


MEETING DATE	Tue, 08 Sep 2015 12:00 pm	TYPE	AGM	ISSUE DATE	Wed, 02 Sep 2015
MEETING LOCATION	Allen & Overy LLP, One Bishops Square, London E1 6AD				
CURRENT INDICES	FTSE MidCap				
SECTOR	Containers & Packaging				

	PROPOSALS	ADVICE
1	<b>Receive the Annual Report</b> Strategic report meets guidelines. There is clear disclosure of the company's strategy. Adequate environmental and employment policies are in place and relevant, up-to-date, quantified environmental reporting is disclosed. Triodos support this resolution.	For
2	<b>Approve the dividend</b> A final dividend of 7.7 pence is proposed. Covered by earnings. Acceptable proposal.	For
3	<b>Approve the Remuneration Report</b> <b>Disclosure:</b> Overall disclosure is considered acceptable however past annual bonus targets are not fully disclosed. <b>Balance:</b> CEO total realised rewards are considered highly excessive at 613% of salary (Annual Bonus: 176%, LTIP: 437%). CEO total awards under all schemes are considered excessive at 401% of salary (Annual Bonus: 176%, SMP: 75%, LTIP: 150%). The balance of CEO realized pay with financial performance is not considered acceptable as the change in CEO total pay over five years is not commensurate with the change in TSR over the same period. Rating: AD. As CEO total realised rewards are considered highly excessive, Triodos oppose on this resolution.	Oppose
4	<b>To re-elect Mr G Davis as a Director</b> Incumbent Chairman. Independent on appointment. However he is Board Chairman of two other FTSE 350 companies. This raises concerns about his external time commitments and ability to effectively represent the Company's corporate culture. Triodos opposes this resolution.	Oppose
5	<b>To re-elect Mr M W Roberts as a Director</b> Chief Executive. 12 months rolling contract.	For
6	<b>To re-elect Mr A R T Marsh as a Director</b> Finance Director. 12 months rolling contract.	For
7	<b>To re-elect Mr C P Britton as a Director</b> Independent Non-Executive Director.	For
8	<b>To re-elect Mr I W Griffiths as a Director</b> Independent Non-Executive Director.	For
9	<b>To re-elect Mr J C Nicholls as a Director</b> Senior Independent Director. Considered independent.	For
10	<b>To re-elect Ms K A O'Donovan as a Director</b> Independent Non-Executive Director.	For
11	<b>To re-elect Ms L H Smalley as a director.</b> Independent Non-Executive Director.	For
12	<b>Appoint the auditors</b> Deloitte LLP proposed. Non-audit fees represent 18.75% of audit fees during the year under review and 35.71% on a three-year aggregate basis. This level of non-audit fees raises some concerns about the independence of the statutory auditor.	Abstain

<b>13</b>	<b>Allow the board to determine the auditors remuneration</b> Standard proposal.	<b>For</b>
<b>14</b>	<b>Issue shares with pre-emption rights</b> The authority is limited to 33% of the share capital and another 33% in connection with a Rights Issue. All directors are standing for annual re-election. This resolution is in line with normal market practice and expires at the next AGM. Support is recommended.	<b>For</b>
<b>15*</b>	<b>Issue shares for cash</b> The authority is limited to 10% of the share capital. This exceeds guidelines. An oppose vote is recommended.	<b>Oppose</b>
<b>16*</b>	<b>Authorise Share Repurchase</b> The authority is limited to 10% of the share capital. This is in line with normal market practice and expires at the next AGM. Support is recommended.	<b>For</b>
<b>17*</b>	<b>Meeting notification related proposal</b> All companies should aim to provide at least 20 working days notice for general meetings in order to give shareholders sufficient time to consider what are often complex issues. Although the proposed change is permissible by the Companies Act, it does not meet Triodos guidelines.	<b>Oppose</b>
<b>18*</b>	<b>To approve increase in the Company's borrowing powers</b> It is proposed to amend the articles by increasing the Director's powers to incur borrowings from £2 billion to the higher of £3 billion or an amount equal to 2.5 times adjusted total equity. The rationale given by the Company is the growth of the Company since the limit was set in 2012 and the need to create additional flexibility for the Company to respond to the future development of the business. There is sufficient independent oversight of the recommended proposal. However, the resolution does not state what current Adjusted Capital and Reserve is, and so the immediate effect of the increase is not clear. Also, the use of fixed amount borrowings, unless stated as the lower of a multiple of capital and reserves, is not supported. Should there be a depletion of reserves the Company could potentially have a very high multiplier on borrowings. Triodos abstain on this resolution.	<b>Abstain</b>

\* = *Special resolution*

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## SUPPORTING INFORMATION FOR RESOLUTIONS

### **Proposal 4 - To re-elect Mr G Davis as a Director**

The role of chairman is considered to be crucial to good governance as chairmen are primarily responsible for the culture of the board, and by extension the organisation as a whole and for ensuring that the board operates effectively. As such the chairman should be expected to commit a substantial proportion of his or her time to the role. A chair of more than one large public company cannot effectively represent corporate cultures which are potentially diverse and the possibility of having to commit additional time to the role in times of crisis is ever present, particularly in diverse international, complex and heavily regulated groups or groups which are undergoing significant governance changes.

### **Proposal 8 - To re-elect Mr I W Griffiths as a Director**

A remuneration committee member who is an executive director elsewhere is considered likely to be a beneficiary of a defective remuneration scheme, as well as less likely in general to wish to see a reduction in executive remuneration, not least with the comparison of salaries between companies, rather than a going rate for the job based on open advertising. There is a perceived conflict as these individuals have a personal interest in maintaining the status quo in pay setting and pay levels

### **Proposal 17 - Meeting notification related proposal**

The proposed resolution reflects the implementation of the EU Shareholder Rights Directive into English law, which took place on 3 August 2009 as implemented by the company in its Articles of Association. Under the regulations, the minimum notice period for general meetings (other than Annual General Meetings) will increase to 21 days unless shareholders agree on a shorter notice period, in which case it may be 14 days. Shareholder approval is sought to call general meetings on 14 clear days notice.

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