

MEETING DATE	Thu, 18 Apr 2019 11:00 am	TYPE	AGM	ISSUE DATE	Mon, 15 Apr 2019
MEETING LOCATION	RSA House8 John Adam StreetLondon WC2N 6EZ				
CURRENT INDICES	FTSE 100				
SECTOR	Industrial & Office REITs				

PROPOSALS		ADVICE
1	<p>Receive the Annual Report 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. Triodos supports this resolution.</p>	For
2	<p>Approve the Dividend A final dividend of GBP 13.25 pence per share is proposed, which brings the total dividend for the year under review to GBP 18.80 pence per share. This payment is covered by retained earnings.</p>	For
3	<p>Approve the Remuneration Report The increase in the CEO's salary is in line with the rest of the Company. The balance of CEO realised 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. The CEO's salary is in the upper quartile of PIRC's comparator group which raises concerns over the excessiveness of his pay. The CEO's total variable pay is considered excessive as it stands at approximately 434.27% of his salary. This is over the recommended limit of 200% of salary. The ratio of CEO pay compared to average employee pay is considered appropriate at 14:1. Rating: AE. Triodos opposes this resolution.</p>	Oppose
4	<p>Approve Remuneration Policy The overall disclosure is considered acceptable. The removal of the exceptional maximum award limit under the LTIP is welcomed. However, concerns remain over the excessiveness of CEO's pay under all incentive schemes which stands at 400% of salary (Annual Bonus: 150% : LTIP: 250%). The performance conditions for the LTIPS and the Annual Bonus are operating independently. The LTIP awards are only assessed based on financial measures with no linkages made to non-financial Key Performance Indicators which is considered inappropriate. The performance conditions are not considered to be sufficiently long-term, though a two-year holding period applies which is welcomed. Award holders may receive a payment in cash or shares equal in value to any dividends that would have been paid. Such rewards misalign shareholders and executive interests as shareholders must subscribe for shares in order to receive dividends whereas participants in the scheme do not. Upon termination, an inappropriate level of upside discretion can be used by the Remuneration Committee on the vesting of outstanding share awards. Rating: ADC Triodos opposes this resolution.</p>	Oppose
5	<p>Re-elect Gerald Corbett Chair. Independent upon appointment.</p>	For
6	<p>Re-elect Soumen Das Chief Financial Officer. Support recommended.</p>	For
7	<p>Re-elect Carol Fairweather Independent Non-Executive Director.</p>	For
8	<p>Re-elect Christopher Fisher Independent Non-Executive Director.</p>	For

9	Re-elect Andy Gulliford Chief Operating Officer. Support recommended.	For
10	Re-elect Martin Moore Senior Independent Director. Considered independent.	For
11	Re-elect Phil Redding Chief Investment Officer. Support recommended.	For
12	Re-elect David Sleath Chief Executive. Acceptable service contract provisions.	For
13	Re-elect Doug Webb Independent Non-Executive Director.	For
14	Re-elect Mary Barnard Newly-appointed Independent Non-Executive Director.	For
15	Re-elect Sue Clayton Non-Executive Director. Not considered independent as the director has a relationship with the Company, which is considered material. It is noted that she is a part-time Executive Director of CBRE Limited, the Company's independent Valuer. There is sufficient independent representation on the Board. A vote in favour is therefore recommended.	For
16	Re-appoint PricewaterhouseCoopers as Auditors PwC proposed. Non-audit fees represented 8.33% of audit fees during the year under review and 26.11% on a three-year aggregate basis.	For
17	Allow the Audit Committee to Determine the Auditor's Remuneration Standard proposal.	For
18	Approve Political Donations The proposed authority is subject to an overall aggregate limit on political donations and expenditure of GBP25,000. 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 considers political donations as an inappropriate use of shareholder funds.	Oppose
19	Issue Shares with Pre-emption Rights The authority is limited to 33% of the Company's issued share capital and expires at the next AGM. Within acceptable limits.	For
20*	Issue Shares for Cash Authority is limited to 5% of the Company's issued share capital and will expire at the next AGM. Within acceptable limits.	For
21*	Issue Shares for Cash for the Purpose of Financing an Acquisition or Other Capital Investment 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.	Oppose
22*	Authorise Share Repurchase 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.	Oppose
23*	Meeting Notification-related Proposal It is noted that this resolution received a significant number of oppose votes of approximately 13.79% at the 2018 AGM. 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, Triodos does not support this resolution.	Oppose

24 Amend the Rules of the Existing SEGRO Long Term Incentive Plan

Oppose

The Board is seeking to amend the rules of the SEGRO Plc Long Term Incentive Plan. It is noted that the proposed amendments are adopted to reflect changes proposed to the Directors' Remuneration Policy. Some of these changes includes; (i) The removal of the exceptional maximum award limit of 300% of salary and instead allow awards of 250% of salary to be made in the normal course and (ii) To ensure that malus and clawback provisions will operate if there is a business failure. It is noted that the LTIP are only assessed based on financial measures, TSR, TPR and TAR with no linkage to non-financial KPI's. The CEO's total potential awards under all incentive schemes are considered overly excessive as they amount to approximately 300.78% which is over the recommended limit of 200% of salary. Malus and clawback provisions are in place. However, it should be noted that LTIP based schemes are inherently flawed. There is a risk that they are rewarding volatility rather than the performance of the company. They can act as a complex and opaque hedge against absolute company under-performance and long term share price falls. They are also a significant factor in reward for failure.

Triodos opposes this resolution.

* = *Special resolution*

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 21 - 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 23 - 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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