the WINEP programme are likely to be required to meet new statutory obligations.

The Board has challenged and satisfied itself that:

- the full implication of the 2025-30 business plan for customers was considered and that the plan achieves value for money; and
- the long-term delivery strategy protects customers' ability to pay their water bill over the long term and delivers fairness between what existing customers will pay and what is paid for by future customers.

The Board has challenged and satisfied itself that:

- the performance commitment levels in the plan are stretching but achievable and reflect performance improvements expected from both base and enhancement expenditure;
- the expenditure forecasts included in the company's business plan are robust and efficient;
- the needs for enhancement investment are not influenced by non-compliance or non-delivery of programmes of work (both base and enhancement) that customers have already funded
- the options proposed within the business plan are the best options for customers and a proper appraisal of options has taken place;
- PR24 plans and the expenditure proposals within them are deliverable and that the company has put in place measures to ensure that they can be delivered. This includes setting out the steps the Board has taken to satisfy itself that supply chain risk is manageable and delivery plans account for:
 - the ability of the Company and its supply chain to expand its capacity and capability at the rate required to deliver the increased investment;
 - the impact of similar levels of growth across the sector and any overall sector and supply chain capacity constraints; and
 - key supply chain risks and capacity constraints, such as the availability of specialist resource or components, e.g. river quality monitors, smart meters, or SuDS designers.
- the plan includes price control deliverables covering the benefits of material enhancement expenditure (not covered by performance commitments);
- that the expenditure proposals are affordable by customers and do not raise bills higher than necessary; and
- the expenditure proposals reflect customer views, and where appropriate are supported by customers.

The Board provides assurance that the Plan is financeable on the basis of the notional capital structure, consistent with the definition adopted in the Risk and Return section above of maintaining target credit ratings at least two notches above the minimum of the investment grade under a base case scenario, and over the period from 2025-2030.

The Board provides assurance that the actual company is financially resilient over the 2025-2030 period and beyond under the Plan.

The Board provides assurance that the company's customer engagement and research meets the standards for high-quality research and any other relevant statements of best practice and has been used to inform its business plan and long-term delivery strategy.



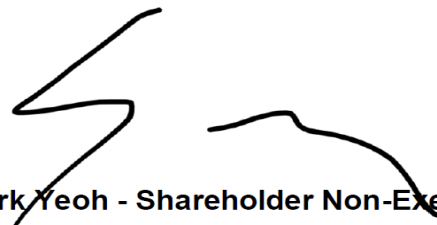
Tan Sri (Sir) Francis Yeoh – Chairman



Dato Hong Yeoh – Shareholder Non-Executive Director



Jim McKenna – Senior Independent Non-Executive Director



Dato Mark Yeoh - Shareholder Non-Executive Director



Colin Skellett – Chief Executive



Hann Yeoh - Shareholder Non-Executive Director



Dame Fiona Reynolds – Independent Non-Executive Director



David Barclay - Non-Executive Director



Kate Mingay - Independent Non-Executive Director



Andy Pymmer – Chief Finance Officer



Tim Gardam - Independent Non-Executive Director



Ruth Jefferson – Chief Compliance Officer



Kevin Wall - Independent Non-Executive Director



John Thompson – Chief Operating Officer