

28 April 2017

Severn Trent Plc

**Strictly Personal and Confidential**

Mr John Coghlan

Severn Trent Centre  
2 St John's Street  
Coventry  
CV1 2LH

Dear John

I refer to the letter dated 23 May 2014 which set out the terms of your appointment as a Non-Executive Director of Severn Trent Plc and Severn Trent Water Limited.

Whilst there was no stipulated tenure in your appointment letter, under the terms of Severn Trent's Charter of Expectations, Non-Executive Directors' appointments are stated to be for a period of three years. As such, your appointment period is due to expire on 23 May 2017.

I am now writing to confirm that following completion of the 2017 Board effectiveness evaluation which recommended your reappointment at the 2017 AGM, and subject to the Articles of Association of the Company, your appointment will continue until 23 May 2020 and unless otherwise terminated earlier by and at the discretion of either party upon three months written notice. As you will be aware, in compliance with the UK Corporate Governance Code, it is regarded as best practice that each Director is submitted for reappointment by shareholders at each AGM. This is stipulated by the Articles and will apply to you. Subsequent continuation of your Appointment is therefore conditional on satisfactory performance and re-election at AGMs.

Please confirm your acceptance of the above by signing and returning the duplicate of this letter in the enclosed stamped addressed envelope.

Yours sincerely

**Bronagh Kennedy**  
**General Counsel and Company Secretary**

**Acknowledgment**

I, John Coghlan, hereby accept the terms of appointment set out in this letter.

Signature

Date