Triodos Investment Management

THE PRICELINE GROUP INC.

MEETING DATE	Thu, 02 Jun 2016 10:00 am	TYPE	AGM	ISSUE DATE	Tue, 31 May 2016
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 Jeffery H. Boyd** Chairman and Interim President and Chief Executive Officer. Combined roles at the head of the Company which Triodos does not support. There should be a clear division of responsibilities at the head of the Company between the running of the Board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to Board balance, effective debate and Board appraisal.	**Withhold**
1.03	**Elect Jan L. Docter** Non-Executive Director. Not considered independent because he previously served as Chief Financial Officer for Booking.com, which was acquired by the Company. There is insufficient independence on the Board.	**Withhold**
1.04	**Elect Jeffrey E. Epstein** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independence on the Board.	**Withhold**
1.05	**Elect James M. Guyette** Lead Director. Not considered independent owing to a tenure of over nine years. There is insufficient independence on the Board.	**Withhold**
1.06	**Elect Charles H. Noski** Independent Non-Executive Director.	**For**
1.07	**Elect Nancy B. Peretsman** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independence on the Board.	**Withhold**
1.08	**Elect Thomas E. Rothman** Independent Non-Executive Director.	**For**
1.09	**Elect Craig W. Rydin** Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independence on the Board.	**Withhold**
1.10	**Elect Lynn Vojvodich** Independent Non-Executive Director.	**For**
2	**Appoint the auditors** Deloitte proposed. Non-audit fees represented 5.62% of audit fees during the year under review and 3.04% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. 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. Triodos does not support this resolution.	**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: CEC.

Annual bonus payouts were excessive. For example, the CFO received almost four times the amount of his base salary. Long-term incentives awards were similarly excessive, and the payout percentage relative to target is not disclosed. The vesting schedule for Ms. Tran's restricted stock units is not considered sufficiently long term. Based on these concerns, Triodos opposes this resolution.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 3 - Advisory vote on executive compensation

Disclosure: C - The Company has achieved an average level of disclosure for the fiscal year. The annual bonus was based on adjusted earnings before interest, taxes, depreciation and amortization and an assessment of each named executive officer's performance. Long-term incentives consisted primarily of performance share units (PSUs), which were based on consolidated adjusted earnings before interest, taxes, depreciation, and amortization performance over a three-year performance period. Ms. Tran also received grants of restricted stock units due to the cancellation of certain business division performance awards.

Balance: E - The Company has achieved a poor balance for rewards. Annual bonus payouts were excessive. For example, the CFO received almost four times the amount of his base salary. Long-term incentives awards were similarly excessive, and the payout percentage relative to target is not disclosed. The vesting schedule for Ms. Tran's restricted stock units is not considered sufficiently long term.

Contracts: C - The Company has achieved an average approach to contracts with executives. Potential severance entitlements in a change of control scenario are within guidelines. The clawback policy is not considered best practice, as it only allows for recoupment if an executive engages in misconduct that results in the executive receiving excessive incentive-based compensation.

For Private Circulation only

Researcher: Brittnee Stein
Email: pircresearch@pirc.co.uk

PIRC

Pensions & Investment Research Consultants Limited
8th Floor, Suite 8.02, Exchange Tower
2 Harbour Exchange Square
E14 9GE

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

Regulated by the Financial Conduct Authority