

## FINAL TERMS

23 May 2024

**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”); (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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, 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 the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, 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 the domestic law of the UK by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the UK by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of the domestic law of the UK 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.

**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 the domestic law of the UK by virtue of 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.

**UNITED UTILITIES WATER FINANCE PLC**

**LEI: 213800313INX42GDLR44**

**Issue of GBP 350,000,000 5.750 per cent. Fixed Rate Notes due 2051**

**unconditionally and irrevocably guaranteed by UNITED UTILITIES WATER LIMITED**

**under the £10,000,000,000**

**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 Conditions set forth in the Offering Circular dated 21 November 2023 and the supplement to it dated 17 May 2024 which together constitute a base prospectus for the purposes of the UK Prospectus Regulation (the "Offering Circular"). 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 Offering Circular in order to obtain all the relevant information. The Offering Circular has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <https://www.londonstockexchange.com/news?tab=news-explorer>.

1. (a) Issuer: United Utilities Water Finance PLC
- (b) Guarantor: United Utilities Water Limited
2. (a) Series Number: 84
- (b) Tranche Number: 1
- (c) Date on which the Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: Sterling ("GBP")
4. Aggregate Nominal Amount
- (a) Series: GBP 350,000,000
- (b) Tranche: GBP 350,000,000
5. Issue Price: 99.551 per cent. of the Aggregate Nominal Amount
6. (a) Specified Denominations: GBP 100,000 and integral multiples of GBP 1,000 in excess thereof up to and including GBP 199,000. No Notes in definitive form will be issued with a denomination above GBP 199,000
- (b) Calculation Amount for Notes in definitive form (and in relation to calculation of interest for Notes in global form see Conditions): GBP 1,000
7. (a) Issue Date: 28 May 2024
- (b) Interest Commencement Date: Issue Date
8. Maturity Date: 28 May 2051

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| 9.  | Interest Basis:                          | 5.750 per cent. Fixed Rate<br>(see paragraph 15 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 per cent. of their nominal amount |
| 11. | Change of Interest Basis:                | Not Applicable   |
| 12. | Put/Call Options:                        | Issuer Call<br>(see paragraph 20 below)  |
| 13. | (a) Status of the Notes:                 | Senior, unsecured  |
|     | (b) Status of the Guarantee:             | Senior, unsecured  |
|     | (c) Date approval for issuance obtained: | 20 May 2024  |
| 14. | Method of Distribution:                  | Syndicated   |

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

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| 15. | <b>Fixed Rate Note Provisions:</b>  | Applicable  |
|     | (a) Rate of Interest:   | 5.750 per cent. per annum payable annually in arrear on each Interest Payment Date        |
|     | (b) Interest Payment Date(s):   | 28 May in each year from and including 28 May 2025, up to and including the Maturity Date |
|     | (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): | GBP 57.50 per Calculation Amount  |
|     | (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions):       | Not Applicable  |
|     | (e) Day Count Fraction:   | Actual/Actual (ICMA)  |
|     | (f) Determination Date(s):  | 28 May in each year   |
| 16. | <b>Floating Rate Note Provisions:</b>   | Not Applicable  |

17. **Zero Coupon Note Provisions:** Not Applicable

18. **Index Linked Interest/Redemption Note Provisions:** Not Applicable

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

19. Notice periods for Condition 9.2: Minimum period: 30 days  
Maximum period: 60 days

20. Issuer Call: Applicable

(a) Optional Redemption Date(s): Any Payment Day (as defined in Condition 8.6) falling in the period from and including 28 February 2051 to but excluding the Maturity Date

(b) Optional Redemption Amount: GBP 1,000 per Calculation Amount

(c) If redeemable in part: Not Applicable

(d) Notice periods: Minimum period: 30 days  
Maximum period: 90 days

21. Investor Put: Not Applicable

22. Final Redemption Amount: GBP 1,000 per Calculation Amount

23. Early Redemption Amount payable on redemption for taxation reasons, indexation reasons or on event of default: GBP 1,000 per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes: Bearer Notes:  
Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event

25. New Global Notes ("NGN") / New Safekeeping Structure ("NSS"): NGN

26. Additional Financial Centre(s): Not Applicable

27. Talons for future Coupons or Receipts to be attached to Definitive Notes: No

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| 28. | Redenomination applicable:               | Redenomination not applicable |
| 29. | Details Relating to Instalment<br>Notes: | 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 Moody's, S&P and Fitch (each as defined below). Each of the Issuer and the Guarantor 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 Moody's, S&P and Fitch (as applicable), no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: BT Murphy

*Duly authorised*

Signed on behalf of the Guarantor:

By: BT Murphy

*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING

- (a) Listing: London
- (b) Admission to trading: Application will be 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 listing on the Official List of the Financial Conduct Authority with effect from the Issue Date.
- (c) Estimate of total expenses related to admission to trading: GBP 5,850

### 2. RATINGS

- Ratings: The Notes to be issued are expected to be rated:
- A3 by Moody's Investors Service Ltd ("Moody's")
- BBB+ by S&P Global Ratings UK Limited ("S&P")
- A- by Fitch Ratings Ltd ("Fitch")

Each of Moody's, S&P and Fitch is established in the UK and registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law of the UK by virtue of the EUWA. The ratings of Moody's, S&P and Fitch are endorsed by Moody's Deutschland GmbH ("Moody's Europe"), S&P Global Ratings Europe Limited ("S&P Europe") and Fitch Ratings Ireland Limited ("Fitch Europe") respectively in accordance with Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation") for use in the EEA. Each of Moody's Europe, S&P Europe and Fitch Europe is established in the EEA and registered under the CRA Regulation. As such, each of Moody's Europe, S&P Europe and Fitch Europe is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation> in accordance with the CRA Regulation and each of Moody's, S&P and Fitch is included in the list of credit rating agencies published by the UK Financial Conduct Authority on its website (at <https://www.fca.org.uk/firms/credit-rating-agencies>).

Obligations rated 'A' by Moody's are judged to be upper-medium grade and are subject to low credit risk. The modifier '3' indicates that the obligation ranks in the lower end of its generic rating category. (Source: <https://ratings.moodys.com/api/rmc-documents/53954>).

Obligations rated 'BBB' by S&P exhibit 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. The addition of a plus (+) sign is to show relative standing

within this rating category. (Source: <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>).

Obligations rated 'A' by Fitch denote expectations of low credit 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/research/fund-asset-managers/rating-definitions-24-04-2023>).

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

Save for any fees payable to Merrill Lynch International, NatWest Markets Plc, RBC Europe Limited and The Toronto-Dominion Bank (together, the "Managers"), so far as the Issuer is 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 and the Guarantor and their respective affiliates in the ordinary course of business.

### 4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

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|-----|-------------------------|---|
| (a) | Reasons for the offer:  | The Issuer intends to issue the Notes as Sustainability Bonds (as defined in the Offering Circular) and apply an amount equal to the net proceeds from this issue of Notes to eligible projects and activities that are in keeping with the Sustainable Finance Framework (as defined and further described in the section of the Offering Circular entitled " <i>Sustainable Finance Framework</i> "). |
| (b) | Estimated net proceeds: | GBP 347,378,500   |

### 5. YIELD

Indication of yield:	5.783 per cent. per annum
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The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 6. PERFORMANCE OF INTEREST RATES

Not Applicable.

### 7. OPERATIONAL INFORMATION

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| (a) | ISIN:        | XS2828827449 |
| (b) | Common Code: | 282882744    |



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| (c) | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable   |
| (d) | Delivery:  | Delivery against payment   |
| (e) | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable   |
| (f) | Intended to be held in a manner that would allow Eurosystem eligibility:   | No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

## 8. BENCHMARKS REGULATION

Not Applicable.

## 9. DISTRIBUTION

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|-----|--|--|
| (a) | If syndicated, names of Managers:  | Merrill Lynch International, NatWest Markets Plc, RBC Europe Limited and The Toronto-Dominion Bank |
| (b) | If non-syndicated, name of relevant Manager:                               | Not Applicable   |
| (c) | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA D applicable   |
| (d) | Prohibition of Sales to EEA Retail Investors:                              | Applicable   |
| (e) | Prohibition of Sales to UK Retail Investors:                               | Applicable   |
| (f) | Prohibition of Sales to Belgian Consumers:                                 | Applicable   |
| (g) | Singapore Sales to Institutional Investors and Accredited                  | Applicable   |

Investors only: