Triodos Investment Management

THE PRICELINE GROUP INC.

MEETING DATE	Thu, 04 Jun 2015 10:00 am	TYPE	AGM	ISSUE DATE	Thu, 28 May 2015
MEETING LOCATION	The NASDAQ Market Site, 4 Times Square, New York, New York 10036				
CURRENT INDICES	S&P500				
SECTOR	Business services, not elsewhere classified				

	PROPOSALS	ADVICE
1.01	**Elect Timothy M. Armstrong** Independent Non-Executive Director.	**For**
1.02	**Elect Howard W. Barker, Jr** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	**Withhold**
1.03	**Elect Jeffery H. Boyd** Executive Chairman. It is considered best practice for an independent director to lead the board.	**Withhold**
1.04	**Elect Jan L. Docter** Non-Executive Director. Not considered independent as he served as CFO for Booking.com, which was acquired by the Company. There is insufficient independent representation on the board.	**Withhold**
1.05	**Elect Jeffrey E. Epstein** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	**Withhold**
1.06	**Elect James M. Guyette** Lead Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board. He is chair of the Nomination committee and there is insufficient gender diversity on the Board which Triodos does not support.	**Withhold**
1.07	**Elect Darren R. Huston** CEO.	**For**
1.08	**Elect Charles H. Noski** Independent Non-Executive Director. He is newly appointed to the Board and his appointment did not improve the gender balance on the Board which Triodos does not support.	**Withhold**
1.09	**Elect Nancy B. Peretsman** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	**Withhold**
1.10	**Elect Thomas E. Rothman** Independent Non-Executive Director.	**For**
1.11	**Elect Craig W. Rydin** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	**Withhold**
2	**Appoint the auditors** Deloitte proposed. Non-audit fees represented 1.24% of audit fees during the year under review and 3.31% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditors. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.	**Oppose**

3 Advisory vote on executive compensation **Oppose**

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDB.

The Company has made grants of restricted shares, which have no performance criteria. The Company uses EBITDA as a performance metric for both long- and short-term incentives. Based on these concerns, Triodos opposes this resolution.

4 Shareholder Resolution: Written consent **Oppose**

Proposed by: Mr. John Chevedden.

Shareholders request that the Board of directors undertake steps to permit written consent by shareholders. This written consent is to be consistent with applicable law and with giving shareholders the fullest power to act by written consent. The proponent argues that taking action by written consent in lieu of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle. A study by Harvard professor Paul Gompers supports the concept that shareholder dis-empowering governance features, including restrictions on shareholder ability to act by written consent, are significantly related to reduced shareholder value. A shareholder right to act by written consent is one method to equalise the Company's limited provisions for shareholders to call a special meeting. Delaware law allows 10% of shareholders to call a special meeting. However it takes 25% of the Company's shareholders to call a special meeting.

The Board opposes the proposal as it believes that permitting stockholders to act by written consent is not necessary to protect stockholder interests given its numerous corporate governance practices already in place, and may instead harm stockholder interests by compromising stockholder democracy, circumventing advantages provided by stockholder meetings and creating confusion and wasting Company resources. The Company has already adopted a number of sound corporate governance practices that are designed to ensure that the Company remains transparent and accountable to its stockholders. The Board of Directors believes that the written consent process is not as well suited as an actual meeting for an orderly and informed debate on the merits of a proposed stockholder action. The Company's existing corporate governance practices strike the appropriate balance among ensuring accountability to stockholders, protecting and promoting stockholder democracy and enabling management and the Board of Directors to manage the business and affairs of the Company in an effective manner and in the best interests of stockholders generally.

While it is considered that the Board should remain accountable to its shareholders, regardless of the method of communication chosen, there are concerns that using written consent could lead to minority shareholders losing the ability to have their say on matters affecting the company. Triodos opposes this resolution.

5 Shareholder Resolution: Proxy access **For**

Proposed by: The Comptroller of the City of New York, Scott M. Stringer.

The Proponents request the Board to adopt a "proxy access" bylaw. This would allow shareholders who have held at least 3% of the Company's relevant issued shares for three years or more to nominate candidates for election to the Board. The Company would be obliged to include such nominees on the general meeting proxy form. The resolution includes proper procedural safeguards for the nomination process. The nominators will be required to certify that their shares were acquired as normal investment business and not for ancillary purposes.

The proponent argues that proxy access is a fundamental shareholder right that will make directors more accountable and contribute to increased shareholder value. The CFA Institute's 2014 assessment of pertinent academic studies and the use of proxy access in other markets similarly concluded that proxy access would "benefit both the markets and corporate boardrooms, with little cost or disruption" and has the potential to raise overall US market capitalisation by up to $140.3 billion if adopted market-wide.

The Board opposes the proposal as it has already approved and adopted a proxy access Bylaw. The Board determined that the Company's proxy access Bylaw was in the best interests of the Company's stockholders and represented a balance between the differing views of the Company's stockholders and the potential benefits and detriments that accompany proxy access. The Board of Directors does not believe in a "one-size-fits-all" approach to corporate governance matters or that such an approach can compare favourably to the results achieved through the thoughtful, company-specific analysis and stockholder engagement conducted by the Company in determining to adopt the Company's proxy access Bylaw. The Company's proxy access Bylaw provides that a single stockholder or group of stockholders (not to exceed 20) collectively owning at least 5% of the Company's outstanding common stock for at least three years are able to include their own nominees in the Company's proxy statement up to a total number of such nominees not to exceed 20% of the number of directors then serving. In order to ensure a sense of proportionality and potentially enable more than one stockholder or group to include a nominee in the Company's proxy materials, the Company's proxy access Bylaw provides that a stockholder or group owning at least 5% but less than 10% of the Company's common stock for the three-year period can nominate 10% of the numbers of directors then serving (but at least one) and that for a single stockholder or group to include nominees up to 20% of the number of directors then serving, the stockholder or group must own at least 10% of the Company's common stock for the three-year period.

The Company's proxy access Bylaw terms are considered to be restrictive and not in the best interests of shareholders. The move would strengthen shareholder democracy and it is considered that the proposal would help to increase independent representation on the Board which currently is insufficient. Furthermore, the requested threshold for holding requirement for nominators is considered sufficient. In light of the major governance concerns with director compensation and lack of Board independence, the nomination of new Board members would facilitate greater independence in the oversight of the Company. Triodos supports this resolution.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 3 - Advisory vote on executive compensation

Disclosure: B - There is limited disclosure of performance targets attached to the annual bonus and long-term incentives.
Balance: D - The lack of disclosure does not allow us to determine whether performance targets are challenging. The Company has made grants of restricted shares, which have no performance criteria. The Company uses EBITDA as a performance metric for both long- and short-term incentives.
Contract: B - There is potential for excessive payouts in the event of a change in control termination, as payments extend to health and welfare settlements and relocation.

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Researcher: Sika Coovi
Email: pircresearch@pirc.co.uk

PIRC

Pensions & Investment Research Consultants Limited
6th Floor
9 Prescot Street
London E1 8AZ

Tel: 020 7247 2323
Fax: 020 7247 2457
http://www.pirc.co.uk

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