

# Corporate governance report

## Board of directors



**Dr John McAdam**  
Chairman

**Responsibilities:** Responsible for the leadership of the board, setting its agenda and ensuring its effectiveness on all aspects of its role.

**Qualifications:** BSc (Hons) Chemical Physics, Diploma Advanced Studies in Science, PhD.

**Appointment to the board:** Appointed as a non-executive director in February 2008 and as Chairman in July 2008.

**Committee membership:** Nomination (chair).

**Skills and experience:** With over 18 years' service as a board director in a wide range of companies, and as a current non-executive director serving on a number of other boards and across different sectors, John has a wealth of past and current experience on which to draw in his role as Chairman and leader of the board.

**Career experience:** Appointed to the board of ICI plc in 1999 and became chief executive in 2003, a position held until ICI's takeover by Akzo Nobel. He stepped down from the role of senior independent director at J Sainsbury plc in July 2016 and as a non-executive director of Rolls-Royce Holdings plc in May 2017.

**Current directorships/business interests:** Chairman of Rentokil Initial plc and senior independent director of Electra Private Equity PLC. He is also Chairman of United Utilities Water Limited.

**Independence:** John met the Code's independence criteria at the time of his initial appointment as Chairman.



**Steve Mogford**  
Chief Executive Officer (CEO)

**Responsibilities:** To manage the group's business and to implement the strategy and policies approved by the board.

**Qualifications:** BSc (Hons) Astrophysics/Maths/Physics.

**Appointment to the board:** January 2011.

**Committee membership:** Corporate responsibility.

**Skills and experience:** Steve's experience of the highly competitive defence market and complex design, manufacturing and support programmes has driven forwards the board's strategy of improving customer service and operational performance at United Utilities, and his perspective of the construction and infrastructure sector provides valuable experience and insight to support United Utilities' capital investment programme.

**Career experience:** Previously chief executive of SELEX Galileo, the defence electronics company owned by Italian aerospace and defence organisation Finmeccanica, and chief operating officer at BAE Systems PLC and a member of its PLC board, he spent his earlier career with British Aerospace PLC. He stepped down from the board at Carillion PLC in December 2015 where he had served as the senior independent director until September 2015.

**Current directorships/business interests:** Appointed as senior independent director of G4S PLC in May 2016. He is also chief executive officer of United Utilities Water Limited.



**Russ Houlden**  
Chief Financial Officer (CFO)

**Responsibilities:** To manage the group's financial affairs and to contribute to the management of the group's business and to the implementation of the strategy and policies approved by the board.

**Qualifications:** BSc (Hons) Management Sciences, Fellow of the Chartered Institute of Management Accountants, Chartered Global Management Accountant and a Fellow of the Association of Corporate Treasurers.

**Appointment to the board:** October 2010.

**Committee membership:** Treasury.

**Skills and experience:** Russ's skills and experience in accounting, treasury, tax, M&A and investor relations in other commercial and regulated companies, along with his extensive experience of driving performance improvement and managing large capital investment programmes, provides the group with valuable expertise in pursuing its strategy to drive for improvements in customer service and in providing our services at the lowest sustainable cost.

**Career experience:** Chief financial officer at Telecom New Zealand. Previously finance director of Lovells, BT Wholesale, BT Networks and Information Services, ICI Polyurethanes and ICI Japan.

**Current directorships/business interests:** Member of the supervisory board and chairman of the audit committee of Orange Polska SA, the largest listed telecommunications company in Poland. He is a member of the main committee and chairman of the financial reporting committee of the 100 Group. He is also chief financial officer of United Utilities Water Limited.



### Mark Clare

Senior independent non-executive director

**Responsibilities:** Is responsible, in addition to his role as an independent non-executive director, for discussing any concerns with shareholders that cannot be resolved through the normal channels of communication with the Chairman or Chief Executive Officer.

**Qualifications:** Chartered Management Accountant (FCMA).

**Appointment to the board:** November 2013.

**Committee membership:** Nomination and remuneration.

**Skills and experience:** In his roles at British Gas and BAA Mark has a strong background operating within regulated environments. His extensive knowledge of customer-facing businesses is particularly valuable for United Utilities with the implementation of greater competition in the industry and in pursuit of its strategy to improve customer service.

**Career experience:** Mark retired from his position as chief executive at Barratt Developments plc in July 2015, a role he had held for nine years. He is a former trustee of the Building Research Establishment and the UK Green Building Council. Prior to joining Barratt, he was an executive director of Centrica plc and held a number of senior roles within both Centrica plc and British Gas. Mark was also a non-executive director of BAA plc, the airports operator.

**Current directorships/business interests:** He was appointed non-executive chairman of Grainger plc in February 2017 and as the senior independent director of Ladbrokes Coral PLC in September 2016. He is also a non-executive director of Premier Marinas Holdings Limited. He is also an independent non-executive director of United Utilities Water Limited.



### Stephen Carter

Independent non-executive director

**Responsibilities:** To challenge constructively the executive directors and monitor the delivery of the strategy within the risk and control framework set by the board and to lead the board's agenda on acting responsibly as a business.

**Qualifications:** Bachelor of Law.

**Appointment to the board:** September 2014.

**Committee membership:** Nomination, audit and corporate responsibility (chair).

**Skills and experience:** As the chief executive officer of a FTSE listed company, Stephen brings current operational experience to the board. His public sector experience provides additional insights to the board regarding regulation and government relations, and his experience in the media and technology industries provides additional perspective for the board's discussions.

**Career experience:** Group chief executive at Informa plc, having previously served on the board of the Informa Group as a non-executive director and member of the audit committee. Previous executive roles include president/managing director, Europe, Middle East and Africa, and a member of the executive management board at Alcatel Lucent Inc. Stephen has also held a number of public service roles, serving a term as the founding chief executive of Ofcom. He was formerly chairman of the board at Ashridge Business School. He is a Life Peer.

**Current directorships/business interests:** Group chief executive at Informa plc and a non-executive director of the Department for Business, Energy and Industrial Strategy. He is also an independent non-executive director of United Utilities Water Limited.



### Alison Goligher

Independent non-executive director

**Responsibilities:** To challenge constructively the executive directors and monitor the delivery of the strategy within the risk and control framework set by the board.

**Qualifications:** BSc (Hons) Mathematical Physics, MEng Petroleum Engineering.

**Appointment to the board:** August 2016.

**Committee membership:** Nomination, audit (relinquished with effect from 1 July 2017), remuneration and corporate responsibility.

**Skills and experience:** Alison has strong technical and capital project management skills, having been involved in large projects and the production side of Royal Dutch Shell's business. This experience of engineering and industrial sectors provides the board with additional insight into delivering United Utilities' capital investment programme.

**Career experience:** From 2006 to 2015, Alison worked for Royal Dutch Shell, with her most recent executive role as Executive Vice President Upstream International Unconventionals. Prior to that she spent 17 years with Schlumberger, an international supplier of technology, integrated project management and information solutions to the oil and gas industry.

**Current directorships/business interests:** She is a non-executive director of Meggitt PLC and was appointed as part-time executive chair of Silixa Ltd in August 2016. She is also an independent non-executive director of United Utilities Water Limited.

# Corporate governance report

## Board of directors



**Brian May**  
Independent non-executive director

**Responsibilities:** To challenge constructively the executive directors and monitor the delivery of the strategy within the risk and control framework set by the board and to lead the audit committee.

**Qualifications:** BSc (Hons) Actuarial Science, Chartered Accountant FCA.

**Appointment to the board:** September 2012.

**Committee membership:** Nomination, audit (chair), treasury (chair) and remuneration (with effect from May 2017).

**Skills and experience:** Brian joined Bunzl plc in 1993 as head of internal audit before becoming group treasurer, then finance director (Europe and Australasia), and is currently finance director. Brian's background and the various finance roles that he has held are major assets to the board in chairing both the audit and the treasury committees.

**Career experience:** Brian has been finance director at Bunzl plc since 2006 and prior to that held a number of senior finance roles within the company. Prior to joining Bunzl, Brian qualified as a chartered accountant with KPMG.

**Current directorships/business interests:** Finance director at Bunzl plc. He is also an independent non-executive director of United Utilities Water Limited.



**Paulette Rowe**  
Independent non-executive director

**Responsibilities:** To challenge constructively the executive directors and monitor the delivery of the strategy within the risk and control framework set by the board.

**Qualifications:** MSc Mechanical Engineering and Management, MBA.

**Appointment to the board:** 1 July 2017.

**Committee membership:** Nomination and audit.

**Skills and experience:** Paulette has spent most of her career in the regulated finance industry which will provide the board with additional perspective and first hand regulatory experience. Her experience of technology driven transformation will contribute to United Utilities' customer experience programme and Systems Thinking approach.

**Career experience:** Paulette is managing director, Global Payments Acceptance at Barclaycard. Prior to joining Barclays, she was strategy director at NBNK Investments plc and before which she was commercial and marketing director at Tesco Personal Finance. She spent seven years at the Royal Bank of Scotland, where her roles included chief executive European Consumer Finance and managing director, NatWest Retail Banking. She has served on the board of the Prince's Youth Business Trust and as a trustee for Community Service Volunteers.

**Current directorships/business interests:** She is non-executive chair of the Mayor's Fund for London. She is also an independent non-executive director of United Utilities Water Limited.



**Sara Weller**  
Independent non-executive director

**Responsibilities:** To challenge constructively the executive directors and monitor the delivery of the strategy within the risk and control framework set by the board and to lead the board's activities concerning directors' remuneration.

**Qualifications:** MA Chemistry.

**Appointment to the board:** March 2012.

**Committee membership:** Nomination and remuneration (chair).

**Skills and experience:** Sara's experience of customer-facing businesses, together with her knowledge of operating within a regulated environment, provides the board with valuable perspective as the company responds to the increased competition in the sector and improves its service to customers.

**Career experience:** Sara has wide-ranging business experience, having worked for Mars, Abbey National and J Sainsbury plc and latterly as managing director of Argos from 2004 to 2011. She served as the senior independent director at Mitchells and Butlers plc from 2003 to 2006 and also chaired its remuneration committee from 2003 to 2010. She was the former lead non-executive director for the Department for Communities and Local Government.

**Current directorships/business interests:** Non-executive director of Lloyds Banking Group plc. Sara is chair of the Planning Inspectorate (an executive agency of the Department of Communities and Local Government), lead non-executive director for the Department of Work and Pensions, a board member at the Higher Education Funding Council for England and a council member at Cambridge University. She is also an independent non-executive director of United Utilities Water Limited.

### Notes:

Dr Catherine Bell stepped down from the board on 22 July 2016.

All our directors are seeking reappointment/election at the 2017 AGM. Details of the percentage of votes cast in favour of their appointment at the 2016 AGM are given on page 71.