



**TERMS OF REFERENCE  
OF  
REMUNERATION COMMITTEE  
OF  
KELLER GROUP PLC (“the Company”)**

References to “the Committee” shall mean the Remuneration Committee.

References to “the Board” shall mean the Board of Directors.

References to “the Group” shall mean the Company and its subsidiaries.

**A. Membership**

1. The Committee shall comprise a Chairman and at least two other members, each of whom shall be appointed by the Board.
2. All members of the Committee shall be non-executive directors who should be independent of management and free from any business or other relationship, which could interfere with the exercise of their independent judgement.
3. Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three year periods, provided the director remains independent.
4. The Board shall appoint the Committee Chairman who shall be an independent non-executive director. Although the Chairman of the Company might qualify as a member of the Committee, they shall not be eligible to be appointed as Chairman of the Committee.
5. The Company Secretary or their nominee shall act as the Secretary of the Committee.

**B. Meetings**

1. The Committee shall meet at least twice a year and at such other times as the Chairman of the Committee shall require. Meetings should be organised so that attendance is maximised (e.g. by time-tabling them to coincide with Board meetings).
2. A meeting of the Committee may be called by any member of the Committee or by the Secretary.
3. The quorum necessary for the transaction of business by the Committee shall be two.
4. Notice of each meeting of the Committee, confirming the venue, time and date, and enclosing an agenda of items to be discussed, together with supporting papers

shall, unless otherwise agreed by all concerned, be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, not fewer than five working days prior to the date of the meeting.

5. Only members of the Committee have the right to attend meetings of the Committee. The Chief Executive will be invited to attend meetings on a regular basis. Other individuals may be invited to attend all or part of any meeting as and when appropriate.
6. In the absence of the Committee Chairman or any appointed Deputy, the remaining members present shall elect one of their number to chair the meeting.
7. The Secretary shall keep appropriate records of all meetings of the Committee as well as minutes of the proceedings and all decisions made.
8. Minutes of Committee meetings shall be circulated promptly to all members of the Committee.

### **C. Annual General Meeting**

The Chairman of the Committee shall attend the Annual General Meeting (AGM) prepared to respond to shareholders' questions on the Committee's activities.

### **D. Duties**

The Committee shall:

1. determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chairman, executive directors, their direct reports and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the Chairman and the executive directors. No Committee attendee shall participate in any discussion or decision on their own remuneration.
2. in determining such policy, take into account factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;
3. review the ongoing appropriateness and relevance of the remuneration policy;
4. review and note annually the remuneration trends across the Group.
5. approve the design of, and determine the targets for, any performance related pay schemes for executive directors and approve the total annual payments made under such schemes;

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6. review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used.
7. within the terms of the agreed policy, and in consultation with the Chairman and/or Chief Executive as appropriate, determine the total individual remuneration package of each executive director of the Group including, where appropriate, bonuses, incentive payments and share options or other share awards;
8. in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the UK Corporate Governance Code and the UK Listing Authority's Listing Rules and associated guidance;
9. determine the policy for, and scope of, pension arrangements for executive directors;
10. in the case of executive directors, ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
11. approve any major changes in employee benefit structures throughout the Group;
12. agree the policy for authorising claims for expenses from the Chief Executive and Chairman;
13. ensure that all provisions regarding disclosure of remuneration, including pensions, as set out in the Directors' Remuneration Report Regulations 2002 and the UK Corporate Governance Code, are fulfilled; and
14. be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee; and obtain reliable, up-to-date information about remuneration in other companies.

**E. Reporting Responsibilities**

1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit, where action or improvement is needed.
3. The Committee shall produce an annual report of remuneration policy and practices which will form part of the Company's Annual Report and ensure each year that it is put to shareholders for approval at the AGM.

**F. Other**

1. The Committee shall, at least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

**G. Authority**

1. The Committee is authorised by the Board to seek any information it requires of the Company in order to perform its duties. For ease of reference this should be requested via the appropriate executive director.
2. The Committee is authorised by the Board, when the fulfillment of its duties requires, to obtain any outside legal or other professional advice at the company's expense. Any authority to incur costs at the company's expense is subject to the company's prior approval to the expenditure and such approval shall not be unreasonably withheld.