



## **Committee regulations**

Amended on 14 December 2021

(UNOFFICIAL TRANSLATION)

### *0. Introduction*

- 0.1. These Regulations have been drawn up pursuant to article 14.1 of the Articles of Association of the Foundation.
- 0.2. These Regulations will be published on the website of the Foundation.
- 0.3. The meanings of a number of concepts used in these Regulations, either written with a capital letter or not, are listed in the Definitions in the appendix.

### *1. Committees: general*

- 1.1. The Foundation has Committees that advise and assist the General and Executive Board with regard to its work and prepare its decisions.
- 1.2. The General Board may form temporary or permanent Committees.
- 1.3. Representatives of all Ordinary members and of all Associate members may become members of the Committees. The members have relevant knowledge and experience in the fields that fall under the responsibility of the Committee in question and are able to articulate the views of the Ordinary or Associate Member in question.
- 1.4. The Executive Director of the Foundation is a member of each Committee.
- 1.5. A representative of an Ordinary member may become a member of a Committee on the invitation of the chair of the Committee, the Executive Board and the Executive Director of the Foundation, or may apply for membership on his/her own initiative. A representative of an Associate member may become a member of a Committee on the invitation of the chair of the Committee, the Executive Board and the Executive Director of the Foundation, after the approval of the General Board has been obtained. Membership is terminated as a result of termination of the contractual legal relationship in the managerial, employment, or some other sense between the Committee member and the Ordinary or Associate member.

- 1.6. The members of a Committee elect a chair from their number, unless the General Board objects to the nomination. The chair shall be appointed for a period of no longer than two years. The resigning chair may be reappointed immediately, subject to the provision that he/she may be chair for a continuous period of no longer than six years. The chair prepares the agenda for the meetings. A person designated by the chair for this purpose makes a record of the proceedings of the meeting and this record is adopted in the next meeting. Members may decide to remove the chair in case of insufficient fulfilment of tasks or other important reasons.
- 1.7. The Executive Director of the Foundation reports to the General and Executive Board on behalf of the Committees. The chairs of the Committees are entitled to take part in the meetings of the General Board and have an advisory voice at these meetings.
- 1.8. Every Committee meets as often as it considers necessary, but with a frequency of no less than twice a year.
- 1.9. Except in urgent circumstances, invitations for the meetings will be sent to committee members no later than five days in advance accompanied by the agenda. A Committee can also meet and decide by telephone or by electronic means of communication, provided that every Committee member can be identified via the electronic means of communication, is able to directly observe the proceedings at the meeting and can participate in the deliberations.
- 1.10. Each member is not permitted to use confidential information received by virtue of his/her membership, during or outside meetings, any further or otherwise or to disclose it further or otherwise than is necessary for the performance of his/her duties on the basis of these Regulations.
- 1.11. Each member of a Committee is entitled to request that a subject will be placed on the agenda of the relevant Committee. The chair of the Committee may only reject a request of this kind by providing reasons for doing so.
- 1.12. The Committees themselves may decide to apply for external advice on a subject to be dealt with, to a maximum sum stipulated in advance by the General Board. If this sum has already been exceeded, the decision on the application rests with the Executive Board.
- 1.13. The Committees may invite external experts and members of another Committee to attend a meeting.
- 1.14. Each Committee must inform the General Board clearly and promptly on the performance of its tasks and about important developments in the field for which it is responsible. All members of the General Board have free access to all meetings of the Committees and to all information that the Committees have. At the request of the General Board, a

Committee provides the General Board with a report of the Committee's deliberations and findings.

- 1.15. It is the responsibility of the General Board to draw up a Regulations. The articles below set out the tasks and areas of interest for which the relevant Committees are responsible. The General Board may occasionally amend the Regulations. Prior to the amendment of the Regulations consultation will take place with the members of the Committees .
- 1.16. The membership of the Committees is published on the Foundation's website.

## *2. Legal Committee*

- 2.1. The Legal Committee deals with the following issues as a matter of policy:
  - a. shareholders' rights and obligations;
  - b. mergers, takeovers and anti-takeover mechanisms;
  - c. relocation of registered office;
  - d. management structure;
  - e. remuneration of executives and supervisory directors;
  - f. provision of information to shareholders;
  - g. Corporate governance (among which the Dutch Corporate Governance Code) and Sustainability factors;
  - h. modern means of communication in the decision-making process at the general meetings of shareholders (including electronic voting, proxy voting and proxy solicitation);
  - i. voting policy of and exercise of voting rights by Institutional investors;
  - j. share lending;
  - k. financial law topics that are relevant to listed companies and/or their shareholders;
  - l. engagement obligations for Institutional investors;
  - m. transparency obligations for Institutional investors in the area of Corporate governance and Sustainability factors.
- 2.2. The tasks of the legal committee include at least the following:
  - a. to initiate lobbying for the amendment of (national and European) legislation and regulations in the fields referred to under article 2.1. of these Regulations;
  - b. to monitor the proposals for the amendment of (national and international) legislation and regulations in the fields referred to under article 2.1. of these Regulations and to inform the General and Executive Board on this subject;

- c. to analyse the monitoring reports of the Monitoring Committee Corporate Governance Code;
- d. to prepare position statements, position papers and comment letters with respect to the fields referred to under article 2.1. of these Regulations;
- e. to monitor jurisprudence in the field of Corporate governance and Sustainability factors;
- f. to maintain contacts with the relevant policy-makers and sectoral organizations;
- g. to propagate the views of the Foundation in the fields referred to under article 2.1. of these Regulations, by means of publishing articles for example, or giving lectures.

### *3. Reporting and Audit Committee*

3.1. The Reporting and Audit Committee deals with the following issues as a matter of policy:

- a. financial and non-financial reporting by listed companies and the related regulatory framework, to the extent relevant to Institutional investors;
- b. the quality of internal control and risk management (including the internal audit function);
- c. the role and responsibility of and the reporting by the audit committee of the supervisory board;
- d. the role and the independence of and the reporting by the external auditor and the regulatory framework thereof.

3.2. The tasks of the Reporting and Audit Committee include at least the following:

- a. to initiate lobbying for the amendment of (national and European) legislation and regulations in the fields referred to under article 3.1. of these Regulations;
- b. to monitor the proposals for the amendment of (national and international) legislation and regulations in the fields referred to under article 3.1. of these Regulations and to inform the General and Executive Board on this subject;
- c. to prepare position statements, position papers and comment letters with respect to the fields referred to under article 3.1. of these Regulations;
- d. to maintain contacts with the relevant policy-makers and sectoral organizations;
- e. to propagate the views of the Foundation in the fields referred to under article 3.1. of these Regulations, by means of publishing articles for example, or giving lectures.

#### *4. Investment Committee*

- 4.1. Throughout the year, the Investment Committee informs the Executive Board of current and material Corporate governance topics and Sustainability factors at individual listed companies and of flagrant breaches of the accepted corporate governance and sustainability standards by individual Dutch listed companies, in addition to advising the Executive Board on concrete steps to be taken with respect to the Dutch listed companies in question or the policy-makers. The Investment Committee also discusses practical and logistical procedures with regard to the general meetings of shareholders.
- 4.2. The tasks of the Investment Committee include at least the following:
  - a. to prepare the annual focus letter for Dutch listed companies;
  - b. to prepare position statements, position papers and comment letters with respect to responsible investment, corporate governance and sustainability related policy themes;
  - c. to inform members of the Foundation on (joint) dialogues with Dutch listed companies and on (joint) statements for shareholder meetings of Dutch listed companies;
  - d. to alert Ordinary and Associate members of controversial proposals on the agenda of a general meeting of a Dutch listed company;
  - e. to draft an evaluation report of the ordinary general meetings of the Dutch listed companies in the year concerned.
- 4.3. A representative of an Ordinary or Associate Member who is not a member of the Investment Committee may, as the occasion arises, request the chair of the Investment Committee to be permitted to attend a meeting of the Investment Committee when this Ordinary or Associate Member has an interest in the subjects to be discussed.
- 4.4. The Investment Committee may invite representatives of Ordinary or Associate members who are not members of the Investment Committee to attend a meeting of the Investment Committee.
- 4.5. Membership of the Investment Committee will be conditional upon active participation. The following qualitative criteria will apply:
  - a. the represented organizations have to participate actively, for example by attending general meetings of shareholders, by being represented by other members of the Foundation or by active participation in the Investment Committee where they share their experiences or information with other members of the Foundation;

- b. the members of Investment Committee shall execute the corporate governance and/or sustainability policy of their employer and/or are active in portfolio management;
  - c. the members of Investment Committee are in general qualified to speak at general meetings of shareholders;
  - d. as exception to the above under the introductory sentence and a to c, the Investment Committee can admit new members that intend to become active within reasonable time;
  - e. as exception to the above under the introductory sentence and a to c, the Investment Committee can decide to admit members with other useful qualifications which are important for the work of Investment Committee;
  - f. in case a member of the Investment Committee does not participate on a regular basis, the chair of the Investment Committee can request this member to participate actively or to nominate another person in his/her place.
- 4.6. If a member of the Investment Committee represents an Ordinary or Associate Member with a conflicting interest in a subject on the agenda of the meeting, the member in question will not participate in the deliberation and decision-making about that subject and on any advice to the Executive Board with regard to taking concrete steps as referred to in article 4.1 of these Regulations.
- 4.7. The Investment Committee may formulate rules in order to stay effective and efficient in knowledge and information sharing, for a better functioning of the Investment Committee and for a good execution of these Regulations.

#### *5. Public Relations Committee*

- 5.1. The task of the Public Relations Committee is to advise the General and Executive Board on internal and external communications.
- 5.2. The tasks of the Public Relations Committee include at least the following:
- a. to advise on communications policy and its implementation;
  - b. to advise on communication to the members of the Foundation;
  - c. to advise on media policy and its implementation;
  - d. to edit press releases;
  - e. to generate publicity for the Foundation;
  - f. to coordinate press questions;
  - g. to advise on board opinions that have been formulated;
  - h. to do the final editing of external publications;

- i. to advise on the design and contents of the Foundation's website;
- j. to coordinate external support in the field of communications.

#### *6. Research Committee*

- 6.1. The Research Committee assists the General and Executive Board by developing activities that contribute to the assessment, clarification, growth and distribution of empirical information in the field of Corporate governance and Sustainability factors.
- 6.2. The tasks of the Research Committee include at least the following:
  - a. to function as a platform for the gathering, codifying, summarizing and clarification of knowledge on economic and legal phenomena that are related to the Corporate governance and Sustainability factors of listed companies, in so far as this is important for the functioning of Institutional investors;
  - b. to make knowledge on Corporate governance and Sustainability factors accessible by means of position papers and by means of initiating and contributing to the organization of seminars, theme sessions, Members' Meetings, etc. on behalf of the Foundation;
  - c. to formulate the definition of the problems for (follow-up) research to be carried out for, by or on behalf of the Foundation, and to submit proposals for research to the General and Executive Board;
  - d. to supervise and monitor research projects in progress;
  - e. to maintain contacts with relevant research institutes.

#### *7. Miscellaneous*

- 7.1 These Regulations may be amended by the General Board from time to time. Prior to the amendment of these Regulations, consultation will take place with the Members' Meeting.
- 7.2 In the event of uncertainty or difference of opinion about the meaning of any provision of these Regulations, the judgment of the chairman of the General Board will be decisive.
- 7.3 These Regulations are governed by Dutch law. The Dutch court has exclusive jurisdiction to settle disputes arising from or in connection with these Regulations.
- 7.4 These Regulations supplement the provisions relating to the management of a Foundation as laid down in Dutch law, other applicable Dutch or EU regulations and the Articles of Association of the Foundation. Insofar as it turns out that part of these Regulations is not in accordance with Dutch law, other applicable Dutch or EU regulations or the Articles of Association of the Foundation, it remains inapplicable with regard to that part of the Regulations, without prejudice to Article 7.5.

7.5 If one or more provisions of these Regulations are or become invalid, this will not affect the validity of the remaining provisions. The General Board may replace the invalid provisions with valid provisions, the consequences of which, given the content and purpose of these Regulations, correspond as much as possible to the invalid provisions.



## Appendix: Definitions

**General Board:** the management board in the sense of Book 2 of the Netherlands Civil Code.

**Committee:** a committee set up by the General Board that prepares decision-making under the responsibility of the General Board.

**Corporate governance:** the system of practices applied by a listed company in dealing with the stakeholders directly involved with the company and its business – in particular executive and supervisory directors and providers of capital – comprising a number of rules for good governance and supervision, and rules on the allocation of tasks, responsibilities and powers, leading to a balance of influence among those involved with the company and its business.

**Executive Board:** the Executive Board of the Foundation, which is part of the General Board.

**Sustainability factors:** environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**Associate members:** legal persons that are related to Ordinary members but are not institutional investors, that have been admitted as associate members by the General Board and have, in this capacity, signed an associate membership agreement with the Foundation. Associate Members are entitled to attend the Members' Meetings and to speak at these meetings, but have no voting rights.

**Ordinary members:** institutional investors who have been admitted as ordinary members by the General Board and have concluded a membership agreement with the Foundation. Ordinary Members are entitled to attend the Members' meetings, to speak at these meetings and to exercise voting rights there.

**Institutional investors:** pension funds, asset managers, managers of investment institution, insurance companies or undertakings for collective investment in securities, which have legal personalities.

**Regulations:** the Regulations of the Committees.

**Foundation:** the Stichting Eumedion, with registered office in the Municipality of Amsterdam.

**Members' Meeting:** the constituent body of the Foundation, consisting of Ordinary Members, Associate Members and others entitled to attend the meeting.