

Ryanair chairman gets shareholder slapdown amid strikes

September 20 2018, by Joseph Stenson



Ryanair was hit by several strikes over the summer

Ryanair shareholders delivered a blow to the no-frills airline's chairman on Thursday amid widespread strike action by European staff that has rattled confidence in the company.

Chairman David Bonderman was re-elected but only with 70.5 percent of the vote at the annual general meeting—a dip on last year's assembly where he garnered a 89.1 percent endorsement.

The company's flamboyant chief executive Michael O'Leary was re-elected with 98.5 percent of the vote—and lent his voice in effusive support of the chair.

"We have been very fortunate to have David Bonderman as chairman for the last 22 years," he told the roughly 90 shareholders present.

The Local Authority Pension Fund Forum (LAPFF), a shareholder, had earlier recommended that members vote against Ryanair's report and accounts and block Bonderman's re-election.

"Ryanair has failed to adequately address concerns about the company's troubled relationship with its employees and the potential impact on its business," LAPFF chair Ian Greenwood said in a statement.

"The company faces more strikes, and allegations of poor working conditions continue to emerge", Greenwood said.

"Questions about the company's business model and governance now pose a threat to shareholder value."

One more shareholder group indicated during the meeting that they would vote against the re-election of the chairman if there was no "clear progress" on their succession by the next annual general meeting.

"Excessive tenure calls into question an individual's independence and objectivity", said Alison Kennedy, investment director at Aberdeen Standards Investments, who claimed to represent clients holding 11 million shares—0.9 percent of the issued share capital.

"Given the challenges the company faces, for example in union and labour relations, it is clear that governance needs to evolve."

Other shareholders had concerns over the budget airline's treatment of customers, with extra charges on top of the initial airfare a common practice.

"I think now it's becoming a low fare, high blood pressure airline", Dublin [shareholder](#) Donald O'Mara, 79, told AFP as he arrived.

'Banning all the media'

Ryanair had faced criticism in the Irish press and from workers' groups for announcing that media would be blocked from the meeting—held at a four-star motorway-side hotel in Gormanston near Dublin.

But with just minutes before the meeting was to begin the press were granted access.

"We thought there was going to be mass protests or demonstrations outside the hotel," O'Leary admitted during a briefing following the meeting.

"We thought the best way to puncture that would be to say we were banning all the media, therefore all the whistleblowing, flag-waving, would have no reason to be here. I think we successfully achieved that."

Last week cabin crew in Belgium, the Netherlands, Italy, Spain and Portugal announced a 24-hour strike for September 28—a stoppage unions said will be the biggest strike in the Irish carrier's history.

It follows from industrial action last month which saw pilots from five European nations holding their first-ever simultaneous walkout, causing

around 400 flight cancellations and travel chaos for 55,000 passengers.

The airline has since struck an "in principle" deal with Italian staff, which according to unions will allow crews to work with contracts composed under Italian law rather than Irish legislation and make provisions for salary increases and a pension scheme.

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