

MIFID II 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 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 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 MiFID II 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.

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, as amended (“**EUWA**”) (“**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.

EU PRIIPs Regulation / 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 MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**IDD**”), 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 EU PRIIPs Regulation.

UK 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 the following: (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 or (ii) a customer within the meaning of the provisions of the FSMA (as amended) 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.

Final Terms dated 14 January 2025

Heathrow Funding Limited

Issue of Sub-Class A-61 €600,000,000 3.875 per cent. Fixed Rate Sustainability-Linked Bonds due 2038

under the Bond Programme

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 Prospectus dated 8 November 2024 and the supplement to it dated 7 January 2025, which together constitute a

base prospectus (the "**Prospectus**") for the purposes of the UK Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**"). This document constitutes the Final Terms of the Bonds described herein for the purposes of Article 8.2 of the UK Prospectus Regulation and must be read in conjunction with such Prospectus. Full information on the Issuer 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 supplement are available for viewing at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

1	(i)	Issuer:	Heathrow Funding Limited
	(ii)	Obligors:	Heathrow Airport Limited, Heathrow (SP) Limited, Heathrow (AH) Limited, Heathrow Express Operating Company Limited
2	(i)	Series Number:	61
	(ii)	Sub-Class Number:	A-61
	(iii)	Date on which the Bonds will be considered and form a single series:	Not Applicable
3		Relevant Currency or Currencies:	EUR (€)
4		Aggregate Nominal Amount of Bonds admitted to trading:	
	(i)	Series:	€600,000,000
	(ii)	Tranche:	€600,000,000
	(iii)	Sub-Class:	€600,000,000
5	(i)	Issue price:	99.262 per cent. of the Aggregate Nominal Amount
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:	16 January 2025
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8	(i)	Scheduled Redemption Date:	16 January 2036
	(ii)	Maturity Date:	16 January 2038
9		Instalment Date:	Not Applicable
10		Interest Basis:	3.875 per cent. Fixed Rate, subject to Condition 6(d) and Condition 6(f) (further particulars specified below)
11		Redemption/Payment Basis:	Redemption at par
12		Change of Interest or Redemption/Payment Basis:	Condition 6(d) and Condition 6(f) are applicable
13		Put/Call Options:	Issuer Call Option (further particulars specified below)
14		Date Board approval for issuance of Bonds obtained:	13 January 2025

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Bond Provisions:	Applicable from, and including, the Interest Commencement Date, to but excluding, the Scheduled Redemption Date
(i)	Interest Rate:	3.875 per cent. per annum payable annually in arrear (subject to Condition 6(f))
(ii)	Screen Rate Determination:	
	- Relevant Rate:	Not Applicable
	- Benchmark:	Not Applicable
	- Relevant Screen Page:	Not Applicable
	- Relevant Screen Page Time:	Not Applicable
	- Interest Determination Date:	Not Applicable
	- SOFR Rate Cut-Off Date:	Not Applicable
	- SONIA Rate Cut-Off Date:	Not Applicable
	- SARON Rate Cut-Off Date:	Not Applicable
	- TONA Rate Cut-Off Date:	Not Applicable
	- CORRA Rate Cut-Off Date:	Not Applicable
	- Lookback Days:	Not Applicable
	- Observation Shift Days:	Not Applicable
	- Relevant Number:	Not Applicable
	- Interest Accrual Period End Dates:	Not Applicable
	- Interest Payment Delay:	Not Applicable
	- SOFR Index Start:	Not Applicable
	- SOFR Index End:	Not Applicable
	- SAION Index Start:	Not Applicable
	- SAION Index End:	Not Applicable
	- SONIA Index Start:	Not Applicable
	- SONIA Index End:	Not Applicable
	- CORRA Index Start:	Not Applicable
	- CORRA Index End:	Not Applicable
	ISDA Determination:	
	- ISDA Definitions:	Not Applicable
	- Floating Rate Option:	Not Applicable
	- Designated Maturity:	Not Applicable

	- Specified Duration	Not Applicable
	- Reset Date:	Not Applicable
	- Overnight Rate	Not Applicable
	Compounding Method:	
	- Index Method:	Not Applicable
(iii)	Step-Up Fixed Fee Rate:	Not Applicable
(iv)	Interest Determination Date:	Not Applicable
(v)	Interest Payment Date(s):	16 January in each year, commencing on 16 January 2026, up to and including the Scheduled Redemption Date
(vi)	First Interest Payment Date:	16 January 2026
(vii)	Fixed Coupon Amount(s):	€38.75 per Calculation Amount
(viii)	Broken Amount(s):	Not Applicable
(ix)	Day Count Fraction:	Actual/Actual (ICMA)
(x)	Business Day Convention:	Modified Following Business Day Convention
(xi)	Reference Gilt:	Not Applicable
(xii)	Comparable German Bund Issue:	DBR 0.000 per cent. due May 2036
	- Alternative Percentage amount over the Bund Rate	0.20 per cent.
(xiii)	Comparable United States Treasury Securities	Not Applicable
(xiv)	Fixed Rate Bond denominated in CAD	Not Applicable
(xv)	Fixed Rate Bonds denominated in AUD	Not Applicable
(xvi)	Fixed Rate Bonds denominated in NOK	Not Applicable
(xvii)	Fixed Rate Bonds denominated in SGD	Not Applicable
(xviii)	Fixed Rate Bonds denominated in HKD	Not Applicable
(xix)	Fixed Rate Bonds denominated in SEK	Not Applicable
(xx)	Fixed Rate Bonds denominated in MXN	Not Applicable
16	Floating Rate Bond Provisions:	Applicable from, and including, the Scheduled Redemption Date, to but excluding, the Maturity Date
(i)	Specified Period(s)/Specified Interest Payment Dates:	The period from, and including, the Scheduled Redemption Date, to, but excluding, the next Interest Payment Date
(ii)	Specified Interest Payment Dates	16 January 2037 and the Maturity Date
(iii)	First Interest Payment Date	16 January 2037
(iv)	Business Day Convention:	Modified Following Business Day Convention

(v)	Business Centre(s):	London
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(vii)	Party responsible for calculating the Rate(s) of Interest, Interest Amount(s) and Redemption Amount (if not the Agent Bank):	Calculation Agent
(viii)	Interest Amount	Not Applicable
(ix)	Screen Rate Determination:	
	- Relevant Rate:	EURIBOR
	- Benchmark	Not Applicable
	- Interest Determination Date(s):	The second day on which T2 is open prior to the start of each Interest Period
	- Relevant Screen Page	Reuters page EURIBOR01
	- Relevant Screen Page Time:	11.00 a.m. Brussels Time
	- Interest Determination Date:	The second day on which T2 is open prior to the start of each Interest Period
	- SOFR Rate Cut-Off Date:	Not Applicable
	- SONIA Rate Cut-Off Date:	Not Applicable
	- SARON Rate Cut-Off Date:	Not Applicable
	- TONA Rate Cut-Off Date:	Not Applicable
	- CORRA Rate Cut-Off Date:	Not Applicable
	- Lookback Days:	Not Applicable
	- Observation Shift Days:	Not Applicable
	- Relevant Number:	Not Applicable
	- Interest Accrual Period End Dates:	Not Applicable
	- Interest Payment Delay:	Not Applicable
	- SOFR Index Start:	Not Applicable
	- SOFR Index End:	Not Applicable
	- SAION Index Start:	Not Applicable
	- SAION Index End:	Not Applicable
	- SONIA Index Start:	Not Applicable
	- SONIA Index End:	Not Applicable
	- CORRA Index Start:	Not Applicable
	- CORRA Index End:	Not Applicable

(x)	ISDA Determination:	
	- ISDA Definitions:	Not Applicable
	- Floating Rate Option:	Not Applicable
	- Designated Maturity:	Not Applicable
	- Specified Duration:	Not Applicable
	- Reset Date:	Not Applicable
	- Overnight Rate Compounding Method:	Not Applicable
	- Index Method:	Not Applicable
(xi)	Margin(s):	0.00 per cent. per annum (subject to Condition 6(f))
(xii)	Step-Up Floating Fee Rate:	plus (+) 4.00 per cent. per annum
(xiii)	Minimum Rate of Interest:	0.00 per cent. per annum
(xiv)	Maximum Rate of Interest:	Not Applicable
(xv)	Day Count Fraction:	Actual/Actual ICMA
(xvi)	Additional Business Centre(s):	Not Applicable
(xvii)	Relevant Financial Centre:	Brussels and London
(xviii)	Representative Amount:	Not Applicable
(xix)	Reference Banks:	Not Applicable
17	Zero Coupon Bond Provisions:	Not Applicable
18	Indexed Bond Provisions:	Not Applicable
19	Step Up Option:	Applicable. Any Interest Payment Date falling on or after 16 January 2033
	(i) Step Up Event:	In the Air Carbon KPI Step Up Event and/or On the Ground Carbon KPI Step Up Event
	(ii) Step Up Margin:	(i) 0.125 per cent. per annum in respect of an In the Air Carbon KPI Step Up Event; and (ii) 0.125 per cent. per annum in respect of an On the Ground Carbon KPI Step Up Event
	(iii) In the Air Carbon KPI Percentage Reference Year(s):	Financial Year ended 31 December 2030
	(iv) On the Ground Carbon KPI Percentage Reference Year(s):	Financial Year ended 31 December 2030
	(v) In the Air Carbon KPI Percentage Threshold:	15 per cent.
	(vi) On the Ground Carbon KPI Percentage Threshold:	46.2 per cent.
20	Premium Payment Option:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21	Issuer Call Option:	Applicable in accordance with Condition 8(d)
	(i) Optional Redemption Date(s):	As specified in Condition 8(d)

	(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	Calculated in accordance with Condition 8(d)
	(iii)	If redeemable in part:	
	(iv)	Minimum Redemption Amount:	Not Applicable
	(v)	Maximum Redemption Amount:	Not Applicable
	(vi)	Notice period (if other than as set out in the Conditions):	Not Applicable
22	Put Option:		Not Applicable
23	Final Redemption Amount of each Bond:		Determined in accordance with Condition 8(a) or Condition 8(b)
24	Early Redemption Amount:		
		Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Determined in accordance with Condition 8(d), Condition 8(e), Condition 8(f) and Condition 8(g), as the case may be

GENERAL PROVISIONS APPLICABLE TO THE BONDS

25	Form of Bonds:	Registered
	(i) If issued in Bearer form	Not Applicable
	(ii) If Registered Bonds:	Regulation S Global Bond Certificate registered in the name of a nominee for the common depositary for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Bond Certificates in the circumstances described in such Regulation S Global Bond Certificate
26	Relevant Financial Centre(s):	London
27	Talons for future Coupons or Receipts to be attached to Definitive Bonds (and dates on which such Talons mature):	Not Applicable
28	Details relating to Instalment Bonds:	Not Applicable

THIRD PARTY INFORMATION

The description of the ratings in Part B, paragraph 2 of these Final Terms has been extracted from the websites of S&P Global Ratings UK Limited ("**S&P**") and Fitch Ratings Ltd. ("**Fitch**"). The Issuer and each Obligor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by S&P and Fitch, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: *Alastair WoodF*

Duly authorised

Signed on behalf of Heathrow Airport Limited:

By: *Alastair WoodF*

Duly authorised

Signed on behalf of Heathrow Express Operating Company Limited:

By: *Alastair WoodF*

Duly authorised

Signed on behalf of Heathrow (SP) Limited:

By: *Alastair WoodF*

Duly authorised

Signed on behalf of Heathrow (AH) Limited:

By: *Alastair WoodF*

Duly authorised

PART B – OTHER INFORMATION

1 Listing

- | | | |
|-------|---|---|
| (i) | Listing | London |
| (ii) | Admission to trading: | Application is expected to be made by the Issuer (or on its behalf) for the Bonds to be admitted to trading on the London Stock Exchange's regulated market and listing on the Official List of the Financial Conduct Authority with effect from 16 January 2025. |
| (iii) | Estimate of total expenses related to admission to trading: | £6,350 |

2 Ratings

The Bonds to be issued are expected to be rated:

S&P: BBB+

Fitch: A-

An obligation rated 'BBB' by S&P exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

(Source:

<https://www.spglobal.com/ratings/en/about/understanding-credit-ratings>)

Obligations rated 'A' by Fitch denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The addition of a minus (-) sign is to denote its relative status within this rating category.

(Source: <https://www.fitchratings.com/site/re/10231912>).

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

So far as the Issuer is aware, no person involved in the offer of the Bonds has an interest material to the offer.

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

- | | | |
|-------|---------------------------|----------------------------------|
| (i) | Reasons for the offer: | See “Overview” in the Prospectus |
| (ii) | Estimated net proceeds: | €593,322,000 |
| (iii) | Estimated total expenses: | £6,350 |

5 YIELD

- | | |
|----------------------|--|
| Indication of yield: | 3.959 per cent. per annum. 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

Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
ISIN Code:	Regulation S XS2977947105
Common Code:	Regulation S 297794710
Prohibition of Sales to EEA Retail Investors:	Applicable
Prohibition of Sales to UK Retail Investors:	Applicable
Method of distribution:	Syndicated
Names of Lead Managers:	Banco Santander, S.A., Barclays Bank PLC, Lloyds Bank Corporate Markets plc, Mizuho International plc, MUFG Securities EMEA plc, NatWest Markets Plc, RBC Europe Limited, SMBC Bank International plc and Société Générale