

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. You should read it in conjunction with the accompanying document dated 2 December 2016 which contains details of the contractual offer being made in respect of the Non Voting Ordinary Shares (as well as details of the proposed scheme of arrangement in respect of the Voting Ordinary Shares) (the "Offer Document"). If you are in any doubt about the contractual offer (the "Contractual Offer"), the contents of the Offer Document, this Form of Acceptance or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser in the relevant jurisdiction.

This Form of Acceptance should be read in conjunction with the accompanying Offer Document which is also available on the website of Dee Valley Group plc ("Dee Valley") at <https://www.deevalleywater.co.uk/>.

Unless the context requires otherwise, words and expressions defined in the Offer Document have the same meanings in this Form of Acceptance. Please read carefully the terms and conditions of the Contractual Offer in the Offer Document, which are incorporated into, and form part of, this Form of Acceptance.

If you have sold or otherwise transferred all your holding of certificated Non-Voting Ordinary Shares, please send the Offer Document (but not this personalised Form of Acceptance), at once to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this document must not be distributed, forwarded or transmitted into any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction (a "Restricted Jurisdiction"). If you have sold or otherwise transferred only part of your holding of certificated Non-Voting Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was affected.

This Form of Acceptance is personalised. If you have recently purchased or otherwise acquired Non-Voting Ordinary Shares and you receive this Form of Acceptance from the transferor of such shares, you should note that it cannot be used for the purpose of accepting the Contractual Offer in respect of the Non-Voting Ordinary Shares you have purchased. Please contact the Receiving Agent on the telephone numbers below to obtain a replacement Form of Acceptance.

This Form of Acceptance should not be used to accept the Contractual Offer from within any Restricted Jurisdiction. Accordingly, any Form of Acceptance received in an envelope postmarked in, or which otherwise appears to Severn Trent Water Limited ("Severn Trent") or any of its agents to have been sent from, any Restricted Jurisdiction may render a purported acceptance of the Contractual Offer invalid.

**FORM OF ACCEPTANCE AND AUTHORITY
RECOMMENDED OFFER
BY
SEVERN TRENT WATER LIMITED
FOR NON-VOTING ORDINARY SHARES IN DEE VALLEY GROUP PLC**

Acceptances of the Contractual Offer for Non-Voting Ordinary Shares must be received by 1.00 p.m. on 18 January 2017. Dee Valley shareholders who hold their Non-Voting Ordinary Shares in CREST should not complete this Form of Acceptance.

Before completing this Form of Acceptance, please read carefully paragraphs 13 and 14 of Part 2 and all of Part 6 of the Offer Document, the terms of which are incorporated into, and form part of, this Form of Acceptance.

If you wish to accept the Contractual Offer in respect of the Non-Voting Ordinary Shares you hold in certificated form (that is, not in CREST), you must complete and sign this Form of Acceptance in accordance with the instructions below and return it, together with your share certificate(s) and/or other documents of title, to Capita Asset Services, the Receiving Agent, by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received no later than 1.00 p.m. on 18 January 2017. A reply paid envelope is enclosed for your convenience for use in the United Kingdom only. No acknowledgement of receipt of documents will be given and documents will be sent at your own risk.

If you hold all of your Non-Voting Ordinary Shares in uncertificated form (that is, in CREST) you should not complete this Form of Acceptance. You may only accept the Contractual Offer by Electronic Acceptance as set out in paragraphs 14.6 and 14.7 of Part 2 of the Offer Document.

If you hold Non-Voting Ordinary Shares in both certificated and uncertificated form, you should complete a Form of Acceptance in respect of your certificated holding and make an Electronic Acceptance in respect of your holding in uncertificated form. Similarly, you should make a separate Electronic Acceptance for Non-Voting Ordinary Shares held in uncertificated form but under a different member account ID, and complete a separate Form of Acceptance for Non-Voting Ordinary Shares held in certificated form but under a different designation.

If your Non-Voting Ordinary Shares are in certificated form and your share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return this Form of Acceptance as stated above, together with any share certificate(s) and/or other document(s) of title which you may have available, so as to be received by the Receiving Agent no later than 1.00 p.m. on 18 January 2017, and any share certificate(s) and/or other document(s) of title obtained subsequently or a letter of indemnity in a form provided by the Receiving Agent, Capita Asset Services, should be lodged with the Receiving Agent as soon as they become available thereafter. Please refer to Note 6 on page 4 of this Form of Acceptance.

If you wish to receive Loan Notes rather than cash in respect of some or all of your Ordinary Shares and hold your Ordinary Shares in certificated form (i.e. you do not hold your Ordinary Shares in CREST), the Form of Election in respect of the Loan Note Alternative must also be completed in accordance with the instructions set out therein. The Form of Election must be completed and returned in addition to this Form of Acceptance if you wish to elect to the Loan Note Alternative. If you hold your Ordinary Shares in CREST and wish to make an election to receive Loan Notes in respect of some or all of your Ordinary Shares please refer to paragraph 1.2 of Part 8 (How to Make a Loan Note Election) of the Offer Document for the procedure on sending a TTE Instruction via CREST.

If you require assistance in completing your Form of Acceptance (or wish to obtain an additional Form of Acceptance), have questions in relation to making an electronic acceptance, or if you are uncertain whether you hold Voting Ordinary Shares or Non-Voting Ordinary Shares, please call the Receiving Agent, Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

ALL REFERENCES TO TIME IN THIS FORM OF ACCEPTANCE ARE TO LONDON TIME

HOW TO COMPLETE THIS FORM

The provisions of Section A, Section B, Section C and Section D of Part 6 in the Offer Document are incorporated into, and form part of, this Form of Acceptance. If you hold all of your Non-Voting Ordinary Shares in uncertificated form (that is, in CREST) you should not complete this Form of Acceptance and you may only accept the Contractual Offer by Electronic Acceptance as set out in Section D of Part 6 in the Offer Document.

1

REGISTERED SHAREHOLDER DETAILS

If the name or address details shown opposite are incorrect, please place a cross in Box 6A on page 3 in black ink and add the correct details in BLOCK CAPITALS in

Box 6B on page 3. Any changes to the names must be supported by appropriate documentation (see section 8 on page 4 of this form for further details). If no name or address is shown in Box 1 on page 3,

please add the full name(s) of all registered shareholders and the registered address of the first named holder in Box 1 on page 3.

2

DAYTIME TELEPHONE NUMBER

Insert in Box 2 on page 3 your daytime telephone number, including the full dialling code in case of queries relating to the completion of this Form of Acceptance.

3

CONTRACTUAL OFFER

To accept the Contractual Offer, insert in Box 3 on page 3 the total number of certificated Non-Voting Ordinary Shares for which you wish to accept the Contractual Offer. You must sign Box 4A or 4B on page 3

in accordance with the instructions set out in this Form of Acceptance which will constitute your acceptance of the Contractual Offer. If no number is provided or a number greater than your entire registered holding of certificated Non-Voting

Ordinary Shares is provided in Box 3 and you have signed or marked Box 4A or 4B, you will be deemed to have accepted the Contractual Offer in respect of your entire registered holding of certificated Non-Voting Ordinary Shares.

4A

SIGNATURES OF INDIVIDUALS

If you are an individual wishing to accept the Contractual Offer, you must sign Box 4A on page 3 regardless of any other box(es) you complete. In the case of a joint holding, ALL holders must sign. Each signature by an individual must be signed in the presence of

a witness who must be over 18 years of age and must not be one of the other joint registered holders, if applicable. The witness should state his/her name and address and sign where indicated. The same witness may witness separately each signature of the joint holders, if applicable. If this Form of

Acceptance is not signed by the registered holder(s), insert the name(s) and capacity (e.g. executor) of the person(s) signing this Form of Acceptance. You should also deliver evidence of your authority to sign in accordance with the notes on page 4.

4B

COMPANY SIGNATURES

A company may affix its common seal, which should be affixed and witnessed in accordance with its articles of association or other regulations. Alternatively, a company to which section 44 of the Companies Act 2006 applies may execute this Form of

Acceptance as a deed either by (i) one director signing before a witness (who must also sign), (ii) two directors signing, or (iii) a director and the company secretary signing, in each case in the execution part of Box 4B and dating it, or, in the case of a company incorporated outside England, Wales and

Northern Ireland, may execute this Form of Acceptance in accordance with the provisions of the Overseas Companies (Execution of Documents and Registration of Charges) Regulations 2009 and, in all cases, inserting the name of the company.

4C

COMPANY SEAL

If you are affixing a company seal, please place a cross in Box 4C on page 3.

5

RESTRICTED OVERSEAS PERSONS

If you are unable to give the representations and warranties required in paragraph 1.3 of Section C of Part 6 of the Offer Document, you must put "NO" in Box 5 on page 3. If you do not put "NO" in Box 5, you will be deemed to have given such representations

and warranties. Box 5 must be completed by holders with registered addresses in the United States, Canada, Australia, South Africa, Japan and any other Restricted Jurisdiction giving an alternative address outside of such jurisdictions.

6

ALTERNATIVE ADDRESS FOR DESPATCH OF CONSIDERATION

If you want the consideration and/or other document(s) to be sent to someone other

than the first-named registered holder at the address set out in Box 1 on page 3 (e.g. your bank, stockbroker or other agent), you should NOT place a cross in Box 6A on

page 3 but DO complete Box 6B on page 3 (with an address outside the United States, Canada, Australia, South Africa, Japan or any other Restricted Jurisdiction).

DEE VALLEY GROUP PLC
FORM OF ACCEPTANCE RELATING TO THE CONTRACTUAL OFFER IN RESPECT OF NON-VOTING ORDINARY SHARES
PLEASE COMPLETE AS EXPLAINED ON PAGES 2 AND 4
PLEASE COMPLETE THIS FORM IN BLOCK CAPITALS USING BLACK INK ONLY.

1	
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IVC:

2	Daytime telephone number, for use in the event of a query <div style="border: 1px solid black; height: 20px; width: 300px; margin-top: 5px;"></div>
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3	Number of Non-Voting Ordinary Shares in certificated form in respect of which you wish to accept the Contractual Offer <div style="border: 1px solid black; height: 20px; width: 300px; margin-top: 5px;"></div>
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SIGN BELOW TO ACCEPT THE OFFER

<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">4A EXECUTION BY INDIVIDUALS signed and delivered as a Deed by</div> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>	<p>Witness name:</p> <p>Address of witness:</p> <p>Signature of witness:</p> <p>Date:</p>
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Note: All holders of Non-Voting Ordinary Shares who are individuals should sign and date the Form of Acceptance in the presence of a witness who should also sign above in accordance with the instructions printed in note 4A. The witness must be over 18 years of age and must not be one of the other joint holders. The same person may witness, separately, each signature of the joint holders

<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">4B EXECUTION BY A COMPANY signed and delivered as a Deed by</div> <p>Name of Director:</p> <p>Signature:</p> <p>Name of Director/Witness/Company Secretary:</p> <p>Signature:</p>	<p>If you are affixing a company seal, please mark a cross in black in box 4C to the right</p> <div style="border: 1px solid black; width: 40px; height: 40px; text-align: center; line-height: 40px; float: right;">4C</div> <div style="border: 1px solid black; border-radius: 50%; width: 80px; height: 80px; text-align: center; line-height: 80px; margin: 20px auto;">Affix Company seal here</div>
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<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">5 RESTRICTED OVERSEAS PERSONS ONLY</div> <p>Enter "NO" in the box in black ink only if you are UNABLE to give the representations and warranties required by paragraph 1.3 of Section C of Part 6 of the Offer Document</p> <div style="border: 1px solid black; height: 60px; width: 200px; margin-top: 10px;"></div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">6 ALTERNATIVE ADDRESS FOR DESPATCH OF CONSIDERATION</div> <p>If you are advising a change to the details shown in Box 1, place a cross in Box 6A in black ink and add your details in box 6B below. If you would like the consideration and/or returned documents to be sent to an alternative address to that shown in Box 1 above, DO NOT place a cross in the Box 6A, but DO add the alternative details in box 6B below</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">6B Name: Address: Post Code:</div>
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PLEASE ENSURE YOU ENCLOSE YOUR NON-VOTING ORDINARY SHARE CERTIFICATE(S) AND/OR OTHER DOCUMENT(S) OF TITLE WITH THIS FORM OF ACCEPTANCE

ADDITIONAL NOTES REGARDING THE COMPLETION OF THIS FORM OF ACCEPTANCE

In order to be effective, this Form of Acceptance must, except as mentioned below, be signed personally by the registered holder or, in the case of a joint holding, by ALL the joint holders (and each individual's signature must be witnessed). A corporation must execute this Form of Acceptance under its common seal, the seal being affixed and witnessed in accordance with its articles of association or other regulations. Alternatively, a company incorporated in England, Wales or Northern Ireland to which section 44 of the Companies Act 2006 applies may execute this Form of Acceptance either by (i) one director signing before a witness (who must also sign), (ii) two directors signing, or (iii) a director and the company secretary signing this Form of Acceptance and inserting the name of the company above their signatures. A company incorporated outside England, Wales or Northern Ireland may execute this Form of Acceptance in accordance with the provisions of the Overseas Companies (Execution of Documents and Registration of Charges) Regulations 2009. Each such person signing this Form of Acceptance should state the office which he/she holds in the relevant company.

1. If a holder is away from home (e.g. abroad or on holiday):

Send this Form of Acceptance by the quickest means (inc. airmail) to the holder (unless he is in any Restricted Jurisdiction) for execution or, if he has executed a power of attorney, have this Form of Acceptance signed by the attorney in the presence of a witness. In the latter case, the power of attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor) should be returned with this Form of Acceptance. No other signatures are acceptable. Do not send this Form of Acceptance or the accompanying documents into any Restricted Jurisdiction. Original powers of attorney will be noted by Capita Asset Services and returned as directed.

2. If you have sold all or otherwise transferred all, or wish to sell or transfer part, of your Non-Voting Ordinary Shares:

Do not complete this Form of Acceptance. Please send the Offer Document and the enclosed reply-paid envelope, but not this personalised Form of Acceptance at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be mailed, distributed, forwarded or transmitted in or into any Restricted Jurisdiction. If you wish to sell or transfer part of your holding of Non-Voting Ordinary Shares and to accept the Contractual Offer in respect of the balance but are unable to obtain the balance share certificate by 1.00 p.m. (London time) on 18 January 2017 you should ask the stockbroker, bank or other agent through whom you make the sale or transfer to obtain the appropriate certification from Dee Valley's registrars, Capita Asset Services, in respect of the balance of your holding of Non-Voting Ordinary Shares.

3. If the sole holder has died:

If confirmation of a grant of probate or letters of administration has/have been registered with Dee Valley's registrars, Capita Asset Services, this Form of Acceptance must be signed by the personal representative(s) of the deceased holder. This Form of Acceptance should then be lodged with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance) with the related share certificate(s) and/or other documents of title. If a grant of probate or letters of administration has/have not been registered with Capita Asset Services, the personal representative(s) or prospective personal representative(s) should sign this Form of Acceptance and forward it with the share certificate(s), and/or other document(s) of title, to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. The signature must be witnessed, and the witness must also sign. However, a grant of probate or letters of administration (a duly sealed copy) must be lodged by hand (during normal business hours only) or post with Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU before the consideration due under the Contractual Offer can be forwarded to the executor(s) or personal representative(s). For this purpose, photocopies of grants of probate and letters of administration are not acceptable. These documents will be returned as directed. All signatures (other than for any witness) must be witnessed.

4. If one of the joint holders has died:

This Form of Acceptance is valid if signed by all the surviving holder(s), each in the presence of a witness, and lodged with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance) with the share certificate and/or other document(s) of title and accompanied by the death certificate (or a duly certified copy), confirmation of grant of probate or letters of administration (or a duly sealed copy) in respect of the deceased holder. For this purpose, photocopies of death certificates, grants of probate and letters of administration are not acceptable. These documents will be returned as directed.

5. If your Non-Voting Ordinary Share certificate(s) or other documents(s) of title is/are held by your stockbroker, bank or other agent:

You should complete this Form of Acceptance and arrange for it to be lodged by such agent with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance), accompanied by the share certificate(s) and/or other document(s) of title if appropriate. If the certificate(s) is/are not readily available, you should lodge this Form of Acceptance with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance) duly completed together with a note stating, e.g. "certificates to follow", and arrange for the certificate(s) to be forwarded as soon as possible thereafter. It is helpful for your agent (unless he is in any Restricted Jurisdiction) to be informed of the full terms of the Contractual Offer.

6. If your Non-Voting Ordinary Share certificate(s) has/have been lost:

Complete and lodge the Form of Acceptance together with any available certificate(s) with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance). At the same time, you should write to Dee Valley's registrars, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU requesting they send you a letter of indemnity for completion. When received, the letter of indemnity should be completed in accordance with the instructions given, and lodged with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance) in support of this Form of Acceptance.

7. If the form of acceptance is signed under a power of attorney:

The completed Form of Acceptance, together with any share certificate(s) and/or other document(s) of title, should be lodged with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance), accompanied by the original power of attorney (or a copy duly certified in accordance with the Powers of Attorney Act 1971 by, for example, a solicitor). Original powers of attorney will be duly noted by Capita Asset Services and returned as directed.

8. If your particulars differ from those appearing on the certificate(s) and form of acceptance:

- (a) Incorrect name on share certificate(s):
e.g. name on certificate Stephen Hannah.
correct name is Steven Hannah.

Complete this Form of Acceptance with the correct name in BLOCK CAPITALS and black ink and lodge it with Capita Asset Services (at the address set out on page 1 of this Form of Acceptance), accompanied by a letter from your bank, stockbroker or solicitor confirming that the person described on the share certificate(s) and the person who has signed this Form of Acceptance are one and the same person.

- (b) Incorrect address: Delete the incorrect details appearing in Box 1 on page 3, place a cross in Box 6A on page 3 and add your correct address in BLOCK CAPITALS and black ink in Box 6B.

- (c) Change of name: If you have changed your name, enclose a copy of your marriage certificate or the deed poll with this Form of Acceptance for noting or, in the case of a company, a copy of the certificate of incorporation on change of name. These documents will be returned to you as directed.

9. If your Non-Voting Ordinary Shares are in uncertificated form (that is, in CREST):

You should take the action set out in paragraph 14.6 and 14.7 of Part 2 in the Offer Document and should not use this Form of Acceptance.

10. If you are not a resident of the United Kingdom:

The attention of holders of Non-Voting Ordinary Shares not resident in the UK or who are citizens or residents or nationals of other countries (and all custodians, trustees or nominees thereof) is drawn to paragraphs 10 and 11 of Part 2, paragraph 6 of Section B of Part 6 and paragraph 1.3 of Section C of Part 6 of the Offer Document.

11. Settlement of consideration:

The consideration payable under the Contractual Offer cannot be sent to you until all relevant documents have been properly completed and received by post or (during normal business hours only) by hand by Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, whilst the Contractual Offer remains open for acceptance. A reply-paid envelope for use only in the United Kingdom is enclosed. Without prejudice to Part 6, Sections B and C of the Offer Document, Severn Trent Water Limited reserves the right to treat as valid any acceptance of the Contractual Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In any event, settlement of consideration under the Contractual Offer will not be made until after the relevant share certificate(s) and/or other documents of title or indemnities satisfactory to Severn Trent Water Limited have been received.