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CONGRESSMAN BRAD SHERMAN

SERVING THE SAN FERNANDO VALLEY

January 29, 2021

Vanessa Countryman, Secretary
U.S. Securities and Exchange Commission
100 F Street NE,
Washington, D.C. 20549-0213

Re: SR-NASDAQ-2020-081

Dear Ms. Countryman,

I write to applaud the efforts of Nasdaq to increase the transparency of Nasdaq-listed companies by mandating they disclose important diversity statistics regarding their boards of directors. I strongly support the decision to address the critical lack of boardroom diversity in terms of race, national origin, gender and sexual identity. According to a recent analysis of the boards of the 3,000 largest publicly traded companies, just 12.5 percent of board directors come from underrepresented ethnic and racial groups, despite making up 40 percent of the U.S. population.¹ This analysis also found that African Americans make up just 4 percent, and African American women only 1.5 percent, of the individual board directors included in the review. This proposal represents a step towards remedying historic injustices, recognizing the critical role that marginalized groups, especially communities of color, played and continue to play in building our economic strength, while still facing structural exclusion from opportunities, including board service.

In considering these efforts, I would also like to encourage Nasdaq to explore options for improving representation of individuals with disabilities at listed companies. In particular, I would like to highlight a 2018 report entitled, "Getting to Equal: the Disability Inclusion Advantage."² This analysis of 140 companies provides a number of interesting findings regarding the positive relationship between companies' emphasis on meeting the needs of disabled individuals and their financial performance. Members of the disability community have lived experiences that require the daily application of innovation, talent, and drive to overcome barriers. I believe the unique perspectives provided by these lived experiences are important for the decision making of public companies.

¹ <https://www.nytimes.com/2020/09/15/business/economy/corporate-boards-black-hispanic-directors.html>

² <https://www.accenture.com/acnmedia/PDF-89/Accenture-Disability-Inclusion-Research-Report.pdf>

With this in mind, I strongly encourage Nasdaq to pursue opportunities to improve inclusion and representation of people with disabilities at listed companies, and thereby strengthen our markets, the positions of our shareholders, and the U.S. economy.

Sincerely,



BRAD SHERMAN

Chair

Subcommittee on Investor Protection,
Entrepreneurship, and Capital Markets