



December 18, 2023

Fabrice Houdart
Executive Director
Association of LGBTQ+ Corporate Directors
310 W 89
New York, NY 10024

To: 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 [Association of LGBTQ+ Corporate Directors](#) 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 Association, representing the interest of more than 500 existing and aspiring LGBTQ+ Corporate Board Members in the U.S., is a partner of the Thirty Percent Coalition, a group of institutional investors representing over \$8 trillion AUM.

Research has shown that diversity, in its broadest sense, helps groups make better decisions and avoid groupthink. For years, research has also illustrated that corporations with diverse leadership teams inclusive of gender, race, sexual orientation, gender identity, and ethnicity outperform their peers.¹

There is clearly a pervasive, enduring demand among investors for data and disclosure on board composition, as evidenced by the preponderance of large and small institutional investors 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. It 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, so gathering this information requires investors to spend crucial time, effort, and money to

¹ [e.g., McKinsey & Company: Diversity Wins – May 2020](#)

attempt to locate this data.

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 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 ascertain the diversity level among directors clearly and facilitates comparability across companies.

The Association of LGBTQ+ Corporate Directors 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 get in touch with me at fabrice@lgbtqdirectors.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Fabrice", is positioned above a light gray rectangular background.

cc by email: Chair Gary Gensler
Commissioner Hester Peirce,
Commissioner Caroline Crenshaw,
Commissioner Jaime Lizarraga,
Commissioner Mark Uyeda