

FINAL TERMS

20 August 2020

MiFID II 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 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 manufacturer’s 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 manufacturer’s target market assessment) and determining appropriate distribution channels.

**UNITED UTILITIES WATER FINANCE PLC
LEI: 213800313INX42GDLR44**

Issue of USD 35,000,000 1.474 per cent Fixed Rate Notes due 24 August 2031

**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 and the supplements to it dated 26 February 2020, 22 May 2020 and 3 July 2020 which together constitute 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>.

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| 1. | (a) | Issuer: | United Utilities Water Finance PLC |
| | (b) | Guarantor | United Utilities Water Limited |
| 2. | (a) | Series Number: | 75 |
| | (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: | US Dollars (“USD”) |
| 4. | | Aggregate Nominal Amount: | |
| | (a) | Series: | USD 35,000,000 |
| | (b) | Tranche: | USD 35,000,000 |

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| 5. | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (a) Specified Denominations: | USD 1,000,000 and integral multiples of USD 1,000,000 in excess thereof |
| | (b) Calculation Amount for Notes in definitive form (and in relation to calculation of interest for Notes in global form see Conditions): | USD 1,000,000 |
| 7. | (a) Issue Date: | 24 August 2020 |
| | (b) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 24 August 2031 |
| 9. | Interest Basis: | 1.474 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: | Not Applicable |
| 13. | (a) Status of the Notes: | Senior, unsecured |
| | (b) Status of the Guarantee: | Senior, unsecured |
| | (c) Date approval for issuance obtained: | 9 July 2020 |
| 14. | Method of Distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (a) Rate of Interest: | 1.474 per cent. per annum payable semi-annually in arrear on each Interest Payment Date |
| | (b) Interest Payment Date: | 24 February and 24 August in each year from and including 24 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): | USD 14,740 per Calculation Amount |
| | (d) Broken Amount(s) for Notes in definitive form (and in relation | Not Applicable |

to Notes in global form see
Conditions):

- (e) Day Count Fraction: 30/360
- (f) Determination Date: 24 February and 24 August 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

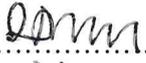
19. Notice periods for Condition 9.2: Minimum period: 30 days
Maximum period: 60 days
20. Issuer Call: Not Applicable
21. Investor Put: Not Applicable
22. Final Redemption Amount: USD 1,000,000 per Calculation Amount
23. Early Redemption Amount payable on redemption for taxation reasons, indexation reasons or on event of default: USD 1,000,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Bearer Notes:

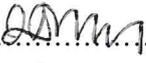
Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
25. New Global Notes (“NGN”) / New Safekeeping Structure (“NSS”): NGN
26. Additional Financial Centre(s): TARGET
27. Talons for future Coupons or Receipts to be attached 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: 

Duly authorised

Signed on behalf of the Guarantor:

By: 

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 2,295

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 Europe Limited ("S&P")

A- by Fitch Ratings Limited ("Fitch")

Moody's and Fitch are established in the United Kingdom and S&P is established in the European Union. Each of Moody's, S&P and Fitch 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 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 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: USD 35,000,000

5. YIELD

Indication of yield: 1.474 per cent. per annum semi-annual

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: | XS2217307805 |
| (b) | Common Code: | 221730780 |
| (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

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| (a) | If syndicated, names of Managers: | Not Applicable |
| (b) | Date of Subscription Agreement: | Not Applicable |
| (c) | If non-syndicated, name of relevant Manager: | RBC Europe Limited |
| (d) | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not | TEFRA D applicable |

applicable:

- (e) Prohibition of Sales to EEA and UK Retail Investors: Not Applicable
- (f) Prohibition of Sales to Belgian Consumers: Applicable