

Customer service

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Customer Director



What's different in AMP8?

- ✓ Increasing customer expectations with bills funding investment
- ✓ Helping customers with affordability and water efficiency
- ✓ Bigger opportunities on measures of experience (MeX)



County billing

Right sourcing
functions

SIMPLER

SMARTER

Smart metering

Automation
and AI

BETTER

More efficient
cost to serve

Increasing affordability
support

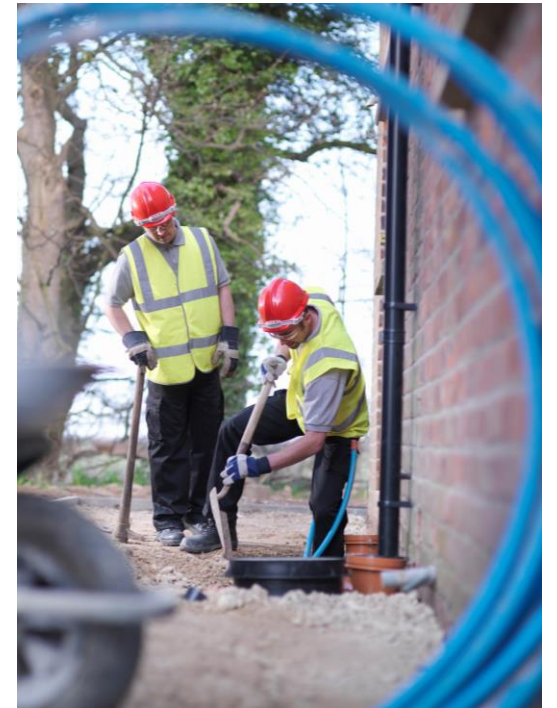
Customer measure of experience (C-MeX)

- ✓ 3rd highest AMP7 reward in the sector: forecast £11m
- ✓ Consistently earning a reward in every year of AMP7
- ✓ External accreditations affirming our approach



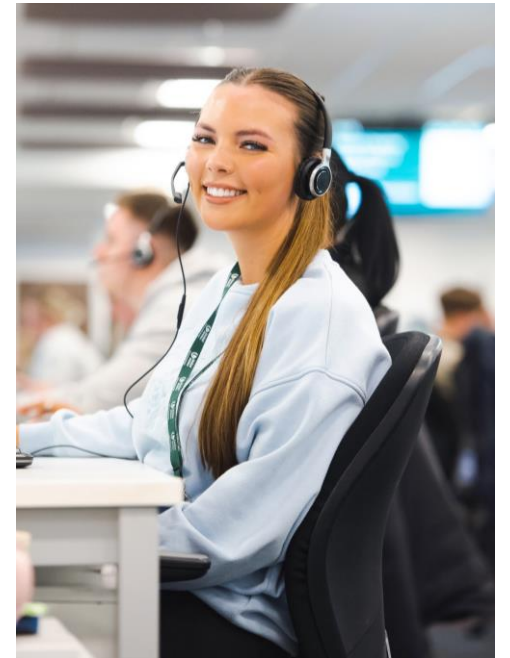
Developer measure of experience (D-MeX)

- ✓ Upper quartile performance: £3.4m reward
- ✓ Consistently earning a reward in every year of AMP7
- ✓ Much larger reward available in AMP8
- ✓ New digital propositions and tailored offerings



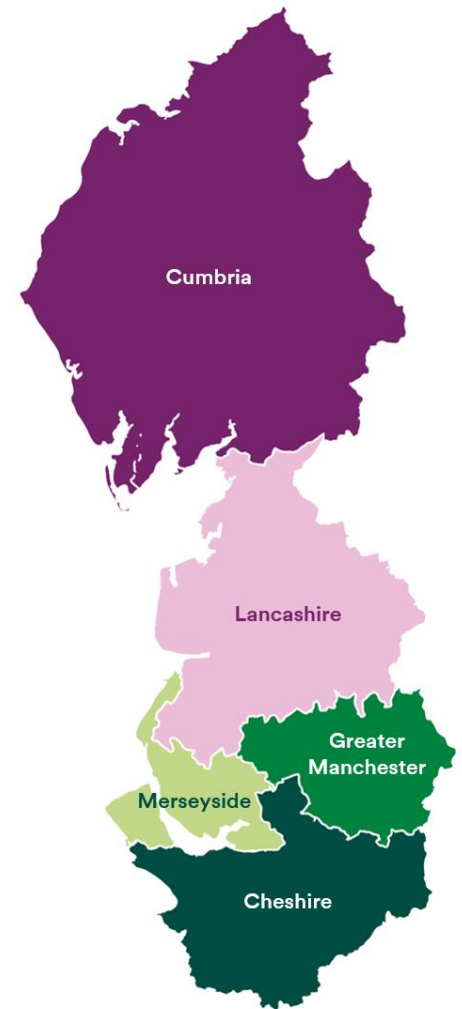
Business customer and retailer measure of experience (BR-MeX)

- ✓ Upper quartile performance in AMP7 pilot
- ✓ Building on our strong track record in the NHH market
- ✓ New measure for AMP8 worth up to £65m



County billings and outcome delivery

- ✓ Breaking down our investment plan into counties
Resonates with our customers and communities
- ✓ County-based messages included within all bills
Helping customers to understand what they get for their money
- ✓ Monthly updates against county investment plans
Keeping customers updated on progress within their area
- ✓ Regional media campaigns
Showing our action plans for each county



Smart metering

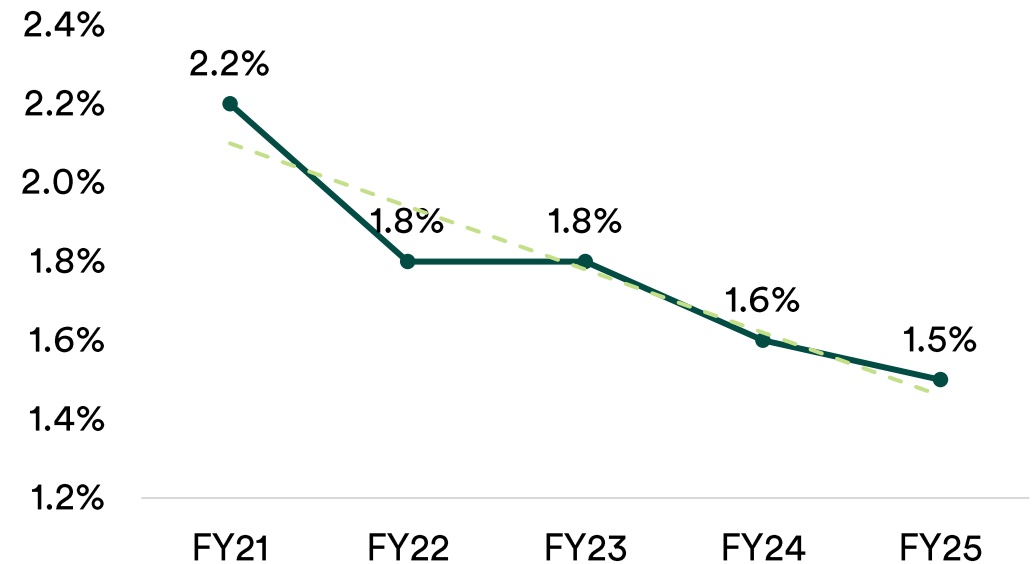
- ✓ Big opportunity for metering in North West
- ✓ Installing >1 million smart meters in the next five years
- ✓ Helping achieve reductions in leakage and PCC
- ✓ Customers supported by Lowest Bill Guarantee



Cash performance

- ✓ Statutory bad debt charge reduced
Ending AMP7 at 1.5%
- ✓ Supported by higher cash collection
Increased by >£200m in the last 3 years
- ✓ Cash collection remains strong
Helped by strong track record and industry-leading affordability support schemes

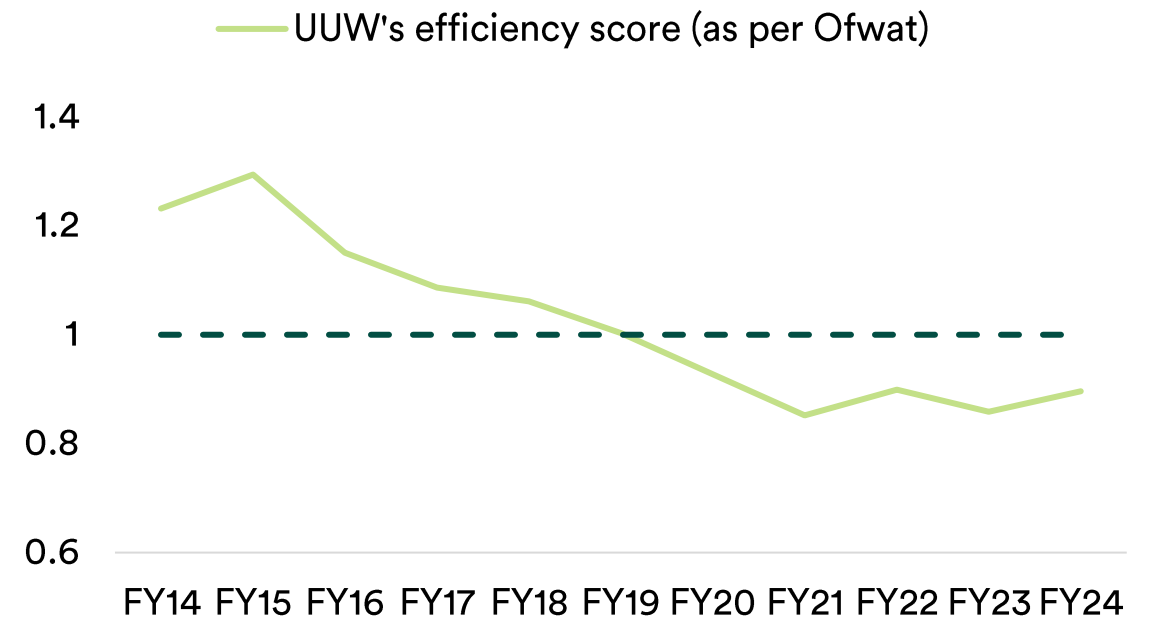
Statutory bad debt (%)



Reducing costs while improving performance

- ✓ Industry-leading improvement against Ofwat's ranking of efficiency
- ✓ Average cost to serve reduced significantly over the last decade
- ✓ Beating Ofwat's efficient benchmark

Ofwat's ranking of efficiency



Efficient operations

- ✓ Open banking
Improved solutions for affordability assessment; key support partnerships in place
- ✓ Meters read by passive technology
>600k meters across 29 council districts
- ✓ Robotic agent technology and rapidly rolling out AI
3rd biggest user of M365 licences within 2 months
- ✓ Supported by industry-leading affordability support
Strong track record; doubling support in AMP8; new social tariffs



What does better look like?

- ✓ Strong performance against MeXs
- ✓ Beating the Cost to Serve
- ✓ Single Social Tariff

