

EGM 8 July 2021

**DRAFT**

## Minutes

of the **Extraordinary General Meeting of Shareholders** of the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO") held on **Thursday 8 July 2021** by video conference at **10.00 hours**.

### 1. OPENING

Mr. **D.J. van den Berg, Chairman**, opens the meeting and asks Mrs. Oosterbaan to inform the meeting about the presence of the shareholders.

Mrs. **Oosterbaan** states that 21 shareholders are present, jointly entitled to cast 297,370 votes or 74.3% of the issued capital, which is sufficient to take today's decision on today's appointment.

The **Chairman** thanks Mrs. Oosterbaan and welcomes the shareholders and other attendees, in particular the representatives of the Ministry of Finance, Mrs. B.E. Solleveld, Mr. A.J. van Andel and Mr. G.C.F. Verschuer on behalf of the state as holder of the A-shares. He also welcomes Mr. M. Sarfo as representative of the Dutch Department of Sustainable Economic Development of the Ministry of Foreign Affairs.

The **Chairman** remarks that the full session is in English and that, if necessary, he will summarize the questions and translate them into Dutch. The meeting setup allows all SB and MB members to speak during the meeting. Shareholders can use the "raise your hand"-feature if they have any questions during the meeting. In case of unanswered questions, the response will be shared afterwards. For technical reasons, shareholders have in principle already given voting instructions by means of the proxy they returned. Shareholders get the opportunity to change their voting instructions, if after hearing the discussion they come to a different conclusion. The session is recorded for internal use only and no break is scheduled.

The **Chairman** introduces the other Supervisory Board members: Mr. J.V. Timmermans, Vice-Chairman of the Supervisory Board and Chair of the Audit and Risk Committee, Mr. D.K. Agble, member of the Audit and Risk and Risk Committee, Mrs. M. Demmers, member of the Impact Committee and member of the Selection, Appointment and Remuneration Committee, Mrs. R.P.F. van Haeringen, member of the Impact Committee and Chair of the Selection, Appointment and Remuneration Committee.

Mrs. T. Menssen, Chair of the Impact Committee and member of the Audit and Risk Committee, was not able to join and apologized.

The **Chairman** further welcomes the Management Board, Mrs. L.G. Broekhuizen, Chief Executive Officer ad interim, Mrs. F. Bouaré, Chief Risk & Finance Officer and Mr. H. de Ruijter, Chief Investment Officer ad

interim. Also online is Mrs. C.E.M. Oosterbaan, Corporate Secretary of FMO, who he appoints as Secretary of the meeting.

The **Chairman** draws attention to the audio recording and, for some, the camera recording of the meeting, which are only used for taking the minutes. In accordance with the rules of good governance and the Articles of Association, the draft minutes of the meeting will be made available on request within two months after the end of the meeting and placed on the company's website after which shareholders will have three months to respond to the draft minutes. The minutes will then be adopted by the Chairman and the Secretary of the meeting. The minutes will be sent to shareholders at their request.

## 2. INTENDED APPOINTMENT OF MANAGEMENT BOARD MEMBER - CEO

The **Chairman** informs the shareholders that following this meeting, after an extensive search, the Supervisory Board intends to appoint Mr. Michael Jongeneel as member of the Management Board per 1 September 2021, in the position of Chief Executive Officer, for the duration of four years. Mr. Jongeneel is currently partner at the international consulting firm Bain & Company as well as the firm's global lead for sustainable finance. Prior to this role, Mr. Jongeneel spent eight years at Triodos, where he was Managing Director of Triodos Investment Management B.V. and where he initially joined as Chief Operating Officer and member of the Executive Board of Triodos Bank. For further information, the Chairman refers the shareholders to Mr. Jongeneel's resume. Based on the documentation, interviews and discussions with the executive search firm and the advice of the members of the Selection, Appointment and Remuneration Committee, the Supervisory Board concluded that Mr. Jongeneel fits the CEO-profile best in terms of his inspirational thought leadership, strong focus on impact driven development and his dynamic as well as understanding leadership style. He has proven to be determined and decisive in driving the implementation of new strategies and showed tenacity in executing challenging projects in fast-changing environments throughout his career. The Dutch Central Bank and the Dutch Authority for the Financial Markets have approved his appointment. The Works Council, which was regularly kept up to date on the search process by the members of the Selection, Appointment and Remuneration Committee, informed the Supervisory Board that it provides a positive advice on his appointment. The Chairman asks whether there are shareholders who would like to ask questions.

Mr. **Bakker** asks Mr. Jongeneel to introduce himself.

The **Chairman** asks Mr. Jongeneel to do so and gives him the floor.

Mr. **Jongeneel** states that he feels very privileged and excited to join FMO as the new CEO per 1 September. He highlights a few items of his resume. He experienced inequalities first-hand in Indonesia during his childhood, and his parents taught him that if he could make a difference, he had the responsibility to do so. This guided his career. He also tries to live in accordance with certain values, such as living carbon neutral as much as possible. He has also been treasurer of Giro555 for a few years. This position will end in October, when he will join the Board of Oxfam International as Treasurer. He strives to build bridges by

cooperating with other DFIs, commercial parties and NGOs. He will end his position as a board member of Nauta Dutilh to avoid any conflict of interest.

**The Chairman** notes that there are no further questions. He informs the shareholders that immediately after the closing of the meeting the Supervisory Board will hold a short meeting during which Mr. Jongeneel will be appointed.

### 3. CEO AD INTERIM STEPS DOWN

The **Chairman** states that during the past Covid year, the Management Board worked in an interim situation. As of June last year, Mrs. Broekhuizen and Mrs. Bouaré were the only Management Board members for some time. The Supervisory Board took interim measures and, after obtaining the necessary approvals, Mrs. Broekhuizen was appointed Chief Executive Officer ad interim and Mr. De Ruijter Chief Investment Officer ad interim, while Mrs. Bouaré continued her role as Chief Risk & Finance Officer. With the interim situation coming soon to an end, Mrs. Broekhuizen has decided to round off her career at FMO after 21 years in various roles. She founded the Agribusiness, Food & Water team and was an important driver of FMO's sustainability and Environmental, Social & Governance (ESG) approach. She will step down as CEO ad interim and member of the Management Board as per 1 September 2021. She joined FMO's Management Board on 1 January 2014 as Chief Investment Officer. The Chairman thanks Mrs. Broekhuizen on behalf of the Supervisory Board for the past 7.5 years in the Management Board and for her utmost commitment and relentless energy to guide FMO through the turbulent past year, with its internal challenges to transform the organization and external challenges such as the Covid pandemic and increased scrutiny by stakeholders, to mention a few. He also thanks Mrs. Broekhuizen for providing the Supervisory Board with the opportunity to continue the thorough search process for a new CEO with less time pressure than would otherwise have been the case. The Supervisory Board kept a close eye on the internal and external situation and very much appreciated that Mrs. Broekhuizen and the other members of the Management Board kept the Supervisory Board well up to date during the past year, which of course took an extra effort. The Supervisory Board is grateful for all the energy invested by Mrs. Broekhuizen during her career at FMO, but especially during the last one and a half year which were particularly challenging. The Chairman asks whether any other shareholders than the majority shareholder would like to take the floor. This not being the case, he provides the floor to the Ministry of Finance.

Mrs. **Solleveld** starts with a short word of welcome to Mr. Jongeneel as the new CEO of FMO. As majority shareholder, the Ministry of Finance wishes him all the best in his new position, looks forward to working with him and is confident he will successfully address the challenges that lay ahead.

On behalf of the Ministry of Finance Mrs. Solleveld expresses her sincere gratitude to Mrs. Broekhuizen for a very pleasant collaboration during the past years and her long and impressive career of more than twenty years at FMO. As a long-standing Board member, Mrs. Broekhuizen has shown a thorough understanding of FMO's impact investing goals and its complex field of stakeholders. She thanks Mrs. Broekhuizen especially for her leadership in the past difficult year in which FMO was confronted with the outbreak of the Covid-19 pandemic. This resulted in staff working from home, not able to travel to clients, turmoil in FMO markets and clients asking for additional support. During the period following the resignation of the former CEO,

Mrs. Broekhuizen managed to cope with the internal tensions in the organization and she went a long way in transforming FMO's KYC approach and the internal organization. Mrs. Broekhuizen showed an inexhaustible commitment that deserves enormous respect. She thanks Mrs. Broekhuizen and wishes her all the best in her future endeavours. A few meetings with Mrs. Broekhuizen will follow and therefore there will be another chance to say goodbye, but for this moment, Mrs. Solleveld gives a big "thank you".

The **Chairman** thanks Mrs. Solleveld and provides the floor to Mrs. Broekhuizen.

Mrs. **Broekhuizen** thanks the Chairman and Mrs. Solleveld for their kind words. She says that it is a mission impossible to summarize in a few sentences how FMO and the world around it have developed over the past seven and a half years during her time in the Management Board, let alone during the past 21 years that she worked at FMO. Over all those years, FMO continued to move the needle, by consistently increasing its impact ambitions and by being an engine of change in developing economies. FMO has been able to continuously punch above its weight. Three things really stood out to her and made her very proud. First, FMO has developed a strong impact and sustainability focus, market position and brand name in its three focus sectors in developing economies, being Financial Institutions, Renewable Energy and Agribusiness. Secondly, she is proud of the frontrunner role as sustainable impact investor that FMO has developed in the DFI world and in the financial sector, in terms of really embedding impact and ESG in its core processes. Thirdly, Mrs. Broekhuizen is proud of the way FMO has continued to innovate by developing new partnerships for blended finance like the venture capital fund NASIRA and the Dutch Fund for Climate and Development, and for mobilizing institutional investors through FMO Investment Management. She is confident that FMO will continue to be that agent of change towards the next twenty years as she leaves the organization in the capable and inspirational hands of Mr. Jongeneel, Mrs. Bouaré and Mr. De Ruijter. Finally, she would like to thank all employees of FMO for their hard work and commitment in these challenging times, the Supervisory Board members and Mr. Van den Berg especially, and the shareholders, in particular the Ministries of Finance and Foreign Affairs for their continued support and pleasant collaboration.

The **Chairman** thanks Mrs. Broekhuizen.

#### 4. INTENDED APPOINTMENT OF MANAGEMENT BOARD MEMBER - CIO

**The Chairman** states that following the meeting, the Supervisory Board intends to appoint Mr. De Ruijter as member of the Management Board as per today, 8 July 2021, in the position of Chief Investment Officer, for the duration of four years. Mr. De Ruijter has served as Chief Investment Officer ad interim for the past nine months and prior to this role, he was amongst others Director Financial Institutions and Director Financial Markets at FMO. His other positions can be found on his resume. Mr. De Ruijter has had a successful career and is internally recognized as a suitable candidate. The fact that he is an internal candidate with around thirteen years of FMO experience is useful in the context of the arrival of a new CEO and with regard to FMO's clients. He is very knowledgeable in his field and brings a lot of expertise and institutional memory to the table. The Supervisory Board is of the opinion that Mr. De Ruijter clearly demonstrated a very involved and committed leadership style when it was needed most. The Dutch Central Bank and the Dutch Authority

for the Financial Markets have approved his appointment. The Works Council informed the Supervisory Board it refrains from providing advice and waives its right for advice on the appointment of Mr. De Ruijter as CIO for procedural reasons. The Chairman provides the floor to Mr. De Ruijter.

Mr. **De Ruijter** states that he is very excited to now take on the role in a permanent capacity. He is grateful for the trust placed in him to take on this responsibility and is mindful that he is stepping into big shoes as Mrs. Broekhuizen did an outstanding job for which he thanks her. He made a very deliberate choice thirteen years ago to come to FMO having built up significant expertise and skills in the financial centre of the world at the time, London, which he wanted to use to build a better world. He is grateful for having the opportunity to do so at FMO. He was inspired amongst others by the colleague sitting next to him who worked on vaccination bonds, a very topical item again, to accelerate vaccination programs around the world. Impact investing did not really exist at the time, however, this was a great example of how to use finance for good. He is still very much convinced that the private sector has a key role to play in the challenges we all face, particularly in terms of inequality in terms of climate change. Covid has only made clearer that there is a real urgency around these challenges, which needs collaboration between the public and private sector. FMO is uniquely positioned to take on an important role. He has seen great examples in his thirteen years at FMO of how the lives of people are positively impacted and he is very keen to build on the 51 years of expertise of FMO together with so many passionate colleagues to continue to work on the “achievement of the century” as we use to say.

**The Chairman** thanks Mr. De Ruijter and establishes that there are no additional questions.

## 5. INTENDED APPOINTMENT OF MANAGEMENT BOARD MEMBER - CRFO

The **Chairman** states that the Supervisory Board intends to reappoint Mrs. Fatoumata Bouaré as member of the Management Board per 15 October 2021, in the position of Chief Risk & Finance Officer, for the duration of four years. The Chairman remarks that most shareholders know Mrs. Bouaré. For shareholders who are less familiar with Mrs. Bouaré, he explains that she has the Ivorian nationality and worked in Benin, Burkina Faso, Ivory Coast and Senegal. She has a profile and background in both risk management and finance. For further information he refers to her resume which was included in the documentation. The Supervisory Board does not regard the reappointment of a member of the Management Board as a matter of course and has looked at whether the right person is in the right place. The Supervisory Board assessed the performance of Mrs. Bouaré during the past four years. Mrs. Bouaré has mastered FMO well and gives substance to her assignment in a calm and goal-oriented manner. She has gained recognition as a pleasant and reliable colleague in the Management Board. Her attitude is very congenial as evidenced by her cooperation in the reshuffling of responsibilities at FMO's Management Board. Also, considering the changes that have taken place in FMO's leadership, it is important to safeguard institutional memory through this continuation. The Dutch Central Bank and the Dutch Authority for the Financial Markets were notified about her reappointment. The Works Council informed the Supervisory Board it refrains from providing advice and waives its right for advice on her reappointment for procedural reasons. He provides the floor to Mrs. Bouaré to say a few words.

Mrs. **Bouaré** thanks the Supervisory Board for the trust put in her by this reappointment, which is a great pleasure and honour. The collaboration over the past years was positive and pleasant. She is pleased to be able to continue. When she joined almost four years ago, FMO's mission and vision appealed to her very much. Having worked for more than twenty years in commercial banking, she was looking for an organization with a great purpose and she was excited by the position of CRFO and its challenges. Having been appointed in this position four years ago was a great honour. It was not always easy to fulfil the position, however, it was a very inspiring journey where she has learned a lot. Mrs. Bouaré says she came with her experience and knowledge and put a lot of energy in working towards the strategy implementation of FMO, interacting with colleagues and staff, building the future of FMO, and improving the organization. She is very much aware of her responsibility and is committed to continue working hard in FMO's organization. She thanks Supervisory Board for the confidence placed in her.

The **Chairman** establishes that there are no additional questions.

## 6. PROPOSED REAPPOINTMENT MEMBER OF THE SUPERVISORY BOARD

The **Chairman** states that the Supervisory Board nominates Mr. Timmermans for reappointment as member of the Supervisory Board, starting at 27 September 2021, for a period of four years. Mr. Timmermans is Vice-Chairman of the Supervisory Board and Chairman of the Audit and Risk Committee and will continue to fulfil these two roles, assuming that the General Meeting of Shareholders will reappoint him. With his background as Chief Financial Officer of ING Groep N.V. and Vice-Chairman of ING Bank N.V. Mr. Timmermans fits the profile well, because of his high-quality knowledge in the field of financial economics and risk management. His resume was sent to the shareholders for further information. The banking experience of Mr. Timmermans in finance, risk and compliance is of great value to the proper functioning of FMO. FMO is a bank with a special character, a complex portfolio, and a complex market. In this challenging environment, FMO must also properly follow legislation and regulations. In his current term of office, Mr. Timmermans has more than proven this added value. The Supervisory Board is convinced that it certainly needs his knowledge and experience in the coming period. In addition, the Supervisory Board has been working in a new composition for over a year and Mr. Timmermans plays a pleasant and connecting role which is greatly appreciated by all other members of the Supervisory and also by the Management Board. The Dutch Central Bank has been notified about his reappointment. The Works Council informed the Supervisory Board of its positive point of view on the reappointment of Mr. Timmermans. The Chairman invites Mr. Timmermans to say a few words.

Mr. **Timmermans** remarks that FMO is indeed a complex environment. Institutions like FMO must navigate economies, but also regulation. After the Covid happenings of last year, one sees that emerging markets are doing quite fine on current accounts, debt amortization schedules and reserves. Their deficits are not too high either, however, loan demand is low, and one sees political tremor and Covid is not entirely gone. Therefore, there are pluses and minuses, and Mr. Timmermans would like the Management Board to deliberate on what all of this means for next year's planning. One could say that this year FMO is doing fine, because loan demand is low and FMO is focusing a lot on internal matters, for instance on KYC, however, next year is another year where FMO must put on additional measures. That navigation of a company in a specific

environment is something Mr. Timmermans is always excited and curious about and he would like to help the company with that going further.

The **Chairman** thanks Mr. Timmermans. He establishes that there are no questions from shareholders on this proposal and asks them whether they agree to appoint Mr. Timmermans as proposed. The shareholders have now heard the presentation of Mr. Timmermans. In case there are shareholders, who would like to change their voting instructions, there are twenty seconds to do so. The Chairman provides further instructions.

Mrs. **Oosterbaan** announces that there no changes in the voting instructions. She states that Mr. Timmermans has 100% of the votes in favour of his reappointment.

The **Chairman** congratulates Mr. Timmermans with this overwhelming majority and his reappointment.

## 7. ANY OTHER BUSINESS

The **Chairman** provides the floor to Mr. Bakker.

Mr. **Bakker** asks how the business is going in 2021. Is FMO doing better? Can positive results be expected? How is FMO doing with regard to KYC? Are there new findings? He thanks everyone at FMO for their work.

The **Chairman** invites the CEO ad interim to explain where things are standing today.

Mrs. **Broekhuizen** mentions that FMO made a profit over the first six months of the year, however, she cannot share the numbers, as these have not yet been finalized. Compared to the loss of last year there is good progress, above budget, in terms of profitability. However, FMO cannot grow as quickly as it wants because of the focus on KYC. FMO needs to reduce the growth of the portfolio. FMO is making good progress to remediate all KYC files by the end of the year. FMO needs to be in full compliance with the WFT (Financial Supervision Act) and Wwft (Money Laundering and Terrorism Financing Prevention Act) and FMO is on track to make that happen. It is hard work and not easy in the current Covid environment, however, FMO is confident to finalize this by the end of the year.

The **Chairman** thanks Mrs. Broekhuizen and notes that there are no other questions.

## 8. CLOSING

The **Chairman** thanks everyone for attending and closes the meeting.

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D.J. van den Berg, Chairman

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Catharina E.M. Oosterbaan, Secretary