

FINAL TERMS

6 February 2020

**MiFID II 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 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.**

**UNITED UTILITIES WATER FINANCE PLC**

**LEI: 213800313INX42GDLR44**

**Issue of GBP 250,000,000 1.750 per cent. Fixed Rate Notes due 2038**

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

**under the EUR 7,000,000,000**

**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 2019 which constitutes a base prospectus for the purposes of Regulation (EU) 2017/1129 (the “Prospectus Regulation”) (the “Offering Circular”). This document constitutes the Final Terms of the Notes described herein for the purposes of the 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 <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

- |    |     |  |                                    |
|----|-----|--|------------------------------------|
| 1. | (a) | Issuer:  | United Utilities Water Finance PLC |
|    | (b) | Guarantor  | United Utilities Water Limited     |
| 2. | (a) | Series Number:   | 72                                 |
|    | (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 250,000,000                    |

- (b) Tranche: GBP 250,000,000
5. Issue Price: 99.528 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: 10 February 2020
- (b) Interest Commencement Date: Issue Date
8. Maturity Date: 10 February 2038
9. Interest Basis: 1.750 per cent. Fixed Rate (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 (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: 3 February 2020
14. Method of Distribution: Syndicated

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

15. **Fixed Rate Note Provisions** Applicable
- (a) Rate of Interest: 1.750 per cent. per annum payable annually in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): 10 February in each year from and including 10 February 2021 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 17.50 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):  | 10 February in each year |
| 16. | <b>Floating Rate Note Provisions</b>  | Not Applicable           |
| 17. | <b>Zero Coupon Note Provisions</b>  | Not Applicable           |
| 18. | <b>Index Linked Interest/Redemption Note Provisions</b>   | Not Applicable           |

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

- |     |  |   |
|-----|--|---|
| 19. | Notice periods for Condition 9.2:  | Minimum period: 30 days<br>Maximum period: 60 days                              |
| 20. | Issuer Call:   | Applicable  |
| (a) | Optional Redemption Date(s):   | Any date from and including 10 November 2037 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<br>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:<br><br>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                            |
| 28. | Redenomination applicable:  | Redenomination not applicable |
| 29. | Details Relating to Instalment Notes                                      | Not Applicable                |

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 regulated market and listing on the Official List of the FCA with effect from the Issue Date.
- (c) Estimate of total expenses related to admission to trading: GBP 4,725

### **2. RATINGS**

- Ratings: The Notes to be issued are expected to be rated:
- A3 by Moody's Investors Services Ltd ("Moody's")
- A- by S&P Global Ratings Europe Limited ("S&P")
- A- by Fitch Ratings Limited ("Fitch")
- Each of Moody's, S&P and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation")

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

Save for any fees payable to 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 affiliates in the ordinary course of business.

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

- (a) Reasons for the offer: See "Use of Proceeds" in the Offering Circular
- (b) Estimated net proceeds: GBP 247,945,000

### **5. YIELD**

Indication of yield: 1.781 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. PERFORMANCE OF INTEREST RATES

Not Applicable.

## 7. OPERATIONAL INFORMATION

- (a) ISIN: XS2114778140
- (b) Common Code: 211477814
- (c) CFI: As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (d) FISN: As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (e) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (f) Delivery: Delivery against payment
- (g) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (h) Intended to be held in a manner that 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.

## 8. BENCHMARKS REGULATION

Not Applicable

## 9. DISTRIBUTION

- (a) If syndicated, names of Managers: Bank of China Limited, London Branch  
Deutsche Bank AG, London Branch

HSBC Bank plc

NatWest Markets Plc

- (b) Date of Subscription Agreement: 6 February 2020
- (c) If non-syndicated, name of relevant Manager: Not Applicable
- (d) Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D applicable
- (e) Prohibition of Sales to EEA Retail Investors: Not Applicable
- (f) Prohibition of Sales to Belgian Consumers: Applicable



## FINAL TERMS

27 January 2023

**UK MiFIR product governance / Professional investors and eligible counterparties 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 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 United Kingdom (the “UK”), by virtue of the European Union (Withdrawal) Act 2018 (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 manufacturer’s 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 manufacturer’s target market assessment) and determining appropriate distribution channels.**

**UNITED UTILITIES WATER FINANCE PLC****LEI: 213800313INX42GDLR44****Issue of GBP 75,000,000 1.750 per cent. Fixed Rate Notes due 2038**

**(to be consolidated and form a single Series with the GBP 250,000,000 1.750 per cent. Fixed Rate Notes due 2038 issued on 10 February 2020)**

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

**under the GBP 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 2019 which are incorporated by reference in the Offering Circular dated 24 November 2022. This document constitutes the Final Terms of the Notes described herein for the purposes 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”) and must be read in conjunction with the Offering Circular dated 24 November 2022 which constitutes a base prospectus for the purposes of the UK Prospectus Regulation (the “Offering Circular”) in order to obtain all the relevant information, including the Conditions incorporated by reference in the Offering Circular. The Offering Circular has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

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|----|-----|--|---|
| 1. | (a) | Issuer:  | United Utilities Water Finance PLC  |
|    | (b) | Guarantor  | United Utilities Water Limited  |
| 2. | (a) | Series Number:   | 72  |
|    | (b) | Tranche Number:  | 2   |
|    | (c) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with the GBP 250,000,000 1.750 per cent. Fixed Rate Notes due 2038 issued on 10 February 2020 (the “Tranche 1 Notes”) on exchange of the Temporary Global Note for interests in the |

Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about 13 March 2023

3. Specified Currency or Currencies: Sterling (“GBP”)
4. Aggregate Nominal Amount:
  - (a) Series: GBP 325,000,000
  - (b) Tranche: GBP 75,000,000
5. Issue Price: 69.520 per cent. of the Aggregate Nominal Amount plus 355 days’ accrued interest (GBP 1,276,541.10) in respect of the period from (and including) 10 February 2022 to (but excluding) the Issue Date
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: 31 January 2023  
  
(b) Interest Commencement Date: 10 February 2022
8. Maturity Date: 10 February 2038
9. Interest Basis: 1.750 per cent. Fixed Rate (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 (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: 23 January 2023

14. Method of Distribution: Non-syndicated

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

15. **Fixed Rate Note Provisions** Applicable
- (a) Rate of Interest: 1.750 per cent. per annum payable annually in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): 10 February in each year from and including 10 February 2023 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 17.50 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): 10 February in each year
16. **Floating Rate Note Provisions** 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 date from and including 10 November 2037 to but excluding the Maturity Date
- b) Optional Redemption Amount: GBP 1,000 per Calculation Amount
- c) If redeemable in part: Not Applicable

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|-----|--|--|
|     | d) Notice periods:   | Minimum period: 30 days<br>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:<br><br>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   |
| 28. | Redenomination applicable:  | Redenomination not applicable  |
| 29. | Details Relating to Instalment 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 confirm 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 FCA with effect from the Issue Date.
- (c) Estimate of total expenses related to admission to trading: GBP 3,950

### 2. RATINGS

Ratings: The Notes to be issued are expected to be rated:

A3 by Moody's Investors Services Ltd ("Moody's")

BBB+ by S&P Global Ratings UK Limited ("S&P")

A- by Fitch Ratings Limited ("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 UK domestic law 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 European Union. Each of Moody's Europe, S&P Europe and Fitch Europe is established in the European Economic Area 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/supervision/credit-rating-agencies/risk> 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 FCA 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://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC\\_79004](https://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_79004)).

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://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourceId/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352)).

Obligations rated 'A' by Fitch are judged to indicate that expectations of credit risk are currently low. 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/structured-finance/rating-definitions-21-03-2022>).

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

Save for any fees payable to the Lead Manager, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Lead Manager and its 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 affiliates in the ordinary course of business.

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

- |     |                         |   |
|-----|-------------------------|---|
| (a) | Reasons for the offer:  | See "Use of Proceeds" in the Offering Circular  |
| (b) | Estimated net proceeds: | GBP 53,187,041.10 (inclusive of 355 days' accrued interest amounting to GBP 1,276,541.10) |

### **5. YIELD**

Indication of yield: 4.605 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. PERFORMANCE OF INTEREST RATES**

Not Applicable.

### **7. OPERATIONAL INFORMATION**

- |     |       |   |
|-----|-------|---|
| (a) | ISIN: | Prior to consolidation with the Tranche 1 Notes as described in paragraph 2(c) of Part A above: |
|-----|-------|---|

XS2581980005

Upon consolidation with the Tranche 1 Notes as described in paragraph 2(c) of Part A above:

XS2114778140

- (b) Common Code: Prior to consolidation with the Tranche 1 Notes as described in paragraph 2(c) of Part A above:  
258198000  
Upon consolidation with the Tranche 1 Notes as described in paragraph 2(c) of Part A above:  
211477814
- (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: 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.

## 8. BENCHMARKS REGULATION

Not Applicable

## 9. DISTRIBUTION

- (a) If syndicated, names of Managers: Not Applicable
- (b) If non-syndicated, name of relevant Manager: The Toronto-Dominion Bank
- (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: | Not Applicable |
| (e) | Prohibition of Sales to UK Retail Investors:  | Not Applicable |
| (f) | Prohibition of Sales to Belgian Consumers:    | Applicable     |