

# An open and transparent business

As the sole provider of an essential service, UK Power Networks is committed to transparency and welcomes scrutiny from all interested parties.

We encourage stakeholders, especially our customers, to examine every aspect of our operations. Our performance data on safety, reliability, customer satisfaction, financial health, and environmental impact are openly accessible. After publishing our Open Data strategy last year, in 2023/24 we have continued to be open with our data, to foster a competitive energy market and support decarbonisation efforts.

We want to make it as easy as possible for stakeholders to access and understand our performance metrics. This Annual Review exemplifies our commitment, alongside other reports such as our RIIO-ED2 Business Plan, our DSO Performance Panel Report and the Annual Vulnerability Report.

## Incentivising our employees

At UK Power Networks, we incentivise our employees to perform in alignment with our business vision. Our Company Incentive Plan rewards achievements in safety, network reliability, customer service, and cost efficiency, ensuring that all employees work towards shared goals agreed upon with stakeholders. Since our inception in 2010, our mission has remained constant: to deliver what our customers need at the lowest possible cost. We have made substantial strides in improving safety, network reliability, and customer service, while maintaining our position as the lowest cost Distribution Network Operator (DNO) in Great Britain.

Financial incentives are linked to exceeding Ofgem's targets for reliability and customer service, and we are penalised for underperformance. Our performance data are validated by independent assessors before we submit them to Ofgem. This means we are both transparent and accountable. In the regulatory year 2023/24, we earned £18 million from these Ofgem incentive schemes.

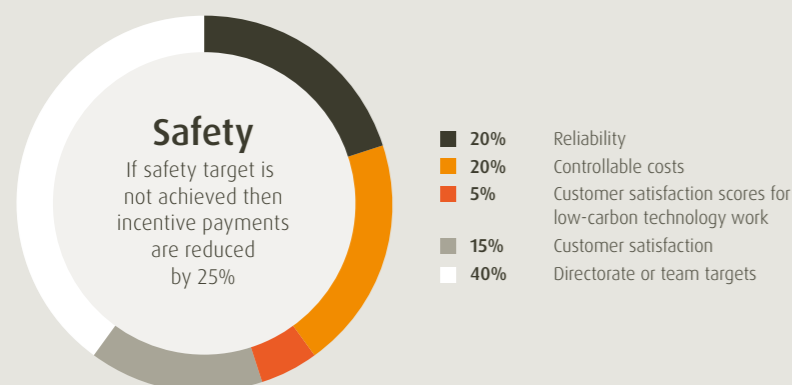
On this page you will see how we have performed against the following Sustainable Development Goals:

**90%** of UK Power Networks employees are covered by Trade Union Collective Agreements

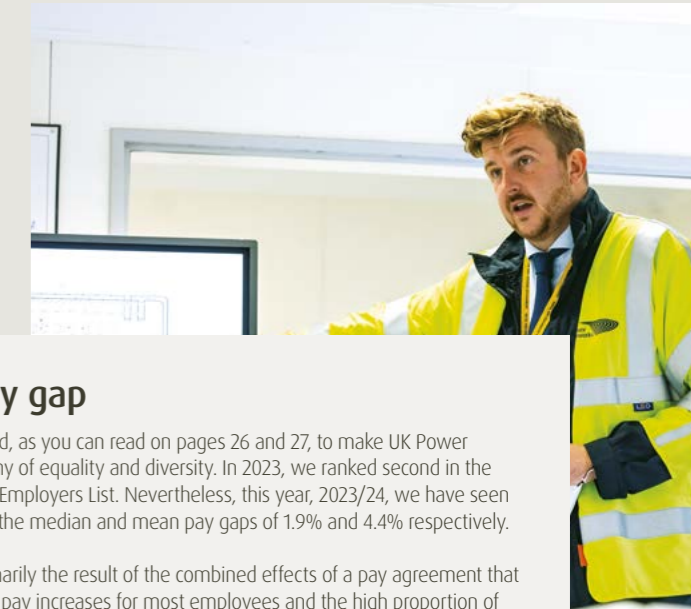
**£18m** In 2023/24, the first year of RIIO-ED2, we earned £18 million from Ofgem incentive schemes

## Main Company Incentive Plan for all employees

Linking performance with delivery for customers

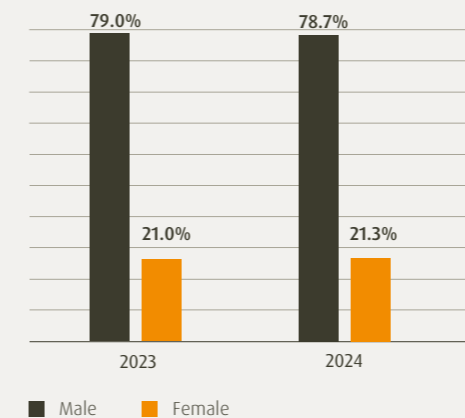


Gender equality is a subject of particular importance in an engineering-based company such as ours. The inherent justice of gender equality is fully aligned with our vision and values, and we are committed to building a more balanced workforce, which is a better workforce.



## Gender mix

Gender diversity remains a challenge in our industry, which historically has been male dominated. We are actively working to address this imbalance through educational initiatives that challenge stereotypes and encourage greater participation of women and girls in STEM subjects.

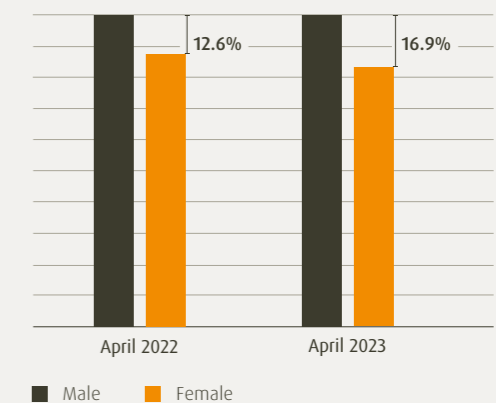


## Gender pay gap

We are working hard, as you can read on pages 26 and 27, to make UK Power Networks a company of equality and diversity. In 2023, we ranked second in the Inclusive Top 50 UK Employers List. Nevertheless, this year, 2023/24, we have seen an increase in both the median and mean pay gaps of 1.9% and 4.4% respectively.

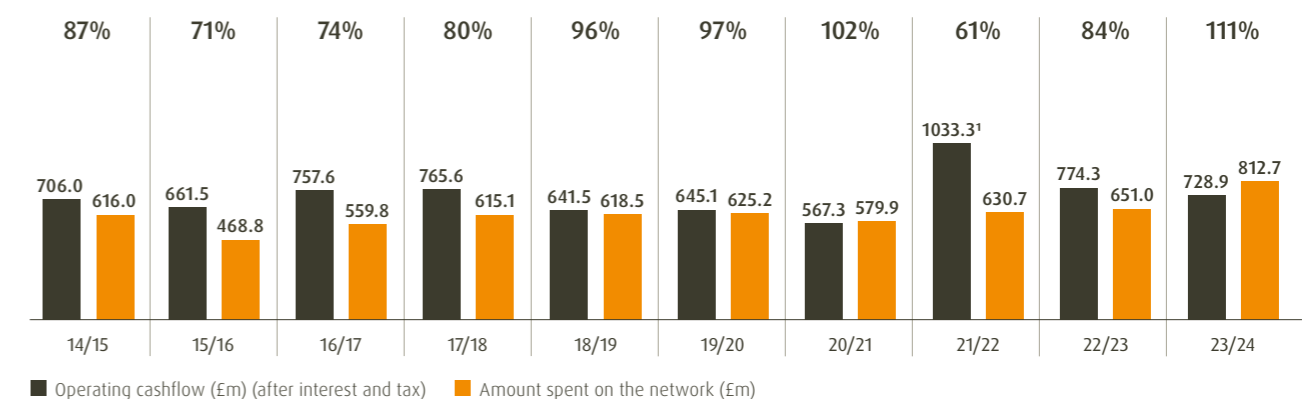
These rises are primarily the result of the combined effects of a pay agreement that provided significant pay increases for most employees and the high proportion of male employees in the higher-paid categories.

We continue to work to close this gap, through a far-reaching Diversity and Inclusion programme. We have a Women in Leadership mentoring programme and, in 2023, we launched the Female Engineers Development Group.



## Investment in the network

Long-term investment in new and existing assets is not taken into account in annual profit margins. In our view, it is a more helpful measure to compare how a business is investing the cash it generates. Over the past 10 years, we have reinvested an average of 85% of our operational cash flow into our assets, benefiting the 19 million people connected to our networks.



<sup>1</sup> The operating cashflow after interest and tax in 2021/22 is high due to an exceptional amount of £174m settled on intercompany loans during 2021/22.

# Embedding resilience throughout

Resilience is a strategic imperative for us at UK Power Networks. It exemplifies our ability to anticipate and adapt to challenges, sudden or gradual, and absorb the shocks that they inflict.

Organisational resilience depends on a deep-seated culture that permeates an organisation. It cannot be attached or acquired; the only way to achieve it is to embrace it wholeheartedly and make sure everyone in the organisation understands it and takes responsibility for their part in it. Resilience builds over time, with experience, practice and commitment. At UK Power Networks we have been building this culture over many years and it is an important element of our way of working.

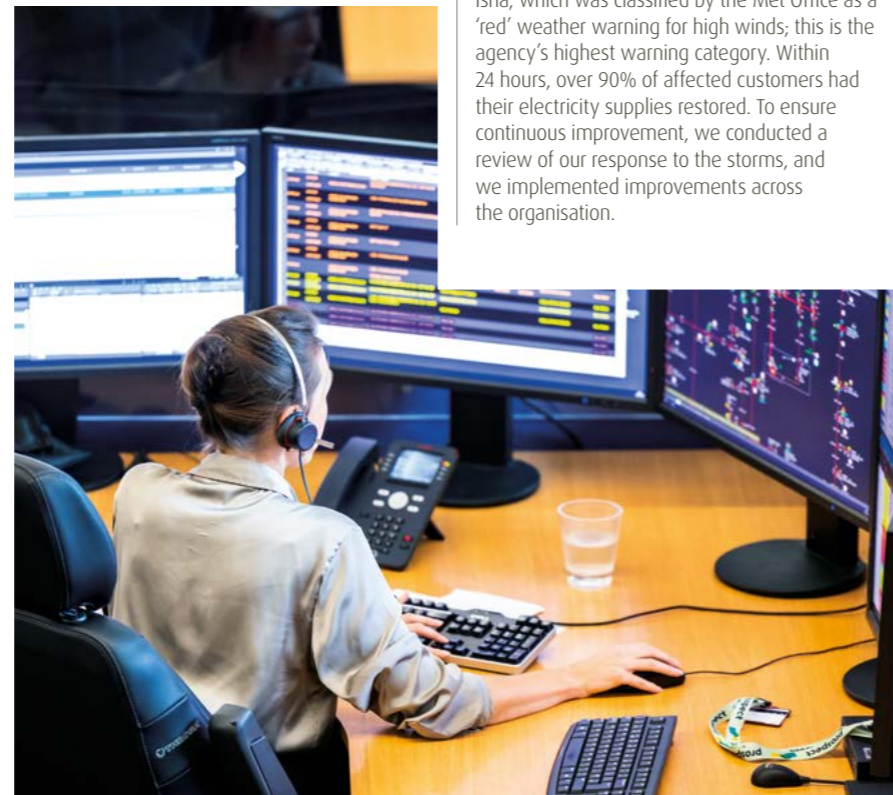
We were not subject to any events in 2023/24 that tested our readiness to withstand a crisis. That does not mean, however, that we did not continue to scan the horizon ceaselessly; if anything, it gave us the opportunity to refocus and deepen awareness throughout the business. We have a programme of communication and awareness-raising that reaches all levels of the business.

## Revised British Standards Institution (BSI) guidance

We align our organisational resilience with the BSI guidance (BS 65000). In 2023/24, this was revised to view resilience in more breadth, placing emphasis on the dependencies and interrelations of functions. It further suggests that an organisation's strategy, business model and risk management are fundamental to building and maintaining organisational resilience. This fresh approach chimes with our own and we are matching our activities with this new Code of Practice.

## A resilience dashboard

We are beginning to be more explicit in how we measure our organisational resilience, as we recognise that what we choose to measure is what gets done. We are developing a dashboard that helps our leadership team track factors of resilience and issues relating to them and to identify areas where we should concentrate our efforts to reinforce our position.



## Introducing the principle of the pre-mortem

In 2024, we started to encourage the use of pre-mortems more widely in resilience planning. A pre-mortem involves identifying a potential crisis that we could face as a business and defining it in as much detail as possible. Working backwards, we proceed to determine the steps and decisions that could have led to the event and our imagined failure to manage it. This technique is a valuable way of discussing the threats that face us and analysing them systematically. It also allows us to identify what actions we might take to prevent the circumstances arising.

## Response to extreme weather

As a DNO it is a fundamental aspect of our role to be able to operate in spite of extreme weather. Traditionally, this has referred to storms but, increasingly our preparation includes measures to deal with extreme heat.

We prepare our plans meticulously in anticipation of every major event and we hold reviews afterwards to ensure we learn the lessons they teach us and make the relevant improvements. This aspect of our resilience planning proved to be crucial during the extreme weather conditions experienced throughout 2023 and the beginning of 2024. A series of named storms, which caused nationwide disruption, stress-tested every element of UK Power Networks' severe weather response plans. Particularly noteworthy was Storm Isha, which was classified by the Met Office as a 'red' weather warning for high winds; this is the agency's highest warning category. Within 24 hours, over 90% of affected customers had their electricity supplies restored. To ensure continuous improvement, we conducted a review of our response to the storms, and we implemented improvements across the organisation.

On this page you will see how we have performed against the following Sustainable Development Goals:

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

**11** SUSTAINABLE CITIES AND COMMUNITIES

## PREPARATION FOR AND OPERATION OF THE CORONATION

Although we did not have any significant crisis occur over the past few months, we were not without the need for resilience. On 6 May 2023 the Coronation of His Majesty the King and Her Majesty the Queen Consort took place at Westminster Abbey in London. A once-in-a-lifetime event for many, the Coronation was watched by tens of millions worldwide. This meant that our network and the underpinning systems had to be reliable and resilient to ensure both a seamless delivery of the event itself, and the ability to broadcast around the world. Months of preparation, collaboration and hard work paid off, and the Coronation ran smoothly, without a glitch.



## Resilience in Design

Outside influences are highly valuable in resilience planning. There is always something to learn from others. To that end, along with our colleagues in our commercial arm, UK Power Networks Services, we have joined a collaborative forum called Resilience in Design. This brings together, on a 'Chatham House' basis, practitioners from a wide range of industries with the aim of sharing, discussing and learning from each other about current issues, challenges and practical approaches in relation to achieving a truly resilient organisation.



# Strategic direction and governance

The Board of Directors of UK Power Networks is responsible for agreeing strategy, overseeing performance and discharging certain legal responsibilities. The Board delegates day-to-day responsibility for running the group to the UK Power Networks Executive Management Team, with specialist tasks passed to various Board committees.



**Kam Hing Lam**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Mr Kam has been the Group Managing Director of CK Infrastructure Holdings Limited since its incorporation in May 1996. He is an Advisor of the 12th Beijing Municipal Committee of the Chinese People’s Political Consultative Conference of the People’s Republic of China. He holds a Bachelor of Science degree in Engineering and a Master’s degree in Business Administration.



**Ivan Chan**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Chief Planning and Investment Officer, Mr Chan has been with CK Infrastructure Holdings Limited since September 1999. He is also the Chief Financial Officer of Power Assets Holdings Limited. He has over 30 years of experience in investment, banking and finance. He holds a Bachelor’s degree in Science, a Bachelor’s degree in Chinese Law and a Master’s degree in Business Administration.



**Neil McGee**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Mr McGee is an Executive Director of Power Assets Holdings Limited and the Managing Director of Hutchison Whampoa Europe S.A.R.L. He holds a Bachelor of Arts degree and a Bachelor of Law degree.



**Paul Jeffery**  
**Sufficiently Independent Director of London Power Networks plc, Eastern Power Networks plc and South Eastern Power Networks plc**

Mr Jeffery was previously a Managing Director and Head of the European Power Utility and Infrastructure Investment Banking team at Barclays. He is also a Non-Executive Director of Southern Gas Networks Limited, Scotland Gas Networks Limited and Saeta Yield S.A.



**Dr Edmond Ho**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Dr Ho joined the UK Power Networks Board of Directors in 2022. As a Director of Hutchison Property Group, he oversees all property development and investment portfolios in the UK. He has delivered numerous prestigious, large-scale, mixed-use developments in London. He holds Bachelor’s, Master’s and Doctor’s degrees in Science in Engineering and has substantial property development, property management and construction experience in the UK.



**Angus Ng**  
**Director – UK Power Networks Holdings Limited**

Mr Ng joined the UK Power Networks Board of Directors in 2024 and is the Group Financial Controller for International Business of CK Infrastructure Holdings Limited. He has over 25 years of experience in accounting and financial management.

He holds the Chartered Financial Analyst (CFA) designation and a degree in Accountancy and is a member of the Hong Kong Institute of Certified Public Accountants.



**Andrew John Hunter**  
**Director and Chairman – UK Power Networks Holdings Limited and UK Power Networks’ wholly owned subsidiaries**

Mr Hunter has been an Executive Director of CK Infrastructure Holdings Limited (CKI) since December 2006 and Deputy Managing Director of CKI since May 2010. He holds a Master of Arts degree and a Master’s degree in Business Administration. A member of the Institute of Chartered Accountants of Scotland and of the Hong Kong Institute of Certified Public Accountants, he has over 34 years of experience in accounting and financial management.



**Dominic Chan**  
**Director – UK Power Networks Holdings Limited and UK Power Networks’ wholly owned subsidiaries**

Mr Chan is an Executive Director and the Chief Financial Officer of CK Infrastructure Holdings Limited. He is also an Executive Director of Power Assets Holdings Limited. He is a Fellow of the Hong Kong Institute of Certified Public Accountants, and of the Association of Chartered Certified Accountants, and he is a member of the Institute of Certified Management Accountants (Australia).



**Charles Tsai**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Mr Tsai joined the group in 1987 and was appointed to the Board and Chief Executive Office in January 2014. He is the Chief Executive Officer of Power Assets Investments Limited, a wholly owned subsidiary of the company. He is also a Director or Alternate Director of most of the subsidiaries and certain joint ventures of the company.

He holds a Bachelor of Applied Science Degree in Mechanical Engineering, and is a Registered Professional Engineer and a Chartered Engineer.



**Ka Man Jenny Yu**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Ms Yu has worked for the Power Assets Group since 2016. She is a Senior Manager (International Business) of Power Assets Holdings Limited. She has over 20 years of experience in the energy industry with international business exposure.

She holds a Master of Business Administration degree. She is a fellow of the Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Hong Kong Institute of Directors. She is also a Certified Environmental, Social and Governance Analyst of the European Federation of Financial Analysts Societies.



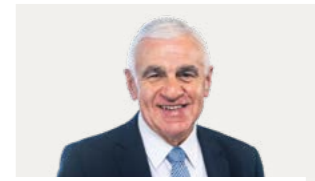
**Duncan Macrae**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Mr Macrae is the Head of International Business. He joined CK Infrastructure Holdings Limited in February 2011 and has over 23 years of experience in the infrastructure investment field. He holds Bachelor’s and Master’s degrees in Philosophy, Politics and Economics and is a member of the Institute of Directors in the United Kingdom.



**Christopher Clarke**  
**Sufficiently Independent Director of London Power Networks plc, Eastern Power Networks plc and South Eastern Power Networks plc**

Mr Clarke was admitted as a Solicitor of the Supreme Court of England and Wales in 1974. He spent over 30 years practising in Asia and specialised in corporate and regulatory work. He previously served as an Independent Non-Executive Director of two companies listed on the Hong Kong Stock Exchange and is currently a Director of Myanmar Strategic Holdings Limited and a council member of the Royal Society for Asian Affairs.



**Basil Scarsella**  
**Director – UK Power Networks Holdings Limited and UK Power Networks’ wholly owned subsidiaries; Chief Executive Officer UK Power Networks group of companies**

Mr Scarsella has been Chief Executive Officer of UK Power Networks Holdings Limited since its establishment in late 2010. He has a degree in Economics and is a Certified Practising Accountant. He is a Life Member of Football Australia and received the Australian Sports Medal in 2000. In 2003, he became a Member of the Order of Australia (AM) for his services to sport.



**Man Ka Keung Simon**  
**Director – UK Power Networks Holdings Limited and certain of UK Power Networks’ wholly owned subsidiaries**

Mr Man joined CKG in December 1987 and is an Executive Committee Member and General Manager in the Accounts Department of CK Asset Holdings Limited. He is an Alternate Director to Mr Tak Chuen Edmond Ip as well as holding the posts of Deputy Chairman and Executive Director of CK Infrastructure Holdings Limited. In addition, he is a board member of the Community Chest of Hong Kong. Mr Man has over 41 years of experience in accounting, auditing, tax and finance. He holds a Bachelor’s degree in Economics and is a member of Chartered Accountants Australia and New Zealand.

# Strong, experienced leadership



**Barry Hatton**  
Director of Asset Management

Barry is responsible for the development and deployment of network and asset strategies for optimising investment and performance. He has over 40 years' experience in the operations and management of electricity distribution networks. Barry is a Chartered Electrical Engineer and a Fellow of the Institution of Engineering and Technology, and has a Master's degree in Technology Management.



**Patrick Clarke**  
Director of Network Operations

Patrick has day-to-day responsibility for managing the distribution of electricity to over eight million homes and businesses across London, the East and South East of England. He joined the industry in 1978 and has risen from an apprentice to an executive director over that period. He holds an Honorary Doctorate in Engineering, an OBE, an MBA and an MA.



**Kieran Coughlan**  
Director of Capital Programme

Kieran is responsible for UK Power Networks' Capital Programme directorate. He joined UK Power Networks in 2017 and was previously head of engineering and safety at the Energy Networks Association. He has held engineering, delivery, regulation and commercial roles in the energy sector in the UK, Ireland and Australia. He is a Chartered Electrical Engineer with the IET and Engineers Ireland and holds an honours degree in Electrical Engineering from University College Cork.



**Suleman Alli**  
Director of Finance, Customer Service and Technology

Suleman joined UK Power Networks in May 2015 as Director of Strategy and Regulation. His responsibilities now also include Finance, Customer Service, Technology and Data which are core to UK Power Network's business strategy.

Previously Suleman was a Managing Director at Accenture, leading the utility network operations practice in the UK. Suleman has over 20 years' utilities experience, delivering business transformation, company restructures and operational performance improvement across the gas, electricity and water sectors. He holds a BSc (Hons) from the London School of Economics and Political Science.



**Mark Adolphus**  
Director of Health, Safety, Sustainability and Connections

Mark is responsible for UK Power Networks' Health, Safety, Sustainability and Connections business. He joined London Electricity in 1992 as an engineering graduate trainee and has enjoyed a diverse career across a number of operational, engineering and commercial roles. Mark is a Chartered Electrical Engineer and holds a Master's degree in engineering business management from Warwick Business School and a degree in Electrical Engineering from the University of Leicester.



**David Mitchell**  
Director of UK Power Networks Services

David leads UK Power Networks Services. He is a chartered electrical engineer who joined the organisation in 1980 as an apprentice, achieving a degree in Electrical Engineering at Southampton University and an MBA at Brighton University. He has held several senior posts within the company, most recently as Head of Client Delivery overseeing long-term airport and military contracts as well as delivering major infrastructure projects.



**Andrew Pace**  
Director of HR, Legal, Risk and Assurance, and Company Secretary

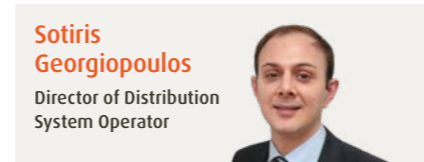
Andrew joined UK Power Networks in January 2018 and is responsible for HR, Legal and the Company Secretary function. He has over 25 years' HR leadership experience, predominantly in the construction and infrastructure sectors. Andrew held various HR leadership roles with John Laing, Rio Tinto and Balfour Beatty. Prior to joining UK Power Networks, Andrew was Executive Director, construction and infrastructure at Morgan Sindall. He holds an MBA from Nottingham Trent Business School and is a Chartered member of the Institute of Personnel and Development.



**Roger Waring**  
Director of Commercial Services and Technical Training

Roger joined UK Power Networks in February 2014 as Head of Operational Procurement and has progressed through several responsibilities since then. He has over 20 years' experience operating in diverse commercial environments. His current focus is on delivering substantial and sustainable efficiencies and performance improvements across the business.

Roger has a B. Eng Hons in Manufacturing Engineering and Operations Management from the University of Nottingham.



**Sotiris Georgiopoulos**  
Director of Distribution System Operator

Sotiris leads UK Power Networks' Distribution System Operator. He joined the organisation in 2005 and for the last decade has championed innovative ways to plan and operate our networks such as flexible connections and the development of flexibility markets.

Sotiris is Chair of the ENA's Open Networks project. He studied electrical engineering at the University of Manchester and has an MBA from the University of Cambridge.

## Key contacts

### General enquiries

0800 029 4285

### Emergencies or power cuts (24 hours a day)

Free power cut helpline:  
**105 or 0800 31 63 105**

Please note this number is free to call from mobile phones

### Text message updates during a power cut

To keep updated during a power cut Search, Track and Report Power Cuts on our dedicated website:

[www.ukpowernetworks.co.uk/power-cut](http://www.ukpowernetworks.co.uk/power-cut)

### Text Relay

We offer a 24-hour Text Relay service for customers who are deaf, hard of hearing or have any other communication difficulties. For more information, visit:

[www.ukpowernetworks.co.uk](http://www.ukpowernetworks.co.uk)

### Connection services

0800 029 4280

### Our unregulated business

[services@ukpowernetworks.co.uk](mailto:services@ukpowernetworks.co.uk)

### Media enquiries

0330 159 1712

A full list of our contact details can be found at:

[www.ukpowernetworks.co.uk](http://www.ukpowernetworks.co.uk)



Scan to view the interactive online version



Visit our Annual Review website:

[annualreview2024.ukpowernetworks.co.uk](http://annualreview2024.ukpowernetworks.co.uk)