

2 April 2025

**Northumbrian Water Finance Plc**

**Legal entity identifier (LEI): 213800JTFA6F3S7XX781**

**Issue of £90,000,000 6.875 per cent. Guaranteed Notes due 2045**

**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 the 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 manufacturer's 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 manufacturer's 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2014/65/EU (as amended, EU MiFID II); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID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 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.

## 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 6 March 2025 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 is 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:	2025-03
	(ii) Tranche Number:	1
2	Specified Currency or Currencies:	Sterling
3	Aggregate Nominal Amount of Notes admitted to trading:	
	(i) Series:	£90,000,000
	(ii) Tranche:	£90,000,000
	(iii) Date on which the Notes will be consolidated and form a single Series:	Not Applicable
4	Issue Price of Tranche:	99.479 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:	4 April 2025
7	Interest Commencement Date (if different from the Issue Date):	Not Applicable
8	Maturity Date:	4 April 2045
9	Interest Basis:	6.875 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:	27 March 2025

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions	Applicable
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(i)	Rate(s) of Interest:	6.875 per cent. per annum payable in arrear on each Interest Payment Date
(ii)	Interest Payment Date(s):	4 April in each year commencing 4 April 2026
(iii)	Fixed Coupon Amount(s):	£68.75 per Calculation Amount
(iv)	Broken Amount(s):	Not Applicable
(v)	Day Count Fraction:	Actual/Actual – ICMA
(vi)	Determination Dates:	4 April 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 the 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 the Par Call Period Commencement Date, the Notes are redeemable in whole or in part at the Final Redemption Amount
	(A) Reference Bond:	UKT 3.500% January 2045
	(B) Redemption Margin:	+0.25 per cent.
	(C) Determination Date:	2 Business Days prior to the Optional Redemption Date
	(D) Discount Basis:	Annual
(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	£1,000 per Calculation Amount
	(b) Maximum Redemption Amount:	£1,000 per Calculation Amount
(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))	Applicable
	(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:	<b>Bearer Notes:</b>  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):	London
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

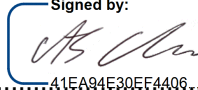
## THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of the Issuer:

By:  Signed by:  
.....  
41EA94E30EF4406...  
Duly authorised

Signed on behalf of the Guarantor:

By:  Signed by:  
.....  
41EA94E30EF4406...  
Duly authorised

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made for the 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 4 April 2025.
- (ii) Estimate of total expenses related to admission to trading: £5,050

### 2 RATINGS

Ratings: The Notes to be issued have been 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.moodys.io/ratings>)

Fitch: BBB+

An obligation rated BBB indicates that the 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 '+' indicates relative differences of probability of default or recovery for issues.

(Source: <https://www.fitchratings.com/products/rating-definitions#about-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 fee payable to the Manager, 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: £89,216,100

## 5 FIXED RATE NOTES ONLY – YIELD

Indication of yield: 6.924 per cent. per annum

## 6 OPERATIONAL INFORMATION

Trade Date: 27 March 2025  
 ISIN: XS3043430795  
 Common Code: 304343079  
 FISN: DTFXFB  
 CFI Code: NORTHUM.WATER F/0 MTN 20450404

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.

## 7 DISTRIBUTION

- (i) Method of distribution: Non-syndicated
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) If syndicated, names and addresses of Managers: Not Applicable
- (iv) Name(s) and address(es) of Stabilisation Manager(s) (if any): Not Applicable

(v) If non-syndicated, name  
and address of Dealer:

NatWest Markets Plc  
250 Bishopsgate  
London EC2M 4AA

(vi) U.S. Selling  
Restrictions (Categories  
of potential investors to  
which the Notes are  
offered):

Reg. S Compliance Category 2; TEFRA D