Triodos Investment Management

JONES LANG LASALLE INC

MEETING DATE	Wed, 29 May 2019 9:00 am	TYPE	AGM	ISSUE DATE	Mon, 27 May 2019
MEETING LOCATION	JLL office located at 8343 Douglas Avenue, Suite 100, Dallas, Texas 75225				
CURRENT INDICES	PIRC Global				
SECTOR	Real estate agents and managers				

	PROPOSALS	ADVICE
1a	**Elect Hugo Bague** Independent Non-Executive Director. He is chair of the Remuneration committee which is not fully independent which Triodos does not support.	**Oppose**
1b	**Elect Matthew Carter, Jr** Independent Non-Executive Director.	**For**
1c	**Elect Samuel A. Di Piazza, Jr** Independent Non-Executive Director.	**For**
1d	**Elect Sheila A. Penrose** Non-Executive Chair. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board.	**For**
1e	**Elect Ming Lu** Non-Executive Director. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board.	**For**
1f	**Elect Bridget Macaskill** Independent Non-Executive Director.	**For**
1g	**Elect Martin H. Nesbitt** Independent Non-Executive Director.	**For**
1h	**Elect Jeetendra I. Patel** Independent Non-Executive Director.	**For**
1i	**Elect Ann Marie Petach** Independent Non-Executive Director. She is Chair of the Audit Committee which is not fully independent which Triodos does not support.	**Oppose**
1j	**Elect Christian Ulbrich** Chief Executive.	**For**
2	**Advisory Vote on Executive Compensation** 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.Adjusted EBITDA is the sole performance target used to award the annual incentive. The company awards long-term incentives based upon the achievement of pre-determined performance metrics. The performance measures include: LTIP Adjusted EBITDA (40%) Relative TSR (10%) and the company's 2020 Objectives (50%). The Company uses adjusted metrics.For fiscal 2018, annual cash awards were considered to be excessive. The CEO's actual bonus for fiscal 2018 represents 429.5% of his base salary.The company has a strong compensation claw back policy in place that allows for the recoupment of payment if in the event that misconduct by an executive contributes to a restatement of the financial results. Severance entitlements in a change of control scenario are considered excessive. The compensation rating is: ADC Triodos opposes this resolution.	**Oppose**

3 Approve 2019 Stock Award and Incentive Plan **Oppose**

The Board proposes the approval of a new long-term incentive plan. Under the plan, the CEO and other executives will be awarded rights to shares, a portion (or all) of which will vest depending on the achievement of some performance criteria. The Plan provides for the granting of restricted stock and restricted stock units (RSUs), performance awards, deferred stock awards, and other stock-based awards. The Compensation Committee is authorized to deliver under the Plan 400,000 shares of Common Stock. With regard to a particular performance period, the Committee shall have sole discretion to select the length of such performance period, the type(s) of Performance Awards to be issued, the performance measure(s) that will be used to establish the performance goals the kinds and levels of the performance goals that is (are) to apply and all other relevant terms and conditions.As with the 2017 Stock Award plan; the 2019 Stock Award and Incentive Plan also provides that the maximum amount that can be paid to any single Participant in any one calendar year pursuant to a cash compensation opportunity Award described in Section 11 of the Plan shall be USD 15,000,000. Triodos considers the Plan potentially excessive with maximum cash compensation of USD 15 million for a participant in any one calender year and therefore opposes this resolution.

4 Appoint the Auditors **Oppose**

KPMG proposed. Non-audit fees represented 2.26% of audit fees during the year under review and 4.71% 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.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 2 - Advisory Vote on Executive Compensation

Disclosure: A - Overall, disclosure is above average market level. Adjusted EBITDA is the sole performance target used to award the annual incentive. The company awards long-term incentives based upon the achievement of pre-determined performance metrics. The performance measures include: LTIP Adjusted EBITDA (40%) Relative TSR (10%) and the company's 2020 Objectives (50%). The Company uses adjusted metrics, which is against best practice as it does not permit an assessment on the challenging nature of performance metrics.

Balance: D - For fiscal 2018, annual cash awards were considered to be excessive. The CEO's actual bonus for fiscal 2018 represents 429.5% of his base salary (200% maximum is considered as acceptable practice). Best practice states that all executives should hold at least six times base salary in stocks, currently executives are required to hold four times base salary.

Contract: C - The company has a strong compensation claw back policy in place that allows for the recoupment of payment if in the event that misconduct by an executive contributes to a restatement of the financial results. Severance entitlements in a change of control scenario are considered excessive.

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