


MEETING DATE	Tue, 03 Sep 2019 12:00	TYPE	AGM	ISSUE DATE	Tue, 13 Aug 2019
MEETING LOCATION	The Lincoln Centre, Lincoln's Inn Fields, London WC2A 3ED				
CURRENT INDICES	FTSE 100				
SECTOR	Containers & Packaging				

	PROPOSALS	ADVICE
1	<p><b>Receive the Annual Report</b> 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><b>Approve the Dividend</b> A final dividend of GBP 11.0 pence per share is proposed, which brings the total dividend for the year under review to GBP 16.2 pence per share. This payment is covered by earnings.</p>	For
3	<p><b>Approve the Remuneration Report</b> All elements of the Single Total Remuneration Table are adequately disclosed. The CEO's salary is in the median of PIRC's comparator group. Additionally, the balance of CEO realised pay with financial performance is considered acceptable as the change in CEO total pay over the last five years is aligned to the change in TSR over the same period. Over the five year period average CEO pay has increased by approximately 6.71% whereas, on average, TSR has increased by 9.11%. However, the total realised rewards under all incentive schemes amount to 265.2% of salary (Annual Bonus: 147.9%; LTIP: 117.3%) which is considered excessive. The ratio of CEO pay compared to average employee pay is also considered inappropriate at 52:1. Rating : AD Triodos opposes this resolution.</p>	Oppose
4	<p><b>Re-elect G Davis</b> Chair. Independent upon appointment.</p>	For
5	<p><b>Re-elect M W Roberts</b> Chief Executive. Acceptable service contract provisions.</p>	For
6	<p><b>Re-elect A R T Marsh</b> Group Finance Director. Acceptable service contract provisions.</p>	For
7	<p><b>Re-elect C P Britton</b> Independent Non-Executive Director.</p>	For
8	<p><b>Re-elect K A O'Donovan</b> Independent Non-Executive Director.</p>	For
9	<p><b>Elect D A Robbie</b> Newly-appointed Independent Non-Executive Director.</p>	For
10	<p><b>Re-elect L H Smalley</b> Independent Non-Executive Director.</p>	For
11	<p><b>Elect R C Soames</b> Newly-appointed Senior Independent and Non-Executive Director. Considered Independent</p>	For

<b>12</b>	<b>Re-appoint Deloitte LLP as Auditors</b> Deloitte proposed. Non-audit fees represented 34.29% of audit fees during the year under review and 31.91% on a three-year aggregate basis. This level of non-audit fees raises some 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 opposes this resolution.	<b>Oppose</b>
<b>13</b>	<b>Allow the Audit Committee to Determine the Auditor's Remuneration</b> Non-audit fees exceed 25% of annual audit fees for both one and three-year periods.	<b>Oppose</b>
<b>14</b>	<b>Issue Shares with Pre-emption Rights</b> The authority is limited to one third of the Company's issued share capital. This cap can increase to two-thirds of the issued share capital if shares are issued in connection with an offer by way of 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>15*</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>16*</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 transaction if such situation arises. Triodos opposes this resolution.	<b>Oppose</b>
<b>17*</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. No clear justification was provided by the Board. Triodos opposes this resolution.	<b>Oppose</b>
<b>18*</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, support is recommended. <i>* = Special resolution</i>	<b>For</b>

## SUPPORTING INFORMATION FOR RESOLUTIONS

### Proposal 4 - Re-elect G Davis

The role of the Chair is considered to be crucial to good governance as they are primarily responsible for the culture of the board, and by extension the organisation as a whole and for ensuring that the board operates effectively. The possibility of having to commit additional time to the role in times of crisis is ever present, particularly in diverse international, complex and heavily regulated groups or groups which are undergoing significant governance changes. As such the Chair should be expected to commit a substantial proportion of his or her time to the role.

### Proposal 16 - 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 18 - 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.

**For Private Circulation only**

©Copyright 2019 PIRC Ltd

Researcher: Oge O'Haeri  
Email: [pircresearch@pirc.co.uk](mailto: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**