

BRISTOL WATER PLC (the "Company")

TERMS OF REFERENCE FOR THE ADMINISTRATION COMMITTEE

1. CONSTITUTION

The Committee has been established by resolution of the board of directors of the Company (the "Board") and is to be known as the Administration Committee ("Committee"). The Committee shall have delegated responsibility from the Board to deal with items of a routine and administrative nature as set out below.

2. MEMBERSHIP

2.1 The members of the Committee shall be selected from amongst the statutory directors of the Company.

3. QUORUM

A meeting of the Committee shall be constituted by any two or more directors of the Company and a quorum shall be any two directors.

4. SECRETARY AND MEETINGS

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

4.2 Meetings shall be convened by the Secretary with regard to the administrative matters that arise during the year.

5. AUTHORITY

5.1 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.

5.2 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.

5.3 These terms of reference may be amended from time to time as required, subject to approval by the Board. These terms of reference will be reviewed every three years.

6. RESPONSIBILITIES

The Committee shall have the power and authority to review and approve any matter which is referred to the Committee by the Board from time to time.

7. REPORTING PROCEDURE

The minutes of all Committee meetings shall be circulated to members of the Board.