

SUPPLEMENTARY ADMISSION PARTICULARS DATED 19 APRIL 2024



Wessex Water Services Finance plc

(Incorporated in England and Wales with limited liability under registered number 3704265)

£5,000,000,000

**Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by**

Wessex Water Services Limited

(Incorporated in England and Wales with limited liability under registered number 2366648)

These supplementary admission particulars (the “**Supplementary Admission Particulars**”, which definition shall also include all information incorporated by reference herein) to the base admission particulars dated 6 September 2023 as previously supplemented on 1 November 2023 (the “**November 2023 Supplementary Admission Particulars**”) (together, the “**Base Admission Particulars**”) constitutes a supplementary admission particulars for the purposes of Paragraph 5 of Section 3 of the International Securities Market Rulebook (effective as of 1 January 2021) of the London Stock Exchange plc and is prepared in connection with the £5,000,000,000 Euro Medium Term Note Programme established by Wessex Water Services Finance plc (the “**Issuer**”), with Notes issued thereunder to be unconditionally and irrevocably guaranteed by Wessex Water Services Limited (the “**Guarantor**”).

Unless the context requires otherwise, terms defined in the Base Admission Particulars have the same meanings when used in these Supplementary Admission Particulars. These Supplementary Admission Particulars are supplemental to, update, form part of, and must be read in conjunction with, the Base Admission Particulars and all documents which are incorporated herein or therein by reference.

The Issuer and the Guarantor accept responsibility for the information contained in these Supplementary Admission Particulars and declare that, to the best of the knowledge of the Issuer and the Guarantor, the information contained in these Supplementary Admission Particulars is in accordance with the facts and these Supplementary Admission Particulars make no omission likely to affect the import of such information.

Purpose of these Supplementary Admission Particulars

The purpose of these Supplementary Admission Particulars is to:

- (A) incorporate by reference in the Base Admission Particulars the unaudited interim financial statements of the Issuer for the six months ended 31 December 2023, (the “**Issuer December 2023 Interim Accounts**”);
- (B) incorporate by reference in the Base Admission Particulars the unaudited interim financial statements of the Guarantor for the six months ended 30 September 2023 (the “**Guarantor September 2023 Interim Accounts**”);
- (C) update the Use of Proceeds and Sustainable Finance Framework section of the Base Admission Particulars and the risk factor entitled “Litigation / Investigation Risk”;

(D) update the Description of Wessex Water Services Limited section of the Base Admission Particulars; and

(E) update the “no significant change or material adverse change” statements of the Issuer and the Guarantor in the Base Admission Particulars,

each as further described below.

Updates to Documents Incorporated by Reference

The Issuer December 2023 Interim Accounts and the Guarantor September 2023 Interim Accounts (each available for viewing at:

- (i) <https://corporate.wessexwater.co.uk/media/dktj1iy4/wws-finance-plc-interim-accounts-december-2023.pdf>; and
- (ii) <https://corporate.wessexwater.co.uk/media/r3rjgxp/wwsl-interim-accounts-september-2023.pdf>,

respectively) shall be deemed to be incorporated by reference in, and to form part of, the Base Admission Particulars. By virtue of these Supplementary Admission Particulars, the Issuer December 2023 Interim Accounts and the Guarantor September 2023 Interim Accounts shall constitute Information Incorporated by Reference for the purposes of the Base Admission Particulars.

To the section entitled "Documents Incorporated by Reference" on page 36 of the Base Admission Particulars, the following paragraphs shall be added after paragraph (c) (with subsequent paragraphs re-numbered accordingly):

- “(d) the unaudited interim financial information and report of the Issuer for the six months to 31 December 2023
- (e) the unaudited interim financial information and report of the Guarantor for the six months to 30 September 2023;”

Updates to Use of Proceeds and Sustainable Finance Framework section of the Base Admission Particulars

In the section of the Base Admission Particulars entitled “*Use of Proceeds and Sustainable Finance Framework*” the second and third paragraphs under the sub-heading “*The Sustainable Finance Framework*” shall be deemed to be updated as follows:

“Wessex Water Limited established its sustainable debt instruments framework in September 2022 and updated it in April 2024 (the “**Sustainable Finance Framework**”) – the Sustainable Finance Framework is applicable to Wessex Water Limited and its subsidiaries, including the Issuer and the Guarantor. Under the Sustainable Finance Framework, the participating members of the Group may issue green, social and/or sustainability notes to finance and/or refinance in whole or part a portfolio of Eligible Projects. Wessex Water Limited may, in the future, further update or expand the Sustainable Finance Framework to align with emerging market standards and best practices.

The Sustainable Finance Framework is aligned with the International Capital Market Association’s Green Bond Principles (June 2021 edition), Social Bond Principles (June 2023 edition) and Sustainability Bond Guidelines (June 2021 edition), amongst other things, which are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>. This alignment is confirmed by the second party opinion dated 4 April 2024 obtained by the Group from DNV GL Business Assurance Services UK Limited, an external environmental, social and corporate governance research and analysis provider, which verifies alignment to the aforementioned principles and guidelines (the “**Second Party Opinion**”).”

In the section of the Base Admission Particulars entitled “*Use of Proceeds and Sustainable Finance Framework*” the paragraph under the sub-heading “*Reporting in respect of Sustainability Bonds*” shall be deemed to be updated as follows:

“The principles to which the Sustainable Finance Framework is aligned encourage reporting on the use of proceeds and the expected impacts at least on an annual basis. Until the full allocation of any gross proceeds of the Sustainability Bonds, the Guarantor will publish an annual report (a “**Sustainable Finance Allocation and Impact Report**”) detailing: (i) the total amount of proceeds allocated per category of Eligible Project; (ii) the split between financing and refinancing; (iii) details of any look back/look forward used; (iv) a selection of relevant case studies in relation to Eligible Projects; (v) information on remaining unallocated proceeds and how they are being held; and (vi) a selection of relevant impact metrics in relation to Eligible Projects designed to assist investors with determining the quantifiable impact of their financing. The first Sustainable Finance Allocation and Impact Report was published in March 2024.”

Amendment to Risk Factor entitled “Litigation / Investigation Risk”

The third paragraph in the sub-section entitled “Litigation / Investigation Risk” in the Risk Factor section of the Base Admission Particulars is hereby deleted in its entirety and replaced with the following:

“In November 2021, Ofwat and the EA announced separate industry-wide investigations into Flow to Full Treatment (the measure of how much wastewater a treatment works must be able to treat at any time) at wastewater recycling centres, to understand the extent to which water companies are breaking the conditions of their environmental permits by releasing untreated wastewater into storm overflows - this is further described in “Storm overflows” above. Ofwat has since opened enforcement cases into six wastewater companies, including the Guarantor. A number of EA inspections have been carried out at the Guarantor’s water recycling sites. The Guarantor has received further information requests from both Ofwat and the EA – Ofwat’s queries relate to the Flow to Full Treatment process, the installation of monitoring, Dry Weather Flow compliance and management oversight, whilst the EA’s questions to date continue to focus largely on data and matters arising specifically out of the site visits. The Guarantor is continuing to work with Ofwat and the EA as they gather further information to inform the respective investigations and next steps. As at the date hereof, a class of UK billpaying households have issued an opt-out standalone competition damages claim in the Competition Appeal Tribunal (“CAT”) against Severn Trent, Thames Water, United Utilities, Anglian Water, Yorkshire Water and Northumbrian Water over the alleged unlawful discharge of untreated sewage and wastewater into waterways. The extent, timing and implications of the CAT claim are as yet unknown, but its existence and/or potential application to the Guarantor may cause reputational and thus financial damage to the Guarantor and its business.”

The fourth paragraph in the sub-section entitled “Litigation / Investigation Risk” in the Risk Factor section of the Base Admission Particulars is hereby deleted in its entirety and replaced with the following:

“The Guarantor currently faces four charges which relate to two incidents which occurred in 2018. These include allegations that the Guarantor made a discharge of screened sewage between 29 July and 2 August 2018 as a result of the Bowerhill Lodge pumping station becoming inoperative due to a mechanical and electrical breakdown, and that untreated sewage effluent was discharged into a marsh rhyne system at the Wick St Lawrence sewage treatment works near Weston-Super-Mare. The Guarantor was due to enter a plea at Swindon Magistrates Court at a case management hearing on 9 October 2023. This hearing was adjourned due to lack of an available District Judge, and has been relisted to take place on 13 May 2024. The Guarantor has agreed in correspondence with the EA that one of the four charges will be withdrawn (which is yet to be formalised in proceedings) and intends to formally enter guilty pleas in respect of the three remaining charges at the postponed hearing, after which a final sentencing hearing will be scheduled. The Guarantor expects to receive a financial penalty in respect of the charges, the value of which is currently unknown, to be handed down at the sentencing hearing. The Guarantor intends to remain fully cooperative with proceedings and with the authorities. Any adverse outcome arising from the proceedings, including the imposition of a financial penalty, could have a detrimental effect on the Guarantor’s reputation and financial condition.”

Update to Description of Wessex Water Services Limited section of the Base Admission Particulars

After the table of directors set out under the sub-section entitled “Directors” on page 114 of the Base Admission Particulars, the following shall be added:

“It has been announced that Ruth Jefferson (currently the Chief Compliance Officer of the Guarantor) will replace Colin Skellett as Chief Executive Officer of the Guarantor by the end of September 2024.”

General Information – Significant or Material Change

The fourth and fifth paragraphs of the section entitled “General Information” on page 138 of the Base Admission Particulars are hereby deleted in their entirety and replaced with the following:

“There has been no significant change in the financial or trading position of the Issuer since 31 December 2023 (being the end of the last period for which financial information has been published) and no material adverse change in the prospects of the Issuer since 30 June 2023 (being the year end for the purposes of the Issuer Statutory Accounts).

There has been no significant change in the financial or trading position of the Guarantor since 30 September 2023 (being the end of the last period for which financial information has been published) and no material adverse change in the prospects of the Guarantor or the Group since 30 June 2023 (being the year end for the purposes of the Guarantor Statutory Accounts).”

General Information - Litigation

There are no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Issuer or the Guarantor are aware in the 12 months preceding the date of these Supplementary Admission Particulars which may have or have had in the recent past a significant effect on the financial position or the profitability of the Issuer, the Guarantor or the Group.

Documents Available

For the period of 12 months following the date of the Base Admission Particulars, as amended by these Supplementary Admission Particulars, the Issuer December 2023 Interim Accounts and the Guarantor September 2023 Interim Accounts will be available for inspection at <https://www.wessexwater.co.uk>.

Other information

If any document or information incorporated by reference or attached to these Supplementary Admission Particulars itself incorporates any information by reference, either expressly or implicitly, such information or other documents will not form part of these Supplementary Admission Particulars. Those parts of the documents incorporated by reference in these Supplementary Admission Particulars which are not specifically incorporated by reference herein are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in the Base Admission Particulars or these Supplementary Base Admission Particulars.

To the extent that there is any inconsistency between: (i) any statement in these Supplementary Admission Particulars or any statement incorporated by reference in the Base Admission Particulars by these Supplementary Admission Particulars; and (ii) any other statement in or incorporated by reference in the Base Admission Particulars, the statements in these Supplementary Admission Particulars will prevail.

Save as disclosed in these Supplementary Admission Particulars, there has been no significant new factor, material mistake or material inaccuracy relating to information included in the Base Admission Particulars since the publication of the Base Admission Particulars.