



DRIVING LASTING CHANGE

SEVERN TRENT BUSINESS PLAN: 2025-30

AN UPDATE FOR OUR CUSTOMERS

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AN UPDATE FOR OUR CUSTOMERS ON OUR PLANS FOR 2025-30

After more than four years of development, and talking to over 70,000 customers to understand their views, our business plan for 2025-30 has received the green light from our regulator, Ofwat.

Rated as 'outstanding' by Ofwat, and with an 81% approval rating from our customers, our plan means that over the next five years we'll be spending £15 billion – more than twice as much as the last five years – to transform our services for our 4.6 million customers across the Midlands.

It means more reliable services, a healthier environment and, while bills will increase to help to fund this investment, financial support will be available for around 1 in 6 households.

Customers won't have to wait until our plan officially starts on 1 April 2025 to see some of these improvements. Customers told us they wanted rapid progress, so in late 2023 we raised £1 billion from our shareholders to help us make a head start with our investment during 2024.

We know that everyone wants to be confident that every last penny is well spent. So, here's how we're going to spend £15 billion over the next five years on running our day-to-day business and making improvements, and what it means for bills...



WHAT DOES OUR INVESTMENT MEAN FOR BILLS?

1

Bills will stay one of the lowest in the country

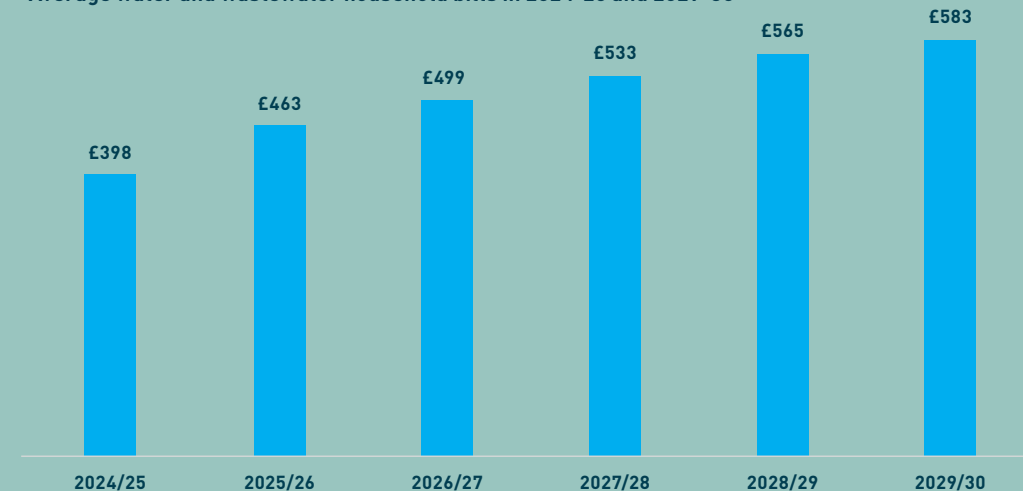
In 2029-30 our average water and wastewater household bills will stay the second lowest in England.

2

Bill increases will be phased across the five years

To help fund £15 billion of expenditure, average household bills will increase so that they are around £15 a month higher in 2030.

Average water and wastewater household bills in 2024-25 and 2029-30



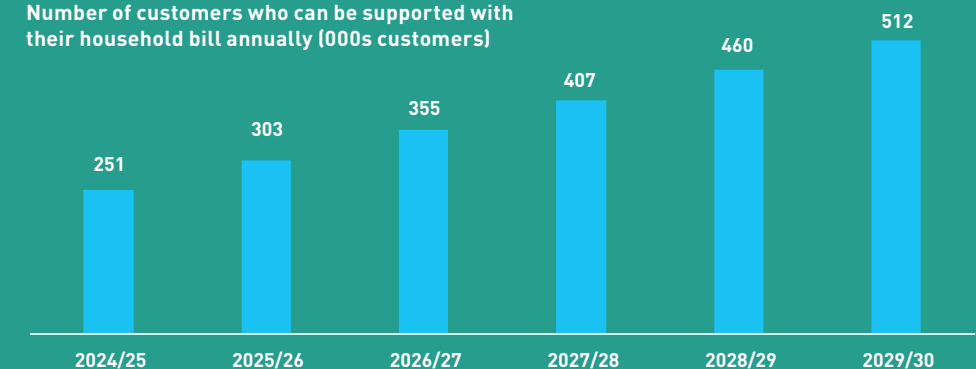
Source: Ofwat analysis. Figures do not include inflation.

3

If customers need help with bills, it will be there

There'll be a £575 million financial assistance package so that we can double the number of customers we help.

Number of customers who can be supported with their household bill annually (000s customers)



And there'll be other support available too, including payment breaks and plans, for close to 200,000 customers.

20 WAYS OUR PLAN WILL MAKE A DIFFERENCE BY 2030

1

Sustainable water sources

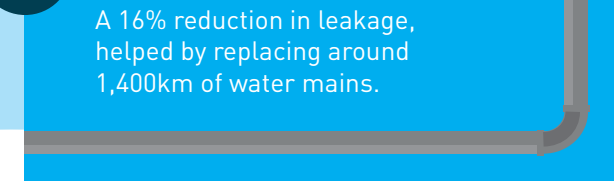
Over 100 million litres per day from new and replacement sources, so we don't risk harming the environment by taking too much from existing ones.



2

Reduce leaks

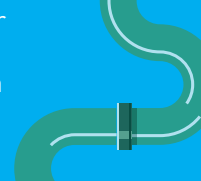
A 16% reduction in leakage, helped by replacing around 1,400km of water mains.



3

Better connected

Joining-up more of our water network so we can move c.280 million litres of water a day to wherever it is needed most by our customers.



4

Bigger tanker fleet

Helping to give 163% more customers a back-up in case there's a problem with their local supplies.



5

Smart meters

One million installed, helping us all understand how we use water and be smarter about it.



6

Water-saving customers

More support to help customers save over eight litres a day, and innovative tariffs to reward our smarter water users.



7

Better customer service

With more people at the front line to serve customers, and new technology that means we can keep customers better informed about how they're using water and opportunities to save.

8

Digital security

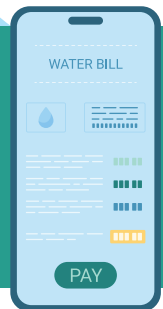
The latest technology used by trusted public service providers globally, including the US Government, to keep our infrastructure and customers' data safe and secure.



9

Help with bills

Financial support more than doubling to help keep households out of water poverty.



10

Supporting better futures

A decade long commitment to help up to 100,000 people through free employability training in communities, and work experience for schools.



11

Giving back to communities

At least £2 million a year to community projects, and additional help for up to 50,000 customers a year with debt, all funded by our shareholders.



12

Only rewarding strong performance

Today, executive bonuses are not paid for by customer bills, and 60% of every employee's bonus is linked to great outcomes for customers.

13

Tackling surface water

£30 million to work collaboratively with local authorities and other partners to tackle flood risk to properties.



14

Healthier rivers

More progress so that we'll be responsible for just 2% of the reasons rivers in our region do not achieve good status.



15

Fewer spills

A £1.7 billion investment plan to halve average spills from storm overflows and move ahead of government target trajectories for 2050.

16

Towards global best practice

A new innovation hub to trial technologies from across the world, in support of our ambition to match global best practice for storm overflow operation.



17

Less pollution

A 30% reduction overall, with an ambition to push forward the industry's performance frontier.



18

Open information

1,000 river water quality monitors so everyone can see what's happening in our region's rivers.



19

Supporting economic growth

Over £1 billion investment in infrastructure to expand the capacity of treatment works, supporting economic and population growth in our region.

20

Operational Net Zero

Almost £290 million of investment – the most ambitious in our sector – supporting Severn Trent Plc to become an operational net zero company.

