


MEETING DATE	Wed, 21 Jun 2017 14:00 pm	TYPE	AGM	ISSUE DATE	Wed, 07 Jun 2017
MEETING LOCATION	Church House Conference Centre, Dean's Yard, Westminster, London SW1P 3NZ				
CURRENT INDICES	FTSE 100, FTSE EuroFirst				
SECTOR	Restaurants & Bars				

PROPOSALS		ADVICE
1	<p><b>Receive the Annual Report</b></p> <p>Strategic report meets guidelines. Adequate employment and environmental policies are in place and relevant, up-to-date, quantified, environmental reporting is disclosed. The Company also disclosed the proportion of women on the Board, in Executive Management positions and within the whole organisation.</p> <p>Triodos supports this resolution.</p>	For
2	<p><b>Approve Remuneration Policy</b></p> <p><b>Policy changes:</b> Disclosure regarding annual bonus targets is improved. The circumstances in which clawback and malus is to apply has been extended to include situations where material damage is done to the Company's reputation. The Annual Incentive Scheme is to be rebalanced such that executives are focused on driving the long-term strategic aims as they are on in-year profit. Further, 50% of all short-term incentives will be deferred in shares released after a three year period. Regarding the Long Term Incentive Plan (LTIP), it is intended to move to two equally weighted and independently measured components of EPS and ROCE. It is considered best practice for performance conditions to operate inter-dependently and not independently. The Company has also removed the ability to provide an additional joining award of up to 100% of salary on recruitment and limited any awards to those needed to compensate a joiner for the loss of awards from the previous employer.</p> <p><b>Disclosure:</b> Disclosure is considered acceptable.</p> <p><b>Balance:</b> The Executive Directors' total potential rewards under all incentive schemes are considered to be excessive at 367% of salary. LTIP awards are not subject to a non-financial KPI which goes against best practice. Shareholding guidelines are in place for Directors, however there is no time-frame period in which the minimum requirement must be met.</p> <p><b>Contracts:</b> Change of control provisions attached to share schemes are not disclosed. A mitigation statement is made.</p> <p>Rating: BDB.</p> <p>Triodos abstains on this resolution.</p>	Abstain
3	<p><b>Approve the Remuneration Report</b></p> <p><b>Disclosure:</b> Disclosure is adequate.</p> <p><b>Balance:</b> The CEO's realised variable pay is not considered excessive at 188.5% of salary (Annual Incentive: 80.5%, LTIP: 108%). The CEO's salary is considered as being in the median range of a peer comparator group. The changes in CEO total pay over the last five years are considered in line with Company financial performance over the same period.</p> <p>Rating: BB.</p> <p>Triodos supports this resolution.</p>	For
4	<p><b>Approve the Dividend</b></p> <p>A final dividend of 65.90 pence per share is proposed, which brings the total dividend for the year under review to 95.80 pence per share. This payment is covered by earnings.</p>	For
5	<p><b>Elect David Atkins as a director</b></p> <p>Newly appointed independent Non-Executive Director.</p>	For
6	<p><b>Elect Adam Crozier as a director</b></p> <p>Newly-appointed independent non-executive director.</p>	For

<b>7</b>	<b>Elect Deanna Oppenheimer as a director</b> Newly appointed independent Non-Executive Director.	<b>For</b>
<b>8</b>	<b>Re-elect Richard Baker as a director</b> Chairman. Independent upon appointment	<b>For</b>
<b>9</b>	<b>Re-elect Alison Brittain as a director</b> Chief Executive Officer. 12 months rolling contract.	<b>For</b>
<b>10</b>	<b>Re-elect Nicholas Cadbury as a director</b> Group Finance Director. 12 months rolling contract.	<b>For</b>
<b>11</b>	<b>Re-elect Sir Ian Cheshire as a director</b> Senior Independent Director. Considered independent. There are concerns over his aggregate time commitments. Triodos recommends to abstain.	<b>Abstain</b>
<b>12</b>	<b>Re-elect Chris Kennedy as a director</b> Independent Non-Executive Director.	<b>For</b>
<b>13</b>	<b>Re-elect Louise Smalley as a director.</b> Group HR Director. Twelve months rolling contract.	<b>For</b>
<b>14</b>	<b>Re-elect Susan Taylor Martin as a director</b> Independent Non-Executive Director.	<b>For</b>
<b>15</b>	<b>Appoint the Auditors</b> Deloitte proposed. Non-audit fees represented 12.50% of audit fees during the year under review. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.	<b>For</b>
<b>16</b>	<b>Allow the Board to Determine the Auditor's Remuneration</b> Standard proposal.	<b>For</b>
<b>17</b>	<b>Approve Political Donations</b> The proposed authority is subject to an overall aggregate limit on political donations and expenditure of £25,000. The Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of doing so. Triodos supports this resolution.	<b>For</b>
<b>18</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. Triodos supports this resolution.	<b>For</b>
<b>19*</b>	<b>Issue Shares for Cash</b> Authority is limited to 5% of the Company's issued share capital and will expire at the next AGM. Within acceptable limits.	<b>For</b>
<b>20*</b>	<b>Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment</b> The Board is seeking approval to issue up to an additional 5% of the Company's issued share capital for cash for use only in connection with an acquisition or a specified capital investment. Such proposal is not supported as it is considered that the 5% limit sought under the general authority above is sufficient. Best practice would be to seek a specific authority from shareholders in relation to a specific transactions if such situation arises. As this is not the case, Triodos opposes this resolution.	<b>Oppose</b>
<b>21*</b>	<b>Authorise Share Repurchase</b> The authority is limited to 10% of the Company's issued share capital and will expire at the next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, Triodos opposes this resolution.	<b>Oppose</b>
<b>22*</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. However, as the proposed change is permissible by the Companies Act, Triodos supports this resolution.	<b>For</b>

\* = **Special resolution**

## SUPPORTING INFORMATION FOR RESOLUTIONS

### **Proposal 2 - Approve Remuneration Policy**

Upon engagement, the Company stated that its shareholding requirement is strong despite the lack of a time-frame. Directors must build a meaningful holding from their own resources (i.e. not including shares received via share schemes). Beyond that, a director may not sell any shares received via share schemes (other than to settle tax liabilities) until the requirement is met. Also, it does not include any unexercised share awards (even post-vesting during a holding period) in its calculations

### **Proposal 11 - Re-elect Sir Ian Cheshire as a director**

Upon engagement the Company states that he is stepping down from the Board in September with his responsibilities to be handed over to Adam Crozier.

### **Proposal 20 - Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment**

The Company has stated that this additional authority will only be used to fund one or more acquisitions or specified capital investments, in line with the Pre-Emption Group Guidelines. This recommendation is not supported by PIRC.

### **Proposal 22 - 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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