

NOTICE OF MEETING 2018

This document is important and requires your immediate attention.

If you are in any doubt about its content or the action you should take, you should consult your stockbroker, solicitor, accountant or other independent financial adviser authorised by the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your shares in Severn Trent Plc, please forward this document to your bank, stockbroker or other agent through or to whom the sale or transfer was effected for delivery to the purchaser or transferee.



Dear Fellow Shareholder,

This year's Annual General Meeting (the 'Meeting') will be held at the Ricoh Arena in Coventry on Wednesday 18 July 2018 at 11am.

Please note we will be arranging a complimentary bus service to and from Coventry train station for shareholders. Details can be found on page 16.

The following pages contain the Notice of Meeting, setting out the business that will be proposed at the Meeting and the procedures for your participation and voting.

As set out in the Notice of Meeting, all of the current Directors are submitting themselves for reappointment. All of the current Directors were subject to a formal and rigorous performance evaluation, further details of which can be found on page 79 of the Annual Report and Accounts. The Board considers that each of the Directors is discharging their responsibilities effectively, and continues to make a strong contribution to the work of the Board. Each Director brings valuable skills and experience to the Board and its Committees and further information can be found in the biographies on pages 4 and 5 of this document.

If you are unable to attend the meeting to vote in person, please complete and submit your Form of Proxy to Equiniti (our registrar). Equiniti must receive the Form of Proxy by 11am on Monday 16 July 2018. Alternatively, you can vote online at www.sharevote.co.uk

Resolutions 1 to 21 at the Meeting will be conducted by way of a poll rather than a show of hands. Your Directors believe this is a more accurate reflection of the views of shareholders and ensures that their votes are recognised, whether or not they can attend the meeting. On a poll, each shareholder has one vote for every share held. As soon as practicable following the Meeting, the results of the voting at the Meeting will be announced to the London Stock Exchange and published on our website.

Please note that Severn Trent Plc operates a Dividend Reinvestment Plan (the 'Plan'), which gives shareholders the option of using their dividend payments to buy more shares in the Company at favourable commission rates. If you would like to participate in this Plan please contact the Equiniti helpline on 0371 384 2268* for an application form. To participate for the July 2018 final dividend a completed application form must be received by Equiniti by 5pm on Friday 29 June 2018.

The Board considers that all of the proposals set out in the Notice of Meeting are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 142,664 Ordinary Shares representing approximately 0.06% of the issued Ordinary Share capital of the Company (excluding Treasury Shares) as at 22 May 2018, being the latest practicable date prior to publication of this document.

Your Directors and I look forward to updating you on the progress we are making in delivering our strategy and hearing your questions on our performance and prospects.

Yours faithfully,

Andrew Duff
Chairman

22 May 2018

* Lines are open 8.30am to 5.30pm (UK time) Monday to Friday, excluding public holidays in England and Wales.

**SEVERN
TRENT**

Directors standing for reappointment

The effectiveness of the Board is reviewed at least annually, and conducted according to the guidance set out in the UK Corporate Governance Code. The 2017/18 evaluation was externally conducted, and having evaluated the findings, the Board considers each Director who was assessed to be fully effective. In addition, the Board has determined that all Non-Executive Directors standing for reappointment at the 2018 Meeting are independent.

As part of the evaluation, full consideration was given to the number of external positions held by each Non-Executive Director. The Nominations Committee reviewed Directors' other appointments, including the time commitment required for each, as part of the evaluation exercise, the outcome of which can be found below:

Director	Number of Listed Company Appointments as Chairman (including Severn Trent Plc)	Number of other Listed Company Appointments as Non-Executive Director (including Severn Trent Plc)
Kevin Beeston	1	1
James Bowling	0	0
John Coghlan	0	1
Andrew Duff	2	0
Liv Garfield	0	0
Dominique Reiniche	0	2
Philip Remnant	1	2
Dame Angela Strank	0	1

No instances of overboarding were identified and the Board confirms that all individual Directors have sufficient time to commit to their role as a Director of Severn Trent Plc.



Kevin Beeston
Senior Independent
Non-Executive Director
Resolution: 6



Andrew Duff
Chairman
Resolution: 9



Philip Remnant CBE
Independent Non-Executive Director
Resolution: 12



James Bowling
Chief Financial Officer
Resolution: 7



Olivia Garfield
Chief Executive
Resolution: 10



Dame Angela Strank
Independent Non-Executive Director
Resolution: 13



John Coghlan
Independent Non-Executive Director
Resolution: 8



Dominique Reiniche
Independent Non-Executive Director
Resolution: 11

Notice of Annual General Meeting

and explanatory notes

NOTICE IS HEREBY GIVEN that the 29th Annual General Meeting (the 'Meeting') of Severn Trent Plc (the 'Company') to transact the following business will be held at the Ricoh Arena, Phoenix Way, Coventry, CV6 6GE on Wednesday 18 July 2018 at 11am:

Resolutions

The Resolutions numbered 1 to 17 are proposed as Ordinary Resolutions, which must each receive more than 50% of the votes cast in order to be passed.

Resolutions numbered 18 to 21 are proposed as Special Resolutions, which must each receive at least 75% of the votes cast in order to be passed.

The Resolutions to be proposed to the Meeting appear in bold text below with explanatory notes for each Resolution underneath.

REPORT AND ACCOUNTS

1. To receive the accounts and the reports of the Directors and the Auditor for the year ended 31 March 2018.

Severn Trent is required by the Companies Act 2006 (the '2006 Act') to present to the Meeting, the Reports of the Directors and Auditors and the audited accounts of the Company for each financial year (in this case for the year ended 31 March 2018) (the '2018 Annual Report'). The 2018 Annual Report is available at www.severntrent.com.

REMUNERATION REPORT

2. To approve the Directors' Remuneration Report, other than the part containing the directors' Remuneration Policy, in the form set out in the Company's Annual Report and Accounts for the year ended 31 March 2018.

The 2006 Act requires quoted companies to present to their shareholders for approval a Director's remuneration report. The Directors' remuneration report is set out in full in the Annual Report and Accounts on pages 96 to 119.

The shareholder vote is advisory and therefore does not directly affect the remuneration paid to any Director. The Company's Auditor, Deloitte LLP, has audited those parts of the Remuneration report that are required to be audited and their report is issued in the 2018 Annual Report.

REMUNERATION POLICY

3. To approve the Directors' Remuneration Policy in the form set out in the Company's Annual Report and Accounts for the year ended 31 March 2018.

Resolution 3 is the ordinary Resolution to approve the Directors Remuneration policy (the 'Policy') which is set out on pages 120 to 128 of the Annual Report and Accounts. It sets out the Company's policy on remuneration and potential payments of directors moving forward.

The Policy must be approved by shareholders (by means of separate resolution) at least once every three years. The current Policy was approved by shareholders at the AGM in 2015 and is therefore due for renewal. As noted in the Policy on pages 120 to 128, the Directors' Remuneration Policy will commence on 18 July 2018. Payments will continue to be made to directors and former directors in line with existing contractual arrangements until this date.

Once the Policy is approved, all payments by the Company to the Directors and any former Directors must be made in accordance with the new policy unless a payment has been separately approved by a Shareholder resolution.

AMENDMENT OF THE SEVERN TRENT PLC LONG TERM INCENTIVE PLAN 2014

4. To approve amendments to the rules of the Severn Trent Plc Long Term Incentive Plan 2014 in the manner set out in Appendix 1 to this Notice, such amendments to be effective from the date upon which the Remuneration Committee of the Company adopts such amendments.

The effect of this resolution is to amend the rules of the Severn Trent Plc Long Term Incentive Plan (the 'Plan'), subject to adoption of the proposed amendments by the Remuneration Committee of the Company. Details of the proposed amendments sought are set out in Appendix 1 which forms part of this Notice.

The proposed amendments to the Plan will impose an obligation on participants who are executive directors of the Company to retain the shares in the Company which they acquire pursuant to the vesting of an award granted under Plan for a period of two years post vesting ('Holding Period'). Combined with the three year vesting period that usually applies to an award granted under the Plan, this will mean that participants who are executive directors of the Company will not normally be able to dispose of the shares that they acquire pursuant to the vesting of an award under the Plan until after the fifth anniversary of the date of grant of such award. Pursuant to the proposed amendments to the Plan, there are limited circumstances in which shares may be disposed of during the Holding Period relating to an award, including on a change of control of the Company, the award holder's death or, solely at the discretion of the Remuneration Committee of the Company, upon cessation of the award holder's employment. Shares may also be sold during the Holding Period in order to enable the tax and national insurance charges arising on the vesting of an award under the Plan to be paid. Further details of the proposed amendments, including the limited circumstances in which shares may be disposed of during the Holding Period relating to an award are set out in Appendix 1 to this Notice. The proposed amendments are being made to ensure that the Plan complies with the Investment Association Principles of Remuneration ('IA Principles') which state that investors commonly expect to see holding periods and that the total performance and holding periods should cover a period of at least five years. The proposed

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amendments to the Plan will also ensure that the Plan is aligned with the Directors' Remuneration Policy which will commence on 18 July 2018 (subject to Shareholder approval – see resolution 3 above).

The amendments to the Plan will only apply to awards granted after the date that the amendments are adopted by the Remuneration Committee and not to pre-existing awards. The Holding Period and the restrictions on disposal during such Holding Period will not apply to any dividend equivalent shares that are awarded under the Plan.

5. DIVIDEND

To declare a final ordinary dividend in respect of the year ended 31 March 2018 of 51.92 pence for each Ordinary Share of 97^{7/19} pence.

A final ordinary dividend of 51.92 pence per share has been recommended by the Directors for payment to ordinary shareholders who are on the register of members of the Company at 6pm on 15 June 2018.

A final dividend can only be declared by the shareholders at a General Meeting but must not exceed the amount recommended by the Directors. If so declared the date of payment of the final ordinary dividend will be 20 July 2018.

REAPPOINTMENT OF DIRECTORS

Section B.7.1 of the UK Corporate Governance Code recommends that all Directors of FTSE 350 companies should be subject to annual reappointment by shareholders. The Directors standing for reappointment in light of this provision are listed in Resolutions 6 to 13.

Following an external evaluation, the Nominations Committee has confirmed that each Director standing for reappointment continues to make a valuable contribution to the Board's deliberations and continues to demonstrate commitment. The Board has considered whether each of the Independent Non-Executive Directors is free from any relationship that could materially interfere with the exercise of his or her judgement and has concluded that each continues to be independent.

The Board supports and recommends all of the proposed reappointments.

6. To reappoint Kevin Beeston as a Director.

Kevin Beeston FCMA (55)

Senior Independent Non-Executive Director

Appointed to the Board on 1 June 2016

Kevin has a wealth of commercial, financial and high level management experience. Kevin is Chairman of Taylor Wimpey plc and Elysium Healthcare and also a Non-Executive Director of The Football Association Premier League Limited and Marston Corporate Limited. Previously Kevin spent 25 years at Serco plc, where he held the roles of Finance Director, Chief Executive and finally Chairman until 2010. Kevin was previously Chairman of Domestic & General Limited and Partnerships in Care Limited, Equiniti Group Plc and a Non-Executive Director of IMI plc.

7. To reappoint James Bowling as a Director.

James Bowling BA (Hons) Econ, ACA (49)

Chief Financial Officer

Appointed to the Board on 1 April 2015

James is a chartered accountant, having started his career with Touche Ross and brings significant financial management, M&A and business transformation expertise to the Board. Prior to joining Severn Trent, James was interim Chief Financial Officer of Shire plc, where he had been since 2005, first as Head of Group Reporting and from 2008 as Group Financial Controller. Prior to joining Shire, James spent nine years at Ford Motor Company in various finance roles of increasing responsibility.

8. To reappoint John Coghlan as a Director.

John Coghlan BCom, ACA (60)

Independent Non-Executive Director

Appointed to the Board on 23 May 2014

John is a chartered accountant and has a valuable background in financial and general management across a variety of sectors. Currently, John is also a Non-Executive Director and Audit Committee Chairman of Clarion Housing Association and Associated British Ports Holdings Limited. Previously, John was a Director of Exel Plc for 11 years to 2006, where he was Deputy Chief Executive and Group Finance Director. Since 2006, John has been a Non-Executive Director of various publicly-quoted and private equity-owned companies.

Other roles:

– Chairman of Freight Transport Association Ireland Limited

9. To reappoint Andrew Duff as a Director.

Andrew Duff BSc FEI (59)

Non-Executive Director

Appointed to the Board on 10 May 2010

and Chairman on 20 July 2010

Andrew's extensive experience of international and regulated business, strategic management and customer service in high profile, dynamic environments has equipped him well for the role of Chairman of the Group. Andrew spent 16 years at BP in marketing, strategy and oil trading. He joined National Power in 1998 and the Board of Innogy plc upon its demerger from National Power in 2000. He played a leading role in its restructuring and transformation through the opening of competition in energy markets culminating in its subsequent sale to RWE in 2003. He became CEO of the successor Company and a member of the RWE Group Executive Committee until his retirement in 2010. He was a Non-Executive Director of Wolseley Plc from July 2004 until November 2013. Andrew was appointed Non-Executive Deputy Chairman of Elementis plc on 1 April 2014 and became Non-Executive Chairman of Elementis plc on 24 April 2014. He is the senior trustee of Macmillan Cancer Support and a trustee of the Earth Trust.

Other roles:

– Member of the CBI President's Committee

– Trustee of Macmillan Cancer Support and Earth Trust

– Fellow of the Energy Institute

10. To reappoint Olivia Garfield as a Director.**Olivia Garfield** BA (Hons) (42)**Chief Executive****Appointed to the Board on 11 April 2014**

Olivia (Liv) brings to the Board a wealth of experience managing customer service delivery and complex infrastructure and organisations in a regulated environment. Before joining Severn Trent, Liv was Chief Executive Officer of Openreach, part of the BT Group, where she spearheaded and oversaw the commercial roll-out of fibre broadband to two thirds of the country. She joined BT in 2002 and held the pivotal roles of Group Director of Strategy and Regulation, Managing Director Commercial and Brands, Global Services and UK Customer Services Director. From 1998 to 2002, Liv worked for Accenture as a consultant in the Communications and High Tech Market Unit, designing and implementing business change solutions across a number of industry sectors.

Other roles:

- Member of The 30% Club
- Director of Water UK
- Member of Take Over Panel
- Director of Water Plus Limited – joint venture with United Utilities

11. To reappoint Dominique Reiniche as a Director.**Dominique Reiniche** MBA (62)**Independent Non-Executive Director****Appointed to the Board on 20 July 2016**

Dominique has a wealth of operational experience in Europe and has international consumer marketing and innovation experience. Dominique is Independent Vice Chairman of CHR Hansen Holdings A/S and also a Non-Executive Director of Mondi Plc and PayPal (Europe). Dominique started her career with Procter & Gamble AG before moving to Kraft Jacobs Suchard AG as Director of Marketing and Strategy where she was also a member of the Executive Committee. Dominique previously held a number of senior roles at Coca-Cola Enterprises and at Coca-Cola Company, including President – Western Europe, President – Europe and Chairman – Europe. Until December 2015, Dominique was a Non-Executive Director of Peugeot-Citroen SA. Until April 2017, Dominique was a Non-Executive Director of AXA SA.

12. To reappoint Philip Remnant CBE as a Director.**The Hon. Philip Remnant** CBE FCA MA (63)**Independent Non-Executive Director****Appointed to the Board on 31 March 2014**

Philip is a senior investment banker and brings substantial advisory and regulatory experience to the Board. A chartered accountant, he is Senior Independent Director of Prudential Plc and Chairman of M&G Group Limited, Deputy Chairman of the Takeover Panel, Senior Independent Director of UK Financial Investments Limited and Chairman of City of London Investment Trust plc. Previously, Philip was Vice Chairman of Credit Suisse First Boston Europe and Head of the UK Investment Banking Department. Philip was Director General of the Takeover Panel for two years between 2001 and 2003,

and again in 2010. He served on the Board of Northern Rock plc from 2008 to 2010 and from 2007 to 2012 was Chairman of the Shareholder Executive.

Other roles:

- Governor of Goodenough College, Director and Trustee of St Paul's Cathedral Foundation
- Director and Trustee of St Paul's Cathedral Foundation

13. To reappoint Dame Angela Strank as a Director.**Dame Angela Strank** DBE BSc PhD (65)**Independent Non-Executive Director****Appointed to the Board on 24 January 2014**

Angela brings a wealth of strategic, technical and commercial experience to the Board. Angela is Head of Downstream Technology and Group Chief Scientist at BP plc. She is a member of the Downstream Executive Leadership Team. Angela is responsible for enabling delivery of the Downstream strategic agenda through the development of differentiated technology advantage across the refining, fuels, lubricants and petrochemicals businesses. Since joining BP in 1982, she has held many senior leadership roles around the world in business development, commercial and technology, including in 2012, Vice President and Head of the Chief Executive's Office. In 2010, Angela was the winner of the UK First Woman's Award in Science and Technology in recognition of pioneering UK women in business and industry. Her track record and experience in strategy, operations, technology and transformational change are a complementary addition to the Board's skill set. In June 2017, Angela was recognised in the Queen's Birthday Honours List with the title Dame Commander of the Most Excellent Order of the British Empire (DBE) for services to the Oil and Gas Industry and encouraging women into STEM careers.

Other roles:

- Board Governor of The University of Manchester
- BP Group Plc – Chief Scientist
- Member of the Royal Society's Science, Industry and Translation Committee

AUDITORS**14. To reappoint Deloitte LLP as Auditor of the Company, to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company.**

The Company is required to appoint the Auditor at each General Meeting at which accounts are laid before the Company, to hold office until the next such meeting. The Audit Committee formally tendered the external audit during the 2015/16 financial year which resulted in the recommendation to the Board that Deloitte LLP be reappointed as Auditor. The Board, on the unanimous recommendation of the Audit Committee, which has evaluated the effectiveness and independence of the Company's external auditor, is proposing the reappointment of Deloitte LLP as the Company's statutory Auditor, subject to approval by shareholders at the Annual General Meeting. Details of how the effectiveness and independence of the statutory Auditor are monitored and assessed can be found on page 87 of the 2018 Annual Report.

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15. To authorise the Audit Committee of the Board to determine the remuneration of the Auditor.

The Directors may set the remuneration of the auditors if authorised to do so by the shareholders. This Resolution seeks authority for the Audit Committee of the Board, in accordance with standard practice, to set auditor remuneration for 2018/19.

Details of the remuneration paid to the Company's external auditor for 2017/18 can be found on page 88 of the 2018 Annual Report.

POLITICAL DONATIONS

16. Authority to make political donations and incur political expenditure

To authorise, generally and unconditionally, the Company and all companies which are subsidiaries of the Company during the period when this Resolution 16 has effect, in accordance with sections 366 and 367 of the Companies Act 2006 (the '2006 Act') to:

- i) make political donations to political parties or independent election candidates not exceeding £50,000 in total;
- ii) make political donations to political organisations other than political parties not exceeding £50,000 in total; and
- iii) incur political expenditure not exceeding £50,000 in total,

(as such terms are defined in the 2006 Act) during the period beginning with the date of the passing of this resolution and expiring at the next Annual General Meeting of the Company, or if earlier, close of business on 18 October 2019, provided that the authorised sums referred to in paragraphs i), ii) and iii) above, may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sums, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day on which the Company enters into any contract or undertaking in relation to the same.

Severn Trent does not give any money for political purposes in the UK nor does it make donations to political organisations or incur political expenditure within or outside of the EU. However, the definitions of political donations and political expenditure used in the Act are very wide. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within this.

The authority the Company is requesting is precautionary in measure to ensure that the Group does not inadvertently breach the 2006 Act. The Company has no intention either now or in the future of making any political donation or incurring any political expenditure in respect

of any political party, political organisation or independent election candidate.

AUTHORITY TO ALLOT SHARES

17. In accordance with section 551 of the Companies Act 2006 (the '2006 Act'), the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- a. up to a nominal amount of £77,263,074 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of £77,263,074); and
- b. comprising equity securities (as defined in section 560(1) of the Act) up to a nominal amount of £154,526,147 (such amount to be reduced by the nominal amount allotted or granted under paragraph (a) above) in connection with an offer by way of a rights issue to ordinary shareholders on the register of members of the Company at such record date(s) as the Directors may determine, in proportion (as nearly as may be practicable) to their existing holdings on such date and to holders of other equity securities as required by the rights of those securities, save that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with Treasury Shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 18 October 2019) save that during this period, the Company may make offers and enter into agreements during this period which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

If Resolution 17 is passed, paragraph (a) would give the Directors authority to allot shares in the capital of the Company up to a maximum nominal amount of £77,263,074 (less any shares issued under the authority in paragraph (b)), representing the IA guideline limit of approximately one third of the Company's issued Ordinary Share capital (excluding Treasury Shares) as at 22 May 2018, being the latest practicable date before the publication of the Notice.

In line with guidance issued by the IA, paragraph (b) would give the Directors authority to allot shares or grant rights to subscribe for or convert any securities into Ordinary Shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount of £154,526,147 (less any shares issued under the authority in paragraph (a)), representing the IA guideline

limit of approximately two thirds of the Company's issued Ordinary Share capital (excluding Treasury Shares) as at 22 May 2018, being the latest practicable date before the publication of the Notice.

The authorities sought under paragraphs (a) and (b) of this Resolution will expire at the conclusion of the 2019 AGM (or, if earlier, the close of business on 18 October 2019). The Directors have no present intention of allotting new Ordinary Shares, except in connection with the Company's employee share schemes. However, the Directors consider it appropriate to maintain the flexibility this authority provides and may consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that may arise consistent with the Company's strategic objectives. As at 22 May 2018, being the latest practicable date before the publication of the Notice, the Company holds 3,948,599 Ordinary Shares in treasury.

18. AUTHORITY TO DISAPPLY PRE-EMPTION RIGHTS
That, subject to the passing of Resolution 17, the Directors be given power, in accordance with section 570 and section 573 of the Companies Act 2006 (the '2006 Act') to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and to sell Treasury Shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, such authority to be limited:

- a. to the allotment of equity securities and sale of Treasury Shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 17, by way of a rights issue only):
 - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii. to holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary,

save that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with Treasury Shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- b. in the case of the authority granted under paragraph (a) of Resolution 17 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of Treasury Shares (otherwise than under paragraph (a) of this resolution) up to a nominal amount of 11,589,460,

such authority to apply until the conclusion the 2019 AGM (or, if earlier, until the close of business on 18 October 2019) save that during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and

Treasury Shares to be sold) after the power ends and the Directors may allot equity securities (and sell Treasury Shares) under any such offer or agreement as if the power had not ended.

If the Company allots new equity securities or sells Treasury Shares for cash (other than in connection with an employee share scheme), it is required by the 2006 Act to first offer the securities to existing shareholders in proportion to their existing holdings (known as pre-emption rights) but the Board may seek shareholder approval to disapply pre-emption rights or issue equity securities on a non-pre-emptive basis.

The effect of this resolution is to renew the authority given to the Board in previous years to allot equity securities (which for these purposes includes the sale of Treasury Shares) on a non-pre-emptive basis to ordinary shareholders by way of a rights issue, for example where legal or practical difficulties in jurisdictions outside the UK may prevent the allocation of shares on a pro rata basis. In line with the Pre-Emption Group Statement of Principles 2015 ('Statement of Principles') Resolution 18 would also grant the authority to allot a limited number of equity securities (equivalent to 5% of the issued ordinary share capital as at 22 May 2018) for cash without first offering them to existing shareholders.

The authority in this Resolution 18 would remain in force until the end of the AGM in 2019 or the close of business on 19 October 2019, whichever is the earlier.

Annual renewal of this authority is sought in accordance with best practice, and in line with the Statement of Principles. There are no current plans to make use of the authority contemplated by this Resolution 18, but the Board wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources and financing business opportunities as they arise. The Company does not intend to exercise the authority granted by this Resolution 18 to issue more than 7.5% of its issued ordinary share capital on a non-pre-emptive basis in any rolling three-year period, without prior consultation with shareholders.

19. That, subject to the passing of Resolution 17, the Directors be given power, in accordance with section 570 and section 573 of the Companies Act 2006 (the '2006 Act') and in addition to any authority granted under Resolution 18, to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and to sell Treasury Shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, such authority to be:

- a. limited to the allotment of equity securities or sale of Treasury Shares up to a nominal amount of £11,589,460 (being approximately 5% of the issued share capital as at 22 May 2018, the date of this Notice); and
- b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction

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which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to apply until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 18 October 2019), save that during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and Treasury Shares to be sold) after the power ends and the Directors may allot equity securities (and sell Treasury Shares) under any such offer or agreement as if the power had not ended.

This resolution would give the Directors the authority to allot additional equity securities or sell Treasury Shares (up to approximately 5% of the current issued ordinary share capital as at 22 May 2018) for cash without first offering them to existing shareholders. Together with Resolution 17 (if passed) this would give the Company the authority to disapply pre-emption rights over 10% of its issued share capital, up to a nominal amount of £23,178,920 as at 22 May 2018.

The additional authority is being sought in line with the Statement of Principles, which now permits a total authority covering 10% of the issued share capital provided that 5% of this is sought in a separate resolution and limited to use for acquisitions or capital investments.

The authority to allot an additional 5% of the current issued share capital as at 22 May 2018 requested in this Resolution 19 would be used only in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

If given, the authority in this Resolution 19 would remain in force until the AGM in 2019 or the close of business on 18 October 2019, whichever is the earlier. The Board has no current plans to make use of the authority contemplated by this Resolution 19 but considers that it is in the best interests of shareholders generally that the Company has maximum flexibility in managing the Group's capital resources and financing business opportunities as they arise.

AUTHORITY TO PURCHASE OWN SHARES

20. To authorise, generally and unconditionally, the Company to make market purchases (within the meaning of section 693(4) of the Companies Act 2006 (the '2006 Act')) of its Ordinary Shares, on such terms and in such manner as the Directors may from time to time determine provided that:

- i) the Company may not purchase more than 23,677,393 Ordinary Shares;**
- ii) the Company may not pay less than 9717/19 pence for each Ordinary Share; and**

iii) the Company may not pay, in respect of each Ordinary Share, more than the higher of (a) 5% over the average of the middle market price of an Ordinary Share based on the London Stock Exchange Daily Official List, for the five business days immediately before the day on which the Company agrees to buy such Ordinary Share, and (b) the higher of the price of the last independent trade and the highest current independent bid for an Ordinary Share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 20 will be carried out,

and this authority shall expire at the conclusion of the next Annual General Meeting of the Company, or if earlier, close of business on 18 October 2019, save that the Company may make a contract, before this authority ends, to purchase Ordinary Shares where the purchase is or may be completed (fully or partly) after this authority ends and may purchase its Ordinary Shares pursuant to any such contract.

This resolution would enable the Company to buy back its own Ordinary Shares in the market. The Board considers it desirable to have the general authority to do this in order to provide maximum flexibility in the management of the Group's capital resources. However, the authority would only be used if the Board was satisfied at the time that to do so would be in the best interests of shareholders.

The authority would be restricted to a maximum of 23,677,393 Ordinary Shares. This is not more than 10% of the issued share capital as at 22 May 2018. Should the Board decide to purchase some of the Company's own shares, existing rights to subscribe for shares would represent a marginally increased proportion of the current issued share capital. Details are as follows:

- The total number of Ordinary Shares that may be issued on the exercise of outstanding options as at 22 May 2018 is 3,041,402, which represents approximately 1.29% of the issued share capital at that date. As at 22 May 2018 there were no warrants over Ordinary Shares outstanding.
- If the Company were to purchase shares up to the maximum permitted by this resolution, the proportion of Ordinary Shares subject to outstanding options would represent approximately 1.43% of the issued share capital.

Under the 2006 Act, the Company may hold any shares bought back in treasury, which may then either be sold for cash, transferred for the purposes of an employees' share scheme or cancelled. The Company therefore has the choice of either cancelling or holding in treasury any of its shares which it purchases. If the Company buys any of its shares under the authority given by this resolution, the Board will decide at the time of purchase whether to cancel them immediately or to hold them in treasury. In relation to Treasury Shares, the Board would also have regard to any investor guidelines in relation to the purchase of shares intended to be held in treasury or in relation to their holding or resale which may be in force at the time of any such purchase, holding or resale.

The authority will remain in force until the end of the AGM in 2019 or the close of business on 18 October 2019, whichever is earlier.

GENERAL MEETINGS

21. To authorise General Meetings of the Company, other than Annual General Meetings, to be called on not less than 14 clear days' notice.

The 2006 Act requires listed companies to call general meetings on at least 21 clear days' notice unless shareholders have approved the calling of general meetings at shorter notice. To retain flexibility, Severn Trent wishes to retain the option of calling general meetings, other than an AGM, on 14 clear days' notice. The effect of this resolution is to continue to give the Directors the power to call general meetings on a notice period of not less than 14 clear days.

The 14 day notice period would therefore only be used in circumstances where the flexibility needed is merited by the business of the meeting (for example, because the business of the meeting is time sensitive) and is thought to be to the advantage of shareholders as a whole. If this authority is used, the Company would then expect to explain, in its next Annual Report, the reasons for taking such action.

By order of the Board

Bronagh Kennedy

General Counsel and Company Secretary
 Severn Trent Plc
 Severn Trent Centre
 2 St John's Street
 Coventry CV1 2LZ
 Registered in England and Wales
 Registration No. 2366619

22 May 2018

Appendix 1

Paragraphs (a) to (o) below detail the amendments to the Plan which would (subject to the approval of the Remuneration Committee) be effected by the approval of resolution 4 set out in this Notice:

- (a) In rule 1.1 by inserting immediately prior to the definition of 'Award', the following definition:
 "Amendment Date" [18 July 2018']
- (b) In rule 1.1 by inserting immediately prior to the definition of 'In Concert', the following definition:
 "Holding Period" in relation to an Award to which Rule 24 applies, the period of two years unless such period is abbreviated pursuant to the application of Rule 24.8 or 24.9'
- (c) In rule 1.1 by inserting immediately prior to the definition of 'Normal Vesting Date', the following definition:
 "Nominee" any person selected by the Committee to hold Shares for and on behalf of any Award Holder or Eligible Employee as such Award Holder's or Eligible Employee's bare nominee, (as the case may be)'
- (d) In rule 1.1 by inserting immediately prior to the definition of 'Shares', the following definition:
 "Section 431 Election" an election made pursuant to section 431(1) of ITEPA'
- (e) In rule 4.4.7 by deleting the word 'and' at the end of the sentence.
- (f) In rule 4.4.8 by deleting the full stop at the end of the sentence and inserting a semi colon and the word 'and' in its place.
- (g) By inserting the following new rule 4.4.9 immediately after rule 4.4.8:
 "4.4.9 in respect of any Award that is subject to the provisions of Rule 24, that the Award is subject to such provisions.'
- (h) In Rule 6.1, by inserting a semi colon after the words 'provisions of this Rule 6.1 shall', deleting the remainder of Rule 6.1 thereafter appearing and replacing the same with the following:
 '6.1.1 in any case where the Award concerned is not subject to the provisions of Rule 24, be transferred to the Award Holder at the same time, and in addition to, the Vested Shares subject to the Award in question; and
 '6.1.2 in any case where the Award concerned is subject to the provisions of Rule 24, be transferred to the Award Holder at the time that the Vested Shares subject to the Award in question would have been transferred to the Award Holder in accordance with Rule 8.1 had Rule 24 not applied to the Award in question, and for the avoidance of doubt, any Employee Tax Liability arising in respect of such Shares'
- (i) In rule 6.2.1 by inserting the words 'pursuant to Rule 6.1' immediately after the words, 'but for this Rule 6.2, have been transferred to the Award Holder.'
- (j) By deleting rule 6.3.1 and replacing it with:
 '6.3.1 made at the time specified in Rule 6.1 for the transfer of Shares in respect of the Award concerned; and'
- (k) In rule 8.1 by deleting the word 'All' and replacing the same with the words 'in respect of any Award which is not subject to the provisions of Rule 24, all' and inserting the words 'to the Award Holder' after the words 'be made' but before the words 'within 30 days.'
- (l) By inserting the following new rule immediately after rule 8.1:
 '8.2 In respect of any Award which is subject to the provisions of Rule 24, all transfers of Vested Shares (and the issue of a definitive share certificate) shall, subject to Rule 23, be made to such Nominee or Trustee (as the case may be) appointed to hold the Shares on bare trust for and on behalf of the Award Holder concerned pursuant to Rule 24, within 30 days of the Vesting of the relevant Award and will be subject (if applicable) to such Shares being admitted to trading on the Official List of the UK Listing Authority and to all (if any) necessary consents of HM Treasury or other authorities under enactments or regulations for the time being in force and it shall be the responsibility of the Award Holder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent.'
- (m) By renumbering rule 8.2 as rule 8.3.
- (n) By inserting the following new rule immediately after rule 8.3 (previously rule 8.2):
 '8.4 In respect of any Award which is subject to the provisions of Rule 24, following the end of the Holding Period relating to such Award, all transfers of Shares (and the issue of a definitive share certificate) from the relevant Nominee or Trustee (as the case may be) to the Award Holder concerned shall, subject to Rule 23, be made within 30 days of the last day of the Holding Period relating to the Award and will be subject (if applicable) to such Shares being admitted to trading on the Official List of the UK Listing Authority and to all (if any) necessary consents of HM Treasury or other authorities under enactments or regulations for the time being in force and it shall be the responsibility of the Award Holder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent. At the request of an Award Holder the entity obliged to settle such Award (whether this be the Trustee or a Nominee) may, in its absolute discretion, resolve to transfer some or all of the Shares to be acquired following the end of the Holding Period concerned to

such other person or persons as may be nominated by the Award Holder, provided that the Award Holder is the beneficial owner of such Shares.;

- (o) By inserting the following new rule immediately after rule 23:

24 OBLIGATIONS DURING THE HOLDING PERIOD

24.1 The following provisions of this Rule 24 shall apply to any Award granted on or after the Amendment Date to an Executive Director:

24.2 Subject to Rule 24.4, the Award Holder of the Award in question shall not be entitled to, and shall not, at any time during the Holding Period relating to such Award dispose of, transfer, assign, charge, hypothecate or otherwise encumber the Vested Shares pursuant to the Award concerned or any of them.

24.3 For the purpose of Rule 24.2, the Holding Period in respect of an Award shall commence on the date that such Award Vests.

24.4 Notwithstanding Rule 24.2:

24.4.1 the Award Holder shall, at any time during the Holding Period relating to an Award, be permitted to dispose of such number of Vested Shares pursuant to such Award as may produce a sum sufficient to discharge any income tax and/or employee's national insurance contributions and/or employer's national insurance contributions for which the Award Holder is liable pursuant to Rule 10 as a result of the Vesting of the Award in question;

24.4.2 the Committee may, in exceptional circumstances, permit the Award Holder to dispose of, transfer, assign, charge, hypothecate or otherwise encumber Vested Shares pursuant to a particular Award or some of them, at any time during the Holding Period relating to such Award and in the event that the Committee so permits, the Award Holder shall be allowed to take such action in relation to the Shares concerned in accordance with the terms of the Committee's permission.

24.5 In respect of any Award which is subject to the foregoing provisions of this Rule 24, the Committee shall procure that the Vested Shares pursuant to such Award are transferred into the name of a Trustee or Nominee, (in either case selected by the Committee), in accordance with Rule 8.2, so as to be held throughout the Holding Period relating to such Award on bare trust by such Trustee or Nominee (as the case may be) for and on behalf of the relevant Award Holder.

24.6 An Award Holder whose Award is subject to the foregoing provisions of this Rule 24, shall:

24.6.1 execute such documents and take such actions as are necessary and/or desirable to:

24.6.1.1 transfer the Shares which are subject to the foregoing provisions of this Rule 24 into the name of a Trustee or Nominee (in either case selected by the Committee); and

24.6.1.2 appoint such Trustee or Nominee to be the Award Holder's nominee in respect of the Shares concerned and to hold such Shares for and on behalf of the Award Holder as his bare nominee throughout the Holding Period;

24.6.2 agree that he shall not at any time during the Holding Period request or otherwise require such Trustee or Nominee concerned to transfer the legal title to the Shares concerned to the Award Holder or anyone else or to otherwise dispose of, transfer, assign, charge, hypothecate or encumber the relevant Shares or the beneficial interest therein, except to permit:

24.6.2.1 such Trustee to transfer the legal title to the relevant Shares into the name of a new Trustee, in the event that the identity of the Trustee changes;

24.6.2.2 such Nominee to transfer the legal title to the relevant Shares into the name of a new Nominee, in the event that the identity of the Nominee changes;

24.6.2.3 the Trustee or the Nominee concerned to take any action required to give effect to the provisions of Rule 24.4;

24.6.2.4 the operation of Rule 23, in accordance with its terms.

24.7 Subject always to Rules 8.4 and 23, following the expiry of the Holding Period relating to the Award in question, the legal title to the Shares that are subject to the provisions of Rule 24.2 shall be transferred to the Award Holder concerned.

Appendix 1

- 24.8 For the avoidance of doubt, in the event that an Award Holder whose Award is subject to the foregoing provisions of this Rule 24 ceases to be employed within the Group at any point during the Holding Period relating to the Award otherwise than by reason of the Award Holder's death, such cessation of employment shall not terminate the Holding Period or the obligations relating to the Shares subject to such Holding Period as set out above in this Rule 24, save that the Committee may, (PROVIDED THAT the reason for the Award Holder's cessation of employment is not dishonesty, fraud, misconduct or other circumstances which would justify the Award Holder's summary dismissal), pursuant to Rule 24.4.2, in its absolute discretion, determine that such obligations should terminate upon such cessation of employment within the Group. In the event that the Committee exercises its discretion to terminate such obligations, the Holding Period relating to the Award in question shall terminate with effect from the cessation of the Award Holder's employment within the Group and the Committee shall procure that the Shares concerned are transferred to the Award Holder in accordance with Rule 8.4.
- 24.9 In the event that;
- 24.9.1 an Award Holder holding an Award that is subject to the foregoing provisions of this Rule 24 ceases to be employed within the Group at any point during the Holding Period relating to the Award concerned by reason of the Award Holder's death, the Holding Period concerned shall immediately terminate on the date of the Award Holder's death, following which the Committee shall procure that the Shares subject to such Holding Period are transferred to the Award Holder in accordance with Rule 8.4.
- 24.9.2 a General Offer results in a Take-over or there otherwise occurs an acquisition of the whole or part of the issued ordinary share capital of the Company (or such part of such capital as is not then owned by the acquirer or any company controlled by the acquirer and/or any person acting In Concert with the acquirer) as a result of which the acquirer (or any such companies and/or such other persons) gains Control of the Company, the Holding Period applicable to any Award that is subject to the foregoing provisions of this Rule 24 shall, unless the Committee determines otherwise, immediately terminate on the date of such Take-over or acquisition of Control (as the case may be), following which the Committee shall procure that the Shares subject to such Holding Period are transferred to the Award Holder in accordance with Rule 8.4.
- 24.10 The Committee may require any Award Holder to enter into a Section 431 Election in relation to any Shares acquired (or to be acquired) by the Award Holder pursuant to an Award, if this is deemed appropriate. The Award Holder concerned shall, if so required, execute such a Section 431 Election in relation to the Shares concerned and deliver the same to the Company on or before the time by which he is required to do so.
- 24.11 For the avoidance of doubt:
- 24.11.1 the provisions of Rule 23 shall apply, and continue to apply, to any Award which is subject to the foregoing provisions of this Rule 24, irrespective of the duration of the Holding Period relating to the Award or the Award Holder's obligations pursuant to the foregoing provisions of this Rule 24 during such Holding Period in respect of the Vested Shares and resulting from such Award;
- 24.11.2 subject to Rule 8.3, during the Holding Period relating to an Award, the Award Holder concerned shall be entitled to exercise and receive the benefit of all rights attaching to the Shares that are held for and on behalf of the Award Holder pursuant to the foregoing provisions of this Rule 24 by the Trustee or Nominee concerned including but not limited to the right to vote and the right to receive any dividends paid in respect of the Shares concerned;
- 24.11.3 the Award Holder shall be at liberty to instruct the Trustee or Nominee concerned as to how to cast votes on any of the Shares held by such Trustee or Nominee on the Award Holder's behalf.
- 24.11.4 Dividend Equivalent Shares relating to an Award shall not be subject to the foregoing provisions of this Rule 24 and the Award Holder shall be entitled to receive any such Dividend Equivalent Shares in accordance with Rule 6.1, notwithstanding that the Award in respect of which such Dividend Equivalent Shares are provided to the Award Holder, is subject to a Holding Period; and
- 24.11.5 should the Committee determine pursuant to the provisions of Rule 24.9.2 that the Holding Period relating to any Award should not terminate on the date of the Take-over or acquisition of Control referred to in Rule 24.9.2, the Holding Period relating to such Award shall continue to apply to the Award in question until such Holding Period expires.

General notes

Entitlement to attend and vote

To have the right to attend and vote at the Meeting (and also for the purposes of calculating how many votes a person may cast) a person must have their name entered on the register of members of the Company at 6.30pm on Monday 16 July 2018 (or, if the Meeting is adjourned, at 6.30pm on the day which is two days prior to the date fixed for the adjourned Meeting). Changes to entries on the register after this time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

Persons who are not shareholders of the Company (or duly appointed proxies or corporate representatives) will not be admitted to the Meeting unless prior arrangements are made with the Company.

Appointment of proxies

A shareholder entitled to attend and to vote at the Meeting is entitled to appoint another person or persons (who need not be a shareholder of the Company) to attend the Meeting, and any adjournment thereof, to exercise all or any of his or her rights to attend, speak and vote at the Meeting. A shareholder can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to different shares held by him or her. Forms of Proxy should be deposited at the office of the Company's registrar, Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA not less than 48 hours before the time for holding the Meeting. Appointing a proxy does not preclude you from attending the Meeting and voting in person. Further details are set out in the notes to the Form of Proxy.

To change your proxy instructions you may return a new proxy appointment using the methods set out below. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact the Company's registrar, Equiniti on 0371 384 2967 or +44 121 415 7044 if calling from outside the UK. Lines are open 8.30am to 5.30pm Monday to Friday, excluding public holidays in England and Wales. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others, save that where both paper and electronic proxy instructions are returned then, in the absence of other evidence, those received last by the Company's registrar, Equiniti, will take precedence.

Electronic proxy voting

Shareholders may register the appointment of a proxy online at www.sharevote.co.uk where full details of the procedure are given. The website is operated by the Company's registrar, Equiniti. Shareholders are advised to read the terms and conditions relating to the use of this facility before appointing a proxy. These terms and conditions may be viewed on the website. Any electronic communication sent by a shareholder that is found to contain a computer virus will not be accepted. Electronic communication facilities are available to all shareholders and those who use them will not be disadvantaged in any way.

Electronic proxy appointment through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual.

All messages relating to the appointment of a proxy, or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must be received by Equiniti (ID RA19) not later than 11am on Monday 16 July 2018 or, if the Meeting is adjourned, 48 hours before the time for holding the adjourned Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this regard, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

General notes

Employee share schemes

An employee whose shares are held by the trustee of the Severn Trent Share Incentive Plan (the 'Trustee') is not entitled to attend the Meeting in respect of those shares. However, the employee can instruct the Trustee how to vote on his or her behalf on any resolution set out in the Notice. Forms of Direction will be sent to those employees concerned and should be returned to the address on the reverse of the form so as to be received not later than 11am on Thursday 12 July 2018. Employees may also instruct the Trustee how to vote through the www.sharevote.co.uk website.

Shareholder questions

The Company must cause to be answered at the Meeting any question relating to the business being dealt with at the Meeting which is put by a member attending the Meeting, except: (i) if to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (ii) if the answer has already been given on a website in the form of an answer to a question; or (iii) if it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

Information rights

A copy of the Notice has been sent for information only to persons who have been nominated by a shareholder to enjoy information rights under section 146 of the Companies Act 2006 ('2006 Act') (a 'Nominated Person'). The right to appoint a proxy cannot be exercised by a Nominated Person; it can only be exercised by the shareholder. However, a Nominated Person may have a right under an agreement between him or her and the shareholder by whom he or she was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he or she may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights.

Audit statements

Shareholders satisfying the thresholds in section 527 of the 2006 Act can require the Company to publish a statement on its website setting out any matter relating to: a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Meeting; or b) any circumstances connected with the Auditor of the Company ceasing to hold office since the last Annual General Meeting, that the shareholders propose to raise at the Meeting. The Company cannot require the shareholders requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditor no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website.

Shareholder requisition rights

Shareholders satisfying the threshold requirements in sections 338 and 338A of the 2006 Act, can require the Company: i) to give, to shareholders of the Company entitled to receive notice of the Meeting, notice of a resolution which those shareholders intend to move (and which may properly be moved) at the Meeting; and/or ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting.

A resolution may properly be moved, or a matter properly included in the business unless: a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); b) it is defamatory of any person; or c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person(s) making it and must be received by the Company not later than six clear weeks before the date of the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

Corporate representatives

A shareholder of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Meeting. In accordance with the provisions of the 2006 Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

Electronic communication service

Shareholders are reminded that they may receive shareholder communications from the Company electronically. The electronic communication service offers the following benefits:

- the Company's full Annual Report and Accounts can be viewed on the day they are published;
- your votes on resolutions to be proposed at General Meetings of the Company can be cast electronically;
- important shareholder communications may be received electronically; and
- you can see details of your individual shareholdings quickly and securely online.

If you wish to take advantage of this service you may register your request with the Company's registrar, Equiniti, on their website at www.shareview.co.uk

A shareholder may not use any electronic address provided in this Notice to communicate with the Company for any purposes other than those expressly stated.

Total voting rights

As at 22 May 2018, being the latest practicable date before the publication of this Notice, the Company's issued and voting share capital consisted of 240,722,535 Ordinary Shares of 97⁷/₁₉ pence, each carrying one vote each. Therefore, the total number of voting rights in the Company is 236,773,936. The Company currently holds 3,948,599 Ordinary Shares in treasury.

Website

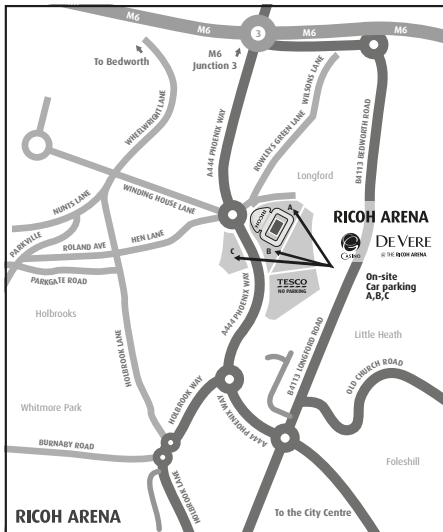
The contents of this Notice, details of the total number of shares in respect of which shareholders are entitled to exercise voting rights at the Meeting, the total voting rights that shareholders are entitled to exercise at the Meeting and, if applicable, any shareholders' statements, shareholders' resolutions or shareholders' matters of business received by the Company after the date of this Notice will be available on the Company's website, www.severntrent.com

Inspection of documents

The following documents are available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excepted), from the date of this Notice until and including the day of the Meeting and may be inspected at the Ricoh Arena, Phoenix Way, Coventry, CV6 6GE from 10am on the day of the Meeting: Copies of the Executive Directors' service contracts with the Company; copies of the Non-Executive Directors' letters of appointment; a copy of the draft form rules of the Severn Trent Plc Long Term Incentive Plan as they are proposed to be amended; together with a copy of the Company's Articles of Association.

A copy of the draft form rules of the Severn Trent Plc Long Term Incentive Plan, as they are proposed to be amended will also be available for inspection at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the close of the Meeting.

General notes



Getting to the Meeting

How to find the Ricoh Arena

The Meeting will be held at the Ricoh Arena, which is situated just outside Coventry City Centre.

From the North/East

From the M6, exit at junction 3.

At the roundabout, take 2nd exit onto Phoenix Way – A444 (signposted Coventry).

At the next roundabout, take the 1st exit onto Rowleys Green Lane.

At the next roundabout take 2nd exit onto Judds Lane.

Arrive at Ricoh Arena.

From the South

From the M40, exit at junction 15.

At the roundabout, take 4th exit onto Warwick Bypass – A46 (signposted Coventry).

Continue forward to join the A444 (signposted City Centre) and join London Road – A414.

At the roundabout, take 2nd exit onto the Ring Road.

Leave the Ring Road at junction 3, take 2nd exit onto Sky Blue Way.

At the next roundabout, take 1st exit onto A444 (signposted Nuneaton).

Continue forward on A444, straight on at roundabouts until you see the Ricoh Arena.

At the roundabout, when Ricoh Arena is on right-hand side, take 3rd exit onto Rowleys Green Lane.

At the next roundabout, take 2nd exit onto Judds Lane.

Arrive at Ricoh Arena.

Car parks

On-site car parks available are A, B & C. It is not required to pre-book on-site parking for exhibitions. Please park in car park A unless stated otherwise.

Blue badge parking bays are available in all on-site car parks. Please display your blue badge at all times.

Please be aware that there is NO parking available in side streets near the venue. A strict residents' parking scheme is enforced within two kilometres of the Ricoh Arena.

By rail

Alight at Coventry Arena train station. The Ricoh Arena is within walking distance and clearly signposted.

Alternatively, alight at Coventry train station. The railway station is in the City Centre and approximately six miles away. There is a taxi rank immediately outside the station and it is roughly a 10 to 15 minute journey to the Ricoh Arena.

Complimentary Shuttle Bus Service

Severn Trent are delighted to offer complimentary transport to the Annual General Meeting on 18 July 2018. The Shuttle Bus will run from Coventry Train Station to the Ricoh Arena with Severn Trent marshalls available at the station and on the buses to assist you if required.

The Shuttle Bus will run at the following times:

- Depart Coventry Station: 9.20am and 9.50am
- Return to Coventry Station: 1.30pm and 2.00pm

Public Transport

First take the number 8 bus from Coventry Train Station to Coventry Transport Museum. Afterwards, catch the number 4 or number 5 from Coventry Transport Museum to Arena Park (Tesco). Once you arrive at Arena Park there is an underpass which takes you into Car Park B of the Ricoh Arena. Follow signs for the Ricoh Arena main entrance from here.

Taxi: For a local taxi service please visit www.mgmtaxi.co.uk or call 02476 375550

Arrival and refreshments

Doors will open at 10am. Severn Trent marshalls will be available to deal with queries and to show shareholders into the registration and exhibition areas. Shareholders will have the opportunity to meet the Directors prior to the Meeting.

Coffee, tea and biscuits will be available before the Meeting and there will be a light lunch available after the Meeting. Unfortunately, we are not able to offer facilities for young children.

Shareholders with special needs

Arrangements have been made to offer assistance at the Meeting to our shareholders with special needs. If you are disabled, please make yourself known to a Severn Trent marshal on arrival. If you have a companion to assist you, he/she will be admitted to the Meeting. Guide dogs will also be allowed into the Meeting. If you are deaf or hard of hearing, headsets will be provided. There will also be sign language interpreters in attendance.