


Meeting Date:	Wed, 07 May 2014 8:00am	Type:	AGM	Issue date:	Fri, 25 Apr 2014
Meeting Location:	One Express Way, Saint Louis, Missouri 63121				
Current Indices:	S&P500				
Sector:	Drug stores and proprietary stores				

PROPOSALS	ADVICE
<p>1a Elect Gary G. Benanav Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole.</p> <p>Note: This Director received nearly 17% opposition to his re-election in 2013.</p>	Oppose
<p>1b Elect Maura C. Breen Non-Executive Director. Independent by the Company, but not considered to be independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole.</p>	Oppose
<p>1c Elect William J. DeLaney Independent Non-Executive Director.</p>	For
<p>1d Elect Nicholas J. LaHowchic Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole.</p>	Oppose
<p>1e Elect Thomas P. Mac Mahon Lead Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole.</p> <p>Note: he received over 17.5% of votes opposing his re-election in 2013.</p>	Oppose
<p>1f Elect Frank Mergenthaler Independent Non-Executive Director.</p>	For
<p>1g Elect Woodrow A. Myers Jr. Independent Non-Executive Director.</p>	For
<p>1h Elect John O. Parker Jr. Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole.</p>	Oppose
<p>1i Elect George Paz Chairman, President and Chief Executive Officer. Combined roles at the top of the company which Triodos does not support. It is considered best practice for these positions to be separated with a Chief Executive responsible for the running of the business and the Chairman responsible for the functioning of the Board.</p>	Oppose
<p>1j Elect William L. Roper Independent Non-Executive Director.</p>	For
<p>1k Elect Seymour Sternberg Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board as a whole. This Director received nearly 17% of votes against his re-election in 2013.</p>	Oppose

2 Re-appoint the auditors

For

PricewaterhouseCoopers LLP proposed. The total unacceptable non-audit fees were less than 4% of audit and audit related fees during the year under review. Non-audit fees over a three-year period were less than 2% of audit and audit related fees. The level of non-audit fees does not raise independence concerns. Acceptable proposal.

3 Approve Pay Structure

Abstain

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of our opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BCA

Disclosure rating: B

Balance rating: C - Two-third of the long-term incentive awards is granted stock-options and restricted stock units (RSUs) which are time-based only awards. Both vest in three equal instalments over three years. The remaining third of the long-term incentive award is granted in performance shares, which vest at the end of a three year period based on the achievement of TSR, EPS and return on capital invested goals relative to a peer group. 100% of the award vests for median performance, which is not considered demanding. The Company states that the return on invested capital measure will no longer be measured relative to a peer group but will be an absolute measure but it does not provide explanations on this decision.

Contracts rating: A

Based upon the concerns noted above regarding the long-term awards, Triodos abstains on this resolution.

*** = Special resolution**

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Regulated by the Financial Conduct Authority
Version 2