



Ms. Lisa Prior, Board Chair
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October 31, 2023

Honorable Vanessa Countryman
Secretary Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Via electronic mail

Re: Corporate Board Diversity RIN: 3235-AL91

Dear Ms. Countryman:

The Boston Club, New England's premier network of women professionals and leaders, respectfully submits this letter to the U.S. Securities and Exchange Commission ("SEC") to comment on its consideration of a rule proposal related to corporate board diversity.

The Boston Club is a member of the Thirty Percent Coalition, a group of institutional investors who represent over \$8 trillion AUM.¹

Research has shown that diversity in its broadest sense helps groups make better decisions and avoid group-think. For years, research has also illustrated that corporations with diverse leadership teams that are inclusive of gender, race, and ethnicity outperform their peers.² Given this reality, The Boston Club believes we have a responsibility to shepherd our assets under management responsibly by understanding the level of diversity on our current and prospective portfolio company boards and voting our proxies accordingly.

There is clearly a pervasive, enduring demand among investors for data and disclosure on board composition, as evidenced by the preponderance of institutional investors, both large and small, that factor corporate board diversity into proxy voting decisions.

Despite broad consensus that board diversity data is decision-useful to investors and widespread demand among investors for such information, the current disclosure framework does not address investor needs and is best characterized as disorderly and inefficient. There is no formal, standardized source of racial/ethnic, LGBTQ+ or disability data regarding board composition among U.S. listed companies, and so gathering this information requires investors to spend crucial time, effort, and money to attempt to locate this data.

¹ [Members of the Thirty Percent Coalition](#)

² [e.g., McKinsey & Company: Diversity Wins – May 2020](#)



Given the objectives of the SEC to protect investors and maintain fair, orderly and efficient markets, we respectfully request that the SEC require all companies that trade on U.S. exchanges to disclose clearly defined and standardized diversity metrics in the proxy statement or, if there is no proxy filing, in another appropriate document filed with the SEC.

Additionally, we request that such a rule include provisions to advance transparency, such as:

- Disclosure based on voluntary self-identification; and
- Reporting that disaggregates data by the categories in the Nasdaq Rule and supplemented with disability disclosure, in a format like that required by the Nasdaq Rule (i.e. “Board Matrix”). This enables investors to clearly ascertain the level of diversity among directors and facilitates comparability across companies.

The Boston Club appreciates the SEC’s consideration of these comments and would be pleased to discuss them in greater detail. If you have any questions or need any additional information, please contact Lisa Prior, Board Chair, at chair@thebostonclub.com or Barbara Hayes, Executive Director, barbara@thebostonclub.com.

Sincerely,

Lisa A. Prior

Lisa Prior, Board Chair, The Boston Club

cc by email:

Honorable Commissioner, Gary Gensler, Chair
Honorable Commissioner Hester Peirce
Honorable Commissioner Caroline Crenshaw
Honorable Commissioner Jaime Lizarraga,
Honorable Commissioner Mark Uyeda,
Ms. Barbara Hayes, Executive Director, The Boston Club