

16th March 2010

Corporate Governance Unit
Financial Reporting Council
Fifth Floor
Aldwych House
71-91 Aldwych
London WC2B 4HN

F.A. O. Chris Hodge

Dear Sirs,

We are responding to the Consultation Document on the revised UK Corporate Governance Code of December 2009.

We are in broad agreement with the proposals for changes to the Code set out in the consultation document other than that relating to the re-election of Directors. In our view, neither the annual re-election of the Chairman nor the annual re-election of all Directors is necessary or appropriate.

These proposals are in conflict with some of the concerns expressed in the consultation document itself about the Code which "is too often viewed as a compliance exercise rather than a means of promoting appropriate behaviour by Boards and good communication between Boards and shareholders". A requirement for an annual vote regardless of the relationship with the shareholders or the performance of the company would appear to be a clear compliance exercise. In fact the knowledge that there is an annual vote "of confidence" in the Chairman or the full Board could hinder or delay the communication between the company and shareholders which should be being encouraged.

If shareholders have concerns over the conduct of the Board or its individual members, there are more than adequate methods of raising these concerns and taking action if necessary through a combination of the accepted communication channels of the Chairman and Senior Independent Directors or the provisions of company law. It could be strongly argued that these methods have not been adequately used in the recent past and that adding further layers of shareholder approval will continue this practice.

Whitbread Group PLC
130 Jermyn Street
London, SW1Y 4UR
T +44 (0) 20 7806 5480 www.whitbread.co.uk

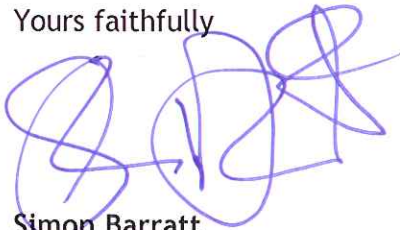
Having an annual vote at the company's general meeting could also lead to a delay in shareholders raising concerns and leaving their views to be expressed anonymously through a general vote. We believe that shareholders should be encouraged to speak to companies throughout the year and not to wait for a set piece meeting and a re-election vote. If these methods are not working, there is adequate provision in company law for resolutions to be brought to general meetings.

An annual vote will in the vast majority of cases simply add to the bureaucracy of the meeting as the shareholders have no issues to raise. This cannot be seen as an appropriate or welcome addition to the corporate governance regime when more meaningful and directed forms of communication should be being encouraged.

The annual vote could also be hijacked by single issue groups or those who are concerned over a particularly topical story which is not in fact central to the company's activities.

For all these reasons we believe that the proposal for annual re-elections should be dropped.

Yours faithfully

A handwritten signature in blue ink, appearing to be 'S. Barratt', written over a circular stamp or mark.

Simon Barratt
General Counsel