

## FINAL TERMS

**MIFID II product governance / Professional investors and ECPs 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 eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); 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 MiFID II 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 or the United Kingdom ("**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point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.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 (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.

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and 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 Recommendations on Investment Products).

29 May 2020

### **Severn Trent Utilities Finance Plc**

*(incorporated with limited liability in England and Wales with registered number 2914860)*

Legal entity identifier (LEI): 213800KY9PT6WBH33232

Issue of

**£300,000,000 2.000 per cent. Guaranteed Notes due June 2040**

**Guaranteed by Severn Trent Water Limited**

**under the €6,000,000,000**

**Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated 20 June 2019 and the supplement(s) to it dated 19 February 2020 and 22 May 2020 which together constitute a base prospectus for the purposes of the Prospective Directive. The "**Prospectus Directive**" means Directive 2003/71/EC (as amended or superseded), including any relevant implementing measure in a relevant Member State. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only

available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplement(s) to it are available for viewing on Severn Trent's website at [www.severntrent.com](http://www.severntrent.com).

1. (i) Issuer: Severn Trent Utilities Finance Plc  
(ii) Guarantor: Severn Trent Water Limited
2. (i) Series Number: 103  
(ii) Tranche Number: 1  
(iii) Date on which the Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: Pounds sterling ("£")
4. Aggregate Nominal Amount:  
(i) Series: £300,000,000  
(ii) Tranche: £300,000,000
5. Issue Price: 99.098 per cent. of the Aggregate Nominal Amount of the Tranche
6. (i) Specified Denominations: £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Definitive Notes will be issued with a denomination above £199,000  
(ii) Calculation Amount: £1,000
7. (i) Issue Date: 2 June 2020  
(ii) Interest Commencement Date: Issue Date
8. Maturity Date: 2 June 2040
9. Interest Basis: 2.000 per cent. Fixed Rate  
*(further particulars specified below)*
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Issuer Residual Call  
Make-Whole Redemption by the Issuer  
*(further particulars specified below)*

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| 13. | Date Board and Committee approval for issuance of Notes obtained: | <p>The issue of Notes by the Issuer has been approved by a resolution of the Board of Directors of the Issuer passed on 15 June 2016 and by resolutions of the Severn Trent Treasury Committee passed on 12 May 2020.</p> <p>The guarantee of the Notes by the Guarantor has been approved by resolutions of the Board of Directors of the Guarantor passed on 20 May 2016 and by resolutions of the Severn Trent Treasury Committee passed on 12 May 2020.</p> |
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#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | <b>Fixed Rate Note Provisions</b>  | Applicable   |
|     | (i) Rate(s) of Interest:   | 2.000 per cent. per annum, payable annually in arrear  |
|     | (ii) Interest Payment Date(s):   | 2 June in each year from (and including) 2 June 2021 up to (and including) the Maturity Date |
|     | (iii) Fixed Coupon Amount(s):  | £20.00 per Calculation Amount  |
|     | (iv) Broken Amount(s):   | Not Applicable   |
|     | (v) Day Count Fraction:  | Actual/Actual (ICMA)   |
|     | (vi) Determination Date(s):  | 2 June in each year  |
|     | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | None   |
| 15. | <b>Floating Rate Note Provisions</b>   | Not Applicable   |
| 16. | <b>Zero Coupon Note Provisions</b>   | Not Applicable   |
| 17. | <b>Index-Linked Interest/Redemption Note Provisions</b>                                | Not Applicable   |

#### PROVISIONS RELATING TO REDEMPTION

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|-----|--|-------------------------------|
| 18. | Issuer Call:                                       | Not Applicable                |
| 19. | Issuer Residual Call                               | Applicable                    |
|     | (i) Residual Call Early Redemption Amount:         | £1,000 per Calculation Amount |
|     | (a) Minimum Residual Call Early Redemption Amount: | Not Applicable                |

	(b) Maximum Residual Call Early Redemption Amount:	Not Applicable
	(ii) Notice period (if other than as set out in Terms and Conditions):	As per Terms and Conditions
20.	Make-Whole Redemption by the Issuer	Applicable
	(i) Make-Whole Redemption Margin:	+20 basis points
	(ii) Reference Bond:	CA Selected Bond
	(iii) Quotation Time	10.00 a.m. London time
	(iv) Reference Rate Determination Date:	The second Business Day preceding the relevant Make-Whole Redemption Date
	(v) If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Higher Redemption Amount:	Not Applicable
	(vi) Notice period (if other than as set out in Terms and Conditions):	As per Terms and Conditions
21.	Issuer Maturity Call	Not Applicable
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount	£1,000 per Calculation Amount
	(a) Minimum Final Redemption Amount:	Not Applicable
	(b) Maximum Final Redemption Amount:	Not Applicable
24.	Early Redemption Amount Payable on redemption for taxation reasons or on event of default or (if applicable) upon an Indexation Redemption Event:	£1,000 per Calculation Amount
	(a) Minimum Early Redemption Amount:	Not Applicable

(b) Maximum Early Redemption Amount: Not Applicable

25. Put Event: Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

26. (i) Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event


(ii) New Global Note: Yes

27. Additional Financial Centre(s): Not Applicable

28. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): No

Signed on behalf of the **Issuer**:

Signed on behalf of the **Guarantor**:

By:  .....  
Duly authorised

By:  .....  
Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and for listing on the Official List of the FCA with effect from on or around the Issue Date.

### **2. RATINGS**

Ratings: The Notes to be issued are expected to be rated "Baa1" by Moody's Investors Service Limited and "BBB+" by S&P Global Ratings Europe Limited.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as described in "Subscription and Sale" and for any fees payable to the Joint Lead Managers, so far as the Issuer and the Guarantor are aware, no person involved in the issue of the Notes has an interest material to the offer.

### **4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

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|---------------------------------|--|
| (i) Reasons for the offer       | The Notes are intended to be issued as Sustainable Notes. Accordingly, the net proceeds of issue are intended to be applied to Eligible Projects as set out in Severn Trent's Sustainable Finance Framework. |
| (ii) Estimated net proceeds:    | £296,244,000   |
| (iii) Estimated total expenses: | £1,050,000   |

### **5. YIELD**

Indication of yield: The yield in respect of this issue of Fixed Rate Notes is 2.055 per cent. on an annual basis.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### **6. OPERATIONAL INFORMATION**

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|-------------------|--|
| (i) ISIN:         | XS2182065149   |
| (ii) Common Code: | 218206514  |
| (iii) CFI:        | See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN. |
| (iv) FISN:        | See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN. |

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| (v) Name(s) and address(es) of any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A., and the relevant identification number(s): | Not Applicable  |
| (vi) Delivery:   | Delivery against payment  |
| (vii) Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable  |
| (viii) 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 ICSDs 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 the ECB being satisfied that Eurosystem eligibility criteria have been met. |
| (ix) U.S. Selling Restrictions:  | Reg. S Category 2; TEFRA D  |
| (x) Prohibition of Sales to EEA Retail Investors   | Applicable  |
| (xi) Prohibition of Sales to Belgian Consumers   | Applicable  |