

Carillion plc

MINUTES OF A MEETING OF THE REMUNERATION COMMITTEE OF THE BOARD OF DIRECTORS

Held at 25 Maddox St., London W1
on
Thursday 3 December 2015 at 9.00 am

Present:	Mrs. A. Horner Mr. K. Cochrane Mr. A. Dougal Dr. C. Powell Mr. S. Mogford	Chairman
In Attendance:	Mr. R. F. Tapp Mr. R.J. Howson Mr. P.N. Green Mrs. J. Dawson Ms. J. Halfhead	Secretary Deloitte

1.0 Minutes

The minutes of the meeting of 4 November 2015 were approved.

2.0 Meeting Schedule 2015-2016

The meeting schedule was noted.

3.0 Directors Remuneration Report and Disclosures 2015

The draft Directors Remuneration Report had been circulated. The Committee's attention was drawn to the bonus disclosure in the draft report, and to the fact that the report dealt with the second part of the planned increase in the Chief Executive's remuneration, subject to consideration by the Committee later in the meeting.

Members of the Committee were asked to notify Mrs Dawson of any comments or queries on the draft report.

4.0 Bonus Design 2016

A paper detailing the Bonus Design for 2016 had been circulated. Ms Halfhead outlined the detail of the proposal, and after discussion the proposal was approved in principle, subject to the approval of the Budget at the Board at its forthcoming

meeting. A sub-committee comprising Mrs Horner and any other member of the Committee was authorised to finalise and confirm the Bonus Design thereafter.

[POST-MEETING NOTE: the Committee considered the position further after the Board had approved the Budget at its meeting on 8 December when it was agreed that Mr Howson would review the position in respect of the relationship of target and budget and would revert.]

Responding to Mr Dougal, Mrs Dawson agreed to circulate details of the provisions relating to the Committee's ability to manage exceptions.

5.0 Chief Executive - Second Stage Salary Review 2016

Mr Howson left the room for the discussion of this item.

A paper detailing the proposed salary for the Chief Executive had been circulated. After discussion it was agreed that the planned second stage of the Chief Executive's salary review should be implemented.

6.0 Proposal for Round Sum Expenses Allowance

The proposal for Round Sum Expenses Allowance was noted, and it was agreed that such an allowance should be approved at a level of £150/per night, which should be reviewed every three years.

7.0 Chairman's Remuneration

Mr Green left the room for the discussion of this item. Ms Halfhead's paper was noted, and she briefed the Committee on relevant comparators.

After discussion it was agreed that the Chairman's remuneration be increased to £215,000 per annum with effect from January 2016.

It was anticipated that any future increase in remuneration would be aligned with the increase applicable to the general workforce.

It was noted that the remuneration of non-executive directors would be reviewed at the end of 2016.

8.0 Annual Review of Expenses

A paper detailing claims received for expenses had been circulated.

9.0 Evaluation Report

The evaluation report was considered and discussed.

10.0 Date of Next Meeting

The next meeting would be held on 25 February 2016 at Maddox Street.

Chairman