

## COMPLIANCE CERTIFICATE

To: Deutsche Trustee Company Limited as Security Trustee

cc: Fitch Ratings, Moody's Investors Service and S&P Global Ratings

From: Yorkshire Water Finance Plc (the "Issuer")  
 Yorkshire Water Services Finance Limited ("YWSF")  
 Yorkshire Water Services Limited ("YWS")

29 November 2024

Dear Sirs

**Amended and Restated Common Terms Agreement dated 10 January 2022 between, among others, the Issuer, YWSF, YWS and Deutsche Trustee Company Limited (the "Security Trustee") (the "Common Terms Agreement")**

Capitalised terms not defined in this certificate have the meaning given to them in the Master Definitions Agreement.

1. We refer to the Common Terms Agreement. This is a Compliance Certificate.
2. We confirm that the ratios are as detailed in the table below in respect of the Calculation Date of 31 March 2024.

Date	30/09/2024	31/03/2025	31/03/2026
	Actual	Forecast	Forecast
Class A RAR	70.1%	71.5%	70.4%
Senior RAR	73.9%	75.2%	74.0%

Test Period	31/03/2025	31/03/2026
	Forecast	Forecast
Class A ICR	4.55x	4.01x
Class A Adjusted ICR	4.55x	4.01x
Senior Adjusted ICR	4.12x	3.73x
Class A Average Adjusted ICR	4.73x	4.73x
Senior Average Adjusted ICR	4.26x	4.26x
Conformed Class A Adjusted ICR	1.59x	1.79x
Conformed Senior Adjusted ICR	1.45x	1.67x
Conformed Class A Average Adjusted ICR	1.69x	1.69x
Conformed Senior Average Adjusted ICR	1.53x	1.53x
Re-profiled Class A ICR	4.35x	4.01x
Re-profiled Class A Adjusted ICR	1.40x	1.80x
Re-profiled Senior Adjusted ICR	1.27x	1.67x
Re-profiled Class A Average Adjusted ICR	1.58x	1.58x
Re-profiled Senior Average Adjusted ICR	1.43x	1.43x

(together the “**Ratios**”).

3. We confirm that each of the above Ratios has been calculated in respect of the relevant period(s) for which it is required to be calculated under the Common Terms Agreement and has not breached the Trigger Event Ratio Levels and has not caused Paragraph 17 (Ratios) of Part 2 (Events of Default – Non-YWH) of Schedule 6 to be breached.
4. We set out below the computation of the following ratios set out in the table in Paragraph 2 above for your information.

Test Period		31/03/2025	31/03/2026
<b>Class A and Adjusted ICR</b>		<b>Forecast</b>	<b>Forecast</b>
Net Cash Flow divided by	£m	661.3	748.7
Class A Debt Interest	£m	145.5	186.9
<b>Class A ICR</b>	<b>times</b>	<b>4.55</b>	<b>4.01</b>
Net Cash Flow	£m	661.3	748.7
Less CCD and IRC	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	661.3	748.7
Class A Debt Interest	£m	145.5	186.9
<b>Class A Adjusted ICR</b>	<b>times</b>	<b>4.55</b>	<b>4.01</b>
Net Cash Flow	£m	661.3	748.7
Less CCD and IRC	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	661.3	748.7
Senior Debt Interest	£m	160.4	200.8
<b>Senior Adjusted ICR</b>	<b>times</b>	<b>4.12</b>	<b>3.73</b>
Year 1 Class A Average Adjusted ICR	times	5.63	5.63
Year 2 Class A Average Adjusted ICR	times	4.55	4.55
Year 3 Class A Average Adjusted ICR	times	4.01	4.01
<b>Class A Average Adjusted ICR</b>	<b>times</b>	<b>4.73</b>	<b>4.73</b>
Year 1 Senior Average Adjusted ICR	times	4.94	4.94
Year 2 Senior Average Adjusted ICR	times	4.12	4.12
Year 3 Senior Average Adjusted ICR	times	3.73	3.73
<b>Senior Average Adjusted ICR</b>	<b>times</b>	<b>4.26</b>	<b>4.26</b>

Test Period		31/03/2025	31/03/2026
<b>Conformed ICR</b>		<b>Forecast</b>	<b>Forecast</b>
Net Cash Flow	£m	661.3	748.7
Less RCV run off (Depreciation)	£m	(348.6)	(414.3)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(80.8)	0.0
Fast/Slow Adjustment	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	232.0	334.5
Class A Debt Interest	£m	145.5	186.9
<b>Conformed Class A Adjusted ICR</b>	<b>times</b>	<b>1.59</b>	<b>1.79</b>
Net Cash Flow	£m	661.3	748.7
Less RCV run off (Depreciation)	£m	(348.6)	(414.3)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(80.8)	0.0
Fast/Slow Adjustment	£m	0.0	0.0
Adjusted Cash Flow divided by	£m	232.0	334.5
Senior Debt Interest	£m	160.4	200.8
<b>Conformed Senior Adjusted ICR</b>	<b>times</b>	<b>1.45</b>	<b>1.67</b>
Year 1 Conformed Class A Average Adjusted ICR	times	1.68	1.68
Year 2 Conformed Class A Average Adjusted ICR	times	1.59	1.59
Year 3 Conformed Class A Average Adjusted ICR	times	1.79	1.79
<b>Conformed Class A Average Adjusted ICR</b>	<b>times</b>	<b>1.69</b>	<b>1.69</b>
Year 1 Conformed Senior Average Adjusted ICR	times	1.47	1.47
Year 2 Conformed Senior Average Adjusted ICR	times	1.45	1.45
Year 3 Conformed Senior Average Adjusted ICR	times	1.67	1.67
<b>Conformed Senior Average Adjusted ICR</b>	<b>times</b>	<b>1.53</b>	<b>1.53</b>

Test Period		31/03/2025	31/03/2026
Re-profiled Class A ICR		Forecast	Forecast
Net Cash Flow	£m	661.3	748.7
Profiling (Revenue Re-profiling) Adjustment	£m	(28.2)	1.1
Re-profiled Net Cash Flow	£m	633.2	749.9
Class A Debt Interest	£m	145.5	186.9
<b>Re-profiled Class A ICR</b>	<b>times</b>	<b>4.35</b>	<b>4.01</b>
Net Cash Flow	£m	661.3	748.7
Less Depreciation (RCV run off)	£m	(348.6)	(414.3)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(80.8)	0.0
Fast/Slow (PAYG) Adjustment	£m	0.0	0.0
Profiling (Revenue Re-profiling) Adjustment	£m	(28.2)	1.1
Re-profiled Adjusted Net Cash Flow divided by	£m	203.8	335.6
Class A Debt Interest	£m	145.5	186.9
<b>Re-profiled Class A Adjusted ICR</b>	<b>times</b>	<b>1.40</b>	<b>1.80</b>
Net Cash Flow	£m	661.3	748.7
Less Depreciation (RCV run off)	£m	(348.6)	(414.3)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	(80.8)	0.0
Fast/Slow (PAYG) Adjustment	£m	0.0	0.0
Profiling (Revenue Re-profiling) Adjustment	£m	(28.2)	1.1
Re-profiled Adjusted Net Cash Flow divided by	£m	203.8	335.6
Senior Debt Interest	£m	160.4	200.8
<b>Re-profiled Senior Adjusted ICR</b>	<b>times</b>	<b>1.27</b>	<b>1.67</b>
Year 1 Re-profiled Class A Average Adjusted ICR	times	1.53	1.53
Year 2 Re-profiled Class A Average Adjusted ICR	times	1.40	1.40
Year 3 Re-profiled Class A Average Adjusted ICR	times	1.80	1.80
<b>Re-profiled Class A Average Adjusted ICR</b>	<b>times</b>	<b>1.58</b>	<b>1.58</b>
Year 1 Re-profiled Senior Average Adjusted ICR	times	1.35	1.35
Year 2 Re-profiled Senior Average Adjusted ICR	times	1.27	1.27
Year 3 Re-profiled Senior Average Adjusted ICR	times	1.67	1.67
<b>Reprofiled Senior Average Adjusted ICR</b>	<b>times</b>	<b>1.43</b>	<b>1.43</b>

Test Period		30/09/2024	31/03/2025	31/03/2026
Gearing		Actual	Forecast	Forecast
Class A debt	£m	6,614.8	6,908.6	7,415.0
Less Cash balances	£m	(171.7)	(289.8)	(395.0)
Class A Net Debt	£m	6,443.0	6,618.8	7,020.0
Class B debt	£m	346.8	349.6	355.9
Senior Net Debt	£m	6,789.9	6,968.4	7,375.9
Regulatory Capital Value (RCV)	£m	9,189.9	9,263.3	9,973.7
<b>Class A RAR</b>	<b>%</b>	<b>70.1%</b>	<b>71.5%</b>	<b>70.4%</b>
<b>Senior RAR</b>	<b>%</b>	<b>73.9%</b>	<b>75.2%</b>	<b>74.0%</b>

5. The Common Terms Agreement requires that Compliance Certificates are completed for the whole YW Financing Group and therefore certain adjustments need to be made to the financial information contained within the financial statements of YWS when calculating the current period ratios as reported in the above tables. The table below detail these adjustments.

Net debt	Reference	30/09/2024 Actual
YWS net debt at 30 September 2024	Note 5 to YW's Interims	£m 5,719.9
Net amounts owed from group companies	Note 5 to YW's Interims	437.2
Fair value adjustment to amounts owed to subsidiary companies	Note 5 to YW's Interims	26.7
Unamortised issue costs	Note 5 to YW's Interims	117.3
Intercompany loans to / (from) other members of the YWFG that reverse on consolidation	Note 5 to YW's Interims	(7.9)
RPI-accretion accrued	Note 5 to YW's Interims	497.4
Yorkshire Water Finance Plc cash at bank		(0.8)
<b>Senior Net Indebtedness</b>		<b>6,789.8</b>
<b>of which Class A Net Indebtedness</b>		<b>6,443.0</b>

We also confirm that:

- (a) no Default or Potential Trigger Event is outstanding;
- (b) YWS's insurances are being maintained in accordance with:
  - (i) the Common Terms Agreement; and

- (ii) the provisions of the Finance Leases;
- (c) the aggregate amount of all accretions by indexation to the original notional amounts of any Super-Senior RPI Linked Hedging Agreements is 5.41% of RCV as at 30 September 2024; and
- (d) no Event of Default or event which would be (with the expiry of a grace period, the giving of notice or the making of any determination or any combination thereof) an Event of Default under any Non-Participating YWSF Bond Debt has occurred and is outstanding.

Yours faithfully

**For and on behalf of  
Yorkshire Water Services Limited**



Nicola Shaw  
Chief Executive Officer



Paul Inman  
Chief Financial Officer

**For and on behalf of  
Yorkshire Water Services Finance Limited**



Nicola Shaw  
Director



Paul Inman  
Director

**For and on behalf of  
Yorkshire Water Finance Plc**



Nicola Shaw  
Director



Paul Inman  
Director