

FINAL TERMS

27 March 2024

Northumbrian Water Finance Plc

Legal entity identifier (LEI): 213800JTFA6F3S7XX781

Issue of £250,000,000 5.50 per cent. Guaranteed Notes due 2037

Guaranteed by Northumbrian Water Limited

under the £6,000,000,000

Euro Medium Term Note Programme

UK MiFIR product governance / Professional investors and eligible counterparties only target market - Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA") ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "EU MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

SINGAPORE SFA PRODUCT CLASSIFICATION - In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and are Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 20 March 2024 which constitutes a Base Prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of the London Stock Exchange: (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>).

1	(i) Series Number:	2024-01
	(ii) Tranche Number:	1
2	Specified Currency or Currencies:	Sterling
3	Aggregate Nominal Amount of Notes admitted to trading:	
	(i) Series:	£250,000,000
	(ii) Tranche:	£250,000,000
	(iii) Date on which the Notes will be consolidated and form a single Series:	Not Applicable
4	Issue Price of Tranche:	98.546 per cent. of the Aggregate Nominal Amount
5	(i) Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000
	(ii) Calculation Amount:	£1,000
6	Issue Date and Interest Commencement Date:	2 April 2024
7	Interest Commencement Date (if different from the Issue Date):	Not Applicable
8	Maturity Date:	Fixed Rate: 2 October 2037
9	Interest Basis:	5.50 per cent. Fixed Rate (further particulars specified in paragraph 14)

10	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11	Change of Interest Basis:	Not Applicable
12	Put/Call Options:	Change of Control Put Option Make-Whole Redemption by the Issuer Issuer Maturity Par Call (further particulars specified in paragraphs 18/19/22 below)
13	Date Board approval for issuance of Notes obtained:	20 March 2024

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	5.500 per cent. per annum payable in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	2 October in each year with the first Interest Payment Date being 2 October 2024
	(iii) Fixed Coupon Amount(s):	£55.00 per Calculation Amount other than the amount payable on the first Interest Payment Date
	(iv) Broken Amount(s):	£27.50 per Calculation Amount payable on the Interest Payment Date falling on 2 October 2024
	(v) Day Count Fraction:	Actual/Actual – ICMA
	(vi) Determination Dates:	2 October in each year
15	Floating Rate Note Provisions	Not Applicable
16	Index Linked Interest Note	Not Applicable
17	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18	Call Option (Condition 6(d))	Applicable
	(i) Optional Redemption Date(s):	Any date during the period from (and including) the Issue Date to (but excluding) the Par Call Period Commencement Date
	(ii) Optional Redemption Amount(s) of each Note:	Make-Whole Amount applies. If the Optional Redemption Date is prior to Par Call Period Commencement Date, the Notes are redeemable in whole or in part at the Make-Whole Amount. If the Optional Redemption Date is on or after Par Call Period Commencement Date, the Notes are redeemable in whole or in part at the Final Redemption Amount
	(A) Reference Bond:	UKT 1.750% September 2037
	(B) Redemption Margin:	+0.25 per cent.
	(C) Discount Basis:	Annual

(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable
(iv)	Notice period:	As per Condition 6(d)
19	Issuer Maturity Par Call (Condition 6(e)):	Applicable
	(i) Notice period:	Minimum period: 15 days Maximum period: 30 days
	(ii) Par Call Period Commencement Date:	As per Conditions
20	Clean-up Call (Condition 6(f))	Not Applicable
21	Put Option (Condition 6(g))	Not Applicable
22	Change of Control Put Option (Condition 6(h))	
	(i) Change of Control Redemption Amount:	£1,000 per Calculation Amount
23	Final Redemption Amount of each Note	£1,000 per Calculation Amount
24	Early Redemption Amount:	
	(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption:	£1,000 per Calculation Amount
	(ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates:	Yes

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25	(i) Form of Notes:	Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
	(ii) New Global Note	Yes
26	Financial Centre(s):	Not Applicable
27	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
28	Prohibition of Sales to EEA Retail Investors:	Not Applicable
29	Prohibition of Sales to UK Retail Investors:	Not Applicable

30 Singapore Sales to Institutional
Investors and Accredited Investors
only:

Not Applicable

THIRD PARTY INFORMATION

Not Applicable.

Signed on behalf of the Issuer:

By:
Duly authorised

Signed on behalf of the Guarantor:

By:
Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- | | |
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| (i) Listing and Admission to trading: | Application has been made for Notes issued under the Programme to be admitted to the Official List of the Financial Conduct Authority and to be admitted to trading on the London Stock Exchange's main market with effect from 2 April 2024. |
| (ii) Estimate of total expenses related to admission to trading: | £5,850 |

2 RATINGS

Ratings: The Notes to be issued are expected to be rated:

Moody's: Baa1

An obligation rated Baa is subject to moderate credit risk. It is considered medium-grade and as such may possess speculative characteristics.

The modifier '1' indicates that the obligation ranks in the higher end of its generic rating category.

(Source: <https://ratings.moody's.io/ratings>)

Fitch: BBB+

An obligation rated 'BBB' indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

The modifier '+' appended to the rating denotes relative status within major rating categories.

(Source, Fitch Ratings, <https://www.fitchratings.com/products/rating-definitions>)

Each of Moody's Investors Service Ltd. and Fitch Ratings Limited is established in the United Kingdom and is registered under the UK CRA Regulation. They are not registered under the EU CRA Regulation; however, the ratings given to the Notes by Moody's Investors Service Ltd. and Fitch Ratings Limited are endorsed by Moody's Deutschland GmbH and Fitch Ratings Ireland Limited, respectively, each of which is established in the EEA and registered under the EU CRA Regulation.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the fees payable to the Managers, so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Notes has an interest material to the offer.

4 REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

Reasons for the offer/use of proceeds: See "Use of Proceeds" in Base Prospectus

Estimated net proceeds: £245,490,000

5 FIXED RATE NOTES ONLY – YIELD

Indication of yield: 5.661 per cent. per annum

6 HISTORIC INTEREST RATES (Floating Rate Notes only)

Not Applicable.

7 OPERATIONAL INFORMATION

Trade Date:	22 March 2024
ISIN:	XS2794482351
Common Code:	279448235
FISN:	NORTHUM.WATER F/0 MTN 20370402, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
CFI Code:	DTFXFB, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A., the relevant address and the identification number(s):	Not Applicable
Delivery	Delivery against payment
Names and addresses of additional Paying Agent(s) if any:	Not Applicable
Custodian for Retained Notes	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the relevant Clearing Systems as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such

recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

8 DISTRIBUTION

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| (i) Method of distribution: | Syndicated |
| (ii) Date of Subscription Agreement: | 27 March 2024 |
| (iii) If syndicated, names and addresses of Managers: | Lloyds Bank Corporate Markets plc
10 Gresham Street
London EC2V 7AE

RBC Europe Limited
100 Bishopsgate
London EC2N 4AA

Bank of China Limited, London Branch
1 Lothbury
London EC2R 7DB |
| (iv) Name(s) and address(es) of Stabilisation Manager(s) (if any): | Not Applicable |
| (v) If non-syndicated, name and address of Dealer: | Not Applicable |
| (vi) U.S. Selling Restrictions (Categories of potential investors to which the Notes are offered): | Reg. S Compliance Category 2; TEFRA D |