

## FINAL TERMS

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Bonds 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, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds 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 Bonds 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 United Kingdom (“**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 European Union (Withdrawal) Act 2018 as amended (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of 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. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (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 Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Final Terms dated 22 March 2024

**SW (FINANCE) I PLC**

**Legal Entity Identifier (LEI): 549300BHN1HB5BNG2R96**

Issue of £550,000,000 Sub-Class A18 7.000 per cent. Fixed Rate Class A Guaranteed Sustainability  
Bonds due 2040

under the £6,000,000,000 Multicurrency Programme for the issuance of Guaranteed Bonds

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the base prospectus dated 14 November 2023 and the supplemental base prospectuses dated 29 November 2023 and 6 February 2024 which together constitute a base prospectus (the “**Prospectus**”) for the purposes of Article 8 of Regulation (EU) 2017/1129 (and amendments thereto) as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”). This document constitutes the Final Terms of the Bonds described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Prospectus. Full information on the Issuer, the Guarantors and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and the supplemental Prospectuses are available for viewing at <https://www.southernwater.co.uk/our-story/investors>.

1	(i)	Issuer:	SW (Finance) I PLC
	(ii)	Guarantors:	Southern Water Services Limited, SWS Holdings Limited, SW (Finance) II Limited and SWS Group Holdings Limited
2	(i)	Series Number:	12
	(ii)	Sub-Class Number:	A18
3		Relevant Currency or Currencies:	British Pound Sterling (“£”)
4		Aggregate Nominal Amount of Bonds admitted to trading:	
	(i)	Series:	£550,000,000
	(ii)	Tranche:	£550,000,000
	(iii)	Sub-Class:	£550,000,000
5	(i)	Issue Price:	99.514 per cent. of the Aggregate Nominal Amount
	(ii)	Offer Price (if different from Issue Price):	Not Applicable
6	(i)	Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Bonds in definitive form will be issued with a denomination above £199,000.
	(ii)	Calculation Amount:	£1,000
7	(i)	Issue Date:	26 March 2024
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8		Maturity Date:	16 April 2040
9		Instalment Date:	Not Applicable
10		Interest Basis:	7.000 per cent. Fixed Rate

11	Redemption/Payment Basis:	Redemption at par
12	Change of Interest or Redemption/Payment Basis:	Not Applicable
13	Call Options:	Issuer Call Option
14	(i) Status and Ranking:	The Class A Bonds rank <i>pari passu</i> among each other in terms of interest and principal payments and rank in priority to the Class B Bonds.
	(ii) Status of the Guarantees:	Senior
	(iii) Date of Board approval for issuance of Bonds and Guarantee obtained:	31 October 2023 and 22 March 2024 in respect of SWS and 26 October 2023 and 22 March 2024 in respect of the Issuer and the other Guarantors
15	Method of distribution:	Syndicated

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16	Fixed Rate Bond Provisions:	Applicable
	(i) Interest Rate:	7.000 per cent. per annum payable annually in arrear
	(ii) Interest Determination Date:	16 April in each year
	(iii) Interest Payment Date(s):	16 April in each year
	(iv) First Interest Payment Date	16 April 2025
	(v) Fixed Coupon Amount:	£70.00 per Calculation Amount
	(vi) Broken Amounts:	Long first coupon (for the period from the Issue Date to the First Interest Payment Date): £74.02 per Calculation Amount payable on the First Interest Payment Date
	(vii) Day Count Fraction:	Actual/Actual ICMA
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Bonds:	Not Applicable
	(ix) Reference Gilt:	UKT 4.25% due 2040
17	Floating Rate Bond Provisions:	Not Applicable
18	Zero Coupon Bond Provisions:	Not Applicable
19	Indexed Bond Provisions:	Not Applicable
20	Dual Currency Bond Provisions	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

21	Issuer Call Option:	Applicable in accordance with Condition 8(b)
	(i) Optional Redemption Date(s):	Any Interest Payment Date

(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	The Optional Redemption Amount will be the higher of: (a) the Principal Amount Outstanding; and (b) the price determined to be appropriate by a financial adviser in London (selected by the Issuer and approved by the Bond Trustee) as being the price at which the Gross Redemption Yield (as defined in Condition 8(b)(i)) on the Bonds on the Reference Date (as defined in Condition 8(b)(i)) is equal to the Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (being UKT 4.25% due 2040 while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Bond Trustee) determine to be appropriate) plus a margin of 0.40 per cent.,  in each case together with the accrued but unpaid interest on the Principal Amount Outstanding.
(iii)	If redeemable in part:  Minimum Redemption Amount:  Maximum Redemption Amount:	£100,000  Not Applicable
(iv)	Notice period (if other than as set out in the Conditions):	Not Applicable
(v)	Applicable Uplift	Not Applicable
22	Final Redemption Amount:	Principal Amount Outstanding plus accrued but unpaid interest

#### **GENERAL PROVISIONS APPLICABLE TO THE BONDS**

23	Form of Bonds	Bearer
(i)	If issued in Bearer form:	Temporary Global Bond exchangeable for a Permanent Global Bond which is exchangeable for Definitive Bonds in the limited circumstances specified in the Permanent Global Bond.
24	New Global Note:	Yes
25	Relevant Financial Centre(s) or other special provisions relating to Payment Dates:	Payment Dates are subject to adjustment in accordance with the Following Business Day Convention.
26	Talons for future Coupons or Receipts to be attached to Definitive Bonds (and dates on which such Talons mature):	No
27	Details relating to Instalment Bonds:	Not Applicable

28 Redenomination, renominalisation and reconventioning provisions: Not Applicable

29 TEFRA rules: TEFRA D

#### ISSUER/SWS LOAN TERMS

30 Amount of relevant Term Advance/Index Linked Advances: £550,000,000

31 Interest rate on relevant Term Advance/Index Linked Advances: 7.000 per cent. per annum

32 Term of relevant Term Advance/Index Linked Advances: Term Advance maturing on 16 April 2040 (or earlier if the Bonds are redeemed)

33 Other relevant provisions: None

#### DISTRIBUTION

##### Method of distribution

##### Syndicated

34 (i) If syndicated, names of Managers: BNP Paribas, Lloyds Bank Corporate Markets plc, National Australia Bank Limited (ABN 12 004 044 937) and SMBC Nikko Capital Markets Limited

(ii) Stabilising Manager (if any): Not Applicable

35 If non-syndicated, name of Dealer: Not Applicable

36 U.S. Selling Restrictions: Reg. S Compliance Category; TEFRA D

#### PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's Main Market the issue of Bonds described herein pursuant to the listing of the Programme for the issuance of Guaranteed Bonds financing Southern Water Services Limited.

#### THIRD-PARTY INFORMATION

Not applicable.

Signed on behalf of the Issuer:

By: COLIN GARD

Duly authorised

C.D.C.F  


By:

Duly authorised

Signed on behalf of Southern Water Services Limited:

By: COLIN GARD

Duly authorised

C.D.C.F  


By:

Duly authorised

Signed on behalf of SWS Holdings Limited:

By: COLIN GARD

Duly authorised

C.D.C.F  


By:

Duly authorised

Signed on behalf of SWS Group Holdings Limited:

By: COLIN GARD

Duly authorised

C.D.C.F  


By:

Duly authorised

Signed on behalf of SW (Finance) II Limited:

By: COLIN GARD

Duly authorised

C.D.C.F  


By:

Duly authorised

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised



Signed on behalf of Southern Water Services Limited:

By:

Duly authorised

By:

Duly authorised



Signed on behalf of SWS Holdings Limited:

By:

Duly authorised

By:

Duly authorised



Signed on behalf of SWS Group Holdings Limited:

By:

Duly authorised

By:

Duly authorised



Signed on behalf of SW (Finance) II Limited:

By:

Duly authorised

By:

Duly authorised



## PART B – OTHER INFORMATION

### 1 Listing

- |   |   |
|---|---|
| (i) Listing:  | Listed on the Official List of the FCA  |
| (ii) Admission to trading:  | Application has been made for the Bonds to be admitted to trading on the London Stock Exchange with effect from the Issue Date. |
| (iii) Estimate of total expenses related to admission to trading: | £6,050  |

### 2 Ratings

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|----------|--|
| Ratings: | The Bonds to be issued have been rated:<br>S&P: BBB<br>Moody's: Baa3<br>Fitch: BBB |
|----------|--|

### 4 Interests of Natural and Legal Persons involved in the Issue/Offer

The Managers and their affiliates may have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer, and/or its affiliates in the ordinary course of business.

### 5 Reasons for the offer, estimated net proceeds and total expenses

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|---------------------------------|---|
| (i) Reasons for the offer:      | The net proceeds from the issuance of the Bonds will be allocated (in such proportion as SWS determines) to the financing or refinancing of, and/or investment in eligible sustainable investments, being a combination of “Eligible Green Investments” and “Eligible Social Investments” as described in Chapter 9 “Use and Estimated Net Amount of Proceeds” under “Green Bonds” and “Social Bonds” in the Prospectus, which fall within the Green Eligible Categories and Social Eligible Categories (as defined in the Prospectus). |
| (ii) Estimated net proceeds:    | £545,402,000  |
| (iii) Estimated total expenses: | £1,925,000  |

### 6 Fixed Rate Bonds only – YIELD

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|----------------------|--|
| Indication of yield: | 7.050 per cent. per annum<br><br>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |
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### 10 Operational information

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|--------------|--------------|
| ISIN Code:   | XS2793261301 |
| Common Code: | 279326130    |



CFI:	As set out in the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
FISN:	As set out in 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. and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of initial Paying Agent(s):	Deutsche Bank AG, London Branch 21 Moorfields London EC2Y 9DB
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation “yes” simply means that the Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Bonds 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 the ECB being satisfied that Eurosystem eligibility criteria have been met.
<b>11 Green Bonds</b>	Applicable
<b>12 Social Bonds</b>	Applicable