



February 25, 2011

CEO
Company
Address

Dear [CEO]:

Mercy Investment Services, Inc. is the socially responsible investment program of the Sisters of Mercy of the Americas. As an investor in many companies, we believe that we should actively engage companies on areas of concern to us, such as a sustainable earth, social and economic justice and the common good. We also believe that companies that **both** develop good governance policies **and** have demonstrated results in implementing them are better governed and yield better shareholder value over time. Reports on the diversity of board membership have clearly demonstrated that women and diverse persons are underrepresented on corporate boards. For example, a 2010 *Catalyst* report states that women comprise only 15.7% of the Fortune 500 board positions. In addition, a 2008 report from the Alliance for Board Diversity reports 27% of directors of the top 100 companies are women and diverse persons. Yet, women make up more than half, and women and diverse persons together make up two-thirds, of the population in the U.S.

The Sisters of Mercy are deeply concerned about the achievement of equality and fullness of experiences of women and diverse persons. We also believe that diversity in governance is essential for a board to bring a variety of skills, backgrounds and perspectives into the governance processes, and diversity leads to an improved opportunity for boards to make the best strategic decisions in this increasingly global community. As a result, our proxy voting guidelines implemented in 2010 provide that Mercy Investment Services will oppose all nominees of a board when a minimum of 25% of the board is not or would not be inclusive of women and/or diverse persons on election. We are writing to advise you that Mercy Investment Services implemented this guideline in 2010 and withheld votes for all of your director nominees. We will continue to apply this voting guideline in the upcoming proxy year. We ask that your company make progress in including more women and/or diverse persons on its board, demonstrating its commitment to diversity at the highest levels of the company.

We look forward to hearing from you on the concrete steps you have taken or plan to take in order to implement a more diverse board of directors in the company.

Sincerely,

Susan S. Makos
Director of Social Responsibility