

## SMURFIT KAPPA GROUP PLC

MEETING DATE	Thu, 30 Apr 2020 10:00 am	TYPE	AGM	ISSUE DATE	Thu, 23 Apr 2020
MEETING LOCATION	Beech Hill, Clonskeagh, Dublin 4, D04 N2R2				
CURRENT INDICES	FTSE 100				
SECTOR	Containers & Packaging				



	PROPOSALS	ADVICE
1	<p><b>Receive the Annual Report</b> Disclosure is considered adequate and the report was made available sufficiently before the meeting. The financial statements have been audited and certified. A vote in favour is recommended.</p>	For
2	<p><b>Approve the Remuneration Report</b> <b>Disclosure:</b> All elements of the Single Total Remuneration Table are adequately disclosed. The change in the CEO's salary is in line with the rest of the Company, as the CEO's salary increased by 0.6% while employee salaries rose by 4%. However, the CEO's salary is in the upper quartile of the Company's comparator group. <b>Balance:</b>The balance of CEO realised pay with financial performance is considered acceptable as the change in CEO total pay over five years is commensurate with the change in TSR over the same period. Total variable pay for the year under review was acceptable at approximately 206.73% of salary. The ratio of CEO pay compared to average employee pay is not acceptable at 63:1; it is recommended that the ratio does not exceed 20:1. <b>Rating:</b> AC Triodos opposes this resolution. Triodos abstains this resolution.</p>	Abstain
3	<p><b>Approve the Dividend</b> The Board proposes a dividend of EUR 8.9 cents per share. The dividend is covered by earnings. Acceptable proposal.</p>	For
4	<p><b>Elect Lourdes Melgar</b> Independent Non-Executive Director.</p>	For
5.A	<p><b>Re-elect Irial Finan</b> Chair (non-executive) Independent upon appointment. Support is recommended.</p>	For
5.B	<p><b>Re-elect Anthony Smurfit</b> Chief Executive.</p>	For
5.C	<p><b>Re-elect Ken Bowles</b> Executive Director.</p>	For
5.D	<p><b>Re-elect Anne Anderson</b> Independent Non-Executive Director.</p>	For
5.E	<p><b>Re-elect Frits Beurskens</b> Non-Executive Director. Not considered independent as the director was President and managing director of Kappa Group before its merger with the company. However, there is sufficient independent representation on the Board. Support is recommended</p>	For
5.F	<p><b>Re-elect Carol Fairweather</b> Independent Non-Executive Director.</p>	For
5.G	<p><b>Re-elect James Lawrence</b> Independent Non-Executive Director. The director attended more than 75% of all board and committee meetings to which he was entitled to attend throughout the year.</p>	For
5.H	<p><b>Re-elect John Moloney</b> Independent Non-Executive Director.</p>	For

<b>5.I</b>	<b>Re-elect Jorgen Rasmussen</b> Independent Non-Executive Director.	<b>For</b>
<b>5.J</b>	<b>Re-elect Gonzalo Restrepo</b> Senior Independent Director and Chair of the Nomination Committee. He is chair of a committee which is not fully independent, however as independent representation on the committee is over the 50% threshold this is with acceptable guidelines.	<b>For</b>
<b>6</b>	<b>Allow the Board to Determine the Auditor’s Remuneration</b> Standard proposal.	<b>For</b>
<b>7</b>	<b>Issue Shares with Pre-emption Rights</b> It is proposed to issue new shares with pre-emptive rights. The proposed authority is less than 50% of the current share capital lasts and until the next AGM. Meets guidelines. Triodos supports this resolution.	<b>For</b>
<b>8*</b>	<b>Issue Shares for Cash</b> It is proposed to authorize the Board to issue shares without pre-emptive rights until next AGM. The proposed amount of shares issued is less than 10% of the current share capital. Meets guidelines.	<b>For</b>
<b>9*</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. As this is not the case, an oppose vote is therefore recommended.	<b>Oppose</b>
<b>10*</b>	<b>Authorise Share Repurchase</b> It is proposed to authorise the Board to purchase Company’s shares until next AGM. The company is using this authority on an annual basis and therefore 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.	<b>Oppose</b>
<b>11*</b>	<b>Meeting Notification-related Proposal</b> 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. Although the proposed change is permissible by the Companies Act, Triodos does not support this resolution.	<b>Oppose</b>

**\* = Special resolution**

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## SUPPORTING INFORMATION FOR RESOLUTIONS

### **Proposal 9 - 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.

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