

CORPORATE GOVERNANCE

References in this section to the Company are to British Energy Group plc. The Company became the ultimate holding company of the Group on the Restructuring Effective Date. References to British Energy plc are to the ultimate holding company of the Group prior to the Restructuring Effective Date.

References to the 'post-RED trading period' are to the period from the Restructuring Effective Date until 31 March 2005. References to the 'year' are to the year ended 31 March 2005 and include the post-RED trading period unless otherwise stated. Where the Company is referred to in the context of the year, that reference includes British Energy Limited unless otherwise stated.

OVERVIEW

As the successor company to British Energy plc, the Company has sought to build on its experience of corporate governance in formulating the practices and policies outlined below.

The Directors consider that during the year the Company has been in compliance with the requirements set out in Section 1 of the revised Combined Code incorporating the principles of good governance and code of best practice (the Combined Code) published in July 2003. They also consider that the Company has complied with the US Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act) as if it were a domestic US issuer to the extent that it is required to do so under the terms of the New Bonds issued in connection with the Restructuring.

THE BOARD

MEMBERSHIP

Adrian Montague held office as Chairman throughout the year. Mike Alexander served as Chief Executive until his resignation on 20 March 2005. Following that resignation, Bill Coley, formerly an independent Non-Executive Director of the Company accepted the position of Chief Executive. His appointment became effective on 14 April 2005 when he received the relevant documentation to work in the UK. The other Executive Directors are Roy Anderson, Chief Nuclear Officer and Stephen Billingham, Finance Director. In addition there are six further Non-Executive Directors. Biographies of the Directors are set out on pages 30 and 31. The Chief Executive is responsible for safety throughout the Group.

The Directors are satisfied that the Company also complies with the sections of the Combined Code concerning the balance of the Board. Throughout the year, the number of Non-Executive Directors was greater than the number of Executive Directors. At the start of the year the Company had three Executive and seven Non-Executive Directors in addition to the Chairman. At the period end the Company had three Executive and six Non-Executive Directors in addition to the Chairman. With the exception of Adrian Montague, who held an executive office with British Energy plc temporarily for part of the financial year ending 31 March 2003 (following his appointment as Executive Chairman in November 2002), all Non-Executive Directors are independent. The Company's independent Non-Executive Directors are currently Clare Spottiswoode, Pascal Colombani, John Delucca, Ian Harley, David Pryde and Sir Robert Walmsley. Clare Spottiswoode was the Company's Senior Non-Executive Director and Deputy Chairman throughout the period. The Remuneration Committee Report on pages 38 to 44 provides further details of appointments to and resignations from the Board during the year.

Roy Anderson joined the Company on 5 July 2004 and became a Director on 16 September 2004. Stephen Billingham joined as Finance Director Designate on 25 August 2004, becoming Finance

Director on 16 September 2004. David Pryde was appointed as an independent Non-Executive Director on 1 September 2004. On 5 August 2004, David Gilchrist (formerly Managing Director, Generation) resigned as a Director. Martin Gatto resigned as interim Finance Director on 16 September 2004. He remained with British Energy plc as Chief Financial Officer until 31 December 2004.

The Company's Articles of Association provide that at each annual general meeting any Director who has been appointed by the Board since the previous annual general meeting is required to retire and may seek election, together with such other Directors so as to ensure that the number nearest to but not greater than one third of the Directors for the time being stand for election or re-election. As British Energy Group plc is a newly formed company which will hold an annual general meeting for the first time this year, all Directors will require to stand for election at the forthcoming annual general meeting. In order to comply with the provisions of Rule 7 of the Combined Code, all Directors will be required to seek re-election at least every three years. The Company's policy is that Directors should retire at the first annual general meeting after their 66th birthday.

CONDUCT OF BUSINESS

The Board meets sufficiently regularly to discharge its duties effectively and plans to meet at least 11 times in any year. It met 32 times during the year. There is contact amongst the Directors between Board meetings as necessary to progress the Company's business.

In accordance with the requirements of the Combined Code, the Board has a number of matters reserved to it, including appropriate strategic, financial and organisational matters. These are considered at the Board's monthly meetings. The Board receives reports covering operational, financial, safety, risk management and regulatory performance to assist it in identifying key issues for the business on a regular and timely basis. Where appropriate, matters have been delegated to Board Committees, all of which have written constitutions and terms of reference. Further details of the individual Directors and executive team, their roles and membership of the various committees are identified on pages 30 and 31 of this Report.

All of the Non-Executive Directors serving on the Board have held senior positions in other major organisations either in the UK or internationally. Each of them is involved in decision-making on key issues facing the Group and collectively bring with them a wide range of experience to the Board. The Non-Executive Directors of the Company meet as a group from time to time without Executive Directors present and from time to time also meet without the Chairman present.

All Directors may obtain independent professional advice at the Company's expense and all Directors have access to the advice and services of Robert Armour, the Company Secretary who is accountable to the Board through the Chairman on all corporate governance matters.

PERFORMANCE EVALUATION

Performance evaluation of the Board, Chairman and individual Directors and the effectiveness of the committee structure was carried out during the year using a detailed questionnaire which was completed by the Board and the executive management. A report on the key findings was issued to the Board in September 2004 and our committee structure was reviewed and amended to remedy certain issues identified.

CORPORATE GOVERNANCE

RISK MANAGEMENT

The Board is responsible for determining strategies and policies for risk and control, and management is responsible for designing, operating and monitoring risk and control processes which implement Board policies effectively. In accordance with the Turnbull Guidance, risk management and internal control are considered by the Board and its committees during the year. Further details on the Group's present committee structure appear below.

The risk management process operating throughout the period and up to the date of approval of the report was based on the identification, mitigation and monitoring of the key risks that influence the Company's strategy and business objectives.

The Board periodically reviews the Group's business objectives and the risks and controls associated with these business objectives. Specific categories of risk are also reviewed by appropriate committees, including the Group Risk Management Committee (GRMC) and by subsidiary boards (see below). Risks reviewed by the Board include: safe operation of our plant; operational risks including reliability, output, plant condition and human performance; the financial position of the Group; changes in energy markets; nuclear safety and safety regulations; commercial and environmental regulation; policy proposals by legislative bodies in the markets in which we operate; treasury and trading financial exposures; major contracts; and the procurement of radioactive waste management services.

Throughout the year the Company's reporting arrangements operated across the Group's operating subsidiaries and corporate functions, monitoring business performance against key performance indicators and the business plan. Risk logs identifying business risks facing the Group as a whole and particular parts of the business were regularly considered at subsidiary and divisional level and reported to the Group's executive, and mitigation plans were established and monitored. The Group's principal operating subsidiaries monitored internal control and risk mitigation throughout the period. In particular, the boards of the UK nuclear subsidiaries (Generation Boards) reviewed the operation of the Company's nuclear power stations and risk and internal control issues affecting those businesses.

The conduct of risk assessment involves senior management of all of the Group's business units in addition to the Executive Directors. The results of these assessments are summarised and reported to the Board. These risk assessments will continue to be used as part of the Company's evaluation of the risks it faces.

The Generation Boards report on management and decommissioning liabilities to the Board which, in turn, requires to approve the annual liabilities report required under the Nuclear Liabilities Funding Agreement.

ELECTRICITY TRADING RISK MANAGEMENT

Electricity trading activities predominantly relate to supporting the generation business. The trading team, therefore, act in the main as wholesale marketers rather than as pure financial traders, with the principal objective of increasing the return on assets while managing the market risk associated with the output of the power stations.

Under BETTA, which took effect from 1 April 2005, any mismatch between actual metered generation (or demand) and the notified contract position is settled through the balancing mechanism at

generally unfavourable prices. The Company aims to sell all planned nuclear output forward and to minimise exposure to the balancing mechanism.

The risks in the wholesale market are managed through a contracting strategy that builds a portfolio of forward contracts of different lengths.

A sub-committee of the Board strictly monitors energy trading activities and risks which are controlled through delegated authorities within an overall energy trading risk management policy. There are procedures for setting limits on market and operational risks and managing credit exposure to trading and financial counterparties within clearly defined limits.

COMMITTEE STRUCTURE DURING THE PERIOD

The chairman of each committee reports to the Board following each committee meeting on decisions taken or endorsed and making recommendations as appropriate to the Board. The Board may delegate authority to each of the committees where the subject of the delegation does not require Board approval. The papers for each committee are made available to all Board members, other than those for the Remuneration Committee and the Governance and Nominations Committee, which are only circulated to independent members or as those committees may direct. The Chief Executive reports to the Board each month on the decisions or recommendations of the Executive Committee. The committee structure is intended to allow the committees to scrutinise performance in more detail than the Board could achieve in full session and so allows the Board to focus to a greater extent on strategic issues.

It is the Company's policy that committees are provided with sufficient resources to undertake their duties. The Company may make further changes to Committee structures or roles in due course in order to comply with further developments in corporate governance best practice. The current terms of reference for each committee are available on the Company's website.

BOARD COMMITTEES

The committee structure was carried across to the Company from British Energy plc. The current committee structure is described below:

AUDIT COMMITTEE

The Audit Committee is comprised entirely of independent Non-Executive Directors. Ian Harley is Chairman and John Delucca is Deputy Chairman of the Committee. Ian Harley and John Delucca are considered to be the financial experts on the Audit Committee. The Audit Committee has the primary purpose of assisting the Board in overseeing the integrity of the Company's financial statements, and the Company's compliance with legal and regulatory requirements. The Committee is also responsible for considering and recommending appropriate accounting policies for the Group, reviewing the adequacy and effectiveness of internal control and compliance procedures within the Company and ensuring that the Group complies with all statutory requirements in relation to the principles, policies and practices adopted in the preparation of the financial statements. The Committee reviewed risk management processes across the Group including actions to mitigate or control key risks facing the Company. The Committee receives reports from both external and internal auditors in relation to matters arising from their work and is also responsible for encouraging and monitoring the adoption of best practice in corporate governance.

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The Committee receives reports twice per year from the GRMC. The Committee reviews the scope and results of the external audit including the auditors' cost-effectiveness, independence and objectivity, and is responsible for making recommendations to the Board in relation to the appointment and independence of the external auditors and their remuneration. The Committee also reviews the nature and extent of the non-audit services provided by the external auditors to the Group to ensure that these are appropriate, and that a balance of objectivity and value for money is maintained. The Committee normally meets the day prior to Board meetings and otherwise as required by the business of the Company. The Audit Committee met 21 times during the year.

REMUNERATION COMMITTEE

A separate Remuneration Report containing details of the Remuneration Committee appears on pages 38 to 44.

GOVERNANCE AND NOMINATIONS COMMITTEE

The Governance and Nominations Committee is comprised entirely of Non-Executive Directors and is chaired by Sir Robert Walmsley. It replaced the Nominations Committee in November 2004. The Governance and Nominations Committee is responsible for encouraging and monitoring the adoption of good corporate governance practice drawing on the practices and codes prevailing in the UK, US and the EU. It reviews the Company's code of conduct and ethics and compliance with this code and the Company's legal obligations generally. Going forward the Governance and Nominations Committee will advise on the corporate social responsibility performance of the Group. The Governance and Nominations Committee also advises the Board in relation to senior appointments throughout the Group. Board appointments recommended by the Committee will be made after an appropriate search and selection process has been undertaken, including, where appropriate, the use of external advisers to identify suitable candidates. The Governance and Nominations Committee met 10 times during the year.

SAFETY, HEALTH AND ENVIRONMENT COMMITTEE

The Safety, Health and Environment Committee (SHEC) provides advice to the Board in relation to the health and safety of staff, contractors, visitors and the general public, plant safety and the environmental performance of the Company. It reviews key safety and environmental risks affecting the Company's business and the actions taken to mitigate or control them. It is chaired by Sir Robert Walmsley and also includes three independent experts as well as certain other Directors and senior managers of the Group. The meetings, which consider both site-specific and generic issues, are held in rotation at the nuclear power stations with the station manager and site safety representatives in attendance. The SHEC met four times during the year.

NUCLEAR PERFORMANCE REVIEW COMMITTEE

The Nuclear Performance Review Committee (NPRC) considers and advises the Board and the Executive Committee on issues relating to the performance of and improvements to the Group's nuclear fleet including operational performance, performance improvement, plant reliability, preventive maintenance and materiel condition. The NPRC reviews and advises on the implementation and direction of the Company's ongoing Performance Improvement Programme. The Committee is chaired by Dr Pascal Colombani and its membership includes Sir Robert Walmsley, other Executive Directors and certain other senior managers with appropriate technical expertise. The Chief Executive, the Chief Nuclear Officer and executives of the Generation Boards will continue to have responsibility for and will direct the operational and safety policy

of the Group's nuclear operations. The NPRC met 10 times during the year.

EXECUTIVE COMMITTEE

Chaired by Bill Coley, the Executive Committee comprising the senior executives, directs the business of the Group in accordance with delegated authorities from the Board. The Executive Committee meets weekly to maintain close scrutiny and management of the Group's affairs, directing performance, taking corrective action and ensuring the Board is kept abreast of all material events.

TRADING REVIEW COMMITTEE

The Trading Review Committee, chaired by David Pryde, was established shortly after his appointment and meets every second month to review hedging and risk management strategy for trading and to ensure activities are conducted within overall risk limits. The Trading Review Committee reviews and provides advice on the management and use of risk measurements and control, as well as monitoring performance against strategy. It also oversees the management and maintenance of the policies, procedures, authorisation and overall risk control framework which is carried out by a sub-committee, the Trading Risk Sub-Committee. The Trading Review Committee met four times during the year.

MANAGEMENT COMMITTEES AND SUBSIDIARY BOARDS

Throughout the year a number of executive management committees and subsidiary boards were used to assist the Directors in controlling the business. These included the Generation Boards which directed operational and safety policy in the Group's nuclear operations. The Chief Executive, Chief Nuclear Officer and Executive Directors on the nuclear generation subsidiary boards continue to direct the operational and safety policy of our nuclear operations.

GROUP RISK MANAGEMENT COMMITTEE

The GRMC is an Executive Committee chaired by Stephen Billingham. The GRMC meets every two months to review the group-wide risk management processes of the business, maintain an overview of the risks facing the business and reports to the Audit Committee twice per year. The GRMC met six times during the year.

PENSIONS COMMITTEE

This is an Executive Committee which monitors the management of the two Group Pension Schemes and is chaired by Sally Smedley. The chairmen of the British Energy Generation Group Trustees and the British Energy Combined Group Trustees are members, as are certain other Directors and senior managers of the Group. The Pensions Committee reviews and advises on the policies being adopted by the trustees of these Schemes and is responsible for advising the Board and reporting to the Audit Committee on all matters relating to these Schemes. The Pensions Committee met three times during the year.

DISCLOSURE COMMITTEE

This management committee was established by the Company as part of its response to the requirements of the Sarbanes-Oxley Act. It is chaired by the Group Financial Controller, and comprises management level representatives of operational and corporate departments from throughout the Group. Its role is to review the accuracy and completeness of the Company's proposed financial and certain other public statements and/or reports. The Disclosure Committee met 16 times during the year. It reports to the Audit Committee, the Chief Executive and the Finance Director.

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The attendance of Directors at Board and committee meetings in the period is set out in the table below:

	Board	Audit Committee	Remuneration Committee	Governance and Nominations Committee	Safety, Health and Environment Committee	Nuclear Performance Review Committee	Trading Review Committee
Number of times Board and Committees met in the year¹	32	21	21	10	4	10	4
Adrian Montague	32 (32)	–	19 (21)	6 (6)	–	–	–
Bill Coley ²	29 (32)	8 (15)	11 (19)	8 (10)	–	9 (10)	–
Roy Anderson ³	20 (20)	–	–	–	1 (3)	–	–
Stephen Billingham ³	20 (20)	–	–	–	–	–	4 (4)
Clare Spottiswoode	25 (32)	11 (21)	20 (21)	4 (6)	–	–	4 (4)
Ian Harley	24 (32)	21 (21)	12 (13)	7 (10)	–	–	4 (4)
Pascal Colombani	25 (32)	–	–	3 (4)	–	8 (10)	–
John Delucca	30 (32)	20 (21)	–	3 (4)	–	–	3 (4)
David Pryde ⁴	18 (22)	9 (12)	5 (6)	–	–	–	4 (4)
Sir Robert Walmsley	25 (32)	13 (21)	18 (21)	10 (10)	4 (4)	7 (10)	–
Mike Alexander ⁵	30 (32)	–	–	–	–	–	4 (4)
David Gilchrist ⁶	7 (7)	–	–	–	2 (2)	–	–
Martin Gatto ⁷	11 (11)	–	–	–	–	–	–

Notes

¹ Figures in parentheses refer to the number of Board or committee meetings which Directors were entitled to attend during their term as a Director.

² Bill Coley resigned from the NPRC and the Governance and Nominations Committee on his appointment as Chief Executive.

³ Appointed on 16 September 2004

⁴ Appointed on 1 September 2004

⁵ Resigned on 20 March 2005

⁶ Resigned on 4 August 2004

⁷ Resigned on 16 September 2004

ORGANISATIONAL STRUCTURE

There are clearly defined lines of accountability throughout the Group. These include strict authorisation approval and control procedures within which senior management operate. Similarly, the senior management team within each subsidiary or division is responsible for its internal financial controls. Those management teams operate within an overall framework determined by the Board.

REMUNERATION POLICY

We permit Executive Directors to accept external non-executive directorships provided they do not cause a conflict or inhibit the Director's ability to work for the Company. Each such appointment including the details of emoluments is subject to Board approval. During the year Mike Alexander held a non-executive directorship with Associated British Foods plc receiving remuneration of £37,500 in the year.

SECTION 330 COMPANIES ACT 1985 – LOANS TO DIRECTORS

A payroll systems error was identified and subsequently rectified during the year ended 31 March 2005. As a result of this error, personal retirement benefit contributions were not deducted in full

from the salary of some higher paid employees. Following detailed investigation, the individuals concerned, including two Directors of the Company, Mike Alexander and David Gilchrist were granted up until 31 March 2008 by the Company's Remuneration Committee to repay the salary overpayments of £26,820 and £15,483 respectively. After further consideration, the Company recognised that this extended time period might constitute a breach of section 330 of the Companies Act 1985 and requested that all outstanding amounts be repaid. Mike Alexander had repaid £13,600 up to the end of July 2005. The balance will be recovered from him as part of any payment of compensation for loss of office. David Gilchrist had repaid the full amount overpaid by 31 March 2005.

INVESTMENT APPROVAL

The approval of capital and revenue schemes above certain limits is reserved to the Board. Other investment decisions are delegated for approval in accordance with authority limits. The Group has comprehensive appraisal and monitoring procedures which apply to all material investment decisions.

BUSINESS PLANNING

A comprehensive business planning and budgeting process to establish plans and targets, against which performance is regularly monitored, is undertaken each year. Key business risks identified during the planning process are reviewed regularly throughout the year. The Board receives monthly reports and management accounts and reviews the overall Group performance against budget and the latest forecasts for the current year. Similarly, each subsidiary and divisional management team meets regularly to monitor performance.

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INTERNAL COMPLIANCE AND CONTROL

The Board is responsible for the Group's system of internal controls and reviewing its effectiveness. The identification of key business risks, the evaluation of their financial and other implications and formulation of policies to manage such risks is the responsibility of the Directors. This system is designed to identify and manage, rather than eliminate, risk and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board assessed the effectiveness of the Company's internal controls as of the date of this Report. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) in Internal Control-Integrated Framework.

Compliance with the Group's internal financial, risk management and other controls is monitored by a number of methods including management reviews and self-certification reports from Directors and senior officers of each of the key subsidiaries or divisions. The Group's internal audit function is responsible for providing assurance on the performance of the internal financial and risk management control system and computer operations and reports regularly to the Audit Committee. Internal audit work is focused on the areas of highest risk as agreed and prioritised by the Audit Committee. The scope of work, authority and resources of the internal audit function are reviewed by the Audit Committee at least annually.

Steps are being taken to embed internal controls and risk management further into the operations of the business and to explore areas of improvement which come to management and the Board's attention.

SARBANES-OXLEY ACT

The Sarbanes-Oxley Act introduced new and enhanced standards of corporate governance and business and financial disclosure for companies with securities registered pursuant to the US Securities Exchange Act of 1934, as amended (the Exchange Act). Many of these requirements apply to the Company as a non-US company with securities registered under the Exchange Act. Examples of these standards include the requirement that our Chief Executive and Finance Director certify the accuracy of the disclosure, the efficacy of the internal controls and other matters relating to the preparation of our annual report filed with the SEC; changes to the role and composition of the Audit Committee; and rules relating to internal controls. Furthermore, under the terms of the New Bonds, issued pursuant to the Restructuring, we have agreed to prepare quarterly reports (on Form 6-K) and annual reports (on Form 20-F) containing the information required to be disclosed therein as if we were a domestic US issuer and not a 'foreign private issuer'. We comply with the Sarbanes-Oxley Act as if we were a domestic US issuer to the extent that we are required to do so under the terms of the New Bonds and only to the extent that it does not conflict with or violate any law, rule or regulation of the UK including, but not limited to, the Companies Act 1985, or any code or other requirement (including, but not limited to, the Combined Code and the listing standards of the UKLA).

The SEC, as directed by Section 404 of the Sarbanes-Oxley Act (Section 404), adopted rules requiring public companies to include a report by management in their annual filing with the SEC that contains an assessment by management of the effectiveness of internal controls over financial reporting.

In addition, independent auditors must report two opinions; firstly; on management's assessment of the effectiveness of internal controls over financial reporting, and secondly, on their own assessment of the effectiveness of internal controls over financial reporting.

As a result of the New Bond terms, we will be reporting under Section 404 for the year ended 31 March 2005, two years earlier than we are required to as a 'foreign private issuer'.

We have reviewed and tested our internal controls over financial reporting in order to ensure compliance with the Section 404 requirements. A dedicated implementation team has been formed which is led by a senior member of our finance department, who regularly attends Audit Committee meetings to provide status reports as well as having regular dialogue with the Chairman of the Audit Committee. The implementation team includes representatives from the Company's internal audit department. The Company has also appointed independent external consultants to work with the implementation team to ensure that its approach to compliance with Section 404 is thorough and robust. They also provide the Company with regular advice on how interpretation of this new regulation is developing in the US and the rest of the world to ensure that we are able to adapt our approach to emerging practice as necessary.

CORPORATE SOCIAL RESPONSIBILITY

The Company will publish a separate Corporate Social Responsibility Report on its website later this year. This will include details of our record on safety and environmental performance. Further information on our approach to corporate social responsibility is contained on pages 25 to 27.

We have implemented a procedure to allow staff to raise serious concerns, suspicions of fraud or money laundering, suspicious accounting treatment or practices, and any other suspicious or non-compliant activity which an employee may observe on a confidential basis. In relation to allegations of serious fraud this procedure involves direct referral to an external independent organisation which will record concerns and determine the appropriate person to investigate them and recommend any action required to address resulting issues.

GOING CONCERN

The Board considers it appropriate to prepare these financial statements on a going concern basis because, having reviewed the Group's cash flow position and outlook, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue operating for the foreseeable future as a going concern. In addition, the Company has not been liquidated nor is it ceasing to trade. In previous reporting periods the Directors have reported that the validity of this assumption depended on the fulfilment of the conditions of the Restructuring within the timescales envisaged or required and the continuation of the restructuring and standstill arrangements with certain creditors and financial assistance from the Secretary of State pursuant to the credit facility provided by the Government prior to Restructuring and there being no material deterioration in the Group's cash flow position, performance or outlook. Following completion of the Restructuring on 14 January 2005, the fundamental uncertainties associated with the Restructuring, which had existed prior to this date, have been removed.

CORPORATE GOVERNANCE

COMMUNICATION WITH SHAREHOLDERS AND STAKEHOLDERS

The Company recognises the importance of maintaining an ongoing relationship with its shareholders and stakeholders. It intends to use its annual general meeting on 15 September 2005 as an opportunity to communicate with shareholders, and at that meeting a business presentation will be made by the Chief Executive and by other Directors, if appropriate. It is the Company's policy that all Directors are available to answer shareholders' questions at the annual general meeting. In addition, the Chairman, the Chief Executive, the Chairman of the Audit Committee, the Finance Director and the Senior Independent Non-Executive Director will meet with the Company's principal shareholders on request to discuss relevant issues when they arise. The Company seeks to ensure that the Directors, particularly the Non-Executive Directors, develop an understanding of the views of major shareholders through various routes including meetings and analysts' or brokers' briefings. The Company Secretary's office responds to numerous letters from shareholders on various issues throughout the year. Information sent to shareholders and copies of all Company announcements are made available on the Company's website – www.british-energy.com.

The notice of British Energy plc's annual general meeting last year, held on 5 August 2004, was dispatched to shareholders not less than 20 working days before the meeting and details of proxy votes received were made available in accordance with the recommendations of the Combined Code.



ROBERT ARMOUR, COMPANY SECRETARY
27 JULY 2005