

BRINKS CO
Form DEF 14A
March 20, 2017
TABLE OF CONTENTS

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 14A
(Rule 14a-101)**

**INFORMATION REQUIRED IN
PROXY STATEMENT**

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**The Brink's Company
(Name of Registrant as Specified in its Charter)**

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

The Brink's Company

1801 Bayberry Court
P.O. Box 18100
Richmond, VA 23226-8100

March 20, 2017

To Our Shareholders:

On behalf of the Board of Directors, we invite you to attend the annual meeting of shareholders of The Brink's Company on Friday, May 5, 2017 at 10:00 a.m. local time at the offices of Troutman Sanders LLP, 1001 Haxall Point, 15th floor, Richmond, Virginia.

There have been significant changes at Brink's over the past year. Since our 2016 shareholder meeting we have assembled a new leadership team and announced strategic goals to drive sustainable long-term value creation for our shareholders. We've also continued to enhance our governance and compensation programs, separating the roles of Chairman and Chief Executive Officer, implementing a right for shareholders to call special meetings, and approving changes to our executive compensation program to better align pay and performance through awards of annual and long-term incentives that balance management performance and the shareholder experience.

As you review the proxy statement, you will see references to our strong financial performance in 2016. We reported full year Operating Profit on a GAAP basis of \$144 million (vs. \$57 million in 2015) and full year non-GAAP Operating Profit of \$207 million, compared to \$157 million in 2015. Our Operating Margin Rate on a GAAP basis was 4.8% (vs. 1.8% in 2015) and on a non-GAAP basis was 7.1% (vs. 5.3% in 2015). Earnings per share was \$0.72 on a GAAP basis and \$2.24 on a non-GAAP basis. We are pleased that our shareholders experienced stock price appreciation of 43% during 2016. We enter 2017 with strong momentum and a solid plan to unlock the value in our company through a combination of operational improvements and breakthrough initiatives, all with an unwavering commitment to safety and security for our customers and employees.

Your vote at the annual shareholder meeting is important. Whether or not you plan to attend the meeting, we urge you to vote as soon as possible. There are two ways to vote. You can complete, sign, date and return the enclosed proxy in the envelope provided or you can vote on the internet.

We look forward to seeing you at the annual meeting and thank you for your continued support.

Sincerely,

Douglas A. Pertz
President and Chief Executive Officer

Michael J. Herling
Chairman of the Board

TABLE OF CONTENTS

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 5, 2017**

The annual meeting of shareholders of THE BRINK'S COMPANY will be held on May 5, 2017, at 10:00 a.m., local time, at the offices of Troutman Sanders LLP, 1001 Haxall Point, 15th floor, Richmond, Virginia for the following purposes:

1. To elect as directors the seven nominees to the Board of Directors named in the accompanying proxy statement, for terms expiring in 2018.
 2. To approve an advisory resolution on named executive officer compensation.
3. To approve an advisory resolution on the frequency of advisory votes on named executive officer compensation.
 4. To approve the Company's Executive Incentive Plan.
 5. To approve the Company's 2017 Equity Incentive Plan.
6. To approve the selection of Deloitte and Touche LLP as the independent registered public accounting firm to audit the accounts of the Company and its subsidiaries for the fiscal year ending December 31, 2017.
7. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The close of business on March 2, 2017 has been fixed as the record date for determining the shareholders entitled to notice of and to vote at the annual meeting. This proxy statement and the accompanying form of proxy and annual report to shareholders are being mailed to shareholders of record as of the close of business on March 2, 2017, commencing on or about March 24, 2017.

Please note that brokers may not vote your shares on the election of directors, the advisory vote on named executive officer compensation, the advisory vote on the frequency of advisory resolutions on named executive officer compensation, the approval of the Company's Executive Incentive Plan or the approval of the Company's 2017 Equity Incentive Plan, in the absence of your specific instructions as to how to vote.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE MARK, SIGN, DATE AND MAIL THE ENCLOSED PROXY CARD OR VOTE ON THE INTERNET. A RETURN ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE.

Lindsay K. Blackwood
Secretary

March 20, 2017

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE SHAREHOLDER MEETING TO BE HELD ON MAY 5, 2017.**

**The annual report to shareholders and proxy statement are available at:
<http://www.brinks.com/2017annualmeetingmaterials>.**

TABLE OF CONTENTS

Table of Contents

<u>PROXY SUMMARY</u>	<u>1</u>
<u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING</u>	<u>7</u>
<u>CORPORATE GOVERNANCE</u>	<u>11</u>
<u>Board of Directors</u>	<u>11</u>
<u>Board Independence</u>	<u>12</u>
<u>Committees of the Board</u>	<u>13</u>
<u>Director Nominating Process</u>	<u>14</u>
<u>Board Evaluations</u>	<u>15</u>
<u>Board Role in Risk Oversight</u>	<u>15</u>
<u>Compensation Risk Assessment</u>	<u>15</u>
<u>Policy and Process for Approval of Related Person Transactions</u>	<u>16</u>
<u>Communications with Non-Management Members of the Board of Directors</u>	<u>17</u>
<u>Succession Planning</u>	<u>17</u>
<u>Political Contributions</u>	<u>17</u>
<u>Resignation and Retirement</u>	<u>17</u>
<u>PROPOSAL NO. 1—ELECTION OF DIRECTORS</u>	<u>18</u>
<u>PROPOSAL NO. 2—ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION</u>	<u>23</u>
<u>PROPOSAL NO. 3 ADVISORY RESOLUTION TO APPROVE THE FREQUENCY OF ADVISORY VOTES ON NAMED EXECUTIVE OFFICER COMPENSATION</u>	<u>25</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>26</u>
<u>Executive Summary</u>	<u>26</u>
<u>Executive Compensation Program Components for 2016</u>	<u>28</u>
<u>Process for Setting Executive Compensation</u>	<u>30</u>
<u>Factors Considered in Making Compensation Decisions</u>	<u>31</u>
<u>2016 Compensation Decisions by Component</u>	<u>33</u>
<u>Transition Compensation</u>	<u>40</u>
<u>Benefits</u>	<u>42</u>

<u>Change in Control Agreements</u>	<u>44</u>
<u>Compensation Recoupment Policy</u>	<u>44</u>
<u>Stock Ownership Guidelines and Prohibition Against Hedging</u>	<u>44</u>
<u>COMPENSATION AND BENEFITS COMMITTEE REPORT</u>	<u>45</u>
<u>SUMMARY COMPENSATION TABLE</u>	<u>46</u>
<u>GRANTS OF PLAN-BASED AWARDS TABLE</u>	<u>50</u>
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE</u>	<u>53</u>
<u>OPTION EXERCISES AND STOCK VESTED TABLE</u>	<u>55</u>
<u>PENSION BENEFITS TABLE</u>	<u>55</u>
<u>NONQUALIFIED DEFERRED COMPENSATION TABLE</u>	<u>59</u>
<u>POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL</u>	<u>62</u>
<u>DIRECTOR COMPENSATION</u>	<u>70</u>
<u>STOCK OWNERSHIP</u>	<u>75</u>
<u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	<u>77</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>77</u>
<u>EQUITY COMPENSATION PLAN INFORMATION</u>	<u>78</u>
<u>PROPOSAL NO. 4—APPROVAL OF THE EXECUTIVE INCENTIVE PLAN</u>	<u>79</u>
<u>PROPOSAL NO. 5—APPROVAL OF THE 2017 EQUITY INCENTIVE PLAN</u>	<u>81</u>
<u>PROPOSAL NO. 6—APPROVAL OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>90</u>
<u>AUDIT AND ETHICS COMMITTEE REPORT</u>	<u>92</u>
<u>OTHER INFORMATION</u>	<u>93</u>
<u>APPENDIX A—NON-GAAP RECONCILIATION</u>	<u>A-1</u>
<u>APPENDIX B—EXECUTIVE INCENTIVE PLAN</u>	<u>B-1</u>
<u>APPENDIX C—2017 EQUITY INCENTIVE PLAN</u>	<u>C-1</u>

TABLE OF CONTENTS**The Brink's Company**

PROXY SUMMARY

To help you review The Brink's Company's (Brink's or the Company) 2017 proxy statement, we have summarized several key topics below. The following description is only a summary. For more complete

information about these topics, please review the complete proxy statement and the Company's 2016 Annual Report on Form 10-K.

2016 Highlights

Brink's is a premier provider of secure logistics and security solutions, including cash-in-transit, ATM replenishment and maintenance, cash management services (including vault outsourcing, money processing and intelligent safe services), international transportation of valuables, and payment services to financial institutions, retailers, government agencies (including central banks), mints, jewelers and other commercial operations around the world. We serve customers in more than 100 countries and have approximately 60,700 employees worldwide. A significant portion of our business is conducted internationally, with approximately 75% of our \$3 billion in revenues earned outside the United States.

Brink's reported strong 2016 earnings that reflect price increases in Latin America and Brazil, improvements in the Payments business, and lower corporate expenses, which more than offset unfavorable currency and lower results in the U.S.

Following are key financial performance metrics that are monitored by management and the Board, reported to shareholders, and used in determining 2016 compensation for the named executive officers:

**2016 Non-GAAP
Operating Profit Margin Rate***

7.1%
(5.3% in 2015)

Non-GAAP Operating Profit Margin Rate is a key measure of the Company's profitability and is the performance measure used in the Company's 2016 annual incentive program.

**2016 Non-GAAP
Segment Operating Profit***

\$ 276 million
(\$226 million in 2015)

Non-GAAP Segment Operating Profit was a key measure of the Company's profitability until it was replaced by Non-GAAP Operating Profit in connection with financial reporting changes in 2014 and is the performance measure used for the Performance Share Units (PSUs) portion of the Company's 2014-2016 Long-Term Incentive (LTI) program.

2016 Non - GAAP operating

**profit was \$207 million,
compared to \$157 million
in 2015**

These financial measures are not presented in accordance with U.S. generally accepted accounting principles (GAAP). See page 37 of the Company's Annual Report on Form 10-K for the year ended December 31, 2016 for a
* reconciliation of non-GAAP operating profit margin rate to the most directly comparable GAAP financial measure.
See Appendix A for a reconciliation of non-GAAP segment operating profit to the most directly comparable GAAP financial measure.

2017 Proxy Statement | 1

TABLE OF CONTENTS**The Brink's Company****Executive Compensation Program**

Our executive compensation program is structured to link compensation to Company and individual performance over the short- and long-term and to align the interests of executives and shareholders. We do this by using shares of the Company's common stock (Brink's Common Stock) and stock-based

awards in our incentive compensation programs and by maintaining robust executive stock ownership guidelines. Elements of compensation for Brink's executives include base salary, annual incentives and long-term incentives.

Performance-Based and Variable Compensation in 2016

Annual Incentives	Annual Cash Bonus <i>Provides a cash award based on achievement of a pre-established one-year Non-GAAP operating margin rate goal.</i>
Long Term Incentives awarded in 2016	Internal Metric Performance Share Units (Internal Metric PSUs) <i>Paid out in shares of Brink's Common Stock at the end of a three-year period, based on achievement of a pre-established two-year total non-GAAP operating profit performance goal, and subject to an additional one year vesting requirement. Represents 37.5% of the total LTI award for 2016.</i>
	Relative Total Shareholder Return (TSR) Performance Share Units (Relative TSR PSUs and, together with the Internal Metric PSUs, the PSUs) <i>Paid out in shares of Brink's Common Stock at the end of a three-year performance period, based on the Company's TSR relative to that of companies in the S&P SmallCap 600 with foreign revenues equal to or exceeding 50% of total revenues. Represents 37.5% of the total LTI award for 2016.</i>
	Restricted Stock Units (RSUs) <i>Paid out in shares of Brink's Common Stock and vesting in three equal annual installments. Represents 25% of the total LTI award for 2016.</i>

In 2016, performance-based compensation (which includes annualized annual incentives, Internal Metric PSUs, and Relative TSR PSUs) represented approximately 68% of total target compensation for the Chief Executive Officer and approximately 60% of

total target compensation (on average) for the Company's other named executive officers, serving as of December 31, 2016, as illustrated below. See pages [37-38](#) for additional information about the long-term incentive awards.

For Messrs. Pertz and Domanico, whose annual and long-term incentive awards were prorated in 2016, we have used an annualized target amount for each category of target compensation. Special awards of performance-based stock options, and performance RSUs, awarded to Messrs. Pertz and Domanico upon their appointments to their respective positions and to Mr. Zukerman in connection with his promotion are not reflected in these charts and are described under Transition Compensation beginning on [page 40](#).

** Base Earnings includes base salary and, for one named executive officer on international assignment, an expatriate allowance.

*** Mr. Pertz's annual incentive for 2016 was subject to a payout between 75% and 200% of the target amount.

TABLE OF CONTENTS

PROXY SUMMARY

2016 Compensation Decisions

In February 2016, the Compensation and Benefits Committee (the Compensation Committee) approved long-term incentive (LTI) awards of Internal Metric PSUs, Relative TSR PSUs, and RSUs to the Company's named executive officers. Payouts of 2016 annual incentives to named executive officers were approved by the Compensation Committee in February 2017 ranging from 76 – 103% of target (depending on the named executive officer), reflecting corporate performance that was below the target level of the non-GAAP operating profit margin rate goal approved by the Compensation Committee. In February 2017, the Compensation Committee also

approved payouts for LTI awards granted in 2014, which consisted of PSUs, Market Share Units (MSUs) and RSUs. MSUs were paid out in shares of Brink's Common Stock at 124% of target, reflecting stock price appreciation over the three-year period. PSUs were paid out in shares of Brink's Common Stock at 200% of target, reflecting performance that exceeded both the target and maximum levels for the non-GAAP segment operating profit goal for the period beginning January 1, 2014 and ending December 31, 2016. These compensation decisions are more fully described in the Compensation Discussion and Analysis, beginning on page 26.

2017 Proxy Statement | 3

TABLE OF CONTENTS

The Brink's Company

Corporate Governance

Brink's is committed to good corporate governance and employs a number of practices that the Company's Board of Directors (the Board) has

determined are in the best interest of the Company and our shareholders. Following are examples of those practices.

What We Do and Don't Do:

We strive to employ good governance practices

Non-Executive Chairman—The Board annually appoints a Non-Executive Chairman of the Board to ensure the Board operates independently of management and that directors and shareholders have an independent leadership contact.

Majority Vote Standard—A director must tender his or her resignation if his or her election receives less than a majority vote in an uncontested election.

Executive Sessions—The independent members of the Board hold an executive session at each regular Board meeting.

Say on Pay—We provide shareholders with an annual advisory vote on named executive officer compensation.

Proxy Access—A shareholder, or group of up to 20 shareholders, who have continuously owned at least 3% of our outstanding common stock for 3 years or more may nominate and include in our proxy statement up to the greater of 2 director nominees or 20% of our Board.

Special Meetings—Shareholders holding at least 20% of our outstanding common stock may call a special meeting.

Our compensation program is designed to align with shareholder interests

Pay for Performance—Our executive compensation program links compensation to Company and individual performance over both the short- and long-term.

Stock Ownership Guidelines—We maintain robust stock ownership guidelines for the Chief Executive Officer and other executive officers.

Double Trigger Accelerated Vesting—Equity awards are subject to a double trigger for accelerated vesting in the event of a change in control followed by termination of employment.

We strive to adhere to good executive compensation practices

Recoupment Policy—We maintain a recoupment policy for performance-based cash and equity-based incentive payments in the event of a financial restatement.

Double Trigger Change in Control Agreements—We maintain change in control agreements that provide executives with benefits of up to two times the sum of salary and average annual bonus in the event of a change in control followed by termination of employment.

Independent Compensation Consultant—The Compensation Committee retains an independent compensation consulting firm that provides no other services to the Company.

No Tax Gross-ups and No Excessive Perquisites—There are no tax gross-ups and we provide limited perquisites to executive officers.

No Hedging—Directors and executive officers are prohibited from engaging in hedging transactions with respect to Company securities.

No Repricing of Underwater Stock Options—The Brink’s Company 2017 Equity Incentive Plan (the 2017 Equity Incentive Plan), presented for approval by shareholders at the 2017 annual meeting, prohibits re-pricing of underwater stock options without shareholder approval. The predecessor plan, the 2013 Equity Incentive Plan also prohibited repricing of underwater stock options.

TABLE OF CONTENTS**PROXY SUMMARY****Voting Matters**

Proposal	Board Voting Recommendation	Page Reference
1. Election of directors named in this proxy statement for a one year term	FOR each director nominee	<u>18</u>
2. Approval of an advisory resolution on named executive officer compensation	FOR	<u>23</u>
3. Approval of an advisory resolution on the frequency of advisory votes on named executive officer compensation	ANNUAL	<u>25</u>
4. Approval of the Company's Executive Incentive Plan	FOR	<u>79</u>
5. Approval of the Company's 2017 Equity Incentive Plan	FOR	<u>81</u>
6. Approval of Deloitte and Touche LLP as the independent registered public accounting firm for 2017	FOR	<u>90</u>

Board Nominees

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships
Paul G. Boynton	52	2010	Chairman, President and Chief Executive Officer, Rayonier Advanced Materials Inc.	Yes	<ul style="list-style-type: none"> • Audit and Ethics • Compensation • Finance and Strategy (Chair)
Ian D. Clough	50	2016	Independent Management Consultant	Yes	<ul style="list-style-type: none"> • Audit and Ethics • Compensation
Susan E. Docherty	54	2015	Chief Executive Officer, Canyon Ranch	Yes	<ul style="list-style-type: none"> • Audit and Ethics • Compensation • Finance and Strategy
Peter A. Feld	38	2016	Managing Member and Head of Research, Starboard Value LP	Yes	<ul style="list-style-type: none"> • Compensation • Corporate Governance and Nominating (Chair) • Finance and Strategy
Reginald D. Hedgebeth	49	2011	Former General Counsel, Chief Ethics & Compliance Officer and Corporate Secretary, Spectra Energy Corp.	Yes	<ul style="list-style-type: none"> • Audit and Ethics (Chair) • Compensation • Corporate Governance and Nominating

Douglas A. Pertz