Shaping a more sustainable future

Sustainability Report and ESG Statement 2025

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

Sustainability report

Case studies

ESG statement

Introduction from Chris Weston

Over the next five years we will deliver record investment in securing our assets for future generations

Every day we supply over 2.5 billion litres of safe, clean, and wholesome drinking water to more than 10.6 million customers and treat 4.7 billion litres of wastewater on demand for 16 million people.

We are transforming our business to address past shortcomings, rising customer expectations, and long-term challenges such as climate change and population growth.

Through AMP8 we will be progressing the essential work of tackling historic underinvestment in our ageing infrastructure. This will enhance our resilience to climate change and population pressures, safeguard the environment, and help us to deliver for our customers in a more sustainable way.

Taken together, our Water Resources Management Plan (WRMP) and Drainage and Wastewater Management Plan (DWMP) provide robust long-term strategies for assessing risk and identifying necessary responses. We are pleased that our WRMP was approved by the Government in August 2024.

Our strategic plans played a central role in shaping our Business Plan for the 2024 Price Review (PR24) submission to Ofwat. After receiving Ofwat's Final Determination, we undertook a thorough evaluation and determined that it fell short of supporting the level of investment required for Thames Water to meet the needs of our customers, communities, and the environment over the coming five years. Consequently, in February 2024, we formally requested that the Final Determination be referred to the Competition and Markets Authority (CMA) for re-assessment.

We have since agreed with Ofwat to defer this referral. This does not constitute a withdrawal of our request but reflects our belief that ongoing discussions with Ofwat may lead to a market-led recapitalisation solution including a potential equity raise without the need for a CMA referral.

In AMP8 Thames Water will deliver record investment to begin to secure our assets for future generations, reducing our impact on the environment and maintaining supplies of safe, wholesome drinking water.

Being more sustainable

At Thames Water, sustainability has been a key focus for years and is at the heart of our recovery plan. It's not something we do separately—it's part of everything we do. Our sustainability approach is built around nine key themes, covering environmental, social, and governance areas. These themes guide both what we do and how we do it.

Environmental – The environment is vital to us all, and we have a shared responsibility to protect it for future generations. We depend on healthy rivers and groundwater to provide clean, safe drinking water for our customers. We also have a major role in ensuring that the wastewater we treat meets high standards before it's safely returned to those rivers.

Social – We want to be a positive influence in our communities. That means supporting our people within 'Team Thames' and making sure we're a responsible, trusted part of the local areas we serve.

Governance – As a provider of essential services, we take our responsibilities seriously. We're committed to strong, transparent governance and maintaining alignment with our core Purpose in everything we do.

Chris Weston
Chief Executive Officer

About Our Sustainability Report and ESG Statement

Find out more about Thames Water

About our Sustainability Report and ESG Statement

Over 400,000 of our customers are on Social Tariffs

In the following pages of our Sustainability Report and Environmental, Social, and Governance (ESG) Statement, we offer:

Sustainability snapshot

A selection of achievements, both over the past year and AMP 7.

Case studies

These case studies bring each of our nine sustainability themes to life.

ESG statement

This covers a broad range of ESG metrics with data spanning the past five years. This helps provide insight into our transparency, progress, challenges, and trends.

By presenting five years of data in an accessible and transparent format, our ESG statement offers a balanced view of both our past and current performance. These tables reflect our commitment to transparency, going beyond statutory reporting requirements.

About Thames Water

We serve customers in an area that follows the River Thames and stretches from Gloucestershire to Essex, covering countryside, villages, towns and our capital city.

Every day, we deliver over 2.5 billion litres of safe, clean, wholesome, drinking water to 10.6 million customers and treat more than 4.7 billion litres of wastewater for 16 million customers on demand, every single day. We couldn't do any of this without the planet's natural water cycle.

Providing safe, clean, wholesome drinking water to the communities we serve, while taking away waste responsibly and protecting this precious resource and the environment for the future drives everything we do. Climate change will make this more challenging, so it is fundamental that we understand and plan for it impacts, so that we can continue to serve our customers and protect the environment.

We have almost
8,000
employees

We serve
10.6 million
water customers

16 million
wastewater customers

We supply
2.5 billion
litres of water every day

We treat
4.7 billion
litres of wastewater every day

Our operational area map

We have
88
water treatment works

352
sewage treatment works

32,000 km
of water mains

109,000 km
of sewers

We self-generated and used
475.3 GWh
of renewable energy

Our Purpose

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

Our values and behaviours

Take care
We put the health, safety and wellbeing of our colleagues, our customers, our communities and ourselves above all else

Be passionate about everything we do
We do everything with energy and enthusiasm, taking a can-do approach

Take ownership
We keep our promises and take action where it's needed to support our colleagues and our customers

Be respectful and value everyone
We challenge prejudice, discrimination and unacceptable behaviours wherever we see them

Reach higher, be better
We support each other to be the very best we can be by listening, learning and trying new ideas

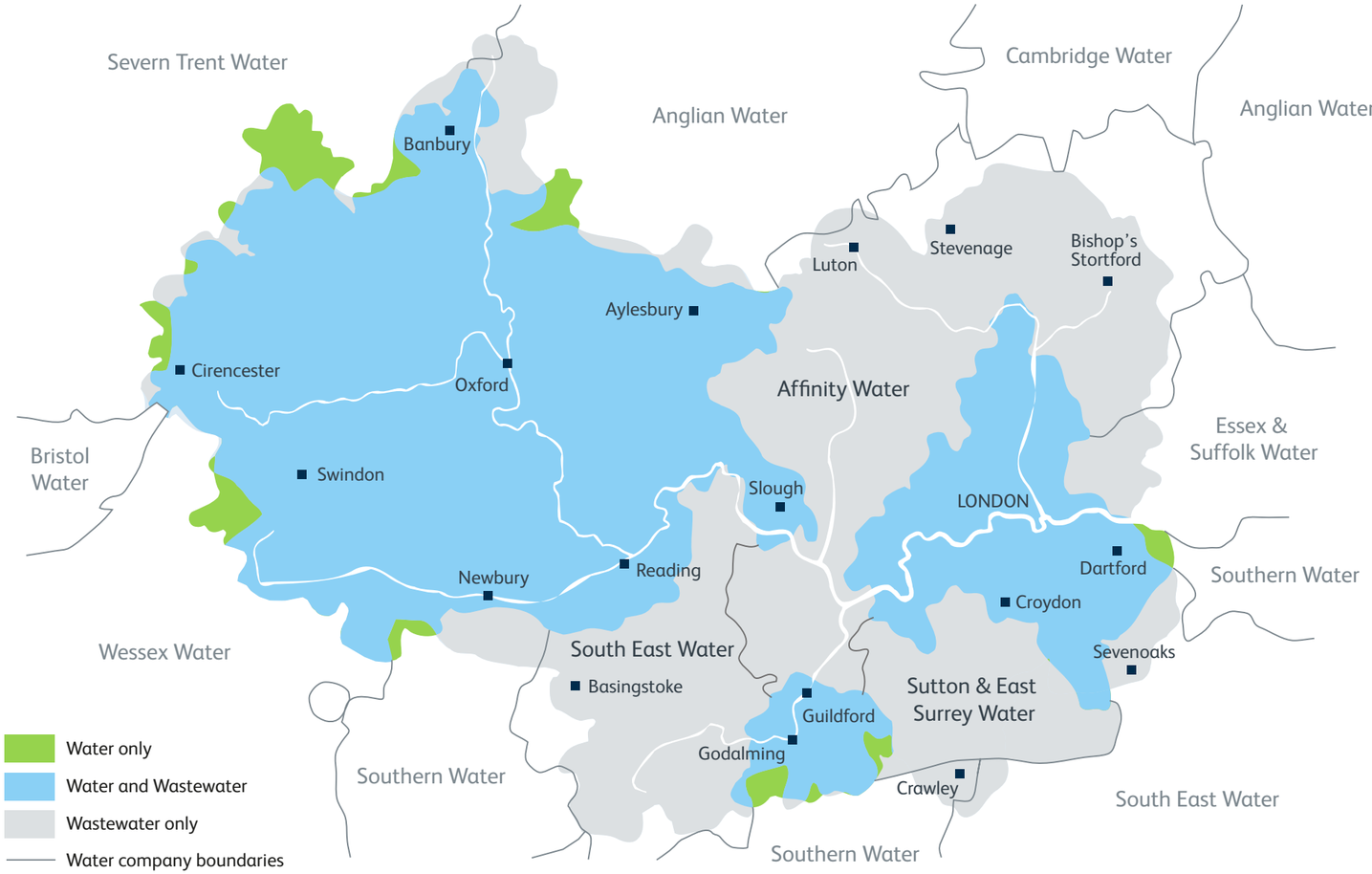
Be proud, be blue
We always work together to do the best possible job for our customers

About Thames Water

We serve customers in an area that follows the River Thames and stretches from Gloucestershire to Essex, covering countryside, villages, towns and our capital city.

Every day, we deliver over 2.5 billion litres of safe, clean, wholesome, drinking water to 10.6 million customers and treat more than 4.7 billion litres of wastewater for 16 million customers on demand, every single day. We couldn't do any of this without the planet's natural water cycle.

Providing safe, clean, wholesome drinking water to the communities we serve, while taking away waste responsibly and protecting this precious resource and the environment for the future drives everything we do. Climate change will make this more challenging, so it is fundamental that we understand and plan for it impacts, so that we can continue to serve our customers and protect the environment.



Sustainability snapshot

Water

- 629,749 New smart meters installed in AMP7
- 13.2% reduction in leakage in AMP 7
- PCC 137.8 litres per person per day
- 98% Security of Supply
- 99.97% compliance with abstraction licences
- Received Government approval of WRMP

Wastewater

- Pollution Incident Reduction Plan updated
- 100% of agreed coverage of Event Duration Monitors
- 98.69% Sewage Treatment Works Compliance
- 100% sludge management compliance
- Completion of the London Tideway Tunnel network

Energy & Carbon

- 2,404 GWh Renewable Energy generated and used in AMP 7
- 1,373 GWh Renewable Electricity generated in AMP 7
- 57% Reduction in scope 1 fossil fuels usage/ natural gas in AMP7
- 2 Gas to Grid Plants Commissioned in AMP7
- 347.4 tCO_2e Net emissions (market)
- 171.2 tCO_2e/Ml Wastewater GHG (market) intensity
- 67.1 tCO_2e/Ml Water GHG (market) intensity

Community

- 2,970 customers supported through our customer assistance fund
- 408,670 customers on social tariffs
- 619,253 customers on Priority Service Register
- 71 new Apprenticeships

Biodiversity

- 157 sites enhanced across AMP 7
- 94.7% of SSSI sites in favourable condition
- 8 new wetlands created covering over 11.55 hectares in AMP 7

Our plans and reports

- Business Plan 2024
- Water Resource Management Plan
- Drainage and Wastewater Management Plan
- Drought Plan
- Adaptation Reporting Power 4
- River Health Action Plan
- Pollution Incident Reduction Plan

UN Sustainability Goals

The United Nations Sustainable Development Goals (SDGs) are a call to action to end poverty and inequality, protect the planet, and ensure that all people enjoy health, justice and prosperity. They have been developed to make the world more sustainable by 2030.

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

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

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

- **Clean water and Sanitation**
- **Affordable and Clean Energy**
- **Reduced Inequalities**
- **Responsible consumption and production**
- **Climate Action**
- **Life on Land**

In the infographic to the right, we have linked these six SDGs that we are actively contributing towards, including '13 – Climate Action', to the water cycle, which describes our interaction with customers and the environment.

Abstract from rivers and aquifers

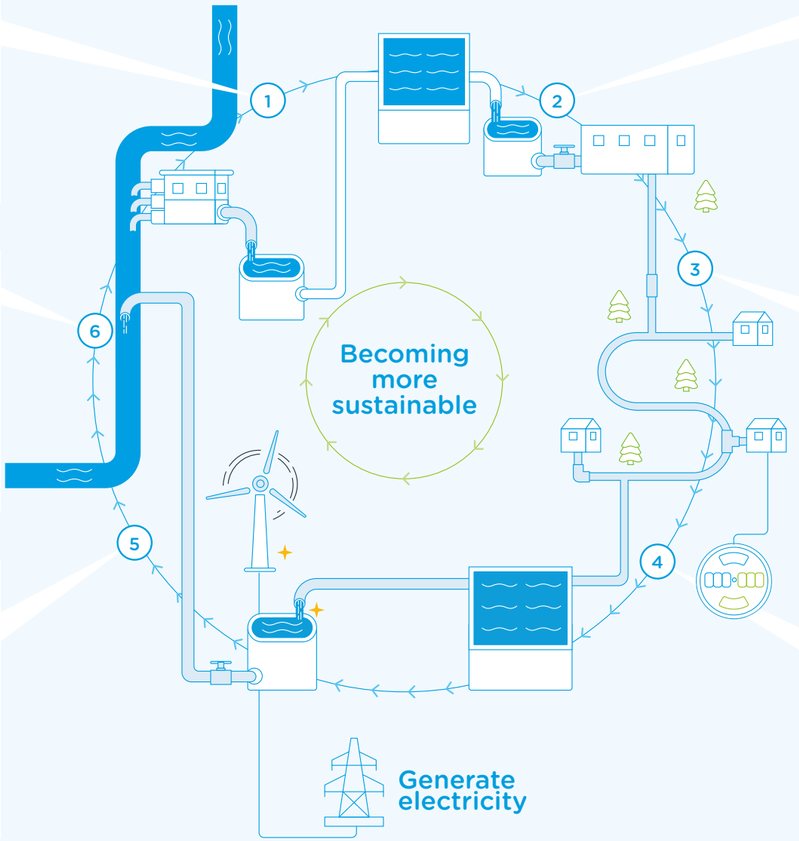
- Protecting chalk streams
- Creating partnerships and wetlands
- Improving biodiversity
- Managing invasive species

Safe return of clean water to the environment

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

Treat wastewater at our sewage treatment works

- Commissioned 2 gas-to-grid plants in AMP7
- Generated 25.8% of our energy needs renewably
- Treated 4.7 billion litres of wastewater each day



Clean water at our water treatment works

- Producing over 2.5 billion litres of clean safe drinking water daily
- Secured Government approval of our 50-year Water Resource Management Plan
- Working with Water Resources South East on Strategic Resource Options
- Supporting Water Aid

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

- Provide safe and wholesome drinking water to10.6 million customers daily
- Installed nearly 630,000 smart meters in AMP7 to give customers more control over water use
- Financially supported 408,670 customers via social tariffs

Remove wastewater from customers' homes and businesses

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

Case studies

In this section we have nine case studies which explore the activities and actions we are taking that support how we are becoming more sustainable.

Keeping the taps flowing

Planning water supply for the next 50 years

A climate resilient future

How we are adapting to climate change

Marylebone flyover rain garden

Nature-based rainfall management

Northern Outfall Sewer lining work

Updating the sewer for the next century

Becoming more circular

Becoming more resource efficient

Skidney the Pooperhero

Skidney and the Junior Citizenship Scheme – teaching children about sewer misuse

Managing our emissions

Progress on managing our greenhouse gas emissions

Looking ahead

Developing strategic water resources

Drones in confined spaces

Keeping our workforce safe

Keeping the taps flowing

We provide 10.6 million customers with more than 2.5 billion litres of clean, safe drinking water every day. However, climate change, population growth, and the need to reduce water extraction from our rivers and chalk streams to protect the environment present significant threats to the security of our water supply.

Every five years, water companies publish and agree on Water Resources Management Plans (WRMP), which outline how they will ensure a secure water supply for their customers in the face of climate change and environmental protection requirements.

Our plan

Our plan, covering the period from 2025 to 2075, builds upon our previous WRMP. With a long-term perspective, we are planning for a 50-year horizon to address the challenges and risks related to future water supply.

The plan's primary objective is to make sure that enough water is available to meet growing demand, especially during dry and very dry periods, while safeguarding the environment.

Without intervention, we forecast a shortfall of over 1,000 Ml/d of water every day for our customers over the next 50 years, the equivalent of the daily consumption of 7.3 million people. Climate change alone accounts for approximately 20% of this projected shortfall.

In August 2024, we received government approval for our WRMP, which outlines our strategy to secure a sustainable water supply for the next five decades. Further details of our plan can be found by following the link below.

Collaboration with Partners

As this is a shared challenge, we collaborate with other regional water companies to identify effective solutions. Through Water Resources South East (WRSE), we have worked alongside the five other water companies serving the region. Together, we have developed a joint plan that tackles the climate and environmental challenges threatening our water resources and ensures a secure water supply for the future.

More detail about the draft regional plan and how it was developed can be found below.

Building a Resilient Water Supply

Climate change is expected to lead to warmer, wetter winters and hotter, drier summers, with more frequent and severe weather extremes. Combined with rising water demand due to urban growth, the resilience of our water supplies during dry periods is increasingly uncertain.

While a reliable water supply is often taken for granted, a shortage would significantly affect our customers, the environment, and the economy. This makes it crucial that we proactively plan for future demand, climate change, and potential droughts. Our WRMP outlines our strategies to reduce water leakage across our network and encourage customers to use water more efficiently.

However, these initiatives alone won't suffice. To meet future challenges, we must also increase our water storage capacity and develop new sources of supply. Recognising the severity of the potential water shortage, we are working closely with the government, regulators, and other water companies to plan large-scale strategic water storage and supply solutions.

Water Resources Management Plan 2025-2050

Our draft regional plan

Find out about our Stategic Resource Options

Northern Outfall Sewer lining work

The Northern Outfall Sewer (NOS) originally constructed between 1860 and 1865 by the Victorians supplies Europe's largest sewage works at Beckton. It is 2.7m wide (big enough to drive a transit van through it) and serves over 4 million people.

The NOS is built above ground along an embankment and serves as a critical "underbridge" that directly supports key infrastructure that crosses over it, like roads and railways.

The underbridge at Stratford High Street is particularly vital as it supports a busy dual carriageway used by more than 40,000 vehicles each day. Over time, the sewer soffit (the inside top of the pipe) had weakened, meaning that we needed to find a solution to strengthen the sewer and to keep the dual carriageway open to traffic.

To avoid causing significant disruption to the local community, bespoke Glass Reinforced Plastic (GRP) linings were carefully installed through an opening of the sewer next to the road, before being pushed into position under the carriageway. Precision was required, as there was limited space around the units to fit them into place. With the installation of the new durable GRP liners, the giant trunk sewer has been reinforced to manage full traffic loads and is designed to last 120 years.

The installation of this first section of GRP lining marks a pivotal moment in the upgrade of this Victorian sewer. It is part of our ambitious plans to future-proof the infrastructure, improving its resilience for generations to come, so we can continue delivering life's essential service while safeguarding our customers, communities, and the environment.

We've worked with our construction partner McAllister and the London Borough of Newham to design and deliver this innovative solution with minimal disruption to the area and importantly allowed us to keep water flowing through the NOS to Beckton sewage treatment works.

> "As custodians of this incredible infrastructure we need to safeguard the resilience of our pipes to the pressures of climate change and population growth and we can continue to provide reliable services to our customers. This upgrade to our network will help it continue to serve our customers into the next century."

Richard Smith
Thames Water Project Manager

Managing our emissions

Climate change is one of the greatest challenges for humanity. By reducing emissions, we will help provide a better environmental outcome for customers and reduce our contribution to the causes of climate change.

We have been reporting operational emissions since 2008/09, the baseline year for government reduction targets is 1990. In 2024/25, using a market-based methodology (which includes the impact of our green power purchases), we have achieved a 73% absolute reduction in Scope 1 and 2 emissions from 846 $ktCO_2e$ to 232 $ktCO_2e$ compared to 1990. This reduction has been achieved whilst serving over 4 million additional customers.

In 2024/25 our annual net emissions (market based) were 350.4 $ktCO_2e$. We continue to implement low-cost measures to reduce operational carbon consistent with our carbon management hierarchy.

During AMP7 we have made progress in managing our carbon emissions including:

- Our net operational emissions, (market-based) increased from 270.8 to 347.4 $ktCO_2e$ due to an expanded scope of reported emissions. Using a like-for-like methodology, our emissions would have decreased by 5% during AMP7.
- Self-generating and using 1,373 GWh of renewable electricity.
- Recovering 216 GWh of heat energy.
- Delivered two Gas-to-Grid facilities in London where biogas is converted into biomethane to inject into the gas grid. These installations could provide the equivalent gas requirements for over 7,000 homes.
- Increasing the amount of installed Solar PV capacity by 4.3 MW.
- Delivered 52 energy-saving projects across our water and waste business areas, reducing our consumption by a total of 26.5 GWh and our electricity bill by over £4 million.
- The purchase of 25 all-electric utility vehicles to support a range of operational activities across multiple sites as a part of our fleet replacement programme.
- Over the past year, working with our partner Cusack, we have recycled 37.7 tonnes of plastic waste from traffic management cones and barriers. The recovered plastic was turned into new cones and barriers avoiding waste going to landfill and 82 $ktCO_2e$ of carbon.

Emission scope meaning - Scope 1 refers to direct emissions from our own operations, Scope 2 covers indirect emissions from purchase and use of energy, and Scope 3 includes the indirect emissions from our value chain.

Building a climate-resilient future

The turbulent weather patterns we've witnessed in recent years have tested the resilience of our services. While this presents one of our biggest challenges, it also offers a valuable opportunity to do things differently.

At its core, the potential impact of climate change on our business can be understood as: too much (e.g., flooding), too little (e.g., drought), or the wrong kind (e.g., sewer flooding) of water. Although the timing and extent of climate change remain uncertain, our approach to addressing it is clear. We're adapting our business to meet these challenges and actively contributing to managing their effects. This approach is a fundamental part of our commitment to becoming more sustainable.

Our planning reflects the long-term pressures that climate change creates, which not only strain our ability to maintain current customer service levels but also increase the need for investment in repairing, replacing, and enhancing our infrastructure.

Crucially, our strategy addresses the asset health gap that has arisen from past AMP decisions. The potential implications of climate change on our operations are explicitly considered in the development of several key long-term plans, ensuring we continue to provide reliable water and wastewater services to our customers. For more information, please follow the link below:

The timing, extent, and frequency of these changes remain uncertain, which makes planning for the future especially challenging. To navigate this uncertainty, we've adopted an 'Adaptive Planning' approach.

As part of our business strategy, we've outlined 25-year plans to achieve our long-term goals. Adaptive planning is central to this approach, allowing us to incorporate low-regret options, modular solutions, enabling investments, and actions that are flexible and responsive to changes in the external environment.

In developing our plans, we've considered a broad range of potential future scenarios, including climate change, population growth, reduced water extraction, and environmental goals.

We've been using climate change data to inform our business planning since 1999. For our current plans, we've relied on UKCP18 probabilistic climate projections and climate scenario analysis to understand the various pressures climate change creates—such as changes to water availability, demand, and flooding risks. This enables us to make strategic and investment decisions that are well-suited to an uncertain climate future.

For more information, follow the links below:

- Our approach to adapting to climate change
- Water Resources Management Plan 2025-2050
- Drainage and Wastewater Management Plan 2025-2050
- Price Review Business Plan 2025-2030*

*In February 2024, we formally requested that the Final Determination be referred to the Competition and Markets Authority (CMA) for re-assessment. We have since agreed with Ofwat to defer this referral.

Becoming more circular

The provision of water and wastewater services operates in a circular process: water is sourced from the environment, treated, and supplied to customers. After use, wastewater is collected, treated, and returned to the environment.

To enhance sustainability, we aim to make this cycle more efficient and environmentally responsible. Adopting a more circular approach presents valuable potential opportunities to optimise processes, recover resources from both water and wastewater, tackle the challenges of climate change, and contribute to long-term water security. This approach not only boosts the efficiency of water and wastewater services but also supports the protection of the environment we all rely on.

Here are some examples of how we're incorporating circular principles into the delivery of water and wastewater services

A biogas fuelled combined heat and power plant

Becoming more circular

The provision of water and water services operates in a circular process: water is sourced from the environment, treated, and supplied to customers. After use, wastewater is collected, treated, and returned to the environment.

To enhance sustainability, we aim to make this cycle more efficient and environmentally responsible. Adopting a more circular approach presents valuable potential opportunities to optimise processes, recover resources from both water and wastewater, tackle the challenges of climate change, and contribute to long-term water security. This approach not only boosts the efficiency of water and wastewater services but also supports the protection of the environment we all rely on.

Renewable energy

During AMP7, we generated 2,404 GWh of renewable energy through Combined Heat and Power (CHP), Sludge-Powered Generation (SPG), wind, and our own photovoltaic (PV) and heat systems, displacing fossil fuel generated energy.

Heat recovery

We have been working with local authorities and heat network developers across the Thames Water region to explore projects that could recover heat from sewage, treated effluent and other sources to provide sustainable low-carbon heating solutions.

Traffic management

Damaged traffic cones and safety barriers no longer go to landfill. Instead, they are recycled, and the plastic recovered is turned into new cones and barriers. This reduces plastic waste in landfills, cuts disposal costs, avoids landfill taxes, and helps to lower carbon emissions. Last year, this effort prevented the disposal of 37.7 tonnes of plastic waste and saved 82 ktCO_2e of carbon emissions.

Nutrient recovery

The principles of the circular economy closely align with the Sustainable Development Goals (SDGs), promoting sustainability, resource efficiency, and social equity. We are exploring the potential for nutrient recovery from wastewater treatment for use in agriculture and the chemical sector.

In collaboration with the British Standards Institution, we are exploring safe methods to recycle nutrients into low-carbon fertilizers.

Catchment approaches

By addressing issues at their source, we can deliver greater value and benefits. Our long-standing catchment programs have ranged from pioneering efforts in the 1990s to protect drinking water from pesticide runoff on railway lines, to our recent award-winning initiative to install sustainable drainage in schools, manage flood risk, and create new nature reserves in urban catchments.

Biosolids

We recycle 100% of our sludge for beneficial reuse, primarily as a nutrient-rich fertilizer in agriculture, reducing the reliance on synthetic fertilizers. It is also used in land restoration projects as a bulk soil improver.

Gas-to-Grid

We've developed two Gas-to-Grid plants in London, which convert renewable biomethane into gas for the network, replacing fossil fuel gas and providing the gas requirements of over 7,000 homes.

Looking ahead

As with all water companies, we are required to prepare and maintain a Water Resources Management Plan (WRMP). This plan outlines how we will ensure a secure water supply for our customers while safeguarding the environment. WRMPs are long-term strategies that require us to forecast future scenarios using a variety of data.

The further ahead we plan, the greater the uncertainty there is about what lies ahead. To address this, we employ an adaptive planning approach, enabling us to explore a range of potential options to meet future challenges.

Our long-term plan

Our latest WRMP projects that, if no action is taken, we could face a shortfall of more than 1 billion litres of water per day by 2050. Of this, 140 Ml/d is directly attributable to the impacts of climate change, while an additional 321 Ml/d is needed to ensure resilience against a 1-in-500-year drought. To close this gap, we must maximise the efficient use of our existing water resources by reducing leakage, curbing demand, and investing in new strategic sources of water.

In August 2024, we secured government approval for our WRMP, which outlines our strategy to provide a secure and sustainable water supply over the next 50 years.

Strategic Resource Options

Water is essential to our daily lives—whether it's for drinking, cooking, cleaning, or supporting critical services like schools and hospitals. It's also vital for maintaining the health of the environment around us.

We have robust plans in place to reduce leakage from our network and customers' pipes, aiming to halve leakage by 2050. Additionally, the government has pledged policy measures to support water companies in encouraging customers to use water wisely.

However, these initiatives alone will not be sufficient. To meet future challenges, we must also increase our water storage capacity and develop new sources of supply. Recognising the severity of the potential water shortage, we are working closely with the government, regulators, and other water companies to plan large-scale water storage and supply solutions.

Our plan identifies three key strategic resource options that will increase our water storage capacity and provide new sources of supply:

South-East Strategic Resource Option (SESRO)

A proposed new reservoir south-west of Abingdon, in Oxfordshire which would store water from the River Thames during winter months for use in drier periods or when demand increases. This reservoir would help provide drought resilience for the region over the next century.

Teddington Direct River Abstraction (TDRA)

In collaboration with Water Resources South East (WRSE), we have identified a solution that could provide up to 75 million litres of water daily during prolonged dry spells, helping protect London from drought risks.

Water Transfer Projects (WTP)

Working with other water companies, we are considering three new water transfer options to move water from areas of higher availability to regions with lower supply.

Click here for more information about our WRMP including the Strategic Resource Options

Marylebone Flyover Rain Garden

The Marylebone Flyover Rain Gardens are a nature-based, sustainable drainage solution designed to repurpose a redundant pedestrian underpass to help tackle London's growing concerns over extreme weather events, such as more intense rainfall and the increased risk of flooding.

The project was a collaboration between Transport for London (TfL), The Greater London Authority (GLA) and Thames Water to transform an underused urban space into a sustainable and functional green area, addressing both community and environmental needs.

The unique innovation of this scheme is how the ramped and stepped entrances of the disused pedestrian underpass, locally known as the 'Joe Strummer Subway', have been repurposed to provide stormwater storage below ground, helping slow the flow into the sewer network by diverting rainwater from the surrounding roads and pavements into the rain gardens, reducing the risk of flooding and storm overflows downstream.

On the surface, rain gardens have been created and planted with trees and shrubs, which boost biodiversity and provide shading in this heavily built-up area located at the busy A5 junction with the Marylebone Flyover, offering a solution to both environmental and infrastructure challenges.

Rain gardens are permeable spaces designed to absorb and filter rainwater, reducing the pressure on London's drainage systems and reducing the risk of flooding in the surrounding area. These rain gardens can capture the rainwater runoff from approximately 3,500 square metres of roads and pavements and store over 137,000 litres of rainwater.

The rain gardens also help in enhancing local biodiversity by incorporating native plant species, which contribute to healthier ecosystems. They will also provide a range of benefits to the local area and London including:

Flood Risk Reduction - The rain gardens help reduce the risk of localised flooding by capturing and storing large amounts of stormwater runoff, easing the burden on the city's drainage system.

Biodiversity - The inclusion of native plants creates a more diverse and healthier urban ecosystem, supporting local wildlife.

Cultural and Social Value - By transforming the area around the 'Joe Strummer Subway', the project honours the cultural history of the location while providing a space that can be enjoyed by the local community.

Water Quality Improvement - The permeable surfaces and plantings naturally filter pollutants from rainwater, improving the quality of water before it is released back into the environment.

The Marylebone Flyover Rain Garden is a successful example of how urban spaces can be reimagined to address both environmental challenges and community needs.

Going forward, the Marble Arch London Business Improvement District (BID) will be responsible for the ongoing upkeep and maintenance of the rain gardens.

> "This project demonstrates how a single nature-based solution, delivered through partnership, can tackle climate, biodiversity and drainage network challenges"
>
> **Craig Boorman**
> Principal Environmental Engineer

Skidney and the Junior Citizenship Scheme

Sewer blockages, – caused primarily by improper disposal of items like wet wipes, sanitary products, nappies, fats, oils, and grease, – account for 29% of pollution across our network and 15% of incidents at our sewage treatment works. To tackle this issue, we must educate the public and encourage better disposal habits.

Last year, one of our team created ***Skidney the Pooperhero***, a children's book aimed at teaching children about proper waste disposal. The story follows Sidney, who learns about the 'Three Ps' - Pee, Poo, and Paper - at school. Once home, he turns into Skidney the Pooperhero, teams up with a talking poo, and works to clear a fatberg blocking the local sewer. The fun story teaches important lessons on preventing sewer misuse and protecting the environment.

We also partner with the Junior Citizenship Scheme, which reached nearly 12,000 Year 6 pupils across London in 2024/2025. This programme brings together organisations including Transport for London (TfL), the police, fire brigade, ambulance service, local councils, charities and Thames Water to teach young people the principles of good citizenship.

As part of this, Thames Water runs interactive workshops focused on the 'Three Ps' rule - only flushing Pee, Poo, and Paper down the toilet- and explains the importance of binning fats, oils, and grease rather than pouring them down the sink. These sessions help children understand the environmental and social impacts of improper waste disposal, such as sewer blockages, flooding, and pollution. By doing so, we encourage them to adopt more sustainable habits.

The risk of blockages will continue to grow as population growth and climate change puts more pressure on our network. However, through initiatives like Skidney the Pooperhero and the Junior Citizenship Scheme, we're raising awareness and teaching children the right way to dispose of waste, which will help reduce blockages and protect the environment now and in the future. By reaching children at an early age, we can help shape long-lasting good habits and inspire them to share these with their families and communities.

We are committed to reducing the number of pollution incidents in our area. To help us achieve this, we've developed a detailed Pollution Incident Reduction Plan. It describes the actions we are taking and the progress we are making.

Skidney the Pooperhero and other educational materials

Pollution Incident Reduction Plan

"My kids love this! It's funny, imaginative, and cleverly teaches both children and parents about blockages and pollution."

Damon Pearce
Parent

Using drones in confined spaces

The health and safety of our people, customers and communities is our number one priority. The risks involved when working in confined spaces are significantly more hazardous than a normal workplace. Wherever possible, we aim to avoid the need to enter a confined space and look to use alternative approaches.

Two years ago, we started using a drone as a safer way to carry out some of our work in trunk sewer networks to significantly reduce the number of confined space entries by our people.

The drone provides a range of different data collection options including thermal imagery, 4K definition video imagery, Light Detection and Ranging (LIDAR) and explosive gas monitoring. This information helps us get a clear understanding of the condition of the underground asset, what work is required, what the access is like, and how we can plan for the delivery of any maintenance or repair work.

Our use of drones reduces the risk to our people by avoiding confined space entries where possible*, making them safer and reducing the time employees are underground.

- Number of flights – in 2024/25 we flew over 30 flights, avoiding the need for confined space entry.
- Reducing costs – each flight, depending on the task, costs approximately 80% less than conventional confined entry assessments.
- Quicker planning and completion.

The health and safety benefits of using drones are not restricted to confined spaces. We've also started using them for crane inspections, reducing the need for colleagues to work at height. This not only puts safety first but also reduces costs and time.

> By using drones, we have reduced the requirement for hazardous confined space entries, improved the speed of assessment and reduced our costs.

Martin Codling,
Delivery Manager

*consistent with Regulation 4 of the Confined Space Regulations 1997

ESG statement - Introduction

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

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

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

Our ESG statement covers the following areas:

Environmental

Reflecting the interaction of our operations with the natural environment

Social

Illustrating our relationships with our employees, suppliers, customers and communities, and our impact on the economy

Governance

Covering the way our business is governed, including leadership, remuneration, audits and internal control, and external shareholder dividends

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

Environmental

In this section, we include metrics of our activities relating to minimizing the environmental impact of our operations. This includes efforts to manage carbon emissions, reduce leakage and pollution, improve water efficiency, and manage our resilience to the unavoidable impacts of climate change.

Environmental

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Water	Number of customers – water service (millions)	10.6	10.5	10.4	10.3	10.3	We supply clean, fresh drinking water to more than 10.6 million customers every day.	Annual Performance Report 2024/2025 Data Tables, 4R.28
	Compliance Risk Index - target 0.0	2.04	1.43	10.96	2.59	2.42	Our Compliance Risk Index performance this year was 2.04. Compliance Risk Index was designed by the Drinking Water Inspectorate to illustrate the risks arising from treated water compliance failures.	Annual Performance Report 2024/2025, p18
	Daily water into supply (Ml/d)	2,534.03	2,524.25	2,574.10	2,547.60	2,589.40	We supply over 2.5 billion litres of clean, fresh drinking water to more than 10.6 million customers every day.	Annual Performance Report 2024/2025 Data Tables, 6B.38
	Compliance with water abstraction licences (%)	99.97	99.79	99.84	99.97	99.98	During 2024/25, we achieved 99.97% compliance with our daily water abstraction licences.	Thames Water Asset Management Team
	Security of Supply Index (%)	98	99	99	100	100	Our Security of Supply Index was 98%, which rates our ability to maintain a water supply, particularly during a drought.	Annual Performance Report 2024/2025, p37
	Leakage performance (Ml/d), based on a rolling three-year average	584.3	591.9	598.3*	603*	636.7*	Our 3-year rolling average leakage has reduced to 584.3 Ml/d. *We have applied the methodological improvements to our previously reported performance.	Annual Performance Report Team
	Leakage performance (Ml/d), annual average	569.1	570.4	613.5	591.8	589.6	Our annual average leakage has reduced to 569.1 Ml/d, its lowest-ever level, with a small reduction year on year.	Annual Performance Report Team
	Per Capita Consumption l/p/d	137.8	138.2	138.7	143.9	152.2	During AMP 7 there has been a reduction in Per Capita Consumption of 14.4 l/p/d.	Annual Performance Report Team
	Number of new smart meters installed	100,288	126,910	145,494	163,521	93,536	We installed 100,288 new smart meters this year. We have installed almost 630,000 new smart meters in AMP 7.	Thames Water Smart Metering Team
Wastewater	Number of customers – wastewater service (millions)	16	15.9	15.6	15.6	15.6	We collect and treat the wastewater of more than 16 million customers every day.	Annual Performance Report 2024/2025 Data Tables, 4R.28
	Wastewater treatment works discharge compliance (%)	98.69	99.22	99.48	98.96	99.74	This metric is the percentage of our treatment works that are compliant with their discharge permit conditions.	Annual Performance Report 2024/2025, p22
	Wastewater treated (Ml/d)	4,707	5,100	4,272	4,586	4,670	Over 4.7 billion litres of wastewater arrived at our sewage treatment works each day, before being treated and safely returned to rivers.	Annual Performance Report 2024/2025 Data Tables, 7C.13
	Event Duration Monitor (% compliance)	100	100*	61.8**	100		100% of confirmed storm overflows are fitted with event duration monitors (EDM). This link takes you to a map that provides near real-time storm discharge activity, as indicated by our EDM monitors. www.thameswater.co.uk/edm-map * Statistic updated to show % confirmed storm overflows listed with EDM commissioned. **For locations where additional Event Duration Monitors were programmed, but not yet installed, data not available. Note: this is a calendar year measure.	Thames Water Environmental Permitting Team

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Wastewater	Total category 1–3 pollution incidents from sewage related premises (number of incidents)	470	350	331	271	292	We have reported 470 category 1-3 incidents this year. Note: this is a calendar year measure.	Annual Report 2024/2025, P16
	Total sewage sludge produced (thousand tonnes dry solids/yr.)	374.5	365.6	353.9	371.7	345.3	Last year we treated 374.5 thousand tonnes of dry solids.	Annual Performance Report 2024/2025 Data Tables, 8A.3
	Sludge management compliance with regulations and codes of practice (%)	100	100	100	100	100	We were externally audited against the Biosolids Assurance Scheme standard in 2024 and found to be compliant.	Thames Water Bioresources Team
	Number of surface water management schemes delivered	47	19	5	3		We delivered 74 surface water management schemes in AMP 7.	Thames Water Surface Water Managememt Team
	Area where surface water is disconnected from our public sewer system (ha)	28.67	4.56	0.55	0.11	0	In AMP 7, we removed or attenuated surface water from 33.89 hectares of catchment, disconnecting it from our sewer system.	Annual Performance Report 2024/2025, p37
Climate Economy	Traffic management waste recycled (kg)	34,712					Our damaged traffic cones and safety barriers no longer go to landfill, they are now recycled, and the plastic recovered and turned into new traffic cones and safety barriers.	Thames Water Sustainability Team
	Kg CO_2e avoided via traffic management waste recycling	82,164					Divergance from landfill and recovery of materials avoided over 82 tonnes of carbon emissions.	Thames Water Sustainability Team
Climate Change	Number of live Biomethane Gas-to-Grid installations	2	2	1	0	0	In AMP 7 we have built two biomethane-to-grid installations at Deephams and Mogden STWs.	Thames Water Energy and Carbon Team
	Scope 1 emissions – water ($kTCO_2e$)	9.7	8.8	6.7	6.4	7	Includes fossil fuels, site process and fugitive emissions and vehicle transport (Fleet).	Thames Water Energy and Carbon Team
	Scope 1 emissions – wastewater ($kTCO_2e$)	220.2	215.9	213.7	222.5	214.9	Includes fossil fuels, site process and fugitive emissions and vehicle transport (Fleet). Scope 1 emissions increased due to an increase in sludge intake and using more carbon intensive methods of processing this sludge.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Market) – water ($kTCO_2e$)	1.6	0.002	*0.0015	0	0	2024/25 figure includes solar electricty used from third parties, where REGOs are sold. *Restated to include emissions associated with home charging.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Market) – wastewater ($kTCO_2e$)	0.3	0.004	*0.0031	0	0	2024/25 figure includes solar electricty used from third parties, where REGOs are sold. *Restated to include emissions associated with home charging.	Thames Water Energy and Carbon Team
	Scope 2 emissions (Location) – water ($kTCO_2e$)	103.6	104.7	98.0	96.3	97	2024/25 Scope 2 emissions decreased. It now includes solar electricty purchased from third parties, where REGOs are sold.	Thames Water Energy and Carbon Team

Environmental

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Climate Change	Scope 2 emissions (Location) – wastewater ($kTCO_2e$)	87.5	82.9	75.7	72.9	76.5	Scope 2 emissions increased. It now includes solar electricty purchased from third parties, where REGOs are sold. Electricity purchased from the grid increased due to prioritising biogas use in boilers and for biomethane production rather than self generation. However, operational issues has also impacted available self-generation from biomass.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Market) – water ($kTCO_2e$)	42.1	46.9	*47.7	32	34.8	In 2024/25 we reduced our emissions associated with the purchase of chemicals and from our outsourced operators. *Restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Market) – wastewater ($kTCO_2e$)	78.5	84.4	*93.1	81.4	80.4	In 2024/25 we reduced our emissions associated with the purchase of chemicals and from our outsourced operators. *Restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Location) – water ($kTCO_2e$)	64.7	70.2	*71.1	55.1	58	In 2024/25 we reduced our emissions associated with the purchase or chemicals and from our outsourced operators. *Restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	Scope 3 emissions (Location) – wastewater ($kTCO_2e$)	98.1	103.0	*111.2	99.7	98.7	In 2024/25 we reduced our emissions associated with the purchase or chemicals and from our outsourced operators. *Restated and includes chemicals, disposal of waste, well to tank.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Market) – water ($kgCO_2e/Ml$)	67.1	60.3	*57.9	41.6	44.3	Market-based GHG emmissions intensity for water increased.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Market) – wastewater ($kgCO_2e/Ml$)	171.2	158.4	*192.5	178.3	171	Market-based GHG emmissions intensity for wastewater increased.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Location) – water ($kgCO_2e/Ml$)	224.3	199.3	*187.5	170.6	172	Location-based GHG emmissions intensity for water increased.	Thames Water Energy and Carbon Team
	GHG emissions intensity (Location) – wastewater ($kgCO_2e/Ml$)	234.7	212.4	*251.8	232.8	226.6	Location-based GHG emmissions intensity for wastewater increased.	Thames Water Energy and Carbon Team
	Total electricity consumed (GWh)	1,274.6	1,260.4	1,248.90	1,244.30	1,260.30	In 2024/25 our electricity consumption increased.	Thames Water Energy and Carbon Team
	Grid electricity consumed (GWh)	913.9	905.7	897.9	874.6	897.7	Thames Water buys 100% renewable electricity via our supplier. Electricity purchased from the grid increased due to prioritising biogas use in boilers and for biomethane production, however operational issues has also impacted available self-generation from biomass.	Thames Water Energy and Carbon Team
	Renewable grid electricity consumed (GWh)	913.9	905.7	897.9	874.6	897.7	Thames Water buys 100% renewable electricity via our supplier. Electricity purchased from the grid increased due to prioritising biogas use in boilers and for biomethane production, however operational issues has also impacted available self-generation from biomass.	Thames Water Energy and Carbon Team

Environmental

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Climate Change	Renewable electricity self-generated (GWh)	249.5	268.50	266.8	297.1	290.6	Renewable electricity self-generated and used on site by CHP, SPG, wind and own PV.	Thames Water Energy and Carbon Team
	Renewable energy self-generated (GWh)	475.3	497.6	*488.5	*486.1	*456	Renewable energy self generated and used on site by CHP, SPG, wind and own PV and heat decreased. *Restated in 2024/2025.	Thames Water Energy and Carbon Team
	Renewable electricity self-generated consumed (%)	19.5	21.1	21.3	23.8	22.9	19.5% Renewable electricity self generated and used on site by CHP, SPG, wind and own PV of our total electricity consumption.	Thames Water Energy and Carbon Team
	Renewable energy self-generated consumed (%)	25.8	27.3	27.1	27.2	25.8	25.8% Renewable energy self generated and used on site by CHP, SPG, wind and our own PV and heat of our total energy consumption.	Thames Water Energy and Carbon Team
Biodiversity	Biodiversity – Sites of Special Scientific Interest in favourable condition (% of Ha)	94.68	94.7	94.5	94	50.89	Natural England have classified that 94.68% (hectares) of our SSSI land are considered to be in a healthy state and are being conserved by appropriate management.	Thames Water Biodiversity Team
	Biodiversity – Sites of Special Scientific Interest favourable condition/ unfavourable recovering (%)	100	100	99.8	100	99	100% of our SSSI land area is classified as 'favourable' or 'unfavourable recovering' by Natural England.	Thames Water Biodiversity Team
	Number of sites improved for biodiversity and access (in year)	0	26	46	44	41	157 Sites for Enhancement Biodiversity and Access projects were completed during AMP 7.	Thames Water Biodiversity Team
	Number of wetlands created	0	4	4			In AMP 7 we created 8 new wetlands	Thames Water Biodiversity Team
	Area of wetlands created (ha)	0	1.06	10.49			We created 11.55 ha of new wetlands across AMP 7.	Thames Water Biodiversity Team
	Environment Policy	Yes	Yes	Yes	Yes	Yes	We are committed to continually improving our environmental performance, protecting and enhancing the environment in which we operate, preventing pollution and sustainably managing water resources.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Climate Change Policy	Yes	Yes	Yes	Yes	Yes	We believe that a twin track approach of managing the unavoidable impacts of climate change on our business ('adaptation'), combined with a reduction in our greenhouse gas emissions ('mitigation'), is essential if we are to manage the challenges that climate change represents.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Biodiversity Policy	Yes	Yes	Yes	Yes	Yes	To balance the needs of the animals, plants, birds and insects that call our sites home we are committed to continually improving our biodiversity performance at those sites and beyond, whilst aiming to deliver our services in the most sustainable way.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies

Social

In this section, we cover metrics relating to our social commitment and being a responsible employer. This includes local communities, diversity,equity and inclusion (DEI), employees, data protection, privacy and customer satisfaction.

Social

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Customer	C-MeX - scored out of 100	61.44	64.86*	67.06	68.86	72.91	Last year our C-Mex score was 61.44. We remain 17th position within the industry. *Restated 2024/2025.	Annual Performance Report 2024/2025, p26
	D-MeX- scored out of 100	79.88	74.49	80.46	79.64	77.56	Our D-MeX score has improved to 79.88, however we remain in 17th position within the industry.	Annual Performance Report 2024/2025, p27
	Priority Services Register, number of customers registered	619,253	450,375	358,899	280,000	197,000	During AMP 7, we have increased the number of customers on the Priority Services Register by over 420,000.	Annual Performance Report 2024/2025, p25
	Number of customers helped to pay their water bills through our customer assistance fund	2,970	3,357	9,608*	5,000	3,767	During AMP 7, we have helped nearly 25,000 customer to pay their water bills through the customer assistance fund.	Thames Water Customer Strategy Team
	Customers on social tariffs (Water Sure and Water Sure Plus) (No.)	408,670	358,357	306,506	267,033	210,000	We are helping 408,670 customers on social tariffs, up from 210,000 in 2020/2021. The tariffs reduce bills by up to 50%.	Annual Performance Report 2024/2025, p41
Health & Safety	Health & Safety Policy	Yes	Yes	Yes	Yes	Yes	We have a clearly defined strategy, safety protocols and standards that are set, monitored and reported to our Board members and executive team each month. We continue to introduce initiatives based on emerging risk areas to reinforce our vision of Zero incidents, Zero harm and Zero compromise every day. The policy applies to all employees and contractors and partners.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Lost time injury frequency rate - Employee (over 1 day per 100,000 working hours)	0.15	0.12*	0.18*	0.15	0.08	Our employee lost time injury frequency rate increased from 0.12 to 0.15 in this reporting year, however combined with our contractor lost time injury rate, there was an overall 15% reduction in LTIs. *Restated 2024/2025.	Thames Water Health, Safety & Wellbeing Team
	Number of lost time injuries - Employee	25	21	22*	27	12	We had 25 lost time injury incidents involving Thames Water employees in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of fatal employee accidents	0	0	0	0	0	There were no customer / community accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of customer or community accidents	0	0	0	0	0	There were no fatal customer / community accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of fatal customer or community accidents	0	0	0	0	0	There were no fatal customer / community accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team
	Contractor - Lost time injury frequency rate (over 1 day per 100,000 working hours)	0.05	0.13	0.15	0.15	0.08	Our contractor lost time injury frequency rate decreased from 0.13 to 0.05 in this reporting year.	Thames Water Health, Safety & Wellbeing Team
	Contractor - Number of lost time injuries	11	20	10			Our lost time injury incidents involving contactors reduced from 20 to 11 in this reporting year.	Thames Water Health, Safety & Wellbeing Team
	Number of fatal contractor accidents	0	0	1			There were no fatal contractor accidents in the reporting year.	Thames Water Health, Safety & Wellbeing Team

Social

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Corporate Responsibility	Number of days lost to lost time injuries (employee and contractor)	844	2792	1183	1309	1129	Last year there were 844 lost time injury days.	Thames Water Health, Safety & Wellbeing Team
	Charitable grants and community investment (£million)	0.12	0.145	1.13	0.93	0.44	During AMP 7 we provided almost 2.8 million pounds of support through community grants and community investment.	Thames Water Corporate Responsibility Team
	Charitable grants projects (No.)	36	34	43	97	52	Last year we contributed charitable funding to 36 projects across a variety of organisations including Sea Scouts, rowing clubs, and Search & Rescue.	Thames Water Corporate Responsibility Team
	Community projects supported (No.)	0	14	40	68	1	Since 2020/2021 we completed 123 projects funded by our Charitable Investments programme.	Thames Water Corporate Responsibility Team
	Employee choice charity support (£k)	120,519	26,000	72,543	72,542		During AMP 7, we have supported Macmillan Cancer Support and Dementia UK, raising over £291,000.	Thames Water Corporate Responsibility Team
	WaterAid support (£K)	156	233	140	108	55	In AMP 7, our employees raised almost £700k for WaterAid.	Thames Water Corporate Responsibility Team
	Employee volunteering (Hours)	4,966	4,670	3,724	2,602	729	Last year, our employees volunteered for nearly 5,000 hours.	Thames Water Corporate Responsibility Team
Human Resources	Diversity and inclusion policy/statement	Yes	Yes	Yes	Yes	Yes	Our diversity and inclusion statement provides employees and managers with the knowledge, guidance and support needed to ensure Thames Water is a diverse and inclusive great place to work.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Employee diversity (% female employees)	31	32	32	32	33	31% of our whole business salaried employees are female.	Annual Report 2024/2025, p34
	Manager diversity (% female managers)	32	32	32	33	35	32% of our management level salaried employees are female.	Thames Water Human Resources Team
	Executive diversity (% female)	38	43	42	36	33	38% of our executive team are female.	Annual Report 2024/2025, p34
	Number of direct employees	7,824	7,934*	7,869	7,453	7,144**	Salaried employees only. All Company employees are based in the United Kingdom. *Restated 2024/2025 **In 2020/21 we changed our way of recording employee numbers to average salaried FTE.	Annual Report 2024/2025, p130
	Number of contractors	53	70	114			Contractors - employees who are not directly employed by Thames Water but who occupy a permanent position in the headcount structure.	Thames Water Human Resources Team
	Number of organic new hires	281	-58				Organic new hires refer to the number of new employees joining the organisation* minus employee attrition. *excluding internal moves.	Thames Water Human Resources Team
	Number of apprenticeships started	71	100	125	106	59	Since 2020/2021, 461 people started apprenticeships with Thames Water.	Thames Water Human Resources Team
	Number of apprenticeship qualifications available	35	33	27	25	6	Thames Water currently offers 35 different apprenticeship qualifications.	Thames Water Human Resources Team
	Gender pay gap (%)	5.5	5.2	5.3	9.1	9.5	Last year, our gender pay gap was 5.5%. It is the difference in the average earnings between men and women, regardless of the work they do.	Annual Report 2024/2025, p34

Social

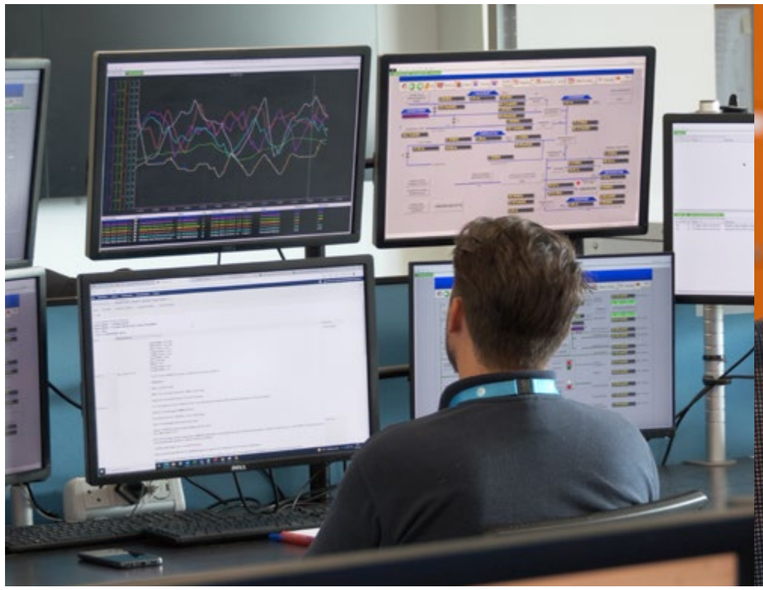
	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Human Resources	Employee turnover - Total (%)	10	17	18	15	7	Last year our total employee turnover was 10%.	Thames Water Human Resources Team
	Employee turnover - Voluntary (%)	8	12	13	13	6	Last year our voluntary employee turnover was 8%.	Thames Water Human Resources Team
	Employee training (thousand days)	31.5 circa	34.5 circa	25.5 circa	16.6 circa	9.1 circa	During 2024/25 there were circa 31.5 thousand training days.	Thames Water Human Resources Team
	Employee absenteeism rate (%)	3	3	3**	7.43	5.91*	The rate is calculated by dividing the total number of sickness absence days in a 12-rolling months period by number of total number of planned working days in the same period. This calculation is consistent with standard practice. *In 2020/21 we changed our way of recording absenteeism to days rather than as a percentage. ** In 2022/23 we changed our way of recording absenteeism to a percentage format.	Thames Water Human Reources Team
	Employee relations – strikes (No.)	0	0	0	0	0	There were no strikes in 2024/25.	Thames Water Human Resources Team
	Employee engagement survey engagement score (%)		80	69	69	75	The 2024/25 annual employee engagement survey was delayed until April 2025. The engagement score was 71%.	Annual Report 2024/2025, p5
	Human Rights issues addressed	Yes	Yes	Yes	Yes	Yes	We acknowledge and operate in accordance with the United Nations guiding principles on business and human rights. We promote human rights through our employment policies and practices and through our supply chain. We have policies and processes in place which ensure we're compliant with these requirements, and they're enforced throughout our business.	Annual Report 2024/2025, p48
	Statement on Modern Slavery	Yes	Yes	Yes	Yes	Yes	Our 2025 Modern Slavery Act statement can be found on our website.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Whistleblowing	Yes	Yes	Yes	Yes	Yes	We have a 24-hour Employee Assistance Helpline available and a robust whistleblowing mechanism in place.	Annual Report 2024/2025, p24
Supply Chain	Procurement spend (£billion)	3.1	2.72	2.3	1.95	1.83	Last year our procurement spend was £3.1 billion.	Thames Water Procurement Team
	Average days taken to pay supplier on receipt of correct invoice (no. of days)	59	54	54	54.4	58	Last year the average days taken to pay supplier on receipt of correct invoice was 59 days.	Thames Water Procurement Team
	Number of strategic frameworks	177	164	165	175	169	We operate in a regulated industry which means that the process to become one of our supply partners has a formal structure. We recognise that we can't solve all our challenges alone and we need excellence in our supply chain to help us deliver for our customers. Our partners are a big part of our success.	Thames Water Procurement Team
	Number of unique suppliers in strategic framework arrangement	473	450	433	431	427	We have a diverse network of suppliers delivering everything from everyday equipment to operations and maintenance services. They range from large multi-nationals to small micro businesses.	Thames Water Procurement Team

Social

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Supply Chain	Number of contractors/supplier with a valid Achilles H&S audit	479	505	538			As part of our focus on "Zero Harm, Zero Incidents, Zero Compromise," we have a process for assessing the health and safety competency of our contractors and suppliers. Assessments are conducted independently on our behalf by the Achilles organisation using the utilities verification and assessment scheme UVDB verify.	Thames Water Procurement Team
	Honest and Ethical Behaviour Policy	Yes	Yes	Yes	Yes	Yes	To provide the best possible service and safeguard our employees, we're committed to conducting all aspects of our business in an honest, ethical and transparent manner. Our honest and ethical behaviour policy applies to our supply chain.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
Legal	Environmental prosecutions (No.)	0	1	0	2	3	No environmental prosecutions were concluded during the year.	Thames Water Legal Team

Governance

In this section we focus on metrics relating to governance, transparency, accountability, and ethical behaviour. We also include board diversity and structure, corruption and bribery, tax strategy and executive remuneration.



Governance

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Board	Ownership	Private	Private	Private	Private	Private	Thames Water is a privately-held organisation, with shareholder representation on the Board of Directors and its committees.	Annual Report 2024/2025, p52
	Country of incorporation	UK	UK	UK	UK	UK	Thames Water operates solely in the South East of England.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-structure
	Board governance detailed and reported in Annual Report and Annual Performance Report	Yes	Yes	Yes	Yes	Yes	We describe compliance with the UK Corporate Governance Code 2018 in our Annual Report 2024/25 and Annual Performance Report 2024/2025.	Annual Report 2024/2025, p51 and Annual Performance Report 2024/2025, p177
	Compliance with UK Corporate Governance Code Statement.	Yes	Yes	Yes	Yes	Yes	'The Board ensures that the Company's governance processes align with the UK Corporate Governance Code 2018, which applies to 2024/25, and Ofwat's Principles of Board Leadership, Transparency and Governance, which are built in to our own governance framework.	Annual Report 2024/2025, p51
	Independent Chairman	Yes	Yes	No	No*	Partial*	Sir Adrian Montague was appointed chairman in July 2023 and was independent on appointment. * Restated in 2022/23	Annual Report 2024/2025, p58
	Independent Board members (%)	75	50	55	55	46	The board is chaired by Sir Adrian Montague and consists of 3 Executive Directors and 8 Independent Non-Executive Directors, as of 31st March 2025.	Annual Report 2024/2025, p53-54
	Female Board members (%)	8	30	36	36	31	There has been significant turnover in board membership throughout the year. 1 out of 12 (8%) board members are female, as of 31st March 2025.	Annual Report 2024/2025, p53-54
	Publicly report on Executive reward and remuneration	Yes	Yes	Yes	Yes	Yes	Our remuneration policy is built on principles designed to attract, retain and motivate our leaders and senior management and ensure they are focused on delivering business priorities within a framework designed to promote the long-term success of the Company. This policy underpins the activities of the Remuneration Committee.	Annual Report 2024/2025, p75-90
	Corporate structure and explanation included in Annual Report	Yes	Yes	Yes	Yes	Yes	We reported ownership of Thames Water and those subsidiaries that connect Kemble Water Holdings Limited to the regulated company, Thames Water Utilities Limited.	Annual Report 2024/2025, p52
	Provision in place to prevent disempowerment of investors	Yes	Yes	Yes	Yes	Yes	Thames Water Utilities Limited Articles of Association set out rules governing the Board, its directors, and shareholders.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-structure
	Political donations	No	No	No	No	No	We do not make political donations.	Annual Report 2024/2025, p92
Financial	Net pension deficit (£ million)	86.2	119.1	176	245	219.2	As of 31 March 2025, the net pension deficit was £86.2 million.	Annual Report 2024/2025, p151
	Regulatory Capital Value (£billion)	21	19.9	18.9	16.6	15.0	The regulatory capital value ("RCV") has been developed by Ofwat as a measure of the regulatory net book value of our assets. In the last financial year the RCV increased to £21,008 million.	Annual Performance Report 2024/2025 Data Tables, 4C.31

Governance

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Financial	Underlying revenue (£million)	2,602.6	2,401.0	2,180.7	2,092.0	2,032.9	All revenue is derived from activities based in the UK. Revenue on Bazalgette Tunnel Limited's activities is disclosed separately to the Company's underlying performance. Our underlying revenue for the year ended 31 March 2025 was £2,602.6 million.	Annual Report 2024/2025, p45
	Credit Rating	Caa3 stable	Baa3 negative	Baa2 stable	Baa2 stable	Baa2 stable	At the end of the reporting year, our credit rating was Caa3 stable.	Annual Report 2024/2025, p46
	Publicly available clear and transparent position on tax strategy	Yes	Yes	Yes	Yes	Yes	Our current tax strategy is available on our website.	https://www.thameswater.co.uk/about-us/governance/our-policies
	Publicly available clear and transparent position on finances and financial structure	Yes	Yes	Yes	Yes	Yes	We regularly update and publish an explanation of our structure and finances in 'Our Finances Explained'. It was last updated in October 2022.	Thames Water website – Our Finances Explained https://www.thameswater.co.uk/media-library/home/about-us/investors/our-finances-explained.pdf
	Underlying Operating Profit (£million)	556.1	445	271.6	344.4	415.2	Our underlying operating profit for the year was £556.1 million.	Annual Report 2024/2025, p45
	Tax paid (£million)	206	287	258	218	229	During this financial year, we paid significant contributions to HMRC totalling £206 million in business rates, national insurance contributions, PAYE and other taxes.	Annual Report 2024/2025, p45
	Dividends paid to external shareholders (£million)	0	0	0	0	0	No dividends were paid to shareholders in 2024/25.	Annual Report 2024/2025, p46-47
	Bad debt (%)	3.8	4.3	4.0	3.2*	4.1	Our total bad debt charge has reduced to 3.8% of total gross revenue. * Restated in 2022/23.	Annual Report 2024/2025, p45
	Outcome delivery incentive performance penalties (£million)	-68.183	-38.564	-82.277	-35.528*	-29.252	Our performance this year means that we have incurred both penalties and rewards. The amount we incur is also known as outcome delivery incentives (ODI) and depends on how far we've missed or exceeded the target for an individual performance commitment, and specific calculation rules set by Ofwat. *Restated in 2022/23.	Annual Performance Report 2024/2025, p11
Risk	Transparent risk management process in place reviewed by the Board (including legal/litigation) and material risks reported in Annual Report and Annual Performance Report	Yes	Yes	Yes	Yes	Yes	Our Board has ultimate responsibility for maintaining a sound system of risk management and internal control. The Audit, Risk and Reporting Committee evaluates the effectiveness of our overall risk management framework and makes recommendations for improvement. Our risk management process is developed to align with the Risk Management International Standard, ISO 31000, which aids our compliance with the Financial Reporting Council's UK Corporate Governance Code guidance on risk management.	Annual Report 2024/2025, p21-27

Governance

	Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Commentary for 2024/25	Data Source 2024/245
Stake holder	Stakeholder engagement programme	Yes	Yes	Yes	Yes	Yes	Moving forward together is central to our turnaround and this year we've continued to engage extensively with our stakeholders so that everyone's included on our journey to turn around Thames Water.	Annual Report 2024/2025, p19-20
ESG	Environment, Social and Governance (ESG) Statement	Yes	Yes	Yes	Yes	Yes	As part of our commitment to increase transparency of the organisation we have developed this ESG Statement.	This document
Policies	Public Value policy (Formally Corporate Responsibility policy)	Yes	Yes	Yes	Yes	Yes	Our aim is to understand what others expect of us and to look for opportunities to work in partnership with them. We aim to be responsive to the needs of all our stakeholders, including our customers, employees, government, shareholders, investors, regulators, suppliers, alliance partners, and the wider community in which we operate.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Data protection policy (and privacy policy)	Yes	Yes	Yes	Yes	Yes	Our data protection policy sets out the data protection principles and obligations under the Data Protection Act 2018 with which we must comply. Our Thames Water privacy notice is available on our website. It explains how we process the personal data of our customers and other individuals with whom we have contact. We have a separate privacy notice outlining how we process our employees' data. We regard sound privacy practices as a key element of corporate governance and accountability.	Internal policy
	Cybersecurity policy/ monitoring/training	Yes	Yes	Yes	Yes	Yes	Recognising the threat of cyber security, particularly in our industry, we rolled out cyber security and general data protection regulation ("GDPR") training across the business. Employees undertake mandatory Cyber Security awareness training annually.	Part of our Internal Security policy
	Honest and Ethical Behaviour policy	Yes	Yes	Yes	Yes	Yes	To provide the best possible service and safeguard our employees, we're committed to conducting all aspects of our business in an honest, ethical and transparent manner.Employees undertake mandatory Ethical Behaviour training annually.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Sustainability policy	Yes	Yes	Yes	Yes	Yes	Striking a balance, doing the right thing for people, for the performance of our business and for the natural environment is what being more sustainable means to us.	Thames Water website - https://www.thameswater.co.uk/about-us/governance/our-policies
	Procurement policy	Yes	Yes	Yes	Yes	Yes	Our procurement standard incorporates our position on maintaining a sustainable supply chain and sets out how we source and procure all goods and services across the business responsibly, ethically and sustainably.	Internal policy

This document covers the period 1 April 2024 to 31 March 2025

15906 - 07/25