



Herndon Directors Institute

Ensuring a Seat at the Table

April 2, 2021

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-0609
Email: rule-comments@sec.gov

Re: Support for File No. SR-NASDAQ-2020-081, Related to Board Diversity

Dear Ms. Countryman:

On behalf of the Herndon Directors Institute, we are pleased to submit this statement in support of the Nasdaq's proposed change that requires all companies on Nasdaq's U.S. Exchange to be transparent and to publicly and consistently disclose the diversity statistics of those companies' board of directors.

The Herndon Directors Institute (HDI) was specifically created for the purposes of increasing board diversity. HDI's core initiative is aimed at preparing diverse professional for corporate boards and at helping educate and support this country's future directors.

Today, the United States is more diverse than ever. According to the most recent [census statistics](#), women make up more than half of the U.S. population and comprise more than half of the labor force. Over thirteen percent of the U.S. population is Black, and eighteen percent is Latino. According to the [Gallup poll data](#), over five percent of the population identifies as LGBTQ.

These percentages, however, are not reflected in the boardrooms of American companies. Women account for around a quarter of directors at S&P 500 companies and roughly the same share of board members self-identify as a race or ethnicity other than white.¹

Given the disparity between the makeup of corporate boards and the population, it is the opinion of HDI that Nasdaq's proposal is a necessary and timely reform. This proposal not only aligns with the growing diversity of the country, it aligns with the growing consensus that diversity among the board of directors is vital to effective management, corporate governance and the listed companies' performance. Increasingly, investors and stakeholders have demanded board diversity and transparency regarding the nominating and selecting processes for directors.

¹ Lauren Hirsch, *The Business Case for Boardroom Diversity*, THE NEW YORK TIMES (Jan. 23, 2021).



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With the push towards transparency and racial and gender quality on corporate boards, Nasdaq's proposal aims at broadening representation in the corporate world. With a seat at the table, underrepresented groups will have a chance to make meaningful contributions and impact important corporate decisions that have an effect on broader constituencies.

In sum, this proposal is a step in the right direction and comes at a critical time in a country that has been forced to reckon with the racial and gender-based discrimination of its past. Now, more than ever, the corporate world has an opportunity to take a stand and lead by example.

For these reasons, we are kindly asking the Securities and Exchange Commission to affirm the proposed rule.

Sincerely,

Members of the Herndon Directors Institute
Inaugural Class of Fellows

Rhonda Briggins
Rodney Bullard
Jamal Eason
Hannah Choi Granade
David Hall
Burhan Jaffer
Vonshe Jenkins
Mojoyin Onijala
Ivan Shammas
Kofi Smith
James Sullivan
Alvarez Symonette
Malika Terry
Adrienne Trimble
Sophie Twichell
Adis Vila
Kim Waller
Karen Woody