



MEETING DATE	Fri, 03 May 2019 10:00 am	TYPE	AGM	ISSUE DATE	Mon, 29 Apr 2019
MEETING LOCATION	The Herbert Park Hotel, Ballsbridge, Dublin 4, Ireland				 
CURRENT INDICES	PIRC Global				
SECTOR	Building Materials & Fixtures				

PROPOSALS		ADVICE
1	Approve Financial Statements Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. No serious governance concerns have been identified.	For
2	Approve the Dividend The Board proposes a dividend of EUR 0.30 per share. The dividend is covered by earnings. Acceptable proposal.	For
3a	Elect Eugene Murtagh Non-Executive Director. Not considered independent owing to a tenure of over nine years. Additionally, the director is the group's co-founder and former CEO, and he is a member of the founding family. There is insufficient independent representation on the Board. He is chair of the Nomination Committee and less than 20% of the Board are women which Triodos does not support.	Oppose
3b	Elect Gene M. Murtagh Chief Executive.	For
3c	Elect Geoff Doherty Executive Director. Support recommended.	For
3d	Elect Russell Shiels Executive Director. Support recommended.	For
3e	Elect Peter Wilson Executive Director. Support recommended.	For
3f	Elect Gilbert McCarthy Executive Director. Support recommended.	For
3g	Elect Linda Hickey Independent Non-Executive Director.	For
3h	Elect Michael Cawley Independent Non-Executive Director.	For
3i	Elect John Cronin Independent Non-Executive Director.	For
3j	Elect Bruce McLennan Independent Non-Executive Director.	For
3k	Elect Jost Massenberg Independent Non-Executive Director.	For
4	Allow the Board to Determine the Auditor's Remuneration Standard proposal.	For
5	Approve Fees Payable to the Board of Directors It is proposed to increase the amount payable to the Board of Directors by more than 10% on annual basis. The increase is considered material and exceeds guidelines, while the Company has not duly justified it. Therefore, opposition is recommended.	Oppose

- | | | |
|-----------|---|----------------|
| 6 | Approve Remuneration Policy
It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, however, the payout can still exceed 200% of salary, which is not in line with best practice. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not disclosed quantified targets or performance criteria for its variable remuneration component, which may lead to overpayment against underperformance. Triodos opposes this resolution. | Oppose |
| 7 | Approve the Remuneration Report
It is proposed to approve the annual report on remuneration of Executive and Non-Executive Directors with an advisory vote. The Company discloses all elements of remuneration for Executives and Non-Executives. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the Company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. Triodos abstains this resolution. | Abstain |
| 8 | Issue Shares with Pre-emption Rights
It is proposed to issue new shares with pre-emptive rights. The proposed authority is less than 33.33% of the current share capital lasts and until the next AGM. Meets guidelines. Triodos supports this resolution. | For |
| 9 | Authorise the Board to Waive Pre-emptive Rights
It is proposed to exclude pre-emption rights on shares issued over a period of 18 months. The corresponding authority for issuing shares without pre-emptive rights, requested in a previous proposal, does not exceed guidelines (10%). However it is considered that shareholders should be allowed to vote on such resolutions annually. Triodos opposes this resolution. | Oppose |
| 10 | 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 transaction if such situation arises. Triodos opposes this resolution. | Oppose |
| 11 | Authorise Share Repurchase
It is proposed to authorise the Board to purchase Company's shares until 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. No clear justification was provided by the Board. Triodos opposes this resolution. | Oppose |
| 12 | Authorisation for the Re-Allotment of Treasury Shares
It is proposed to authorize the Board to reissue treasury shares without pre-emptive rights until next AGM. The maximum authorized discount is 5% of the share price. Triodos supports this resolution. | For |
| 13 | Authorise the Company to Call EGM with Two Weeks' Notice
It is considered that 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. Triodos opposes this resolution. | Oppose |

For Private Circulation only

©Copyright 2019 PIRC Ltd

Researcher: Adam Garside
Email: pircresearch@pirc.co.uk

Information is believed to be correct but cannot be guaranteed. Opinions and recommendations constitute our judgement as of this date and are subject to change without notice. The document is not intended as an offer, solicitation or advice to buy or sell securities. Clients of Pensions & Investment Research Consultants Ltd may have a position or engage in transaction in any of the securities mentioned.



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