

9 April 2014

Mr Declan Doyle  
Rehab Group  
Roslyn Park  
Sandymount  
Dublin 4

Dear Mr Doyle

As you are aware, Towers Watson at your request facilitated the release to the Oireachtas Public Accounts Committee ("PAC") of a copy of the written presentation to the Rehab Group Board (dated 11<sup>th</sup> March 2014) concerning the 2014 remuneration review of the Rehab Group CEO and Senior Management Team. This document is complete, and contains all the data and information that was requested by the Remuneration Committee and made available in writing to the Rehab Group Board by Towers Watson in respect of the 2014 review.

As part of our review, Towers Watson also produced a discussion document in order to discuss the review findings with the Remuneration Committee (the "**Discussion Paper**"). The Discussion Paper contained all the information provided in the written presentation, as well as some other data which was not made available to the Rehab Group Board. This Discussion Paper was provided to the Remuneration Committee to provide benchmarking data on market remuneration on the basis instructed, in order for the Remuneration Committee to decide pay levels for Rehab Group executives.

The data provided to the Remuneration Committee and withheld from the wider Rehab Group Board includes:

- i. Individual and personal pay data for Rehab Group executives;
- ii. Names of the 58 Irish companies used to benchmark Rehab Group executive pay; and
- iii. Aggregated pay data from these 58 companies used to determine the benchmark sample.

Taking each of these in turn:

- i. Data concerning individual pay levels for Rehab Group employees is held by Towers Watson jointly with Rehab Group and the individual employees concerned. Within the Rehab Group this data is controlled by the Remuneration Committee. It would be a matter for the Remuneration Committee and the individual employees, not for Towers Watson, as to whether this data should be made more widely available.
- ii. The agreements under which the 58 companies provided this source data contain confidentiality obligations which prevent Towers Watson from disclosing the names of these companies. We are able to say that the participating companies came from a range of industries, including energy services & utilities, financial services, high-tech, pharmaceutical and retail, and included semi-state organisations, subsidiaries of multi-national corporations and large indigenous organisations. However, we are unable to provide any further detail than this in light of the contractual confidentiality obligations to which Towers Watson is subject.