

This document is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional advisor authorised under the Financial Services and Markets Act 2000

SEVERN

TRENT

**Return your form by
26 March 2015 to
participate**

11 February 2015

What would you like to do with your Severn Trent Plc shares?

Sell them, with no minimum charge, buy more or donate your sale proceeds to charity. Your Severn Trent Plc shares could be worth £XXX

Dear Shareholder(s),

We have put in place a postal share dealing service for all shareholders, which enables you to sell or buy more shares, or give the money from their sale to charity. It's easy, you get your money quickly if you decide to sell and there is just a simple form to complete.

The service is provided by Equiniti Financial Services Limited (Equiniti), part of the same group of companies as our Registrar, Equiniti Limited*, so the whole process is fast, secure and reliable.

How much does it cost?

It costs just £1.50 per share (up to a maximum of £50) to sell. It costs £50 (plus 0.5% Stamp Duty Reserve Tax of the total cost of the shares) to buy more. If you want to donate the money from the sale of your shares it costs you nothing.

What if I can't find my share certificates or need to update my details?

Don't worry, the service also covers difficult situations such as where share certificates have been lost. Equiniti may charge an additional fee to cover the administration costs and full details are overleaf in the Useful Information

What do I do next?

If you don't want to sell, buy or donate the proceeds from selling your shares, you don't need to do anything. If you do, simply complete the enclosed form, add your share certificate(s) or cheque and send everything back to Equiniti in the postage-paid envelope provided by **Thursday 26 March 2015**. Please remember that the value of shares and any income from them can fall as well as rise and you may get back less than you invested. If you would like advice on what to do, please talk to your financial advisor.

Alternatively, if you prefer to deal online, please visit www.shareview.co.uk/dealing. To deal by phone, please call 08456 037 037. This telephone number is to give an instruction to sell or buy shares only. Please note that different charges and terms and conditions apply to the online and phone share dealing services. Full details of these can be found at www.shareview.co.uk/dealing.

Yours faithfully,

Bronagh Kennedy
General Counsel and Company Secretary

Severn Trent Plc

Registered office: Severn Trent Centre, 2 St John's Street, Coventry CV1 2LZ
Registered in England and Wales Number: 2366619

About your shares

Number of shares you hold	XXX
Example price per share	£XXX
Estimated value of your shares	£XXX
Estimated cost of selling	£XXX

Your shareholder reference number

XXXXXXXXXX

The share price and estimated value is based on a recent closing price for each Severn Trent Plc ordinary share on the London Stock Exchange. If you sell your shares, they may be worth more or less depending on the market price when they are sold. If you sell your shares, Equiniti will take any charges from the proceeds.

The estimated cost of selling shown above does not include any charges for lost share certificate(s) or updates required to your details that may be required.



Questions or need help?

Just see the Useful Information section on the back of this letter. If you'd like to talk to one of Equiniti's UK team please call the Helpline.

0871 384 2967

Calls cost 8p per minute plus network extras.
Lines are open 8:30am to 5:30pm, Monday to Friday.

* Equiniti is the group of companies that includes Equiniti Limited, the Registrar that manages our share register, and Equiniti Financial Services Limited, who provide a variety of financial products and services. Equiniti Limited are registered in England and Wales with No. 6226088 and Equiniti Financial Services Limited are registered in England and Wales under No. 6208699. Registered address: Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Equiniti Financial Services Limited is authorised and regulated by the Financial Conduct Authority.

Selling shares

When will my shares be sold?

Dealing normally happens the next business day after Equiniti receives your form.

When will I receive my money?

Equiniti will send you confirmation of the sale and a cheque two working days after they have sold your shares.

How many shares can I sell?

You can only sell your entire holding of Severn Trent Plc shares using this service. You can find out how many shares you own on the letter overleaf.

What share certificates are valid?

Only share certificates in the name of Severn Trent Plc dated 9 October 2006 or later are valid.

What does it cost?

Selling

£1.50 for each share you sell with a maximum charge of £50 which will be deducted from the sale proceeds. If you are missing share certificate(s) for more than 12 shares but less than £5,000 in value, you do not enclose all your share certificates or you enclose invalid share certificates, Equiniti will charge £20 (also deducted from the sale proceeds) to cover the extra administration.

If your invalid/missing share certificate(s) are worth more than £5,000 then you will need to contact the Helpline on 0871 384 2967 for further advice before you can sell your shares using this service. Calls cost 8p per minute plus network extras.

Buying

Equiniti will charge a flat fee of £50 no matter how much you invest. In addition, Stamp Duty Reserve Tax is also payable on the shares you buy at 0.5% of the total cost of the shares. Equiniti will deduct these fees from the amount you invest.

Donating

You don't have to pay anything if you donate your share sale proceeds to WaterAid.

Share prices

You can find recent share prices in the share listings of most national newspapers or at Severn Trent Plc's website at www.severntrent.com. The share price may vary significantly from the date that you decide to deal to when the shares are dealt.

Buying shares

When will you buy my shares?

So your cheque has time to clear, Equiniti will buy your shares within five working days after they have received it and your instruction. They will also send you confirmation two working days after they have bought your shares and send your certificate within three weeks.

How many shares can I buy?

You can invest from £500 to £10,000 in Severn Trent Plc shares including charges.

Paying for your shares

Cheques must be drawn on a UK Bank or Building Society account in the name of the shareholder and made payable to Equiniti Financial Services Limited. Equiniti cannot accept third party cheques.

A bank/building society draft must be endorsed on the reverse with 'This cheque/draft has been drawn on the personal account of' followed by the name of the account holder. This must be the same as the person shown on the form. The bank/building society must also apply their branch stamp. Drafts received without the endorsement and/or the stamp will be returned to you.

Updating your details*

If you've changed your address	please add your new address on the enclosed form.
If you've changed your name	please send Equiniti a certified copy of your marriage certificate or deed poll as well as the enclosed form.
If a shareholder has died	please send Equiniti a sealed Office Copy Grant of Representation as well as the enclosed form. If it is a joint holder that has died, a certified copy of the death certificate will be sufficient.

Any other changes will be actioned but may result in a delay in carrying out your instruction. Equiniti will charge an administration fee of £20 (which they'll deduct from the sale proceeds or investment amount) for updating the share register. By signing the form you agree to this charge.

If you use both this service and the lost share certificate service Equiniti will only deduct one charge of £20.

**If you do not wish to use this sharedealing service but still need to update your details, please DO NOT amend or return the enclosed form. Please visit www.shareview.co.uk for further details or call the Helpline on 0871 384 2967. Calls cost 8p per minute plus network extras.*

Donating the money from the sale of your shares

Arrangements have been made for shareholders, if they wish, to donate all the proceeds from the sale of their shares to Severn Trent's nominated charity, WaterAid; registered charity no. 288701 (England and Wales) and SC039479, (Scotland). Equiniti Financial Services Limited have agreed to make no charges for selling your shares if you choose to donate the proceeds to WaterAid through this service.

If you donate your share sale proceeds to WaterAid, you will receive a sale advice providing details of your donation.

Further information about WaterAid may be obtained from www.wateraid.org or by contacting the Supporter Care Team at WaterAid on 020 7793 4594.



Gift Aid

If you are a UK taxpayer, you can boost your gift to charity by up to 25%, at no extra cost to you, by authorising WaterAid to reclaim tax from HM Revenue & Customs through Gift Aid.

To qualify for Gift Aid, the amount you pay in Income Tax and/or Capital Gains Tax for each tax year must be at least equal to the amount of tax that WaterAid will reclaim on your gifts for that tax year.

Higher rate tax payers can claim tax relief at the difference between basic rate tax and higher rate tax.

Joint shareholders will be presumed to be qualifying taxpayers, with donations split equally between the shareholders and tax reclaimed accordingly, unless they inform WaterAid otherwise.

Gift Aid is not available to the personal representatives of shareholders who have died.

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Lost share certificate(s)

If you've lost your share certificate(s), you can still sell or donate your sale proceeds to charity.

This Declaration and Undertaking applies only to shareholders who have not enclosed valid or sufficient share certificates with their form.

If you are missing share certificate(s) for 12 shares or fewer, there won't be a lost share certificate charge. If the missing or invalid share certificate(s) is/are for more than 12 shares but less than £5,000 in value, Equiniti will deduct a lost share certificate charge of £20 from your sale proceeds.

Declaration and Undertaking for lost share certificate(s)

To Severn Trent Plc, Equiniti Financial Services Limited and Equiniti Limited, Registrar of Severn Trent Plc:

In consideration of your registering a transfer relating to the sale of shares through this service without production of the relevant share certificate(s) which has/have been lost, stolen or destroyed, I/we jointly and severally agree:

- to return the original share certificate(s) immediately to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA United Kingdom if found;
- to indemnify you and each of you against all claims, demands, liabilities, costs, charges and expenses that may be brought against or incurred by you arising out of or in connection with the original share certificate(s) still being in existence or the registration of a transfer as specified above;
- if legal proceedings are instituted against you in connection with any such claim, from time to time upon demand, to provide you with the funds you require to defend those proceedings and if I/we do not do so you shall be entitled to admit or settle those proceedings on the terms as you decide without prejudice to your right of recourse to me/us; and
- to pay the lost certificate charge if it applies.

[Name and Address]

[Shareholder Ref]

[Offering ID]

[Product ID]

FOR OFFICE USE ONLY

☐Certificate(s)
verified☐Lost
Certificate(s)

1. Choose what you want to do

► I want to sell all my shares

If you want to sell all your Severn Trent Plc shares shown below, simply **complete Section 2** and return this form with your share certificate(s) in the envelope provided. It costs £1.50 per share up to a maximum of £50 to sell.

[shares]

I/We appoint Equiniti as agent to arrange to sell all my/our Severn Trent Plc shares shown opposite in accordance with the terms and conditions of the service which I/we have read and retained.

I/We declare that I/we have the right to sell these shares, free from any liens, charges and any other third party rights. I/We authorise Equiniti to execute a transfer to give effect to the sale of my/our shares.

If I/we cannot find my/our share certificate(s) or only have invalid certificate(s) to enclose with my/our form, by signing this form I/we agree to the Declaration and Undertaking for Lost Share Certificate(s) and any applicable fee.

If my/our details need updating, I/we agree to the register update charge of £20 which will be deducted from the sale proceeds. Please see the Useful Information for more details.

► I want to buy more shares

Enter the amount you want to invest and **complete Section 2**. It costs £50 regardless of how much you invest.

£

(Minimum £500, maximum £10,000)

Please see the Useful Information for full details on paying for your shares.

I/We appoint Equiniti as agent to arrange to buy Severn Trent Plc shares in accordance with the terms and conditions of the service.

The shares will be purchased in the name(s) of the registered holder(s).

I/We authorise any person nominated by Equiniti to send a share certificate to the first named holder, by post at my/our own risk.

If my/our details need updating, I/we agree to the register update charge of £20 which will be deducted from the investment amount. Please see the Useful Information for more details.

► I want to donate the money from the sale of my shares

To donate all your sale proceeds to the charity WaterAid, please write 'WATERAID' in the box below and **complete Section 2**.

Gift Aid: If you are a UK taxpayer and also wish WaterAid to increase the value of your donation at no extra cost to you by reclaiming tax, please put an **X** in the box below.

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Please see the notes in the "Donating the money from the sale of your shares" section in the Useful Information.

Share
Gift

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2. Sign to authorise - All shareholders must sign

By signing and returning this form you are confirming you want to participate in the share dealing service.

If you do not wish to sell all your shares, buy more shares or donate to charity, you should not complete or return this form.

Equiniti need your Date of Birth and National Insurance Number so they can identify you correctly and for money laundering checks. If you do not supply this information they may have to reject your instruction. These checks may delay your instruction, the issuing of your sale proceeds or share certificate. If any more information is needed, Equiniti will get in touch.

Holder 1 Signature

Holder 2 Signature

Date

Holder 1 Date of Birth

Holder 2 Date of Birth

Telephone number

Holder 1 National Insurance Number

Holder 2 National Insurance Number

Holder 3 Signature

Holder 4 Signature

If you are signing under a Power of Attorney or other authority please print your name here:

3. Please return your completed form by **Thursday 26 March 2015** in the envelope provided

If using your own stamped envelope, please address it to: Postal Share Dealing, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA