

BRISTOL WATER PLC (the "Company").

TERMS OF REFERENCE FOR THE

SAFETY COMMITTEE

1. CONSTITUTION

- 1.1 The committee has been established by resolution of the board of directors of the Company (the "Board") and is to be known as the Safety Committee ('Committee').

2. SCOPE AND DUTIES

- 2.1 The Safety Committee is a sub-committee of the Board, which will focus on the responsibility for health and safety matters arising from the Company's activities and operations.
- 2.2 The scope and duties of the Committee shall include (but is not limited to):
- 2.2.1 review and make recommendations to the Board on the strategic direction for effective health and safety management, and to communicate, promote and champion health and safety issues;
 - 2.2.2 keep under review the adequacy of the framework of safety, health and policies and procedures within the Company (including training and competency assessment), and compliance with relevant health and safety legislation;
 - 2.2.3 review appropriate health and safety measures, performance targets and KPIs for the Company;
 - 2.2.4 review significant health and safety incidents & investigation reports including near misses for both the Company and its third party contractors;
 - 2.2.5 injury and illness prevention measures within the annual health and safety plan aimed at enhancing standards and promoting a culture free from harm to people;
 - 2.2.6 consider health and safety issues that may have strategic business and reputational implications for the Company and, where necessary, recommend appropriate measures, responses and targets (including performance targets and KPIs for directors and senior managers);
 - 2.2.7 keep under review of the adequacy of the framework of measures adopted by the Company to prohibit or restrict physical access to the Company's sites (whether fully operational or not) by unauthorised members of the public designed to facilitate discharge by the Company of its duty under section 3 of the Health and Safety at Work Act 1974 to ensure so far as is reasonably practicable that such unauthorised persons are not exposed to risks to their health and safety;
 - 2.2.8 review of related contractor and supplier performance; and
 - 2.2.9 receive and review any relevant health and safety audits.

3. MEMBERSHIP

- 3.1 The members of the Committee shall be appointed by the Board from amongst the directors and senior management of the Company and shall consist of at least three members.
- 3.2 At least one member of the Committee shall have recent health and safety experience.
- 3.3 The Board shall appoint a chair of the Committee (the "Chair") and shall decide their period of office. The Chair shall be an independent non-executive director and shall not be the Chairman of the Company.
- 3.4 The Board shall regularly review the membership of the Committee as it deems necessary.

4. QUORUM

- 4.1 A quorum shall be two members of which one must be a director appointed to the Committee. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. ATTENDANCE AT MEETINGS

- 5.1 No one other than the Committee Chair and members is entitled to be present or vote at a meeting of the Committee.
- 5.2 The Committee may call upon any director, employee of the Company or any Group company to attend and speak at any meeting of the Committee.

6. SECRETARY

- 6.1 The Company Secretary shall act as the secretary of the Committee ("Secretary").

7. FREQUENCY OF MEETINGS

- 7.1 Meetings shall be held at such times as the Committee deems appropriate, and in any event shall be held not less than four times a year.

8. PROCEEDINGS

- 8.1 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the Company's Articles of Association regarding the meetings, proceedings and voting rights of directors.
- 8.2 Meetings of the Committee shall be summoned by the Secretary at the request of any member thereof.
- 8.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the Committee not later than 72 hours (where possible) prior to the date of the meeting.

- 8.4 The Secretary shall record the proceedings and resolutions of meetings of the Committee and shall circulate the minutes of such meetings to all members of the Committee and to all members of the Board.
- 8.5 In the absence of the Committee Chair and/or an appointed deputy, those members present shall elect one of their number to chair the meeting.

9. AUTHORITY

- 9.1 The Committee is authorised by the Board at the expense of the Company to investigate any matter within its terms of reference. It is authorised to seek any information that it requires from any employee in order to perform its duties and all employees are directed to cooperate with any request made by the Committee.
- 9.2 The Committee is authorised by the Board at the expense of the Company to obtain external professional advice and to secure the attendance of third parties with relevant experience and expertise at meetings of the Committee if it considers this necessary.
- 9.3 These terms of reference may be amended from time to time as required, subject to approval by the Board.
- 9.4 The Committee shall at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;

10. REPORTING RESPONSIBILITIES

- 10.1 The Committee shall in a timely manner report any major incidents, concerns or issues to the Board of the Company and its shareholders.
- 10.2 The Committee Chairman shall report formally to the Board on the committee proceedings after each committee meetings
- 10.3 The Committee shall make a statement in the Company's Annual Report about its activities, membership, number of meetings and attendance.