

Trust Deed

relating to WESSEX WATER SERVICES FINANCE PLC £5,000,000,000 Euro Medium
Term Note Programme

guaranteed by WESSEX WATER SERVICES LIMITED

arranged by BARCLAYS BANK PLC

Dated 6 September 2023

WESSEX WATER SERVICES FINANCE PLC

as Issuer

WESSEX WATER SERVICES LIMITED

as Guarantor

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

as Trustee

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This Trust Deed is made on 6 September 2023 **between:**

- (1) **WESSEX WATER SERVICES FINANCE PLC** (the “**Issuer**”); and
- (2) **WESSEX WATER SERVICES LIMITED** (the “**Guarantor**”); and
- (3) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (in its capacity as the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

Whereas:

- (A) The Issuer proposes to issue from time to time euro medium term notes guaranteed by the Guarantor in an aggregate principal amount outstanding at any one time not exceeding the Programme Limit in accordance with the Dealer Agreement (the “**Programme**”) and to be constituted under this Trust Deed.
- (B) The Notes (as defined below) will be constituted by this Trust Deed (as amended and restated or supplemented from time to time, the “**Trust Deed**”) between the Issuer, the Guarantor and the Trustee. The holders of the Notes and of any coupons or talons for further coupons appertaining thereto shall have the benefit of all the provisions of this Trust Deed and of the Agency Agreement (as defined below) applicable to them.

The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

This Trust Deed witnesses and it is agreed and declared as follows:

1 Interpretation

1.1 Definitions: Capitalised terms used in this Trust Deed but not defined in this Trust Deed shall have the meanings given to them in the Conditions.

The following expressions shall have the following meanings in this Trust Deed:

“**Agency Agreement**” means the agency agreement relating to the Programme dated 6 September 2023 between the Issuer, the Guarantor, HSBC Corporate Trustee Company (UK) Limited as Trustee, HSBC Bank plc as initial Principal Paying Agent and the other agents mentioned in it;

“**Agents**” means the Principal Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents or any of them;

“**Applicable Law**” means any law or regulation including, but not limited to: (a) any statute or regulation; (b) any rule or practice of any Authority by which the Issuer is bound or with which it is accustomed to comply; (c) any agreement between any Authorities; and (d) any customary agreement between any Authority and any party;

“**Appointee**” means any attorney, manager, agent, delegate or other person appointed or engaged by the Trustee pursuant to this Trust Deed or the Agency Agreement;

“**Appointment**” has the meaning set out in Condition 24;

“**Auditors**” has the meaning set out in Condition 24;

“**Authority**” means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction;

“Bearer Note” means a Note that is in bearer form, and includes any replacement Bearer Note issued pursuant to the Conditions and any temporary Global Note or permanent Global Note;

“Business Day” means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place (and in the absence of any place being specified, in London);

“Calculation Agent” means any person named as such in the Conditions or any Successor Calculation Agent;

“Certificate” means a registered certificate representing one or more Registered Notes of the same Series and, save as provided in the Conditions, comprising the entire holding by a Noteholder of their Registered Notes of that Series and, save in the case of Global Certificates, being substantially in the form set out in Schedule 2;

“CGN” means a temporary Global Note in the form set out in Part A of Schedule 1 or a permanent Global Note in the form set out in Part B of Schedule 1;

“Clearstream, Luxembourg” means Clearstream Banking S.A.;

“Code” means the U.S. Internal Revenue Code of 1986, as amended;

“Common Safekeeper” means, in relation to a Series where the relevant Global Note is a NGN or the relevant Global Certificate is held under the NSS, the common safekeeper for Euroclear and Clearstream, Luxembourg appointed in respect of such Notes;

“Conditions” means in respect of the Notes of each Series, the terms and conditions applicable thereto which shall (i) be substantially in the form set out in Schedule 2 as modified, with respect to any Notes represented by a Global Certificate or a Global Note, by the provisions of such Global Certificate or Global Note, (ii) incorporate any additional provisions forming part of such terms and conditions set out in Part A of the Pricing Supplement relating to the Notes of that Series and (iii) be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph of Schedule 2 Part C, and any reference to a particularly numbered Condition shall be construed accordingly;

“Contractual Currency” means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 10, pounds sterling or such other currency as may be agreed between the Issuer and the Trustee from time to time;

“Coupons” means the bearer coupons relating to interest bearing Bearer Notes or, as the context may require, a specific number of them and includes any replacement Coupons issued pursuant to the Conditions;

“Dealer Agreement” means the Dealer Agreement relating to the Programme dated 6 September 2023 as amended and/or supplemented and/or restated from time to time between the Issuer, the Guarantor, Barclays Bank PLC and the other dealers and arrangers named in it;

“Definitive Note” means a Bearer Note in definitive form having, where appropriate, Coupons and/or a Talon attached on issue and, unless the context requires otherwise,

means a Certificate (other than a Global Certificate) and includes any replacement Note or Certificate issued pursuant to the Conditions;

“Euroclear” means Euroclear Bank SA/NV;

“Event of Default” means any of the conditions, events or acts provided in Condition 13 which, if so required by that Condition, have been certified by the Trustee in writing to the Issuer and the Guarantor to be, in its opinion, materially prejudicial to the interests of Noteholders;

“Extraordinary Resolution” has the meaning set out in Schedule 3;

“FATCA Withholding” means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

“FSMA” means the Financial Services and Markets Act 2000;

“Global Certificate” means a Certificate substantially in the form set out in Schedule 1 Part E representing Registered Notes of one or more Tranches of the same Series;

“Global Note” means a temporary Global Note and/or, as the context may require, a permanent Global Note, a CGN and/or a NGN, as the context may require;

“Guarantee” means the guarantee and indemnity of the Guarantor in Clause 5;

“holder” in relation to a Note, Coupon or Talon, and **“Couponholder”** and **“Noteholder”** have the meanings given to them in the Conditions;

“holding company” means a holding company within the meaning of section 1159 of the Companies Act 2006;

“Liability” means any loss, damage, cost, charge, claim, fee, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any irrecoverable value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

“NGN” means a temporary Global Note in the form set out in Part C of Schedule 1 or a permanent Global Note in the form set out in Part D of Schedule 1;

“NSS” means the new safekeeping structure which applies to Registered Notes held in global form by a Common Safekeeper for Euroclear and Clearstream, Luxembourg and which is required for such Registered Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations;

“Notes” means the euro medium term notes to be issued by the Issuer pursuant to the Dealer Agreement, guaranteed by the Guarantor, constituted by this Trust Deed and for the time being outstanding or, as the context may require, a specific number of them;

“outstanding” means, in relation to the Notes, all the Notes issued except:

- (a) those that have been redeemed and cancelled in accordance with the Conditions;
- (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption

and any interest payable after such date) have been duly paid to the Trustee or to the Principal Paying Agent as provided in Clause 2 and in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the relative Holders in accordance with Condition 20) and remain available for payment against presentation and surrender of the relevant Notes, Certificates and/or Coupons, as the case may be;

- (c) those that have been purchased and cancelled as provided in the Conditions;
- (d) those that have become void or in respect of which claims have become prescribed in accordance with the Conditions;
- (e) those mutilated or defaced Bearer Notes that have been surrendered and cancelled and in respect of which replacements have been issued pursuant to the Conditions;
- (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued pursuant to the Conditions;
- (g) any temporary Global Note to the extent that it shall have been exchanged for a permanent Global Note and any Global Note to the extent that it shall have been exchanged for one or more Definitive Notes, in either case pursuant to its provisions;

provided that for each of the following purposes, namely:

- (i) ascertaining the right to attend any meeting of the Noteholders and vote at any meeting of the Noteholders or to participate in any Written Resolution or Electronic Consent through the relevant Clearing System(s) as envisaged by Schedule 3 hereto and any direction or request by the holders of the Notes;
- (ii) the determination of how many Notes are outstanding for the purposes of Conditions 13, 14 and 15 and Schedule 3;
- (iii) the exercise of any discretion, power or authority (whether contained in the provisions of this Trust Deed or vested by operation of law) that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders; and
- (iv) the certification (where relevant) by the Trustee as to whether a Potential Event of Default is in its opinion materially prejudicial to the interests of the Noteholders,

those Notes that are beneficially held by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding. Save for the purposes of the proviso herein, in the case of each NGN, the Trustee shall rely on the records of Euroclear and Clearstream, Luxembourg in relation to any determination of the principal amount outstanding of each NGN;

"Paying Agent" means the persons (including the Principal Paying Agent) referred to as such in the Conditions or any Successor Paying Agents in each case at their respective specified offices;

"permanent Global Note" means a Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of a temporary Global Note,

or part of it, and which shall be substantially in the form set out in Part B or Part D of Schedule 1, as the case may be;

“Potential Event of Default” has the meaning set out in Condition 24;

“Pricing Supplement” means, in relation to a Tranche, the Pricing Supplement issued specifying the relevant issue details of such Tranche, substantially in the form of Schedule C to the Dealer Agreement;

“Principal Paying Agent” means the person named as such in the Conditions or any Successor Principal Paying Agent in each case at its specified office;

“Principal Subsidiary” has the meaning set out in Condition 24;

“Procedures Memorandum” means administrative procedures and guidelines relating to the settlement of issues of Notes (other than Syndicated Issues) as shall be agreed upon from time to time by the Issuer, the Guarantor, the Trustee, the Permanent Dealers (as defined in the Dealer Agreement) and the Principal Paying Agent and which, at the date of this Agreement, are set out in Schedule A to the Dealer Agreement;

“Programme Limit” means the maximum aggregate principal amount of Notes that may be issued and outstanding at any time under the Programme, as such limit may be increased pursuant to the Dealer Agreement;

“Redemption Amount” means the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Regulatory or Change of Control Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the applicable Pricing Supplement, as the case may be, all as defined in the Conditions;

“Register” means the register maintained by the Registrar;

“Registered Note” means a Note in registered form;

“Registrar” means the person named as such in the Conditions or any Successor Registrar in each case at its specified office;

“Relevant Date” has the meaning set out in Condition 11;

“Relevant Indebtedness” has the meaning set out in Condition 24;

“Series” means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number;

“specified office” means, in relation to a Paying Agent, the Registrar or a Transfer Agent the office identified with its name at the end of the Conditions or any other office approved by the Trustee and notified to Noteholders pursuant to Clause 9.13.1;

“Subsidiary” means (except in Clause 6.3) a subsidiary within the meaning of Section 1159 of the Companies Act 2006;

“Successor” means, in relation to an Agent such other or further person as may from time to time be appointed by the Issuer and the Guarantor as such Agent with the written approval of, and on terms approved in writing by, the Trustee and notice of whose appointment is given to Noteholders pursuant to Clause 9.13.1;

“Stock Exchange” means, in relation to the Notes, the stock exchange or exchanges (if any) on which such Notes are for the time being quoted or listed;

“**Syndicated Issue**” means an issue of Notes pursuant to Clause 2.2 of the Dealer Agreement;

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system;

“**Talons**” mean talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions;

“**temporary Global Note**” means a Global Note representing Bearer Notes of one or more Tranches of the same Series on issue and which shall be substantially in the form set out in Part A or Part C of Schedule 1, as the case may be;

“**Tranche**” means, in relation to a Series, those Notes of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical;

“**Transfer Agents**” means the persons (including the Registrar) referred to as such in the Conditions or any Successor Transfer Agents in each case at their specified offices; and

“**trust corporation**” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

1.2 Construction of Certain References: References to:

- 1.2.1 All references in the provisions of this Trust Deed to principal and/or premium and/or interest in respect of the Notes or to any moneys payable by the Issuer and/or the Guarantor under the provisions of this Trust Deed shall be deemed to include a reference to any additional amounts which may be payable under Condition 11 or, if applicable, under any undertaking or covenant given pursuant to Clause 4.2 or Clause 15.2.2(ii);
- 1.2.2 All references in the provisions of this Trust Deed to principal or principal amount shall, unless the context otherwise requires, be deemed to include the relevant Redemption Amount (as defined in Condition 24);
- 1.2.3 All references in the provisions of this Trust Deed to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment;
- 1.2.4 All references in the provisions of this Trust Deed to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to an indemnity being given in respect thereof;
- 1.2.5 All references in the provisions of this Trust Deed to taking proceedings against the Issuer and/or the Guarantor shall be deemed to include references to proving in the winding up of the Issuer and/or the Guarantor (as the case may be);
- 1.2.6 Unless the context otherwise requires words or expressions used in the provisions of this Trust Deed shall bear the same meanings as in the Companies Act 2006;
- 1.2.7 In this Trust Deed references to Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules to this Trust Deed

and to the Clauses, sub-clauses, paragraphs and sub-paragraphs of this Trust Deed respectively;

- 1.2.8** the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interests in the Notes;
- 1.2.9** All reference in the provisions of this Trust Deed to Notes being "**listed**" or "**having a listing**" shall, in relation to the London Stock Exchange, be construed to mean that such Notes have been admitted to trading on the London Stock Exchange's International Securities Market and all references in the provisions of this Trust Deed to "**listing**" or "**listed**" shall include references to "**quotation**" and "**quoted**", respectively;
- 1.2.10** "**sterling**", "**pounds**" and "**£**" are to the lawful currency for the time being of the United Kingdom;
- 1.2.11** "**reasonable**" or "**reasonably**" and similar expressions relating to the Trustee and any exercise of power, opinion, determination or other similar matter shall be construed as meaning reasonable or reasonably (as the case may be) having due regard to, and taking into account the interests of, the Noteholders;
- 1.2.12** costs, fees, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof; and
- 1.2.13** All references in the provisions of this Trust Deed to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to in the provisions of this Trust Deed.

1.3 Headings: Headings shall be ignored in construing this Trust Deed.

1.4 Contracts: References in this Trust Deed to this Trust Deed or any other document are to this Trust Deed or those documents as amended, supplemented or replaced from time to time in relation to the Programme and include any document that amends, supplements or replaces them.

1.5 Alternative Clearing System: References in this Trust Deed to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer, the Guarantor, the Trustee and the Principal Paying Agent. In the case of NGNs or Global Certificates held under the NSS, such alternative clearing system must also be authorised to hold such Notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

1.6 Contracts (Rights of Third Parties) Act 1999: A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms. The consent of any person who is not a party to this Trust Deed is not required to rescind or vary this Trust Deed at any time.

2 Issue of Notes and Covenant to pay

- 2.1 Issue of Notes:** The Issuer may from time to time issue Notes in Tranches of one or more Series on a continuous basis with no minimum issue size in accordance with the Dealer Agreement. Before issuing any Tranche, the Issuer shall give written notice or procure that it is given to the Trustee of the proposed issue of such Tranche, specifying the details to be included in the applicable Pricing Supplement. Upon the issue by the Issuer of any Notes expressed to be constituted by this Trust Deed, such Notes shall forthwith be constituted by this Trust Deed without any further formality and irrespective of whether or not the issue of such debt securities contravenes any covenant or other restriction in this Trust Deed or the Programme Limit.
- 2.2 Separate Series:** The provisions of sub-Clauses 2.3, 2.4, 2.5 and 2.6 and of Clauses 3 to 18 and Schedule 3 (all inclusive) shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions “Noteholders”, “Certificates”, “Coupons”, “Couponholders” and “Talons”, together with all other terms that relate to Notes or their Conditions, shall be construed as referring to those of the particular Series in question and not of all Series unless expressly so provided, so that each Series shall be constituted by a separate trust pursuant to sub-Clause 2.3 and that, unless expressly provided, events affecting one Series shall not affect any other.
- 2.3 Covenant to Pay:** The Issuer shall on any date when any Notes become due to be redeemed, in whole or in part, in accordance with the Conditions, unconditionally pay to or to the order of the Trustee in the Contractual Currency, in the case of any Contractual Currency other than euro, in the principal financial centre for the Contractual Currency and in the case of euro, in a city in which banks have access to T2, in same day funds the Redemption Amount of the Notes becoming due for redemption on that date together with any applicable premium and shall (subject to the Conditions) until such payment (both before and after judgment) unconditionally so pay to or to the order of the Trustee interest in respect of the principal amount of the Notes outstanding as set out in the Conditions (subject to sub-Clause 2.6) provided that (1) subject to the provisions of Clause 2.5 payment of any sum due in respect of the Notes made to the Principal Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions and (2) a payment made after the due date or as a result of the Note becoming repayable following an Event of Default shall be deemed to have been made when the full amount due has been received by the Principal Paying Agent or the Trustee and notice to that effect has been given to the Noteholders (if required under Clause 9.10), except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions. This covenant shall only have effect each time Notes are issued and outstanding, when the Trustee shall hold the benefit of this covenant on trust for the Noteholders and Couponholders of the relevant Series.
- 2.4 Discharge:** Subject to sub-Clause 2.5, any payment to be made in respect of the Notes or the Coupons by the Issuer, the Guarantor or the Trustee may be made as provided in the Conditions and any payment so made shall (subject to sub-Clause 2.5) to that extent be a good discharge to the Issuer, the Guarantor or the Trustee, as the case may be (including, in the case of Notes represented by a NGN whether or not the corresponding entries have been made in the records of Euroclear and Clearstream, Luxembourg).
- 2.5 Payment after a Default:** At any time after an Event of Default or a Potential Event of Default has occurred and is continuing in relation to a particular Series the Trustee may:

2.5.1 by notice in writing to the Issuer, the Guarantor, the Agents, require the Agents (or any of them), until notified by the Trustee to the contrary, so far as permitted by applicable law:

- (i) to act as Agents of the Trustee under this Trust Deed and the Notes of such Series on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of Agents shall be limited to the amounts for the time being held by the Trustee in respect of such Series on the terms of this Trust Deed and available for such purpose) and thereafter to hold all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of Notes, Certificates, Coupons and Talons of such Series to the order of the Trustee; and/or
- (ii) to deliver all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of the Notes, Certificates, Coupons and Talons of such Series to the Trustee or as the Trustee directs in such notice provided that such notice shall be deemed not to apply to any documents or records which the relative Agent is obliged not to release by any law or regulation; and

2.5.2 by notice in writing to the Issuer and the Guarantor require them to make all subsequent payments in respect of the Notes, Coupons and Talons of such Series to or to the order of the Trustee and not to the Principal Paying Agent with effect from the issue of any such notice to the Issuer; and from then until such notice is withdrawn, proviso (1) to Clause 2.3 above shall cease to have effect.

2.6 Rate of Interest After a Default: If the Notes bear interest at a floating or other variable rate and they become immediately payable under the Conditions, the rate of interest payable in respect of them shall continue to be calculated by the Calculation Agent in accordance with the Conditions (with consequential amendments as necessary) except that the rates of interest need not be published unless the Trustee otherwise requires. The first period in respect of which interest shall be so calculable shall commence on the expiry of the Interest Period during which the Notes become so repayable.

3 Form of the Notes

3.1 The Global Notes: The Notes shall initially be represented by a temporary Global Note, or a permanent Global Note or one or more Certificates in the principal amount of the Tranche being issued. Interests in temporary Global Notes shall be exchangeable for Definitive Notes or interests in permanent Global Notes as set out in each temporary Global Note. Interests in permanent Global Notes shall be exchangeable for Definitive Notes as set out in each permanent Global Note.

3.2 The Definitive Notes: The Definitive Notes, Coupons and Talons shall be security printed and the Certificates shall be printed, in each case in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 2. The Notes and Certificates (other than Global Certificates) shall be endorsed with the Conditions.

3.3 Signature: The Notes, Certificates, Coupons and Talons shall be signed manually or in facsimile by an authorised signatory of the Issuer, the Notes shall be authenticated by or on behalf of the Principal Paying Agent and the Certificates shall be authenticated by or on

behalf of the Registrar. The Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such a director even if at the time of issue of any Notes, Certificates, Coupons or Talons they no longer hold that office. In the case of a Global Note which is a NGN or a Global Certificate which is held under the NSS, the Principal Paying Agent or the Registrar shall also instruct the Common Safekeeper to effectuate the same. Notes, Certificates, Coupons and Talons so executed and authenticated (and effectuated, if applicable) shall be or, in the case of Certificates, represent binding and valid obligations of the Issuer.

4 Stamp Duties and Taxes

4.1 Stamp Duties: The Issuer shall pay any stamp, issue, documentary or other taxes and duties, including interest and penalties, payable in Belgium, Luxembourg, the United Kingdom and the country of each Contractual Currency in respect of the creation, issue and offering of the Notes, Certificates, Coupons and Talons and the execution or delivery of this Trust Deed.

4.2 Change of Taxing Jurisdiction: If the Issuer or the Guarantor becomes subject generally to the taxing jurisdiction of any territory or any political sub-division or any authority therein or thereof having power to tax other than or in addition to the United Kingdom or any such political sub-division or any such authority therein or thereof, immediately upon becoming aware thereof notify the Trustee of such event and (unless the Trustee otherwise agrees) give to the Trustee an undertaking or covenant in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 11 with the substitution for (or, as the case may be, the addition to) the references therein to the United Kingdom or any political sub-division or any authority therein or thereof having power to tax of references to that other or additional territory or any political sub-division or any authority therein or thereof having power to tax to whose taxing jurisdiction such payments shall become subject generally as aforesaid. In such event this Trust Deed, the Agency Agreement and the Notes, Certificates, Coupons and Talons shall be read accordingly.

5 Guarantee and Indemnity

5.1 Guarantee: The Guarantor unconditionally and irrevocably guarantees that if the Issuer does not pay any sum payable by it under this Trust Deed, the Agency Agreement, the Notes or the Coupons by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise), the Guarantor shall pay that sum to or to the order of the Trustee, in the manner provided in Clause 2.3 (or if in respect of sums due under Clause 10, in pounds sterling in London in immediately available funds) before close of business on that date in the city to which payment is so to be made. Clauses 2.5.1 and 2.5.2 shall apply (with consequential amendments as necessary) to such payments other than those in respect of sums due under Clause 10. All payments under the Guarantee by the Guarantor shall be made subject to Condition 9 and sub-Clause 4.2.

5.2 Guarantor as Principal Debtor: As between the Guarantor and the Trustee, the Noteholders and the Couponholders but without affecting the Issuer's obligations, the Guarantor shall be liable under this Clause 5 as if it were the sole principal debtor and not merely a surety. Accordingly, it shall not be discharged, nor shall its liability be affected, by anything that would not discharge it or affect its liability if it were the sole principal debtor (including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any other provisions of this Trust Deed, the Agency

Agreement or to the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on the Issuer or any other person for payment, (4) the enforcement or absence of enforcement of this Trust Deed, the Notes or the Coupons or of any security or other guarantee or indemnity, (5) the taking, existence or release of any security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person or (7) the illegality, invalidity or unenforceability of or any defect in any provision of this Trust Deed, the Notes or the Coupons or any of the Issuer's obligations under any of them).

5.3 Guarantor's Obligations Continuing: The Guarantor's obligations under this Trust Deed are and shall remain in full force and effect by way of continuing security until no sum remains payable under this Trust Deed, the Agency Agreement, the Notes or the Coupons. Furthermore, those obligations of the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity. The Guarantor irrevocably waives all notices and demands of any kind.

5.4 Exercise of Guarantor's Rights: So long as any sum remains payable under this Trust Deed, the Agency Agreement, the Notes or the Coupons:

5.4.1 any right of the Guarantor, by reason of the performance of any of its obligations under this Clause, to be indemnified by the Issuer or to take the benefit of or to enforce any security or other guarantee or indemnity shall be exercised and enforced by the Guarantor only in such manner and on such terms as the Trustee may require or approve; and

5.4.2 any amount received or recovered by the Guarantor (a) as a result of any exercise of any such right or (b) in the dissolution, amalgamation, reconstruction or reorganisation of the Issuer shall be held in trust for the Trustee and immediately paid to the Trustee and the Trustee shall hold it on the trusts set out in Clause 6.1.

5.5 Suspense Accounts: Any amount received or recovered by the Trustee (otherwise than as a result of a payment by the Issuer to the Trustee in accordance with Clause 2) in respect of any sum payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes or the Coupons may be placed in a suspense account and kept there for so long as the Trustee thinks fit.

5.6 Avoidance of Payments: The Guarantor shall on demand indemnify the Trustee, each Noteholder and each Couponholder, on an after tax basis, against any cost, loss, expense or liability sustained or incurred by it as a result of it being required for any reason (including any bankruptcy, insolvency, winding-up, dissolution, or similar law of any jurisdiction) to refund all or part of any amount received or recovered by it in respect of any sum payable by the Issuer under this Trust Deed, the Agency Agreement, any Note or Coupons relating to that Note and shall in any event pay to the Trustee or the relevant Noteholder or Couponholder (as the case may be) on demand following such amounts falling due.

5.7 Debts of Issuer: If any moneys become payable by the Guarantor under this Guarantee, the Issuer shall not (except in the event of the liquidation of the Issuer) so long as any such moneys remain unpaid, pay any moneys for the time being due from the Issuer to the Guarantor.

5.8 Indemnity: As separate, independent and alternative stipulations, the Guarantor unconditionally and irrevocably agrees (1) that any sum that, although expressed to be payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes or Coupons, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, the Guarantor, the Trustee or any Noteholder or Couponholder) not recoverable from the Guarantor on the basis of a guarantee shall nevertheless be recoverable from it as if it were the sole principal debtor and shall be paid by it to the Trustee on demand and (2) as a primary obligation to indemnify the Trustee, each Noteholder and each Couponholder against any loss suffered by it as a result of any sum expressed to be payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes or Coupons not being paid on the date and otherwise in the manner specified in this Trust Deed or the Agency Agreement or any payment obligation of the Issuer under this Trust Deed, the Agency Agreement, the Notes or the Coupons being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not now known or becoming known to the Trustee, any Noteholder or any Couponholder), the amount of that loss being the amount expressed to be payable by the Issuer in respect of the relevant sum.

6 Application of moneys received by the Trustee

6.1 Declaration of Trust: All moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed shall, despite any appropriation of all or part of them by the Issuer or the Guarantor, be held by the Trustee on trust to apply them (subject to Clauses 5.5 and 6.2):

6.1.1 first, in payment or satisfaction of all amounts then due and unpaid to the Trustee and/or any Appointee;

6.1.2 secondly, in payment or satisfaction of all amounts then due and unpaid to the Principal Paying Agent and/or any other Agent;

6.1.3 thirdly, in or towards payment *pari passu* and rateably of all principal, premium (if any) and interest then due and unpaid in respect of the Notes; and

6.1.4 fourthly, in payment of the balance (if any) to the Issuer or, if moneys were received from the Guarantor, the Guarantor (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer, the Guarantor and any other person).

If the Trustee holds any moneys in respect of Notes or Coupons that have become void or in respect of which claims have become prescribed, the Trustee shall hold them on these trusts.

6.2 Accumulation: The Trustee may at its discretion accumulate such moneys until the accumulations, together with any other funds for the time being under the control of the Trustee and available for such purpose, amount to at least 10 per cent. of the principal amount of the relevant notes then outstanding and then such accumulations and funds (after deduction of, or provision for, any applicable taxes) shall be applied under Clause 6.1. For the avoidance of doubt, the Trustee shall in no circumstances, have any discretion to invest any moneys referred to in this Clause 6.2 in any investments or other assets.

6.3 Deposits: Moneys held by the Trustee may at its election be deposited in its name or under its control at such bank or other financial institution in such currency as the Trustee may, in

its absolute discretion, think fit in light of the cash needs of the transaction and not for the purposes of generating income. If that bank or institution is the Trustee or an affiliate, subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such deposit or convert any moneys so deposited into any other currency, and shall not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates or otherwise.

- 6.4 Right to Deduct or Withhold:** Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law or any current or future regulations or agreements thereunder or official interpretations thereof or any law implementing any intergovernmental approach thereto or, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it under this Trust Deed or if the Trustee shall otherwise be charged to, or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed, the Agency Agreement or any Notes from time to time representing the same, including, without limitation, any income or gains arising therefrom, or any action of the Trustee in or about the administration of the trusts of this Trust Deed or otherwise, in any case other than any tax payable by the Trustee on its income or profits then the Trustee shall, without liability, be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it in respect of this Trust Deed an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

7 Enforcement

- 7.1 Proceedings brought by the Trustee:** At any time after the Notes of any Series shall have become immediately due and repayable, the Trustee may at its discretion and without further notice take such actions, steps and/or proceedings as it may think fit against the Issuer to enforce repayment thereof together with premium (if any) and accrued interest and any other moneys payable pursuant to this Trust Deed and may, in order to enforce the obligations of the Guarantor under this Trust Deed, at its discretion and without further notice take such actions, steps and/or proceedings as it may think fit against the Guarantor.
- 7.2 Proof of default:** Should the Trustee take legal proceedings against the Issuer or the Guarantor (as the case may be) to enforce any of the provisions of this Trust Deed or the Agency Agreement:
- 7.2.1** proof therein that as regards any specified Note the Issuer or the Guarantor (as the case may be) has made a default in paying any principal, premium or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer or the Guarantor (as the case may be) has made the like default as regards all other Notes which are then due and repayable; and
- 7.2.2** proof therein that as regards any specified Coupon the Issuer or the Guarantor (as the case may be) has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer or the Guarantor (as the case may be) has made the like default as regards all other Coupons which are then due and payable.

8 Proceedings

- 8.1 Action taken by Trustee:** The Trustee shall not be bound to take any such proceedings as are mentioned in Clause 7.1 unless respectively directed or requested to do so (i) by an Extraordinary Resolution or (ii) in writing by the holders of at least one-quarter in principal amount of the Notes of the relevant Series then outstanding and in either case then only if it shall be, and from the date on which it is, indemnified and/or prefunded and/or secured to its satisfaction.
- 8.2 Trustee only to enforce:** Only the Trustee may enforce the provisions of this Trust Deed. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor to enforce the performance of any of the provisions of this Trust Deed unless the Trustee having become bound as aforesaid to take proceedings fails or is unable to do so within a reasonable period and such failure or inability shall be continuing.
- 8.3 Trustee may refrain:** Notwithstanding anything else contained in this Trust Deed or the Agency Agreement, the Trustee may refrain from (a) doing anything which would or might in its opinion be illegal or contrary to any law of any jurisdiction or any directive or regulation of any agency of any state (including, without limitation, section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act), or which would or might otherwise render it liable to any Authority and may do anything which is, in its opinion (on the basis of legal advice), necessary to comply with any such law, directive or regulation or (b) doing anything which may cause the Trustee to be considered a sponsor of a covered fund under section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated there under. To the extent permitted by law, the Trustee shall, as soon as reasonably practicable, notify the Issuer if the Trustee refrains from acting in reliance on this Clause 8.3.

9 Covenants

So long as any Note is outstanding, the Issuer and the Guarantor each severally covenants with the Trustee that it shall:

- 9.1 Books of Account:** at all times keep, and procure that its Principal Subsidiaries (as defined in Condition 24) keep, proper books of account and, at any time after an Event of Default or Potential Event of Default has or may have occurred and so far as permitted by Applicable Law allow and procure its Principal Subsidiaries to allow the Trustee and any person appointed by the Trustee to whom the Issuer, the Guarantor or the relevant Subsidiary (as the case may be) has no reasonable objection, upon reasonable notice, free access to such books of account at all times during normal business hours for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under the provisions of this Trust Deed or by operation of law;
- 9.2 Proper Manner:** at all times carry on and conduct its affairs and procure its Principal Subsidiaries to carry on and conduct their respective affairs in a proper manner;
- 9.3 Notice of Security Interests, Events of Default and Restructuring Events:** forthwith and without waiting for the Trustee to take any further action, give notice in writing to the Trustee of the coming into existence of any Security Interest (as defined in Condition 4) which would require security to be given in respect of any Notes pursuant to Condition 4 or of the occurrence of any Event of Default, Potential Event of Default, Regulatory or Change of Control Put Event, Rating Downgrade or any Negative Rating Event;

9.4 Notice of Redemption: give prior notice to the Trustee of any proposed redemption pursuant to Condition 8(d), (e) or (f) and, if it has decided to give notice to Noteholders of its intention to redeem only some of the Notes, make drawings prior to giving such notice and following the giving of such notice redeem the relevant Notes accordingly;

9.5 Information:

9.5.1 give or procure to be given to the Trustee such opinions, certificates, information and evidence as it shall reasonably require and in such form as it shall require (including without limitation the procurement by the Issuer or the Guarantor (as the case may be) of all such certificates called for by the Trustee pursuant to Clause 11.20.1) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under this Trust Deed, the Agency Agreement or by operation of law; and

9.5.2 within 10 Business Days of a written request by the Trustee, supply to the Trustee such forms, documentation and other information relating to it, its operations, or the Notes as the Trustee reasonably requests for the purposes of the Trustee's compliance with Applicable Law and shall notify the Trustee promptly in the event that it becomes aware that any of the forms, documentation or other information provided by the Issuer or Guarantor (as applicable) is (or becomes) inaccurate in any material respect; provided, however, that neither the Issuer nor the Guarantor (as applicable) shall be required to provide any forms, documentation or other information pursuant to this Clause 9.5.2 to the extent that: (a) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to the Issuer or Guarantor (as applicable) and cannot be obtained by the Issuer or Guarantor (as applicable) using reasonable efforts; or (b) doing so would or might in the reasonable opinion of the Issuer or Guarantor (as applicable) constitute a breach of any: (i) Applicable Law; (ii) fiduciary duty; or (iii) duty of confidentiality.

9.6 Financial Statements etc.:

9.6.1 send to the Trustee (in addition to any copies to which it may be entitled as a holder of any notes of the Issuer or the Guarantor) two copies in English of every balance sheet, profit and loss account, report, circular and notice of general meeting and every other document issued or sent to its shareholders together with any of the foregoing, and every document issued or sent to holders of notes other than its shareholders (including the Noteholders) as soon as practicable after the issue or publication thereof and in any event no later than 180 days after the end of each financial year of the Issuer or the Guarantor (as the case may be);

9.6.2 use all reasonable endeavours to procure that each of the Paying Agents makes available electronically on written request to a Paying Agent, copies of this Trust Deed, the Agency Agreement and the then latest audited balance sheets and profit and loss accounts (consolidated if applicable) of the Issuer and the Guarantor; and

9.6.3 cause to be prepared and certified by its Auditors in respect of each financial accounting reference period accounts in such form as will comply with all relevant legal and accounting requirements and all requirements for the time being of the Stock Exchange;

9.7 Certificate of Directors:

- 9.7.1** send to the Trustee (a) within 14 days after demand by the Trustee therefor and (b) (without the necessity for any such demand) promptly after the publication of its annual audited financial statements being made available to its members, and in any event not later than 180 days after the end of each such financial period a certificate signed by two directors of the Issuer and two directors of the Guarantor to the effect that as at a date not more than seven days before delivering such certificate (the “**certification date**”) there did not exist and had not existed since the certification date of the previous certificate (or in the case of the first such certificate the date hereof) any Event of Default or any Potential Event of Default (or if such exists or existed specifying the particulars of the same) and that during the period from and including the certification date of the last such certificate (or in the case of the first such certificate the date hereof) to and including the certification date of such certificate each of the Issuer and the Guarantor has complied with all its obligations contained in the provisions of this Trust Deed or (if such is not the case) specifying the respects in which it has not complied. The Trustee shall be entitled to rely conclusively upon such certificates and shall not be liable to any person by reason thereof; and
- 9.7.2** give to the Trustee at the same time as sending to it the certificates referred to in Clause 9.7.1, a certificate by two directors of the Guarantor (with a form and content satisfactory to the Trustee) listing those Principal Subsidiaries of the Guarantor which as at the certification date (as defined in Clause 9.7.1) of the relevant certificate given under Clause 9.7.1 or, as the case may be, as at the first day on which the then latest audited consolidated accounts of the Guarantor became available were Principal Subsidiaries for the purposes of Condition 13;
- 9.8 Notices to Noteholders:** submit to the Trustee for approval no less than five Business Days prior to publication and promptly give to the Trustee two copies of, the form of every notice given to the Noteholders (such approval, unless so expressed, not to constitute approval for the purposes of Section 21 of FSMA of a communication within the meaning of Section 21 of the FSMA);
- 9.9 Further Acts:** at all times execute all such further documents and carry out all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;
- 9.10 Notice of Late Payment:** in the event of the unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Notes or any of them or any of the Coupons being made after the due date for payment thereof forthwith give or procure to be given notice to the Trustee and the relevant Noteholders in accordance with Condition 20 that such payment has been made;
- 9.11 Listing and Trading:** if the Notes are so listed and traded, use all reasonable endeavours to maintain the listing of the Notes on the Stock Exchange or, if it is unable to do so having used all reasonable endeavours, use all reasonable endeavours to obtain and maintain a quotation or listing of the Notes on such other stock exchange or exchanges or securities market or markets as the Issuer may decide and shall also upon obtaining a quotation or listing of the Notes on such other stock exchange or exchanges or securities market or markets enter into a trust deed supplemental to this Trust Deed to effect such consequential amendments to this Trust Deed as the Trustee may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market; and

9.12 Clearing Systems: use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg (as the case may be) issue(s) any record, certificate or other document requested by the Trustee under Clause 11.24 or otherwise as soon as practicable after such request;

9.13 Agents:

9.13.1 give notice to the Noteholders in accordance with the Conditions of any appointment, resignation or removal of any Agent after having obtained the prior written approval of the Trustee thereto or any change of any Agent's specified office and (except as provided by the Agency Agreement or the Conditions) at least 30 days prior to such event taking effect; provided always that so long as any of the Notes or Coupons remain liable to prescription in the case of the termination of the appointment of the Principal Paying Agent no such termination shall take effect until a new Principal Paying Agent has been appointed on terms previously approved in writing by the Trustee;

9.13.2 comply with and perform all its obligations under the Agency Agreement and use all reasonable endeavours to procure that the Agents comply with and perform all their respective obligations thereunder and any notice given by the Trustee pursuant to Clause 2.5.1 and not make any amendment or modification to either of such agreements without the prior written approval of the Trustee;

9.13.3 at all times maintain Agents to the extent required by and in accordance with the Conditions;

9.13.4 use all reasonable endeavours to procure that the Principal Paying Agent notify the Trustee forthwith in the event that the Principal Paying Agent does not, on or before the due date for any payment in respect of the Notes or any of them or any of the Coupons, receive unconditionally pursuant to the Agency Agreement payment of the full amount in the requisite currency of the moneys payable on such due date on all such Notes or Coupons as the case may be;

9.14 Provision of Legal Opinions: procure the delivery of legal opinions addressed to the Trustee dated the date of such delivery, in form and content acceptable to the Trustee:

9.14.1 as to the laws of England on the date of any amendment to this Trust Deed or the Agency Agreement;

9.14.2 from legal advisers, reasonably acceptable to the Trustee as to such law as may reasonably be requested by the Trustee, on the issue date for the Notes in the event of a proposed issue of Notes of such a nature and having such features as might lead the Trustee to conclude that it would be prudent, having regard to such nature and features, to obtain such legal opinion(s) or in the event that the Trustee considers it prudent in view of a change (or proposed change) in (or in the interpretation or application of) any applicable law, regulation or circumstance affecting the Issuer, the Guarantor, the Trustee, the Notes, the Certificates, the Coupons, the Talons, this Trust Deed or the Agency Agreement; and

9.14.3 on each occasion on which a legal opinion is given to any Dealer in relation to any Notes pursuant to the Programme Agreement from the legal adviser giving such opinion;

- 9.15 Notes Held by Guarantor etc.:** (a) in the case of the Guarantor only, send to the Trustee as soon as reasonably practicable after being so requested by the Trustee a certificate of the Guarantor signed by any two of its directors stating the number of Notes beneficially held at the date of such certificate by or on behalf of the Guarantor or its Subsidiaries including, for the avoidance of doubt, the Issuer and its Subsidiaries (if any) (with a form and content satisfactory to the Trustee) to such effect;
- 9.16 Principal Subsidiaries:** give to the Trustee, as soon as reasonably practicable after the acquisition or disposal of any company which thereby becomes or ceases to be a Principal Subsidiary or after any transfer is made to any Subsidiary of the Guarantor which thereby becomes a Principal Subsidiary a certificate by two directors of the Guarantor (with a form and content satisfactory to the Trustee) to such effect;
- 9.17 Certificate of Auditors:** where the Issuer, the Guarantor or any Principal Subsidiary seeks to rely on the exception in Condition 4, use its best endeavours to give to the Trustee a certificate of the Auditors of the Issuer (whether or not addressed to the Trustee) specifying the amount of the Capital and Reserves for the purposes of Condition 4, such certificate to be provided before the Issuer, the Guarantor or any Principal Subsidiary creates or has outstanding a Security Interest in respect of any Relevant Indebtedness and/or guarantee within Condition 4;
- 9.18 Directors' Certificate:** Give to the Trustee a certificate of two directors of the Issuer:
- 9.18.1** specifying the aggregate amount of any Relevant Indebtedness of the Issuer, the Guarantor or any Principal Subsidiary or any Relevant Indebtedness guaranteed by the Issuer, the Guarantor or any Principal Subsidiary and in respect of which a Security Interest or Security Interests has or have been created or is or are outstanding, such certificate to be provided before the Issuer, the Guarantor or any Principal Subsidiary creates or has outstanding any new Security Interest in respect of Relevant Indebtedness; and
- 9.18.2** specifying details of any termination of, or any modification to the terms and conditions of, the Appointment, each such certificate to be provided promptly upon any such termination or modification being made;
- 9.19 Amounts Outstanding:** in order to enable the Trustee to ascertain the principal amount of Notes for the time being outstanding for any of the purposes referred to in the proviso to the definition of “**outstanding**” in Clause 1, deliver to the Trustee forthwith upon being so requested in writing by the Trustee a certificate in writing signed by two directors of the Issuer or two directors of the Guarantor (as appropriate) setting out the total number and aggregate principal amount of Notes which:
- 9.19.1** up to and including the date of such certificate have been purchased by the Issuer, the Guarantor or any other Subsidiary of the Guarantor and cancelled; and
- 9.19.2** are at the date of such certificate held by, for the benefit of, or on behalf of, the Issuer, the Guarantor or any other Subsidiary of the Guarantor;
- 9.20 Unmatured Coupons:** if the Conditions permit purchase of Notes without all unmatured Coupons, upon due surrender for payment in accordance with the Conditions, pay the face value of all Coupons appertaining to all Notes purchased by the Issuer, the Guarantor or any other Subsidiary of the Guarantor;

9.21 Notification of FATCA Withholding: notify the Trustee if it determines that any payment to be made by the Trustee under the Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Issuer's and the Guarantor's obligations under this Clause 9.21 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Issuer, the Guarantor, the Notes or any of them; and

9.22 Expert: at any time when under the Conditions it is necessary to have, or the Trustee requests, the appointment of leading brokers or market makers or an independent financial adviser, the Issuer (failing whom the Guarantor) shall select and appoint any brokers or markets makers or an independent financial adviser, as the case may be, with the approval of the Trustee (where the Trustee has made such a request), at the expense of the Issuer (failing whom, the Guarantor).

10 Remuneration and Indemnification of the Trustee

10.1 Normal Remuneration: So long as any Note is outstanding the Issuer shall pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree. Such remuneration shall be payable in advance on such dates as may from time to time be agreed between the Issuer and the Trustee or in the absence of agreement to the contrary on the date hereof and any anniversary thereof. Such remuneration shall accrue from day to day (in priority to payments to the Noteholders and Couponholders) from the date of this Trust Deed. However, if any payment to a Noteholder or Couponholder of moneys due in respect of any Note or Coupon is improperly withheld or refused, such remuneration shall again accrue as from the date of such withholding or refusal until payment to such Noteholder or Couponholder is duly made.

10.2 Extra Remuneration:

10.2.1 If an Event of Default or Potential Event of Default shall have occurred, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee finds it expedient or necessary or is requested by the Issuer to undertake duties that they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed or the Agency Agreement, the Issuer shall pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time). The Issuer shall in addition pay to the Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its services under this Trust Deed and for which the Trustee or another member of its group is required to account to any tax authority.

10.2.2 In the event of the Trustee and the Issuer failing to agree:

- (i) (in a case to which Clause 10.1 applies) upon the amount of the remuneration; or
- (ii) (in a case to which sub-Clause 10.2.1 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, or upon such additional remuneration,

such matters shall be as determined by a person (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and the fees of such person shall be borne by the Issuer. The determination of any such person shall be final and binding on the Issuer, the Guarantor, the Trustee, the Noteholders and the Couponholders.

10.3 Expenses: The Issuer shall also on demand by the Trustee pay or discharge all Liabilities properly incurred by the Trustee or any Appointee in the preparation and execution of this Trust Deed or the Agency Agreement and the performance of their functions under, and in any other manner in relation to, this Trust Deed or the Agency Agreement including, but not limited to, legal and travelling expenses and any stamp, issue, registration, documentary or other similar taxes or duties or paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, any provision of this Trust Deed, the Agency Agreement, the Notes, the Coupons or the Talons (excluding, for the avoidance of doubt, any taxes on income, profits or gains of the Trustee and any recoverable value added tax). Such costs, charges, Liabilities and expenses shall and those amounts payable pursuant to Clause 11.28 shall be payable by the Issuer on the date specified in a demand by the Trustee and in the case of payments actually made by the Trustee prior to such demand shall carry interest at a rate equal to the Trustee's cost of borrowing from the date specified in such demand, and in all other cases shall (if not paid on the date specified in such demand or, if later, within 15 days after such demand and, in either case, the Trustee so requires) carry interest at such rate from the date specified in such demand. All remuneration payable to the Trustee shall carry interest at such rate from the due date thereof.

10.4 Deductions, withholding etc.:

10.4.1 Each of the Issuer and the Guarantor hereby further undertakes to the Trustee that all monies payable by the Issuer or the Guarantor to the Trustee under this Clause 10 shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event the Issuer, failing whom the Guarantor, will pay such additional amounts as will result in the receipt by the Trustee of the amounts which would otherwise have been payable by the Issuer and/or the Guarantor to the Trustee under this Clause 10 in the absence of any such set-off, counterclaim, deduction or withholding.

10.4.2 Notwithstanding any other provision of this Trust Deed, the Trustee shall be entitled to make a deduction or withholding from any payment which it makes under the Notes for or on account of any tax, if and only to the extent so required by Applicable Law, in which event the Trustee shall make such payment after such deduction or withholding has been made and shall account to the relevant Authority within the time allowed for the amount so deducted or withheld or, at its option, shall reasonably promptly after making such payment return to the Issuer the amount so deducted or withheld, in which case, the Issuer shall so account to the relevant authority for such amount.

10.5 Discretion: The Trustee shall be entitled in its absolute discretion to determine in respect of which series of Notes any Liabilities incurred under this Trust Deed have been incurred or to allocate any such Liabilities between the Bonds and any further Notes of any series.

10.6 Continuing Effect: Sub-Clauses 10.3 and 10.4 and the indemnities in Clause 11.28 and Clause 17 shall continue in full force and effect as regards the Trustee even if it no longer is Trustee (whether by reason of the resignation or removal of the Trustee) and notwithstanding the termination, discharge or expiry of this Trust Deed.

11 Provisions supplemental to the Trustee Act 1925 and the Trustee Act 2000

Where there are any inconsistencies between the Trustee Act 1925 and the Trustee Act 2000 and the provisions of this Trust Deed, the provisions of this Trust Deed shall prevail to the extent allowed by law. In the case of an inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall take effect as a restriction or exclusion for the purposes of that Act. Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. The Trustee shall have all the powers conferred upon trustees by the Trustee Acts and by way of supplement thereto it is expressly declared as follows:

- 11.1 Advice:** The Trustee may act on the opinion or advice of, or information obtained from, any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert and shall not be responsible to anyone for any Liability occasioned by so acting or refraining from acting whether such advice is obtained or addressed to the Issuer, the Guarantor, the Trustee or otherwise and whether or not the advice, opinion, report or information, or any engagement letter or other related document, contains a monetary or other limit on liability or limits the scope and/or basis of such advice, opinion, report or information. Any such advice, opinion or information may be sent or obtained by letter or e-mail and the Trustee shall not be liable for acting or not acting on any advice, opinion or information purporting to be conveyed by any such letter or e-mail although the same shall contain some error or shall not be authentic.
- 11.2 Trustee to Assume Performance:** The Trustee need not notify anyone of the execution of this Trust Deed or the Agency Agreement or take any steps to find out if an Event of Default, Potential Event of Default, a Regulatory or Change of Control Put Event, Negative Rating Event or Restructuring Event has occurred or if a Security Interest has come into existence. Until it has express written notice to the contrary, the Trustee may assume that no such event has occurred and that each of the Issuer and the Guarantor are performing and observing all of their respective obligations under this Trust Deed, the Agency Agreement, the Notes, the Coupons and the Talons. In determining whether or not a Restructuring Event has occurred, the Trustee may rely (without liability or further enquiry) solely on an opinion given in a certificate signed by two directors of the Issuer or the Guarantor.
- 11.3 Interests of Noteholders:** In connection with the exercise of its powers, trusts, authorities and discretions (including, but not limited to, those in relation to any proposed modification, waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of this Trust Deed or the Agency Agreement or any proposed substitution in accordance with Clause 15.2 or any determination made pursuant to Clause 15.1), the Trustee shall have regard to the general interests of the Noteholders of any Series as a class and, in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of any such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Guarantor, the Trustee or any other person, any indemnification or

payment in respect of any tax arising in consequence of any such exercise upon individual Noteholders.

- 11.4 Resolutions of Noteholders:** The Trustee shall not be responsible for having acted in good faith on a resolution purporting (i) to have been passed at a meeting of Noteholders in respect of which minutes have been made and signed or (ii) to be a written resolution or electronic consent made in accordance with Schedule 3, even if it is later found that there was a defect in the constitution of the meeting or the passing of the resolution or that the resolution was not valid or binding on the Noteholders or Couponholders.
- 11.5 Certificate Signed by directors:** If the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two directors of the Issuer or Guarantor as to that fact or to the effect that, in their opinion, that act is expedient and the Trustee need not call for further evidence and shall not be responsible for any Liability occasioned by acting or refraining from acting on such a certificate.
- 11.6 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee shall not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 11.7 Discretion:** The Trustee shall have absolute and uncontrolled discretion as to the exercise of its functions and shall not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience that may result from their exercise or non-exercise.
- 11.8 Agents:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money). Provided that the Trustee has exercised reasonable care in the selection of such agent, the Trustee shall not be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent.
- 11.9 Delegation:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of its trusts, powers, authorities and discretions under this Trust Deed. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Trustee may in the interests of the Noteholders think fit. Provided that the Trustee has exercised reasonable care in the selection of such delegate, the Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate or be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate. The Trustee shall,

to the extent permitted by law, within a reasonable time after any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer.

- 11.10 Nominees:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its custodian or nominee on any terms. This includes for the purpose of depositing with a custodian this Trust Deed or any document relating to the trusts constituted by this Trust Deed and the Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of such person.
- 11.11 Forged Notes:** The Trustee shall not be liable to the Issuer or the Guarantor or any Noteholder or Couponholder by reason of having accepted as valid or not having rejected any Note, Certificate, Coupon or Talon purporting to be such and later found to be forged or not authentic.
- 11.12 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction, the Trustee shall not be required to disclose to any Noteholder or Couponholder any confidential financial or other information made available to the Trustee by the Issuer or the Guarantor or any other person in connection with this Trust Deed and no Noteholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information.
- 11.13 Determinations Conclusive:** As between itself and the Noteholders and Couponholders, the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed or the Agency Agreement. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders.
- 11.14 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it shall (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Issuer, the Guarantor, the Noteholders and the Couponholders.
- 11.15 Events of Default etc.:** The Trustee may determine whether or not an Event of Default or Potential Event of Default is in its opinion capable of remedy and/or materially prejudicial to the interests of the Noteholders. Any such determination shall be final and binding on the Issuer, the Guarantor, the Noteholders and the Couponholders.
- 11.16 Payment for and Delivery of Notes:** The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them.
- 11.17 Notes Held by the Guarantor etc.:** In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under Clause 9.12) that no Notes are for the time being held by or on behalf of the Issuer, the Guarantor or its their Subsidiaries.
- 11.18 Consent of Trustee:** Any consent or approval given by the Trustee may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and, notwithstanding anything to the contrary contained in this Trust Deed or the Agency Agreement, may be given retrospectively. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Deed) if it is satisfied that

the interests of the Noteholders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Noteholders in relation to such matters other than that which is contained in the preceding sentence.

11.19 Legal Opinions: The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion.

11.20 Auditors' Certificate:

11.20.1 The Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed by the Auditors; and

11.20.2 Any certificate or report of the Auditors or any other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of this Trust Deed may be relied on by the Trustee as sufficient evidence of the facts stated therein whether or not such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person in respect thereof and notwithstanding that the scope and/or basis of such certificate, report or other document may be limited by any engagement or similar letter or by the terms of the certificate, report or other document itself. The Trustee will not be responsible to anyone for any liability occasioned by so acting.]

11.21 Programme Limit: The Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Programme Limit.

11.22 Not Bound to Act: The Trustee shall not be bound to take any action, step or proceeding in connection with this Trust Deed or the Agency Agreement or any obligations arising hereunder, thereunder or otherwise, including, without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser, unless it has been indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities which may be incurred in connection with such action, step or proceeding and may demand prior to taking any such action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify and/or secure and/or pre-fund it and, on such demand being made, the Issuer, failing whom the Guarantor, shall be obliged to make payment of all such sums in full. When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled to evaluate its risk in any given circumstance by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk, however remote, of any award of damages against it, in England or elsewhere.

11.23 Incurrence of Financial Liability: Nothing contained in this Trust Deed or the Agency Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any power, rights, authority or discretion hereunder if it has grounds for believing the repayment of the funds or the provision of an indemnity and/or security and/or pre-funding satisfactory to it against such risk or liability is not assured to it.

11.24 Clearing Systems: The Trustee may call for and shall be entitled to rely on any records, certificate or other document of or to be issued by Euroclear, Clearstream, Luxembourg or

any other relevant clearing system in relation to any matter. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print-out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID/Easyway or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or principal amount of the Notes is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any such record, certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg or any other relevant clearing system and subsequently found to be forged or not authentic.

- 11.25 No obligation to monitor other parties' performance:** The Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated, including, without limitation, compliance by the Issuer and the Guarantor with the covenants and provisions set out in the Notes and this Trust Deed and the Agency Agreement or take any steps to ascertain whether any relevant event under this Trust Deed, the Agency Agreement or the Conditions has occurred (including any Event of Default or Potential Event of Default). The Trustee shall be entitled, in the absence of receipt of written notice of a breach of obligation, to assume that each such person is properly performing and complying with its obligations and shall have no liability for any loss arising from any breach by that person or any such event.
- 11.26 No Responsibility for transaction documents:** The Trustee assumes no responsibility for, and shall not, by the execution of this Trust Deed, any supplemental Trust Deed or any other transaction document relating to the Notes, be deemed to make any representation as to, the adequacy, genuineness, sufficiency, performance, validity or enforceability or admissibility in evidence of such transaction documents or any agreement constituted by the execution thereof.
- 11.27 No Liability:** The Trustee shall not be liable for any error of judgement made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters.
- 11.28 Right of Indemnity:** Subject to sections 750 and 751 of the Companies Act 2006 (if applicable) and without prejudice to the right of indemnity by law given to trustees, the Issuer, failing whom the Guarantor, shall indemnify the Trustee and every Appointee and keep it and them indemnified against all Liabilities to which it or they may be or become subject or which may be incurred by it or them in the negotiation and preparation of this Trust Deed or the Agency Agreement and the execution or exercise or purported execution or exercise of any of its or their trusts, powers, authorities, duties, rights and discretions under this Trust Deed or the Agency Agreement or its or their functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Trust Deed or the Agency Agreement or any such appointment (including, without limitation, Liabilities incurred in disputing or defending any of the foregoing), save in relation to gross negligence, wilful default or fraud on the part of the Trustee.
- 11.29 Rating Agencies:** The Trustee is entitled to request and rely upon information, reports, confirmations or affirmations provided privately or issued publicly by any rating agency whether or not addressed to the Trustee. The Trustee shall have no responsibility whatsoever to the Issuer, the Guarantor, any Noteholder or Couponholder or any other

person for the maintenance of or failure to maintain any rating of the Notes by any rating agency.

- 11.30 Interests of Noteholders through Clearing Systems:** In considering the interests of Noteholders while any Global Note or Global Certificate is held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Certificate or Global Note and may consider such interests, and treat such accountholders, as if such accountholders were the holders of the Notes represented by the Global Certificate or Global Note (as applicable).
- 11.31 Trustee's discretions and actions:** In relation to any discretion to be exercised or action to be taken by the Trustee under this Trust Deed, the Agency Agreement or the Notes, the Trustee may, at its discretion and without further notice or shall, if it has been so directed by an Extraordinary Resolution of the Noteholders then outstanding or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes, exercise such discretion or take such action, provided that, in either case, the Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified, secured and/or prefunded to its satisfaction and provided that the Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders.
- 11.32 FSMA:** Notwithstanding anything in this Trust Deed or the Agency Agreement to the contrary, the Trustee shall not do, or be authorised or required to do, anything which might constitute a regulated activity for the purpose of FSMA, unless it is authorised under FSMA to do so. The Trustee shall have the discretion at any time:
- (i) to delegate any of the functions which fall to be performed by an authorised person under FSMA to any other agent or person which also has the necessary authorisations and licences; and
 - (ii) to apply for authorisation under FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so.
- 11.33 Assumption of Responsibility:** Nothing in this Trust Deed or the Agency Agreement shall require the Trustee to assume any obligation of the Issuer and/or the Guarantor arising under any provisions of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the Financial Conduct Authority or Prudential Regulation Authority). The Trustee shall not be responsible for monitoring whether any notices to Holders are given in compliance with the requirements of the Stock Exchange or with any other legal or regulatory requirements.
- 11.34 Relevant Requirements:** In connection with HSBC Group's commitment to comply with all applicable sanctions regimes, the Trustee and any affiliate or subsidiary of HSBC Holdings plc may take any action in its sole and absolute discretion that it considers appropriate to comply with any law, regulation, request of a public or regulatory authority, any agreement between any member of the HSBC Group and any government authority or any HSBC Group policy that relates to the prevention of fraud, money laundering, terrorism, tax evasion, evasion of economic or trade sanctions or other criminal activities (collectively the "**Relevant Requirements**"). Such action may include, but is not limited to:

- (i) screening, intercepting and investigating any transaction, instruction or communication, including the source of, or intended recipient of, funds;
- (ii) delaying or preventing the processing of instructions or transactions or the Trustee's performance of its obligations under this Trust Deed;
- (iii) the blocking of any payment; or
- (iv) requiring the Issuer and/or the Guarantor to enter into a financial crime compliance representations letter from time to time in a form and substance acceptable to the HSBC Group.

Where possible and permitted, the Trustee will endeavour to notify the Issuer and the Guarantor of the existence of such circumstances. To the extent permissible by law, neither the Trustee nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of, or caused in whole or in part by, any actions that are taken by the Trustee or any other member of the HSBC Group to comply with any Relevant Requirements.

In this Clause 11.34, "**HSBC Group**" means HSBC Holdings plc together with its subsidiary undertakings from time to time.

- 11.35 Responsibility for agents etc.:** If the Trustee exercises reasonable care in selecting any Appointee appointed under this clause, it will not have any obligation to supervise the Appointee or be responsible for any Liability, incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee.
- 11.36** The Trustee shall not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Trust Deed.
- 11.37** The Trustee has (i) no responsibility to: (a) monitor compliance by any other party; or (b) take any steps to ascertain whether a breach of this Trust Deed has occurred or whether an Event of Default or Potential Event of Default has occurred or is continuing under the Conditions, and (ii) no liability to any person for any loss arising from any breach by that party or any such event.
- 11.38** The Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, or any other agreement or document relating to the transactions contemplated in this Trust Deed or under such other agreement or document.
- 11.39 Powers additional:** The powers conferred upon the Trustee by these presents shall be in addition to any powers which may from time to time be vested in the Trustee by the general law or as a holder of any of the Notes or Coupons.

12 Trustee liable for negligence

- 12.1** Subject to sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in this Trust Deed or the Agency Agreement, the Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed, the Agency Agreement or the Notes save in relation to its own gross negligence, wilful default or fraud.

12.2 Any liability of the Trustee shall be limited to the amount of actual loss suffered (such loss shall be determined as at the date of default of the Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Trustee at the time of entering into this Trust Deed or the Agency Agreement, or at the time of accepting any relevant instructions, which increase the amount of the loss. In no event shall the Trustee be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for indirect, special, punitive or consequential loss or damage of any kind whatsoever, whether or not foreseeable, whether or not the Trustee has been advised of the possibility of such loss or damage, and regardless of whether the claim for loss or damage is made in negligence, breach of trust or otherwise.

13 Waiver

13.1 Waiver: The Trustee may, without the consent of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Issuer or the Guarantor of this Trust Deed, the Agency Agreement or the Conditions or determine that an Event of Default or Potential Event of Default shall not be treated as such provided that the Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 13. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees, shall be notified to the Noteholders as soon as practicable.

14 Trustee not precluded from entering into contracts

The Trustee and any other person, whether or not acting for itself, may acquire, hold or dispose of any Note, Coupon, Talon or other security (or any interest therein) of the Issuer, the Guarantor or any other person, may enter into or be interested in any contract or transaction with any such person and may act on, or as depositary or agent for, any committee or body of holders of any securities of any such person in each case with the same rights as it would have had if the Trustee were not acting as Trustee and need not account for any profit.

15 Modification and Substitution

15.1 Modification: The Trustee may agree without the consent of the Noteholders or Couponholders at any time and from time to time to any modification to this Trust Deed or the Conditions which is, in its opinion, of a formal, minor or technical nature or to correct a manifest error. The Trustee may also so agree to any modification to this Trust Deed or the Conditions that is in its opinion not materially prejudicial to the interests of the Noteholders, but such power does not extend to any such modification as is mentioned in the proviso to paragraph 2 of Schedule 3. Any modification made pursuant to this Clause 15.1 will, unless the Trustee otherwise agrees, be notified by the Issuer to the Noteholders as soon as practicable.

15.2 Substitution:

15.2.1 The Trustee may, without the consent of the Noteholders or Couponholders, at any time, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute or substitutes under this Clause) as the principal debtor under this Trust Deed, the Coupons and the Notes of the Guarantor or any other Subsidiary of the Guarantor (other than an Excluded Subsidiary) (such substituted company being hereinafter called the “**New Company**”) provided that a trust deed is executed or some other form of undertaking is given by the New Company in form and manner satisfactory to the Trustee, agreeing to be bound by the provisions of this Trust Deed, the Notes, the Coupons and the Talons (with consequential amendments as the Trustee may deem appropriate) as if the New Company had been named in this Trust Deed, the Notes, the Certificates, the Coupons and the Talons as the principal debtor in place of the Issuer (or of any previous substitute or substitutes under this Clause).

15.2.2 The following further conditions shall apply to Clause 15.2.1 above:

- (i) the Issuer, the Guarantor and the New Company shall comply with such other requirements as the Trustee may direct in the interests of the Noteholders;
- (ii) where the New Company is incorporated, domiciled or resident in, or subject generally to the taxing jurisdiction of, a territory other than or in addition to the United Kingdom or any political sub-division or any authority therein or thereof having power to tax, undertakings or covenants shall be given by the New Company in terms corresponding to the provisions of Condition 11 with the substitution for (or, as the case may be, the addition to) the references to the United Kingdom of references to that other or additional territory in which the New Company is incorporated, domiciled or resident or to whose taxing jurisdiction it is subject generally as aforesaid and, in such event, Condition 8(c) shall be modified accordingly;
- (iii) without prejudice to the rights of reliance of the Trustee under the immediately following Clause 15.2.2(iv) below, the Trustee is satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution; and
- (iv) two directors of the New Company (or other officers acceptable to the Trustee) shall certify to the Trustee that the New Company is solvent at the time at which the substitution is proposed to be effected (which certificate the Trustee may rely upon absolutely and without further enquiry or liability to any person). The Trustee shall not be under any duty to have regard to the financial condition, profits or prospects of the New Company or to compare the same them with those of the Issuer or the previous substitute under this Clause 15.2.2(iv) as applicable.

15.3 Release of Substituted Issuer: Any such trust deed or undertaking shall, if so expressed, operate to release the Issuer or the previous substitute as aforesaid from all of its obligations as principal debtor under this Trust Deed. Not later than 14 days after the execution of such documents and compliance with such requirements, the New Company shall give notice thereof in a form previously approved by the Trustee to the Noteholders in the manner provided in Condition 20.

15.4 Completion of Substitution: Upon the execution of such documents and compliance with such requirements, the New Company shall be deemed to be named in this Trust Deed as the principal debtor in place of the Issuer (or in place of the previous substitute under this Clause) under this Trust Deed and this Trust Deed shall be deemed to be modified in such manner as shall be necessary to give effect to the above provisions and, without limitation, references in this Trust Deed to the Issuer shall, unless the context otherwise requires, be deemed to be or include references to the New Company.

16 Appointment, Retirement and Removal of the Trustee

16.1 Appointment: Subject as provided in Clause 16.2, the Issuer has the power of appointing new trustees but no-one may be so appointed unless previously approved by an Extraordinary Resolution. A trust corporation shall at all times be a Trustee and may be the sole Trustee. Any appointment of a new Trustee shall be notified by the Issuer to the Noteholders as soon as practicable.

16.2 Retirement and Removal: Any Trustee may retire at any time on giving at least three months' written notice to the Issuer and the Guarantor without giving any reason or being responsible for any Liabilities occasioned by such retirement and the Noteholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of a sole trust corporation shall not be effective until a trust corporation is appointed as successor Trustee. If a sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal, the Issuer shall use all reasonable endeavours to procure that another trust corporation be appointed as Trustee but if it fails to do so within two months of the date of such notice or Extraordinary Resolution, the Trustee shall have the power to appoint a new Trustee.

16.3 Co-Trustees: The Trustee may, despite sub-Clause 16.1, by written notice to the Issuer and the Guarantor appoint anyone to act as an additional Trustee jointly with the Trustee:

16.3.1 if the Trustee considers the appointment to be in the interests of the Noteholders and/or the Couponholders;

16.3.2 to conform with a legal requirement, restriction or condition in a jurisdiction in which a particular act is to be performed; or

16.3.3 to obtain a judgment or to enforce a judgment or any provision of this Trust Deed or the Agency Agreement in any jurisdiction.

Subject to the provisions of this Trust Deed the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by written notice to the Issuer, the Guarantor and that person remove that person. At the Trustee's request, the Issuer and the Guarantor shall forthwith do all things as may be required to perfect such appointment or removal and it each of them irrevocably appoints the Trustee as its attorney in its name and on its behalf to do so.

16.4 Competence of a Majority of Trustees: If there are more than two Trustees the majority of them shall be competent to perform the Trustee's functions provided the majority includes a trust corporation.

16.5 Merger: A corporation into which the Trustee may be merged or converted, or any corporation with which the Trustee may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation, including affiliated corporations, to which the Trustee shall sell or otherwise

transfer: (a) all or substantially all of its assets or (b) all or substantially all of its corporate trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any requirements set out in this Trust Deed become the successor trustee under this Trust Deed without the execution or filing of any paper or any further act on the part of the parties to this Trust Deed, unless otherwise required by the Issuer or the Guarantor, and after the said effective date, all references in this Trust Deed or the Agency Agreement to the Trustee shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion or consolidation shall immediately be given to the Issuer and the Guarantor by the Trustee.

16.6 Notes Held in Clearing Systems: So long as any Global Note is, or any Notes represented by a Global Certificate are, held on behalf of a clearing system, in considering the interests of Noteholders, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Note or the Registered Notes and may consider such interests, and treat such accountholders or participants, on the basis that such accountholders or participants were the holder(s) thereof.

16.7 Couponholders: No notices need be given to Couponholders. They shall be deemed to have notice of the contents of any notice given to Noteholders. Even if it has express notice to the contrary, in exercising any of its functions by reference to the interests of the Noteholders, the Trustee shall assume that the holder of each Note is the holder of all Coupons and Talons relating to it.

16.8 Entitlement to treat Holder as Absolute Owner The Trustee may (to the fullest extent permitted by Applicable Law) deem and treat the holder of any Note or of a particular principal amount of the Notes and the holder of any Coupon as the absolute owner of such Note, principal amount or Coupon, as the case may be, for all purposes (whether or not such Note, principal amount or Coupon shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, any notice of loss or theft thereof or any writing thereon), and the Trustee shall not be affected by any notice to the contrary. All payments made to any such holder of a Note in definitive form or a Coupon or to the bearer of a global Note shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable in respect of such Note, principal amount or Coupon, as the case may be.

17 Currency Indemnity

17.1 Currency of Account and Payment: The Contractual Currency is the sole currency of account and payment for all sums payable by the Issuer or the Guarantor under or in connection with this Trust Deed, the Notes and the Coupons, including damages.

17.2 Extent of Discharge: An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise), by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or Guarantor shall only discharge the Issuer and Guarantor to the extent of the Contractual Currency amount that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

17.3 Indemnity: If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed, the Agency Agreement, the Notes or the Coupons, the Issuer, failing whom the Guarantor, shall indemnify it, on an after tax basis, against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient, on an after tax basis, against the cost of making any such purchase.

17.4 Indemnity Separate: The indemnities in this Clause 17 and in sub-Clause 11.28 constitute separate and independent obligations from the other obligations in this Trust Deed, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Trustee and/or any Noteholder or Couponholder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed, the Agency Agreement, the Notes and/or the Coupons or any other judgment or order. Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Holders and Couponholders and no proof or evidence of any actual loss shall be required by the Issuer or the Guarantor or their liquidator or liquidators.

18 Communications

18.1 Any communication shall be by letter or email to:

in the case of either the Issuer or the Guarantor, to it at:

to the Issuer: Claverton Down Road
Claverton Down
Bath BA2 7WW
(Attention: Group Treasurer)
Email: treasury@wessexwater.co.uk

to the Guarantor: Claverton Down Road
Claverton Down
Bath BA2 7WW
(Attention: Group Treasurer)
Email: treasury@wessexwater.co.uk

to the Trustee: 8 Canada Square
Level 14
London
E14 5HQ
United Kingdom
(Attention: Issuer Services Trustee Administration)
Email: ctla.trustee.admin@hsbc.com

18.2 Method: Each communication under this Trust Deed shall be made by electronic communication or otherwise in writing. Each communication or document to be delivered to any party under this Trust Deed shall be sent to that party at the postal address or electronic address, and marked for the attention of the person (if any), from time to time designated by that party to each other party for the purpose of this Trust Deed. The initial telephone number,

postal address, electronic address and person so designated by the parties under this Trust Deed are set out in the Procedures Memorandum.

18.3 Deemed Receipt: Any communication from any party to any other under this Trust Deed shall be effective, (if in writing) when delivered and (if by electronic communication) when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00pm on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by electronic communication will be written legal evidence.

19 Governing Law and Jurisdiction

19.1 Governing Law: This Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

19.2 Jurisdiction: The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with this Trust Deed, the Notes, the Coupons or the Talons and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed, the Notes, the Coupons or the Talons ("**Proceedings**") may be brought in such courts. The Issuer and the Guarantor each irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in any such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause 19.2 is for the benefit of the Trustee and shall not limit its rights to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

Schedule 1
Part A
Form of CGN Temporary Global Note

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

TEMPORARY GLOBAL NOTE

Temporary Global Note No. [●]

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Second Schedule hereto of Wessex Water Services Finance Plc (the “**Issuer**”) and guaranteed by Wessex Water Services Limited (the “**Guarantor**”).

Interpretation and Definitions

References in this temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 6 September 2023 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Second Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Second Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”¹, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”.

Aggregate Principal Amount

The aggregate principal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate principal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Principal Paying Agent upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest in a permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby.

Promise to Pay

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable

¹ TEFRA not applicable may be used only for Notes having a term of no longer than 365 days (taking into account any unilateral option to extend or rollover).

in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate principal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Principal Paying Agent for interests in a permanent Global Note or, if so specified in the Second Schedule hereto, for Definitive Notes in an aggregate principal amount equal to the principal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such principal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Principal Paying Agent of a certificate or certificates, prepared in accordance with the requirements in Treasury Regulation Section 1.163-5, with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 5 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Second Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest in a permanent Global Note or for Definitive Notes, as the case may be, the portion of the principal amount hereof so exchanged shall be endorsed by or on behalf of the Principal Paying Agent in Part I of the First Schedule hereto, whereupon the principal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

Benefit of Conditions

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global

Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, due endorsement of) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such principal amount of this temporary Global Note with respect to which there shall have been Certification as to the non-U.S. beneficial ownership in the form set out in the Agency Agreement.

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions. If any payment in full of principal is made in respect of any Note represented by this temporary Global Note, the portion of this temporary Global Note representing such Note shall be cancelled and the amount so cancelled shall be endorsed by or on behalf of the Principal Paying Agent in the First Schedule hereto (such endorsement being prima facie evidence that the payment in question has been made) whereupon the principal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed. If any other payments are made in respect of the Notes represented by this temporary Global Note, a record of each such payment shall be endorsed by or on behalf of the Principal Paying Agent on an additional schedule hereto (such endorsement being *prima facie* evidence that the payment in question has been made).

Cancellation

Cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the principal amount of this temporary Global Note representing such Note on its presentation to or to the order of the Principal Paying Agent for endorsement in the First Schedule hereto, whereupon the principal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Notices

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This temporary Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

HSBC BANK PLC

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.²

² Include for C Rules Note or D Rules Note

The First Schedule
Principal amount of Notes represented by this temporary Global Note

The following (i) issue of Notes initially represented by this temporary Global Note, (ii) exchanges of the whole or a part of this temporary Global Note for interests in a permanent Global Note or for Definitive Notes and/or (iii) cancellations or forfeitures of interests in this temporary Global Note have been made, resulting in the principal amount of this temporary Global Note specified in the latest entry in the fourth column below:

Date	Amount of decrease in principal amount of this temporary Global Note	Reason for decrease in principal amount of this temporary Global Note (exchange, cancellation or forfeiture)	Principal amount of this temporary Global Note on issue or following such decrease	Notation made by or on behalf of the Principal Paying Agent
Issue Date	not applicable	not applicable		

The Second Schedule

[Insert the provisions of the applicable Pricing Supplement that relate to the Conditions or the Global Notes as the Second Schedule]

Schedule 1
Part B
Form of CGN Permanent Global Note

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

PERMANENT GLOBAL NOTE

Permanent Global Note No. [●]

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Third Schedule hereto of Wessex Water Services Finance Plc (the “**Issuer**”) and guaranteed by Wessex Water Services Limited (the “**Guarantor**”).

Interpretation and Definitions

References in this permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 6 September 2023 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Third Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

Aggregate Principal Amount

The aggregate principal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate principal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Principal Paying Agent upon (i) the exchange of the whole or a part of the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby.

Promise to Pay

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of this permanent Global Note) surrender of this permanent Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate principal amount of Notes represented by this permanent

Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided, and in accordance with, the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it for endorsement to or to the order of the Principal Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate principal amount equal to the principal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Third Schedule hereto.

On any exchange of a part of this permanent Global Note the portion of the principal amount hereof so exchanged shall be endorsed by or on behalf of the Principal Paying Agent in the First Schedule hereto, whereupon the principal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

Benefit of Conditions

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due

presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions. A record of each such payment shall be endorsed on the First or Second Schedule hereto, as appropriate, by the Principal Paying Agent or by the relevant Paying Agent, for and on behalf of the Principal Paying Agent, which endorsement shall (until the contrary is proved) be *prima facie* evidence that the payment in question has been made.

Prescription

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

Meetings

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders.

Cancellation

Cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the principal amount of this permanent Global Note representing such Note on its presentation to or to the order of the Principal Paying Agent for endorsement in the First Schedule hereto, whereupon the principal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Purchase

Notes may only be purchased by the Issuer, the Guarantor or any of their respective Subsidiaries if they are purchased together with the right to receive all future payments of interest and Instalment Amounts (if any) thereon.

Issuer's Options

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Principal Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting this permanent Global Note to the Principal Paying Agent, or to a Paying Agent acting on behalf of the Principal Paying Agent, for notation accordingly in the Fourth Schedule hereto.

Notices

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Negotiability

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note and
- 3** payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This permanent Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

HSBC BANK PLC

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.³

³ Include for a C Rules Note or a D Rules Note.

The First Schedule
Principal amount of Notes represented by this permanent Global Note

The following (i) issues of Notes initially represented by this permanent Global Note, (ii) exchanges of interests in a temporary Global Note for interests in this permanent Global Note, (iii) exchanges of the whole or a part of this permanent Global Note for Definitive Notes, (iv) cancellations or forfeitures of interests in this permanent Global Note and/or (v) payments of amounts payable upon redemption in respect of this permanent Global Note have been made, resulting in the principal amount of this permanent Global Note specified in the latest entry in the fourth column:

Date	Amount of increase/decrease in principal amount of this permanent Global Note	Reason for increase/decrease in principal amount of this permanent Global Note (initial issue, exchange, cancellation, forfeiture or payment, stating amount of payment made)	Principal amount of this permanent Global Note following such increase/decrease	Notation made by or on behalf of the Principal Paying Agent
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**The Second Schedule
Payments of Interest**

The following payments of interest or Interest Amount in respect of this Permanent Global Note have been made:

Due date of payment	Date of payment	Amount of interest	Notation made by or on behalf of the Principal Paying Agent
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The Third Schedule

[Insert the provisions of the applicable Pricing Supplement that relate to the Conditions or the Global Notes as the Third Schedule.]

**The Fourth Schedule
Exercise of Noteholders' Option**

The following exercises of the option of the Noteholders provided for in the Conditions have been made in respect of the stated principal amount of this permanent Global Note:

Date of exercise	Principal amount of this permanent Global Note in respect of which exercise is made	Date of which exercise of such option is effective	Notation made by or on behalf of the Principal Paying Agent
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Schedule 1
Part C
Form of NGN Temporary Global Note

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

TEMPORARY GLOBAL NOTE

Temporary Global Note No. [●]

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of Wessex Water Services Finance Plc (the “**Issuer**”) and guaranteed by Wessex Water Services (the “**Guarantor**”).

Interpretation and Definitions

References in this temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 6 September 2023 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Second Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”⁴.

Aggregate Principal Amount

The aggregate principal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate principal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together the “**relevant Clearing Systems**”), which shall be completed and/or amended, as the case may be, upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest recorded in the records of the relevant Clearing Systems in a permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby.

The records of the relevant Clearing Systems (which expression in this temporary Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the principal amount of the Notes represented by this temporary Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon

⁴ Include for a C Rules Note or a D Rules Note.

request) stating the principal amount of Notes represented by the temporary Global Note at any time shall be conclusive evidence of the records of the relevant Clearing Systems at that time.

Promise to Pay

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate principal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

Subject as provided in the Conditions applicable to Partly-paid Notes, on or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Principal Paying Agent for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or, if so specified in Part A of the Schedule hereto, for Definitive Notes in an aggregate principal amount equal to the principal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such principal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Principal Paying Agent of a certificate or certificates with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 3 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest recorded in the records of the relevant Clearing Systems in a permanent Global Note or for Definitive Notes, as the case may be, the Issuer shall procure that details of the portion of the principal amount hereof so

exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by an amount equal to such portion so exchanged.

Benefit of Conditions

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, a corresponding entry being recorded in the records of the relevant Clearing Systems) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such principal amount of this temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. If any payment in full or in part of principal or, in the case of Instalment Notes, payment of an Instalment Amount, is made in respect of any Note represented by this temporary Global Note the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or by the aggregate amount of the Instalment Amount so paid. If any other payments are made in respect of the Notes represented by this temporary Global Note, the Issuer shall procure that a record of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems.

Cancellation

On cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing systems and, upon any such entry being made, the principal amount of the Note recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate principal amount of the Notes so cancelled.

Notices

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg or any other permitted clearing system) to Euroclear, Clearstream, Luxembourg or such other permitted clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This temporary Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

HSBC BANK PLC

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This temporary Global Note

is effectuated by or on behalf of the Common Safekeeper.

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.⁵

⁵ Include for a C Rules Note or a D Rules Note.

Schedule

[Insert the provisions of the applicable Pricing Supplement that relate to the Conditions or the Global Notes as the Schedule]

Schedule 1
Part D
Form of NGN Permanent Global Note

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

PERMANENT GLOBAL NOTE

Permanent Global Note No. [●]

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Schedule hereto of Wessex Water Services Finance Plc (the “**Issuer**”) and guaranteed by Wessex Water Services Limited (the “**Guarantor**”).

Interpretation and Definitions

References in this permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 6 September 2023 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

Aggregate Principal Amount

The aggregate principal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate principal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together, the “**relevant Clearing Systems**”), which shall be completed and/or amended as the case may be upon (i) the exchange of the whole or a part of the interests recorded in the records of the relevant Clearing Systems in the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby.

The records of the relevant Clearing Systems (which expression in this permanent Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the principal amount of the Notes represented by this permanent Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the principal amount of Notes represented by this permanent Global

Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

Promise to Pay

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of this permanent Global Note) surrender of this permanent Global Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate principal amount of Notes represented by this permanent Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Exchange

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other permitted clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided, and in accordance with, the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it to or to the order of the Principal Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate principal amount equal to the principal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this permanent Global Note, the Issuer shall procure that the portion of the principal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by an amount equal to such portion so exchanged.

Benefit of Conditions

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and in the case of any payment of principal, or in the case of Instalment Notes, payment of an Instalment Amount, and upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or by the aggregate amount of the Instalment Amount so paid.

Prescription

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

Meetings

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders.

Cancellation

On cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate principal amount of the Notes so cancelled.

Purchase

Notes may only be purchased by the Issuer, the Guarantor or any of their respective Subsidiaries if they are purchased together with the right to receive all future payments of interest and Instalment Amounts (if any) thereon.

Issuer's Options

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders and the relevant Clearing Systems (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the case of a partial exercise of an option, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg and shall be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion. Following the exercise of any such option, the Issuer shall procure that the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced accordingly.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Principal Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised. Following the exercise of any such option, the Issuer shall procure that the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate principal amount stated in the relevant exercise notice.

Notices

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg and/or an Alternative Clearing System) to Euroclear, Clearstream, Luxembourg and/or such Alternative Clearing System, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Negotiability

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note and

3 payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This permanent Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

HSBC BANK PLC

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This permanent Global Note

is effectuated by or on behalf of the Common Safekeeper.

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.⁶

⁶ Include for a C Rules Note or a D Rules Note.

Schedule

[Insert the provisions of the applicable Pricing Supplement that relate to the Conditions or the Global Notes as the Schedule.]

Schedule 1
Part E
Form of Global Certificate

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

GLOBAL CERTIFICATE

Global Certificate No. [●]

This Global Certificate is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of Wessex Water Services Finance Plc (the “**Issuer**”) and guaranteed by Wessex Water Services Limited (the “**Guarantor**”). This Global Certificate certifies that the person whose name is entered in the Register (the “**Registered Holder**”) is registered as the holder of an issue of Notes of the principal amount, specified currency and specified denomination set out in Part A of the Schedule hereto.

Interpretation and Definitions

References in this Global Certificate to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 6 September 2023 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

Promise to Pay

The Issuer, for value received, promises to pay to the holder of the Notes represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Certificate and (unless the Notes represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by this Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Notes represented by this Global Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Notes represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Global Certificate is entitled to payments in respect of the Notes represented by this Global Certificate.

Transfer of Notes represented by permanent Global Certificates

If the Schedule hereto states that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by this Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the Notes represented by this Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or
- (ii) with the consent of the Issuer

provided that, in the case of the first transfer of part of a holding pursuant to (i) above, the holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such transfer. Where the holding of Notes represented by this Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by this Global Certificate shall (unless this Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar and in the case of Registered Notes held under the NSS only, effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This Global Certificate is authenticated without recourse, warranty or liability by or on behalf of the Registrar.

HSBC BANK PLC

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

Effectuation

This Global Certificate is effectuated by or on behalf of the Common Safekeeper

[COMMON SAFEKEEPER]

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation of Registered Notes held through the NSS only

Form of Transfer

For value received the undersigned transfers to

.....
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[•] principal amount of the Notes represented by this Global Certificate, and all rights under them.

Dated

Signed 1.1 Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which they sign e.g. executor.

Schedule

[Insert the provisions of the applicable Pricing Supplement that relate to the Conditions or the Global Certificate as the Schedule.]

Schedule 2
Part A
Form of Bearer Note

On the front:

[Denomination] **[ISIN]** **[Series]** **[Certif. No.]**

[Currency and denomination]

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

Series No. [●]

[Title of issue]

This Note forms one of the Series of Notes referred to above (the “**Notes**”) of Wessex Water Services Finance Plc (the “**Issuer**”) guaranteed by Wessex Water Services Limited (the “**Guarantor**”) designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Note.

The Issuer for value received promises to pay to the bearer of this Note, on presentation and (when no further payment is due in respect of this Note) surrender of this Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions and (unless this Note does not bear interest) to pay interest from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

This Note shall not become valid or obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

In witness whereof the Issuer has caused this Note to be signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This Note is authenticated without recourse, warranty or liability
by or on behalf of the Principal Paying Agent.

HSBC BANK PLC

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO
LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE
LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE
CODE.⁷

⁷ Include for a C Rules Note or a D Rules Note.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the applicable Pricing Supplement shall be set out here.]

PRINCIPAL PAYING AGENT

HSBC BANK PLC

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

PAYING AGENT

HSBC BANK PLC

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

Schedule 2
Part B
Form of Individual Certificate

On the front:

WESSEX WATER SERVICES FINANCE PLC
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 3704265)

EURO MEDIUM TERM NOTE PROGRAMME

guaranteed by
WESSEX WATER SERVICES LIMITED
(Incorporated in England and Wales under the Companies Act 1985
with limited liability under registered number 2366648)

Series No. [●]

[Title of issue]

This Certificate certifies that [●] of [●] (the “**Registered Holder**”) is, as at the date hereof, registered as the holder of [principal amount] of Notes of the Series of Notes referred to above (the “**Notes**”) of Wessex Water Services Finance Plc (the “**Issuer**”) guaranteed by Wessex Water Services Limited (the “**Guarantor**”), designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to pay to the holder of the Note(s) represented by this Certificate (subject to surrender of this Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and (unless the Note(s) represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Note(s) represented by this Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Note(s) represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Note(s) represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Note(s) represented by this Certificate is entitled to payments in respect of the Note(s) represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

In witness whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

WESSEX WATER SERVICES FINANCE PLC

By:

CERTIFICATE OF AUTHENTICATION

This Certificate is authenticated without recourse, warranty or liability
by or on behalf of the Registrar.

HSBC BANK PLC

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the applicable Pricing Supplement shall be set out here.]

Form of Transfer

For value received the undersigned transfers to

.....
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] principal amount of the Notes represented by this Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

(iii) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.

(iv) A representative of the Noteholder should state the capacity in which they sign.

Unless the context otherwise requires capitalised terms used in this Form of Transfer have the same meaning as in the Trust Deed dated 6 September 2023 between the Issuer and the Trustee, [OTHER].

[TO BE COMPLETED BY TRANSFEREE:

[INSERT ANY REQUIRED TRANSFEREE REPRESENTATIONS, CERTIFICATIONS, ETC.]]

PRINCIPAL PAYING AGENT

HSBC BANK PLC

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

PAYING AGENT

HSBC BANK PLC

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

Schedule 2
Part C
Terms and Conditions of the Notes

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the applicable Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the applicable Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under *“Summary of Provisions Relating to the Notes While in Global Form”* below. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

This Note is one of a series (each a “**Series**”) issued pursuant to the £5,000,000,000 Euro Medium Term Note Programme of Wessex Water Services Finance Plc (the “**Issuer**”) (the “**Programme**”). The Notes are constituted by a trust deed, as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”) (the “**Trust Deed**”) dated 6 September 2023 between the Issuer, Wessex Water Services Limited (the “**Guarantor**”) and HSBC Corporate Trustee Company (UK) Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An agency agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 6 September 2023 has been entered into in relation to the Notes between the Issuer, the Guarantor, the Trustee, HSBC Bank plc as initial principal paying agent and the other agents named in it. The principal paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent), the “**Registrar**”, the “**Transfer Agent**” (which expression shall include the Registrar) and the “**Calculation Agent**” (the Principal Paying Agent, Paying Agents, Registrar, Transfer Agent and Calculation Agent together the “**Agents**” and each an “**Agent**”). Copies of the Trust Deed and the Agency Agreement are available (i) for inspection by Noteholders during normal business hours at the registered office of the Trustee (being currently 8 Canada Square, London E14 5HQ) upon prior written request and (ii) in electronic format upon written request to the Principal Paying Agent by emailing ctlondon.conventional@hsbc.com, subject in each case to the requesting Noteholder providing evidence of its identity and its holding of Notes satisfactory to the Trustee or the Principal Paying Agent (as applicable).

The Noteholders and the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects, including as to Issue Date.

The term “**Notes**” means debt instruments, by whatever name called, issued under the Programme. All subsequent references in these Conditions (as defined below) to “Notes” are to the Notes which are the

subject of the applicable Pricing Supplement. Notes issued under the Programme are issued in Series and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of the applicable pricing supplement (the “**Pricing Supplement**”) which supplements these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the applicable Pricing Supplement. In the event of any inconsistency between these Conditions and the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail. Certain provisions of these Conditions are summaries of the Trust Deed and Agency Agreement and are subject to their detailed provisions.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement.

Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Note or a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis as specified in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered in the Register (as the case may be) and capitalised terms have the meanings given to them in these Conditions, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to Condition 2(f), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other

evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a **holding** of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 8(h)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer **Agent** or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 8(d), Condition 8(e) or Condition 8(f), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date.

3 Guarantee and Status

- (a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons. Its obligations in that respect (the “**Guarantee**”) are contained in the Trust Deed.
- (b) **Status of Notes and Guarantee:** The Notes and the Coupons are direct, unconditional and, subject to the provisions of Condition 4, unsecured obligations of the Issuer and, subject as aforesaid, rank and will rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable laws and subject to Condition 4, at all times rank at least equally with all their respective other outstanding unsecured and unsubordinated obligations, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), each of the Issuer and the Guarantor will ensure that no Relevant Indebtedness of the Issuer, the Guarantor, any Principal Subsidiary or any other person and no guarantee by the Issuer, the Guarantor or any Principal Subsidiary of any Relevant Indebtedness of any person will be secured by a mortgage, charge, lien, pledge or other security interest (each a “**Security Interest**”) upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer, the Guarantor or any Principal Subsidiary unless, before or at the same time as the creation of the Security Interest, the Issuer and/or the Guarantor shall take any and all action necessary to ensure that:

- (a) all amounts payable by the Issuer under the Notes, the Coupons and the Trust Deed or, as the case may be, the Guarantor’s obligations under the Trust Deed are secured equally and rateably with the Relevant Indebtedness or guarantee, as the case may be, by the same Security Interest, in each case to the satisfaction of the Trustee; or
- (b) such other Security Interest or guarantee or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Notes, the Coupons and the Trust Deed or, as the case may be, the Guarantor’s obligations under the Trust Deed either (i) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or (ii) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders,

save that the Issuer, the Guarantor or any Principal Subsidiary may create or have outstanding a Security Interest in respect of any Relevant Indebtedness and/or any guarantees given by the Issuer, the Guarantor or any Principal Subsidiary in respect of any Relevant Indebtedness of any person (without the obligation to provide a Security Interest or guarantee or other arrangement in respect of the Notes, the Coupons and the Trust Deed as aforesaid) where (1) such Relevant Indebtedness is of a maximum aggregate amount outstanding at any time not exceeding the greater of £150,000,000 and 15 per cent. of the Capital and Reserves or (2) such Security Interest is provided by or in respect of a company becoming a Subsidiary of the Guarantor after the Issue Date and where such Security Interest exists at the time that company becomes a Subsidiary of the Guarantor (provided that such Security Interest was not created in contemplation of that company becoming a Subsidiary of the Guarantor and the principal amount secured at the time of that company becoming a Subsidiary of the Guarantor is not subsequently increased).

In this Condition:

“**Capital and Reserves**” means the aggregate of:

- (a) the amount paid up or credited as paid up on the share capital of the Guarantor; and

- (b) the total of the capital, revaluation and revenue reserves of the Group, including any share premium account, capital redemption reserve and credit balance on the profit and loss account but excluding sums set aside for taxation and amounts attributable to minority interests and deducting any debit balance on the profit and loss account,

all as shown in the then latest audited consolidated balance sheet and profit and loss account of the Group prepared in accordance with generally accepted accounting principles in the United Kingdom (including international financial reporting standards), but adjusted as may be necessary in respect of any variation in the paid up share capital or share premium account of the Group since the date of that balance sheet and further adjusted as may be necessary to reflect any change since the date of that balance sheet in the Subsidiary Undertakings comprising the Group and/or as the Auditors may consider appropriate. A certificate signed by two directors of the Guarantor or a report by the Auditors as to the amount of the Capital and Reserves at any given time shall, in the absence of manifest error, be conclusive and binding on all parties whether or not addressed to each such party.

“Project Finance Indebtedness” means any present or future indebtedness incurred to finance the ownership, acquisition, development and/or operation of an asset, whether or not an asset of a member of the Group:

- (a) which is incurred by an Excluded Subsidiary; or
- (b) in respect of which the person or persons to whom any such indebtedness is or may be owed by the relevant borrower (whether or not a member of the Group) has or have no recourse whatsoever to any member of the Group (other than an Excluded Subsidiary) for the repayment thereof other than:
 - (i) recourse for amounts limited to the cash flow or net cash flow (other than historic cash flow or historic net cash flow) from such asset; and/or
 - (ii) recourse for the purpose only of enabling amounts to be claimed in respect of such indebtedness in an enforcement of any encumbrance given by such borrower over such asset or the income, cash flow or other proceeds deriving therefrom (or given by any shareholder or the like in the borrower over its shares or the like in the capital of the borrower) to secure such indebtedness, provided that (A) the extent of such recourse is limited solely to the amount of any recoveries made on any such enforcement, and (B) such person or persons is/are not entitled, by virtue of any right or claim arising out of or in connection with such indebtedness, to commence proceedings for the winding up or dissolution of any member of the Group (other than an Excluded Subsidiary) or to appoint or procure the appointment of any receiver, trustee or similar person or officer in respect of any member of the Group (other than an Excluded Subsidiary) or any of its assets (save for the assets the subject of such encumbrance); and/or
 - (iii) recourse under any form of assurance, undertaking or support, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specified way) for breach of an obligation (not being a payment obligation or an obligation to procure payment by another or an indemnity in respect thereof or any obligation to comply or to procure compliance by another with any financial ratios or other tests of financial condition) by any member of the Group (other than an Excluded Subsidiary).

“Relevant Indebtedness” means any present or future indebtedness (whether being principal, premium, interest or other amounts) in the form of or represented by notes, bonds, debentures, debenture stock, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash,

and which (with the agreement of the person issuing the same) are quoted, listed or ordinarily dealt in on any stock exchange or recognised over-the-counter or other securities market other than such notes, bonds, debentures, debenture stock, loan stock or other securities which, on issue, had a maturity of not less than 30 years, but shall in any event not include Project Finance Indebtedness.

5 Fixed Rate Note Provisions

- (a) **Application:** This Condition 5 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable.
- (b) **Accrual of Interest:** The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9. Each Note will cease to bear interest from (and including) the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5(b) (as well after as before judgment) until (and including) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day on which notice is given to the holder of such Note that sufficient funds for payment of such sums have been received by the Principal Paying Agent or the Trustee.
- (c) **Fixed Coupon Amount:** The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) **Calculation of Interest Amount:** The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

6 Floating Rate Note Provisions and Benchmark Replacement

- (a) **Application:** Conditions 6(b) to 6(f) and 6(i) to 6(l) are applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable, Condition 6(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable and the relevant Reference Rate applicable to the Notes is not SOFR; and Condition 6(h) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable and the relevant Reference Rate applicable to the Notes is SOFR.
- (b) **Accrual of Interest:** The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9. Each Note will cease to bear interest from (and including) the due date for final redemption unless, upon due presentation, payment of the

Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6(b) (as well after as before judgment) until (and including) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day on which notice is given to the holder of such Note that sufficient funds for payment of such sums have been received by the Principal Paying Agent or the Trustee.

(c) **Screen Rate Determination (other than Floating Rate Notes which reference SONIA, SOFR or €STR):** If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and the Reference Rate specified in the applicable Pricing Supplement is not SONIA, SOFR or €STR, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 6(g) and Condition 6(h)) be determined by the Calculation Agent on the following basis:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:

(A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

(B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Determination Agent shall determine such rate at such time and by reference to such sources as it determines appropriate; and

(iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) **Screen Rate Determination for Floating Rate Notes which reference SONIA, SOFR or €STR:**

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, Index Determination is specified in the applicable Pricing Supplement as not applicable and the Reference Rate specified in the applicable Pricing Supplement is SONIA, SOFR or €STR:
- (A) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Pricing Supplement as being "**Compounded Daily**", the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 6(g) or Condition 6(h), as the case may be, and Condition 6(i) and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.
 - (B) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Pricing Supplement as being "**Weighted Average**", the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 6(g) or Condition 6(h), as the case may be, and Condition 6(i) and subject as provided below) be the Weighted Average Reference Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.
- (ii) Where "**SONIA**" is specified as the Reference Rate in the applicable Pricing Supplement, subject to Condition 6(g), if, in respect of any Local Business Day, the Calculation Agent determines that the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:
- (A) (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Local Business Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
 - (B) if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Local Business Day, (a) the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Local Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A) above,

and, in each case, "r" shall be interpreted accordingly.

Notwithstanding the paragraph above, and without prejudice to Condition 6(g), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation

Agent shall, in accordance with the instructions of the Issuer, follow such guidance to the extent practicable and to the extent such guidance does not increase obligations or duties of, or reduce the protective provisions afforded to, the Calculation Agent in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

- (iii) Where "**SOFR**" is specified as the Reference Rate in the applicable Pricing Supplement, subject to Condition 6(h), if, in respect of any Local Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the SOFR for the first preceding Local Business Day on which the SOFR was published on the Relevant Screen Page ("**r**" shall be interpreted accordingly).
- (iv) where "**€STR**" is specified as the Reference Rate in the applicable Pricing Supplement, subject to Condition 6(g), if, in respect of any Local Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the €STR for the first preceding Local Business Day on which the €STR was published on the Relevant Screen Page; ("**r**" shall be interpreted accordingly).
- (v) In the event that the Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 6(g) or 6(h), as the case may be, the Rate of Interest for such Interest Period shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period), (ii) if there is no such preceding Interest Determination Date and the relevant Interest Period is the first Interest Period for the Notes, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period) or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Period is not the first Interest Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Period.
- (vi) If the relevant Series of Notes becomes due and payable in accordance with Condition 12, the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.
- (vii) For the purposes of this Condition 6(d):
 - If "**Payment Delay**" is specified in the applicable Pricing Supplement as being applicable, all references in these Conditions to interest on the Notes being payable

on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead;

"**Applicable Period**" means:

- (A) where "**Lag**", "**Lock-out**" or "**Payment Delay**" is specified as the Observation Method in the applicable Pricing Supplement, Interest Period; and
- (B) where "**Observation Shift**" is specified as the Observation Method in the applicable Pricing Supplement, Observation Period;

"**Compounded Daily Reference Rate**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the applicable Pricing Supplement and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{r_{i-PLBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**D**" is the number specified in the applicable Pricing Supplement;

"**d**" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

"**d_o**" means, for the relevant Applicable Period, the number of Local Business Days in such Applicable Period;

"**€STR**" means, in respect of any Local Business Day, a reference rate equal to the daily euro short-term rate for such euro Local Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank as at the date of the Base Admission Particulars at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") in each case, on or before 9:00 a.m. (Central European Time) on the Local Business Day immediately following such Local Business Day;

"**i**" means, for the relevant Applicable Period, a series of whole numbers from one to **d_o**, each representing the relevant Local Business Day in chronological order from, and including, the first Local Business Day in such Applicable Period;

"**Local Business Day**" or "**LBD**", means, (i) where "**SONIA**" is specified as the Reference Rate, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London; (ii) where "**SOFR**" is specified as the Reference Rate, any day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in New York are authorised or required by law or regulation to be closed; and (iii) where "**€STR**" is specified as the Reference Rate, a T2 Settlement Day;

"Lock-out Period" means the period from, and including, the day following the relevant Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

"n_i", for any Local Business Day "i" in the Applicable Period, means the number of calendar days from, and including, such Local Business Day "i" up to but excluding the following Local Business Day;

"New York Federal Reserve's Website" means the website of the Federal Reserve Bank of New York as at the date of the Base Admission Particulars at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York;

"Observation Period" means, in respect of the relevant Interest Period, the period from, and including, the date falling "p" Local Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" Local Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" Local Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"p" means, for any Interest Period:

- (A) where **"Lag"** is specified as the Observation Method in the applicable Pricing Supplement, the number of Local Business Days included in the Observation Look-back Period specified in the applicable Pricing Supplement (or, if no such number is specified five Local Business Days);
- (B) where **"Lock-out"** is specified as the Observation Method in the applicable Pricing Supplement, zero;
- (C) where **"Observation Shift"** is specified as the Observation Method in the applicable Pricing Supplement, the number of Local Business Days included in the Observation Look-back Period specified in the applicable Pricing Supplement (or, if no such number is specified, five Local Business Days);

"r" means:

- (A) where in the applicable Pricing Supplement **"SONIA"** is specified as the Reference Rate and either **"Lag"** or **"Observation Shift"** is specified as the Observation Method, in respect of any Local Business Day, the SONIA rate in respect of such Local Business Day;
- (B) where in the applicable Pricing Supplement **"SOFR"** is specified as the Reference Rate and either **"Lag"** or **"Observation Shift"** is specified as the Observation Method, in respect of any Local Business Day, the SOFR in respect of such Local Business Day;
- (C) where in the applicable Pricing Supplement **"€STR"** is specified as the Reference Rate and either **"Lag"** or **"Observation Shift"** is specified as the Observation Method, in respect of any Local Business Day, the €STR in respect of such Local Business Day;
- (D) where in the applicable Pricing Supplement **"SONIA"** is specified as the Reference Rate and **"Lock-out"** is specified as the Observation Method:

- (i) in respect of any Local Business Day "i" that is a Reference Day, the SONIA rate in respect of the Local Business Day immediately preceding such Reference Day, and
 - (ii) in respect of any Local Business Day "i" that is not a Reference Day (being a Local Business Day in the Lock-out Period), the SONIA rate in respect of the Local Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the relevant Interest Determination Date);
- (E) where in the applicable Pricing Supplement "**SOFR**" is specified as the Reference Rate and "**Lock-out**" is specified as the Observation Method:
- (i) in respect of any Local Business Day "i" that is a Reference Day, the SOFR in respect of the Local Business Day immediately preceding such Reference Day, and
 - (ii) in respect of any Local Business Day "i" that is not a Reference Day (being a Local Business Day in the Lock-out Period), the SOFR in respect of the Local Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the relevant Interest Determination Date);
- (F) where in the applicable Pricing Supplement "**€STR**" is specified as the Reference Rate and "**Lock-out**" is specified as the Observation Method:
- (i) in respect of any Local Business Day "i" that is a Reference Day, the €STR in respect of the Local Business Day immediately preceding such Reference Day, and
 - (ii) in respect of any Local Business Day "i" that is not a Reference Day (being a Local Business Day in the Lock-out Period), the €STR in respect of the Local Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the relevant Interest Determination Date);
- (G) where in the applicable Pricing Supplement "**SONIA**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Local Business Day, the SONIA rate in respect of such Local Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Local Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SONIA rate in respect of the Rate Cut-off Date;
- (H) where in the applicable Pricing Supplement "**SOFR**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Local Business Day, the SOFR in respect of such Local Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Local Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SOFR in respect of the Rate Cut-off Date; and

- (l) where in the applicable Pricing Supplement "**€STR**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Local Business Day, the €STR in respect of such Local Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Local Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "**r**" shall be the €STR in respect of the Rate Cut-off Date;

"Reference Day" means each Local Business Day in the relevant Interest Period, other than any Local Business Day in the Lock-out Period;

" r_{i-pBD} " means the applicable Reference Rate as set out in the definition of "**r**" above for, (i) where, in the applicable Pricing Supplement, "**Lag**" is specified as the Observation Method, the Local Business Day (being a Local Business Day falling in the relevant Observation Period) falling "**p**" Local Business Days prior to the relevant Local Business Day "**i**" or, (ii) otherwise, the relevant Local Business Day "**i**";

"SOFR" means, in respect of any Local Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Federal Reserve's Website, in each case on or about 5.00 p.m. (New York City Time) (the "**SOFR Determination Time**") on the Local Business Day immediately following such Local Business Day;

"SONIA" means, in respect of any Local Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Local Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Local Business Day immediately following such Local Business Day;

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; and

"Weighted Average Reference Rate" means:

- (A) where "**Lag**" is specified as the Observation Method in the applicable Pricing Supplement, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Local Business Day shall be deemed to be the Reference Rate in effect for the Local Business Day immediately preceding such calendar day; and
- (B) where "**Lock-out**" is specified as the Observation Method in the applicable Pricing Supplement, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of calendar days

such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, **provided however that** for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Local Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Local Business Day immediately preceding such calendar day.

- (e) **Index Determination:** If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and Index Determination is specified in the applicable Pricing Supplement as being applicable, the Rate of Interest applicable to the Notes for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula and rounded to the Relevant Decimal Place, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date, plus or minus (as indicated in the applicable Pricing Supplement) the Margin:

$$\left(\frac{\text{Compounded Index End}}{\text{Compounded Index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

where:

"**Compounded Index**" means either SONIA Compounded Index or SOFR Compounded Index, as specified in the applicable Pricing Supplement;

"**Compounded Index End**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which, by its definition or the operation of the relevant provisions, is excluded from such Interest Period);

"**Compounded Index Start**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period;

"**d**" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**Numerator**" shall, unless otherwise specified in the applicable Pricing Supplement, be 365 in the case of the SONIA Compounded Index and 360 in the case of the SOFR Compounded Index;

"**Relevant Decimal Place**" shall, unless otherwise specified in the applicable Pricing Supplement, be the fifth decimal place in the case of the SONIA Compounded Index and the seventh decimal place in the case of the SOFR Compounded Index, in each case rounded up

or down, if necessary (with 0.000005 or, as the case may be, 0.00000005 being rounded upwards);

"**Relevant Number**" shall, unless otherwise specified in the applicable Pricing Supplement, be five;

"**SOFR Compounded Index**" means the compounded daily SOFR rate, as published at 15:00 (New York time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

"**SONIA Compounded Index**" means the compounded daily SONIA rate as published at 10:00 (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source.

Provided that a Benchmark Event has not occurred in respect of SONIA or a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of SOFR, as the case may be, if, with respect to any Interest Period, the relevant Compounded Index Start and/or Compounded Index End is not published by the administrator, the Calculation Agent shall calculate the Rate of Interest for that Interest Period in accordance with Condition 6(d) as if Index Determination was not specified in the applicable Pricing Supplement as being applicable. For these purposes, (i) the Reference Rate shall be deemed to be SONIA in the case of SONIA Compounded Index and SOFR in the case of Compounded SOFR Index, (ii) the Calculation Method shall be deemed to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number, (v) D shall be deemed to be the Numerator and (vi) in the case of SONIA, the Relevant Screen Page will be determined by the Issuer in consultation with the Calculation Agent. If a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 6(g) shall apply *mutatis mutandis* in respect of this Condition 6(e) or if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provision of Condition 6(h) shall apply *mutatis mutandis* in respect of this Condition 6(e), as applicable.

- (f) **ISDA Determination:** If ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
- (i) if the applicable Pricing Supplement specifies either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:
 - (A) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
 - (B) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Pricing Supplement;
 - (C) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement; and
 - (D) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest

Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:

- (1) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
- (2) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Determination Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(E) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the applicable Pricing Supplement and:

- (1) Compounding with Lookback is specified as the Compounding Method in the applicable Pricing Supplement then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement;
- (2) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Pricing Supplement then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement, and (c) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; or
- (3) Compounding with Lockout is specified as the Compounding Method in the applicable Pricing Supplement, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement, and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Pricing Supplement;

(F) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Averaging is specified to be applicable in the applicable Pricing Supplement and:

- (1) Averaging with Lookback is specified as the Averaging Method in the applicable Pricing Supplement, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in the applicable Pricing Supplement;

- (2) Averaging with Observation Period Shift is specified as the Averaging Method in the applicable Pricing Supplement, (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement, and (c) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; or
- (3) Averaging with Lockout is specified as the Averaging Method in the applicable Pricing Supplement, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement, and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Pricing Supplement; and
- (G) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the applicable Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the applicable Pricing Supplement and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement;
- (ii) references in the ISDA Definitions to:
- (A) "Confirmation" shall be references to the applicable Pricing Supplement;
- (B) "Calculation Period" shall be references to the relevant Interest Period;
- (C) "Termination Date" shall be references to the Maturity Date; and
- (D) "Effective Date" shall be references to the Interest Commencement Date;
- (iii) if the Pricing Supplement specifies "2021 ISDA Definitions" as the applicable ISDA Definitions:
- (A) "Administrator/Benchmark Event" shall be disapplied; and
- (B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate";
- (iv) each of EUR-EURIBOR, EUR-EURIBOR-Reuters, EUR-EuroSTR, EUR-EuroSTR Compounded Index, GBP-SONIA, GBP-SONIA Compounded Index, USD-SOFR and USD-SOFR Compounded Index has the meaning given in the ISDA Definitions; and
- (v) to the extent that the ISDA Definitions require, for a particular Series of Notes, the Calculation Agent to exercise discretion (including, but not limited to, determinations of

alternative or substitute benchmarks, successor reference rates, screen pages and market disruptions) and/or make such determinations and/or take such action, such references shall be construed as the Issuer (or its financial adviser or alternate agent appointed by the Issuer) exercising such discretions and/or determinations and/or taking such actions and not the Calculation Agent.

- (g) **Benchmark Replacement:** Where the relevant Reference Rate, applicable to the Notes is not SOFR, in addition and notwithstanding the provisions above in this Condition 6, if the Issuer determines that a Benchmark Event has occurred or there is a Successor Rate, in either case when any Rate of Interest (or the relevant component part thereof) remains to be determined by such Reference Rate, then the Issuer may elect (acting in good faith and in a commercially reasonable manner) to apply the following provisions:
- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), no later than 5 Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;
 - (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate;
 - (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(g); **provided, however, that** if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the Initial Rate of Interest) (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(g);
 - (iv) if the Independent Adviser (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (acting in good faith and in a commercially reasonable manner) determines that an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Rate or Alternative Reference Rate (as applicable). If the Independent

Adviser or the Issuer (as applicable) is unable to determine, prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (as applicable), the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

- (v) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions and the Trust Deed, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date, and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate, the Alternative Reference Rate (as applicable) and/or the Adjustment Spread (“**Benchmark Amendments**”). Noteholder consent shall not be required in connection with implementing the Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread or such other changes, including for the execution of any documents, amendments or other steps by the Trustee or the relevant Agent(s) (if required by the Issuer or the Independent Adviser);
- (vi) At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two directors of the Issuer pursuant to Condition 6(vii), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

Notwithstanding any other provision of this Condition 6(g), no Agent shall be obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 6(g) to which, in the sole opinion of the relevant Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the relevant Agent (as applicable) in the Agency Agreement and/or these Conditions; and

- (vii) the Issuer shall promptly, following the determination of any Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread, give notice thereof to the Trustee, the Principal Paying Agent, the Calculation Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate, Alternative Reference Rate (as applicable) and/or any Adjustment Spread and any Benchmark Amendments.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two directors of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Reference Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments

(if any), in each case as determined in accordance with the provisions of this Condition 6(g); and

- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and (in either case) the applicable Adjustment Spread.

Each of the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Agents, the Noteholders and the Couponholders.

Notwithstanding any other provision of this Condition 6(g), if following the determination of any Successor Rate, Alternative Reference Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6(g), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

For the purposes of this Condition 6(g):

"Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

- (C) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

"Alternative Reference Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate;

"Benchmark Event" means:

- (A) the relevant Reference Rate (as applicable) has ceased to be published as a result of such benchmark ceasing to be calculated or administered; or
- (B) a public statement by the administrator of the relevant Reference Rate (as applicable) that it has ceased, or will cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) as a consequence of which such Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences either generally, or in respect of the Notes; or
- (E) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or the methodology to calculate such Reference Rate has materially changed; or
- (F) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act, if applicable);

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"Relevant Nominating Body" means, in respect of a reference rate or mid-swap floating leg benchmark rate:

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate or mid-swap floating leg benchmark rate relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or mid-swap floating leg benchmark rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the reference rate or mid-swap floating leg benchmark rate relates, (b) any other central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate or mid-swap floating leg benchmark rate, (c) a group of the aforementioned central banks or other supervisory authorities, (d) the International Swaps and Derivatives Association, Inc. or any part thereof, or (e) the Financial Stability Board or any part thereof; and

"Successor Rate" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the relevant Reference Rate (for the avoidance of doubt, whether or not such Reference Rate has ceased to be available) which is formally recommended by any Relevant Nominating Body.

- (h) **Effect of Benchmark Transition Event:** Where the relevant Reference Rate applicable to the Notes is SOFR, in addition and notwithstanding the provisions above in this Condition 6, this Condition 6(h) shall apply.
 - (i) **Benchmark Replacement:** If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.
 - (ii) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.
 - (iii) **Decisions and Determinations:** Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6(h), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party, provided that the Trustee and the Agents shall not be obliged to concur in effecting or give effect to any Benchmark Replacement Conforming Changes if, in the opinion of the Trustee or the relevant Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to it in these Conditions, the Trust Deed or the Agency Agreement

(including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way.

The Issuer shall promptly, following a Benchmark Replacement Date, give notice thereof to the Trustee, the Principal Paying Agent, the Calculation Agent and the Noteholders, which shall specify the effective date(s) for the Benchmark Replacement and any Benchmark Replacement Conforming Changes.

- (iv) None of the Trustee, the Principal Paying Agent, Calculation Agent or any of the other Agents will have any liability for any determination, decision or election made by or on behalf of Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

In no event shall the Trustee, the Principal Paying Agent, Calculation Agent or any of the other Agents be responsible for determining if a Benchmark Transition Event has occurred or any substitute for SOFR, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Trustee, the Principal Paying Agent, the Calculation Agent and any of the other Agents will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

Notwithstanding any other provision of this Condition 6(h), if following the determination of any Benchmark Replacement and Benchmark Replacement Conforming Changes (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6(h), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

In the event that the Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions by the Issuer or its designee, the Rate of Interest for such Interest Period shall be (i) that determined as at the immediately preceding Interest Determination Date, (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) is to be applied to the relevant Interest Period from that which applied to the immediately preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin relating to that immediately preceding Interest Period), or (ii) if there is no such preceding Interest Determination Date and the relevant Interest Period is the first Interest Period for the Notes, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest

or Minimum Rate of Interest applicable to the first Interest Period), or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Period is not the first Interest Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Period.

For the purposes of this Condition 6(h):

"Benchmark" means, initially, SOFR; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement;

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- (B) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (C) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar denominated floating rate notes at such time;

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer

or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determine is reasonably necessary);

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of sub paragraph (A) or (B) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of sub paragraph (C) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"designee" means a designee as selected and separately appointed by the Issuer as designee for the Notes in writing;

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark except where the Calculation Agent is required to exercise any discretion in relation to any determination, that determination shall not be made by the Calculation Agent but shall be made by the Issuer;

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"Reference Time" with respect to any determination of the Benchmark means (1) if the Benchmark is SOFR, the SOFR Determination Time (as defined in Condition 6(d)), and (2) if the Benchmark is not SOFR, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (i) **Maximum or Minimum Rate of Interest:** If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise stated in the applicable Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.
- (j) **Calculation of Interest Amount:** The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a **"sub-unit"** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (k) **Publication:** The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agent and the Trustee as soon as possible after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. The Issuer will or will procure that notice thereof be given to the Noteholders in accordance with Condition 20 and the competent authority and/or stock exchange by which the Notes have then been admitted to listing and/or trading as soon as possible after the determination or calculation thereof. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination

the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

- (l) **Notifications, etc.:** All notifications, opinions, communications, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 by the Calculation Agent will (in the absence of manifest error) be final and binding on the Issuer, the Trustee, the Paying Agent, the Noteholders and the Couponholders. No Noteholder or Couponholder shall be entitled to proceed against the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions hereunder, including without limitation in respect of any notification, opinion, communication, determination, certificate, calculation, quotation or decision given, expressed or made for the purposes of this Condition 6.

7 Zero Coupon Note Provisions

- (a) **Application:** This Condition 7 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the applicable Pricing Supplement as being applicable.
- (b) **Late Payment on Zero Coupon Notes:** Where a Zero Coupon Note Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 8(b)(i)).

8 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed or purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its principal amount).
- (b) **Early Redemption:**
 - (i) *Zero Coupon Notes:*
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 8(c), Condition 8(d), Condition 8(e), Condition 8(f), Condition 8(g), Condition 8(h) or Condition 10(f) or upon it becoming due and payable as provided in Condition 13 shall be the Amortised Face Amount (calculated as provided below by an Independent Adviser) of such Note unless otherwise specified in the applicable Pricing Supplement.
 - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 8(c), Condition 8(d), Condition 8(e), Condition 8(f), Condition 8(g), Condition 8(h) or Condition 10(f) or upon it becoming due and payable as provided in Condition 13 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 6(b).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Pricing Supplement.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 8(c), Condition 8(d), Condition 8(e), Condition 8(f), Condition 8(g), Condition 8(h) or Condition 10(f) or upon it becoming due and payable as provided in Condition 13, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

- (c) **Redemption for Taxation Reasons:** If, as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political sub-division of, or any authority in or of, the United Kingdom having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective after the Issue Date, the Issuer (or, if the Guarantee were called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (and such amendment or change has been evidenced by the delivery by the Issuer or, as the case may be, the Guarantor to the Trustee (who shall, in the absence of manifest error, be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out in this Condition, in which event it shall be conclusive and binding on the Noteholders and the Couponholders) of a certificate signed by two directors of the Issuer or, as the case may be, the Guarantor stating that such amendment or change has occurred (irrespective of whether such amendment or change is then effective), describing the facts leading thereto and stating that such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it), the Issuer may, at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (which notice shall be irrevocable), redeem all, but not some only, of the Notes on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note) at their Early Redemption Amount (as described in Condition 8(b) above) together with interest (if any) accrued to (but excluding) the date of redemption, provided that no notice of redemption shall be given earlier than 90 days before the earliest date on which the Issuer or, as the case may be, the Guarantor would be required to pay such additional amounts were a payment in respect of the Notes or, as the case may be, the Guarantee then due.

Upon the expiry of any such notice as is referred to above (and subject as provided above), the Issuer shall be bound to redeem the Notes at their Early Redemption Amount (as described in Condition 8(b) above) together with interest (if any) accrued to (but excluding) the date of redemption.

(d) **Redemption at the Option of the Issuer (Call Option):**

- (i) If Call Option is specified in the applicable Pricing Supplement, the Issuer may, at its option, on giving not less than 30 nor more than 90 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) redeem all or, if so provided, some of the Notes on any Optional Redemption Date (provided that if the Issuer Maturity Par Call is specified in the applicable Pricing Supplement, such Optional Redemption Date falls before the Par Call Period Commencement Date specified in the applicable Pricing Supplement). Any such redemption of Notes shall be at their Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 8(b) above)), together with interest (if any) accrued to (but excluding) the relevant Optional Redemption Date.
- (ii) If Spens Amount or Make-Whole Amount is specified in the applicable Pricing Supplement as the Optional Redemption Amount, the Optional Redemption Amount per Note shall be equal to:
 - (a) if Spens Amount is specified in the applicable Pricing Supplement, the higher of (i) the principal amount of the Notes; and (ii) the principal amount of the Notes multiplied by the price (as reported in writing to the Issuer and the Trustee by the Determination Agent) expressed as a percentage (rounded to four decimal places, 0.00005 being rounded upwards) at which the Gross Redemption Yield on the Notes on the Determination Date specified in the applicable Pricing Supplement (assuming for this purpose the Notes are to be redeemed at their principal amount on the Spens Call Reference Date) is equal to the Gross Redemption Yield at the Quotation Time specified in the applicable Pricing Supplement on the Determination Date of the Reference Bond plus any applicable Redemption Margin specified in the applicable Pricing Supplement;
 - (b) if Make-Whole Amount is specified in the applicable Pricing Supplement, the higher of (i) the principal amount of the Notes; and (ii) the sum of the then present values of the remaining scheduled payments of principal and Remaining Term Interest (assuming for this purpose the Notes are to be redeemed at their principal amount on the Make-Whole Reference Date), in each case discounted to the relevant Optional Redemption Date on either an annual or a semi-annual basis as specified in the applicable Pricing Supplement (based on the Day Count Fraction specified in the applicable Pricing Supplement) at the Reference Dealer Rate plus any applicable Redemption Margin specified in the applicable Pricing Supplement, all as determined by the Determination Agent;

in each case together with interest accrued to (but excluding) the relevant Optional Redemption Date.

Any such redemption must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement. Any notice of redemption given under Condition 8(c) or Condition 8(f) will override any notice of redemption given (whether previously, on the same date or subsequently) under this Condition 8(d).

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain (i) the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements; and (ii) the aggregate principal amount of the Notes to remain outstanding after redemption.

In this Condition:

“Gross Redemption Yield” means a yield expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields” page 4, Section One: Price/Yield Formulae “Conventional Gilts”; “Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date” (published on 8 June 1998 and updated on 15 January 2002 and as further updated or amended from time to time) on a semi-annual compounding basis (converted on an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent.

“Make-Whole Reference Date” or **“Spens Call Reference Date”** means the earliest of (i) the Maturity Date, (ii) the Par Call Period Commencement Date (if applicable), and (iii) such other date (if any) specified as such in the applicable Pricing Supplement.

“Reference Bond” means the government security specified in the applicable Pricing Supplement, or (if such security is no longer in issue or, in the determination of the Determination Agent, with the advice of the Reference Dealers, is no longer appropriate by reason of illiquidity or otherwise), such other government security with a maturity date as near as possible to the Make-Whole Reference Date or the Spens Call Reference Date, as applicable, as the Determination Agent may, with the advice of the Reference Dealers, determine to be appropriate by way of substitution for the original Reference Bond.

“Reference Dealers” means each of three banks selected by the Issuer which are (A) a primary government securities dealer, or (B) a market maker in pricing corporate bond issues; and

“Reference Dealer Rate” means with respect to the Reference Dealers and any Optional Redemption Date the average of the three quotations of the mid-market annual yield to maturity of the Reference Bond specified in the applicable Pricing Supplement at the Quotation Time specified in the applicable Pricing Supplement on the Determination Date

specified in the applicable Pricing Supplement and quoted in writing to the Determination Agent and the Trustee by the Reference Dealers.

“Remaining Term Interest” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to the Make-Whole Reference Date determined on the basis of the rate of interest applicable to such Note from and including the relevant Optional Redemption Date.

- (e) **Redemption at the Option of the Issuer (Maturity Par Call):** If Issuer Maturity Par Call is specified in the applicable Pricing Supplement, the Issuer may, on giving not less than 30 nor more than 90 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement), redeem all or, if so provided, some of the Notes at any time during the period commencing on (and including) the day that is, unless otherwise specified in the Pricing Supplement, 90 days prior to the Maturity Date (the **“Par Call Period Commencement Date”**) to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the applicable Pricing Supplement together with interest accrued (if any) to (but excluding) the date fixed for redemption.
- (f) **Redemption at the Option of the Issuer (Clean-up Call):** If Clean-up Call is specified in the applicable Pricing Supplement, the Issuer may, if the Clean-up Call Minimum Percentage or more in aggregate principal amount of the Notes issued have been redeemed or purchased pursuant to the operation of (unless otherwise specified in the applicable Pricing Supplement) any of Condition 8(e) and/or Condition 8(g) and/or Condition 8(h), on giving not less than 30 nor more than 90 days’ irrevocable notice to Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) (such notice being given within 30 days after the relevant redemption or purchase, as the case may be), redeem or purchase (or procure the purchase of) all but not some only of the remaining outstanding Notes at their Early Redemption Amount together with interest accrued (if any) to (but excluding) the date fixed for such redemption or purchase.
- (g) **Redemption at the Option of Noteholders (Put Option):** If Put Option is specified in the applicable Pricing Supplement, (unless prior to the giving of the relevant Put Notice (as defined below) the Issuer has given notice of redemption under Condition 8(c), Condition 8(d), Condition 8(e) or Condition 8(f) above), the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 30 nor more than 90 days’ notice to the Issuer (or such other notice period as may be specified in the applicable Pricing Supplement) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 8(b) above)), together with interest (if any) accrued to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (**“Put Notice”**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (h) **Redemption at the Option of the Noteholders (Regulatory or Change of Control Put Option):**

- (i) If Regulatory or Change of Control Put Option is specified in the applicable Pricing Supplement and if at any time while any Note remains outstanding a Change of Control Put Event occurs, the holder of any such Note will have the option (a “**Regulatory or Change of Control Put Option**”) (unless prior to the giving of the relevant Regulatory or Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 8(c), Condition 8(d), Condition 8(e) or Condition 8(f) above) to require the Issuer to redeem or, at the Issuer’s option, purchase (or procure the purchase of) that Note on the Regulatory or Change of Control Put Date (as defined below) at the Regulatory or Change of Control Redemption Amount specified in the applicable Pricing Supplement together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Regulatory or Change of Control Put Date.

A “**Regulatory or Change of Control Put Event**” will be deemed to occur if:

- (A) the Appointment is terminated except in respect of such part of its area as is the subject of an appointment or variation by virtue of section 7(4)(b) or (bb) of the Water Industry Act; or
- (B) the Issuer ceases to be a Subsidiary of the Guarantor; or
- (C) a Restructuring Event occurs and (subject as provided below):
 - A. within the Restructuring Period, either:
 - I. if at the time such Restructuring Event occurs there are Rated Securities, a Rating Downgrade in respect of such Restructuring Event also occurs; or
 - II. if at such time there are no Rated Securities, a Negative Rating Event in respect of such Restructuring Event also occurs; and
 - B. an Independent Adviser shall have certified in writing to the Issuer, the Guarantor and the Trustee that such Restructuring Event is, in its opinion, materially prejudicial to the interests of the Noteholders (a “**Negative Certification**”),

If, at any time while any of the Notes remains outstanding, a Restructuring Event occurs and prior to the commencement of or during the Restructuring Period an Independent Adviser shall have certified in writing to the Trustee that such Restructuring Event will not be or is not, in its opinion, materially prejudicial to the interests of the Noteholders, the foregoing provisions shall cease to have any further effect in relation to such Restructuring Event.

A Restructuring Event shall be deemed not to be materially prejudicial to the interests of the Noteholders if, notwithstanding the occurrence of a Rating Downgrade or a Negative Rating Event, the rating assigned to the Rated Securities by any Rating Agency is subsequently increased to, or, as the case may be, there is assigned to the Notes or other unsecured and unsubordinated debt of the Guarantor (or of the Issuer or any other Subsidiary of the Guarantor which, in any such case, is guaranteed on an unsecured and unsubordinated basis by the Guarantor) having an initial maturity of five years or more by any Rating Agency, an investment grade

rating (BBB-/Baa3 or their respective equivalents for the time being) or better prior to any Negative Certification being issued.

Any certification by an Independent Adviser as aforesaid as to whether or not, in its opinion, any Restructuring Event is materially prejudicial to the interests of the Noteholders shall, in the absence of manifest error, be conclusive and binding, without further enquiry or liability to any person, on the Trustee, the Issuer, the Guarantor and the Noteholders. If the Independent Adviser has not reached a decision in respect of such certification within 30 days of its appointment, the Issuer shall appoint an alternative independent financial adviser (such appointment to be notified to the Trustee).

- (ii) Promptly upon, and in any event within 14 days after, the Issuer or the Guarantor becoming aware that a Regulatory or Change of Control Put Event has occurred, the Issuer or, as the case may be, the Guarantor shall, and at any time, upon the Trustee receiving written notice of the occurrence of a Regulatory or Change of Control Put Event, the Trustee may, and if so requested by the holders of at least one-quarter in principal amount of the Notes then outstanding shall, give notice (a **“Regulatory or Change of Control Put Event Notice”**) to the Noteholders in accordance with Condition 20 specifying the nature of the Regulatory or Change of Control Put Event and the procedure for exercising the Regulatory or Change of Control Put Option.
- (iii) To exercise the Regulatory or Change of Control Put Option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) (a **“Regulatory or Change of Control Put Notice”** and together with the Put Notice, the **“Exercise Notices”**) within the period (the **“Regulatory Change of Control Put Period”**) of 45 days after a Regulatory or Change of Control Put Event Notice is given. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.
- (iv) A Rating Downgrade or a Negative Rating Event or a non-investment grade rating shall be deemed not to have occurred as a result or in respect of a Restructuring Event if the Rating Agency making the relevant reduction in rating or, where applicable, declining to assign a rating of at least investment grade as provided in this Condition 8(h), does not announce or publicly confirm or inform the Trustee in writing at its request that the reduction or, where applicable, declining to assign a rating of at least investment grade was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of the applicable Restructuring Event.
- (v) The Trust Deed provides that the Trustee is under no obligation to ascertain whether a Regulatory or Change of Control Put Event, Restructuring Event, a Negative Rating Event or any event which could lead to the occurrence of or could constitute a Regulatory or Change of Control Put Event, Restructuring Event or Negative Rating Event has occurred and until it shall have received written notice pursuant to the Trust Deed to the contrary the Trustee may assume that no Regulatory or Change of Control Put Event, Restructuring Event, Negative Rating Event or such other event has occurred. The Trust Deed also provides that in determining whether or not a Restructuring Event has occurred, the Trustee may rely solely on an opinion given in a

certificate signed by two directors of the Issuer or the Guarantor without further enquiry or liability to any person.

- (i) **Purchases:** The Issuer, the Guarantor or any other Subsidiary of the Guarantor may at any time purchase Notes (together with unmatured Coupons appertaining thereto) in the open market or otherwise and at any price. The Notes so purchased while held by or on behalf of the Issuer, the Guarantor or any other Subsidiary of the Guarantor, in each case as the beneficial owner, shall not entitle the holder to vote at any meetings of the Noteholders and shall be deemed not to be outstanding for the purposes of Condition 8(h), Condition 13, Condition 15 or Condition 14(a) or otherwise as provided in the Trust Deed.
- (j) **Cancellation:** All Notes which are redeemed by the Issuer will forthwith be cancelled (together with all relative unmatured Coupons and Talons attached to the Notes or surrendered with the Notes) and may not be reissued or resold. Notes purchased by the Issuer, the Guarantor or any other Subsidiary of the Guarantor may be held or reissued or resold or surrendered for cancellation, unless purchased pursuant to Condition 8(g) or Condition 8(h), in which case such Notes (together with all relative unmatured Coupons and Talons attached to the Notes or surrendered with the Notes) will forthwith be cancelled as aforesaid.

9 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(g)(v)) or Coupons (in the case of interest, save as specified in Condition 9(g)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank. “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to T2.
- (b) **Registered Notes:**
 - (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
 - (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

- (d) **Payments subject to Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 11) any law implementing an intergovernmental approach thereto (any such withholding or deduction being a “**FATCA Deduction**”).
- (e) **Appointment of Agents:** The Principal Paying Agent, the Paying Agent, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Principal Paying Agent, the Paying Agent, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Principal Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed and/or admitted to trading, in each case as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Regulatory or Change of Control Redemption Amount as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (g) **Unmatured Coupons and unexchanged Talons:**
- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing

unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Regulatory or Change of Control Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 12).

- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (h) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 12).
- (i) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

10 Indexation

This Condition 10 is applicable only if the applicable Pricing Supplement specifies the Notes as Index-Linked Notes.

- (a) **Definitions:** For the purposes of this Condition 10, unless the context otherwise requires, the following defined terms shall have the following meanings:

“**Base Index Figure**” means (subject to Condition 10(c)(i)) the base index figure as specified in the applicable Pricing Supplement;

“**CPI**” means the UK Consumer Prices Index (for all items) published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the

UK Consumer Prices Index for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

“**CPIH**” means the all items consumer prices index including owner occupiers’ housing costs and council tax for the United Kingdom published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the all items consumer prices index including owner occupiers’ housing costs and council tax for the United Kingdom for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

“**Expert**” means a gilt-edged market maker, an independent bank or other expert in London appointed by the Issuer;

“**His Majesty’s Treasury**” means His Majesty’s Treasury or any officially recognised party performing the function of a calculation agent (whatever such party’s title), on its or its successor’s behalf, in respect of the Reference Gilt;

“**Index**” or “**Index Figure**” means, subject as provided in Conditions 10(c), 10(e) and 10(f), either RPI, CPI or CPIH as specified in the applicable Pricing Supplement;

Any reference to the “**Index Figure applicable**” to:

- (i) a particular month (“**m**”) shall, subject as provided in Conditions 10(c), 10(e) and 10(f), be construed as a reference to the Index Figure (RPI, CPI or CPIH, as applicable) published in the month falling N months prior to month m and relating to the month before that of publication, where “N” is specified in the applicable Pricing Supplement (or, if not so specified, seven); or
- (ii) a particular date (“**d**”) in a particular month (“**m**”), shall, subject as provided in Conditions 10(c), 10(e) and 10(f), be construed as a reference to the Index Figure (RPI, CPI or CPIH as applicable) calculated in accordance with the following formula:

$$IFA_d = IF_{m-N} + \left[\left(\frac{D_1}{D_2} \right) (IF_{m-(N-1)} - IF_{m-N}) \right]$$

Where:

IFA_d is the Index Figure applicable to date d;

N is the figure specified in the applicable Pricing Supplement (or, if not so specified, two);

IF_{m-N} is the Index Figure (RPI, CPI or CPIH, as applicable) published in the month falling N months prior to month m and relating to the month before that of publication;

$IF_{m-(N-1)}$ is the Index Figure (RPI, CPI, or CPIH, as applicable) published in the month falling (N-1) months prior to month m and relating to the month before that of publication;

D_1 is the actual number of days from (and including) the first calendar day of month m to (but excluding) date d in that month (provided that if d is the first calendar day of the month, D_1 shall be zero); and

D_2 is the actual number of days in month m;

“**Indexed Benchmark Gilt**” means the index-linked sterling obligation of the United Kingdom Government listed on the Official List of the Financial Conduct Authority (in its capacity as competent authority under the Financial Services and Markets Act 2000, as amended) and traded on the London Stock Exchange whose average maturity most closely

matches that of the Notes as a gilt-edged market maker or other adviser selected by the Issuer (an “**Indexation Adviser**”) shall determine to be appropriate;

“**Index Ratio**” applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place;

“**Limited Index Ratio**” means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date, the Index Ratio for that month or date, as the case may be, (b) in respect of any Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

“**Limited Indexation Date**” means any date falling during the period specified in the applicable Pricing Supplement for which a Limited Indexation Factor is to be calculated;

“**Limited Indexation Factor**” means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, twelve months prior thereto, provided that (a) if such ratio is greater than the Maximum Indexation Factor specified in the applicable Pricing Supplement, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the applicable Pricing Supplement, it shall be deemed to be equal to such Minimum Indexation Factor;

“**Limited Indexation Month**” means any month specified in the applicable Pricing Supplement for which a Limited Indexation Factor is to be calculated;

“**Limited Index Linked Notes**” means Index Linked Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the applicable Pricing Supplement) applies;

“**Reference Gilt**” means the index-linked Treasury Stock/Treasury Gilt specified as such in the applicable Pricing Supplement for so long as such gilt is in issue, and thereafter such issue of index-linked Treasury Stock/Treasury Gilt determined to be appropriate by an Indexation Adviser; and

“**RPI**” means the UK Retail Prices Index (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt.

- (b) **Application of the Index Ratio:** Each payment of interest and principal in respect of the Notes shall be the amount provided in, or determined in accordance with, Condition 5, multiplied by the Index Ratio or (in the case of Limited Index-Linked Notes) Limited Index Ratio applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 21.
- (c) **Changes in Circumstances Affecting the Index:**
- (i) **Changes in Base:** If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of “Index”

and “Index Figure” in Condition 10(a) shall be deemed to refer to the new date, or month or year (as applicable) in substitution for January 1987 (where RPI is specified as the Index in the applicable Pricing Supplement) or 2015 (where CPI or CPIH is specified as the Index in the applicable Pricing Supplement) (or, as the case may be, to such other date, month or year as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.

- (ii) **Delay in Publication:** If the Index Figure relating to any month (the “**calculation month**”) which is required to be taken into account for the purposes of the determination of the Index Figure applicable for any date is not published on or before the fourteenth day before the date on which such payment of interest, principal or any other amount is due (the “**date for payment**”), the Index Figure applicable to the calculation month in which the date for payment falls shall be (1) such substitute index figure (if any) as the Indexation Adviser considers and has notified the Calculation Agent on or before the seventh day before the date for payment to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, (or such other body designated by the UK Government for such purpose) for the purposes of indexation of payments on the Reference Gilt or the Index Benchmark Gilt (as applicable) or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 10(c)(i)) before the date for payment.
- (d) **Application of Changes:** Where the provisions of Condition 10(c)(ii) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, an Index Figure having been applied pursuant to Condition 10(c)(ii)(2), the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

 - (i) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 10(c)(ii)(2) below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and
 - (ii) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.
- (e) **Material Changes to or Cessation of the Index:** If the Index ceases to be published or any changes are made to it which, in the opinion of the Expert, constitute a fundamental change in the rules governing the Index and the change would, in the opinion of the Expert, be materially prejudicial to the interests of the Issuer or the Noteholders and if, within 30 business days after its appointment, the Expert recommends for the purposes of the Index Linked Notes one or more adjustments to the Index or substitute index (with or without adjustments), then provided that such adjustments or substitute index (as the case may be) are not materially detrimental (in the opinion of the Expert) either to the interests of the Issuer

or the interests of the Noteholders, as compared to the interests of the Issuer and the Noteholders (as the case may be) as they would have been had the Index continued to be published or such fundamental change in the rules governing the Index had not been made, the Index shall be adjusted, without the consent of the Trustee or the Noteholders, as so recommended or (as the case may be) shall be replaced by the substitute index so recommended (as so adjusted, if so recommended) and references in these Conditions to the Index shall be construed accordingly and the Issuer shall notify the Trustee, the Calculation Agent and the Noteholders in accordance with Condition 20 of the adjustments to the Index or the introduction of the substitute index (with or without adjustments).

If any payment in respect of the Index Linked Notes is due to be made after the cessation or changes referred to in the preceding paragraph but before any such adjustment to, or replacement of, the Index takes effect, the Issuer or the Guarantor shall (if the Index Figure applicable (or deemed applicable) to the date of payment is not available in accordance with the provisions of Condition 10(a)) make a provisional payment on the basis that the Index Figure applicable to the date for payment is the Index last published. In that event or in the event of any payment on the Index Linked Notes having been made on the basis of an index deemed applicable under Condition 10(c)(ii)(1) above (also referred to below as a “**provisional payment**”) the Expert subsequently determines that the relevant circumstances fall within this Condition 10(e), then:

- (i) except in the case of a payment on redemption of the Index Linked Notes, if the sum which would have been payable if such adjustments or such substitute index had been in effect on the due date for such provisional payment is greater or less than the amount of such provisional payment, the interest payable on the Index Linked Notes on the Interest Payment Date next succeeding the date on which the Issuer, the Calculation Agent and the Trustee receive such recommendation shall be increased or reduced to reflect the amount by which such provisional payment of interest fell short or, (as the case may be) exceeded, the interest which would have been payable on the Notes if such adjustments or such substituted index had been in effect on that date; or
- (ii) in the case of a payment of principal or interest on redemption of the Notes, no subsequent adjustment to amounts paid will be made.

The Trustee shall not be liable to any person for any determination of an Expert, or for any adjustments to or replacement of an Index or substitute index resulting therefrom, made pursuant to this Condition 10(e) and shall have no responsibility for the acts and omissions of an Expert. For the avoidance of doubt, any adjustments to or replacement of an Index or substitute index shall be made without the consent of, or the taking of any other action by, the Trustee.

- (f) **Redemption for Index Reasons:** If either (i) the Index Figure for three consecutive months is required to be determined on the basis of an Index Figure previously published as provided in Condition 10(c)(ii)(2) and the Trustee has been notified by the Calculation Agent that publication of the Index has ceased or (ii) notice is published by His Majesty’s Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt or the Indexed Benchmark Gilt (as applicable), and (in either case) no amendment or substitution of the Index shall have been designated by His Majesty’s Treasury in respect of the Reference Gilt or the Indexed Benchmark Gilt (as applicable) to the Issuer and such circumstances are continuing, the Issuer may, upon giving not less than 30 nor more than 90 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) in accordance with Condition 20, redeem all, but not some only, of the Notes at their principal amount together

with interest (if any) accrued but unpaid up to (but excluding) the date fixed for redemption (in each case adjusted in accordance with Condition 10(b)).

11 Taxation

All payments in respect of the Notes and the Coupons or under the Guarantee (including the purchase price paid on exercise of the Put Option or the Regulatory or Change of Control Put Option) shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom, or any political sub-division of, or any authority in or of, the United Kingdom having power to tax, unless the withholding or deduction of such Taxes is required by law. In the event that such withholding or deduction of such Taxes is required by law, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction, except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) presented for payment by or on behalf of, a holder who is liable to such Taxes in respect of the Notes or Coupon by reason of it having some connection with the United Kingdom other than the mere holding of the Note or Coupon;
- (b) for or on account of any FATCA Deduction; or
- (c) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the last day of such period of 30 days, assuming, whether or not such is in fact the case, such last day to be a Presentation Date.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which the payment first becomes due but, if the full amount of the money payable has not been received in London by the Principal Paying Agent or the Trustee on or before the due date, it means the date on which the full amount of the money having been so received, notice to that effect shall have been duly given to the Noteholders by the Issuer in accordance with Condition 20.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Regulatory or Change of Control Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 8 or any amendment or supplement to them, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and Condition 6 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any similar undertaking given in addition to or in substitution for it under the Trust Deed.

12 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

13 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction (but, in the case of the happening of any of the events mentioned in Conditions 13(b), (c) (in respect of a Principal Subsidiary only), (e), (f) (in respect of a Principal Subsidiary only), (g) and (h) (in respect of a Principal Subsidiary only), only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice to the Issuer that the Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount together with accrued interest if any of the following events (each (subject where applicable to certification by the Trustee as described above) an “**Event of Default**”) shall have occurred (unless such event has been remedied to the satisfaction of the Trustee):

- (a) **Non-Payment:** if default is made for a period of 15 days or more in the payment of any principal of or interest on any of the Notes or in the payment of the purchase price due in respect of any Notes pursuant to Condition 8(g) or Condition 8(h); or
- (b) **Breach of Other Obligations:** if the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Notes or the Trust Deed and (except where the Trustee shall have certified to the Issuer or the Guarantor, as the case may be, in writing that it considers such failure to be incapable of remedy in which case no such notice or continuation as is hereinafter mentioned will be required) such failure continues for the period of 60 days (or such longer period as the Trustee may in its absolute discretion permit) next following the service by the Trustee of notice on the Issuer or the Guarantor, as the case may be, specifying such failure and requiring the same to be remedied; or
- (c) **Cross-Default:** if (i) any other indebtedness for borrowed money of the Issuer, the Guarantor or any Principal Subsidiary becomes due and repayable prior to its stated maturity by reason of an event of default howsoever described or (ii) any such indebtedness for borrowed money is not paid when due (or, as the case may be, within any originally applicable grace period) or (iii) the Issuer, the Guarantor or any Principal Subsidiary fails to pay when due (or, as the case may be, within any originally applicable grace period) any amount payable by it under any present or future guarantee for, or indemnity in respect of, any indebtedness for borrowed money of any person or (iv) any security given by the Issuer, the Guarantor or any Principal Subsidiary for any indebtedness for borrowed money of any person or for any guarantee or indemnity of indebtedness for borrowed money of any person becomes enforceable by reason of default in relation thereto and steps are taken to enforce such security, save in any such case where there is a *bona fide* dispute as to whether the relevant indebtedness for borrowed money or any such guarantee or indemnity as aforesaid shall be due and payable, provided that the aggregate amount of the relevant indebtedness for borrowed money in respect of which any one or more of the events mentioned above in this Condition 13(c) has or have occurred equals or exceeds £15,000,000 (or its equivalent in other currencies) or, if greater, 1.5 per cent. of the Capital and Reserves, and for the purposes of this Condition 13(c), “**indebtedness for borrowed money**” shall exclude Project Finance Indebtedness; or
- (d) **Winding up of the Issuer or Guarantor:** if any order shall be made by any competent court or any resolution shall be passed for the winding up or dissolution of the Issuer or the Guarantor, save for the purposes of amalgamation, merger, consolidation, reorganisation,

reconstruction or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; or

- (e) **Winding up of a Principal Subsidiary:** if (i) any order shall be made by any competent court or any resolution shall be passed for the winding up or dissolution of a Principal Subsidiary (other than the Issuer), save for the purposes of amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement (A) not involving or arising out of the insolvency of such Principal Subsidiary and under which all the surplus assets of such Principal Subsidiary are transferred to the Issuer or the Guarantor or any other of their respective Subsidiaries (other than an Excluded Subsidiary) or (B) the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders or (ii) a petition is presented under section 24 of the Water Industry Act (and is not dismissed within 60 days) or a special administration order is made under section 24 or section 25 of the Water Industry Act in respect of the Guarantor; or
- (f) **Cessation of Business:** if the Issuer, the Guarantor or any Principal Subsidiary shall cease to carry on the whole or substantially the whole of its business, save in each case for the purposes of amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement (i) in respect of a Principal Subsidiary, not involving or arising out of the insolvency of such Principal Subsidiary and under which all or substantially all of its assets are transferred to another member or members of the Group (other than an Excluded Subsidiary) or to a transferee or transferees which is or are, or immediately upon such transfer become(s), a Principal Subsidiary or Principal Subsidiaries or (ii) in respect of a Principal Subsidiary, under which all or substantially all of its assets are transferred to a third party or parties (whether associates or not) for full consideration by such Principal Subsidiary on an arm's length basis or (iii) in respect of the Issuer, the Guarantor or any Principal Subsidiary, the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; or
- (g) **Payment of Debts:** if the Issuer, the Guarantor or any Principal Subsidiary shall suspend or announce its intention to suspend payment of its debts generally or shall be declared or adjudicated by a competent court to be unable, or shall admit in writing its inability, to pay its debts generally (within the meaning of section 123(1) or (2) of the Insolvency Act 1986) as they fall due, or shall be adjudicated or found insolvent by a competent court or shall enter into any composition or other similar arrangement with its creditors generally under section 1 of the Insolvency Act 1986; or
- (h) **Creditors:** if a receiver, administrative receiver, administrator or other similar official shall be appointed in relation to the Issuer, the Guarantor or any Principal Subsidiary or in relation to the whole or a substantial part of the undertaking or assets of any of them or a distress, execution or other process shall be levied or enforced upon or sued out against, or any encumbrancer shall take possession of, the whole or a substantial part of the assets of any of them and in any of the foregoing cases it or they shall not be paid out or discharged within 60 days (or such longer period as the Trustee may in its absolute discretion permit); or
- (i) **Guarantee:** the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

For the purposes of Condition 13(g), section 123(1)(a) of the Insolvency Act 1986 shall have effect as if for "£750" there was substituted "£350,000". Neither the Issuer, the Guarantor nor any Principal Subsidiary shall be deemed to be unable to pay its debts for the purposes of Condition 13(g) if any such demand as mentioned in section 123(1)(a) of the Insolvency Act 1986 is being contested in good faith by the Issuer, the Guarantor or the relevant Principal Subsidiary with recourse to all

appropriate measures and procedures or if any such demand is satisfied before the expiration of such period as may be stated in any notice given by the Trustee under this Condition 13.

14 Meetings of Noteholders, Modification and Waiver

- (a) The Trust Deed contains provisions for convening meetings of the Noteholders (including via a telephone or video conference call) to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by them, except that at any meeting, the business of which includes modification of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed (such provisions as specified in the Trust Deed), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in aggregate principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in like form, each signed by or on behalf of one or more of the Noteholders.

- (b) Subject to the provisions of the Trust Deed, the Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification (except as mentioned in the Trust Deed) of, or any waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed, or determine, that any Event of Default or Potential Event of Default shall not be treated as such, provided that such modification, waiver, authorisation or determination is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or (ii) any modification of any of these Conditions or any of the provisions of the Trust Deed which is of a formal, minor or technical nature or to correct a manifest error.
- (c) In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments and Benchmark Replacement Conforming Changes in the circumstances set out in Condition 6(g) and Condition 6(h) without the consent of the Noteholders or Couponholders.
- (d) In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders and Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any

Noteholders or Couponholder be entitled to claim, from the Issuer, the Guarantor, the Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 11 and/or any undertaking given in addition to, or in substitution for, Condition 11 pursuant to the Trust Deed.

- (e) Any modification, waiver, authorisation or determination referred to in Condition 14(b) and any substitution under Condition 16 shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any such modification, waiver, authorisation, determination or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 20.

15 Enforcement

- (a) The Trustee may at any time, at its discretion and without notice, take such actions, steps and/or proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons but it shall not be bound to take any actions, steps and/or proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless it shall have been directed or requested to do so (i) by an Extraordinary Resolution of the Noteholders or (ii) in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding and in either case then only if, and from the date on which it is, indemnified and/or secured and/or pre-funded to its satisfaction.
- (b) No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails or is unable to do so within a reasonable time and such failure or inability shall be continuing.

16 Substitution

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute or substitutes under this Condition 16) as the principal debtor under the Notes, the Coupons and the Trust Deed of the Guarantor or any other Subsidiary of the Guarantor (other than an Excluded Subsidiary) subject to (a) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Trust Deed being complied with.

17 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Guarantor, the Noteholders and the Couponholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trustee is entitled to enter into business transactions with the Issuer or the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit. The Trustee may rely without further enquiry or liability to any person on a certificate signed by two directors of the Issuer or the Guarantor, as the case may be, or a report of the Auditors, whether or not addressed to it and whether or not the directors or Auditors, as the case may be, have any liability to it in respect of the same, notwithstanding that such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person in respect thereof and

notwithstanding that the scope and/or basis of such certificate or report may be limited by any engagement or similar letter or by the terms of the certificate or report itself.

18 Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Guarantor may reasonably require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

19 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with an outstanding Series. Any further securities which are to form a single series with the outstanding securities of any Series constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series in certain circumstances where the Trustee so decides. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

20 Notices

Notices required to be given to the holders of Registered Notes pursuant to the Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to the Conditions shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*). So long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading. If in the opinion of the Trustee any such publication is not practicable, notice required to be given pursuant to the Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

21 Rounding

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

22 Contracts (Rights of Third Parties) Act 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes or the Coupons but this does not affect any right or remedy of any person which exists or is available apart from that Act.

23 Governing Law and Jurisdiction

- (a) The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) The English courts are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes or the Coupons (a “**Dispute**”) and pursuant to the Trust Deed each of the Issuer and the Guarantor in relation to any Dispute has submitted to the exclusive jurisdiction of the English courts and has waived any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

24 Definitions

For the purposes of these Conditions:

“**2006 ISDA Definitions**” means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org).

“**2021 ISDA Definitions**” means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org).

“**Additional Business Centre(s)**” means the city or cities specified in the applicable Pricing Supplement.

“**Appointment**” means the instrument of appointment dated August 1989 (as amended, from time to time including in October 2022) under section 11 of the Water Act 1989 (now section 6 of the Water

Industry Act) as in effect on the Issue Date appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein, effective from 1 September 1989.

“Auditors” means the auditors for the time being of the Issuer or, as the case may be, the Guarantor or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of these Conditions or the Trust Deed, such other firm of accountants or financial advisers as may be selected by the Issuer or the Guarantor for the purpose.

“Base Admission Particulars” means the base admission particulars dated 6 September 2023 relating to the Notes, as amended, supplemented or replaced from time to time.

“Business Day” means:

- (a) in relation to any sum payable in euro, a T2 Settlement Day and a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments generally in London and in each (if any) Additional Business Centre;
- (b) in relation to any sum payable in a currency other than euro, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and
- (c) in respect of Notes for which the Reference Rate is specified as SOFR in the applicable Pricing Supplement, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed.

“Business Day Convention”, in relation to any particular date, has the meaning given in the applicable Pricing Supplement and, if so specified in the applicable Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **“Following Business Day Convention”** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **“Modified Following Business Day Convention”** or **“Modified Business Day Convention”** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **“Preceding Business Day Convention”** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **“FRN Convention, “Floating Rate Convention”** or **“Eurodollar Convention”** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the

next calendar month, in which case it will be the first preceding day which is a Business Day; and

- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"Calculation Amount" has the meaning given in the applicable Pricing Supplement.

"Calculation Method" has the meaning given in the applicable Pricing Supplement.

"Clean-up Call Minimum Percentage" has the meaning given in the applicable Pricing Supplement.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (the **"Calculation Period"**) such day count fraction as may be specified in these Conditions or the applicable Pricing Supplement and:

- (i) if **"Actual/Actual"** or **"Actual/Actual - ISDA"** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **"Actual/365 (Fixed)"** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365
- (iii) if **"Actual/365 (Sterling)"** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if **"Actual/360"** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360
- (v) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

if “**Actual/Actual-ICMA**” is specified in the applicable Pricing Supplement,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (a) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (b) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s).

“**Determination Agent**” means an investment banking, accountancy, appraisal or financial advisory firm with international standing that has (in the reasonable opinion of the Issuer) appropriate expertise relevant to the determination required to be made under these Conditions selected by the Issuer and notified to the Trustee.

“**Early Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the applicable Pricing Supplement.

“**Effective Interest Payment Date**” means any date or dates specified as such in the applicable Pricing Supplement.

“**EURIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (as at the date of the Base Admission Particulars, Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor).

“**Excluded Subsidiary**” means any Subsidiary of the Guarantor:

- (a) which is a single purpose company whose principal assets and business are constituted by the ownership, acquisition, development and/or operation of an asset;
- (b) none of whose indebtedness for borrowed money in respect of the financing of such ownership, acquisition, development and/or operation of such asset is subject to any recourse whatsoever to any member of the Group (other than such Subsidiary or another Excluded Subsidiary) in respect of the repayment thereof, except as expressly referred to in sub-paragraph (b) of the definition of Project Finance Indebtedness; and
- (c) which has been designated as such by the Guarantor by written notice to the Trustee,

provided that the Guarantor may give written notice to the Trustee at any time that any Excluded Subsidiary is no longer an Excluded Subsidiary, whereupon it shall cease to be an Excluded Subsidiary.

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the applicable Pricing Supplement.

"First Interest Payment Date" means the date specified in the applicable Pricing Supplement.

"Fixed Coupon Amount" has the meaning given in the applicable Pricing Supplement.

"Group" means the Guarantor and its Subsidiary Undertakings and **"member of the Group"** shall be construed accordingly.

"indebtedness for borrowed money" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash.

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period.

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the applicable Pricing Supplement.

"Interest Determination Date" shall mean the date specified as such in the applicable Pricing Supplement, or if none is so specified and the Reference Rate is EURIBOR, the second day on which T2 is open prior to the start of each Interest Period.

"Interest Payment Date" means the First Interest Payment Date and any date or dates specified as such in the applicable Pricing Supplement and if a Business Day Convention is specified in the applicable Pricing Supplement:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the applicable Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.

"ISDA Definitions" has the meaning given in the applicable Pricing Supplement.

"K" has the meaning provided in the Appointment.

"Margin" has the meaning given in the applicable Pricing Supplement.

"Maturity Date" has the meaning given in the applicable Pricing Supplement.

"Maximum Rate of Interest" has the meaning given in the applicable Pricing Supplement.

"Minimum Rate of Interest" has the meaning given in the applicable Pricing Supplement.

A **"Negative Rating Event"** shall be deemed to have occurred if (i) the Issuer does not, either prior to or not later than 14 days after the date of a Negative Certification in respect of the relevant Restructuring Event, seek, and thereupon use all reasonable endeavours to obtain, a rating of the Notes or any other unsecured and unsubordinated debt of the Guarantor (or of the Issuer or of any Subsidiary of the Guarantor which, in any such case, is guaranteed on an unsecured and unsubordinated basis by the Guarantor) having an initial maturity of five years or more from a Rating Agency or (ii) if it does so seek and use such endeavours, it is unable, as a result of such Restructuring Event, to obtain such a rating of at least investment grade (BBB-/Baa3, or their respective equivalents for the time being).

"Observation Method" shall be as set out in the applicable Pricing Supplement.

"Optional Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the applicable Pricing Supplement.

"Potential Event of Default" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition in each case as provided in Condition 13, would constitute an Event of Default.

"Presentation Date" means a day which:

- (a) is or falls after the relevant due date, but, if the due date is not or was not a Business Day in London, is or falls after the next following such Business Day; and
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment and, in the case of payment by transfer to a sterling account with a bank in London as referred to in these Conditions, in London.

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency.

"Principal Subsidiary" at any time shall mean any Subsidiary of the Guarantor (not being an Excluded Subsidiary or any other Subsidiary of the Guarantor the whole of whose indebtedness for borrowed money (other than indebtedness for borrowed money owed to another member of the Group) is Project Finance Indebtedness):

- (a) whose (i) profits on ordinary activities before tax or (ii) net assets (in each case consolidated in respect of a Subsidiary which itself has Subsidiaries and in each case attributable to the Guarantor) represent 15 per cent. or more of the consolidated profits on ordinary activities before tax of the Group or consolidated net assets of the Group respectively (in each case attributable to the Guarantor), in each case as calculated by reference to the then latest audited consolidated or, if none, unconsolidated financial statements of such Subsidiary and the then latest audited consolidated financial statements of the Group provided that:
 - (A) if the latest audited consolidated accounts of the Group show (x) a net loss for the relevant financial period then there shall be substituted for the words "profits" the words "turnover" for the purposes of this definition and/or (y) negative assets at the end of the relevant financial period then there shall be substituted for the words "net assets" the words "total assets" for the purposes of this definition; and
 - (B) in the case of a Subsidiary of the Guarantor acquired after the end of the financial period to which the then latest audited consolidated financial

statements of the Group relate, the reference to the then latest audited consolidated financial statements of the Group for the purposes of the calculation above shall, until consolidated financial statements for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned financial statements as if such Subsidiary had been shown in financial statements by reference to its then latest relevant audited financial statements, adjusted as deemed appropriate by the Auditors; or

- (b) to which is transferred all or substantially all of the business, undertaking and assets of a Subsidiary of the Guarantor which immediately prior to such transfer is a Principal Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Principal Subsidiary (and the transferee Subsidiary shall cease to be a Principal Subsidiary under the provisions of this sub-paragraph (b) (but without prejudice to the provisions of sub-paragraph (a) above), upon publication of its next audited financial statements).

A certificate signed by two directors of the Guarantor or a report by the Auditors that, in their opinion, a Subsidiary of the Guarantor is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Guarantor, the Trustee, the Noteholders and the Couponholders whether or not addressed to each such party.

"Rate Cut-off Date" has the meaning given in the applicable Pricing Supplement;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the applicable Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions

"Rated Securities" means the Notes, if at any time and for so long as they have a rating from a Rating Agency, and otherwise any other unsecured and unsubordinated debt of the Guarantor (or of the Issuer or any Subsidiary of the Guarantor which, in any such case, is guaranteed on an unsecured and unsubordinated basis by the Guarantor) having an initial maturity of five years or more which is rated by a Rating Agency.

"Rating Agency" means Fitch Rating Ltd or any of its Subsidiaries and their successors, Moody's Investors Service Limited, Inc or any of its Subsidiaries and their successors or any rating agency substituted for any of them (or any substitute of them) by the Issuer from time to time.

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount, the Regulatory or Change of Control Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the applicable Pricing Supplement.

"Reference Rate" shall mean (i) EURIBOR; (ii) SONIA; (iii) SOFR; or (iv) €STR, in each case for the relevant currency and the relevant period, as specified in the applicable Pricing Supplement.

"Regulatory or Change of Control Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the applicable Pricing Supplement.

"Relevant Screen Page" means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation, Reuters) specified as the Relevant Screen Page in the applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the entity providing or

sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"Relevant Time" has the meaning given in the applicable Pricing Supplement.

"Restructuring Event" means the occurrence of one or both of the following events:

- (a) any material rights, benefits or obligations of the Guarantor as a water undertaker or sewerage undertaker arising under the Appointment or the Water Industry Act as in force on the Issue Date or any material terms of the Appointment are modified (whether or not with the consent of the Guarantor and whether pursuant to the Water Industry Act or otherwise) unless two directors of the Guarantor have certified in good faith to the Trustee (and the Trustee shall be entitled to rely on such certificate without further enquiry or liability to any person) that such modified rights, benefits, obligations or terms are not materially less favourable to the business of the Group and to the business of the Guarantor (provided that an adjustment to K shall not fall within this sub-paragraph (a)); or
- (b) any legislation (whether primary or subordinate) is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment (or any successor) and/or the Director General of Water Services (or any successor) (including any such legislation removing, reducing or qualifying such duties or powers under or pursuant to section 2, 9 or 24 of the Water Industry Act but excluding, in all circumstances, the Water Act 2003) in each case as compared to those in force on the Issue Date unless two directors of the Guarantor have certified in good faith to the Trustee (and the Trustee shall be entitled to rely on such certificate without further enquiry or liability to any person) that such removal, reduction or qualification is unlikely to have a material adverse effect on the financial condition of the Group and the Guarantor.

"Restructuring Period" means:

- (a) if at any time a Restructuring Event occurs there are Rated Securities, the period of 60 days starting from and including the day on which that Restructuring Event occurs; or
- (b) if at the time a Restructuring Event occurs there are no Rated Securities, the period starting from and including the day on which that Restructuring Event occurs and ending on the day 60 days following the later of (a) the date on which the Issuer or the Guarantor shall seek to obtain a rating as contemplated in the definition of Negative Rating Event prior to the expiry of the 14 days referred to in that definition and (b) the date on which a Negative Certification shall have been given to the Issuer, the Guarantor and the Trustee in respect of that Restructuring Event.

"Specified Currency" has the meaning given in the applicable Pricing Supplement.

"Specified Denomination(s)" has the meaning given in the applicable Pricing Supplement.

"Specified Period" has the meaning given in the applicable Pricing Supplement.

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

"Subsidiary Undertaking" shall have the meaning given to it by section 1162 of the Companies Act 2006 (but, in relation to the Guarantor, shall exclude any undertaking (as defined in the Companies Act 2006) whose accounts are not included in the then latest published audited consolidated accounts of the Guarantor or (in the case of an undertaking which has first become a subsidiary undertaking of a member of the Group since the date as at which any such audited accounts were prepared) would not have been so included or consolidated if it had become so on or before that date).

“**T2**” means the wholesale payment system comprising a real time gross settlement system and a central liquidity management tool operated by the Eurosystem which was launched on 20 March 2023, or any successor system.

“**T2 Settlement Day**” means any day on which T2 is open for the settlement of payments in euro.

“**Water Industry Act**” means the Water Industry Act 1991 as amended or re-enacted from time to time and all subordinate legislation made pursuant thereto.

Schedule 2
Part D
Form of Coupon

On the front:

WESSEX WATER SERVICES FINANCE PLC

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Coupon for [[set out amount due, if known]/the amount] due on [the Interest Payment Date falling in]* [●],[●].

[Coupon relating to Note in the principal amount of [●]]**

This Coupon is payable to bearer (subject to the Conditions endorsed on the Note to which this Coupon relates, which shall be binding upon the holder of this Coupon whether or not it is for the time being attached to such Note) at the specified offices of the Principal Paying Agent and the Paying Agents set out on the reverse hereof (or any other Principal Paying Agent or further or other Paying Agents or specified offices duly appointed or nominated and notified to the Noteholders).

[If the Note to which this Coupon relates shall have become due and payable before the maturity date of this Coupon, this Coupon shall become void and no payment shall be made in respect of it.]***

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.⁸

WESSEX WATER SERVICES FINANCE PLC

By:

[Cp. No.] [Denomination] [ISIN] [Series] [Certif. No.]

⁸ Include for a C Rules Note or a D Rules Note.

On the back:

PRINCIPAL PAYING AGENT

HSBC BANK PLC

PAYING AGENT

HSBC BANK PLC

[*Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention otherwise the particular Interest Payment Date should be specified.]

[**Only required for Coupons relating to Floating Rate or Index Linked Interest Notes that are issued in more than one denomination.]

[***Delete if Coupons are not to become void upon early redemption of Note.]

Schedule 2
Part E
Form of Talon

On the front:

WESSEX WATER SERVICES FINANCE PLC

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Talon for further Coupons falling due on [the Interest Payment Dates falling in]*[●][●].

[Talon relating to Note in the principal amount of [●]]**

After all the Coupons relating to the Note to which this Talon relates have matured, further Coupons (including if appropriate a Talon for further Coupons) shall be issued at the specified office of the Principal Paying Agent set out on the reverse hereof (or any other Principal Paying Agent or specified office duly appointed or nominated and notified to the Noteholders) upon production and surrender of this Talon.

If the Note to which this Talon relates shall have become due and payable before the original due date for exchange of this Talon, this Talon shall become void and no exchange shall be made in respect of it.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.⁹

WESSEX WATER SERVICES FINANCE PLC

By:

[Talon No.]

[ISIN]

[Series]

[Certif. No.]

On the back:

PRINCIPAL PAYING AGENT

HSBC BANK PLC

[* The maturity dates of the relevant Coupons should be set out if known, otherwise reference should be made to the months and years in which the Interest Payment Dates fall due.]

[** Only required where the Series comprises Notes of more than one denomination.]

⁹ Include for a C Rules Note or a D Rules Note.

Schedule 3 Provisions for Meetings of Noteholders

Interpretation

- 1** In this Schedule:
- 1.1** references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single series of Notes and include, unless the context otherwise requires, any adjournment;
- 1.2** references to “**Notes**” and “**Noteholders**” are only to the Notes of the Series in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively;
- 1.3** “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Noteholder;
- 1.4** “**Alternative Clearing System**” means any clearing system other than Euroclear or Clearstream, Luxembourg;
- 1.5** “**block voting instruction**” means an instruction issued in accordance with paragraphs 9 to 15;
- 1.6** “**Electronic Consent**” has the meaning set out in paragraph 32.1;
- 1.7** “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;
- 1.8** “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with this Trust Deed by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- 1.9** “**hybrid meeting**” means a combined physical meeting and virtual meeting convened pursuant to this Schedule by the Issuer, or the Guarantor or the Trustee at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;
- 1.10** “**meeting**” means a meeting convened pursuant to this Schedule by the Issuer, or the Guarantor or the Trustee and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;
- 1.11** “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;
- 1.12** “**present**” means physically present in person at a physical meeting or a hybrid meeting, or able to participate in or join a virtual meeting or a hybrid meeting held via an electronic platform;
- 1.13** “**virtual meeting**” means any meeting held via an electronic platform;
- 1.14** “**voting certificate**” means a certificate issued in accordance with paragraphs 6 to 8;
- 1.15** “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Notes outstanding;

- 1.16** references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in principal amount of the Notes for the time being outstanding; and
- 1.17** where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

Powers of meetings

- 2** A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by this Trust Deed, have power by Extraordinary Resolution:
- 2.1** to sanction any proposal by the Issuer, the Guarantor or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders and/or the Couponholders against the Issuer or the Guarantor, whether or not those rights arise under this Trust Deed;
- 2.2** to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer, the Guarantor or any other entity;
- 2.3** to assent to any modification of this Trust Deed, the Agency Agreement, the Notes, the Talons or the Coupons proposed by the Issuer, the Guarantor or the Trustee;
- 2.4** to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 2.5** to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 2.6** to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- 2.7** to approve a proposed new Trustee and to remove a Trustee;
- 2.8** to approve the substitution of any entity for the Issuer or the Guarantor (or any previous substitute) as principal debtor or guarantor under this Trust Deed; and
- 2.9** to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed, the Agency Agreement, the Notes, the Talons or the Coupons,

provided that the special quorum provisions in paragraph 20 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 2.2 or 2.8 or for the purpose of making a modification to this Trust Deed, the Agency Agreement or the Notes which would have the effect of:

- (i) amending the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes;
- (ii) reducing or cancelling the principal amount of, or any premium payable on redemption of, the Notes;

- (iii) reducing the rate or rates of interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes;
- (iv) changing the currency of payment of the Notes or the Coupon;
- (v) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown thereon, reducing any such Minimum and/or Maximum;
- (vi) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount or the Regulatory or Change of Control Redemption Amount, including the method of calculating the Amortised Face Amount;
- (vii) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution;
- (viii) amending the Guarantee; or
- (ix) amending this provision,

Convening a meeting

- 3** The Issuer, the Guarantor or the Trustee may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent in principal amount of the Notes of any Series for the time being outstanding and is indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders of that Series. Every physical meeting shall be held at a time and place approved by the Trustee. Every virtual meeting shall be held via an electronic platform and at a time approved by the Trustee. Every hybrid meeting shall be held at a time and place and via an electronic platform approved by the Trustee.
- 4** At least 21 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day and time of the meeting and manner in which it is to be held, and if a physical meeting or hybrid meeting is to be held, the place of the meeting and, unless the Trustee otherwise agrees, the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting or a hybrid meeting, each such notice shall set out such other and further details as are required under paragraph 35.

Cancellation of meeting

- 5** A meeting that has been validly convened in accordance with paragraph 3 above, may be cancelled by the person who convened such meeting by giving at least 7 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

Arrangements for voting on Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Voting Certificates

- 6** If a holder of a Bearer Note wishes to obtain a voting certificate in respect of it for a meeting, they must deposit such Bearer Note for that purpose at least 48 hours before the time fixed for the meeting with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose. The Paying Agent shall then issue a voting certificate in respect of it.
- 7** A voting certificate shall:
- 7.1** be a document in the English language;
 - 7.2** be dated;
 - 7.3** specify the meeting concerned and the serial numbers (if applicable) of the Notes deposited;
 - 7.4** entitle, and state that it entitles, its bearer to attend and vote at that meeting in respect of those Notes; and
 - 7.5** specify details of evidence of the identity of the bearer of such voting certificate.
- 8** Once a Paying Agent has issued a voting certificate for a meeting in respect of a Note, it shall not release the Note until either:
- 8.1** the meeting has been concluded; or
 - 8.2** the voting certificate has been surrendered to the Paying Agent.

Arrangements for voting on Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Block Voting Instructions

- 9** If a holder of a Bearer Note wishes the votes attributable to it to be included in a block voting instruction for a meeting, then, at least 48 hours before the time fixed for the meeting, (i) the holder must deposit the Note for that purpose with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose and (ii) the holder or a duly authorised person on their behalf must direct the Paying Agent how those votes are to be cast. The Paying Agent shall issue a block voting instruction in respect of the votes attributable to all Notes so deposited.
- 10** A block voting instruction shall:
- 10.1** be a document in the English language;
 - 10.2** be dated;
 - 10.3** specify the meeting concerned;
 - 10.4** list the total number and serial numbers (if applicable) of the Notes deposited, distinguishing with regard to each resolution between those voting for and those voting against it;
 - 10.5** certify that such list is in accordance with Notes deposited and directions received as provided in paragraphs 9, 12 and 15; and
 - 10.6** appoint one or more named persons (each a “**proxy**”) to vote at that meeting in respect of those Notes and in accordance with that list.
- A proxy need not be a Noteholder.

- 11** Once a Paying Agent has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:
- 11.1** it shall not release the Notes, except as provided in paragraph 12, until the meeting has been concluded; and
- 11.2** the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.
- 12** If the receipt for a Note deposited with or to the order of a Paying Agent in accordance with paragraph 9 is surrendered to the Paying Agent at least 48 hours before the time fixed for the meeting, the Paying Agent shall release the Note and exclude the votes attributable to it from the block voting instruction.
- 13** Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place or delivered by another method as the Trustee shall designate or approve, and in default the block voting instruction shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business. If the Trustee requires, a certified copy of each block voting instruction shall be produced by the proxy at the meeting or delivered to the Trustee prior to the meeting but the Trustee need not investigate or be concerned with the validity of the proxy's appointment.
- 14** A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Noteholders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the relevant Paying Agent by the Issuer or the Trustee at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.
- 15** No Note may be deposited with or to the order of a Paying Agent at the same time for the purposes of both paragraph 6 and paragraph 9 for the same meeting.

Arrangements for voting on Registered Notes (whether in definitive form or represented by a Global Certificate) and whether held within or outside a Clearing System) – Appointment of Proxy or Representative

- 16** A proxy or representative may be appointed in the following circumstances:
- 16.1** *Proxy:* A holder of Registered Notes may, by an instrument in writing in the English language (a "**form of proxy**") signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or the Principal Paying Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a "**proxy**") to act on their or its behalf in connection with any meeting of the Noteholders and any adjourned such meeting.
- 16.2** *Representative:* Any holder of Registered Notes which is a corporation may, by delivering to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a "**representative**") in connection with any meeting of the Noteholders and any adjourned such meeting.
- 16.3** *Other Proxies:* If the holder of a Registered Note is an Alternative Clearing System or a nominee of an Alternative Clearing System and the rules or procedures of such Alternative

Clearing System so require, such nominee or Alternative Clearing System may appoint proxies in accordance with, and in the form used, by such Alternative Clearing System as part of its usual procedures from time to time in relation to meetings of Noteholders. Any proxy so appointed may, by an instrument in writing in the English language in the form available from the specified office of the Registrar or the Principal Paying Agent, or in such other form as may have been approved by the Trustee at least seven days before the date fixed for a meeting, signed by the proxy or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for any meeting, appoint any person or the Principal Paying Agent or any employee(s) of it nominated by it (the “**sub-proxy**”) to act on their or its behalf in connection with any meeting or proposed meeting of Noteholders. All references to “proxy” or “proxies” in this Schedule other than in this sub-paragraph 16.3 shall be read so as to include references to “sub-proxy” or “sub-proxies”.

- 16.4** *Record Date:* For so long as the Notes are eligible for settlement through an Alternative Clearing System’s book-entry settlement system and the rules or procedures of such Alternative Clearing System so require, the Issuer may fix a record date for the purpose of any meeting, provided such record date is no more than 10 days prior to the date fixed for such meeting which shall be specified in the notice convening the meeting.
- 16.5** Any proxy or sub-proxy appointed pursuant to sub-paragraph 16.1, 16.3 or 16.5 above or representative appointed pursuant to sub-paragraph 16.2 above shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively.

Chairperson

- 17** The chairperson of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.

Attendance

- 18** The following may attend and speak at a meeting:
- 18.1** Noteholders and agents;
 - 18.2** the chairperson;
 - 18.3** the Issuer, the Guarantor and the Trustee (through their respective representatives) and their respective financial and legal advisers; and
 - 18.4** the Dealers and their advisers.

No-one else may attend, participate and/or speak.

Quorum and Adjournment

- 19** No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15

minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Issuer and the Trustee agree, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place or manner in which it is to be held as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

- 20** One or more Noteholders or agents present at the meeting shall be a quorum:
- 20.1** in the cases marked “No minimum proportion” in the table below, whatever the proportion of the Notes which they represent; and
- 20.2** in any other case, only if they represent the proportion of the Notes shown by the table below.

COLUMN 1	COLUMN 2	COLUMN 3
Purpose of meeting	Any meeting except one referred to in column 3 _____ Required proportion	Meeting previously adjourned through want of a quorum _____ Required proportion
To pass a special quorum resolution	not less than two-thirds of outstanding principal amount of Notes	not less than one-third of outstanding principal amount of Notes
To pass any other Extraordinary Resolution	A clear majority	No minimum proportion
Any other purpose	5 per cent	No minimum proportion

- 21** The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place and alternate manner. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 19.
- 22** At least 10 days’ notice (exclusive of the day on which the notice is given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

Voting

- 23** At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer, the Guarantor, the Trustee or one or more persons representing not less than 2 per cent of the Notes for the time being outstanding.
- 24** Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

- 25** If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- 26** A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.
- 27** On a show of hands every person who is present in person and who produces a Note, a Certificate of which they are the registered holder or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of such Series of Notes so produced or represented by the voting certificate so produced or for which they are a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 28** In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which they may have.
- 29** At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with paragraph 37, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

Effect and Publication of an Extraordinary Resolution

- 30** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and on all the Couponholders and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

Minutes

- 31** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Written Resolution and Electronic Consent

- 32** Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then, in respect of any resolution proposed by the Issuer, the Guarantor or the Trustee:

- 32.1** *Electronic Consent:* where the terms of the resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), as provided in sub-paragraphs (i) and/or (ii) below, each of the

Issuer, the Guarantor and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date (as defined below). Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer, the Guarantor or the Trustee shall be liable or responsible to anyone for such reliance;

- (i) when a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing systems(s). The notice shall specify in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).
- (ii) if, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to “**Relevant Date**” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Guarantor or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 3 above, unless that meeting is or shall be cancelled or dissolved; and

32.2 *Written Resolution:* where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Guarantor and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Guarantor and/or the Trustee, as the case may be, (a) by accountholders in the clearing system(s) with entitlements to such Global Note or Global Certificate and/or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer, the Guarantor and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (the “relevant clearing system”) and, in the case of (b) above, the relevant clearing system and the

accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. None of the Issuer, the Guarantor or the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

Trustee's Power to Prescribe Regulations

- 33** Subject to all other provisions in this Trust Deed the Trustee may without the consent of the Noteholders prescribe or approve such further regulations regarding the holding of meetings and attendance and voting at them as it in its sole discretion determines or as proposed by the Issuer or the Guarantor if the Trustee, is of the opinion that such regulations are not materially prejudicial to the interests of Noteholders including (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and as to the form of voting certificates or block voting instructions so as to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.
- 34** The foregoing provisions of this Schedule shall have effect subject to the following provisions:
- 34.1** meetings of Noteholders of separate Series will normally be held separately. However, the Trustee may from time to time determine that meetings of Noteholders of separate Series shall be held together
- 34.2** a resolution that in the opinion of the Trustee affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the Noteholders of the Series concerned
- 34.3** a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series but does not give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed if passed at a single meeting of the Noteholders of the relevant Series provided that for the purposes of determining the votes a Noteholder is entitled to cast pursuant to paragraph 27, each Noteholder shall have one vote in respect of each £1,000 principal amount of Notes held, converted, if such Notes are not denominated in Sterling, in accordance with sub-Clause 11.14.
- 34.4** a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series and gives or may give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the Noteholders of the relevant Series

- 34.5** to all such meetings as aforesaid all the provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Notes and to Noteholders were references to the Notes and Noteholders of the Series concerned.

Additional provisions applicable to Virtual and/or Hybrid Meetings

- 35** The Issuer, the Guarantor (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend, participate in and/or speak at the meeting, including the electronic platform to be used.
- 36** Without prejudice to paragraph 18, the Issuer, or the Guarantor or the chairperson (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purposes of the virtual meeting or persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Trustee may approve) provided that the Issuer or the Guarantor or its agent(s) shall be solely responsible for facilitating the distribution of all such documentation unless the meeting shall have been convened by the Trustee.
- 37** All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll in accordance with paragraphs 25-28 above (inclusive).
- 38** Persons seeking to attend, participate in, speak at or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 39** In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via the electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 40** Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 41** The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting via the electronic platform only, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.
- 42** A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 43** A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when:

- 43.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 43.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.
- 44** If any person has connectivity or similar issues, the Chairperson may temporarily suspend the meeting until such time as the connectivity or similar issue is resolved.
- 45** The Trustee shall not be responsible or liable to the Issuer, or the Guarantor or any other person for the choice or security of the electronic platform used for any virtual meeting or hybrid meeting or for accessibility or connectivity or the lack of accessibility or connectivity to any virtual meeting or hybrid meeting notwithstanding any approval that may have been provided by the Issuer or the Guarantor.

This deed is delivered on the date stated at the beginning.

Signed as a deed by
WESSEX WATER SERVICES FINANCE PLC
acting by its director
in the presence of

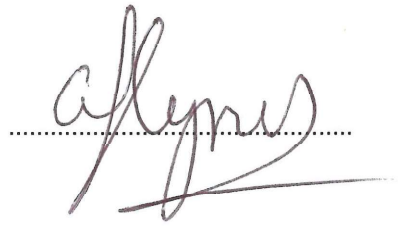

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Name: *CHRIS CHAMBERS*

Occupation: *ACCOUNTANT.*

Address: *52 SISTON COMMON .*
WARMLEY.
BRISTOL.
BS15 4PB.

Signed as a deed by
WESSEX WATER SERVICES LIMITED
acting by its director
in the presence of



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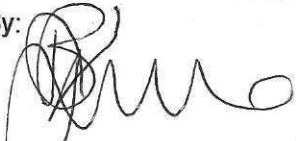
Name: *CHRIS CHOMISERS*

Occupation: *ACCOUNTANT.*

Address: *52 SISTON COMMON*
WARMLEY.
BRISTOL.
BS15 4PB

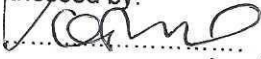
HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

By:



BALJIT PUREWAL
AUTHORISED SIGNATORY

Witnessed by:



Witness Name: A. PUREWAL

Witness Address: 51 WOOD LANE CLOSE,
IVER, SOUTH BUCKS,
SL0 0LH.