

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 the 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 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 Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

Final Terms dated 19 February 2024

SW (FINANCE) I PLC

Legal Entity Identifier (LEI): 549300BHN1HB5BNG2R96

Issue of £72,000,000 Sub-Class A16 3.315% CPI-Linked Class A Guaranteed Sustainability Bonds due
21 February 2043

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 constitutes 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/our-plans/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:	10
	(ii)	Sub-Class Number:	A16
3		Relevant Currency or Currencies:	British Pound Sterling (“£”)
4		Aggregate Nominal Amount of Bonds admitted to trading:	
	(i)	Series:	£72,000,000
	(ii)	Tranche:	£72,000,000
	(iii)	Sub-Class:	£72,000,000
5	(i)	Issue Price:	90.028 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:	21 February 2024
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8		Maturity Date:	21 February 2043
9		Instalment Date:	Not Applicable
10		Interest Basis:	Index Linked Interest

11	Redemption/Payment Basis:	Index Linked Redemption
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 in respect of SWS and 26 October 2023 in respect of the Issuer and the other Guarantors
15	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate Bond Provisions:	Not Applicable
17	Floating Rate Bond Provisions:	Not Applicable
18	Zero Coupon Bond Provisions:	Not Applicable
19	Indexed Bond Provisions:	Applicable
	(i) Index/Formula:	UK Consumer Price Index
	(ii) Interest Rate:	3.315% per annum multiplied by the Index Ratio (in accordance with Condition 7(g))
	(iii) Party responsible for calculating the Rate(s) of Interest, Interest Amount and Redemption Amount(s) (if not the Agent Bank):	Not Applicable
	(iv) Provisions for determining Coupon where calculated by reference to Index and/or Formulae:	Conditions 7(f) to 7(j) apply. For the purposes of Condition 7(f), the “Base Index Figure” shall be 132.0
	(v) Determination Date:	Not Applicable
	(vi) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	Applicable – Condition 7(h) and 7(j)
	(vii) Interest Payment Dates:	21 February and 21 August in each year
	(viii) First Interest Payment Date:	21 August 2024
	(ix) Business Day Convention:	Following Business Day Convention

(x)	Business Centre:	London
(xi)	Minimum Indexation Factor:	Not Applicable
(xii)	Maximum Indexation Factor:	Not Applicable
(xiii)	Value of “t” for determining CPI_{m-t} :	3
(xiv)	Value of “t” for determining $CPIH_{m-t}$:	Not Applicable
(xv)	Limited Indexation Month(s):	Not Applicable
(xvi)	Reference Gilt:	UKTi 0.625% due November 2042
(xvii)	Day Count Fraction:	Actual/Actual ICMA
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):	<p>The Optional Redemption Amount will be the higher of:</p> <p>(a) the Principal Amount Outstanding; and</p> <p>(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 UKTi 0.625% due November 2042 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 0.45 per cent.,</p> <p>in each case together with the accrued but unpaid interest on the Principal Amount Outstanding.</p>
(iii)	If redeemable in part:	
	Minimum Redemption Amount:	£100,000
	Maximum Redemption Amount:	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 multiplied by the Index Ratio (in accordance with Condition 7(g)) 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	(i) New Global Note:	Yes
	(ii) New Safekeeping Structure:	Not Applicable
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:	£72,000,000
31	Interest rate on relevant Term Advance/Index Linked Advances:	3.315% per annum multiplied by the Index Ratio (in accordance with Condition 7(g))
32	Term of relevant Term Advance/Index Linked Advances:	Index Linked Advance maturing on 21 February 2043
33	Other relevant provisions:	None

DISTRIBUTION

	Method of distribution	Non-syndicated
34	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager (if any):	Not Applicable
35	If non-syndicated, name of Dealer:	NatWest Markets Plc
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 £6,000,000,000 Multicurrency Programme for the Issuance of Guaranteed Bonds financing Southern Water Services Limited.

THIRD-PARTY INFORMATION

Not Applicable.

Signed on behalf of the Issuer:

By: 
Duly authorised

By: 

Signed on behalf of Southern Water Services Limited:

By: 
Duly authorised

By: 

Signed on behalf of SWS Holdings Limited:

By: 
Duly authorised

By: 

Signed on behalf of SWS Group Holdings Limited:

By: 
Duly authorised

By: 

Signed on behalf of SW (Finance) II Limited:

By: 
Duly authorised

By: 

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: | £4,800 |

2 Ratings

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| Ratings: | The Bonds to be issued have been rated:
S&P: BBB
Moody's: Baa3
Fitch: BBB |
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3 Interests of Natural and Legal Persons involved in the Issue/Offer

The Dealer and its 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.

4 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: | £64,645,160 |
| (iii) Estimated total expenses: | £175,000 |

5 Index-Linked or other variable-linked Bonds only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

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| (i) Name of underlying index: | UK Consumer Price Index (CPI) (all items) published by the Office for National Statistics |
| (ii) Information about the Index, its volatility and past and future performance can be obtained from: | More information on CPI including past and current performance and its volatility and fall back provisions in the event of a disruption in the publication of CPI, can be found at www.statistics.gov.uk / www.ons.gov.uk/economy/inflationandpriceindices |

6 Operational information

ISIN Code:	XS2771442980
Common Code:	277144298
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.
11 Green Bonds	Applicable
12 Social Bonds	Applicable