

The executive and supervisory directors

The Hague, 11 October 2018

Ref: B18.31

Subject: Gender diversity in the boardroom

Dear executive and supervisory directors,

The 2017 Dutch Companies Monitor Women at the top (Bedrijvenmonitor Topvrouwen) showed that the representation of women on both the Executive Board and Supervisory Board of large companies is rising “at a snail’s pace”. This conclusion was confirmed in our recently published evaluation report regarding the 2018 AGM and reporting season as well as in the recently published Dutch Female Board Index 2018.

Since January 1st, 2013, Dutch listed companies must strive for a balanced division of seats on the Managing and Supervisory Board between women and men in 2020 at the latest, which endeavour must be clearly reflected and emphasised in the profiles of executives and in supervisory directors. According to Dutch legislation, there is a balanced division of seats once each gender represents at least 30% of the total number of the Executive and Supervisory Board. Institutional investors support this push for greater board diversity. They have the firm belief that a diverse board makes better, more robust decisions, as well as better assesses the business risks and opportunities. It also sets the tone at the top for the diverse talent the company seeks to attract.

Your company is one of the companies that have not yet reached the legal target of at least 30% female executives and supervisory directors.

Eumedion is aware of the fact that (gender) diversity within companies can be a very challenging issue and may require a cultural change. Initiatives to increase the flow of qualified women to the top management of companies often begin at the lower ranks and only start bearing fruit after several years.

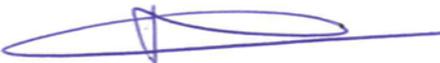
However, progress made in the past five years is disappointing and requires companies to accelerate their board refreshment process and to upgrade their talent management programme.

In the dialogues with the companies that have not reached the legal targets yet, Eumedion participants have called for action on gender diversity and have requested these companies to properly consider gender as part of the recruitment and nomination process and to take concrete measures in attracting a diverse range of candidates. Through this letter, we reiterate this stance. We encourage you to publicly adopt a diversity policy that includes a commitment to increase board gender diversity and measurable goals or targets to increase board gender diversity in the next two years. We also expect you to publicly disclose the strategy to reach board gender diversity targets and to report on the progress made in this respect and on the concrete additional measures that have been or are being taken in the next annual report.

Eumedion's preference is for listed companies to reform their board's composition in line with the legal target (30%) on a voluntary basis in the next two years. Against the background that the legal target was introduced in 2013 and the little progress that has been made since then, an increasing number of institutional investors are also considering or have started to take action by themselves by voting against boards that have made no progress in improving board gender diversity.

We are available should you require further clarification.

Yours faithfully,



Rients Abma  
Executive Director