

I stand by my original letter, and make the following comments:

- 1) The scope and content of the amendments are reasonable
- 2) I do not think that a phase-in would serve any useful purpose, except for those who are reluctant to comply, the very companies you want to improve their diversity records
- 3) The more I think about term limits, the more I think that they are the next logical step if "comply or explain" doesn't produce the results you are looking for. We are all looking for board renewal, and a term of, say, 10-12 years might be more acceptable to some than quotas, and would probably achieve the same result. This will need further study to get buy-in, but I really believe that after about ten years, the company has had your best ideas and there is a real risk of being co-opted by management
- 4) The disclosure of new appointments and the number of women among them should be obvious from the proxy circular, but I see no reason not to disclose it separately, if you want
- 5) In my experience, proper policies are always written
- 6) I would re-iterate that while I think that further diversity rules, beyond the participation rate of women, is something desirable for the future, this can wait. The pool of diverse non-female candidates is small, and opening the definition of diversity up right now would enable those who want to add geography, profession, and the like, to their diversity list, to evade the rules around women, so I am not in favour of that.

Eileen Mercier