

Delivering Water Services for Ireland



Annual Report and
Financial Statements 2024



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Introduction

Uisce Éireann is responsible for the delivery of secure, safe, and sustainable water services for the people of Ireland. We are responsible for providing clean and safe water for millions of people across Ireland. We operate and maintain water and wastewater infrastructure including thousands of treatment plants and assets, as well as tens of thousands of kilometres of pipe network.

We provide our customers and communities with a safe and reliable supply of drinking water and collect their wastewater, treat it and safely return it to the environment. In delivering these vital services, which underpin social and economic growth for present and future generations, we are collaborating with our Local Authority partners to transform Ireland's water and wastewater networks, under a single modern and efficient national utility.

Highlights

Revenue €1,606m	Capital expenditure €1,372m
Surplus/profit before income tax* €321m	Average employee numbers 2,108



Size and scale of our operations

Water



Litres treated daily 1.7 bn	Treatment plants >650
Pumping stations >1,700	Km of network >65,000

Wastewater

Litres treated daily 1.26 bn	Treatment plants >1,000
Pumping stations >2,200	Km of network >26,000



* Any surplus is re-invested to fund critical infrastructure projects.

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Chairperson's report on 2024

Responsible for the delivery of secure, safe and sustainable public water services

Jerry Grant
Chairperson



Uisce Éireann is responsible for the delivery of secure, safe and sustainable public water services to households and businesses across Ireland that enable communities to thrive. We make a crucial contribution to Ireland's public health and wellbeing, economic prosperity including housing and development in addition to supporting environmental protection and climate resilience and adaptation policies.

Last year, was another busy and challenging year that saw the organisation continue to progress the delivery of essential water and wastewater services to support our growing population and economy. The transformation programme and migration of Local Authority staff into Uisce Éireann is underway and will result in a team of almost 4,500 people directly involved in delivering essential water services on a daily basis to 80% of the Irish population. We have made significant progress over the last decade in addressing the legacy of under-investment in water services. However,

we recognise that our services still lack resilience leading to service deficits affecting households, communities and risks to the environment. Therefore, we will need to continue large scale investment in plants and networks across water and wastewater for several investment cycles. This must take account of the continuous repair of assets as they age and conditions change as well accrued deficits from past decades. Along with improved operation and maintenance of these assets, we will continue to enhance the services we provide, protect public health and the environment.

Substantial investment last year facilitated essential multi-generational improvements which provided resilient water services benefitting communities and supporting sustainable growth and development across the country. Notable highlights include the completion of 17 new and upgraded wastewater treatment plants and 9 water treatment plants. We also received Government approval in principle for the Water Supply Project Eastern and Midlands Region that will enable this project, one of the largest in the history of the State to proceed to planning. We delivered 6,680 development connections associated with 31,997 housing units, playing an essential part in the Government's Housing for All Programme. Last year also saw an increased focus on engagement with elected representatives to communicate the extent of our work and the scale of the challenge. Led by CEO Niall Gleeson and the Executive, our appearances before Oireachtas Committees and our briefings to political parties on national and local issues have been key to improving understanding of our transformation to a national public utility that will engender public confidence through improved service delivery.

“We continue to focus on the transition of Water Services staff who may consider transferring across to Uisce Éireann up to the end of 2026.”

Implementing the Framework for the Future Delivery of Water Services

Good progress was made in delivering on the objectives outlined in the ‘Framework for the Future Delivery of Water Services’ in 2024. In 2025, we continue to focus on the transition of water services staff who may consider transferring across to Uisce Éireann up to the end of 2026. The dedicated Transformation Programme Team have been progressing the transition on a phased basis, with the primary focus being on stability of operations, service continuity and safety of both staff and public health. In tandem with this process, we have established centres of excellence and crisis response capabilities to support front-line operations while rolling out standardised ways of working as key enablers of improved service delivery to customers and communities nationally.

Diversity, Equity and Inclusion

Uisce Éireann employs almost 2,400 people, who together with circa 2,100 staff in Local Authorities working on behalf of Uisce Éireann, deliver our water and wastewater services. We are proud to provide all employees with equal opportunities through the Diversity, Equity and Inclusion (DE&I) initiatives and supports. We are delighted that these initiatives are bearing fruit and have had an impact on our 2024 Gender Pay Gap which was 2.31% during this period (compared to 9.16% in 2023). During

this period, we experienced significant growth in our workforce and a changing employee profile which is reflected in the current status. We anticipate that the period between now and the end of 2026 is likely to cause fluctuations in our gender pay gap year on year as more operational staff transfer.

Safety Culture

Safety culture is at the heart of what we do. The safety culture and values are embedded in all Uisce Éireann’s activities through the Work Safe Home Safe programme and initiatives. Tragically on the 29th of May 2024, a person working on behalf of one of our third-party delivery partners had a fatal accident during works at the Roscrea Wastewater Treatment Plant. The incident is currently under investigation with the Health and Safety Authority. In 2025 we will continue our focus on safety as a paramount consideration in everything we do, embedding safety through education and awareness training regarding risks and dangers associated with construction activity.

Governance

During 2024, the Board continued to prioritise corporate governance in line with best practice and transparency. As Chairperson, I am satisfied that the appropriate internal controls exist and are managed effectively to meet our governance requirements. For more details, please see the Report of the Board.

Conclusion

On a personal note, it is a great honour to return to Uisce Éireann and to witness at firsthand how much progress has been made towards developing an effective national water utility for Ireland. Working with Niall Gleeson and the leadership team, my Board colleagues and I are committed to using our knowledge and experience to drive the business forward, gradually improving service performance through investing in and expert stewardship of our water and sewerage infrastructure. I would like to extend my appreciation to the Minister and his officials in the Department of Housing, Local Government and Heritage who together with NewERA support Uisce Éireann’s investment programmes around the country.

I would also like to extend a warm welcome to Michael Nolan, Paul Reid and Douglas Millican whom have brought a wealth of expertise and experience to the Board this year. My thanks to Tony Keohane, Liz Joyce, Fred Barry and Christopher Banks, who have stepped down, for their commitment and service. I wish to acknowledge and thank Niall Gleeson and the Executive team who continue to lead the organisation with distinction. Lastly, on behalf of the Board, I want to recognise the expertise, dedication and commitment of all our people, partners and Local Authority staff who deliver water services on behalf of Uisce Éireann.

Jerry Grant
Chairperson



Chief Executive Officer's statement

Continued progress on our transformation journey

Niall Gleeson
Chief Executive Officer



Uisce Éireann is responsible for the delivery of secure, safe and sustainable public water services for 80% of the population enabling the economy to grow and communities across Ireland to thrive. As Ireland's national public water utility, we play a pivotal role in achieving our national commitments across a range of key areas, including supporting housing delivery, sustainable economic growth, environmental protection and the achievement of climate resilience and adaptation policies. This was another productive and challenging year in our transformative journey to enhance water services across the country. Increased investment in 2024 enabled us to improve drinking water quality, reduce wastewater discharges, tackle leakage and build resilience in our water supplies.

We have made significant progress over the last decade in addressing historic under investment in water services however, increased investment over many years will be crucial to ensure the provision of safe, secure and sustainable water supplies, and to support the country's social and economic development.

Over the longer term we estimate that, in the period up to 2050, a capital investment of circa €55-60 billion (in 2022 monies) will be required to address the known needs and risks to water and wastewater service delivery to current standards, including effective maintenance of complex new and upgraded assets required. This is the minimum capital investment that will increase capacity, reduce leakage, improve resilience, facilitate economic growth, support the delivery of housing, and achieve and sustain greater compliance with current water and wastewater standards. In the absence of this level of sustained investment there will be risks to service delivery and associated pressures on operational expenditure to safely maintain service levels and quality.

The Water Services Strategic Plan 2050 (WSSP 2050) is our long-term strategic plan which is required to be prepared under the Water Services No. 2 Act 2013. It sets out our objectives and the means by which we aim to achieve them in the context of the significant challenges we are likely to face over the next 25 years. The plan outlines our strategic direction and the actions we intend to implement to ensure sustainable public water services for Ireland. Through the delivery of our WSSP 2050, we will build on the legacy of our local authority water services heritage, working with our customers, communities, and stakeholders to enhance our shared environment and support social and economic development.

During 2024, we continued to prioritise the transformation of the water sector integrating 31 different ways of delivering water services into one. The transition of Water Services staff into Uisce Éireann, along with filling vacancies, and enabling the integration of all our people in our new shared organisation continues. Our We Live Water programme launched our new Organisational Values and Behaviours which is an important step to building on and developing our future culture. This work is vital so that we can fully deliver on the benefits of a national water authority model with strong local teams delivering in and for our communities. The dedicated Transformation Programme Team have been progressing the transition on a phased basis, with the primary focus being on stability of operations, service continuity and safety of both staff and public health.

Health and Safety

At Uisce Éireann the health and safety of our employees, contractors, customers and the general public is paramount. We foster a culture of safety through leadership, employee engagement and initiatives such as our Work Safe Home Safe campaign. Tragically on the 29th of May 2024, a person working on behalf of one of our third-party delivery partners had a fatal accident during works at the Roscrea Wastewater Treatment Plant. The incident is currently under investigation with the Health and Safety Authority. In 2025 we will continue our focus on education and awareness training regarding risks and dangers associated with construction activity.

Multi-Annual Funding

On 5 November 2024, the Uisce Éireann Strategic Funding Plan (2025-2029) was approved by the Minister for Department of Housing, Local Government and Heritage (DHLGH). Subsequently, Uisce Éireann's Capital Investment Plan 2025 to 2029 was submitted to the Commission for Regulation of Utilities (CRU) on 2 December 2024.

The Uisce Éireann Strategic Funding Plan sets out the funding requirement from 2025 to 2029 and comprises of an ambitious capital investment plan delivering key outputs and outcomes in capital infrastructure and assets and operational expenditure for the maintenance and daily operation of over 7,000 public infrastructure assets as well as the delivery of critical strategic national infrastructure projects. This funding requirement is met through a combination of Exchequer (domestic) subvention, non-domestic revenue, new connections revenue and capital funding

“The Uisce Éireann Strategic Funding Plan sets out the funding requirement from 2025 to 2029 and comprises of an ambitious capital investment plan delivering key outputs and outcomes in capital infrastructure and assets and operational expenditure for the maintenance and daily operation of over 7,000 public infrastructure assets as well as the delivery of critical strategic national infrastructure projects.”

Chief Executive Officer's Statement

(continued)

contributions/ equity. This allows Uisce Éireann to continue its overall delivery of, and investment in critical public water projects and programmes, increased capacity for new housing and business connections, leakage reduction and environmental improvements. Under Uisce Éireann's current funding model, the domestic subvention and equity are provided through an allocation of Exchequer funding via the Government's annual budgetary process. The reliance on this process creates funding uncertainty from an operational and capital delivery perspective. A key change to support the timely delivery of water infrastructure projects would be a move from this annual allocation to a multi-annual structure, providing stability and certainty to the supply chain/ industry and bring alignment with Uisce Éireann's multi-annual revenue control set by its independent economic regulator, the CRU.

The revenue control process involves the CRU engaging with and reviewing Uisce Éireann's submissions, benchmarking our proposed costs against comparator companies, completing a public consultation process, and thereafter setting appropriate allowances for revenue, operating costs, capital costs and other items. The revenue control decision sets the basis for future non-domestic tariff prices. At the end of a revenue control period, the CRU evaluates Uisce Éireann's spending to determine whether it was within the pre-determined allowance and whether it delivered its defined outputs and outcomes as agreed with the CRU. The CRU will hold a public consultation process on Revenue Control period 4 in early 2025.

Capacity Constraints

Ireland has a complicated and ageing water and wastewater network that will take decades and multiple investment cycles to bring up to required standards. In the Greater Dublin Area (GDA) which includes Dublin and parts of Meath, Kildare and Wicklow, there is an increasing demand on the current water supply. Current estimates indicate wastewater treatment capacity will become an issue in the GDA by 2028 as the Ringsend Wastewater Treatment Plant approaches capacity and there will be a shortage of water for all customers within the next five years. The Greater Dublin Drainage Project (GDD) provides for a proposed new treatment plant and new regional sewer that will take significant load from the overloaded networks. The Water Supply Project Eastern and Midlands Region will develop a new, climate-resilient, long-term water source to meet the demands of a growing population and economy including the need for housing and mitigating against the impacts of climate change. The pace of growth in population and activity in the region has significantly eroded capacity in both water and wastewater so that the timely delivery of these projects is now key. There is more information on these projects within the Operating Review.

In the interim, Uisce Éireann is continuously investing in leakage reduction and remains committed to improving current supplies through upgrades to our infrastructure to ensure we can obtain maximum output but these measures have limited capacity. Despite these measures, both services will remain on a knife-edge until WSP and GDD are fully delivered.

Drinking Water Quality

The latest Drinking Water Report published by our environmental regulator, the Environmental Protection Agency (EPA) shows that Ireland's public drinking water supplies remain at a high standard, with 99.7% compliance with microbiological and chemical standards (EPA Published [Drinking Water Quality in Public Supplies 2023](#)). This is a result of the ongoing high levels of investment and improved operational measures. Uisce Éireann is committed to ensuring everyone in Ireland has access to safe, clean drinking water. Uisce Éireann also continues to make progress in addressing known risks to water supplies which are on the EPA's Remedial Action List. In 2024, we completed works at 14 supplies to meet the EPA's required standards. For those supplies that remain on the list or for those added, Uisce Éireann is progressing plans to address any underlying issues and ensure resilient water supplies for the communities they serve.

We have prioritised investment in the schemes identified in the Court of Justice of the European Union infringement case as at risk from Trihalomethanes (THM) exceedances. Of the original 74 public water supplies included in the first European Court of Justice infringement letter, all but 5 of these have now been addressed. For those that remain, we have comprehensive plans in place to address the issues either through upgrades or rationalisation of existing treatment plants.



Wastewater Quality

Adequate wastewater treatment capacity is vital to protect public health, safeguard the environment and facilitate social and economic growth. As our population and economy grows, so too does the volume of wastewater. In 2024 over 90% of Ireland's treatment plants were fully compliant with the Urban Wastewater Treatment Directive. For those plants that are not currently achieving compliance, Uisce Éireann has a plan of action to address any deficiencies and bring them up to the appropriate standard as quickly as possible. We prioritise areas with the greatest need/ risk. We are constructing or have completed projects in 41 out of 50 locations where raw sewage was discharging from the public network into receiving waters. To date we have built new wastewater infrastructure in 34 locations where no treatment existed before, and we have 7 under construction.

The Year Ahead

The top priority in 2025 is the delivery of additional water services capacity in key growth areas. The need for the WSP and GDD is identified as being critical to ensuring we can achieve the widest benefit to the greatest number of people, so that we will seek to drive these projects forward with active engagement on all stakeholder dependencies.

This means that we will be focusing on:

- Delivering the Capital Investment Plan for 2025.
- Supporting the water and wastewater connections to support Housing targets.
- Reducing leakage, particularly in the Greater Dublin Area.
- Ensuring our strong safety culture is maintained through our Work Safe Home Safe initiatives.
- Strengthening the experience of our customers and communities in the delivery of our services.

- Progressing the transition of water services staff into Uisce Éireann and enabling the integration of all our people in our new shared organisation.
- Resolving the issue of water discolouration issues which has impacted householders and businesses.

Uisce Éireann performed well in 2024, supporting key Government policies and priorities including Housing for All, prioritising essential infrastructure projects required to meet the needs of our growing population and economy. I would like to take this opportunity to thank the members of the Board, my colleagues on the Executive team, Uisce Éireann staff and our delivery partners who together with staff in the Local Authorities delivered water and wastewater services in 2024.

Niall Gleeson
Chief Executive Officer

Strategic framework



Purpose

We rise to the challenge of delivering transformative water services that enable communities to thrive.



Vision

A sustainable Ireland where water is respected and protected, for the planet and all the lives it supports.

Strategic objectives

	T	Transform Ireland's water infrastructure	By delivering timely, essential, value for money water services	See more within the Key Performance Indicators section.
	H	Harness a safe, diverse, inclusive culture	Where our people are empowered and high performing	Read about our diversity, equity and inclusivity initiatives within the Sustainability report.
	R	Realise an integrated Uisce Éireann	To deliver safe, affordable, customer focused water services for our country	Updates on water and wastewater services are available within the Operating review.
	I	Inspire confidence	To become Ireland's trusted water services utility	An overview of our approach is outlined within the Strategic stakeholder engagement section.
	V	Value and enhance our environment	By prioritising our water quality and resilience to become a sustainability exemplar	Additional information within our Sustainability report.
	E	Ensure the essential funding	To fulfil Ireland's national water services needs	Further information on funding the business is available within the Finance review.

Values

In 2024, Uisce Éireann launched our new values and behaviours, which are key to achieving our strategic objective to harness a safe, diverse and inclusive culture where our people are empowered and high performing. These values were developed through an extensive collaboration with Uisce Éireann employees at all levels of the organisation, and also with the input of our local authority water services colleagues.

Our five values define the character of our organisation, they guide our actions and decisions, and provide a framework for how we communicate with each other, our customers and our stakeholders.



We deliver for customers and communities

The work we do impacts people's everyday lives, enabling communities across Ireland to thrive. We take pride in our local knowledge and expertise - always providing an excellent service customers can trust and rely on.



We work better together

We combine our individual strengths to achieve what would be impossible alone. We listen. We share knowledge and learn from each other. We embrace our differences, so people feel supported to grow and be their best. We recognise and celebrate success.



We do the right thing

We treat each other with respect and kindness. For the benefit of our co-workers, communities and planet, we stand up for what we believe is right, not what is easy. We're open, we speak up and we know when to say no. And we trust that everyone does these things regardless of who's there to see it.



We aim high

We never stop learning, growing and looking for ways to be better. We challenge the accepted to improve how we do things. We deliver on promises. We set a positive example. We understand that our actions today shape a sustainable future for all.



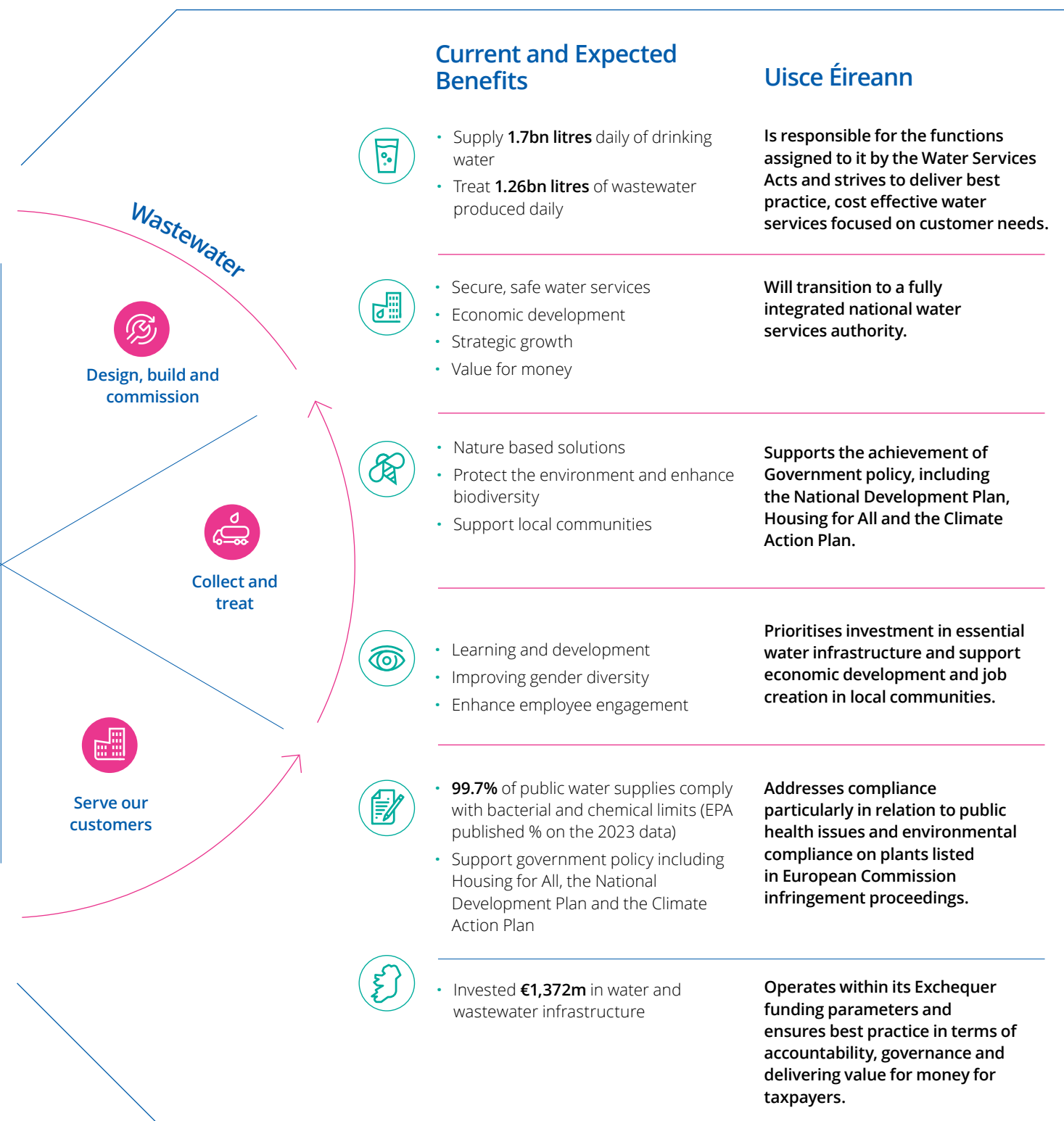
We keep each other safe

We own our work and know what needs to be done to make it happen safely. We're thorough and put the time in. We follow process. We think before we act. We put people and their well-being above all else. And we go home safe at the end of every day.

Uisce Éireann business model



We build, maintain and operate our water and wastewater infrastructure to provide essential services to our customers, communities and the economy.



Factors influencing value creation



Economic environment

The challenge is to

Operate within the regulatory contract in the face of elevated price pressures, supply chain constraints and resourcing challenges.

This means we must

Work closely with our partners and contractors to carefully control and manage the cost base.

And we will create value by

Maintaining efficient and cost effective public water and wastewater services.



Government policy

The challenge is to

Deliver the Project Ireland 2040 investment in infrastructure initiative that is made up of the National Planning Framework to 2040 and the National Development Plan 2021-2030 that prioritises investment in infrastructure of almost €200bn.

This means we must

Make significant investment in public water and wastewater infrastructure to serve the growing population and economy and to meet current and future environmental standards.

And we will create value by

Delivering the capital investment in line with the Government's Water Services Policy Statement and in line with funding proposals outlined in Project Ireland 2040.





Sustainable future

The challenge is to

Operate in a way that shows care for the environment and respect for resources.

This means we must

Manage increasing demand for public water services resulting in extensive pressure on our infrastructure, greater energy and resource inputs with increasing levels of waste and other by-products.

And we will create value by

Working to evolve our environmental, economic and social strategies, reducing energy consumption, fixing leaks and increasing resilience to enhance the sustainability of the public water supply.



Customer

The challenge is to

Deliver a customer experience that meets their needs.

This means we must

Continue to communicate effectively with customers and stakeholders to ensure customer centric service is delivered.

And we will create value by

Driving continuous improvement in our engagement with our customers, committing to delivering cost efficient customer operations.



Key performance indicators

Water framework directive



Water Services Policy Statement

Uisce Éireann is a publicly owned, regulated, commercial State body with responsibility for the operation and maintenance of water and wastewater assets.



Water Services Strategic Plan

The operating model for Uisce Éireann is set in the context of the EU Water Framework Directive (WFD). The WFD is the overarching Directive in relation to water policy in the EU.



Strategic Funding Plan



		Measure	Definition	Unit	2022	2023	2024
Quality							
Water	Drinking water	Boil Water Notice (> 30 days)	Population remaining at year end on BWN that has been in place for > 30 days	Number remaining	18,287	19,109	17,465*
		Schemes on EPA Remedial Action List (RAL)	Number of schemes on live RAL	Number remaining	58	57	45
	Lead	Lead	Total lead services replaced	Number	10,801	9,588	4,099
Wastewater	UWWTD	Priority areas for wastewater improvement	Number of priority areas for wastewater improvement (starting point Q1 2017 of 148)	Number remaining	91	80	75
		Untreated agglomerations	Number of agglomerations with no treatment or preliminary treatment only	Number remaining	29	19	16
Conservation							
Savings**	National Leakage Rate		12-month rolling average to 1st October	%	37	38	38
	Greater Dublin Area (GDA) Leakage Rate		12-month rolling average to 1st October	%	33	32	32
	Non-Greater Dublin Area (GDA) Leakage Rate		12-month rolling average to 1st October	%	40	41	41
Future Proofing							
Capacity & resilience	Wastewater treatment plants		New and upgraded total (quantity)	Number	9	42	17
	Water treatment plants		New and upgraded total (quantity)	Number	6	9	9
	Wastewater network		Length of sewer laid new/rehabilitated (total)	km	102	122	63
	Water network		Length of watermain laid new/rehabilitated (total)	km	315	512	207

* At the end of 2024 there were 5 Boil Water Notices in place for more than 30 days. Over 72% of Boil Water Notices imposed in 2024 were rectified within 30 days.

** Previously we reflected leakage savings in ML/day of water saved, this metric has become unrepresentative of leakage activity due to the unprecedented levels of demand currently being experienced and the correlation between demand and leakage. We are now tracking leakage levels on a percentage basis, that represents the percentage of water produced that is unaccounted for. 2023 and 2024 percentages are reflective of interim leakage data pending study outcomes, detailed within the Operating review section.

Key performance indicators

(continued)



Safety

Total LTIFR – employees (>1 day) #/100k hours

2020		0.0
2021		0.0
2022		0.0
2023		0.0
2024		0.0

What we measure

We use Lost Time Injury Frequency Rates (LTIFR) to track the number of employee accidents per 100,000 hours worked, that result in a staff member needing to take >1 day off work. There has not been an employee Lost Time Injury since 2018.

Why we measure it

Safety is one of our core values, we keep each other safe. The Work Safe Home Safe framework, focuses on managing our safety challenges through key pillars including leadership and culture, safe assets and workplaces, safe ways of working, safe delivery partners, and health and wellbeing.



Customer service

First contact resolution – metering and operations %

2020	<div></div>	79%
2021	<div></div>	83%
2022	<div></div>	72%
2023	<div></div>	83%
2024	<div></div>	84%

What we measure

We review a sample of our customer contacts each month across a range of different call types. A selection of calls are surveyed independently to validate the scores.

Why we measure it

This measure tells us how often we are able to resolve a customer's request on their first contact, without the need to get further information, escalate to the back office, create a complaint or follow up.



Sustainability

sites with biodiversity measures implemented

2020	<div></div>	31
2021	<div></div>	53
2022	<div></div>	56
2023	<div></div>	270
2024	<div></div>	273

What we measure

This measures the number of operational sites with recorded biodiversity enhancement initiatives implemented within the year.

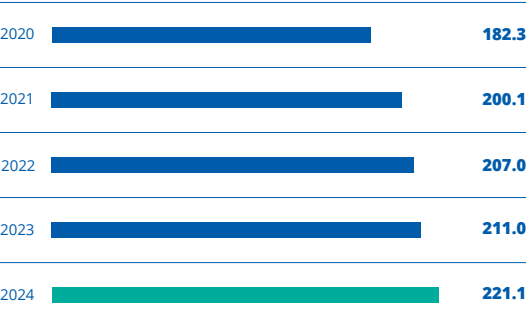
Why we measure it

This measure is used to advise on actions to be taken to enhance operational sites from a biodiversity perspective.



Operating efficiencies

Cumulative OPEX efficiencies €m



What we measure

We measure operational efficiencies secured via cost saving initiatives, our supplier commercial framework agreements and through value for money reviews.

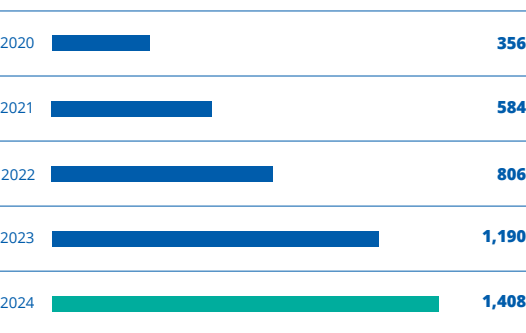
Why we measure it

We strive to meet the efficiency targets as set by the Commission for Regulation of Utilities.



Water saved

Cumulative gross leakage savings (megalitres per day)



What we measure

This is a measure of the cumulative water saved as a result of our efforts in rehabilitating mains and pro-actively finding and fixing leaks.

Why we measure it

We aim to increase the effectiveness and resilience of our networks by reducing the quantity of water lost in the system.

Strategic stakeholder engagement

Stakeholder engagement is the process whereby we actively engage with our customers and stakeholders in an open, transparent and meaningful way. We prioritise the critical role of our stakeholders and work closely with them to address their needs and expectations. In addition, we actively seek feedback from our stakeholders to understand how well we are meeting these expectations.

Key Relationships



Employees

Priorities

- Safety
- Organisational Performance
- Diversity, Equity and Inclusion
- Wellbeing

Description

Throughout the year we undertake regular employee engagement and wellbeing initiatives.

We promote both a positive and proactive behavioural based safety culture, reinforcing our Work Safe Home Safe culture that ‘we all have a right to work and go home safely’.

Uisce Éireann recognises the importance of equality, diversity and inclusivity among our workforce. Our Diversity, Equity and Inclusion Council is made up of employee representatives.

Uisce Éireann has established relationships with unions through our internal Group of Unions structure and through the Irish Water Consultative Group for the transfer of Local Authority Water Services staff under the Workplace Relations Commission (WRC) Framework for the Future Delivery of Water Services.





Customers and Communities

Priorities

Effective customer centric services

Secure, safe water services

Protect the environment

Description

Our customers and communities are our most important stakeholders. Engagement takes place daily through our customer channels and we deliver public consultation, public information campaigns and manage incidents and disruptions through a text service, media engagement, digital and social media, open events, advertising, and face to face or virtual meetings. We provide a 24/7 customer contact centre.



Elected Representatives

Priorities

Secure, safe water services

Awareness raising regarding water services resilience

Support for continued investment to support economic development

Description

Our contact service for elected representatives commenced in 2014 and in the last 10 years has responded to over 100,000 queries directly received from over 1,100 elected representatives. They also receive continuous updates on local and wider issues via press releases, social media, our website, regional communications teams, our public affairs team, regional operations teams and councillor clinics. We engage directly with the Oireachtas on strategic water services issues through attendance at regular committee hearings.



Shareholders and Regulators

Priorities

Government policy implementation

Efficient and compliant operations

Description

We have ongoing engagement with the Department of Housing, Local Government and Heritage (DHLGH) in relation to funding, delivery of public water services and implementation of government policy.

The Commission for Regulation of Utilities (CRU) is our economic regulator, and the Environmental Protection Agency (EPA) is our environmental regulator. We engage directly and report to both regulators on our performance and compliance with price control and environmental legislation.



Strategic stakeholder engagement

(continued)



Service Delivery Partners

Priorities

Safety

Value for money

Sustainability within the value chain

Description

Uisce Éireann engages closely with contractors and third parties who deliver support services to us to ensure the effective and efficient delivery of significant capital investment and overseeing daily operation of a national water utility to benefit our customers, the economy and the environment.



Formal Stakeholder Representative Groups

Priorities

Water resource quality and security of supply

Environmental impacts

Description

Uisce Éireann engages with a wide range of formal stakeholder representative groups, such as the Construction Industry Federation and the Irish Farmers Association, to provide updates on our plans, to inform two-way decision making, develop a culture of transparency and dialogue on specific themes, and to provide relevant expert briefings.

Media is an important channel of communication with our customers and stakeholders, particularly when there is disruption to service, issues with water quality or when infrastructure projects or upgrades impact a community.





Business Representative Groups

Priorities

Awareness raising regarding water services resilience

Support for continued investment to support economic development

Description

Uisce Éireann engages with Business Representative Groups including Ibec, Chambers Ireland and the American Chamber of Commerce to raise awareness and understanding regarding the importance of resilient water supplies to sustainable economic development, in addition to ensuring this is prioritised in their policies and campaigns.



How we engage

Uisce Éireann engages with stakeholders through public consultation on our infrastructure projects and plans. We commit to continuous and responsive two-way communication, at every stage of the consultation process to ensure that information is accessible, meaningful, transparent and accountable for all stakeholders. Stakeholder engagement is not confined to statutory consultation and can be broadly categorised across a range of categories. Uisce Éireann uses remote platforms such as our website and online channels together with media, face to face meetings, information events and internal communications and bespoke contact centres to engage with our stakeholders.

Risk Management

Our Risk Management Environment

Throughout 2024, Uisce Éireann has continued to experience and respond to the dynamic and interconnected global risk landscape which is continually evolving. Uisce Éireann operates within a complex environment, managing and operating an aged asset infrastructure. Strong risk governance is integral to all our activities and our risk framework is designed to support the business in maintaining effective risk management in the ever-changing environment. We are committed to integrating and embedding effective risk management practices across all our activities to drive resilience in the operating environment.

Effective risk management within the organisation is key to achieving our strategic objectives while safeguarding the interests of our shareholders, customers and the wider community.

Risk management within Uisce Éireann also supports our forward planning and facilitates well informed and proactive risk-based decision making across our activities. The principles outlined in Uisce Éireann's Organisational Risk

Management Policy guide our risk management practices. Many of our risks are enduring, reflecting the long-term nature of our activities. These risks may evolve over time due to changing internal and external factors and events.

Despite a challenging risk landscape, Uisce Éireann successfully managed these challenges throughout 2024 and remains resilient in its responses. Risks with the potential to impact on our

strategic objectives were fully assessed for their potential impacts, taking into consideration the risk mitigation measures which are being employed. These risks continue to be closely monitored, with our risk management approach forming an integral component of our overall organisational resilience.

Our approach to risk is championed under the following principles



Proactive Risk Culture

Ensures our risk culture is embedded within the organisation, enabling our people to have the awareness and understanding of the risks which have the potential to affect our ability to achieve our business objectives.



Competence

Ensures our people are competent and capable of managing risks effectively.



Effective Management

Ensures our risk management processes underpin the successful achievement of our business objectives by empowering our people to manage risks.

Risk Management Framework

During 2024, Uisce Éireann maintained an effective, integrated and structured approach to risk management, including a comprehensive risk management process to manage, review, monitor and report on the principal risks and uncertainties that could potentially impact the achievement of our strategic objectives.

Uisce Éireann’s Organisational Risk Management Framework, policy and processes are well established and are consistently applied across the organisation, thus facilitating the identification, assessment, monitoring and reporting of risks at all levels of the organisation at an individual and aggregate level.

Risk Culture

Uisce Éireann recognises that successful risk management is dependent on an effective risk culture, encompassing the behaviours, norms and attitudes of our people. Uisce Éireann management recognises the criticality of an effective risk culture which continuously evolves and develops and is promoted through ‘tone from the top’ and regular risk management training. We continuously and actively engage in horizon scanning to assist in identifying new and emerging risks. As a result, the importance

of risk management, including clear accountability and ownership of risks, is evident throughout Uisce Éireann. It is recognised that everyone in the organisation has a role to ‘speak up’ about risk.

The Board and Risk Management

The Board has overall accountability for effective risk management across Uisce Éireann, regularly reviewing and challenging the principal risks presented to them by management, ensuring they are appropriately assessed, managed and mitigated.

The Audit and Risk Committee has the delegated authority to support the Board with these obligations. It is supported in maintaining an effective risk management environment by a dedicated risk team and a top-down, bottom-up risk governance model.

Risk Assessment Methodology

Uisce Éireann undertook a comprehensive review of its risk assessment methodology in 2024. A refreshed risk assessment methodology is now in place which sets out an updated standard methodology to assessing risks at all levels of the organisation, considering both risk impact and likelihood. This consistent approach aids decision making and prioritisation of

key mitigating actions. The methodology was reviewed and approved by the Audit and Risk Committee, and the Board.

Risk Strategy

The Board approved a new Risk Strategy for Uisce Éireann in 2024. The approved Risk Strategy (2025-2029) sets out ambitions for the next 5 years in the areas of leadership and governance, people and culture, integration and tools, and technology. The ambition of the strategy is to deliver further maturity of the risk model and to support and empower risk based decision making across the organisation.

Risk Appetite

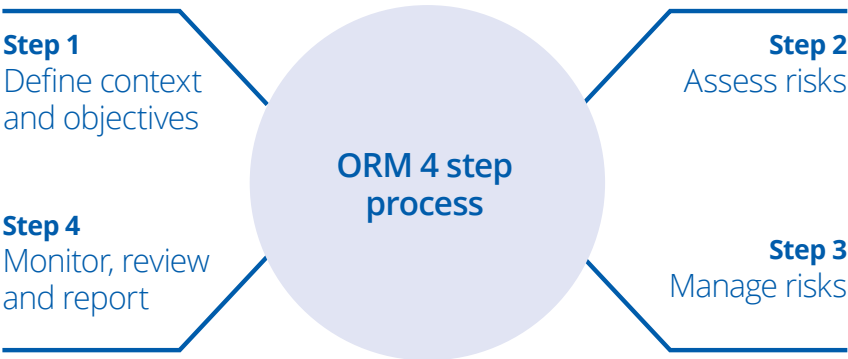
During 2024, the Board set an updated Risk Appetite for the organisation, expressing the level and type of risk Uisce Éireann is willing to accept in the pursuit of its strategic objectives. The Risk Appetite is aligned to categories of risk to which Uisce Éireann is exposed.

Deep Dives

During 2024, the Audit and Risk Committee considered the status of the principal risks and related mitigating actions and was presented with a number of Deep Dive Reviews to further enhance their understanding of certain principal risks and their key mitigations.

Organisational Risk Management (ORM) 4 step process

Uisce Éireann follows leading practice and uses a four-step process to ensure the consistent identification, assessment, response and monitoring of risk across the organisation, to support the delivery of our strategic objectives.



Risk management
(continued)

Principal risks and uncertainties

Note: Risks are not listed in order of importance or priority.

Health and Safety		
<p>Risk</p> <p>A significant people, process or asset safety event resulting in serious injury/ fatality or negative impact to the health and well-being of staff, Water Services staff/ contractor, other delivery partner or the public.</p>	<p>Context</p> <p>All health and safety legislation and arrangements must be adhered to in order to protect staff, delivery partners, and the public from injury or fatality and avoid potential prosecution and financial loss and reputational damage.</p> <p>Uisce Éireann is currently going through an organisational change, implementing a consistent approach to safety behaviours and culture.</p>	<p>Key mitigations</p> <ul style="list-style-type: none">• Implementation of 31 existing Local Authority Safety Management systems in addition to the implementation, promotion and maintaining certification of the National Uisce Éireann Safety Management System (ISO 45001).• Strong governance, health and safety performance monitoring and promoting a safety culture.• National Safety Risk Programme.• Proactive approach to safety incidents to address systemic safety issues and taking risk-based, asset-specific interventions where required.• Provision of training and competency assessment across the water industry to ensure everyone is well versed in our safety expectations and standards.• Promoting a positive culture towards mental health and wellbeing for all who work with Uisce Éireann.• Safety Strategy implementation.

Infrastructure, Assets and Operational Delivery

Risk

Failure to meet present and future water demand in the Greater Dublin Area, resulting in major water outage/ loss of water treatment or the inability to provide new connections.

Context

Without additional capacity, quantity and quality issues could result in potential water supply challenges, social and economic impacts, and a failure to support future growth demands.

The supply of water to the Greater Dublin Area lacks resilience. Even with an improved network efficiency and leakage reduction, population growth, economic growth and climate change will exacerbate the water supply problem in the Greater Dublin Area. Until a major new source of water is delivered, Uisce Éireann will not be able to achieve the desired level of service and will continue to run the risk of sustained outages impacting homes and businesses.

A key concern is that the Water Supply Project - Eastern and Midlands Region (the long-term strategic solution to meet future demands) may experience delays in the statutory consent process, similar to other Strategic Infrastructure Delivery projects including the Greater Dublin Drainage project.

Key mitigations

- The National Water Resources Plan has assessed national water capacity and quality, focusing on sustainable supply and demand balance in the short, medium, and long term.
- The Water Supply Project - Eastern and Midlands Region has been identified as the key preferred project for the long-term strategic solution to meet the future demands of the Eastern and Midlands Region. The Minister has approved this project to go to An Bord Pleanála for planning permission in 2025.
- Key upgrade measures and investment are underway and proposed to increase resilience, reduce leakage, and operationally manage the risk in the short to medium term.
- Ongoing monitoring of all water resource levels (rivers, lakes, boreholes, impounding reservoirs) with short term measures available to boost water available for use.

Risk

Risk of failure to achieve sufficient net leakage reduction.

Context

Not achieving leakage reduction could result in customer and service impacts, increase operating costs and reduce efficiencies, impacting Uisce Éireann's strategic objective of becoming a trusted utility.

Key mitigations

- Project in place with specific focus on leakage in the Greater Dublin Area to prioritise short term leakage reduction activities to manage the increasing demand.
- New Leakage Operations Centre of Excellence established.
- Key programmes in place including - Find & Fix programme, First Fix Programme, watermain replacement, metering and pressure/ network management.
- Leakage Strategy, Leakage Management System, and Annual Leakage Management plan in place.

Risk management

(continued)

Infrastructure, Assets and Operational Delivery		
Risk Failure to deliver sufficient capacity nationally to meet the needs of future connecting customers and wider economic growth and development, could impact Uisce Éireann's ability to deliver on Government Policy/ Plans.	Context Uisce Éireann has a significant role to play in supporting Ireland's economic growth, compliance, and development goals. If Uisce Éireann cannot deliver sufficient capacity, it will have a reputational impact as well as the potential to impact economic growth and development.	Key mitigations <ul style="list-style-type: none"> • Delivering the Uisce Éireann Capital Investment Plan. • Progression of key strategic infrastructure projects e.g. Water Supply Project - Eastern and Midlands Region and the Greater Dublin Drainage Project. • GDA Asset Upgrades ongoing. Mitigation plan in place for additional capital upgrades to improve GDA resilience. • Capacity upgrade works ongoing at Ringsend Wastewater Treatment Plant to increase capacity within the Ringsend agglomeration. • Ongoing interim measures to meet drinking water demand.
Risk Risk of failure to provide adequate wastewater treatment and associated network infrastructure resulting in significant environmental impacts, and potential legal infringements.	Context Poor asset condition and/ or operational issues can lead to environmental damage and prosecution, together with delays to critical improvement works due to operational challenges and external factors (such as statutory or planning or legal challenges). An example of this is a delay in the completion of statutory processes for the Greater Dublin Drainage Project, which is directly impacting on the provision of strategic infrastructure essential to ensure the continued growth and development of the Greater Dublin Area. Changes in water quality standards, environmental regulations, and compliance requirements could lead to fines and/ or operational challenges.	Key mitigations <ul style="list-style-type: none"> • Greater Dublin Drainage Project is a key project for long term wastewater treatment and resilience in the Greater Dublin Area. • Capital maintenance programmes are in place to replace or refurbish failed or failing assets and maintain existing levels of service. • Cross functional forums ensure consistent wastewater reporting/ messaging on priority plants to the EPA and other stakeholders. • Capacity Upgrade works ongoing at Ringsend Wastewater Treatment Plant to increase treatment capacity within the Ringsend agglomeration (2.4M population equivalent). • Regional Biosolids Storage Facility construction has commenced. • National Wastewater Sludge Management Plan. • Sampling and analysis are undertaken in accordance with legislative requirements. • Drainage Area Plans are under development in key agglomerations. • Implementation of real-time monitoring and analysis of key/ critical plants to identify issues. • Ongoing engagement with key stakeholders in relation to the recast of the Urban Wastewater Treatment Directive.

Infrastructure, Assets and Operational Delivery

Risk

Risk of critical asset failure, resulting in significant service disruption.

Context

Historic under-investment in Ireland's water and wastewater networks and treatment facilities has resulted in Uisce Éireann operating with aged assets and infrastructure.

Due to aging infrastructure, network vulnerability to severe weather events, supply chain challenges, and/ or people resourcing challenges.

Key mitigations

- Management and investment in key assets, including the Capital Investment Plan which prioritises areas of investment to focus on strategic priorities in line with the Water Services Policy Statement and Water Services Strategic Plan.
- Continued focus on resilience, emergency preparedness and business continuity planning.
- Adoption of an asset management approach in line with international best practice.
- Asset Stewardship framework supported by site, regional and national stewardship groups.
- Critical asset reporting.

Risk

Risk of a cyber-attack targeting systems impacting our infrastructure and delivery of services.

Context

A cyber-attack could compromise the integrity of data, disrupt normal operations, and pose a threat to the security of Ireland's water supply. Such an incident would also have the potential to cause public health and safety issues, reputational damage, and/ or potential fines.

Key mitigations

- Strategy to further mature and strengthen our cyber security capability to enhance Uisce Éireann's resilience against a potential cyber-attack.
- Security Operations Centre operating 24/7, monitoring Information Technology and Operating Technology assets.
- Ongoing engagement with the National Cyber Security Centre to proactively manage any threats.
- Continual monitoring for Network and Information Security Directive Compliance.
- Cyber Resilience Plan and Runbook under ongoing review and simulation exercises undertaken.
- Online cyber security training for employees with regular simulated phishing exercises and other initiatives to keep employees vigilant and informed about emerging threats.

Risk management

(continued)

Infrastructure, Assets and Operational Delivery		
Risk Risk of an externally driven major shock, (e.g. extreme weather events due to climate change, threat of global pandemic, increasing geopolitical volatility, inflation, supply chain disruption etc.), impacting infrastructure and delivery of services.	Context Uisce Éireann may be impacted by shock events such as macro-economic impacts arising from global volatility, global pandemic, climate changes e.g. increased frequency of flood/ storm events, national security challenges.	Key mitigations <ul style="list-style-type: none"> • Governance and oversight models support early identification of external events that may impact on business delivery activities. • Effective Risk and Resilience Management including crisis management, business continuity plans and response and scenario planning in place. • Climate resilience efforts continue to be developed as an integral part of our asset design and planning. • Active horizon scanning.
Financial		
Risk Failure to have an appropriate funding model, due to the lack of multi-annual funding certainty and allocation, or insufficient revenue control allowance determination, impacting our infrastructure and delivery of services.	Context Uisce Éireann's capital and operational funding is approved by the Commission for Regulation of Utilities (CRU) through a 'Revenue Control' process. The CRU are currently undertaking a determination of appropriate Operational and Capital allowances for the period 2025-2029.	Key mitigations <ul style="list-style-type: none"> • Comprehensive stakeholder engagement (Governmental Departments and Regulators) to ensure appropriate funding allocation and support. • Robust internal budgetary and expenditure governance.

Customer, People, Stakeholder and Reputation

Risk

Risk that Uisce Éireann will not have appropriate or sufficient resources/ capability, culture initiatives and strategic enablers in place impacting infrastructure and delivery of services.

Context

Uisce Éireann is undergoing organisational change until December 2026, having assumed direct responsibility for water services in 31 Local Authority areas. Alongside the transfer of operational services, Uisce Éireann continues to engage with Local Authority staff to join the organisation.

Uisce Éireann operates in a competitive recruitment environment with high employment levels nationally and resourcing challenges in key areas of our business requiring specialist capabilities.

Ensuring Uisce Éireann's culture is effectively developed and maintained during a period of significant change is critical to enable the organisation's success in the delivery of water services and will allow the retention and attraction of people, reducing the risk of organisational instability.

Key mitigations

- Target Operating Model fulfilment.
- Dedicated headcount forums in place.
- Uisce Éireann's People and Safety Strategy includes several employee-focused strategic plans, including but not limited to Diversity, Equity and Inclusion, Engagement and Wellbeing, Occupational Health, and Hybrid Working.
- The new set of values and behaviours were launched in 2024, as part of the "We Live Water" programme.
- Sustainable Employee Engagement is tracked, and development actions are undertaken at an organisational level in response to surveys and employee feedback.

Risk

Risk of Uisce Éireann incurring reputational damage and/ or loss of trust where Uisce Éireann is unable to deliver on key stakeholder expectations due to the scale of investment required versus funding available, combined with increasing policy and regulatory requirements.

Context

Delivering for our customers and stakeholders and building trust, confidence and gaining their support is essential to enable Uisce Éireann to deliver water services and to achieve the organisation's strategic objectives.

Key mitigations

- Keeping the public fully informed, in a timely manner, on all matters relating to water services is a critical priority especially on issues of public health.
- A new Corporate Strategy has been developed and rolled out with a key focus on Customer Service, Stakeholder Engagement and Reputation.
- Stakeholder engagement ongoing at key forums.
- Comprehensive communication plans and processes, including public consultations on our key projects and local community and school programmes.

Risk management

(continued)

Strategy, Compliance and Regulation and Legal

Risk

A significant failure to comply with Drinking Water Regulations and to deliver clean, safe drinking water to required standards could lead to critical public health risk to consumers, prosecution, EU infringement or reputational impacts.

Context

While work continues across the aged asset infrastructure to improve quantity and quality of drinking water supply, there is a risk of quality issues materialising.

Issues may arise due to severe weather events or delays to critical improvement works (due to operational challenges and external factors such as statutory or planning issues, legal challenges, and judicial reviews).

Key mitigations

- Our National Operations Management Centre is operating 24/7, monitoring alarms and water treatment performance at the critical water treatment plants.
- Delivery of the Capital Investment Plan to upgrade assets and improve resilience.
- Ongoing training of plant operational staff in plant operations and incident reporting.
- Cross-functional forums ensure consistent drinking water reporting/messaging on priority plants to the Environmental Protection Agency (EPA) and other stakeholders.
- Sampling and analysis are undertaken in accordance with legislative requirements.
- Cross organisational engagement on the new Drinking Water Regulatory compliance implementation is ongoing.
- Drinking water Expert Implementation Groups – internal and external.
- A National Drinking Water Safety Plan team, processes, procedures and system is in development.

Risk

Failure to fully deliver all expected outcomes in the Uisce Éireann Transformation Programme impacting our infrastructure and delivery of services.

Context

Uisce Éireann now has direct responsibility for water services in all 31 Local Authority areas. The transfer of operational responsibility means Uisce Éireann is fully accountable for the delivery of Water Services in these local authority areas along with the necessary management and direction of all water services staff, including those who remain employed by the Local Authority, whilst also directly responsible for regulatory and legislative compliance.

Key mitigations

- Development of a future organisation structure that reflects the capabilities necessary for the Uisce Éireann of the future.
- Strong Project governance in place.
- The Uisce Éireann Transformation Programme has established Centres of Excellence.
- Alongside the transfer of operational services, ongoing engagement continues with Local Authority staff to encourage as many as possible to join our new shared organisation while there is progress in recruitment for critical vacancies.

Financial review

A strong financial performance

Chris McCarthy
Chief Financial Officer



Uisce Éireann delivered a strong financial performance during 2024. Uisce Éireann’s capital investment activities continued to be a significant source of economic stimulus during 2024. In addition, its operating and maintenance programmes continued to provide both direct and indirect employment and other economic benefits across the Irish economy.

Surplus/ profit generated by Uisce Éireann, together with necessary Government support in the form of capital contributions of €572m, was invested to fund critical infrastructure projects and enabled the successful delivery of a €1,372m capital investment programme in 2024. This allowed us to improve the quality of our water supply, improve our compliance with standards and increase capacity for housing and development to support economic growth.

Key Highlights 2024

Revenue €1,606m	Surplus/ profit before income tax €321m	Total assets €8,752m
EBITDA €550m	Capex €1,372m	Net debt €597m






Uisce Éireann’s surplus/ profit is reinvested to fund critical infrastructure projects.

Financial review






(continued)

Key financial trends






Revenue €m

2020		1,061
2021		1,191
2022		1,309
2023		1,560
2024		1,606






Capex €m

2020		839
2021		851
2022		1,061
2023		1,289
2024		1,372

EBITDA €m

2020		262
2021		382
2022		424
2023		560
2024		550

Net assets €m

2020		3,399
2021		3,989
2022		4,678
2023		5,579
2024		6,436

Summary Income Statement

	2024 €m's	2023 €m's
Revenue	1,606	1,560
• Commercial revenue	467	492
• Government subvention	1,139	1,068
Operating costs	(1,056)	(1,000)
EBITDA	550	560
Depreciation and amortisation	(217)	(178)
Finance costs	(11)	(4)
Surplus/ profit before income tax	321	379

Revenue

Revenue of €1,606m for the year to 31 December 2024, was €46m higher compared to 2023. Government subvention income of €1,139m in respect of domestic water billing was €71m higher than prior year. Commercial revenue was €467m, which is €25m lower than 2023, due to higher non-domestic revenue of €26m, offset by lower customer connection revenues of €52m.

The increase in non-domestic revenue is due to increased demand, and higher tariffs resulting from the Commission for Regulation of Utilities' (CRU) decision, following public consultation, on new water and wastewater tariffs.

Customer connections charges are received in advance, recognised as deferred revenue on receipt and recognised as revenue as the performance obligation is completed. The reported 2023 revenue uplift included connection charges for some cases where connections had been substantially completed by other parties, but only fully validated as complete by Uisce Éireann in 2023, and included some instances where work was completed to Uisce Éireann's requirements but was not progressed to the appropriate status, some of which may have been completed in prior years.

Operating costs

Operating costs of €1,056m increased by €56m compared to 2023. Payroll costs were €44m higher in 2024 with increased average headcount year on year as transformation under the framework for future delivery of water services progressed in 2024. The implementation of this framework resulted in a reduction in Local Authority agreement costs of €85m. Utilities increased by €51m due to increased electricity costs driven by market prices, despite a robust hedging strategy, and increased demand at treatment plants and increased regulatory charges. Operating costs also increased due to inflation and increased activity required to service a growing organisation.

The increase in operating costs occurred despite significant cost containment measures, commercial contract negotiations and efficiency programs.

Operating Costs Summary

	2024 €'000	2023 €'000
Employee costs	(158,673)	(114,907)
Local authority agreement costs	(137,671)	(223,042)
Hired and contracted services	(335,992)	(324,386)
Materials and operating costs	(111,177)	(103,559)
Utilities	(135,990)	(84,737)
Rates, regulatory levies, insurance and establishment costs	(78,524)	(69,354)
IT operational costs and telecommunications	(56,856)	(42,620)
Impairment of trade receivables	(19,525)	(16,449)
Asset derecognition	(27)	(3,435)
Other operating costs	(22,021)	(17,584)
Total	(1,056,456)	(1,000,073)

Comparative amounts for operating costs have been adjusted following reassessment of our ongoing transformation of operations so that presentation is directly comparable with the amounts shown in respect of the current year.

Depreciation

Depreciation and amortisation of €217m has increased compared to prior year due to the growth in capital investment.

Surplus/ profit before income tax

Surplus/ profit before tax decreased by €57m to €321m for 2024 due to lower EBITDA of €11m, higher depreciation charges of €40m and higher finance costs of €7m. Uisce Éireann's surplus/ profit is reinvested to fund critical infrastructure projects.

Financial review

(continued)

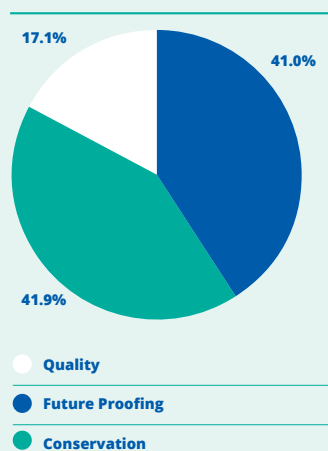
Summary Balance Sheet

	2024 €m's	2023 €m's
Infrastructure assets	8,127	6,969
Other assets	626	532
Total assets	8,752	7,501
Borrowings and other debt	(1,013)	(830)
Pension liabilities	(25)	(32)
Other liabilities	(1,278)	(1,060)
Total liabilities	(2,316)	(1,922)
Net assets	6,436	5,579
Net debt	(597)	(534)

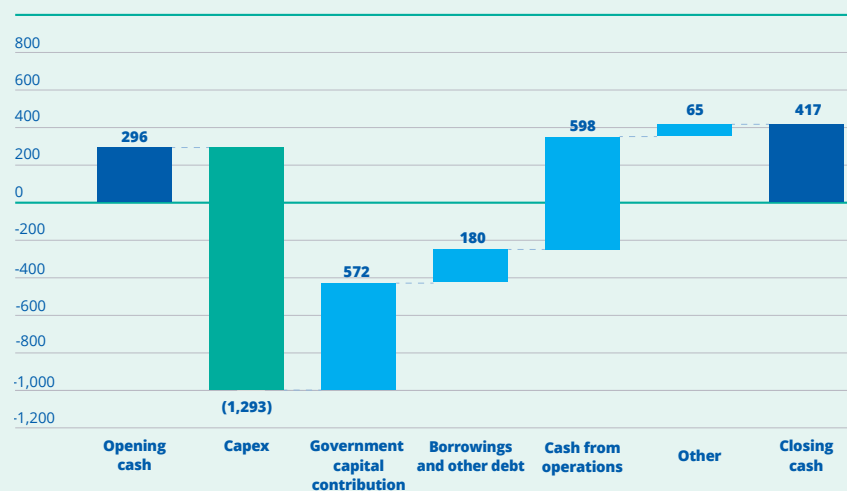
Infrastructure assets and capital expenditure

2024 saw Uisce Éireann deliver the highest level of investment in water and wastewater services totalling €1,372m, compared to €1,289m in 2023. This level of investment enables Uisce Éireann to make necessary, multi-generational improvements to water and wastewater infrastructure. It is targeted at enhancing health and quality of life, protecting the environment, benefiting communities and is critical for growth and development across Ireland.

CAPEX (%)



How cash was used in 2024 (€m)



Net debt and cash flows

The net debt position at 31 December 2024 was €597m (total borrowings and other debt of €1,013m, less cash and cash equivalents of €417m), compared to €534m in the prior year.

In 2024, capital investment funding requirements (€1,293m in cash outlay terms) were partially met by the capital contribution funding received from Government of €572m, resulting in a residual capital investment funding requirement of €721m. The net cash increase from borrowings and other debt of €180m, along with positive operating cash flows of €598m, were utilised to meet this residual capital funding requirement.

Other net cash inflows of €65m primarily relate to a €63m net cash movement in respect of third party collateral. Further to an IFRS agenda decision, which Uisce Éireann adopted in 2022, third party collateral is presented as cash unless it is held on deposit terms of greater than 3 months, in which case it is presented as a financial asset (see note 1 of the Financial Statements). This €63m net cash movement can be analysed as €31m cash inflow due to increased collateral held at year end along with €32m being placed on deposit terms of less than 3 months, and so is presented as cash and cash equivalents rather than as a financial asset.

This resulted in closing cash and cash equivalents at year end of €417m.

Capital resources

As at 31 December 2024, Uisce Éireann held;

- total drawn borrowings of €999m (excludes lease liabilities of €15m),
- undrawn National Treasury Management Agency (NTMA) working capital facility of €350m, and
- €417m of cash and cash equivalents.

As at 31 December 2024, €999m of State loan facilities have been provided by the Minister for Finance for capital expenditure attributed to the non-domestic sector, €184m of which was drawn down in 2024 and reflects the final facility available under the facilities agreement.

Uisce Éireann has committed to ensuring that the NTMA working capital facility remains undrawn on 31 December each calendar year, unless Uisce Éireann has obtained prior Ministerial agreement to utilise the facility. Uisce Éireann also has a €10m uncommitted overdraft facility to help manage its daily banking requirements.

In the Government's 2025 Budget, it was announced that €1bn of funding would be provided by the Minister for Finance to support the capital investment included in the approved Strategic Funding Plan 2025-2029. €300m would be provided in 2025 to fund domestic capital investment, with €700m provided to fund non-domestic capital investment over the period 2025-2027, €214m of which will be provided in 2025.

At 31 December 2024, the weighted average interest rate on the Company's portfolio of outstanding borrowings was 1.83% (2023: 1.53%) and the average maturity of its debt was 7.61 years (2023: 8.09 years).

Treasury governance

The responsibility for treasury activity and its performance rests with the Board, which exercises its responsibility through regular review. The Audit and Risk Committee provides oversight of the risk and control environment on behalf of the Board. Uisce Éireann has complied with the requirements and conditions of the Minister for Finance under the Financial Transactions of Certain Companies and Other Bodies Act, 1992. The Uisce Éireann treasury function is not operated as a profit centre and treasury positions are managed in a risk averse manner. All treasury transactions have a valid underlying business reason and speculative positions are strictly prohibited. Further details of our treasury governance financial risk management policies are set out in the Financial Statements note 22.

Executive team



Niall Gleeson

Chief Executive Officer



Eamon Gallen

Chief Operating Officer



Orlaith Blaney

Communications and Corporate Affairs
Director



Chris McCarthy

Chief Financial Officer



Dawn O'Driscoll

People and Safety Director



Sean Laffey

Asset Management and
Sustainability Director



Maria O'Dwyer

Infrastructure Delivery Director



Michael G O'Sullivan

Business Services Director



Justin Johnston

Acting Strategy, Resilience and
Regulation Director



Noeleen McHenry

Chief Legal Officer



Richard O'Sullivan

Company Secretary

Operating review

Major challenges and achievements in 2024

Uisce Éireann plays a critical role supporting growth and development at local and national level

In line with the Government's Water Services Policy Statement, our Strategic Funding Plan sets out our ambition for public water services in Ireland and our Capital Investment Plans set out our capital investment priorities over 5-year revenue cycles. From 2020 to 2024, we have invested approximately €5.4bn upgrading and improving water and wastewater services infrastructure and assets across the country to improve the quality of life for the people of Ireland, protect our environment and grow our economy. In 2024, Uisce Éireann invested €1.372bn in water and wastewater infrastructure. However, the building, repair and upgrading of critical water infrastructure requires a multi-billion-euro investment programme over many years. Uisce Éireann has benefited from consistent support from Government, to deliver for communities, most recently on funding announcements and approval in principle for the Water Supply Project Eastern and Midlands Region to go to planning. Uisce Éireann takes into consideration national policies and plans which have a dependence on the public water and wastewater infrastructure such as housing policies, job growth policies, and climate action plans. Uisce Éireann is also guided by regulatory standards and policies such as the drinking water and wastewater regulations, taking into consideration our funding framework and legal obligations.

Under the draft Water Services Strategic Plan (WSSP) 2050 Uisce Éireann is required to quantify and articulate long-term investment needs for our water and wastewater assets. Our estimates indicate that, in the period up to 2050, a minimum capital investment of circa €55-60 billion (in 2022 monies) will be required to address the known



needs and risks to water and wastewater service delivery to current standards. A significant capital spend is required every year to ensure serviceability levels are maintained across our large range of infrastructure assets and as we invest in more sophisticated plants as regulatory standards change. The total need will exceed this, so other means will be essential to bridge the funding gap such as water conservation and water efficiency, collaboration with stakeholders around smarter ways to achieve wastewater compliance, innovation and new procurement approaches which would require multi-annual funding certainty. In the absence of this level of sustained investment there will be risks to service delivery and associated pressures on operational expenditure to maintain service levels.

Uisce Éireann plays a pivotal role in meeting the demand for housing

Uisce Éireann has a central role in supporting sustainable commercial growth and the development and delivery of housing, under the Government's Housing for All strategy. Uisce Éireann plays a central role in meeting the housing supply challenge, working in partnership with Local Authorities and developers. Continued investment in water infrastructure will be required in the years ahead to continue to facilitate housing development in line with current policy and additional funding will be needed should more ambitious housing targets be set by Government.

Operating review

(continued)

Uisce Éireann have identified an estimated 342 High Growth Areas, a significant number of these areas are not currently serviced by water infrastructure. To deliver new or more ambitious housing targets we believe that concentrated sustainable development is a necessary condition to enable the efficient delivery of water services to support future housing targets for the allocated funds.

In 2024, we issued positive responses to 3,041 pre connection enquiries associated with 114,981 housing units and issued 5,508 connection offers associated with 52,133 housing units. Uisce Éireann issued only 200 refusals associated with 192 housing units nationally in 2024. The majority of refusals were associated with one-off single houses or small housing developments. Customers accepted 4,252 offers associated with 41,169 housing units.

Future proofing and meeting the needs of a growing economy and population

In 2024, we enhanced the resilience of water and wastewater services. We increased water and wastewater treatment capacity by constructing new plants or upgrading existing ones. We also laid new watermain and sewer main and rehabilitated the existing networks. However, there are capacity constraints for both water and wastewater services in the Greater Dublin Area (GDA). A long-term solution will require continued leakage reductions, new water treatment capacity and a new source of water for the GDA, together with the additional capacity to treat the wastewater. Both the Water Supply Project Eastern and Midlands Region and the Greater Dublin Drainage project will provide the essential increase in service capacity.

Capacity constraints

In the Greater Dublin Area which includes Dublin and parts of Meath, Kildare and Wicklow, there is an increasing demand on the current water supply. Significant population and economic growth over and above forecasts in the GDA in the last three years means, there is an increasing risk, there will be a shortage of water for all customers within the next five years. This shortage can only adequately be addressed by prioritising the delivery of the Water Supply Project Eastern and Midlands Region (WSP) and the Greater Dublin Drainage project.

Water Supply Project Eastern and Midlands Region

- Water supply in the Eastern and Midlands Region faces several serious challenges. Currently a single source, the River Liffey, supplies 85% of the water requirements for 1.7 million people in the Greater Dublin Area. This dependency on the River Liffey (and the two main treatment plants of Ballymore Eustace and Leixlip) results in a serious vulnerability to risks such as prolonged drought and/or contamination. Exposure to this

“To deliver new or more ambitious housing targets we believe that concentrated sustainable development is a necessary condition to enable the efficient delivery of water services to support future housing targets.”



key vulnerability is endured daily and can only be addressed through a new independent water source for the Greater Dublin Area and the Eastern and Midlands Region. Population growth, economic growth and climate change will exacerbate the region's water supply challenges even further.

- The Water Supply Project Eastern and Midlands Region forms a key part of Uisce Éireann's long-term strategy to increase supply resilience and levels of service in the region by creating a major new source of water to meet anticipated supply demands to 2050. The Water Supply Project Eastern and Midlands Region will provide capacity for offtakes along the route to supply communities in Tipperary, Offaly and Westmeath. It will enable supplies serving Dublin to be redirected back locally in Carlow, Wicklow, Meath and Louth. It will also allow for tighter management and operational controls over water quality.

- Uisce Éireann has conducted extensive environmental studies and has engaged with over 1,500 stakeholders through the four rounds of non-statutory consultation including with affected landowners.
- In July 2024, a major project milestone was reached when the Government approved the preliminary business case for the project under the Infrastructure Guidelines. This approval in principle has enabled the project to proceed to a further round of non-statutory consultation in advance of the submission of a Strategic Infrastructure Development planning application to An Bord Pleanála in Q4 2025, subject to external dependencies.

Greater Dublin Drainage Project

- As our population and economy grows, so too does the volume of wastewater. The amount of wastewater generated in greater Dublin is projected to increase by over 50% in the period to 2050. We must collect and treat this wastewater so that the treated water can be safely returned to the environment.

- The Greater Dublin Drainage Project involves the construction of a new wastewater treatment facility in north Dublin, along with associated infrastructure to serve parts of Dublin, Meath and Kildare. This new infrastructure will provide much needed additional treatment capacity for the region, once the country's largest wastewater treatment facility at Ringsend reaches its maximum upgrade capacity later this decade.
- In June 2024, An Bord Pleanála (ABP) held a statutory consultation on the Greater Dublin Drainage project, following which Uisce Éireann provided a response to An Bord Pleanála on the submissions for their consideration. An Board Pleanála will consider the further information submitted, as well as any submissions or observations received, and provide a decision in due course.

Opportunities presented by the Planning and Development Act 2024

The planning and consenting process in Ireland can often impact Uisce Éireann's ability to provide timely delivery of water and wastewater infrastructure. It can typically take 5-7 years for a project to progress from planning to completion and 7-10 years and beyond where additional complexities arise, including but not limited to additional consents, e.g. foreshore licences (now maritime consents), compulsory purchase orders and wastewater discharge licences. Timelines can extend much further where appeals, judicial reviews and other challenges are encountered. The recently enacted Planning and Development Act 2024 seeks to achieve certainty by, for the first time, setting mandatory decision timelines for An Bord Pleanála (soon to become An Comisiún Pleanála). We anticipate, the new regime, once embedded will provide clarity and certainty on timelines.



Operating review

(continued)

Progress against strategic objectives

Delivering an integrated water utility

On 1 January 2023, Irish Water transitioned to Uisce Éireann and became Ireland's new standalone water utility, responsible for the delivery of all public water services in Ireland. During 2024, we continued to prioritise the transformation of the water sector integrating 31 different ways of delivering water services into one. The transition of water services staff into Uisce Éireann, along with filling vacancies, and enabling the integration of all our people in our new shared organisation continues. This work is vital so that we can fully deliver on the benefits of a national water authority model with strong local teams delivering in and for our communities. Under the Government's framework for the Future Delivery of Water Services (the Framework), all staff will remain in the direct employment of their Local Authority on their current terms and conditions unless they choose to voluntarily transfer to Uisce Éireann. Ongoing engagement will continue with all remaining water services staff who may consider transferring across to Uisce Éireann up to the end of 2026. The dedicated Transformation Programme Team have been progressing the transition on a phased basis, with the primary focus being on stability of operations, service continuity and safety of both staff and public health. The transformation project will deliver long term benefits through developing centres of expertise in support of front-line operations, contingency and resilience planning, monitoring and automation through technology deployment and improved work practices and standards.

CUSTOMER

We are committed to delivering safe, secure and reliable water and wastewater services for our customers and communities. Our focus is on becoming a more customer centric organisation, continuously seeking to improve our customer experience by leveraging new technologies to develop and enhance our customer facing channels and building our communication strategies.

Uisce Éireann launched its new free-to-use Text Alerts Service in August 2024, providing water supply updates and information to customers across 1.8 million households and businesses. The text alert is the first time that all Uisce Éireann's customers will be able to opt-in and receive notifications for their individual home. The service provides customers with details of supply interruptions that are expected to last longer than four hours. It also includes details on planned and unplanned outages and boil water notices should they be needed to protect public health. The text alerts service builds on communications already in place and the need to support customers is clear. Data from Uisce Éireann shows it responded and managed over 14,000 planned and unplanned outages in 2024 with over 95% resolved in under 24 hours. Uisce Éireann recognises the need to have strong contingency plans in place to ensure we can support our customers during periods where we experience significant customer contact demand due to adverse weather conditions. In partnership with our contact centre provider, we focus on planning, structure and protocols to ensure business continuity for core customer services during such extreme weather periods that are becoming more and more frequent in Ireland.

QUALITY

Water quality

The protection of public health is a priority for Uisce Éireann and we have made significant progress in identifying and addressing risks to public drinking water supplies over the years. In July 2024, the Environmental Protection Agency (EPA) published [Drinking Water Quality in Public Supplies 2023](#). It was reported that over 99.7% of public water supplies comply with bacterial and chemical limits, which means that the public water supply is safe to drink and compliance remains high.

As part of our efforts to safeguard public water supplies, 8,500 samples were taken in 2024 and approximately 199,000 individual tests were carried out. Sampling results for each public water supply are published on our website.

Our National Operations Management Centre based in Dublin operates 24/7 and is now monitoring alarms at 517 of our water treatment plants, covering a population of approximately 3.8 million. We rely on these activities to maintain high quality standards, so that, when necessary, we can put a Boil Water Notice (BWN) or Do Not Consume Notice in place until we can rectify the situation and ensure water supplies are safe to drink.

Our commitment to ensuring our customers continue to have safe, clean drinking water brings with it its own challenges. In the past twelve months 32 BWNs were issued and 37 BWNs were rescinded, 72% of notices issued in 2024 were lifted within 30 days. BWNs were served on a population of circa 91,000. At the end of the year, there were 5 BWNs in place, impacting a population of circa 17,465.



“To ensure Ireland has a safe, sustainable, secure and reliable drinking water supply for everyone in the decades to come, Uisce Éireann has developed the country’s first National Water Resources Plan (NWRP).”

The EPA maintains a list, known as the Remedial Action List (RAL), of all water treatment plants deemed to be at risk of producing non-compliant water. It publishes this twice a year. At the start of the year there were 57 supplies on the list. We completed works at 14 supplies to meet the EPA’s required standards and the EPA added 2 supplies to the list during the year, resulting in 45 supplies on the list at the end of 2024.

We have prioritised investment in the schemes identified in the Court of Justice of the European Union infringement case as at risk from Trihalomethanes (THM) exceedances. Of the original 74 public water supplies included in the first European Court of Justice infringement letter, all but 5 of these have now been addressed. For those that remain, we have comprehensive plans in place to address the issues. We are working hard to address issues with supplies currently on the RAL to bring them up to the EPA’s required standard for removal.

The Drinking Water Safety Plan team was stood up to meet compliance with the Drinking Water Directive.

In 2024, several national works programmes saw progress on:

- The delivery of reservoir cleaning and refurbishment, telemetry monitoring of critical operating parameters, safety programmes and water quality programmes.
- The upgrade of 8 sites were completed via the Coagulation, Filtration and Clarification (CFC) Programme. This involves the installation of new or upgraded CFC filtration facilities in water treatment plants to reduce the risk of non-compliance.
- The treatment of lead in drinking water via orthophosphate commenced, as detailed in the Lead in Drinking Water Mitigation Plan.

Rationalisation is achieved by decommissioning a plant and laying a water main connection to a neighbouring treatment plant producing drinking water more efficiently and/ or to a higher quality. During 2024, 8 water treatment plants were rationalised.

To ensure Ireland has a safe, sustainable, secure and reliable drinking water supply for everyone in the decades to come, Uisce Éireann has developed the country’s first National Water Resources Plan (NWRP). It is made up of four Regional Water Resources Plans (RWRP) which consider more than 520 water resource zones and identifies individual needs.

Wastewater quality

Adequate wastewater treatment capacity is vital to protect public health, safeguard the environment and facilitate social and economic growth. As our population and economy grows, so too does the volume of wastewater. We must collect and treat this wastewater so that treated water can be safely returned to the environment.

Uisce Éireann now operates over 1,000 wastewater treatment plants, over 2,200 wastewater pumping stations and circa 26,000km of sewer network. In 2024, over 90% of Ireland’s treatment plants were fully compliant with the Urban Wastewater Treatment Directive. For those plants that are not currently achieving compliance, Uisce Éireann has a plan of action to address any deficiencies and bring them up to the appropriate standard as quickly as possible. We prioritise areas with the greatest need/ risk. We are constructing or have completed projects in 41 out of 50 locations where raw sewage was discharging from the public network into receiving waters with the remaining 9 in planning and design. The building, repair and upgrading of Ireland’s wastewater treatment plants and sewer network will require a multi-billion-euro investment programme over many years. Uisce Éireann has optimised investment decisions by prioritising the best possible service improvements, while maximising value for money. To date we have built

Operating review

(continued)

new wastewater infrastructure in 34 locations where no treatment existed before, and a further 7 are under construction.

Key milestones reached in 2024 include the completion of works to eliminate raw sewage discharges in Kilrush, Coolatee, and Omeath and commencement in Avoca.

The EPA maintains a Priority Action List (PAL) for areas where it deems wastewater treatment improvements are needed. Uisce Éireann is progressing plans or assessments. During 2024, 13 agglomerations were removed and the EPA added 8 agglomerations, leaving 75 on the list. Uisce Éireann has worked to ensure communities with no wastewater treatment have been connected to new treatment plants and existing plants have been upgraded to improve the capacity and quality of treatment.

In a judgment on 28 March 2019, the Court of Justice of the European Union found that Ireland was not in compliance with Articles 3, 4, 5 and 12 of Directive 91/271 in relation to the treatment of urban wastewater at 28 named agglomerations across Ireland. In response Ireland agreed to deliver a detailed programme of works and other measures to ensure full compliance with the judgment. The programme primarily consists of capital works projects to bring the named agglomerations into compliance with the Directive including assessment works currently taking place in Fermoy, Mallow and Roscommon. As at the end of 2024, works had been completed on 21 of the 28 named agglomerations.

We are addressing challenges in our wastewater networks through our Drainage Area Plans with a focus on environmental compliance, customer service and growth. We are also

progressing the Critical Sewer Surveys to assess the Sewer Rehabilitation Prioritisation Programme.

Ringsend Wastewater Treatment Plant

The major upgrade to the Ringsend Wastewater Treatment Plant will enable it to treat the increasing volumes of wastewater arriving at the plant to the required standard, enabling additional housing and commercial development. The project will deliver, on a phased basis, the capacity to treat the wastewater for a population equivalent of 2.4 million while achieving the standards of the Urban Wastewater Treatment Directive.

There are four key elements to the upgrade project:

1. Provision of a capacity upgrade facility with nutrient reduction (400,000 population equivalent).
2. Upgrade of the 24 existing secondary treatment tanks to provide additional capacity.
3. Provision of a new phosphorous recovery facility.
4. Expansion of the plant's sludge treatment facilities.

Uisce Éireann completed construction of the infrastructure in Ringsend to treat the wastewater for a population equivalent of 2.1 million at the end of 2023. Following a period of testing and commissioning the upgraded assets are operational and effluent quality has improved significantly in 2024. Compliance with the Urban Wastewater Treatment Directive is assessed retrospectively based on the attainment of 12 months compliance with the UWWTD Emission Limit Values (ELVs). We are monitoring the performance of the plant closely with a view to achieving this at the earliest possible time.

The upgrade project continued to progress to plan throughout 2024 with works continuing on the upgrade of the 24 existing secondary treatment tanks to provide additional capacity and nutrient reduction. Uisce Éireann also made good progress on the expansion of the plant's sludge treatment facilities.

Athlone Main Drainage on schedule for completion in 2025

The Athlone Main Drainage Project is one of Uisce Éireann's largest projects to date, representing an investment of circa €114m, and remains on track for completion by the end of 2025. The project involves the construction of new pumping stations at Golden Island and Coosan West, and almost 3km of new sewers. The existing under-performing pumping stations and pipework will be decommissioned. Combined sewer overflows will be eliminated at six locations along the River Shannon and will be replaced by two new stormwater overflows designed to meet current licencing standards, improving water quality, and protecting the environment.

The works carried out as part of this project will:

- Reduce the risk of overflows and out of sewer flooding through the provision of increased sewer sizes.
- Improve the water quality in the River Shannon.
- Increase the capacity of the sewer network allowing for development and population growth in Athlone.
- Ensure compliance with Irish and European Union wastewater legislation.

Arklow Wastewater Treatment Plant will deliver environmental benefits for the local community

The provision of a new wastewater treatment plant in Arklow in 2025 will bring benefits to the town and surrounding areas in terms of health, environmental protection and improved water quality for all. Arklow has been identified by the Environmental Protection Agency, as an area where wastewater is discharged into the Avoca River without any treatment. This practice of discharging untreated wastewater to the river is no longer acceptable and Uisce Éireann intends to fix this problem in partnership with Wicklow County Council.

The project will:

- Provide economic growth and commercial development of Arklow town and the surrounding areas.
- Improve water quality in the Avoca River.
- Enhance the amenity value of the town and the surrounding areas.
- Encourage social development and further growth.

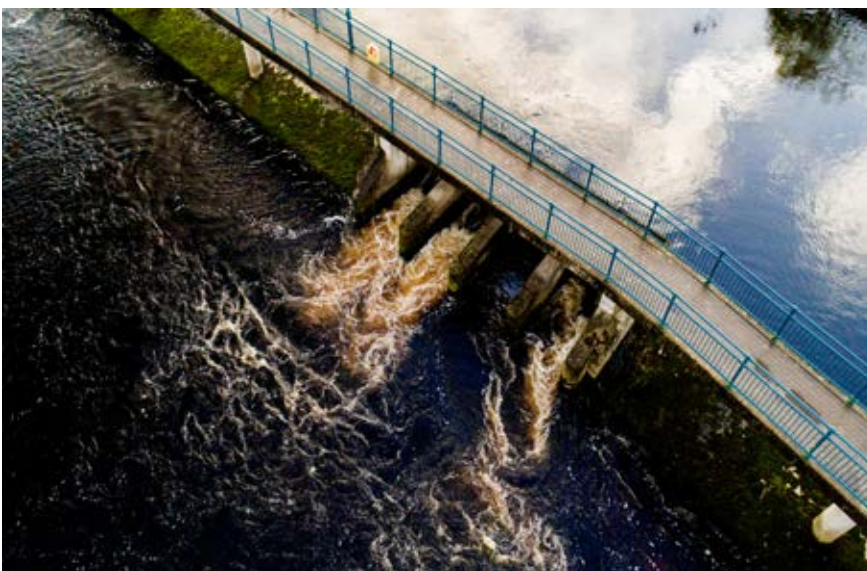
CONSERVATION

Uisce Éireann continues to prioritise leakage reduction which is a complex and complicated problem due to the scale of the water network (>65,000km) and because leaks happen in the vast and complex network of pipes below ground. Many of these pipes are now old and damaged and need to be repaired or replaced to improve our water quality and supply. In late 2023, Uisce Éireann commenced several studies into the components that underpin our water balance and leakage (or unaccounted for water) calculations. The indicative results of these studies indicate that the estimated portion of our calculations is likely to understate consumption and thus overstate leakage. These studies are nearing completion and will be shared with the appropriate regulators in advance of final publication. This exercise and associated management systems will also improve targeting of leakage programmes. In the interim, and pending the implementation of the study outcomes, we are publishing interim leakage data for 2023 and 2024 in this report. In 2018 the National Leakage Reduction Programme was set up, with

the rate of leakage nationally at 46% and was reduced to 38% in 2024, 32% in GDA and 41% in non-GDA, detail performance per year are included within the key performance indicator section of this report. These figures are on a 12-month rolling average basis, to 1 October of each year, and when the studies referred to are completed, these percentages will be adjusted accordingly. We are committed to reducing the national leakage rate further to 25% by the end of 2030 and to below 20% in the Greater Dublin Area.

During periods of extreme weather, Uisce Éireann monitors the levels at all water supply zones and clearly communicates about any localised issues as they arise to reduce demand and protect supplies. Extreme cold weather tends to result in higher leakage rates in mains and services due to frost related expansion or contraction.

In 2024, Uisce Éireann's Water Stewardship Programme surpassed expectations, training over 950 water stewards and contributing to over 2,000 national water conservation projects to date. Strategic partnerships with organisations such as Industrial Development Agency, and Enterprise Ireland has extended the programme's impact, while participation in international forums like World Water Week showcased Uisce Éireann as a global leader in water sustainability. The programme also played a pivotal role in achieving Business Working Responsibly accreditation, further demonstrating Uisce Éireann's commitment to sustainability leadership.





Sustainability Report

Introduction

Sustainability is at the core of Uisce Éireann's activities and operations. We take pride in enhancing our environment and enabling communities to thrive through the services we provide.

There are four pillars to our sustainability strategy: Environmental, Social, Governance and Collaboration internal and external, which we recognise is key to delivering important sustainable outcomes.



Environmental



Social



Governance



Collaboration

We have made considerable progress in 2024, developing our Sustainability strategy, achieving the Business Working Responsibly Mark, initiating or updating sustainability related design standards and functional specifications to support embedding sustainability into our everyday operations and activities. Our cross-functional governance structure, introduced in 2023 to review all sustainability related decision making, is fully operational and having a real impact in terms of organisational understanding of relevant Environmental, Social and Governance (ESG) related topics. We are focused on not only delivering for today but also for future generations.

Sustainability Strategy

At Uisce Éireann, we are passionate about improving the sustainability of Ireland's water services, playing our part in building a more sustainable future. Our Sustainability Strategy was finalised in 2024 and we intend to publish it during 2025. This sets out the six key areas we intend to focus our efforts to make meaningful progress in embedding sustainability into day-to-day operations and activities. These include ambitions relating to Net Zero Carbon, Biodiversity, Water Resource Management, Circular Economy, Diversity, Equity & Inclusion, and educating our communities on the value of water. In 2025, Uisce Éireann will commence monitoring and reporting on performance against these ambitions.

Our sustainability strategy aims to bring sustainability to the fore in all decision making, and to embed and monitor our sustainability ambitions and initiatives across Uisce Éireann.

Sustainability Report

(continued)

Business Working Responsibly

In 2024, Uisce Éireann was formally accredited with the Business in the Community Ireland (BITCI) Business Working Responsibly Mark, Ireland's Economic, Environmental, Social and Governance standard. Independently verified by the National Standards Authority of Ireland, it is the standard for sustainability that fosters a culture of responsible business through continuous improvement, ongoing accountability, and leadership and as such represents an important and pivotal moment in Uisce Éireann's journey to becoming a sustainability exemplar.

As Uisce Éireann continues to make sustainability a key driver in decision making associated with the delivery of transformative water services, this public, independently verified vote of confidence and recognition of our sustainability efforts is an important milestone.



Environment

Note: Data referenced as published by Sustainable Energy Authority of Ireland (SEAI) annual report on public sector energy performance (2022 data). We anticipate SEAI to publish verified 2023 and 2024 data during 2025.

Climate Change

Managing climate change impacts and risks is and will become increasingly more important for Uisce Éireann. As the resilience of our water services is susceptible to being affected by climate change threats, Uisce Éireann must prioritise sustainability efforts to help mitigate and manage these occurrences. We should also consider the positive influence we can have on our natural ecosystems, the communities we serve, and the wider supply chain by instigating and implementing change.

Climate Adaptation

We continue to integrate climate adaptation actions into our activities and infrastructure plans. The National Water Resources Plan (NWRP) is our 25-year plan to identify how we will provide a safe, sustainable, secure and reliable water supply for our customers and communities, whilst safeguarding the environment. The plan allows us to integrate potential climate change impacts into the planning and operation of our existing and future supply asset base.

The development of Nature Based Solutions, including Integrated Constructed Wetlands and Sludge Drying Reed Beds, will contribute to building climate resilience into our asset base. Our capital infrastructure works are being designed for climate resilience which includes urban climate modelling, flood protection planning, storm water management and sewer network improvements. Our operational management incorporates continuity planning to address the impacts of the extreme and increasing frequency of storm events and flooding.



Net Zero

At Uisce Éireann, we are committed to taking meaningful actions toward achieving net zero in line with government climate targets. As one of the country's largest energy consuming public sector organisations, we recognise the scale of the challenge in transforming into a national utility that not only aligns with, but also supports our purpose, vision, and strategic objectives, while safeguarding and enhancing the environment on which our services depend. The starting point on our net zero journey is to initially understand the scope of current greenhouse gas (GHG) emissions, including a comprehensive measurement of our scope 1, 2, and 3 emissions in accordance with the GHG Protocol.

We remain committed to achieving the public sector targets included in the National Climate Action Plan, to meet the 51% absolute energy-related total GHG emission reduction target by 2030.

Greenhouse Gas (GHG) Emissions

GHG Emission Scope 1, 2, 3

Uisce Éireann's approach to calculating our GHG Scope 1 & 2 and some Scope 3 emissions is based on a standardised carbon accounting workbook and methodology, developed by the UK Water Industry Research Limited for quantifying operational greenhouse gas emissions in the Water Industry.

Our GHG Scope 1 emissions refer to direct emissions that occur from sources owned or controlled by Uisce Éireann. In 2025, a key focus to reduce these GHG emissions will require updating our monitoring systems and innovative practices to tackle our process emissions which will inform our climate transition plans.

GHG Scope 2 emissions refers to indirect emissions from the consumption of purchased electricity. Our emissions are based on Sustainable Energy Authority of Ireland (SEAI) verified electricity consumption data published annually.

For GHG Scope 3 emissions, Uisce Éireann has assessed the GHG emissions related to chemical usage (Category 3.1) and electricity transmission and distribution (Category 3.3). Additionally, we have included a high-level carbon hotspot analysis based on procurement spend to identify the impact of our supply chain on Scope 3 emissions.

As illustrated below, Scope 1 represents 22.5% of Uisce Éireann's market-based GHG footprint, while Scope 2 makes up 26.5%. Within Scope 1, emissions from wastewater treatment contribute to 21% of our total GHG emissions. The remaining 51% of our footprint falls under Scope 3 hotspot emissions.

	tCO ₂	% of Market Based
Scope 1 Intergovernmental Panel on Climate Change (IPCC) Total	210,048	22.5%
• Fossil Fuels	14,770	
• Process and Fugitive	181,865	
• Fugitive emissions	1,434	
• Emissions from digestion	7,189	
• Transport	4,790	
Scope 2 (Location Based)	173,212	
Scope 2 (Market Based)	247,660	26.5%
Scope 3 (Hotspot)	477,617	51%
Total Location-based*	860,877.4	
Total Market-based**	935,325.5	100%

* Location-based figures use average grid emissions to calculate electricity emissions.

** Market-based figures use emission factors specific to the actual electricity purchased.

Sustainability Report

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Energy & Energy Efficiency

Uisce Éireann is mandated, through the National Climate Action Plan, to improve its energy efficiency by 50% by 2030 against a 2009 benchmark (adjusted for population served). The energy performance indicator (EnPI), measures energy performance by dividing the organisation's total primary energy consumption by an activity metric, in the case of Uisce Éireann, population served. Each year we submit our energy consumption data to the Sustainable Energy Authority of Ireland (SEAI) who validate and publish our updated energy efficiency performance. In 2024, we have implemented additional measures as we remain committed to achieving the 2030 target.

Renewable Energy

To achieve our Net Zero ambition, ensuring a sufficient supply of renewable energy generation is a key enabler to achieve our goal. Biogas plays an essential role and is our principle on-site renewable energy source and a key contributor to achieving our renewable energy ambitions. Biogas is generated from our wastewater sludge anaerobic digestion plants and reduces our reliance on fossil fuels. In 2023, we produced circa 100MWh Biogas across 10 sites and for 2024, we anticipate a similar production level. During 2024, funding was approved for Phase 1 of a new Biogas Optimisation Program. The aim of this program is to assess and optimise biogas production and usage of biogas generated at our anaerobic digestion plants to maximise the potential of this strategic resource.

Biodiversity

The ability of Uisce Éireann to provide sustainable water and wastewater services relies heavily on a proper functioning natural environment. At Uisce Éireann we have been operating a Biodiversity 'no net loss' approach for new projects and we intend to progress this to Biodiversity Net Gain across all new projects by 2030.

We recognise and proactively advocate for the need to increase and accelerate efforts to halt the decline of biodiversity and are committed to ensuring that we build and manage our infrastructure responsibly so that our ecosystems are protected and where possible, enhanced. The benefits of biodiversity are clear when it comes to protecting the quality of our drinking water sources and incorporating nature-based solutions.

Business Energy Achievement Award

In 2024, we were awarded 'Best Energy Achievement in Public Sector' for our work in delivering sustainable water services for Ireland.



In addition to biogas, we continue to expand our solar photovoltaic (PV) programme as a complementary source of renewable energy.

Water

Uisce Éireann can make a positive impact to providing a safe, secure and reliable water supply to our customers and communities by balancing the supply and demand for drinking water over the short, medium and long term. This involves using less, losing less and supplying smarter, as set out in the National Water Resource Plan. Addressing and reducing leakage remains one of Uisce Éireann's top priorities. We aim to reduce it to below 20% by 2030 across the GDA and 2034 nationally.

Our Biodiversity Action Plan continues to help us conserve, enhance and work with the natural environment. It provides the tools to manage each site in ways that will benefit and enhance biodiversity and tailor enhancement measures to suit each individual site. Uisce Éireann is actively progressing more 'Nature based solutions' in our plans and projects to avoid impact and benefit biodiversity such as Integrated Constructed Wetlands, Sludge Drying Reed Beds, Stormwater wetlands, Sustainable Urban Drain water systems (SUDs), Reed Beds Polishing Filters and Grasscrete.

Case Study

At Uisce Éireann we are continually seeking out ways to value and enhance our natural environment and promote biodiversity. Uisce Éireann is a partner in the All-Ireland Pollinator Plan and implements the actions of the Plan across all Uisce Éireann sites. This involves setting clear measures to support and increase our pollinator population on Uisce Éireann sites to promote biodiversity.

All Uisce Éireann's biodiversity enhancement measures are pollinator friendly and are in line with the All-Ireland Pollinator Plan. A great example of the benefits of managing our grasslands in this way is demonstrated at our site in Belmullet, Mayo where site management is supporting the Great Yellow Bumblebee in tandem with the Great Yellow Bumblebee European Innovation Partnership Project and Belmullet Tidy Towns, County Mayo. The Great Yellow Bumblebee was once found across Ireland but is now confined to a small number of locations along the western coast and is endangered within Ireland. The aim of this project was to improve the abundance of native flowers on lands of the Mullet peninsula and Erris coastal mainland to provide vital food and nesting places for bees.



Sustainability Report

(continued)

Social

Our People

We proactively manage and identify the impacts of our business on employees, customers and communities. We are committed to ensuring our business makes a positive impact in the communities in which we operate. Uisce Éireann continued to support its strong partnerships and community programmes. These programmes promote positive behaviours in water and wastewater related activities in homes and businesses and increase awareness of water related issues and the benefits of making simple positive changes.



Putting Safety First

Uisce Éireann is committed to enhancing the safety culture through the Work Safe Home Safe framework and initiatives, which are designed to ensure staff and delivery partners are empowered to prioritise safe ways of working.

Despite the ongoing focus on safety, we are reminded that our activities carry risk which always have the potential to cause harm. Tragically on the 29th of May 2024, a person working on behalf of one of our third-party delivery partners had a fatal accident during works at the Roscrea Wastewater Treatment Plant. The incident is currently under investigation with the Health and Safety Authority.

Uisce Éireann is committed to enhancing the safety culture through the Work Safe Home Safe framework and initiatives, which are designed to ensure staff and delivery partners are empowered to prioritise safe ways of working.

The Work Safe Home Safe strategic three-year plan was approved by the Board in 2023 and is in year one of implementation. This strategic plan acknowledges the organisational safety challenges and focuses on managing these through key pillars including leadership and culture, safe assets and workplaces, safe ways of working, and safe delivery partners, and health and well-being. Implementation of the plan is on target with some key initiatives delivered this year.

2024 brought the relaunch of our Work Safe Home Safe Framework, which now incorporates our new safety value “we keep each other safe”. This was launched to all staff at our CEO All Hands and at Water and Wastewater days nationwide.

An unprecedented milestone was achieved in 2024, with the transfer of 31 safety management systems from the Local Authorities to Uisce Éireann and their subsequent implementation. Whilst implementing the existing Safety Management Systems, Uisce Éireann is committed to the development and roll out of one integrated safety management system (SMS). Key components delivered in 2024 include the development of content that will standardise the approach to health and safety in water services, the procurement of business intelligence tools which will enable Uisce Éireann to share safe ways of working with frontline staff, monitor compliance nationally and communicate safety messages to staff across large geographical areas. Some key initiatives include the creation of a user friendly Work Safe Home Safe Booklet for frontline staff, Safety Resource hub, critical procedures and

guidelines for our new workforce. Safety training including line manager training has been delivered to front line staff with 84% completion rates. The establishment of a local and national Safety Representatives forum has ensured that frontline staff are included in the health and safety transformation management journey.

"Am I SAFE?", our safety campaign for delivery partners continued to grow in 2024 with the launch of a website, to share safety resources across delivery partners in the water industry. A unique element of the website is the sharing of good catch and close call alerts through short site videos. During the year "Am I SAFE?", was also extended to our Design Build and Operate (DBO) delivery partners. We also worked with our delivery partners and the National Construction Training Centre to develop a frontline supervision training programme. Other highlights during the year include: a webinar early in the year with the ESB and Gas Networks Ireland to highlight

awareness of service avoidance; launch of golden rules for critical risk management; development of a golden rule for pipe deliveries and the collaboration with our delivery partners to support an extensive programme of safety events for construction safety month. Throughout the year Uisce Éireann worked closely with the Lighthouse Charity to facilitate site visits, making construction workers aware of the supports available to them. This focus on mental health and construction wellbeing culminated in a hugely successful Caring for Christmas campaign, which Uisce Éireann ran with our delivery partners to start more conversations on the personal challenges people in the industry face, particularly over the Christmas period.

Throughout the year Uisce Éireann held targeted health and safety campaigns and initiatives to proactively improve safety including our winter driving campaign, targeting critical high-risk areas working with underground services, working with live traffic and tools, plant and equipment. During the

year over 3,477 safety conversations were conducted, to ensure the Work Safe Home Safe culture is embedded. Our Mental Health and Wellbeing initiatives have resulted in an increase in the number of trained Mental Health First Aiders (currently 181) and staff continue to be encouraged to form healthy habits through initiatives such as 'Time to Talk' and our 'digital wellbeing platform'. We have also established an occupational health department to support our new workforce with the roll out of the Uisce Éireann vaccination programme as one of their first initiatives.

The WSHS pillars embed the safety values in our activities by providing both staff and delivery partners with tangible tools to support them. The Uisce Éireann health and safety management system is based on recognised standards (ISO 45001 certification) and has been recertified by an external party. It applies to 100% of our own workforce and to anybody who works under the direct management and control of Uisce Éireann.



Diversity, Equity and Inclusion

Uisce Éireann employs almost 2,300 people, who together with circa 2,200 staff in Local Authorities working on behalf of Uisce Éireann, deliver water and wastewater services. We recognise the importance of equality, diversity, and inclusivity among our workforces.

Now in its sixth year, the Uisce Éireann Diversity, Equity and Inclusion (DE&I) ibelong programme of work is governed by, the newly appointed in 2024, Uisce Éireann DE&I Council, a cross-functional multi-level employee forum, under the stewardship of Executive sponsorship. The Diversity, Equity and Inclusion Council progressed work on the next iteration of our Diversity, Equity and Inclusion Strategy that sets the strategic direction for 2024-2026. The Uisce Éireann DE&I Council and the ibelong programme of work are key to the delivery of THRIVE as we aim to 'Harness a Safe, Diverse, Inclusive Culture, where

our people are empowered and high performing'.

The DE&I Council is made up of employee representatives. Our five employee led resource groups, Women's network, Ability network, Ethnicity and Cultural network, Family network and Rainbow network, hold numerous membership events, create connections between employees and engage in discussions with leadership to help shape a more inclusive Uisce Éireann. Thirty-six events were held in 2024, creating awareness and delivering educational sessions within Uisce Éireann.

Sustainability Report

(continued)

In 2024, we saw the launch of our Disability Awareness e-learn, delivered by our ibelong Ability network, providing Uisce Éireann colleagues with a comprehensive understanding of disability. The training provides guidance on the challenges of outdated views of disability and instead embraces the social model of disability, which emphasises removing barriers and creating equitable opportunities for everyone to participate fully in society.

Our Rainbow network, supported by Pride at work, delivered key awareness talks internally and participated in Dublin and Galway Pride events in 2024. Our Women's network, with our HR teams, had the privilege of supporting an event organised by the charity WorkEqual,

welcoming 60 women who are on their journey towards employment, and providing them with a series of empowering experiences to boost their confidence and career prospects.

Uisce Éireann has been nominated and are finalists for the Irish Centre of Diversity awards 2025 in the category "Public Sector Organisation of the Year Award" - CIPD Ireland Finalist Equality, Diversity, Equity and Inclusion Company of the year. Our Diversity, Equity and Inclusion specialist was successful in winning two prestigious awards for DE&I Emerging Leader (ICFD) and Diversity Champion CIPD. Our Ethnicity and Cultural network were among the Diversity in Technology finalists for the special recognition initiative for our Holiday Swap policy.

Uisce Éireann continues to adhere to the Diversity Charter Ireland, the Business in the Community Ireland (BITCI) Elevate Pledge, Inclusive Workplace Pledge and collaborates with UK Water Industry Research (UKWIR) platform research and data on demographics of workforce in water utilities in UK and Ireland.

The DE&I Index measures employee sentiment relating to inclusion and is reported annually as part of employee engagement. The score for 2024 is 86%, which is 4% above the Irish national average, as per the benchmark from the provider of the Uisce Éireann employee engagement survey.



Gender Pay Gap

Addressing our Gender Pay Gap is an important element of the Uisce Éireann DE&I agenda, as we strive to increase female representation at all levels and to ensure we are creating an environment where everyone feels valued and recognised at work.

The gender pay gap is the difference in the average hourly wage of males and females across the organisation. Uisce Éireann published its third Gender Pay Gap report on 13 December 2024 for the pay period 27 June 2023 to 26 June 2024. This report provides us with insights into areas where we need to focus our efforts as well as reflecting our ongoing commitment to transparency and improvement in gender equality in the organisation. We reported a mean gender pay gap of 2.31%, meaning that on average, males earn 2.31% more than females, based on all organisational levels. This figure reflects the point in time we're at in our journey to transform water services in Ireland. During this period, we experienced significant growth in our workforce and a changing employee profile.

In addition, we are proud to see initiatives that support gender equality and female career progression start to bear fruit. We anticipate that the period between now and the end of 2026 is likely to cause fluctuations in our gender pay gap year on year. The work we are doing to address our Gender Pay Gap is essential to progressing our DE&I agenda, increasing female representation at all levels and to ensuring we are creating an environment where everyone feels valued and recognised at work. This report is published on our website and includes detail of the key drivers and our action plan.

Collaboration

Graduate Programme

In 2024, we had an improved profile of female talent on the graduate programme to 52% in 2024 and 45% of the intake are international students. In addition, this year we had our first STEM Summer Internship where we also had 50% females within STEM areas of the business. Uisce Éireann has retained the same Gradireland ranking in 2024 as the prior year, at 46th most attractive graduate employer in Ireland.

Human Rights

At Uisce Éireann, we are building respect for human rights into our organisational vision for a sustainable Ireland where water is respected and protected, for the planet and all the lives it supports. Policy is available on our website www.water.ie.

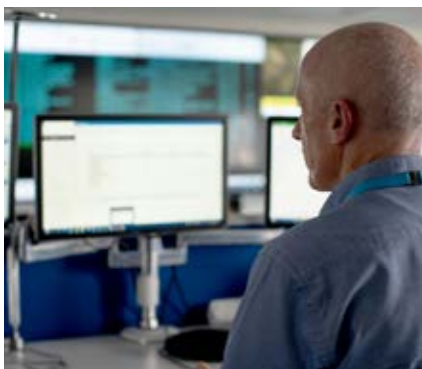


Governance

Business Conduct

Please refer to the Report of the Board for further information in relation to:

- Protected disclosures.
- Code of Business Conduct.
- Anti-bribery and anti-corruption policy.
- Anti-fraud policy.
- Regulation of Lobbying.
- Prompt payment policy.



Circular Economy

We are progressing initiatives taking a circular economy model for the management of our sludges as they provide a sustainable source of precious finite materials, providing an alternative complement to raw materials currently being used.

Water sludge contain aluminium residual from the treatment process to remove organics from the raw water source. This has traditionally limited the use for the sludge, often resulting in landfill disposal. Over recent years we have actively investigated alternative options and now send this sludge for use in cement production and land reclamation. In 2024, we achieved c. 95% of our water sludge going to circular economy outlets.

For wastewater sludge, our innovative phosphorus recovery (P-recovery) facility solves nutrient management challenges by recovering phosphorus and nitrogen (as ammonia) from municipal streams as a magnesium ammonium phosphate (struvite) precipitate. This transforms these nutrients into a sustainable fertiliser product.

Innovation

During 2024, the Innovation Standards and Specifications team continued to drive progress towards our sustainability targets, working on projects including the improvement of both Water Networks and Wastewater Treatment Functional Specification. These documents outline the high-level design requirements when designing an asset as a system over the lifecycle of the asset incorporating lifecycle inputs, design philosophy and tools to optimise sustainability, cost and performance holistically. In 2024, a project on "Engineered Nature Based Solutions (NBS) for Wastewater Treatment" was mobilised with the aid of €1.26m award from the Water Services Innovation Fund. The team also developed a strategic partnership with ESB to explore the role of wastewater re-use in Hydrogen production, including circular economy synergies with our operations.

Governance Report

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The Uisce Éireann Board



Jerry Grant

Chairperson

Appointment:

16 July 2024

Tenure:

5 years

Career experience:

Jerry is an experienced Non-Executive Director & Strategic Business Advisor in the infrastructure and utilities sectors. In his career as a water services consultant, Jerry has worked on projects throughout Ireland including major strategic water and wastewater projects in the Dublin area. Between 2002 and 2012, he was Managing Director of RPS Consulting Engineers. In 2013, Jerry took up the role of Head of Asset Management at Uisce Éireann and was its Managing Director from 2016 to September 2018. Since retiring from Uisce Éireann, he has held non-executive positions including as a Member of the Governing Body of TU Dublin, Director of Sport Ireland, and roles in the private and charity sectors. Jerry is currently Chairman of Dublin Port Company and is a member of the of the Major Projects Advisory Group at DEPNDPNR.

Jerry holds a First-Class Honours Degree in Civil Engineering and a Diploma in Contract Law & Arbitration from UCD, is a Fellow of Engineers Ireland, Fellow of the Irish Academy of Engineering and Member of the Institute of Directors. He was the recipient of the President's Award from the ACEI in 2017 for Services to Engineering in Ireland and, in 2018, received the Irish Environment Award from CIWEM (ROI Branch), Outstanding Achievement Award from ICE (ROI Branch) and the Civil Engineering Contractor's Award for services to the industry.

External appointments:

Chairman of Dublin Port Company and member of the Major Projects Advisory Group at DEPNDPNR, Director of Jerry Grant & Associates Ltd.



Niall Gleeson

CEO

Appointment:

1 January 2023

Tenure:

Coincides with duration of role as CEO of Uisce Éireann

Career experience:

Niall has significant experience in finance, construction, commissioning and maintenance of transport and utility assets, and has led major infrastructure projects across Ireland, the UK and Asia. He has held a number of senior leadership roles with world-leading infrastructure companies including General Electric and Shanahan Engineering. He is also the former Managing Director for Veolia Ireland and Alstom Ireland. Niall holds a degree in engineering from the Dublin Institute of Technology and is a Fellow of Engineers Ireland.

**Gerard Britchfield**

Board member

Appointment:
1 January 2023**Tenure:**
3 years**Career experience:**

Gerry served as a senior member of the Coillte CGA executive team for 15 years from 2006 to 2021, including serving as Acting CEO, CFO and COO. With deep commercial experience, including in Forestry, Renewable Energy and Manufacturing, he played a key role in Coillte's Transformation programme, which led to a step change in the trajectory of the business. He previously served as Chairperson of the Board of Trustees of the independent Coillte Pension Fund and as a Director of a number of Coillte Joint Ventures companies and subsidiaries. Gerry is a Fellow of Chartered Accountants Ireland, and also holds an MBA from DCU.

External appointments:

Chair of the Board of Directors of Buttimer Engineering Trade Holdings Limited, appointed 9 April 2025.

**Patricia King**

Board member

Appointment:
1 January 2023**Tenure:**
4 years**Career experience:**

Patricia is a former General Secretary of ICTU and former vice-President of SIPTU and also served as one of two vice-Presidents of Congress. A full time official with SIPTU for over 25 years, she was the first woman to serve as a national officer of the union when appointed as vice-President in 2010. She has represented workers in all areas of the economy, in both the public and private sectors. Patricia is a member of the Climate Change Advisory Council and is also the Chairperson of the External Oversight Body of the Defence Forces.

External appointments:

Courts Service Board, Atlantic Technological University Governing Body, Apprenticeship Council, Housing Commission and Climate Change Advisory Board.

**Eileen Maher**

Board member

Appointment:
1 January 2023**Tenure:**
4 years**Career experience:**

Eileen is an experienced strategic advisor with commercial transformation, regulatory and legal expertise. She holds a Bachelor of Commerce Degree and MBS from University College Galway and is a member of the Institute of Directors in Ireland. She has a track record for developing and executing strategic infrastructure projects as well as negotiating commercial joint ventures, partnerships, and acquisitions. She worked in the telecoms industry for 30 years and is currently Chair of the Nuisance Communications Industry Forum and Chair of the Telecommunications Industry Engagement Forum. Eileen is a member of the Board of NAMA. She is also a former member of the Eirgrid Board and the Compliance Committee of the Broadcasting Authority of Ireland. She was the Director of Strategy and External Affairs in Vodafone and a member of the Vodafone Ireland Executive Board.

The Uisce Éireann Board

(continued)



Cathy Mannion

Board member

Appointment:
1 January 2023

Tenure:
5 years

Career experience:

Cathy has a background in economic regulation as it applies to aviation, water, electricity and gas. At present she chairs the Performance Review Body; assisting the European Commission in regulating and incentivising the performance of monopoly air navigation service providers designated by the Member States. Until late 2021, Cathy was the Commissioner for Aviation Regulation in Ireland, and the National Supervisory Authority for the economic regulation of air navigation services. Cathy previously worked in the Commission for Regulation of Utilities and was responsible for establishing the economic regulatory framework for water services and for developing and implementing policy for many aspects of the Irish energy markets including tariffs and the economic regulation of electricity and gas networks. She holds a BA Mod (Hons) in Economics and Business Administration from TCD, an MBA from Queen's University Belfast and a Diploma in Corporate Governance from UCD.



Michael Walsh

Board member

Appointment:
1 January 2023

Tenure:
5 years

Career experience:

Michael has over thirty years' experience as a non-executive director, senior executive and commercial lawyer in the aircraft leasing and financing industry. In addition, from 2003 to 2005, he served as Chief Legal Officer of Bord Gais Éireann. From 1986 to 1989, Michael was a diplomat in the Irish Diplomatic Service. Michael is Chairperson of Shannon Foynes Port Company and a non-executive director of AerCap Holdings N.V., the industry leader in aviation leasing, which is listed on the New York Stock Exchange. Michael is also a member of the Executive Committee of Limerick Civic Trust and previously served as a non-executive director, including chairperson, of a number of companies which finance and lease aircraft and trains throughout the world. Michael is a Barrister and a law graduate from University College Cork.

External appointments:

AerCap Holdings N.V.
Shannon Foynes Port Company



Michael Nolan

Board member

Appointment:
20 January 2024

Tenure:
5 years

Career experience:

Michael was appointed to the Uisce Éireann Board in January 2024. Michael was formerly CEO of Transport Infrastructure Ireland from 2015 to 2020, and previously held positions as Head of Major Projects and Capital Programmes at the National Roads Authority. Previously Michael held local authority positions, including managing interurban motorway projects. His external appointments include non-executive Director of ESB Networks DAC and Chairperson of the Major Projects Advisory Group (MPAG). The role of MPAG is to assist the Department for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation in the application of the Infrastructure Guidelines before any Government consideration of major public investment proposals. Michael is a graduate civil engineer of the University of Galway and holds an MSc in Major Programme Management from the University of Oxford. He is a Chartered Engineer and a Fellow of Engineers Ireland.

External appointments:

ESB Networks DAC, Member of the BusConnects Programme Board for the National Transport Authority. Chair of the Major Projects Advisory Group for the Department for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

**Douglas Millican**

Board member

Appointment:
12 October 2024**Tenure:**
3 years**Career experience:**

Douglas is a non-executive director with organisations that focus on delivering public or community benefit where he brings his experience in leadership, governance, strategic financial management, environmental sustainability, and transformation in customer centric and highly regulated environments. Douglas worked in the water sector in Scotland for 27 years, playing a key role in its transformation. He was Scottish Water's Chief Executive for over 10 years until 2023 having previously been Finance and Regulation Director since the creation of Scottish Water in 2002.

Douglas is Chair of World Vision UK, a Court Member of the University of Edinburgh where he chairs the Audit and Risk committee, a Lay Member of the UK General Medical Council and a Board Member of the Scottish Government's National Strategy for Economic Transformation Delivery Board.

Douglas is a graduate of the University of Edinburgh and a member of the Institute of Chartered Accountants of Scotland.

External appointments:

University of Edinburgh, General Medical Council, World Vision UK, Scottish Government's National Strategy for Economic Transformation Delivery Board

**Paul Reid**

Board member

Appointment:
16 July 2024**Tenure:**
4 years**Career experience:**

Paul has recently completed a role as the Independent Chairperson of the Citizens' Assembly on Drugs. He is currently a strategic business advisor. Paul has previously held CEO and senior executive roles in the private, not for profit, central government, local government, and health sectors including, CEO of the Health Service Executive (HSE), from May 2019 until December 2022. In this period, he led the health service through the Covid-19 global pandemic and a potentially catastrophic criminal cyber-attack and in tandem implemented a whole suite of reforms.

Paul was also Chief Executive of Fingal County Council from 2014 to 2019, one of the largest Local Authorities in the state. Prior to this he was Chief Operations Officer in the Department of Public Service & Reform and for a period as Director of Corporate Affairs with Trócaire. Much of his career (1982-2010) was in the private sector as an Executive Director with eir (Eircom Limited). Paul holds a Masters in Business Administration from Trinity College and a BA in Human Resources and Industrial Relations from the National College Ireland. He has received honorary fellowships from the National College of Ireland and Griffith College.

External appointments:

Strategic business advisor to Covalen, Chairman of the Board of Ashdale Care (Ireland)

Report of the Board

Governance Statement

The Board of Uisce Éireann (“the Board”) present the Report of the Board for the financial year ended 31 December 2024.

Uisce Éireann (“the Company”) was incorporated in July 2013 pursuant to the Water Services Act 2013. Uisce Éireann is a Designated Activity Company limited by shares with a Constitution (Memorandum and Articles of Association) in accordance with the Companies Act 2014. Uisce Éireann is a regulated utility, that is economically regulated by the

Commission for Regulation of Utilities and environmentally regulated by the Environmental Protection Agency.

Following the announcement in 2018 by the Government that Uisce Éireann would become a standalone, publicly owned, commercial, regulated utility and would no longer be a subsidiary of the Ervia Group, Uisce Éireann legally separated from Ervia with effect from 01 January 2023.

During 2024, Uisce Éireann complied with the provisions of the Code of Practice for the Governance of State Bodies (“the Code”), as it applies to a commercial semi-state entity. In accordance with provision 1.9 of the Business and Financial Reporting Requirements outlined in the Code, Uisce Éireann reports to the Minister for Housing, Local Government and Heritage (“the Minister”) on its compliance with the Code.

Directors’ Compliance Statement

The Board acknowledges that it is responsible for securing the Company’s compliance with its relevant obligations in accordance with Section 225 of the Companies Act 2014.

The Board is of the opinion that the policies and the structures and arrangements which the Company has in place are appropriate to secure material compliance by the Company with its relevant obligations. The Company’s “relevant obligations” are identified in the Compliance Policy Statement and the associated Compliance Matrix which identifies the key actions and checks that

must be in place. This Compliance Policy Statement has been communicated to all senior management of the Company to ensure consistent and robust adherence. The Board carried out a mid-financial year and year-end review of the arrangements and structures in place for 2024 to secure the Company’s material compliance with its relevant obligations.

As compliance is a dynamic process, involving multiple policies and procedures, the commitment of the Board and senior management and the

support of all employees, contractors and agents is essential to make the policy effective. The Board is committed to fostering an environment at Board level and throughout the Company which raises awareness, respects and promotes the aims of the Compliance Policy Statement.

Role and responsibilities of the Board

The Board's role is to provide leadership and direction to the Company and ensure good governance across Uisce Éireann within a framework of prudent and effective controls. The Board performs this task by constructively challenging performance and supporting the development of proposals on strategy. The Governance Framework outlines the formal schedule of matters reserved for the Uisce Éireann Board (some of which are subject to Ministerial approval).

The day-to-day administration of the company is conducted by the Executive, under the management of the CEO, in accordance with the strategic goals and policies approved by the Board and within a prudent and effective control environment. Operational and financial decisions are made in consideration of achieving the goals that the Board has determined, having regard to Uisce Éireann's statutory obligations and shareholders' expectations.

Schedule of matters reserved for Board approval as outlined in the Uisce Éireann Governance Framework includes:

- Annual Budgets, Corporate Strategy and Balanced Scorecard.
- Release for consultation, and adoption of, key policy documents of strategic importance.
- Oversight of Health and Safety governance and performance.
- Without prejudice to certain delegations, all expenditure in relation to investment and capital projects and approval of major contract terms as required by the Infrastructure Guidelines and Water Services Sector Specific Guidelines.
- Annual Report and Annual Financial Statements.
- Appointment/ removal of external auditor.
- Treasury matters.
- Approval of climate action and sustainability objectives and oversight of sustainability reporting.
- Significant amendments to pension scheme.
- Terms of employment of senior management.
- Code of Business Conduct, Organisational Risk Management Policy, Anti-Fraud Policy, Protected Disclosures Policy and Anti-Bribery and Anti-Corruption Policy.
- All matters requiring Ministerial approval.
- Criminal prosecutions for non-compliance with trade effluent licenses or any provision of the Water Services Acts 2007 to 2022.

Matters considered by the Board during 2024 include:

- Approval of 2023 Annual Report.
- Approval of 2025 Annual Budget.
- Approval of 2024 Balanced Scorecard metrics and monitoring of target achievements.
- Draft Water Services Strategic Plan 2050.
- Strategic Funding Plan 2025-2029.
- Monthly finance and operations update and quarterly forecasting.
- Approval of budgets for capital programmes and expenditure.
- Quarterly Risk updates.
- Approval of Risk classification, Risk Appetite and Organisational Risk Strategy 2025-2029.
- Monthly Safety updates as well as bi-annual deep dive review.
- Quarterly updates on critical assets.
- Updates on Water Supply Project and Greater Dublin Drainage Project.
- Strategy presentations.
- Updates on Revenue Control 4 and Revenue Control 3.
- Consideration of Director's Compliance Policy Statement.
- Review of effectiveness of internal controls.
- Updates on leakage performance and supply maximisation measures.
- Oversight of Cyber Security risk measures.
- Consideration of Non-Domestic and Trade Effluent Tariffs.
- Board effectiveness review.
- Approval of amendments to Corporate Governance documents including the Governance Framework and the Board and Committee Terms of Reference.

Report of the board

(continued)

Directors' Responsibilities Statement for the Annual Report and Financial Statements

The Board is responsible for preparing the Director's Report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations. The Directors are responsible for the maintenance and integrity of certain corporate and financial information included on the Company's website www.water.ie. Legislation in Ireland concerning the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies for the Company financial statements and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps, or causes to be kept, adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Director's report comply with the Companies Act 2014, and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Overview of the Board

Board composition, appointment and re-election

The Board's structure is prescribed by statute, provided for in Section 6A of the Water Services Act 2013. Board vacancies are filled in accordance with Guidelines on Appointments to State Boards. The Chairperson engages with the Minister in advance of the Board appointment process about the specific skills and diversity that are required on the Board.

Section 6A of the Water Services Act 2013 provides that:

- The number of Board Members shall be more than 5 but not more than 10.
- Board Members are appointed by the Minister for Housing, Local Government and Heritage with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.
- One Board Member will be nominated by the Irish Congress of Trade Unions.
- The CEO shall be an ex-officio Board Member of the Company.

Full profiles of the current Board membership can be seen within the Uisce Éireann Board section.

The term of office of Tony Keohane, Chairperson of the Board, expired on 21 June 2024 and Jerry Grant was appointed as Chairperson to the Board on 16 July 2024.

Board Member Fred Barry's term of office expired on 19 January 2024, Board Member Christopher Banks' term of office expired on 21 June 2024 and Board Member Liz Joyce resigned on 11 October 2024. Michael Nolan was appointed to the Board with effect from 20 January 2024, Paul Reid was appointed to the Board with effect from 16 July 2024 and Douglas Millican was appointed with effect from 12 October 2024.

As Chairperson of the Board, Jerry Grant, is responsible for leading the Board and ensuring the effectiveness and full participation of each Board Member.

The Company Secretary, Richard O'Sullivan, is responsible for ensuring that Board procedures are complied with and for advising the Board, through the Chairperson, on governance matters generally.

The Board has an appropriate balance of skills, experience and knowledge of the Company to allow it to discharge its duties and responsibilities effectively. The Board is of sufficient size to ensure that this balance of skills and experience can be utilised appropriately and changes to the Board's composition can be managed without undue disruption.

Re-appointments to the Board, following the expiration of the term of office of a Board Member, are a matter for the Minister and are made through the Public Appointment Service.

Induction and development of new Directors

On appointment, Board Members are provided with detailed briefing documents, governance, financial and operational information, and the opportunity to be briefed by the Executive team on the different aspects of the business of the Company. The Company Secretary liaises with Board Members with regard to their specific requirements, such as attendance at conferences, courses and webinars relevant to the business and arranges briefings by management on specific topics.

Independence

The Board of Uisce Éireann is comprised of 9 independent Non-Executive Directors and 1 Executive Director.

Board Members are required, in accordance with the provisions of the Code of Practice, to disclose any relevant interest and absent themselves from Board discussions where they have a direct or indirect interest.

Report of the board

(continued)

Overview of the Board (continued)

Board remuneration, expenses and attendance

The Non- Executive Board Members are entitled to fees, on a scale determined by the Minister. The remuneration of the CEO of Uisce Éireann for 2024 is outlined in note 3 of the financial statements. A schedule of the attendance at the Board meetings for 2024 is outlined below.

Board Member	Remuneration (€)	Expenses ⁴ (€)	Board (attended/ eligible)	Audit and Risk Committee (attended/ eligible)	Investment, Infrastructure & Sustainability Committee (attended/ eligible)	Uisce Éireann Programme Committee (attended/eligible)	Remuneration Committee (attended/ eligible)
Jerry Grant (Chairperson of Board) (appointed 16 July 2024) ¹	14,538		5/5	-	4/5	-	2/2
Tony Keohane (Chairperson of the Board) (Term of office expired 21 June 2024) ¹	15,144	-	6/6	-	-	-	4/4
Christopher Banks (Term of office expired 21 June 2024) ¹	7,572	348	5/6	-	5/5	4/4	-
Fred Barry (Term of Office expired 19 January 2024) ¹	909		0/1	-	-	-	-
Gerard Britchfield	15,750	2,657	11/11	8/8	-	-	6/6
Niall Gleeson (CEO) ²	-		10/11	-	11/11	6/7	-
Liz Joyce (resigned 11 October 2024) ¹	12,358	-	8/8	-	-	6/6	5/5
Patricia King ³	-	-	11/11	-	-	7/7	6/6
Eileen Maher	15,750	-	11/11	8/8	-	-	6/6
Cathy Mannion	15,750	-	11/11	8/8	11/11	-	-
Douglas Millican appointed 12 October 2024) ¹	3,473	138	3/3		-	1/1	-
Michael Nolan (appointed 20 January 2024) ¹	14,841	-	10/10		11/11	7/7	-
Paul Reid (appointed 16 July 2024) ¹	7,269	-	5/5		-	3/3	1/1
Michael Walsh	15,750	-	11/11	8/8	11/11	-	-

Notes:

- 1 Fee covers portion of year from/ to date of appointment/ end of appointment
- 2 Did not receive a Board fee in compliance with Guidelines on Contracts, Remuneration and Other Conditions of Chief Executives and Senior Management of Commercial State Bodies.
- 3 Board fee waived on a discretionary basis.
- 4 Expenses claimed directly by Board Member.

Board Committees

During 2024, the Board was assisted in discharging its obligations through the delegation of certain roles and responsibilities to four Committees:

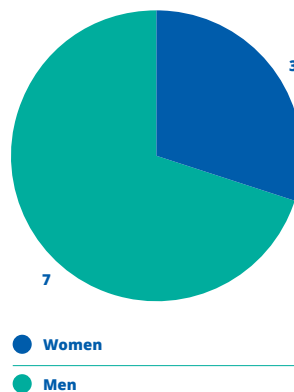
- Audit and Risk Committee
- Investment, Infrastructure and Sustainability Committee
- Uisce Éireann Transformation Programme Committee
- Remuneration Committee

The Committees assisted the Board by considering business, operational and financial issues. The specific functions delegated to each Committee are set out in their Terms of Reference which are reviewed and approved by the Board on an annual basis. Following each meeting, the Committees report to the Board on the matters within their remit.

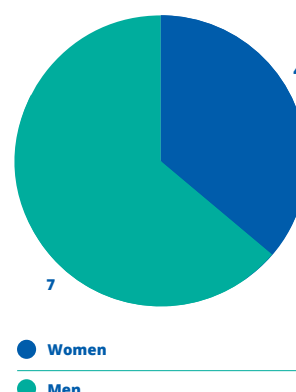
Attendance at Committee meetings is outlined in the 'Board Remuneration, Expenses and Attendance' table.

Board and Executive Team Gender

Board Gender



Executive Team Gender



Committee	Membership during 2024	Terms of Reference
Investment, Infrastructure and Sustainability Committee	Michael Nolan (Chairperson from June 2024)	Advising the Board on all matters relating to capital projects and programmes, development opportunities and sustainability. The Committee met 11 times during 2024.
	Chris Banks (Chairperson until June 2024)	
	Niall Gleeson	
	Jerry Grant (from July 2024)	
	Cathy Mannion	
	Michael Walsh	
Remuneration Committee	Eileen Maher (Chairperson)	Advising the Board on CEO Remuneration (having regard to the legal and regulatory requirements of the Code of Practice), Senior Management Remuneration, leadership succession planning and development, company pay model, balanced scorecard, pension matters and matters related to gender pay gap. The Committee met 6 times during 2024.
	Gerard Britchfield	
	Jerry Grant (from July 2024)	
	Liz Joyce (until October 2024)	
	Tony Keohane (until June 2024)	
	Patricia King Paul Reid (from October 2024)	

Report of the board

(continued)

Overview of the Board (continued)

Committee	Membership during 2024	Terms of Reference
Uisce Éireann Transformation Programme Committee	Paul Reid (<i>from July 2024 and Chairperson from October 2024</i>)	Advising the Board on all matters (i.e. legal, safety, governance, financial, customer experience and operations service) relating to the transition of accountability and delivery of water services and direct management of any water services staff from Local Authorities to Uisce Éireann.
	Liz Joyce (<i>Chairperson until October 2024</i>)	
	Chris Banks (<i>until June 2024</i>)	The Committee met 7 times during 2024.
	Niall Gleeson	
	Patricia King	
	<i>Douglas Millican (from October 2024)</i>	
	Michael Nolan	
Audit and Risk Committee	Gerard Britchfield (<i>Chairperson</i>)	Advising the Board on matters relating to the financial statements, internal controls, risk, internal audit, external audit and other matters including the Corporate Sustainability Reporting Directive and Uisce Éireann's ethics related policies.
	Eileen Maher	
	Cathy Mannion	The Committee met 8 times during 2024.
	Michael Walsh	Detailed Committee Report follows the Report of the Board.

Board effectiveness

The Board conducted an evaluation of its own performance and that of its Committees in November 2024. The areas of performance assessed align with the evaluation questionnaire template in the Code of Practice for the Governance of State Bodies.

An external evaluation of the Board will be carried out in 2025 in accordance with the 3-year timeframe specified in the Code of Practice for the Governance of State Bodies.

Relations with shareholders

The Minister for Housing, Local Government and Heritage holds one ordinary share of €1.00 and the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation holds 99 ordinary shares of €1.00.

In accordance with the Code of Practice for the Governance of State Bodies, the Minister for Housing, Local Government and Heritage issued a Shareholder Letter of Expectation to Uisce Éireann in April 2023. The letter provides guidance to the Board on the Government's current objectives for Uisce Éireann as well as the governance arrangements in place with the expectation that it will be updated at least every two years. The Chairperson keeps the Minister advised of matters arising.

Disclosures required by the Code of Practice for the Governance of State Bodies

The Board is responsible for ensuring that Uisce Éireann has complied with the requirements of the Code. The following disclosures are required by the Code:

Analysis of employee benefits

Details of the number of employees whose total employee benefits (excluding employer pension costs) for the financial year for each band of €25,000 from €50,000 upwards are set out below.

	2024	2023
€50,000-€75,000	700	501
€75,001-€100,000	419	332
€100,001-€125,000	244	206
€125,001-€150,000	102	71
€150,001-€175,000	35	34
€175,001-€200,000	22	17
€200,001-€225,000	9	5
€225,001-€250,000	5	9
€250,001-€275,000	4	2

Note: All short-term employee benefits in relation to services rendered during the reporting period are included in the disclosure above. Refer to note 4 of the Financial Statements for further analysis of the various benefits included.

There was significant recruitment in 2024 to transform Uisce Éireann in accordance with the Framework for the Future Delivery of Water Services in Ireland, which will deliver the transfer of Local Authority water services into Uisce Éireann.

The Uisce Éireann pay model which is market based and performance related, comprises two elements, namely base pay and a performance related award (disclosure above includes award paid in 2024). Performance is assessed against individual objectives and corporate objectives through a balanced scorecard process. Uisce Éireann made performance related payments to 2,244 employees in 2025 in respect of 2024. These payments were approved by the Board of Uisce Éireann in January 2025. These payments, in aggregate, total €13,082,158. The average payment was €5,830. As a result of a government direction in 2011, the CEO does not have access to the payment of a performance related award, and therefore no such payments have been made to the CEO.

Report of the board

(continued)

Disclosures required by the Code of Practice for the Governance of State Bodies (continued)

Consultancy costs

Consultancy costs include the directly incurred cost of external advice. They are defined as engagements to provide intellectual or knowledge-based services (e.g. expert analysis and advice) through delivering reports, studies, assessments, recommendations, proposals, etc. that contribute to decision or policymaking in a contracting authority for a limited time period to carry out a specific finite task. They exclude outsourced 'business-as-usual' functions.

	2024 €'000	2023 €'000
Legal advice	121	112
Financial advice	776	418
• Regulatory financial advice	435	201
• Financial services advice	277	143
• Other financial advice	64	74
Human resources	487	353
• Pension related advice	354	251
• Other HR advice	133	102
Business improvement/ change	1,591	1,722
• Business change programme advice	435	484
• IT related projects advice	173	485
• Supply chain/ procurement advice	308	140
• Business strategy	209	412
• Other improvement/ change advice	466	201
Engineering	97	91
Facilities	391	124
Other	89	74
Total	3,552	2,894
	2024	2023
Consultancy capitalised	163	485
Income statement	3,389	2,409
Total	3,552	2,894

2024 Consultancy spend represents 0.1% of total operational and capital spend.

Consultancy cost increases from prior year:

- Regulatory financial advice relates to additional Commission for Regulation of Utilities (CRU) requirements and interactions for Uisce Éireann Revenue Control Periods 3 and 4.
- Financial services advice relates to European Sustainability Reporting Standards and advice relating to Uisce Éireann enterprise risk methodology.
- Pension related advice in respect of the Uisce Éireann (ex-Ervia) Superannuation Scheme and advice in respect of the Uisce Éireann Defined Benefit Superannuation Fund.
- Business change programme advice relates to review of structure and reporting requirements of Uisce Éireann Transformation Programme.
- Supply chain relates to advice received for developing ICT category strategy, including procurement and contracting.
- Business strategy relates to data strategy development and circular economy design.
- Facilities costs relate to property management advice received.

Legal costs and settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements, conciliation, and arbitration proceedings. This does not include expenditure incurred in relation to general legal advice as this is included in consultancy costs above.

	2024 €'000	2023 €'000
Legal fees – legal proceedings	2,088	1,777
Conciliation / arbitration payments	322	258
Settlements	2,011	2,133
Total	4,421	4,168
No. of legal cases	41	58

Note: 2024 legal costs and settlements includes an amount of €29,323 in relation to a legal matter with University of Limerick and €59,371 in relation to legal matters with Inland Fisheries Ireland.

This disclosure note excludes any payments made by Uisce Éireann's insurer directly.

The number of cases relate to legal cases initiated by Uisce Éireann itself or proceedings taken against it and excludes insurance claims/ proceedings and wayleave conciliations.

There were no legal costs incurred in 2024 in respect of employee departures.

Travel and subsistence expenditure

Travel and subsistence expenditure is categorised as follows:

	2024 €'000	2023 €'000
<i>Domestic</i>		
- Board	7	6
- Employees	4,919	3,376
<i>International</i>		
- Board	6	5
- Employees	88	54
Total	5,020	3,441

Travel and subsistence expenditure incurred by the Uisce Éireann CEO is included within the disclosure of employee expenditure.

Report of the board

(continued)

Disclosures required by the Code of Practice for the Governance of State Bodies (continued)

Hospitality

The income statement includes the following hospitality expenditure:

	2024 €'000	2023 €'000
Staff hospitality	194	116
Client hospitality	17	13
Total	211	129

Transparency

Uisce Éireann is an open organisation which strives to be accountable and transparent to the public. Uisce Éireann is committed to improving the understanding of how the organisation operates and our role in delivering important national infrastructure and services to support the social and economic development of Ireland.

Protected disclosures and raising concerns

The mechanism whereby Uisce Éireann's employees, management and suppliers may raise concerns, or make disclosures in the public interest, in accordance with the Protected Disclosures Act 2014 (as amended), is outlined in the Protected Disclosures Policy. Further guidance on raising concerns for management and employees is outlined in the Code of Business Conduct, the Anti-Fraud Policy and the Anti-Bribery and Anti-Corruption Policy. Section 22 of the Protected Disclosures Act 2014, as amended by the Protected Disclosures (Amendment) Act 2022, requires Uisce Éireann to publish an Annual Report relating to protected disclosures made under the Act. In accordance with this requirement, Uisce Éireann confirms that in the year ended 31 December 2024, it received two protected disclosures, both of which are still under assessment.

Regulation of lobbying

Uisce Éireann is registered on the lobbying register maintained by the Standards in Public Office Commission. In accordance with the requirements of the Regulation of Lobbying Act 2015 the required returns have been made for the return periods in 2024.

Payment Practices

Uisce Éireann is committed to making every effort to paying suppliers on time. A policy is in place within the Company to govern payment practices. The table below outlines payment practices for 2024.

	Number	Value €m	Percentage (%) of total number of payments made
Total payments made	156,667	2,106	100%
Payments made within 30 days	148,284	2,063	95%
Payments made outside of 30 days	8,383	43	5%
Payments made in excess of 30 days that did not result in late payment interest and compensation costs	8,383	43	5%
Payments made in excess of 30 days that resulted in late payment interest and compensation costs	-	-	-%

Freedom of information

The Company is subject to the provisions of the Freedom of Information Act 2014 ('FOI Act'). A Model Publication Scheme has been prepared and published in accordance with the requirements of Section 8 of the FOI Act. The scheme is accessible through the Company's website www.water.ie.

Statement on the System of Internal Controls

Under the scheme, the Company publishes as much information as possible in an open and accessible manner on a routine basis outside FOI, having regard to the principles of openness, transparency and accountability.

Official Languages Act

In accordance with Section 4B (a) of the Official Languages Act 2003 as amended by the Official Languages (Amendment) Act 2021 (the “Official Languages Act”) senior management has appointed the Chief Legal Officer to oversee compliance and report to the CEO as appropriate. In addition, Uisce Éireann has an Official Languages Officer. In accordance with Section 4B (b) of the Official Languages Act, a report of activities relating to compliance with the Official Languages Act was submitted to senior management. In summary and in accordance with Section 4B (b) of the Official Languages Act, the report referred to the implementation of the obligations, duties and progress towards full compliance with relevant legislation. In 2024, Uisce Éireann was subject to an investigation by An Coimisinéir Teanga under Section 21 (c) of the Official Languages Act in respect of Section 9 (3) of the 2003 Act. The investigation closed in Q4 2024 and Uisce Éireann will adhere to the outputs of the final report from An Coimisinéir Teanga regarding the matter.

Gender balance, diversity, equity and inclusion

An overview of the Company's commitment to the promotion of gender balance, diversity, equity and inclusion throughout 2024 is outlined within the Sustainability Report section.

Scope of Responsibility

The Board acknowledges its responsibility under Section 7.3 of the Code of Practice for the Governance of State Bodies for ensuring that an effective system of internal control is maintained and operated.

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it and can only therefore provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control which accords with guidance issued by the Department of Public Expenditure, NDP Delivery and Reform, has been in place in Uisce Éireann for the year ended 31 December 2024 and up to the date of approval of the financial statements.

Management of Risk

All employees of Uisce Éireann have a responsibility for the effective management of risk which includes designing, operating and monitoring the systems of internal control for Uisce Éireann. The Chief Executive Officer is the accountable executive with ultimate responsibility. The Chief Executive Officer delegates clear roles and responsibilities for effective risk management and for ensuring the systems of internal control are operating effectively to his Executive Team and their reports.

Risk and Control Environment

The Board ensures the Company has appropriate systems of internal control and risk management in place through use of the following structures and systems:

Audit and Risk Committee

Uisce Éireann has an Audit and Risk Committee (the “ARC”) comprising 4 non-executive Uisce Éireann Board Members who have the necessary expertise for the role. The ARC provides oversight of the risk and control environment on behalf of the Uisce Éireann Board and is responsible for assisting the Uisce Éireann Board in discharging its responsibilities as they relate to this area. On a quarterly basis the ARC performs a substantive review of the Uisce Éireann Principal Risks, prepared by management, ensuring oversight of the key risks and reviewing the effectiveness of management's responses to key risk exposures facing the Company. The ARC also considers quarterly updates on the control environment as part of the Integrated Assurance Forum.

Three Lines Model

Uisce Éireann operates an integrated assurance and risk management framework which further consolidates and co-ordinates in a structured manner all risk management and assurance activities in the organisation across the “Three Lines” model. This ensures that Uisce Éireann maximises risk, assurance and governance oversight and control to build organisational resilience and follows leading practice to support compliance obligations and governance requirements.

Report of the board

(continued)

Statement on the System of Internal Controls (continued)

Underpinning this three lines model, additional assurance is also provided by external auditors and other independent assurance providers and regulatory bodies e.g. the Office of the Comptroller and Auditor General (C&AG). This is often referred to as the “Fourth Line”.

Organisational Risk Management

Uisce Éireann has an embedded Organisational Risk Management (ORM) function which is responsible for the design and implementation of an ORM framework and for ensuring that sufficient risk management experience and skills are available throughout Uisce Éireann. The Head of Organisational Risk and Resilience reports to the Strategy, Resilience and Regulation Director and attends ARC meetings. In addition, the Uisce Éireann Risk Management Committee, chaired by the Chief Executive Officer, meets quarterly. In particular, the Organisational Risk Management function:

- Ensures that adequate and consistent ORM four step process and oversight are in place for defining, assessing, managing, monitoring and reporting of risks to which Uisce Éireann is exposed.
- Ensures that oversight is maintained and an assessment is undertaken of the Uisce Éireann risk profile including principal risks, emerging and trending risks and high impact low probability risks, including a description of these risks and associated mitigation measures or strategies and their effectiveness.
- Develops and implements the overall ORM Framework, risk strategy, risk appetite and ORM policies and procedures.
- Embeds an appropriate risk management culture.

Integrated Assurance Forum

The Integrated Assurance Forum (IAF) ensures that the review of the effectiveness of the Internal Control environment is carried out in a co-ordinated and structured manner with appropriate evidence and sign offs in place. Each function Directorate maintains a register of key controls and each key control is self-assessed quarterly for effectiveness, and continuous control monitoring is performed quarterly. A summary of the forum discussions are provided to the ARC.

The membership for the Integrated Assurance Forum (IAF) is the Uisce Éireann CEO and all direct reports of the CEO. There is a strong “tone from the top” with support from Senior Management and Executive nominated Pillar Leads and Champions in place across the business. The Champion network is working successfully and is aware of the importance of the Integrated Assurance process including the role it plays to support the business.

As part of the end of year Forum management are required to confirm that:

- They are satisfied with the effectiveness of the control environment in the period.
- There are no material exceptions or breaches of key controls in the period.
- Action plans and timelines are agreed for controls requiring enhancement.

Furthermore, in instances where control issues have been identified, they have either been subsequently addressed, have actions assigned to them since identification, or have mitigating controls in place.

Management has considered the items brought to the attention of the ARC in 2024 and has assessed several items in detail against the criteria outlined in the guidance documentation on the Code of Practice for the Governance of State Bodies, issued by the Department of Public Expenditure, NDP Delivery and Reform.

Internal Audit

Uisce Éireann has an established Internal Audit function which is adequately resourced and conducts a programme of work agreed with the ARC. The Head of Internal Audit reports directly to the ARC and to the Chief Financial Officer.

The Internal Audit function provides a systematic and disciplined approach to evaluate and improve the effectiveness of Uisce Éireann’s, governance, risk management and internal control.

In particular, the Internal Audit function:

- Evaluates risk exposure relating to the achievement of Uisce Éireann’s strategic objectives.
- Evaluates the systems established to ensure compliance with policies, plans, procedures, laws and regulations.
- Evaluates the means of safeguarding assets.
- Monitors and evaluates the effectiveness of the risk management processes.
- Performs advisory services related to governance, risk management and control as appropriate.

Elements of Control Environment

In addition to the key structures referred to above, the Board confirms that a control environment, containing the following elements, is in place in Uisce Éireann;

- Responsibility by management at all levels within Uisce Éireann for internal control and risk management over respective business functions.
- Established processes to identify and evaluate business risks by identifying the nature, extent and financial implication of risks facing Uisce Éireann including the extent and categories which it regards as acceptable. Other processes to identify and evaluate business risks include assessing the likelihood of identified risks occurring and assessing Uisce Éireann's ability to manage and mitigate the risks that do occur through associated mitigation plans and strategies.
- A comprehensive listing of key controls is maintained by each business function, which are assessed on a quarterly basis with action plans implemented as required.
- An internal control framework assessment that involves undertaking an extensive risk assessment, reviewing the operation and effectiveness of key control policies and processes, internal control self-assessment reporting and monthly performance reporting, supported by assurance activities of Integrated Assurance and Internal Audit.
- Systematic reviews of internal financial and operational controls by Integrated Assurance and Internal Audit. In these reviews, emphasis is focused on areas of greater risk as identified by risk assessment.
- Appropriate segregation of duties and documentation of processes and controls that are focused on preventing and detecting fraud.
- Internal policies requiring all employees to act with integrity and maintain the highest ethical standards. These policies include the Code of Business Conduct, Anti-Fraud Policy, Anti-Bribery and Anti-Corruption Policy, Regulation of Lobbying Policy and Protected Disclosures Policy.
- A comprehensive anti-fraud programme including an anti-fraud policy, training and communication and a fraud response plan.
- The Corporate Governance Framework that includes financial control and risk assessment. This is monitored by Uisce Éireann management and the Internal Audit and Risk Management functions.
- Clearly defined organisational structure, with defined authority limits and reporting mechanisms to higher levels of management and to the Uisce Éireann Board.
- A comprehensive set of policies and procedures relating to operational and financial controls, including capital expenditure. Large capital projects require Board approval and are closely monitored by the Investment/Infrastructure and Sustainability Committee.
- A comprehensive budgeting system with an annual budget and quarterly forecasts which are reviewed and agreed by the Uisce Éireann Board.
- A comprehensive system of financial Reporting.
- A comprehensive set of management information and performance indicators is produced quarterly enabling progress against longer-term objectives and annual budgets to be monitored, trends evaluated and variances acted upon.

Ongoing Monitoring and Review

Uisce Éireann has a robust framework to review the adequacy and monitor the effectiveness of internal controls covering financial, operational, compliance and risk management processes. The Board is satisfied that the system of internal control in place is appropriate for the business.

The monitoring and review of the effectiveness of the system of internal control in respect of Uisce Éireann is informed by the work of employees within Uisce Éireann responsible for the development and maintenance of the internal control framework and the work of the Internal Audit function. This is supplemented by the ARC who oversee the work of the Integrated Assurance, Risk Management and Internal Audit functions and comments made by the External Auditor in their management letter and/or other reports. Control deficiencies are communicated to those responsible for taking corrective action, to management and to the Board of Uisce Éireann, where relevant, in a timely way.

Report of the board

(continued)

Statement on the System of Internal Controls (continued)

Capital and Operational Expenditure

The Infrastructure Guidelines were published by Department of Public Expenditure, NDP Delivery and Reform in December 2023, replacing the Public Spending Code. The Department of Public Expenditure, NDP Delivery and Reform guidance on the Quality Assurance Process to be followed to provide a summary overview of how compliant an organisation is with the Infrastructure Guidelines, includes a three-point rating scale:

- Scope for significant improvements
- Compliant but with some improvement necessary
- Broadly compliant

Uisce Éireann's self-assessment completed in line with this guidance, confirms that robust and effective systems are in place to ensure that the requirements of the Infrastructure Guidelines are broadly complied with, as per the above rating scale. As would be expected, these systems remain under continuous review and minor enhancements continue to be made. Uisce Éireann continues to engage with the Department of Housing, Local Government and Heritage (DHLGH) on the drafting of the Water Services Sector Specific Guidelines which will provide greater clarity on the implementation of the Infrastructure Guidelines in Uisce Éireann.

The Uisce Éireann Procurement Policy (PD02) details the procedures to be followed by Uisce Éireann to support procurement requirements

in the organisation. Application of PD02 ensures EU and Irish laws relating to public procurement are adhered to, tender processes are appropriately managed and governance and management oversight of the procurement process is maintained across the Company.

The Uisce Éireann Expenditure and Contract Approval Policy is aligned with the principles, including the value for money guidelines for the evaluation, planning and management of public investment projects, as set out in the Infrastructure Guidelines.

All capital expenditure must have regard to national and EU procurement requirements in addition to compliance with any requirements that may be set by the Commission for Regulation of Utilities ('CRU'), environmental and planning related requirements and national, regional and local infrastructural priorities. Appropriate and proportionate financial and economic appraisal methodologies as required by the Infrastructure Guidelines are used in respect of capital projects and programmes in order to facilitate effective decision making. Capital projects and programmes are assessed and delivered using a 5 gates approval process, aligned with the requirements of the Infrastructure Guidelines and the draft Water Sector Specific Guidelines.

The capital commitments process for Uisce Éireann operates on the basis that the company requests the relevant Ministerial consents in advance for an overall envelope of capital commitments to be entered into during the following financial year. Separately, Ministerial consents are requested by Uisce Éireann in advance of committing to any individual capital project costing €50m

or greater. Ministerial consents are submitted to the parent Department (the DHLGH) and other relevant government departments involved in the consenting process for the specific application. In parallel with the submission of Ministerial consents to the DHLGH, the Ministerial consent requests are submitted to NewERA who provide project specific financial and commercial advice to DHLGH, in advance of the granting of Ministerial consent by DHLGH.

Capital investments including contracts with a value in excess of €1m are presented to the Expenditure Approval Committee ('EAC') including its sub-committees for detailed review and approval. All infrastructure capital expenditure greater than €20m requires the approval of the Board. Capital expenditure for non-infrastructure investment greater than €10m requires the approval of the Board.

The Board is kept apprised of the status of capital projects and programmes as they progress including updates on implementation against plan, time scales and quality. Budget and variance reporting is also regularly presented to the Board. All projects have specific objectives against which they are measured. Tenders and subsequent contracts include strict delivery requirements as well as KPIs which are used to measure performance throughout the course of the contract. Post project reviews and financial close reports are presented to the EAC, the Investment, Infrastructure and Sustainability Committee and the Uisce Éireann Board for evaluation depending on the value of the project or programme.

Project close out meetings and annual programme reviews facilitate a key 'lessons learned' approach which are then assessed, tracked and implemented as part of existing and future projects across the organisation as appropriate.

Review of Effectiveness

Uisce Éireann has procedures to monitor the effectiveness of its system of internal control.

The Board has reviewed the effectiveness of the system of internal control up to the date of approval of the Financial Statements, covering financial, operational and compliance controls and risk management systems for 2024 and will ensure a similar review is performed for 2025. A detailed review was performed by the ARC, which reported on its findings to the Board.

Internal Control Reporting

During 2024, Uisce Éireann continued to implement the required systems, processes and procedures necessary to ensure robust internal controls through applying policies and internal control frameworks.

Transfer of accountability for Water Services Functions

A Master Co-operation Agreement (MCA) was in operation with all 31 Local Authorities throughout 2024 which provides for Uisce Éireann to have full accountability for Water Services Functions and for Uisce Éireann to have the necessary Management and Direction of Local Authority Water Services Staff. In preparation for this, controls and processes were established to ensure that Uisce Éireann was in a position to assume its new

responsibilities when the MCA became operational. Operation of the MCA has brought 3,000 staff under Uisce Éireann direct Management and Direction since August 2023. Controls and processes will continue to evolve and mature as services are standardised.

The MCA also provides that Uisce Éireann and each Local Authority will enter into a Support Services Agreement (SSA), setting out the support services which the Local Authority has agreed to provide Uisce Éireann in support of the delivery of Water Services Functions and the period over which these will transition to Uisce Éireann. SSAs are in place with 29 of the 31 Local Authorities at the end of 2024. Again, during the transitional phase, the controls and processes around these areas will continue to evolve and mature within Uisce Éireann.

Prior to the operation of each MCA (and SSA for support services), there is/was continued reliance on a range of controls operated by Local Authorities pursuant to the Service Level Agreement. These controls along with associated processes and procedures also will continue to evolve and mature.

While the Local Authorities retain statutory responsibility in respect of non-water services such as flood measures for example, Uisce Éireann has agreed pursuant to the MCA to provide support to the Local Authorities for critical non-water services areas for a period of 24 months from the coming into operation of the MCA in that Local Authority. The critical non-water services required by each Local Authority from Uisce Éireann are detailed in the SSA. Controls and processes have been put in place in order to deliver the critical non-water services to the Local Authorities and these controls and process will continue to evolve and mature.

Enforcement Actions

Drinking water and wastewater compliance issues exist as identified in the EPA's Annual 2023 Drinking Water Report and the 2023 Annual Urban Wastewater Report. Uisce Éireann has been dealing with a number of enforcement actions taken by the EPA and the IFI. This is in the context of a legacy of underinvestment in water infrastructure over decades. While Uisce Éireann is proactively dealing with these issues, delays in delivering compliance are due to a combination of reasons including for example, aging of the infrastructure managed by Uisce Éireann, the scale of works and investment required, delays in delivering capital works due to delays in the planning and other statutory processes, the supply chain and resource availability. Engagement with the EPA is ongoing to provide updates on actions to address these matters which include compliance driven interventions set out in the Uisce Éireann capital investment plan, as well as operational enhancements.

Processing of New Connections Work Orders

Following an issue in relation to the monitoring and progression of connections work orders on Uisce Éireann systems reported in 2023, significant work has progressed to strengthen the control environment in this area. While substantial enhancements have been delivered, it was expected that this work would be complete in 2024, it is now expected that it will conclude in March 2025, with further work to be done around data processing and reporting systems.

Report of the board

(continued)

Statement on the System of Internal Controls (continued)

Procurement

During 2024, expenditure was incurred in three instances where procurement procedures were not fully complied with, representing 0.013% of overall procurement expenditure. Steps have been taken to ensure that corrective actions are put in place.

Category	Activity detail	Corrective action Taken	Estimated value
Services	Local Authority engaged a non framework supplier not registered with Uisce Éireann for haulage of spoil. Uisce Éireann Supply Chain function was not aware of this until Local Authority came to Uisce Éireann to pay the invoices after work had been undertaken.	Local Authority made aware that they have breached Uisce Éireann's Procurement Policy and should not have engaged the supplier without discussing with Uisce Éireann. The Local Authority is now aware that spend will be recorded as non compliant and proper process will need to be followed going forward.	€43,690
Services	Plant hire request for tender lapsed but work continued with the supplier exceeding the Uisce Éireann Procurement Policy thresholds. Supplier has conducted the work and should be paid for the work completed.	Tender has since been completed and awarded under the guidelines of public procurement. Any work completed is now under an awarded competition with agreed rates.	€64,350
Services	The supplier provides pre-employment medical services, including a full suite of tests - confined spaces, vaccinations, full body medical, audio test and colour blindness and has a national presence where supplier options appeared limited. Given this context and urgent resourcing needs, procurement was approved in line with policy, however, other suppliers are available to provide these services.	A new contract is now place for the enduring solution with a new supplier.	€128,000

Suspected Fraud

In March 2021 Ervia and Uisce Éireann were informed by a Local Authority of an alleged fraud which had taken place locally by a former Local Authority employee relating to the provision of water services. The alleged fraud is the subject of an ongoing investigation by the Garda National Economic Crime Bureau (GNECB). This matter will take a number of years to reach a full legal conclusion and the Board Audit & Risk Committee will be kept updated on all developments.

Notwithstanding the matters noted above, the Board is satisfied with the overall control environment for Uisce Éireann and that effective systems of internal control are maintained and operated with no material breaches noted in the year.

Conclusion

Principal activities and Company overview

The principal activities and an overview of the Company are provided in the Chief Executive Officer's Review.

Results for the year

The results for the year are outlined in the Financial Review section. The policy direction from the shareholder is that Uisce Éireann should not pay a dividend, rather any surplus generated from its operations should be reinvested in water infrastructure.

Business review and future developments

Commentaries on performance in the year ended 31 December 2024, including information on future developments are contained in the Operating Review.

Accounting records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Colvill House, 24/26 Talbot Street, Dublin 1.

Political donations

There were no political donations made during the financial year by the Company (2023: Nil).

Principal risks and uncertainties

The regulated and operational complexity of our business exposes the Company to a number of risks. Understanding the risks and potential opportunities will enable the Company to make informed decisions and ultimately create value for our stakeholders. An outline of the principal risks faced by the Company is discussed in the Report on Risk Management section. Refer to note 22 for full analysis of the Company's financial risk management objectives, policies and exposures.

Research and development

In 2024, the Innovation Team developed a strategy to deliver innovation in Uisce Éireann. It established more streamlined innovation services for 1) employee suggestions, 2) supply chain to introduce their technology and service introductions and 3) research organisations/universities to engage with Uisce Éireann. A portfolio-led approach has also been put in place to focus innovation on key business challenges, the first being a Net Zero innovation portfolio targeting wastewater process emissions reduction.

While innovation initiatives are largely funded directly through Capital and Operational budgets, progress has also been made to increase the pace of innovation in Uisce Éireann by addressing the availability and accessibility of funding through cross-functional and supply chain collaboration. Examples include: The Commission for Regulation of Utilities (CRU) approved €1.26m for a Nature Based Solutions (NBS) project, which commenced in September and is being led by Asset Strategy. We have also collaborated with other Uisce Éireann teams, to deliver research and innovation pilots including Drone Sewer Surveys, MS-Copilot AI and Customer Re-Connect (our new text message service is detailed within the Operating Review section).

Key performance indicators

The Directors monitor performance using a suite of key performance indicators. These are considered in detail within Key Performance Indicator section of this report.

Directors and Secretary and their Interests

The Directors had no beneficial interests in the Company at any time during the financial year or at 31 December 2024.

Directors disclose any interest and recuse themselves from Board discussions and decisions where they are conflicted or have a direct or indirect interest as required by the Code. In accordance with Section 1.4 of the Business and Financial Reporting Requirements annexed to the Code, the remuneration of the CEO for the period is outlined in note 3 of the financial statements.

Companies Act 2014

Uisce Éireann is exempt from the obligation to use the words 'Designated Activity Company' describing the company type in its name pursuant to section 151 of the Companies Act 2014.

Statement on relevant audit information

In accordance with Section 330 of the Companies Act 2014, the Directors confirm that, in so far as the they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Report of the board

(continued)

Conclusion (continued)

Going concern

The Directors have a reasonable expectation that the Company will continue to meet its liabilities as and when they fall due and continue in operational existence for the foreseeable future. The Company's forecasts and projections show that Uisce Éireann is expected to meet its liabilities as and when they fall due through a combination of State funding and tariffs charged by Uisce Éireann. Accordingly, the Director's continue to adopt the going concern basis in preparing the Company's financial statements.

Refer to note 1 of the Financial Statements for the Company's detailed going concern disclosure.

Subsequent events

There are no significant events affecting the Company which have taken place since the end of the financial year, other than as described in note 26 of the financial statements.

Independent auditor

The commencement of the Water Services (Amendment) Act 2022 introduced revised accountability and auditing arrangements for Uisce Éireann. Since 1 January 2023, Uisce Éireann has been subject to a dual audit by both the Comptroller and Auditor General (C&AG) and its commercial statutory auditor under the Companies Acts.

In accordance with Section 17C (4) of the Water Services Act 2013 (as amended), fees payable to Deloitte Ireland LLP to audit the financial statements of Uisce Éireann for the year 2024 are subject to approval of the Minister for Housing, Local Government and Heritage with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Following completion of a competitive tender process in 2024 and consultation with the Minister, Deloitte Ireland LLP were appointed as commercial statutory auditor to Uisce Éireann, for the years 2024, 2025 and 2026.

In accordance with Section 17B(5) of the Water Services Act 2013 (as amended), fees payable to the C&AG to audit the financial statements of Uisce Éireann for the year 2024 are subject to the approval of the Minister for Housing, Local Government and Heritage with the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

For and on behalf of Uisce Éireann:

Jerry Grant
Chairperson

Gerard Britchfield
Board Member

Audit and Risk Committee Report

On behalf of the Uisce Éireann Audit and Risk Committee, I am pleased to present the Committee's Report for the year ended 31 December 2024.

Gerry Britchfield
Committee Chairperson



The purpose of this report is to provide an insight into the workings of the Audit and Risk Committee over the last 12 months.

Committee Membership

The Committee comprises 4 independent Non-Executive Uisce Éireann Board Members. The members of the Committee are Gerard Britchfield (Chairperson), Cathy Mannion, Eileen Maher and Michael Walsh. The members bring experience and expertise from a range of industries and backgrounds, which is vital in supporting effective governance.

The members of the Committee are appointed by the Uisce Éireann Board in consultation with the Chairperson of the Committee. The Committee is independent from the management of the Company.

Role and Responsibilities of the Committee

The role of the Committee, as set out in the Terms of Reference, is to support the Uisce Éireann Board in relation to its responsibilities for the following matters:

- Financial reporting,
- Risk management,
- Internal Controls,
- Internal audit,
- External audit.

The Committee also undertakes other related activities including oversight of Corporate Sustainability Reporting Obligations, policies and procedures on protected disclosures, anti-fraud and anti-bribery and anti-corruption.

The Chairperson of the Committee reports to the Uisce Éireann Board on the matters addressed at each Committee meeting.

Activities of the Audit and Risk Committee

Throughout 2024, the Committee dedicated significant time to fulfilling its key oversight responsibilities, meeting 8 times during the year. Regular attendees at Committee meetings, at the invitation of the Committee, include the CEO, the Chief Financial Officer, the Chief Legal Officer, the Company Secretary, the Strategy, Resilience and Regulation Director, the Head of Internal Audit, the Head of Financial Control and Planning, the Head of Financial Governance and Compliance, the Head of Organisational Risk and Resilience and representatives from the external auditors. When required, other key executives and senior management are invited to attend to present and provide deeper insight on various topics as are required by the Committee to discharge its duties.

Audit and Risk Committee Report

(continued)

The Committee engaged regularly with senior management, internal audit, risk management and the statutory auditors. Uisce Éireann is subject to a dual audit by both the Comptroller and Auditor General (C&AG) and its commercial statutory auditor under the Companies Acts, Deloitte. The Committee met separately with representatives from both the Office of the C&AG and Deloitte during the year. In addition, in order to discharge its duties effectively, it pursued a full agenda of reviews in its meetings throughout the year.

A summary of the activities undertaken by the Committee in 2024 is outlined below.

Duty	Activities carried out in 2024
Financial reporting	<ul style="list-style-type: none"> Reviewed the Uisce Éireann Annual Report and Financial Statements, before recommending their approval to the Board. Considered the appropriateness of accounting estimates and judgements applied in preparing the financial statements including the appropriateness of adopting the going concern basis of preparing the financial statements. Reviewed the Uisce Éireann accounting policies and matters impacting financial reporting. Reviewed Uisce Éireann unaudited accounts for the six months ended 30 June. Carried out an assessment of the effectiveness of the external auditor (Deloitte), including monitoring the compliance with ethical and professional guidance on independence, qualifications, expertise and resourcing. Considered the external auditor's management letter points. Considered audit plans from both Deloitte and the C&AG. Met with Deloitte and the C&AG, separate from management. Reviewed the terms of external audit engagement from Deloitte and the C&AG. Recommended to the Board a policy on the employment of former employees of the statutory auditors. Reviewed pension scheme funding. Approved limits on the award of contracts to the external audit for non-audit work. Recommended approval of audit fees.
Risk management	<ul style="list-style-type: none"> Considered the quarterly Corporate Risk Register and Resilience Reports and Cyber Risk Updates for Uisce Éireann and discussed risk exposures, including trending and emerging risks, mitigating controls and target risk ratings. Considered a comprehensive program of Deep Dive items throughout the year which focused on key risk exposures for Uisce Éireann. Reviewed and recommended to the Board amendments to the Risk Assessment Methodology. Evaluated the Risk Appetite for Uisce Éireann, including Risk Classification, in advance of its approval by the Board. Reviewed and recommended to the Board the adoption of the Risk Strategy 2025-2029. Met with Head of Organisational Risk and Resilience, separate from management. Recommended to the Board a multi-supplier framework for the provision of Risk Advisory Services. Reviewed and recommended to the Board amendments to the Organisational Risk Management Policy and Organisational Risk Management Framework.

Duty	Activities carried out in 2024
Internal controls	<ul style="list-style-type: none"> • Considered the quarterly Integrated Assurance Forum reports for Uisce Éireann, including any instances of potential control enhancements. • Reviewed the Statement on the System of Internal Control and all associated control and governance reports, prior to consideration by the Board. • Discussed the mid-year and year-end Directors Compliance Matrix, in advance of Board approval. • Considered interim and year-end Procurement Compliance Reporting.
Internal audit	<ul style="list-style-type: none"> • Approved the 2024 Internal Audit plan for Uisce Éireann. • Reviewed the Internal Audit Charter. • Discussed the findings of the quarterly Internal Audit Reports for Uisce Éireann. • Considered updates on the implementation progress of Internal Audit recommendations. • Received reports on confidential issues. • Recommended to the Board a multi-supplier framework for the provision of Internal Audit Services. • Met with Head of Internal Audit, separate from management. • Evaluated the effectiveness of the Internal Audit function.
Other matters	<ul style="list-style-type: none"> • Considered progress on Uisce Éireann's preparation for reporting obligations under the Corporate Sustainability Reporting Directive. • Considered Protected Disclosures Report in advance of issuance to the Department of Public Expenditure, National Development Plan (NDP) Delivery and Reform and publication on the Uisce Éireann website. • Reviewed the suite of ethics related policies namely the Anti-Fraud Policy, the Anti-Bribery and Anti-Corruption Policy and the Protected Disclosures Policy which form part of the 'Doing the Right Thing' campaign and recommended their approval to the Board. • Conducted review of its own performance, in accordance with the Code of Practice for the Governance of State Bodies. Approved amendments to the Committee Terms of Reference, prior to Board approval. • Considered the Chairperson's Report under Section 1.9 of the Business and Financial Reporting appendix of the Code of Practice for the Governance of State Bodies, prior to Board approval and submission to the Minister for Housing, Local Government and Heritage.

Conclusion

Looking ahead to 2025, the Committee's key priorities will include maintaining oversight of the integrity of financial reporting, internal control processes and sustaining a strong culture of risk management across Uisce Éireann. The Committee will continue to support preparations for the reporting obligations under the Corporate Sustainability Reporting Directive.

I would like to thank my fellow Committee Members for their commitment to achieving a full Programme of Work in 2024 and look forward to working with them and the Uisce Éireann team in 2025 as we continue to provide oversight of the governance, financial, audit, internal controls and risk management arrangements in place in Uisce Éireann.

Gerard Britchfield

Audit and Risk Committee Chairperson

Financial Statements

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Ard Reachtaire Cuntas agus Ciste

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Uisce Éireann

Opinion on the financial statements

I have audited the financial statements of Uisce Éireann for the year ended 31 December 2024 as required under the provisions of Section 17B (4) of the Water Services Act 2013. The financial statements comprise the income statement, the statement of other comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows, and the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of Uisce Éireann at 31 December 2024 and of its income and expenditure for 2024
- have been properly prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and
- have been properly prepared in accordance with the Companies Act 2014.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of Uisce Éireann and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions related to going concern

The directors have prepared the financial statements on a going concern basis. As described in the appendix to this report, I conclude on

- the appropriateness of the use by the directors of the going concern basis of accounting and
- whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

I have nothing to report in that regard.

Opinion on other matters prescribed by the Companies Act 2014

Based on the work undertaken in the course of the audit, I report that in my opinion

- the information given in the directors' report is consistent with the financial statements, and
- the directors' report has been prepared in accordance with applicable legal requirements.

I have obtained all the information and explanations that, to the best of my knowledge and belief, are necessary for the purposes of my audit.

In my opinion, the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

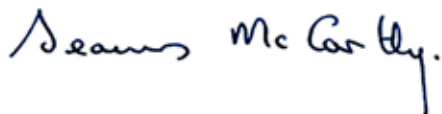
Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the directors' report.

The Companies Act 2014 also requires me to report if, in my opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not complied with by the company. I have nothing to report in that regard.

Reporting on other information

The directors are responsible for other information they have presented with the financial statements. This comprises the annual report, including the report of the board and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

A handwritten signature in blue ink that reads "Seamus McCarthy". The signature is written in a cursive, flowing style.

Seamus McCarthy
Comptroller and Auditor General
29 April 2025

Appendix to the report

Responsibilities of the directors

As detailed in the directors' report, the directors are responsible for

- the preparation of annual financial statements in the form prescribed under section 17 of Water Services Act 2013
- ensuring that the financial statements give a true and fair view in accordance with the financial reporting framework set out in note 1 of the financial statements and otherwise comply with the Companies Act 2014
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under 17B(4) of Water Services Act 2013 to audit the financial statements of Uisce Éireann and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on Uisce Éireann's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Uisce Éireann to cease being a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Other information

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UISCE ÉIREANN

Report on the audit of the financial statements

Opinion on the financial statements of Uisce Éireann ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Income Statement;
- the Statement of Other Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 27, including material accounting policy information as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UISCE ÉIREANN

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UISCE ÉIREANN

Under the Code of Practice for the Governance of State Bodies (August 2016) (as amended) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement in the Report of the Board does not reflect the companies compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Sheehan

For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

30 April 2025

Income Statement

for the year ended 31 December 2024

	Notes	2024 €'000	2023 €'000
Continuing operations			
Revenue	2	1,606,044	1,560,314
Operating costs	3	(1,036,931)	(983,624)
Impairment of trade receivables	3	(19,525)	(16,449)
Operating profit before depreciation and amortisation (EBITDA) and exceptional items		549,588	560,241
Exceptional item - grant income for new connection customer refunds	25	82,475	2,075
Exceptional item - grant expense for new connection customer refunds	25	(82,475)	(2,075)
Exceptional item - net grant income/(expense)	25	-	-
Depreciation and amortisation	5	(217,161)	(177,537)
Operating profit		332,427	382,704
Finance income	6	5,204	4,119
Finance costs	6	(16,527)	(8,263)
Net finance costs		(11,323)	(4,144)
Profit before income tax		321,104	378,560
Income tax	7	(42,499)	(49,289)
Profit for the year		278,605	329,271

Statement of Other Comprehensive Income

for the year ended 31 December 2024

	Notes	2024 €'000	2023 €'000
Continuing operations			
Profit for the year		278,605	329,271
Other comprehensive income			
Items which will not be reclassified subsequently to the income statement:			
Defined benefit actuarial gains/(losses)	17	7,938	(9,683)
Deferred tax relating to defined benefit obligations	7	(992)	1,210
Total other comprehensive income/(loss) for the year		6,946	(8,473)
Total comprehensive income for the year		285,551	320,798

Balance Sheet

as at 31 December 2024

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Assets			
Non-current assets			
Property, plant and equipment	8	8,026,162	6,890,917
Intangible assets	10	100,350	78,166
Total non-current assets		8,126,512	6,969,083
Current assets			
Trade and other receivables	11	168,870	164,135
Cash and cash equivalents - available for company use	12	345,428	289,352
Cash and cash equivalents - third party balances	13	71,408	6,322
Financial assets - financial security held on term deposit	13	40,000	72,250
Inventory	15	52	-
Total current assets		625,758	532,059
Total assets		8,752,270	7,501,142
Equity and liabilities			
Equity			
Share capital and share premium	24	(324,000)	(324,000)
Capital contribution	24	(4,543,771)	(3,972,067)
Retained earnings		(1,568,172)	(1,282,621)
Total equity		(6,435,943)	(5,578,688)
Liabilities			
Non-current liabilities			
Borrowings and other debt	16	(1,007,685)	(826,539)
Retirement benefit obligations	17	(25,062)	(32,348)
Deferred revenue	18	(147,044)	(75,473)
Grants	19	(9,802)	(9,101)
Provisions	20	(80,443)	(91,323)
Trade and other payables	21	(89,105)	(65,197)
Deferred tax liabilities	7	(233,929)	(190,438)
Total non-current liabilities		(1,593,070)	(1,290,419)
Current liabilities			
Borrowings and other debt	16	(5,668)	(3,534)
Deferred revenue	18	(186,737)	(184,075)
Grants	19	(310)	(350)
Provisions	20	(33,940)	(25,495)
Trade and other payables	21	(496,602)	(418,581)
Total current liabilities		(723,257)	(632,035)
Total liabilities		(2,316,327)	(1,922,454)
Total equity and liabilities		(8,752,270)	(7,501,142)

For and on behalf of the Board:

Jerry Grant, Chairperson
Gerard Britchfield, Director

Date of Approval, 29 April 2025

Statement of Changes in Equity

for the year ended 31 December 2024

	Notes	Share capital and share premium €'000	Capital contribution €'000	Retained earnings €'000	Total €'000
At 1 January 2023		(324,000)	(3,392,174)	(961,823)	(4,677,997)
Profit for the year		-	-	(329,271)	(329,271)
Other comprehensive loss for the year		-	-	8,473	8,473
Total comprehensive income for the year		-	-	(320,798)	(320,798)
Cash capital contribution	24	-	(580,630)	-	(580,630)
Retirement benefit obligation assumed	25	-	737	-	737
At 31 December 2023		(324,000)	(3,972,067)	(1,282,621)	(5,578,688)
Profit for the year		-	-	(278,605)	(278,605)
Other comprehensive income for the year		-	-	(6,946)	(6,946)
Total comprehensive income for the year		-	-	(285,551)	(285,551)
Cash capital contribution	24	-	(571,704)	-	(571,704)
At 31 December 2024		(324,000)	(4,543,771)	(1,568,172)	(6,435,943)

Statement of Cash Flows

for the year ended 31 December 2024

	Notes	2024 €'000	2023 €'000
Net cash from operating activities	14	597,827	510,080
Cash flows from investing activities			
Payments for property, plant and equipment		(1,242,482)	(1,269,727)
Payments for intangible assets		(50,838)	(39,326)
Receipts for amounts owed from Local Authorities	25	1,075	982
Payments for assets acquired from Local Authorities	25	-	(7,365)
Movement in third party cash balances held as collateral	13	62,942	3,696
Movement in grants related to assets	19	977	7,131
Net cash used in investing activities		(1,228,326)	(1,304,609)
Cash flows from financing activities			
Proceeds from borrowings	16	644,060	231,000
Repayments of borrowings	16	(460,000)	(30,000)
Repayment of lease liabilities	9	(4,103)	(5,247)
Cash capital contributions received	24	571,704	580,630
Net cash from financing activities		751,661	776,383
Net increase/(decrease) in cash and cash equivalents		121,162	(18,146)
Cash and cash equivalents at 1 January		295,674	313,820
Cash and cash equivalents at 31 December		416,836	295,674
Presented on the Balance Sheet as:			
Cash and cash equivalents - available for company use	12	345,428	289,352
Cash and cash equivalents - third party balances	13	71,408	6,322
		416,836	295,674

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1. Statement of Accounting Policies

Basis of preparation

Uisce Éireann ('the Company') is a designated activity company, limited by shares, and incorporated in Ireland on 17 July 2013. The Company registration number is 530363. Uisce Éireann's shares are solely held by both the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (99 shares) and the Minister for Housing, Local Government and Heritage (one share).

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) agenda decisions, as endorsed by the EU, and effective for accounting periods beginning on or after 1 January 2024, and the Companies Acts 2014. The financial statements are presented in Euro, rounded to the nearest thousand and are prepared on a historical cost basis.

These policies have been consistently applied to all years presented in these financial statements with the exception of adoption of new standards (as set out below). In the process of applying these accounting policies, judgements and estimates are necessarily used which affect the amounts recognised in the financial statements. Details of the most significant accounting judgements and estimates applied are set out in the final section of this note under "Critical Accounting Judgements and Estimates".

Going concern

The Directors believe that the Company is well placed to manage its risks successfully. The Company's objectives, policies and process for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk are set out in note 22 to the financial statements.

The Company's forecasts and projections show that Uisce Éireann is expected to meet its liabilities as they fall due through a combination of State funding and tariffs charged by Uisce Éireann. The revised framework for the Company's long-term funding model is outlined in the Water Services Act 2017. Uisce Éireann's state funding for 2025 was agreed and approved in Q4 2024 as part of the Government budgetary process. The Directors believe that the Government has demonstrated its commitment to the continued funding of Uisce Éireann, including beyond 2025, through the enactment of the Water Services (Amendment) Act 2022 in December 2022 which reflects Government's commitment to retain Uisce Éireann in public ownership as a national, standalone and regulated utility. In addition, the Framework for the Future Delivery of Water Services, published by the Department of Housing, Local Government & Heritage in June 2022, further signified the Government's long term strategy for the Company whereby in 2023 Uisce Éireann assumed full responsibility for the delivery of all public water services. The Government's commitment to ongoing funding for capital investment is evidenced by inclusion of Uisce Éireann's capital investment programme in Project Ireland 2040, in the National Development Plan 2021-2030, and approval in 2024 of the Uisce Éireann Strategic Funding Plan (2025-2029).

In June 2020 the Company entered into new State loan facilities, provided by the Minister for Finance for capital expenditure attributed to the non-domestic sector. These facilities are now fully drawn. In the Government's 2025 Budget, it was announced that €1 billion of funding would be provided by the Minister of Finance to support the capital investment included in the approved Strategic Funding Plan 2025-2029, €300 million would be provided in 2025 to fund domestic capital investment, with €700 million provided to fund non-domestic capital investment over the period 2025-2027, €214 million of which will be provided in 2025. In 2021, the Company entered into a €350 million working capital facility with the NTMA. Uisce Éireann has committed to ensuring that the NTMA working capital facility remains undrawn on 31 December each calendar year, unless Uisce Éireann has obtained prior Ministerial agreement to utilise the facility. The Company also has a €10 million overdraft facility to help manage its daily banking requirements.

Following consideration of the facts set out above, and while noting the Company's net current liability position which is €97 million at 31 December 2024 (2023: €100 million), the Directors have concluded that they have a reasonable expectation that the Company will continue to meet its liabilities as they fall due for the foreseeable future and consequently the financial statements are prepared on a going concern basis. The Directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern over the period of assessment. The period of assessment used by the Directors is twelve months from the date of approval of these annual financial statements.

Notes to the financial statements (continued)

1. Statement of Accounting Policies

New IFRS accounting standards effective for the year ended 31 December 2024

The Company has adopted the following amendments to standards, which have had no material impact on the Company's results or financial statement disclosures:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current — Deferral of Effective Date
- Amendments to IAS 1 Non-current Liabilities with Covenants
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback

New IFRS accounting standards and interpretations not yet adopted

The following new accounting standards and amendments to existing standards have been issued but are not yet effective for this accounting period or have not yet been endorsed by the EU:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- IFRS 18 Presentation and Disclosure in Financial Statements
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity
- Annual Improvements Volume 11
- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

It is anticipated that application of the remaining IFRS amendments and annual improvements, in issue at 31 December 2024, but not yet effective, will not have a significant impact on the Company's financial statements.

Material Accounting Policy Information

a) Property, plant and equipment

Recognition

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses thereon. Cost includes direct costs (including directly attributable labour and overhead costs), and interest incurred in financing the construction of the asset when construction takes a substantial period of time to complete. Assets under construction represent the cost of purchasing, constructing and installing property, plant and equipment ahead of their productive use. Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition under IAS 16, otherwise such items are classified as inventory.

Subsequent expenditure

Subsequent expenditure, for example, the cost of replacing a component of an item of property, plant and equipment, is recognised in the carrying amount of the item if it is probable that the future economic benefits associated with the item will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use.

The charge for depreciation is primarily calculated to write down the cost of property, plant and equipment, less estimated residual value, on a straight-line basis over their expected useful lives. Leased assets are depreciated over the shorter of the lease term and their useful lives.

1. Statement of Accounting Policies

Major asset classifications and their estimated useful lives are:

Infrastructure assets (including boundary boxes, reservoirs, water & waste pipelines and service connections)	40-100 years
Operational assets (including meters, pumps, and electrical & mechanical systems)	12-70 years
Non-network assets (including fixtures & fittings, vehicles and computer equipment)	3-15 years

Depreciation is not charged on land or assets under construction. Depreciation method, useful lives (including production hours) and residual values are reviewed at each reporting date (including consideration of any potential impacts due to climate change and sustainability) and adjusted if appropriate.

b) Intangible assets

Software and software under development

Software costs include both internally developed and externally purchased assets.

Internally developed software refers to costs directly associated with the production of identifiable and unique software products which are controlled by the Company. These costs are recognised as intangible assets as it is considered probable that these products will generate economic benefits exceeding the recognised costs. These costs are capitalised only if the criteria set out in IAS 38 are met. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and borrowing costs on qualifying assets.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring into use the specific assets, provided the costs meet the criteria in IAS 38 for capitalising. Software-as-a-Service (SaaS) arrangements are expensed as operating costs unless the arrangement meets the capitalisation criteria under IAS 38.

Amortisation of intangible assets

Intangible assets are amortised on a straight-line basis in the income statement over their estimated useful lives, from the date that they are available for use. Amortisation is not charged on development assets that are not yet available for use. Software is amortised, on a straight-line basis, over their estimated useful lives of up to seven years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

c) Impairment and derecognition of assets

Property, plant and equipment and intangible assets which are not yet ready for use are tested annually for impairment. Assets in use are assessed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is then assessed.

If an indication of impairment exists, impairment is assessed. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs) - refer to judgements and estimates section for further detail. An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount or if it is determined no longer probable that an asset will be delivered by the project. Impairment losses are recognised in the income statement.

Where it is subsequently determined that assets no longer meet the criteria for recognition, these are derecognised and presented as operating costs.

d) Revenue

Revenue is measured based on the consideration which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when or as the performance obligations, as set out in the contract, are satisfied. If it is considered that the criteria for revenue recognition are not met for a transaction, revenue recognition would be delayed until such time as collectability is considered probable.

A number of the Company's sources of revenue are dependent on being approved by the industry regulator, the Commission for Regulation of Utilities (CRU). Certain circumstances may result in the regulatory "allowed" revenue being over or under recovered in the year. Any over or under recovery may be included, within certain parameters, in the calculation of the following years' regulatory revenue. No adjustment is made for over or under recoveries in the year that they arise.

Notes to the financial statements (continued)

1. Statement of Accounting Policies

Revenue principally comprises the sales values derived from the following:

Supply of water and wastewater services to domestic customers - Government subvention revenue

The Government, acting in its capacity as Government, purchases from the Company a certain volume of water and wastewater and related services on behalf of domestic customers and at a transaction price determined in line with the allowed revenue set by the CRU. This revenue is recognised by the Company on a systematic basis to reflect the timing of the sale of goods to the Government. All subvention revenue is billed and collected within the reporting period.

Supply of water and wastewater services to non-domestic customers

Revenue billed is dependent on the volume supplied. Where services have been provided, but for which no invoice has been raised at the reporting date, an estimate of value of water and wastewater services supplied to customers between the date of the last meter reading and the reporting date is recognised in revenue.

New connections revenue

The Company receives contributions from customers in respect of the cost of connecting them to the network. Where such contributions are billed in advance, they are recognised in deferred revenue and are released to revenue as the performance obligation is satisfied (i.e. confirmation that connection to water and wastewater services is available for use).

e) Leases

At the inception of a lease contract the Company assesses whether a contract is, or contains, a lease. If the contract conveys the right to control the use of an asset for a period of time in exchange for consideration, it is recognised as a lease.

Where the Company is a lessee, a right-of-use asset (presented within 'Property, plant and equipment') and a corresponding liability (presented within 'Borrowings and other debt') are recognised at the date at which the leased asset is available for use by the Company.

For short-term (lease term less than 12 months) and low value leases (value of the asset when new is less than \$5,000), the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefit from the leased assets are consumed.

The lease term is assessed as the non-cancellable period of a lease, together with any periods covered by extension / termination options that are reasonably certain to exercise. The lease term is reassessed when there is a significant event or a significant change in circumstances and revised where appropriate.

f) Retirement benefit obligations

Defined benefit pension scheme

A defined benefit scheme is a post-employment benefit scheme other than a defined contribution scheme, which is detailed below.

Post-employment benefit plans include not only formal arrangements but also informal practices that give rise to constructive obligations and therefore the accounting treatment is the same regardless of whether an obligation is legal or constructive.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial reviews being carried out at each reporting date. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in other comprehensive income.

Past service cost is recognised immediately. The current service cost and gains and losses on settlements and curtailments are charged to operating costs, or to provisions in the instances where the associated costs were provided for initially as part of the recognition of a restructuring provision. The pension net interest cost is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation of the schemes net of the fair value of the schemes' assets.

1. Statement of Accounting Policies

Defined contribution pension schemes

A defined contribution scheme is a post-employment scheme under which an entity pays fixed contributions into a separate entity from which no legal or constructive obligation to pay further amounts arises. The contributions payable under the defined contribution schemes are charged to the income statement in the periods during which services are rendered by employees.

g) Grants

A grant is recognised as a liability initially on the balance sheet when there is reasonable assurance that it will be received and that the Company will comply with the conditions attaching to it. Grants that compensate the Company for the cost of an asset are amortised to the income statement on a systematic basis over the useful life of the asset to match the depreciation charge. Grants that compensate the Company for expenses incurred are recognised in the income statement on a systematic basis in the same years in which the expenses are incurred.

Grant accounting is applied to refund programmes (such as the refund of domestic charges and the Temporary Time-Limited Waiver in respect of Development Contributions) which are funded by Government acting in their capacity as government and presented as exceptional items (see “presentation of exceptional items” below). Following validation of the connections refund claim, the grant income and the related grant expense is recognised separately in the income statement. The relevant contribution is then refunded and the government funding is provided thereafter.

h) Provisions and contingent liabilities

The Company evaluates its exposures to contingent liabilities relating to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or Government regulation. A provision is recognised when it is probable that an obligation exists for which a reliable estimate can be made after careful analysis of the individual matter. Analysis includes assessing the likelihood that a pending claim will succeed or a liability will arise, the point of recognition for the associated liability and the potential timing of settlement.

Matters that either are possible obligations or do not meet the recognition criteria for a provision are recognised as contingent liabilities, unless the possibility of transferring economic benefits is remote.

Provisions determined may change in the future due to new developments and as additional information becomes available. Reflecting the inherent uncertainty in this evaluation process actual costs may be different from the estimated provision. Details of provisions and contingent liabilities are disclosed in note 20.

i) Financial assets and liabilities

Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost using the effective interest rate method.

Trade and other receivables

Trade and other receivables are initially recognised at the transaction price receivable and are subsequently carried at this value, as there is no significant financing component, less an appropriate allowance for expected credit losses. Impairment losses are provided for using a lifetime expected credit loss model, with the expected impairment being recognised as an expense in operating costs and presented as ‘Impairment of trade receivables’. The expected credit loss amount is calculated by applying expected loss rates, based on actual historical cash collection performance, to the aged debt profile with future macro-economic factors and factors specific to the debtors taken into consideration.

Cash and cash equivalents

Cash includes cash on hand and demand deposits which are accessible by the Company within 3 months. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Where the conditions and intention for offset exists, cash balances are combined with overdraft balances and this combined balance is presented on the balance sheet.

Notes to the financial statements (continued)

1. Statement of Accounting Policies

Where there are contractual restrictions on the Company's ability to use the cash (e.g. third party monies received as financial security and held in accounts accessible within 3 months), these funds are presented as "Cash and cash equivalents - third party balances". Cash held, where there is no restriction on use, is presented as "Cash and cash equivalents - available for company use".

Financial assets - financial security held on term deposit

Financial securities held on deposit terms greater than 3 months at the date of acquisition are presented as "Financial assets - financial security held on term deposit" as they do not meet the definition of cash and cash equivalents, as the deposits are not accessible by the Company within 3 months. These are third party monies, held under financial security arrangements which place contractual restrictions on the Company's ability to use these monies.

Trade and other payables

Trade and other payables are initially recorded at fair value, which is usually the original invoiced amount plus any directly attributable transaction costs, and subsequently carried at amortised cost using the effective interest rate method.

j) Inventory

Inventories comprise mainly of consumable items. These are measured at the lower of cost and net realisable value. Cost is determined using the first in, first out (FIFO) method. Cost is comprised of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any estimated selling costs. A provision is made for obsolete, slow moving or defective items where appropriate.

Where the Company takes operational control of an inventory store and the related inventory in the store, the initial recognition of inventory held at that facility at the date of transfer is recognised at €nil value. Subsequent inventory purchases are recognised in accordance with the Company's inventory policy above.

k) Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in the income statement, using the effective interest rate method.

l) Finance costs

Finance costs comprise interest payable on borrowings, financing charge on provisions (recognised following assessment if material), impairment losses recognised on financial assets (other than trade receivables) and net pension interest costs. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the income statement using the effective interest rate method. The pension net interest cost is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

m) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. Current tax assets and liabilities are offset where there is a legally enforceable right of offset within the same tax authority and where the intention is to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is probable that there will be suitable taxable profits in the foreseeable future from which the reversal of the underlying temporary differences can be deducted.

1. Statement of Accounting Policies

Deferred tax assets and liabilities are offset where there is a legally enforceable right of offset within the same tax authority and where the intention is to settle on a net basis or to realise the asset and settle the liability simultaneously.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

n) Non-GAAP measures

Operating profit is stated before net finance costs and taxation.

EBITDA is defined as earnings before interest, tax, depreciation and amortisation. Net debt is defined as total borrowings and other debt less cash and cash equivalents. The Company uses these non-GAAP measures and presentation to provide useful performance and financing information to management, stockholders and external stakeholders.

o) Presentation of exceptional items

As permitted by IAS 1 Presentation of Financial Statements, the Company has disclosed additional information in respect of exceptional items on the face of the income statement, to aid understanding of the Company's financial performance. An item is treated as exceptional if it is considered unusual by nature and scale and of such significance that separate disclosure is required for the financial statements to be properly understood.

Critical Accounting Judgements and Estimates

In the process of applying these accounting policies, the Company is required to make certain estimates, assumptions and judgements that it believes are reasonable based on the information available. These estimates, assumptions and judgements affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented. Changes to these estimates could have a material effect on the financial statements.

These estimates, assumptions and judgements are assessed in the preparation of these financial statements. The environment in which the Company operates will be subject to climate change impacts, and this will influence how water and wastewater services will be delivered in the future. The Company will continue to develop its assessment of climate change impacts on its assets and liabilities and the potential implications of climate change on its infrastructure and operations. The impact of climate change has been considered in the preparation of these financial statements and no changes in judgement or estimate have been identified in this process (see below for further disclosure where relevant). Due consideration has also been given to relevant macro-economic factors, including inflation. The Company has provided additional information in respect of each of the impacted judgements and estimates as set out below. On an ongoing basis, the Company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ from these estimates, the effect of which, is recognised in the period in which the facts that give rise to the revision become known.

(i) Significant judgements in applying the Company's accounting policies

The following are the significant judgements apart from those involving estimates (which are dealt with separately below) that the Company has made in the process of applying these accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(a) Classification of costs between operating expenditure and capital expenditure

The classification of expenditure as capital or operating expenditure can require significant judgements, particularly in instances where projects include elements of both enhancement (capital) and maintenance (operating) activities. The Company has appropriate policies, controls and procedures in place to mitigate against the risks of ineligible expenditure being capitalised.

Costs associated with projects that are in the early stages of planning are capitalised where the Company is satisfied that it is probable that the necessary consents will be received and the projects will be developed to achieve the successful delivery of an asset such that future returns will flow to the Company.

Notes to the financial statements (continued)

1. Statement of Accounting Policies

The duration of the planning phase of certain strategic projects is particularly long due to the various legislative and judicial challenges these projects have encountered. The scale of these projects are so significant that the construction phase will also be of significant duration, and thereby these assets are expected to remain in 'assets under construction' for a significant period of time. At 31 December 2024, €127.6 million is recognised in assets under construction in respect of such projects, namely the Water Supply Project Eastern and Midlands Region and the Greater Dublin Drainage Project (2023: €115.7 million).

The Company reviews these projects on a regular basis to determine whether events or circumstances have arisen that may indicate that the carrying amount of the asset may not be recoverable, at which point the asset would be assessed for derecognition. These reviews, during 2024 and post year end, have concluded it is appropriate to continue to recognise these costs in 'assets under construction' on the balance sheet.

(ii) Estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year.

(a) Infrastructure assets and the assets we use in our business

As of 31 December 2024, the aggregate of the Company's property, plant and equipment and intangible assets was €8,126.5 million (2023: €6,969.1 million), which accounted for the majority of the Company's assets. Therefore the estimates and assumptions made in determining the carrying value are critical to the financial statements because the recoverability of the amounts, or lack thereof, could significantly affect the Company's future financial results and position.

Impairment

The Company operates under a regulated framework, administered by the Commission for Regulation of Utilities (CRU). The Company therefore recovers the costs of efficient capital spend on PP&E and intangible assets through regulated revenues based on its approved Regulatory Asset Base (RAB). In compliance with, and supplemental to, the requirements of IAS 36 Impairment of Assets, the Company carried out the following reviews during the year:

- 1) PP&E and intangible assets are assessed at the reporting date to determine whether there is any indication of impairment;
- 2) Tested for impairment of intangible assets under development of €17.1 million as at 31 December 2024 (2023: €32.3 million); and
- 3) Compared the RAB value with the aggregate of the carrying amounts of PP&E and intangible assets.

The Company has concluded that an impairment charge is not required at a CGU level, though note that some impairments have been recognised at an individual project level. The key assumption concerning the future used by the Company in reaching this conclusion is that the Company will continue to generate regulated revenues based on its existing RAB.

The Company, having considered the relevant requirements of IAS 1 Presentation of Financial Statements, has concluded that it is impractical to disclose the impact of variation in this assumption as it is not possible to evaluate the impact of unknown potential revenue generation restrictions that could arise in the future relating to its existing RAB.

Depreciation and useful lives

The Company recognises depreciation and amortisation charges annually (2024: €210 million and 2023: €176.0 million) which are primarily calculated to write down the cost of PP&E and intangible assets over their expected useful economic lives (UELS).

In the case of property, plant and equipment in particular, the determination of estimated UELs of assets requires significant judgements, that are based on experience, expectations about the future and other factors. The estimated UELs for major asset classifications are set out in these accounting policies. The Company reviews assets' UELs annually and any required changes are adjusted prospectively. This review includes consideration of Government policies and plans in the area of climate action and greenhouse gas emissions targets. The Company has concluded that the existing asset lives continue to be the best estimate of the assets' UELs.

1. Statement of Accounting Policies

Due to the significance of asset investment by the Company, variations between actual and estimated UELs could have a material impact on future results, either positively or negatively. Historically, no changes in UELs have been identified by the Company that have had a material impact on operating results.

(b) Unbilled revenue (non-domestic)

The Company raises bills and recognises revenue in accordance with its right to receive revenue in line with the Company's accounting policy. For water and wastewater customers, the revenue recognised depends on the amount due for the services provided between the date of the last meter read and year end. Meters are read on a cyclical basis and the Company recognises revenue for unbilled values based on estimated amounts from the last billing date to the end of the year. The estimated value since the last bill, takes into account the average daily rate or similar information for comparable customers by the number of days between last billing date and the reporting period end.

(c) Impairment of trade receivables and allowance for expected credit losses

An allowance for expected credit losses in respect of trade and other receivables is recognised in accordance with the Company's accounting policy i.e. estimated using an aged debt matrix based on the number of days the debt is past due and applying the Company's historical credit loss experience, adjusted for forward looking economic conditions at the balance sheet date.

The full extent of the financial impact on trade and other receivables as a result of the challenging macro-economic environment remains unknown. This necessarily increases the level of estimation uncertainty on the measurement of expected credit losses at the balance sheet date, particularly with regard to estimating the impacts of the forward looking economic outlook on the collection of the Company's trade and other receivables at the balance sheet date.

The Company has considered a broad range of factors in assessing the requirement to increase historic credit loss rates to incorporate the impact of the forward looking economic outlook. The factors considered included macro-economic forecasts and scenario analysis, and impact assessments on customers through historic and forward looking customer cash collection analysis.

Based on a review of the above factors, the Company has assessed that a reasonable range for additional expected credit losses due to the future economic outlook would be in the range of between €5.3 million and €19.6 million. Following due consideration, the Company has concluded that €12.5 million represents the best estimate based on the information available. Nonetheless, procedures and controls in respect of debt collection remain focused on full recovery of amount invoiced.

(d) Retirement benefit obligations

The Company's projected pension benefit cash outflows underpinning its defined benefit obligation are discounted at a rate set by reference to market yields at the end of the reporting period, on high quality corporate bonds. Significant judgement is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded. Significant judgement is also required when deriving the yield curve at longer terms as the number of long dated high quality corporate bonds is sparse for longer durations. Sensitivities regarding the principal assumptions used to measure the schemes' liabilities are detailed in note 17.

(e) Provisions and other liabilities

The assessments of the financial outcome of uncertain commercial and legal positions involves estimation uncertainty and requires the use of judgement, estimation and assumptions. The amounts recognised as a provision are the Company's best estimate of the expenditure required to settle present obligations at the reporting date. In assessing the likely outcome, the Company bases its assessment on available facts, historical experience, advice from legal advisors and other experts and additional relevant factors that are believed to be reasonable in the circumstances. A revised estimate is established at each reporting date to ensure that the amounts provided/accrued correspond to the best estimate of the costs eventually to be borne by the Company and the timing of settlement. See note 20 for the categories of provision held and further details on each category.

Given the nature of these provisions and liabilities, and the estimation uncertainty involved, further sensitivity analysis on these amounts is not deemed practicable.

Notes to the financial statements (continued)

2. Revenue

	2024 €'000	2023 €'000
Government subvention revenue	1,139,000	1,068,000
Non-domestic revenue	271,795	245,469
New connections revenue	195,249	246,845
Total	1,606,044	1,560,314

Refer to note 1 for details of the Company's revenue accounting policy and detailed analysis of each revenue stream. The critical accounting judgements and estimates in respect of revenue recognition are also set out in the relevant section of note 1.

3. Operating Costs

	Notes	2024 €'000	2023 €'000
Employee costs	4	(158,673)	(114,907)
Local authority agreement costs	25	(137,671)	(223,042)
Hired and contracted services		(335,992)	(324,386)
Materials and operating costs		(111,177)	(103,559)
Utilities		(135,990)	(84,737)
Rates, regulatory levies, insurance and establishment costs		(78,524)	(69,354)
IT operational costs and telecommunications		(56,856)	(42,620)
Asset derecognition	8 / 10	(27)	(3,435)
Other operating costs		(22,021)	(17,584)
Operating costs (before impairment of trade receivables)		(1,036,931)	(983,624)
Impairment of trade receivables	11	(19,525)	(16,449)
Total		(1,056,456)	(1,000,073)

Comparative amounts for operating costs have been adjusted following reassessment of our ongoing transformation of operations so that presentation is directly comparable with the amounts shown in respect of the current year.

Operating costs are stated after charging:

(a) Commercial Statutory Auditor

	2024 €'000	2023 €'000
Audit of entity financial statements	(290)	(267)
Other assurance services	(17)	(6)
Tax advisory services	-	-
Other non-audit services	(24)	(8)
Total	(331)	(281)

(i) Amounts exclude irrecoverable VAT

3. Operating Costs

(b) Comptroller & Auditor General

	2024 €'000	2023 €'000
Audit of entity financial statements	(60)	(38)
Total	(60)	(38)

(c) Directors' remuneration

	2024 €'000	2023 €'000
Non-executive directors - emoluments	(139)	(142)
Executive directors - emoluments	(248)	(249)
Executive directors - defined benefit pension contributions	-	-
Executive directors - defined contribution pension contributions	(27)	(27)
Total	(414)	(418)

The Company's CEO is the only executive member of the Uisce Éireann Board. The number of directors to whom defined benefit pension contributions accrued was nil (2023: nil) and the number of directors to whom defined contribution pension contributions accrued was 1 (2023: 1).

(d) Chief Executive Officer (CEO) remuneration

	2024 €'000	2023 €'000
Basic salary	(225)	(225)
Other short-term employee costs	(23)	(24)
Post-employment benefits - pension contributions	(27)	(27)
Total	(275)	(276)

As a result of a Government direction in 2011, the CEO does not have access to the payment of a performance related award, and therefore no such payments have been paid to the CEO.

4. Employee Costs

(a) Aggregate employee costs

	2024 €'000	2023 €'000
Staff short-term costs	(166,955)	(122,638)
Post-employment defined benefit scheme	(10,201)	(7,616)
Post-employment defined contribution scheme	(10,477)	(7,769)
Social insurance costs	(17,890)	(13,107)
Termination costs	-	-
	(205,523)	(151,130)
Capitalised payroll	46,850	36,223
Employee costs charged to the income statement	(158,673)	(114,907)

Notes to the financial statements (continued)

4. Employee Costs

(b) Staff short-term costs

	2024 €'000	2023 €'000
Wages and salaries	(144,432)	(106,700)
Performance related award paid	(13,082)	(10,570)
Overtime	(2,126)	(254)
Allowances	(4,636)	(3,446)
Permanent health insurance	(2,475)	(1,296)
Framework for Future Delivery of Water Services incentive payment costs	(204)	(372)
Total	(166,955)	(122,638)

The average number of employees for the year was 2,108 (2023: 1,478).

5. Depreciation and Amortisation

	Notes	2024 €'000	2023 €'000
Depreciation of property, plant and equipment	8	(176,955)	(149,109)
Depreciation of right-of-use assets (income statement)	9	(4,185)	(4,400)
Amortisation of intangible assets	10	(28,901)	(22,530)
Impairment charge	8	(7,436)	(1,827)
Grant amortisation	19	316	329
Total		(217,161)	(177,537)

6. Net Finance Costs

	Notes	2024 €'000	2023 €'000
Finance income			
Interest income on deposits		5,204	4,119
Total finance income		5,204	4,119
Finance costs			
Interest and other charges on borrowings		(18,075)	(8,740)
Interest capitalised		2,655	1,688
Lease liability finance charge (income statement)	9	(258)	(376)
Net interest on the net defined benefit liability	17	(849)	(835)
Total finance costs		(16,527)	(8,263)
Net finance costs		(11,323)	(4,144)

7. Tax

Income tax

	2024 €'000	2023 €'000
Current tax credit	-	-
Deferred tax expense	(42,499)	(49,289)
Total income tax	(42,499)	(49,289)
Reconciliation of effective tax rate		
Profit before tax	321,104	378,560
Taxed at 12.5% (2023: 12.5%)	(40,138)	(47,320)
Depreciation on capital expenditure that is not deductible for tax purposes	(1,727)	(1,406)
Other expenses not deductible for tax purposes	(202)	(139)
Income not taxable/taxable deductions	301	222
Income taxable at higher rates	(745)	(589)
Adjustments in respect of previous financial years	12	(57)
Total income tax expense	(42,499)	(49,289)

Refer to the statement of other comprehensive income for details of the tax impacts therein.

Deferred tax assets and liabilities

Notes	Pension obligations €'000	Tax losses forward €'000	Accelerated tax depreciation €'000	Right-of-use assets €'000	Lease liabilities €'000	Other €'000	Total €'000
At 1 January 2023	990	102,483	(245,797)	(3,810)	3,876	(206)	(142,464)
Recognised in income statement	388	16,795	(66,548)	1,873	(1,929)	132	(49,289)
Recognised in other comprehensive income	1,210	-	-	-	-	-	1,210
Recognised in equity	25	105	-	-	-	-	105
At 31 December 2023	2,693	119,278	(312,345)	(1,937)	1,947	(74)	(190,438)
Recognised in income statement	477	32,399	(75,382)	108	(98)	(3)	(42,499)
Recognised in other comprehensive income	(992)	-	-	-	-	-	(992)
At 31 December 2024	2,178	151,677	(387,727)	(1,829)	1,849	(77)	(233,929)

Pillar Two model rules

Taxation is calculated at the prevailing standard corporation tax rate of 12.5% for the financial year end 2024.

On 18 December 2023 the Government of Ireland, enacted the Pillar Two income taxes legislation into Finance (No.2) Act 2023 which allows for a minimum effective tax rate of 15% to be applied to companies in the State subject to certain conditions. As Uisce Éireann is a standalone entity with no international activity and is not owned by any parties outside of the Republic of Ireland the legislation allows for a deferral period of five years. As a result, it is expected that Uisce Éireann will not be subject to Pillar Two rules until the financial year commencing 1 January 2029.

The Company continues to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

Notes to the financial statements (continued)

8. Property, Plant and Equipment

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Property, plant and equipment - owned assets		8,011,526	6,875,419
Property, plant and equipment - right-of-use assets	9	14,636	15,498
Property, plant and equipment - as presented on the balance sheet		8,026,162	6,890,917

Property, plant and equipment - owned assets

	Infrastructure assets €'000	Operational assets €'000	Non-network assets €'000	Assets under construction €'000	Total €'000
Cost					
At 1 January 2023	2,845,563	2,079,119	245,270	1,187,348	6,357,300
Additions	-	-	-	1,249,506	1,249,506
Disposals	-	-	(241)	-	(241)
Derecognition charge	-	-	-	(1,435)	(1,435)
Transfers	653,609	489,634	49,261	(1,192,504)	-
At 31 December 2023	3,499,172	2,568,753	294,290	1,242,915	7,605,130
Additions	-	-	-	1,320,543	1,320,543
Disposals	-	-	(710)	-	(710)
Derecognition charge	-	-	-	(27)	(27)
Transfers	740,531	379,651	79,800	(1,199,982)	-
At 31 December 2024	4,239,703	2,948,404	373,380	1,363,449	8,924,936
Accumulated depreciation and impairment losses					
At 1 January 2023	(169,581)	(300,568)	(100,504)	(8,309)	(578,962)
Depreciation charge	(43,471)	(79,205)	(26,433)	-	(149,109)
Impairment charge	-	-	-	(1,827)	(1,827)
Disposals	-	-	187	-	187
At 31 December 2023	(213,052)	(379,773)	(126,750)	(10,136)	(729,711)
Depreciation charge	(47,869)	(97,328)	(31,758)	-	(176,955)
Impairment charge	-	-	-	(7,436)	(7,436)
Disposals	-	-	692	-	692
At 31 December 2024	(260,921)	(477,101)	(157,816)	(17,572)	(913,410)
Carrying amounts					
At 31 December 2023	3,286,120	2,188,980	167,540	1,232,779	6,875,419
At 31 December 2024	3,978,782	2,471,303	215,564	1,345,877	8,011,526

During 2024, the Company undertook its regular review of capital expenditure as required by accounting standards, which this year coincided with the submission of its Capital Investment Plan for the five year Regulatory Control cycle (2025-2029). The Capital Investment Plan for each Revenue Control cycle is subject to an extensive stakeholder consultation process and is reviewed in detail by our economic regulator, the CRU as part of our Revenue Control process. Following these reviews, certain projects were identified for accounting impairment. The charge of €7.4 million in 2024 (2023: €1.8 million) is spread across 40 different capital projects. While the work done on the projects may inform future work, the spend on the projects was deemed to be impaired at year end. The impairment can be due to factors like alternative solutions being identified, an assessment that the project is no longer the optimal approach or investment reprioritisation resulting in a low probability of the project proceeding over the next Revenue Control cycle. These projects were all included in the Company's previous Capital Investment Plans, and the capital expenditure was necessarily undertaken in compliance with the various public spending requirements.

The derecognition charge of €0.03 million in 2024 (2023: €1.4 million) relates to projects which have been derecognised as the project did not result in a capital asset.

9. Lease Assets and Liabilities

The Company as Lessee

The Company has entered into various leasing arrangements which generally relate to the rental of land and buildings. There are no significant or unusual restrictions imposed by the terms of these leases. All lease arrangements are at an arm's length basis.

(a) Amounts recognised on the balance sheet

Right-of-use assets

Cost	Fleet €'000	Land and buildings €'000	Total €'000
At 1 January 2023	-	50,577	50,577
Additions	-	799	799
Disposals	-	(10,985)	(10,985)
At 31 December 2023	-	40,391	40,391
Additions	2,668	655	3,323
At 31 December 2024	2,668	41,046	43,714

Accumulated depreciation and impairment losses

At 1 January 2023	-	(20,098)	(20,098)
Depreciation charge	(i)	(4,795)	(4,795)
At 31 December 2023	-	(24,893)	(24,893)
Depreciation charge	(i)	(148)	(4,037)
At 31 December 2024	(148)	(28,930)	(29,078)

Carrying amounts

At 31 December 2023	-	15,498	15,498
At 31 December 2024	2,520	12,116	14,636

Lease liabilities

At 1 January 2023	-	(31,006)	(31,006)
Additions	-	(799)	(799)
Disposals	-	10,844	10,844
Interest expense	(i)	(377)	(377)
Lease payments	(ii)	5,764	5,764
At 31 December 2023	(iii)	(15,574)	(15,574)
Additions	(2,668)	(655)	(3,323)
Interest expense	(i)	(41)	(217)
Lease payments	(ii)	162	4,199
At 31 December 2024	(iii)	(2,547)	(12,247)

Notes to the financial statements (continued)

9. Lease Assets and Liabilities

Analysed as follows:

	31-Dec-24 €'000	31-Dec-23 €'000
Non-current	(9,126)	(12,041)
Current	(5,668)	(3,533)
Total	(14,794)	(15,574)

- (i) During the year, the Company capitalised €nil in depreciation of right-of-use assets (2023: €0.414 million) and capitalised €nil of lease liability financing charges (2023: €0.001 million).
- (ii) Lease payments includes payments for the principal portion of the lease liability, presented as financing activities of €4.1 million (2023: €5.2 million) in the statement of cash flows.
- (iii) The Company does not face significant liquidity risk with regard to its lease liabilities. Refer to note 16 for a maturity analysis of lease liabilities.

(b) Other amounts recognised in the income statement

	2024 €'000	2023 €'000
Expenses relating to short-term leases	(9,795)	(8,094)
Total	(9,795)	(8,094)

10. Intangible Assets

	Software €'000	Software under development €'000	Total €'000
Cost			
At 1 January 2023	299,005	17,399	316,404
Additions (incl internally developed)	-	39,715	39,715
Derecognition charge	-	(2,000)	(2,000)
Transfers	22,542	(22,542)	-
At 31 December 2023	321,547	32,572	354,119
Additions (incl internally developed)	-	51,085	51,085
Transfers	66,308	(66,308)	-
At 31 December 2024	387,855	17,349	405,204
Accumulated amortisation and impairment losses			
At 1 January 2023	(253,129)	(294)	(253,423)
Amortisation charge	(22,530)	-	(22,530)
At 31 December 2023	(275,659)	(294)	(275,953)
Amortisation charge	(28,901)	-	(28,901)
At 31 December 2024	(304,560)	(294)	(304,854)
Carrying amounts			
At 31 December 2023	45,888	32,278	78,166
At 31 December 2024	83,295	17,055	100,350

The derecognition charge of €2.0 million in 2023 relates to software projects which were derecognised as the project did not result in a capital asset.

11. Trade and Other Receivables

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Trade receivables		28,889	31,354
Unbilled consumption		69,564	54,239
Amounts due from related parties	25	27,369	27,189
Customer refund programme receivables from Government	25	12,932	12,956
Connections refund programme receivables from Government	25	6,283	404
Other receivables		3,914	5,095
Sub-total		148,951	131,237
Prepayments		19,919	32,898
Total		168,870	164,135
Non-current		-	-
Current		168,870	164,135
Total		168,870	164,135

Trade and other receivables are stated net of expected credit losses and are classified in the financial statements as current or non-current in accordance with their expected realisation. Refer to note 1 for an assessment of the critical judgements and estimates applied. Refer to note 25 for further detail in respect of balances with related parties.

Impairment of trade receivables and allowance for expected credit losses

There is no material concentration of credit risk as the Company's trade receivables consist of amounts due from a large number of non-domestic customers, spread across diverse industries.

The credit terms for non-domestic customers varies by Local Authority region, ranging up to 45 days. The Company has been restricted from changing these credit terms, but will work to align these as part of the overall process to harmonise non-domestic tariffs. The credit risk on trade receivables is managed through the proactive monitoring and management of trade receivable balances. Following the migration of the non-domestic debtors from 31 Local Authorities in 2017, the Company now has full visibility and control on all aspects of the credit and collection activity. The Company's credit collection team, actively manages accounts in arrears through customer follow up. The Company is continuing to develop and enhance its credit risk management practices.

The Company has a number of other receivable balances due from Local Authorities, the Government and other related parties. The Company actively engages with the Local Authorities on a regular basis. The Company believes it has minimal credit risk arising from its operational transactions with Local Authorities and the Government.

The Company writes off a trade receivable where there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery e.g. when the debtor has been placed into liquidation or has entered into bankruptcy proceedings. This process is subject to robust internal governance as noted below. None of the trade receivables that have been written off are subject to enforcement activities.

The ageing of trade and other receivables is set out below. The Company had no receivables that were past due and not impaired.

Notes to the financial statements (continued)

11. Trade and Other Receivables

	Gross carrying amount	Allowance for expected credit losses	Net receivable	Gross carrying amount	Allowance for expected credit losses	Net receivable
	31-Dec-24 €'000	31-Dec-24 €'000	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-23 €'000	31-Dec-23 €'000
Not past due	128,696	(14,190)	114,506	109,999	(14,606)	95,393
1-365 days overdue	68,572	(37,208)	31,364	70,537	(38,584)	31,953
>1 year	79,359	(76,278)	3,081	82,402	(78,511)	3,891
Total	276,627	(127,676)	148,951	262,938	(131,701)	131,237

The following table shows the movement in the allowance for expected credit losses for trade receivables:

	2024 €'000	2023 €'000
At 1 January	(131,701)	(135,961)
Impairment of trade receivables	(19,525)	(16,449)
Allowance utilised	23,550	20,709
At 31 December	(127,676)	(131,701)

Prior to 2017, and in line with the agreed Service Level Agreements, the Local Authorities, acting as agents for the Company, billed and collected non-domestic trade receivables on the Company's behalf. In 2017, the Company completed the migration of non-domestic billing processes of the 31 Local Authorities, thus bringing all aspects of water services management for billing and revenues under the Company. The period since the migration of non-domestic billing processes is relatively short, thus and as noted previously, the Company is continuing to develop and enhance its credit risk management practices.

The company has developed a robust set of credit risk management practices. The Company's policy is to write off debt only when the customer is no longer using our service and the Company has fully exhausted all enforcement activities. This process is subject to review and approval by the Company's Credit Committee and adherence to internal governance procedures. There has been limited quantum of non-domestic debtor write offs to date. Owing to these factors, application of the Company's accounting policy for recognising expected credit losses on trade receivables has resulted in an allowance for expected credit losses of 56% of its gross non-domestic trade receivables being provided for at 31 December 2024 (2023: 60%). The charge for expected credit losses in respect of non-domestic receivables, recognised by the Company in 2024, represents 7% of non-domestic revenue recognised in 2024 (2023: 7%). Refer to note 1 for an assessment of the critical judgements and estimates applied.

12. Cash and Cash Equivalents - Available for Company Use

Cash and cash equivalents, presented as available for company use, primarily comprise cash balances and short-term bank deposits with an original maturity of less than three months and there are no contractual restrictions on the use of these funds. The carrying amount of these assets approximates their fair value. Refer to note 22 for treasury credit risk disclosures.

Cash and cash equivalents include contributions received in advance from customers for new connections (see note 18). These contributions are retained in cash and cash equivalents to fund the associated new connection activities. There are no contractual restrictions on the use of these funds.

	31-Dec-24 €'000	31-Dec-23 €'000
Cash in bank	30,716	9,640
Short-term deposits	314,712	279,712
Total	345,428	289,352

13. Financial Securities

The Company enters Self-Lay Connection Agreements which provide for the vesting in Uisce Éireann of water and wastewater services infrastructure installed by a customer following quality assurance of the self-lay works and connection to the Uisce Éireann network(s). To mitigate the risk of asset defects and risk exposure where sub standard work has been performed, a refundable financial security is received by the Company and held as collateral for the duration of the construction project and is released following completion of the project and a 12-month defects liability period. This security is calculated in accordance with the Connection Charging Policy. There are contractual restrictions on the Company's ability to use these monies.

Financial securities held on deposit terms greater than 3 months at the date of acquisition are presented as "Financial assets". The remainder are held in bank accounts that are accessible by the Company and therefore are presented as "Cash and cash equivalents - third party balances".

Financial assets - financial security held on term deposit

	31-Dec-24 €'000	31-Dec-23 €'000
Long-term deposits	40,000	72,250
Total	40,000	72,250

Cash and cash equivalents - third party balances

	31-Dec-24 €'000	31-Dec-23 €'000
Cash in bank	71,408	6,322
Total	71,408	6,322

Notes to the financial statements (continued)

14. Cash Generated from Operations

	Notes	2024 €'000	2023 €'000
Cash flows from operating activities			
Profit for the year		278,605	329,271
Adjustments for:			
Depreciation and amortisation	5	217,161	177,537
Asset derecognition charge	8 / 10	27	3,435
Net finance costs	6	11,323	4,144
Retirement benefit cost		(200)	346
Income tax expense	7	42,499	49,289
		549,415	564,022
Working capital changes:			
Change in trade and other receivables		(82,851)	(15,672)
Change in trade and other payables		77,622	20,693
Change in deferred revenue		74,233	(52,892)
Change in provisions		(2,410)	(624)
Change in inventory		(52)	-
Cash from operating activities before exceptional items		615,957	515,527
Exceptional items:			
Connection refunds cash issued	25	(82,475)	(2,075)
Connection refunds cash received	25	76,597	1,670
Domestic customer refunds and associated processing costs	25	(5)	(4)
Domestic customer refunds cash received	25	24	16
Cash from operating activities		610,098	515,134
Interest paid		(12,271)	(5,054)
Net cash from operating activities		597,827	510,080

15. Inventory

	31-Dec-24 €'000	31-Dec-23 €'000
Stock and materials	52	-

The Company took operational control of 3 inventory stores during 2024. In accordance with the Company's inventory accounting policy, initial recognition of inventory held at these facilities at the date of transfer of operational control was recognised at €nil value. Thereafter, subsequent inventory purchases at these facilities were recognised in accordance with the Company's inventory policy. See note 1.

No inventory was pledged as security. In 2024 the value of inventory write-downs to net realisable value in 2024 amounted to €0.002 million (2023: €nil). In 2024 the value of inventory recognised as materials and operating costs amounted to €0.01 million (2023: €nil).

16. Borrowings and Other Debt

This note provides information about the contractual terms of the Company's interest-bearing borrowings and other debt. For more information about the Company's exposure to interest rate risk and liquidity risk, see note 22.

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Facilities from Government		(998,559)	(814,499)
Lease liabilities		(14,794)	(15,574)
Total		(1,013,353)	(830,073)
Analysed as follows:			
Non-current		(1,007,685)	(826,539)
Current		(5,668)	(3,534)
Total		(1,013,353)	(830,073)
Repayable other than by instalment:			
Less than one year		(5,668)	(3,534)
Between one and five years		(4,924)	(5,723)
More than five years		(1,002,761)	(820,816)
Total		(1,013,353)	(830,073)

Net debt

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Total borrowings and other debt		(1,013,353)	(830,073)
Less cash and cash equivalents - available for company use	12	345,428	289,352
Less cash and cash equivalents - third party balances	13	71,408	6,322
Net debt		(596,517)	(534,399)

Changes in liabilities arising from financing activities

	Notes	Facilities from Government €'000	Lease liabilities €'000	Total €'000
At 1 January 2023		(613,499)	(31,006)	(644,505)
Proceeds		(231,000)	-	(231,000)
Repayment		30,000	-	30,000
Repayment of lease liabilities	9	-	5,247	5,247
Non-cash		-	10,185	10,185
At 31 December 2023		(814,499)	(15,574)	(830,073)
Proceeds		(644,060)	-	(644,060)
Repayment		460,000	-	460,000
Repayment of lease liabilities	9	-	4,103	4,103
Non-cash		-	(3,323)	(3,323)
At 31 December 2024		(998,559)	(14,794)	(1,013,353)

Notes to the financial statements (continued)

17. Retirement Benefit Obligations

The Company operates two defined benefit schemes and a defined contribution scheme.

(a) Uisce Éireann defined benefit pension schemes

The Company operates a contributory defined benefit scheme ("Uisce Éireann Defined Benefit Superannuation Fund") as required under sections 19 and 27 of the Water Services (No. 2) Act 2013 in relation to employees of the Company, who were previously employed by either the Local Authorities or by the Department of Housing, Local Government and Heritage. This Scheme was established on 27 January 2017. The Company also operates a contributory defined benefit scheme ("Uisce Éireann (ex-Ervia) Superannuation Scheme") in respect of employees who participated in the Ervia defined benefit pension scheme until legal separation from Ervia. On 1 January 2023, Uisce Éireann assumed the retirement benefit obligation in respect of the future service cost of relevant employees who transferred to Uisce Éireann from Ervia on legal separation. This scheme was established on 1 January 2023. Both schemes provide retirement benefits based on final pensionable salary and net pensionable salary in respect of future pensionable service, together with a "wrap around element" which maintains the final salary linkage in respect of prior pensionable service completed before joining Uisce Éireann.

The defined benefit schemes are administered by a Board of Trustees which comprises member and employer representatives. The respective Board of Trustees are responsible for the management and governance of the schemes including compliance with all relevant laws and regulations. The assets of the schemes are held separately from those of the Company in trustee administered funds. The latest valuation of the Uisce Éireann Defined Benefit Superannuation Fund was carried out as at 1 April 2022 by a qualified actuary. The next actuarial valuation is due with an effective date of 1 April 2025. The latest valuation of the Uisce Éireann (ex-Ervia) Superannuation Scheme was carried out as at 1 April 2023 by a qualified actuary. The next actuarial valuation is due with an effective date of 1 April 2026.

The schemes expose the Company to a number of risks, the most significant of which are as follows:

Asset volatility

The liabilities are calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield, this could create a larger deficit. The schemes hold a significant proportion of growth assets (equities) which, though expected to outperform corporate bonds in the long-term, create additional volatility and risk in the short-term.

Changes in bond yields

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes, although this will be partially offset by an increase in the value of any bond holdings held by the schemes.

Salary inflation

As a final salary scheme there is an exposure to increased benefits arising as a result of higher salary increases than allowed for in the assumptions. The assumptions used to project final salary incorporate an age-related component in addition to a flat basic rate as an allowance for the effect of increments and promotions. The wraparound component of the benefit design (i.e. the linkage of pensionable service completed with a prior body) means that the accrued liabilities are particularly sensitive to higher than assumed salary growth.

Inflation

The schemes' defined benefit obligations are linked to inflation (for active members, benefits are linked to salary increases while for deferred members, preserved benefits are linked on a discretionary basis to post retirement pension increases awarded or to statutory revaluation). Higher than assumed inflation will lead to higher liabilities. About a quarter of the fund is invested in inflation linked bonds as a match to such real liabilities.

17. Retirement Benefit Obligations

Life expectancy risk

The majority of the schemes' obligations are to provide benefits for the life of the member (and their dependants), so increases in life expectancy will result in an increase in the liabilities.

	Uisce Éireann Defined Benefit Superannuation Fund		Uisce Éireann (ex-Ervia) Superannuation Scheme		Total Combined	
	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000
Investments quoted in active markets:						
Equities	35,559	24,448	16,246	11,929	51,805	36,377
- <i>developed markets</i>	35,559	24,448	16,246	11,929	51,805	36,377
Bonds	9,187	9,212	4,256	3,354	13,443	12,566
- <i>inflation linked</i>	9,187	9,212	4,256	3,354	13,443	12,566
Cash	2,587	794	917	385	3,504	1,179
Unquoted investments:						
Property/forestry	2,431	1,550	1,118	706	3,549	2,256
Fair value of plan assets	49,764	36,004	22,537	16,374	72,301	52,378
Defined benefit obligation	(74,333)	(64,658)	(23,031)	(20,068)	(97,364)	(84,726)
Net defined benefit obligation	(24,569)	(28,654)	(494)	(3,694)	(25,063)	(32,348)

Investment strategy

The Company and Trustees have agreed an initial investment strategy that is growth orientated (Uisce Éireann Defined Benefit Superannuation Fund: 75% growth / 25% liability matching; Uisce Éireann (ex-Ervia) Superannuation Scheme: 80% growth / 20% liability matching).

Notes to the financial statements (continued)

17. Retirement Benefit Obligations

Uisce Éireann Defined Benefit Superannuation Fund

Movement in net defined benefit liability

	Defined benefit liability		Fair value of plan assets		Net defined benefit obligation	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
At 1 January	(64,658)	(46,908)	36,004	26,266	(28,654)	(20,642)
Income Statement:						
Current service cost	(6,754)	(4,248)	-	-	(6,754)	(4,248)
Interest on liabilities and assets	(2,121)	(1,703)	1,333	1,060	(788)	(643)
Administration Expenses	-	-	(2)	-	(2)	-
	(8,875)	(5,951)	1,331	1,060	(7,544)	(4,891)
Other Comprehensive Income:						
Return on plan assets excl. interest income	-	-	3,631	3,117	3,631	3,117
Experience losses on liabilities	(4,595)	(8,091)	-	-	(4,595)	(8,091)
Changes in actuarial assumptions	4,709	(3,102)	-	-	4,709	(3,102)
Changes in demographic assumptions	-	-	-	-	-	-
	114	(11,193)	3,631	3,117	3,745	(8,076)
Contributions by employer	-	-	7,884	4,954	7,884	4,954
Contributions by members	(1,298)	(860)	1,298	860	-	-
Benefits paid	384	254	(384)	(253)	-	1
	(914)	(606)	8,798	5,561	7,884	4,955
At 31 December	(74,333)	(64,658)	49,764	36,004	(24,569)	(28,654)

The weighted average duration of the Uisce Éireann Defined Benefit Superannuation Fund defined benefit obligation at 31 December 2024 was approximately 25 years (2023: 26 years). The Company expects to contribute €10.0 million to its pension plan in 2025.

17. Retirement Benefit Obligations

Uisce Éireann (ex-Ervia) Superannuation Scheme

Movement in net defined benefit liability

		Defined benefit liability		Fair value of plan assets		Net defined benefit obligation	
		2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Retirement benefit obligation assumed	25	(20,068)	(13,045)	16,374	12,202	(3,694)	(843)
Income Statement:							
Current service cost		(3,447)	(3,368)	-	-	(3,447)	(3,368)
Interest on liabilities and assets		(661)	(476)	600	284	(61)	(192)
Administration Expenses		-		(2)		(2)	-
		(4,108)	(3,844)	598	284	(3,510)	(3,560)
Other Comprehensive Income:							
Return on plan assets excl. interest income		-	-	1,959	511	1,959	511
Experience losses on liabilities		606	(529)	-	-	606	(529)
Changes in actuarial assumptions		1,628	(1,688)	-	-	1,628	(1,688)
Changes in demographic assumptions		-	99	-	-	-	99
		2,234	(2,118)	1,959	511	4,193	(1,607)
Contributions by employer		-	-	2,518	2,316	2,518	2,316
Contributions by members		(1,125)	(1,065)	1,125	1,065	-	-
Benefits paid		36	4	(36)	(4)	-	-
		(1,089)	(1,061)	3,607	3,377	2,518	2,316
At 31 December		(23,031)	(20,068)	22,538	16,374	(493)	(3,694)

The weighted average duration of the Uisce Éireann (ex-Ervia) Superannuation Scheme defined benefit obligation at 31 December 2024 was approximately 26 years (2023: 27 years). The Company expects to contribute €2.4 million to its pension plan in 2025.

The principal actuarial assumptions used for the Uisce Éireann Defined Benefit Superannuation Fund (for 2023 and 2024) and Uisce Éireann (ex-Ervia) Superannuation Scheme (for 2023 and 2024) were as follows:

	2024	2023
Discount rate	3.45%	3.30%
Inflation assumption	2.25%	2.35%
Rate of increase in salaries*	2.75%	2.85%
Rate of increase in pensions payment	2.25%	2.35%

*Plus salary scale to allow for promotional increases

Notes to the financial statements (continued)

17. Retirement Benefit Obligations

The average future life expectancy factored into the valuation, based on retirement at 65 years of age, for current and future retirees is as follows:

Mortality

		Uisce Éireann Defined Benefit Superannuation Fund		Uisce Éireann (ex-Ervia) Superannuation Scheme	
Life expectancy future retirees		2024	2023	2024	2023
Retiring today	Females	25.0	24.9	24.9	24.8
	Males	23.2	23.1	23.0	22.9
Retiring in 25 years	Females	27.2	27.1	27.0	26.9
	Males	25.3	25.2	25.1	25.0

Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the financial and demographic assumptions adopted in calculating the actuarial value of the Company's defined benefit obligations. The following table analyses the estimated impact on scheme liabilities resulting from changes to key actuarial assumptions.

Assumption	Change in assumption	Impact on Uisce Éireann Defined Benefit Superannuation Fund liabilities	Impact on Uisce Éireann (ex-Ervia) Superannuation Scheme liabilities
Discount rate	Increase/decrease by 0.25%	Decrease by 5.8%/increase by 6.3%	Decrease by 5.9%/increase by 6.4%
Price inflation	Increase/decrease by 0.25%	Increase by 6.4%/decrease by 5.9%	Increase by 6.4%/decrease by 5.9%
Salary	Increase/decrease by 0.25%	Increase by 7.4%/decrease by 7.1%	Increase by 12.2%/decrease by 11.8%
Mortality	Increase/decrease by one year	Increase by 2.3%/decrease by 2.3%	Increase by 2.2%/decrease by 2.2%

(b) Defined contribution pension scheme

The Company makes contributions to the Uisce Éireann Defined Contribution Scheme on behalf of its employees. These costs are charged to the income statement and are disclosed in note 4.

18. Deferred Revenue

	2024 €'000	2023 €'000
At 1 January	(259,548)	(312,470)
Received	(269,482)	(193,923)
Credited to the income statement	195,249	246,845
At 31 December	(333,781)	(259,548)

Analysed as follows:

	31-Dec-24 €'000	31-Dec-23 €'000
Non-current	(147,044)	(75,473)
Current	(186,737)	(184,075)
Total	(333,781)	(259,548)

Customer new connection contributions, which are received in advance, are recorded initially as deferred revenue. These contributions are then released to the income statement as revenue as the connection works (performance obligation) are completed.

19. Grants

	2024 €'000	2023 €'000
At 1 January	(9,451)	(2,649)
Received	(977)	(8,056)
Amortised	316	329
Deferred grants derecognised	-	925
At 31 December	(10,112)	(9,451)

Analysed as follows:

	31-Dec-24 €'000	31-Dec-23 €'000
Non-current	(9,802)	(9,101)
Current	(310)	(350)
Total	(10,112)	(9,451)

These amounts relate to grant funding from the Sustainable Energy Authority of Ireland, EU Interreg Swell project and the European Investment Bank Elena project. A number of conditions relating to these grant fundings remain in progress at year end. There are no unfulfilled conditions attached to grants recognised in the income statement. In certain circumstances grants may become repayable if the conditions laid down in the grant agreements are not achieved. The Company expects such circumstances to arise in 2025 on one project, therefore the amount assessed as repayable has been charged in 2023 against the related unamortised deferred credit. There were no repayments of grants in the current or prior year.

20. Provisions, Contingencies and Capital Commitments

Provisions

	Capital provisions €'000	Self-insured claims €'000	Legal provisions €'000	Customer refund provision €'000	Other provisions €'000	Total €'000
At 1 January 2024	(49,370)	(31,551)	(19,474)	(13,438)	(2,985)	(116,818)
Provisions made	(1,430)	(7,224)	(422)	-	(304)	(9,380)
Provisions released	818	4,425	981	8	-	6,232
Provisions utilised	1,231	3,888	64	5	395	5,583
At 31 December 2024	(48,751)	(30,462)	(18,851)	(13,425)	(2,894)	(114,383)

Analysed as follows:

	31-Dec-24 €'000	31-Dec-23 €'000
Non-current	(80,443)	(91,323)
Current	(33,940)	(25,495)
Total	(114,383)	(116,818)

Capital provisions

Capital provisions primarily relate to liabilities associated with longer term projects.

Notes to the financial statements (continued)

20. Provisions, Contingencies and Capital Commitments

Self-insured claims

The Company is self-insured in respect of certain injury and damage claims. The year-end provision is for the estimated costs of incidents that have occurred up to 31 December 2024. Payments are made as the cases are settled. The charge is included in the income statement under operating costs. The nature of these claims is such that a settlement date is uncertain but the Company expects the claims to be substantially settled by 2027. A revised estimate is established at each reporting date (or regularly) to ensure that the provision recognised reflects the best estimate of the costs eventually to be borne by the Company, applying latest available claims experience.

Legal provisions

Legal provisions represent the Company's best estimate of the expenditure required to settle present obligations associated with unresolved legal cases at the reporting date. In assessing the likely outcome of each case, the Company bases its assessment on advice received from legal experts. A revised estimate is established at each reporting date to ensure that the legal provision recognised reflects the best estimate of the costs eventually to be borne by the Company and the timing of settlement.

Customer refund provision

"Pursuant to section 22 of the Water Services Act 2017, Uisce Éireann was required to refund to customers €171.7 million in cash which had been previously collected from domestic customers. This customer refund programme was funded by the Government, through a government grant with the sole condition that the funding be used to refund domestic customers and to discharge the associated administration.

At 31 December 2024, the Company continued to recognise a liability of €13.4 million (2023: €13.4 million) for refunds due to domestic customers, where either refund cheques issued have not been presented for encashment, or where the customers have not notified the Company of their updated contact details. A corresponding asset of €13.0 million (2023: €13.0 million) (note 11) was also recognised, which represented the amounts receivable from the Government to meet the Company's unfunded liabilities under the customer refund programme. At 31 December 2024, cash in bank of €0.5 million (2023: €0.4 million) was held by the Company in respect of the customer refund programme. Cashflows in respect of the programme are presented in note 14 as "exceptional items" consistent with previous years.

Other provisions

Other provisions include lease dilapidation provisions, contractor retention claims and other present obligations identified at the reporting date.

The Company has no asset decommissioning obligations recognised at the reporting date. It is the Company's policy to capitalise any such obligations as part of the asset to which they relate.

Contingencies

The Company is subject to various litigation, claims and contract disputes in the ordinary course of operations. While any such proceedings has an element of uncertainty, we do not expect the ultimate resolution of these proceedings to have a material adverse effect on our results from operations, operating cash flows or net asset financial position.

As part of the due diligence process to agree the assets and liabilities to be transferred from each Local Authority to the Company, an exercise was conducted to identify all contingent liabilities and disclose them in the financial statements, if they met the disclosure criteria of IAS 37.

There are no other material contingent liabilities that the Company is aware of that require disclosure.

Capital commitments

	2024 €'000	2023 €'000
Capital expenditure that has been contracted for but has not been provided for	839,034	795,024

21. Trade and Other Payables

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Trade payables		(53,412)	(62,635)
Accrued expenses		(372,006)	(308,996)
Amounts due to related parties	25	(30,395)	(24,164)
Customer deposits self lay		(107,984)	(77,493)
Other payables		(1,822)	(1,081)
Taxation and social insurance creditors		(20,088)	(9,409)
Total		(585,707)	(483,778)
Analysed as follows:			
Non-current		(89,105)	(65,197)
Current		(496,602)	(418,581)
Total		(585,707)	(483,778)
Taxation and social insurance creditors			
PAYE/social insurance		(5,055)	(3,703)
VAT and withholding tax		(15,033)	(5,706)
Total		(20,088)	(9,409)

22. Financial Risk Management and Financial Assets/Liabilities

The carrying values of the financial assets and liabilities of the Company can be analysed as set out below. The Company has not disclosed the fair values for financial instruments where their carrying amounts are a reasonable approximation of fair value. The carrying values of the Company's cash and cash equivalents, trade and other receivables (net), trade and other payables, and other current liabilities approximate their fair values because of the short-term nature of these instruments.

At amortised cost

	Notes	31-Dec-24 €'000	31-Dec-23 €'000
Financial assets			
Trade and other receivables	(i)	148,951	131,237
Cash and cash equivalents - available for company use		345,428	289,352
Cash and cash equivalents - third party balances		71,408	6,322
Financial assets - financial security held on term deposit		40,000	72,250
		605,787	499,161
Financial liabilities			
Borrowings and other debt	(ii)	(1,013,353)	(830,073)
Trade and other payables	(iii)	(193,613)	(165,373)
		(1,206,966)	(995,446)
Net financial liabilities		(601,179)	(496,285)

(i) Prepayments have been excluded as these are not classified as a financial asset.

(ii) The fair value of borrowings and other debt as at 31 December 2024 was €962.5 million (2023: €739.2 million).

(iii) Accrued expenses and taxation liabilities have been excluded as these are not classified as financial liabilities.

Notes to the financial statements (continued)

22. Financial Risk Management and Financial Assets/Liabilities

Financial Risk Management

Financial risk management policies have been established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. These financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, develops a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit risk

Credit risk is defined as the total loss that the Company would sustain on its business and market transactions if a counterparty defaulted and failed to perform its contractual obligations. It includes credit exposures arising from trading relationships with customers. The objective of credit risk management is to manage and control credit risk exposures within acceptable parameters, while optimising the return.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Dec-24 €'000	31-Dec-23 €'000
Trade and other receivables (excluding prepayments)	148,951	131,237
Cash and cash equivalents - available for company use	345,428	289,352
Cash and cash equivalents - third party balances	71,408	6,322
Financial assets - financial security held on term deposit	40,000	72,250
Total	605,787	499,161

(i) (a) Treasury related credit risk

The Company's Treasury function manages treasury related credit risk through the use of counterparty credit limits which take account of, among other relevant factors, published credit ratings. It is the Company's policy that cash is mainly placed on deposit with institutions who maintain an investment grade credit rating. Treasury regularly evaluates and measures its treasury counterparty exposures.

(i) (b) Trade related credit risk

Refer to note 11 for an analysis of the Company's exposure to trade related credit risk.

(ii) Funding and liquidity risk

The Company's approach to managing funding and liquidity risk is to ensure, as far as possible, that it has adequate resources to meet its liabilities when due, under both normal and stressed conditions.

Treasury develops and maintains relationships with financial institutions in order to develop their understanding of the business and to build their long-term commitment to the Company. All banking and treasury services are sourced at competitive prices.

Treasury is responsible for ensuring the Company has access to sufficient liquidity to ensure that the Company is able to settle obligations arising through its day-to-day operations, maturing debt obligations and capital investment outlays. Cash pooling is carried out and account balances netted where possible to minimise idle cash and interest expense.

(ii) (a) Cash surpluses

Cash surpluses are used primarily to reduce the level of debt. Cash surpluses are held in Euro and largely invested in deposit accounts.

(ii) (b) Funding

€998.6 million of State loan facilities, provided by the Minister for Finance for capital expenditure attributed to the non-domestic sector for the period 2020 to 2024, has now been fully drawn. In the Government's 2025 budget, €1 billion of funding was announced to be provided by the Minister of Finance to Uisce Éireann to support future capital investment. €300 million is to be provided in 2025 to fund domestic capital investment and €700 million to fund non-domestic capital investment over the period 2025 to 2027, €214 million of which will be provided in 2025.

22. Financial Risk Management and Financial Assets/Liabilities

Uisce Éireann has retained a €10 million banking overdraft facility for its daily banking requirements. The Company's borrowings comprise solely of facilities drawn from Government, at fixed interest rates.

	31-Dec-24	31-Dec-23
Weighted average interest rate on the Company's portfolio of outstanding borrowings	1.83%	1.53%
Average maturity of debt	7.61 years	8.09 years

	31-Dec-24 €'000	31-Dec-23 €'000
Total borrowings (excluding lease liabilities)	(998,559)	(814,499)
Undrawn committed Government working capital facility (NTMA)	(350,000)	(350,000)
Undrawn committed bank facilities (excluding overdraft facility)	-	-
Statutory borrowing limit	(2,000,000)	(2,000,000)

(ii) (c) Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including the undiscounted interest payment associated with borrowings and other debt.

	Carrying amount €'000	Contractual cash flows €'000	< 1 year €'000	1-2 years €'000	2-5 years €'000	> 5 years €'000
At 31 December 2024						
Borrowings and other debt	(1,013,354)	(1,174,584)	(24,136)	(20,034)	(59,254)	(1,071,160)
Trade and other payables	(193,613)	(193,613)	(104,508)	(45,953)	(43,152)	-
Total	(1,206,967)	(1,368,197)	(128,644)	(65,987)	(102,406)	(1,071,160)
At 31 December 2023						
Borrowings and other debt	(830,074)	(946,393)	(9,900)	(15,948)	(40,372)	(880,173)
Trade and other payables	(165,373)	(165,373)	(109,340)	(27,953)	(28,080)	-
Total	(995,447)	(1,111,766)	(119,240)	(43,901)	(68,452)	(880,173)

(iii) Market risk

Market risk is the possibility that changes in market factors will adversely affect the value of the Company's financial assets, liabilities or expected future cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Treasury is responsible for managing market risk with respect to currency exchange rates and interest rates for the Company.

(iii) (a) Exchange rate risk

The Company is exposed to certain trade-related foreign currency risk which is not significant and therefore the impact on the Company's results is minimal.

(iii) (b) Interest rate risk

Interest rate risk derives from changes in interest rates which affect the market value of financial assets and liabilities of the Company and the level of finance charges. As described in the liquidity risk section of this note, as at 31 December 2024 all of the Company's borrowings are long-term and at fixed interest rates, thus the Company is no longer exposed to cash flow interest rate risk on its borrowings.

Notes to the financial statements (continued)

23. Fair Value Measurement

A number of the Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent that it is available.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows;

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers in 2024.

The fair value of borrowings measured at amortised cost is estimated by discounting the future cash flows to net present values using market rates prevailing at the reporting date - Fair value hierarchy: level 2.

The carrying values of the Company's cash and cash equivalents, trade and other receivables (net), trade and other payables, and other current liabilities approximate their fair values because of the short-term nature of these instruments.

There were no financial instruments that are measured at amortised cost but for which fair value disclosures are required, classified as Level 3 either in current year or in prior year.

24. Equity

(a) Share capital

	31-Dec-24 €'000	31-Dec-23 €'000
Authorised:		
1,000,000 ordinary shares at €1.00 each	1,000	1,000
Total	1,000	1,000

	31-Dec-24 €	31-Dec-23 €
Issued, called up and fully paid:		
1 ordinary share	1	1
99 ordinary shares	99	99
Total	100	100

Share premium

	31-Dec-24 €'000	31-Dec-23 €'000
At 1 January	(324,000)	(324,000)
Issue of shares	-	-
At 31 December	(324,000)	(324,000)

On 1 January 2023, in accordance with Water Services Amendment Act 2022, Uisce Éireann issued one ordinary share to the Minister for Housing, Local Government and Heritage and 99 ordinary shares to the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

24. Equity

(b) Capital contribution

		2024 €'000	2023 €'000
At 1 January		(3,972,067)	(3,392,174)
Cash capital contribution	(i)	(571,704)	(580,630)
Net obligations assumed on separation from Ervia	(ii)	-	737
At 31 December		(4,543,771)	(3,972,067)

- (i) In each year, the Company received a non-refundable cash capital contribution from the Government as set out above. This funding mechanism is outlined in the Company's published Strategic Funding Plan 2025-2029.
- (ii) Further to the Government's policy to separate Uisce Éireann from Ervia, as announced in 2018, the Company was required to assume certain liabilities previously held by Ervia. During 2023 the Company assumed pension obligations from Ervia (see note 17 and 25 for further details).

25. Related Parties

Uisce Éireann is a designated activity company. As described in note 1, the shares in Uisce Éireann are solely held by both the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (99 shares) and the Minister for Housing, Local Government and Heritage (one share).

The related party balances, in respect of the transactions detailed in the relevant sections below, are as follows:

	31-Dec-24 €'000	31-Dec-23 €'000
Payable to Local Authorities	(30,395)	(24,164)
Amounts due to related parties	(30,395)	(24,164)
Receivable from Local Authorities	27,327	27,189
Receivable from the Government	19,257	13,360
Amounts receivable from related parties	46,584	40,549

Transactions with Local Authorities

In common with many other entities, the Company deals in the normal course of business with Local Authorities. In accordance with IFRS, details of such transactions are not included here. However, the Company has disclosed detail in respect of the following significant transactions with Local Authorities.

(a) Agreements with Local Authorities

	2024 €'000	2023 €'000
Operating expenditure (payroll, functional support overheads)	(137,671)	(223,042)
Operating expenditure (general overheads)	(9,097)	(8,260)
Capital expenditure	(41,641)	(59,824)
Procurement recharges	(27,007)	(28,373)
	(215,416)	(319,499)

A service level agreement ("SLA") between the Company and each Local Authority was signed in 2013 on the basis that the Company would own the water assets from 1 January 2014. The SLA between the Company and each individual Local Authority was an outsourcing agreement for up to a 12 year period originally intended to end in 2026. Under the SLA, each Local Authority operated and maintained the water assets on behalf of the Company in return for the agreed fees set out in the SLA performance targets and service levels are agreed in an Annual Service Plan between each Local Authority and the Company in accordance with the SLA.

Notes to the financial statements (continued)

25. Related Parties

During the course of 2023, the Company and each Local Authority signed a new Master Co-Operation Agreement ("MCA") which provided for: (i) the early termination of the SLA; (ii) for the Company to have full accountability for water services; and (iii) for the Company to take over management and direction of Local Authority Water Services workers who spend more than 50% of their time working on water services. Support services would continue to be provided by the Local Authority. These changes took effect in Q4 2023 for 30 of the 31 Local Authorities, with the final one taking effect in early 2024.

A Licence to use the water assets that have not yet transferred to the Company but are listed to do so was granted by each Local Authority to the Company as part of the SLA and MCA. The Licence is a mutual licence enabling both the Company and the Local Authorities to carry out their contractual and statutory functions as if a statutory transfer of the water assets had taken place as anticipated (the "Licence"). In return for the Licence, the Company gave the Local Authorities an indemnity for any loss suffered by the Local Authorities as a result of their continuing to legally own the assets. The Licence relates to physical assets (e.g. pipelines, plant and equipment) and does not relate to contracts or entitlements (irrespective of whether they are attaching to such assets). The Licence will continue until the remaining water services assets are transferred to the Company.

(b) Working capital arrangements

The Company has provided the Local Authorities with working capital advances to cover payments which are made by the Local Authorities each month and subsequently recharged to the Company under the agreements at (a) above. Such payments are in respect of salaries, central management charges and a limited amount of goods and services.

(c) Asset acquisition

The water and wastewater infrastructure assets transferred from the Local Authorities to the Company on 1 January 2014. No consideration was paid by the Company for the assets acquired. The Local Authorities were compensated for certain financial assets (including receivables) or charged for certain financial liabilities transferred. Refer to the Statement of Cash Flows for details of receipts and payments made during the year for assets acquired from Local Authorities. Balances outstanding in respect of this transaction are included in the table above.

	2024 €'000	2023 €'000
Receipts for amounts owed from Local Authorities	1,075	982
Payments for assets acquired from Local Authorities	-	(7,365)

(d) Inventory recognition

During 2024, the Company took operational control of inventory stores and the related inventory in the store, which were previously under the operational control of local authority water services. In accordance with Company accounting policy, the initial recognition of inventory held at such facilities at the date of transfer was recognised at €nil value. Subsequent inventory purchases at these stores has been recognised in accordance with the Company's inventory policy.

Transactions with Government

In common with many other entities, the Company deals in the normal course of business with the Government. In accordance with IFRS, details of such transactions are not included here. However, the Company has disclosed detail in respect of the following significant transactions with the Government.

	Notes	2024 €'000	2023 €'000
Government subvention income	2	1,139,000	1,068,000
Capital contribution	24	571,704	580,630
Minister for Finance facility	16	644,060	231,000

In addition;

- The Company has facilities in place with the Minister for Finance - see note 22 for details.
- The Company also has a working capital facility with the NTMA, which was utilised four times during the year with €100 million drawn in March and fully repaid in April, €125 million drawn in April and fully repaid in June, €135 million drawn in July and fully repaid in October and €100 million drawn in October and fully repaid in December. This facility was undrawn at year end and in prior years.

25. Related Parties

Refund programmes - exceptional items

Connections refund programme

Following Government announcement in 2023 of the Temporary Time-Limited Waiver in respect of Development Contributions, Uisce Éireann is required to provide a refund for Standard Connection Charges for new residential developments where certain criteria is met. This refund programme is funded by the Government acting in its capacity as government and therefore grant accounting is applied. See note 11 for details of receivables recognised in respect of this scheme.

	Note	2024 €'000	2023 €'000
Grant income received - new connection refund programme	14	76,597	1,670
		2024 €'000	2023 €'000
Grant income for new connection customer refunds		82,475	2,075
Grant expense for new connection customer refunds		(82,475)	(2,075)
Net income statement impact for new connection customer refunds		-	-

Domestic refund programme

Pursuant to section 22 of the Water Services Act 2017, Uisce Éireann was required to refund to customers €171.7 million in cash which had been previously collected from domestic customers. This customer refund programme was funded by the Government, through a government grant with the sole condition that the funding be used to refund domestic customers and to discharge the associated administration. See notes 11 and 20 for details of receivables and provisions recognised in respect of this scheme.

	Note	2024 €'000	2023 €'000
Grant income received - domestic water customer refund programme	14	24	16

Government bodies

In common with many other entities, the Company deals in the normal course of business with other Government sponsored bodies, such as, the Electricity Supply Board, the Health Service Executive and with certain Irish banks which are partially owned by the Irish Government. All transactions are on normal commercial terms. The Company had no material concentration of borrowings or deposits with any such banks during the year, at the reporting date, or for the comparative period end.

Key management compensation

Key management for 2024 and 2023 is assessed to consist of the Board, the CEO and the direct reports of the CEO, (representing a full time equivalent of 9.63 for 2024 and 10.00 for 2023).

	2024 €'000	2023 €'000
Short-term costs	(2,536)	(2,550)
Post-employment costs	(319)	(331)
Total	(2,855)	(2,881)

Directors

The directors had no beneficial interests in the Company at any time during the year or at the reporting date.

Notes to the financial statements (continued)

25. Related Parties

Transactions with Ervia Group in 2023

As described in note 1, in accordance with the Water Services (Amendment) Act 2022, the Company legally separated from Ervia on 1 January 2023 and as a result Ervia, Ervia Group and Gas Networks Ireland are no longer deemed a related party.

On legal separation from Ervia, Uisce Éireann assumed the retirement benefit obligation, determined in accordance with actuarial calculations on date of separation, in respect of the future service cost of employees who participated in the Ervia defined benefit pension scheme until legal separation from Ervia. A cash compensation adjustment of €12.2 million was received from Ervia on 8 February 2023, and paid into the Uisce Éireann (ex-Ervia) Superannuation Scheme following the relevant Ministerial approval. This cash compensation adjustment was determined based on an equitable apportionment of the overall actuarial funding deficit between Ervia and Uisce Éireann, based on the active membership of the scheme prior to legal separation. The excess liability over asset is presented in equity as a capital contribution.

	Notes	2023 €'000
Pension obligation assumed on 1 January 2023	17	(13,045)
Cash compensation received for pension obligation assumed	17	12,202
Common control transaction recognised in equity (net)	24	737
Deferred tax asset recognised	7	105

26. Subsequent Events

There have been no events between the reporting date and the date on which the financial statements were approved by the Directors, which would require adjustment to these financial statements or any additional disclosure.

27. Approval of Financial Statements

The Directors approved the financial statements on 29 April 2025.

Directors and other information

Directors	Jerry Grant (<i>Chairperson</i>) (appointed 16 July 2024)			
	Niall Gleeson (<i>CEO</i>)			
	Gerard Britchfield			
	Patricia King			
	Eileen Maher			
	Cathy Mannion			
	Douglas Millican (appointed 12 October 2024)			
	Michael Nolan			
	Paul Reid (appointed 16 July 2024)			
	Michael Walsh			
Secretary	Richard O’Sullivan			
Registered Office	Colvill House 24/26 Talbot Street Dublin 1			
Solicitors	McCann Fitzgerald LLP Riverside One Sir John Rogerson’s Quay Dublin 2	A & L Goodbody LLP IFSC North Wall Quay Dublin 1	Mason Hayes & Curran South Bank House, Barrow Street, Dublin 4	Arthur Cox LLP 10 Earlsfort Terrace, Dublin 2
Bankers	Allied Irish Bank 40–41 Westmoreland Street Dublin 2			
Auditors	Deloitte Ireland LLP Chartered Accountants & Statutory Audit Firm 29 Earlsfort Terrace Dublin 2 D02 AY28		Comptroller and Auditor General 3A Mayor Street Upper Dublin 1 D01PF72	
Company Number	530363			

