

Whereas: Editas Medicine’s Board of Directors appears to have limited racial and ethnic diversity.

We believe that gender, racial and ethnic diversity is a critical attribute of a well-functioning board and a measure of sound corporate governance.

Corporate leaders recognize the strong business case for board diversity. The Guiding Principles of Corporate Governance of the Business Roundtable state: “Boards should develop a framework for identifying appropriately diverse candidates that allows the nominating/corporate governance committee to consider women, minorities and others with diverse backgrounds as candidates for each open board seat.”¹

Board and management diversity benefits include a larger candidate pool from which to pick top talent, better understanding of consumer preferences, a stronger mix of leadership skills, and improved risk management.

Numerous institutional investors have adopted proxy voting guidelines reflecting their belief that board and management diversity is an indicator of good corporate governance. BlackRock, the world’s largest asset manager, published in 2020 investment stewardship guidelines that state, “If there is no progress on enhancing diversity at the board level within a reasonable time frame, we may hold nominating and/or governance committees accountable for an apparent lack of commitment to board effectiveness. Deliberate action needs to be taken by boards with a lack of diversity.”² State and city pension plans nationwide have adopted proxy voting policies with minimum thresholds for board diversity.

California legislation enacted in 2018 mandates gender diversity on the boards of companies with headquarters in that state and other states and municipalities are following suit. In 2020, California signed into law a similar mandate to increase racial and ethnic representation. Potential regulatory action seeking disclosure of racial, ethnic, and gender diversity is also under consideration at the federal level.

Despite recent progress, people of color remain significantly underrepresented on U.S. corporate boards. Among board members of Russell 3000 companies whose race was identified, non-white directors represent less than 11 percent.³ Continued progress on board diversity requires serious attention to the board search process and board refreshment.

Resolved: Shareholders request that the Board of Directors prepare a report within calendar year, at reasonable expense and omitting proprietary information, on steps Editas Medicine is taking to enhance board diversity, such as:

- Embedding a commitment to diversity inclusive of gender, race, and ethnicity in governance documents;
- Committing publicly to include people of color in each candidate pool for board and senior leadership seats; and
- Disclosing in annual proxy statements the gender, racial, and ethnic composition of the board.

¹ <https://s3.amazonaws.com/brt.org/Principles-of-Corporate-Governance-2016.pdf>.

² <https://www.blackrock.com/corporate/literature/publication/blk-commentary-engaging-on-diversity.pdf>

³ ISS Analytics U.S. Board Diversity Trends in 2019