

# KINGSPAN GROUP PLC

## Acquisitions Committee terms of reference

### 1. Membership

- 1.1. An Acquisition Committee ("**the Committee**") shall be established as a sub-committee of the Board.
- 1.2. Membership of the Committee shall comprise the Group Chief Executive Officer, and two other independent non-executive directors appointed by the Board.
- 1.3. Only members of the Committee have the right to attend at Committee meetings. However, the Group Finance Director, external advisers, and any other individuals may be requested to attend for all or part of any meeting, as and when appropriate.
- 1.4. Appointments to the Committee shall be for such period as the Board may determine, and shall automatically terminate upon the member ceasing to be a director of the Board.
- 1.5. The Board shall appoint the Committee Chairman who should be an independent non-executive director.

### 2. Secretary

- 2.1. The Company Secretary or their nominee shall act as the Secretary of the Committee.

### 3. Quorum

- 3.1. The quorum necessary for the transaction of business shall be 3 members. 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.
- 3.2. Any member may join in a meeting of the Committee by telephone, and any meeting of the Committee may be held by means of telephone or other similar communication whereby all persons participating in the meeting can hear each other speak; and participation in a meeting in this manner shall constitute presence in person at such meeting.
- 3.3. A resolution signed or approved in writing (or by e-mail) by all the members of the Committee shall be as effective for all purposes as a resolution passed at a meeting of the Committee duly convened and held, and may consist of several documents in the like form each signed or approved by one or more of the Directors.

### 4. Frequency of Meetings

- 4.1. The Committee shall meet at such times and as frequently as necessary for the proper performance of its functions.

### 5. Notice of Meetings

- 5.1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Group Chief Executive Officer or the Chairman of the Committee.

- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed together with supporting papers as appropriate, shall be forwarded to each member of the Committee, no later than 3 working days before the date of the meeting.

## 6. Minutes of Meetings

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

## 7. Annual General Meeting

- 7.1. The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

## 8. Duties

- 8.1 The Committee shall:
- 8.1.1 Have full authority to approve and authorise any investment by the Group, whether by way of acquisition of shares, business and assets, joint venture, capex, share subscription or otherwise, involving a commitment by the Group of between €3,000,000 and €15,000,000 (or such other limits as the Board may from time to time agree ("**the authorised limits**")), and which relates to the Group's existing businesses, and is in accordance with the Group's approved strategy.
- 8.1.2 Consider and appraise all proposals for any acquisition by the Group within the authorised limits, and interrogate the proposing divisional MDs/executive directors on the robustness of any aspect of the acquisition assumptions and the integration strategy.
- 8.1.3 Review all financial, legal, and operational due diligence reports, prior to approving any investment within the authorised limits, and may stipulate the terms of reference for such due diligence.
- 8.1.4 Make recommendations to the Board concerning any proposed investment by the Group having a value greater than the authorised limits.
- 8.1.5 Review all investments made during the preceding 12 month period, to include in particular the return on capital achieved, the actual performance against the assumptions on which the investment was made, and any other matters which the Committee sees fit.
- 8.1.6 Have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.
- 8.1.7 Keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates.
- 8.1.8 Undertake such other responsibilities as may be delegated by the Board from time to time in relation to acquisitions.
- 8.2 The Group Chief Executive Officer shall have the like powers and authorities in respect of all investments up to a value of €3,000,000.

- 8.3 The Board reserves unto itself full authority to approve or otherwise deal with any proposed investments in excess of the authorised limits.

**9. Reporting Responsibilities**

- 9.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**10. Other**

- 10.1. 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.

**11. Authority**

- 11.1. The Committee is authorised to seek any information it requires from any employee of the Group in order to perform its duties.
- 11.2. The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

*Reference to "the Board" shall mean the Board of Directors of Kingspan Group plc.*

*Reference to "the Committee" shall mean the Acquisitions Committee.*

*Reference to "the Company" shall mean Kingspan Group plc.*

*Reference to "the Group" shall mean the Kingspan Group plc and its subsidiaries.*

**Adopted by the Board on the 30 March 2007.**