

Assemblymember Evan Low, Chair
Senator Susan Talamantes Eggman, Vice Chair
President pro Tempore Toni Atkins
Assemblymember Sabrina Cervantes
Senator John Laird
Assemblymember Alex Lee
Assemblymember Chris Ward
Senator Scott Wiener



January 5, 2021

Ms. Vanessa Countryman
Secretary, Securities and Exchange Commission
100 F Street, NE
Washington, DC 200549-0609

Dear Secretary Countryman,

We write to you on behalf of the California Legislative LGBTQ Caucus, which fully supports Nasdaq's proposed rule change related to board diversity. Nasdaq's transformative efforts to encourage diversity through public disclosure is part of a larger movement to ensure underrepresented communities — including people of color, women, and members of the LGBTQ+ community — are given access to previously inaccessible spaces .

Around the world, Pride events take place each summer. Corporations often use this time to promote rainbow-adorned apparel with colorful commercials that express a commitment to equality. This public gesture in solidarity with the LGBTQ+ community is appreciated. However, many of the top decision-makers at these companies do not reflect this stated commitment to equality, which is why Nasdaq's proposal is so important. The new rule will shine a light on the world's most powerful boardrooms and encourage companies to strive for genuine diversity in top-level leadership.

Harvard Business Review recently found that diverse boards improve company governance and help executives effectively respond to market shifts. McKinsey & Company's own report found that ethnically diverse companies are 35% more likely to outperform companies that lack a diverse workforce. The data is conclusive, but diversity in leadership can also have more subtle impacts. Nasdaq's proposal will give young business people of all backgrounds more examples of leaders who reflect their reality. Such a shift could inspire America's next generation of entrepreneurs and innovators.

Since 2002, the LGBTQ Caucus has advocated for diversity and the inclusion of all people, including those with disabilities. Our Caucus works diligently to support LGBTQ+ leaders at the local, state, and federal levels, and we believe Nasdaq's unique standing in corporate America will lead to dramatic progress through the proposed rule change.

Thank you for giving your time and attention to this matter. If you have any questions, please contact LGBTQ Caucus Consultant Alina Hernandez at [REDACTED] or [REDACTED].

Sincerely,

A handwritten signature in blue ink, appearing to read "Evan Low".

Assemblymember Evan Low, Chair

A handwritten signature in blue ink, appearing to read "Susan Talamantes Eggman".

Senator Susan Talamantes Eggman, Vice Chair