

FINAL TERMS

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, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "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 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, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97, 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.

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 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 UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("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 UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK 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.

1 March 2024

Severn Trent Utilities Finance Plc

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

Legal entity identifier (LEI): 213800KY9PT6WBH33232

Issue of

EUR 500,000,000 4.000 per cent. Guaranteed Notes due 2034

Guaranteed by

Severn Trent Water Limited

under the

€8,000,000,000 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 26 July 2023 and the supplements to it dated 24 January 2024 and 20 February 2024, which together constitute a base prospectus for the purposes of the UK Prospectus Regulation. The "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the EUWA. 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 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 supplements to it dated 24 January 2024 and 20 February 2024 are available for viewing on Severn Trent's website at <https://www.severntrent.com/investors/debt-investors/>.

1. (i) Issuer: Severn Trent Utilities Finance Plc
- (ii) Guarantor: Severn Trent Water Limited
2. (i) Series Number: 118
- (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: euro ("**EUR**")
4. Aggregate Nominal Amount:
 - (i) Series: EUR 500,000,000
 - (ii) Tranche: EUR 500,000,000
5. Issue Price: 99.846 per cent. of the Aggregate Nominal Amount of the Tranche
6. (i) Specified Denominations: EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to (and including) EUR 199,000. No Definitive Notes will be issued with a denomination above EUR 199,000
- (ii) Calculation Amount: EUR 1,000
7. (i) Issue Date: 5 March 2024
- (ii) Interest Commencement Date: Issue Date
8. Maturity Date: 5 March 2034
9. Interest Basis: 4.000 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 Call Make-Whole Redemption by the Issuer <i>(further particulars specified at items 18 and 20 below)</i>
13. Date Board and Committee approval for issuance of Notes obtained:	The issue of Notes by the Issuer has been approved by resolutions of the Board of Directors of the Issuer passed on 15 June 2016 and 17 May 2021 and resolutions of the Severn Trent Treasury Committee passed on 25 February 2024. 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 14 May 2021 and resolutions of the Severn Trent Treasury Committee passed on 25 February 2024.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions	Applicable
(i) Rate(s) of Interest:	4.000 per cent. per annum payable annually in arrear
(ii) Interest Payment Date(s):	5 March in each year from (and including) 5 March 2025 up to (and including) the Maturity Date
(iii) Fixed Coupon Amount(s):	EUR 40.00 per Calculation Amount
(iv) Broken Amount(s):	Not Applicable
(v) Day Count Fraction:	Actual/Actual (ICMA)
(vi) Determination Date(s):	5 March in each year
(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
15. Floating Rate Note Provisions	Not Applicable
16. Zero Coupon Note Provisions	Not Applicable
17. Index-Linked Interest/Redemption Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18. Issuer Call:	Applicable
(i) Optional Redemption Date:	Any day falling in the period commencing on (and including) 5 December 2033 and ending on (but excluding) the Maturity Date
(ii) Optional Redemption Amount:	EUR 1,000 per Calculation Amount

(a) Minimum Optional Redemption Amount:	Not Applicable
(b) Maximum Optional Redemption Amount:	Not Applicable
(iii) If redeemable in part:	Not Applicable. The Notes may be redeemed in whole only and not in part
(iv) Notice period (if other than as set out in the Terms and Conditions):	As per the Terms and Conditions
19. Issuer Residual Call:	Not Applicable
20. Make-Whole Redemption by the Issuer:	Applicable
(i) Make-Whole Redemption Margin:	+25 basis points
(ii) Reference Bond:	CA Selected Bond
(iii) Quotation Time:	11.00 a.m. Brussels time
(iv) Reference Rate Determination Date:	The second Business Day preceding the relevant Make-Whole Redemption Date
(v) Day Count Fraction:	Actual/Actual (ICMA)
(vi) First Par Call Date:	5 December 2033
(vii) Canada Yield Price:	Not Applicable
(viii) If redeemable in part:	Not Applicable. The Notes may be redeemed in whole only and not in part
(ix) Notice period (if other than as set out in the Terms and Conditions):	As per the Terms and Conditions
21. Issuer Maturity Call	Not Applicable
22. Investor Put:	Not Applicable
23. Final Redemption Amount	EUR 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:	EUR 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
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(ii) New Global Note: Yes
27. Additional Financial Centre(s): London
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**:

By: 

Duly authorised

Signed on behalf of the **Guarantor**:

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 main market and for listing on the Official List of the Financial Conduct Authority 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 (“**Moody's**”)
- “BBB+” by S&P Global Ratings UK Limited (“**S&P**”)
- “A-” by Fitch Ratings Limited (“**Fitch**”)

The following information has been extracted from Moody's website (<https://www.moodys.com/ratings-process/Ratings-Definitions/002002>) on or around the date hereof:

- *“Obligations rated Baa are subject to moderate credit risk. They are 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”*

The following information has been extracted from S&P's website

(<https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceld/504352>) on or around the date hereof:

- *“An obligation rated ‘BBB’ 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”*

The following information has been extracted from Fitch's website

(<https://www.fitchratings.com/products/rating-definitions#about-rating-definitions>) on or around the date hereof:

- *“an ‘A’ rating denotes 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”*
- *“an additional +/- for AA through CCC levels indicating relative differences of probability of default or recovery for issues”*

Each of Moody's, S&P and Fitch is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA.

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

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

(i) Reasons for the offer The Notes are intended to be issued as Sustainable Notes. Accordingly, an amount equal to the net proceeds from the issue will be allocated by the Issuer to Eligible Sustainable Investments as set out in the Group's Sustainable Finance Framework, which for this issuance will fall within Green Eligible Categories. A Second Party Opinion has been obtained from DNV.

Neither the Group's Sustainable Finance Framework nor the Second Party Opinion form part of, nor are they incorporated by reference in, the Prospectus dated 26 July 2023 as supplemented by the supplements to it dated 24 January 2024 and 20 February 2024.

(ii) Estimated net proceeds: EUR 497,605,000

5. YIELD

Indication of yield: The yield in respect of this issue of Fixed Rate Notes is 4.019 per cent., calculated 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

(i) ISIN: XS2775728269

(ii) Common Code: 277572826

- (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
- (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 or alternative 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 Belgian Consumers: Applicable
- (xi) If syndicated, names of Managers: Joint Lead Managers
Barclays Bank PLC
BNP Paribas
SMBC Nikko Capital Markets Limited
Co-Manager
Bank of China Limited, London Branch