

**IMPORTANT – 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 ("**MiFID II**") or (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), 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 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.

Final Terms dated 20 November 2017

## **AFFINITY WATER PROGRAMME FINANCE LIMITED**

Issue of  
**Sub-Class A5 £60,000,000 2.699 per cent. Guaranteed Bonds due 2033**  
(the "**Bonds**")

under the £2,500,000,000 Guaranteed Bond 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 Prospectus dated 3 November 2017 which constitutes a base prospectus for the purposes of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Programme 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 has been published on the website of the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html) and a copy is available for viewing at the Specified Office of the Principal Paying Agent and at the registered office of the Programme Issuer, which is c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, during usual business hours on any weekday apart from Saturdays, Sundays and public holidays, and copies may be obtained from AWL at the following address: Tamblin Way, Hatfield, Hertfordshire, AL10 9EZ.

Repayment of the principal and payment of any interest or premium in connection with the Bonds has not been guaranteed by any financial institution.

- |    |      |                |  |
|----|------|----------------|--|
| 1. | (i)  | Issuer:        | Affinity Water Programme Finance Limited   |
|    | (ii) | Guarantors:    | Affinity Water Holdings Limited, Affinity Water Limited, Affinity Water Finance (2004) plc |
| 2. | (i)  | Series Number: | 4  |

- (ii) Sub-Class Number: A5
  - (iii) Sub-Class Number for the purposes of consolidation under Condition 1(c): Not Applicable
  - (iv) Date on which become consolidated under Condition 1(c): Not Applicable
- 3. Relevant Currency or Currencies: Pounds Sterling ("£")
- 4. Aggregate Nominal Amount:
  - (i) Series: £60,000,000
  - (ii) Sub-Class: £60,000,000
  - (iii) Tranche: £60,000,000
- 5. Issue Price: 100.00 per cent. of the Aggregate Nominal Amount
- 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: 22 November 2017
  - (ii) Interest Commencement Date (if different from the Issue Date): Issue Date
- 8. Maturity Date: 22 November 2033
- 9. Instalment Date: Not Applicable
- 10. Interest Basis: 2.699 per cent. Fixed Rate
- 11. Redemption/Payment Basis: Redemption at par
- 12. Change of Interest or Redemption/Payment Basis: Not Applicable
- 13. Call Options: Issuer Call Option
- 14. (i) Status of the Guarantees: Senior

- (ii) Date Board approval for issuance of Bonds and Guarantee obtained: 1 November 2017 in the case of the issuance of the Bonds and 1 November 2017 in the case of the Guarantees

15. Method of distribution: Syndicated

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

16. Fixed Rate Bond Provisions: Applicable

- (i) Interest Rate: 2.699 per cent. per annum payable semi-annually in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 22 May and 22 November in each year, commencing 22 May 2018
- (iii) Fixed Coupon Amounts: £13.495 per Calculation Amount, payable on each Interest Payment Date
- (iv) Broken Amounts: Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Date: 22 May and 22 November in each year
- (vii) Reference Gilt: UK Treasury 4.25% due 7 June 2032

17. Floating Rate Bond Provisions: Not Applicable

18. Indexed Bond Provisions: Not Applicable

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

19. Call Option: Applicable in accordance with Condition 8(b)

- (i) Optional Redemption Date(s): Any Interest Payment Date
- (ii) Redemption Amount(s) and method, if any, of calculation of such amount(s): Calculated in accordance with Condition 8(b)
- (iii) If redeemable in part: Not Applicable

20. Final Redemption Amount: £1,000 per Calculation Amount

21. Reference Gilt: UK Treasury 4.25% due 7 June 2032

22. Applicable Uplift: Not Applicable

## 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 Bearer Bonds in the limited circumstances specified in the Permanent Global Bond |
|     | (ii) If Registered Bonds:  | Not Applicable   |
| 24. | Relevant Financial Centre(s) or other special provisions relating to Payment Dates:                                      | Not Applicable   |
| 25. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Bonds (and dates on which such Talons mature): | Yes  |
| 26. | Details relating to Instalment Bonds:  | Not Applicable   |

## DISTRIBUTION

- |     |                                    |   |
|-----|------------------------------------|---|
| 27. | If syndicated, names of Managers:  | <i>Joint Lead Managers:</i><br><br>Lloyds Bank plc<br><br>The Royal Bank of Scotland plc (trading as NatWest Markets) |
| 28. | If non-syndicated, name of Dealer: | Not Applicable  |
| 29. | U.S. Selling Restrictions:         | Reg S Compliance Category 2, TEFRA D  |

## LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the details required for issue and admission to trading on the London Stock Exchange's Regulated Market and admission to the Official List of the UK Listing Authority of the Bonds described herein pursuant to the listing of the Programme for the issuance of up to £2,500,000,000 Guaranteed Bonds by Affinity Water Programme Finance Limited.

Signed on behalf of the Programme Issuer:

By: .....  
*Duly authorised*


Signed on behalf of Affinity Water Limited:

By: .....  
*Duly authorised*

Signed on behalf of Affinity Water Holdings Limited:

By: .....  
*Duly authorised*

Signed on behalf of Affinity Water Finance (2004) plc:

By: .....  
*Duly authorised*

## **PART B - OTHER INFORMATION**

### **1. LISTING**

- |       |   |   |
|-------|---|---|
| (i)   | Listing:  | Listed on the Official List of the UKLA   |
| (ii)  | Admission to trading:                                       | Application has been made for the Bonds to be admitted to trading on the London Stock Exchange's regulated market with effect from the Issue Date |
| (iii) | Estimate of total expenses related to admission to trading: | £2,700  |

### **2. RATINGS**

- |          |   |
|----------|---|
| Ratings: | The Bonds to be issued are expected to be rated:            |
|          | Moody's Investors Service Limited: A3                       |
|          | Standard & Poor's Credit Market Services Europe Limited: A- |

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

Save for any fees payable the Joint Lead Managers, so far as the Programme Issuer is aware, no person involved in the issue of the Bonds has an interest material to the offer. The Joint Lead 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 Obligors 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 proceeds from the issue of the Bonds by the Programme Issuer under the Programme will be on-lent to AWL under the terms of a Programme Issuer/AWL Loan Agreement to be applied by AWL for its general corporate purposes or used to repay or service AWL's Financial Indebtedness |
| (ii)  | Estimated net proceeds:   | Not Applicable  |
| (iii) | Estimated total expenses: | Not Applicable  |

### **5. YIELD**

- |                      |                             |
|----------------------|-----------------------------|
| Indication of yield: | 2.699 per cent. 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. OPERATIONAL INFORMATION**

ISIN: XS1722862080

Common Code: 172286208

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme 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  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

Names and addresses of additional Paying Agent(s) (if any): Not Applicable