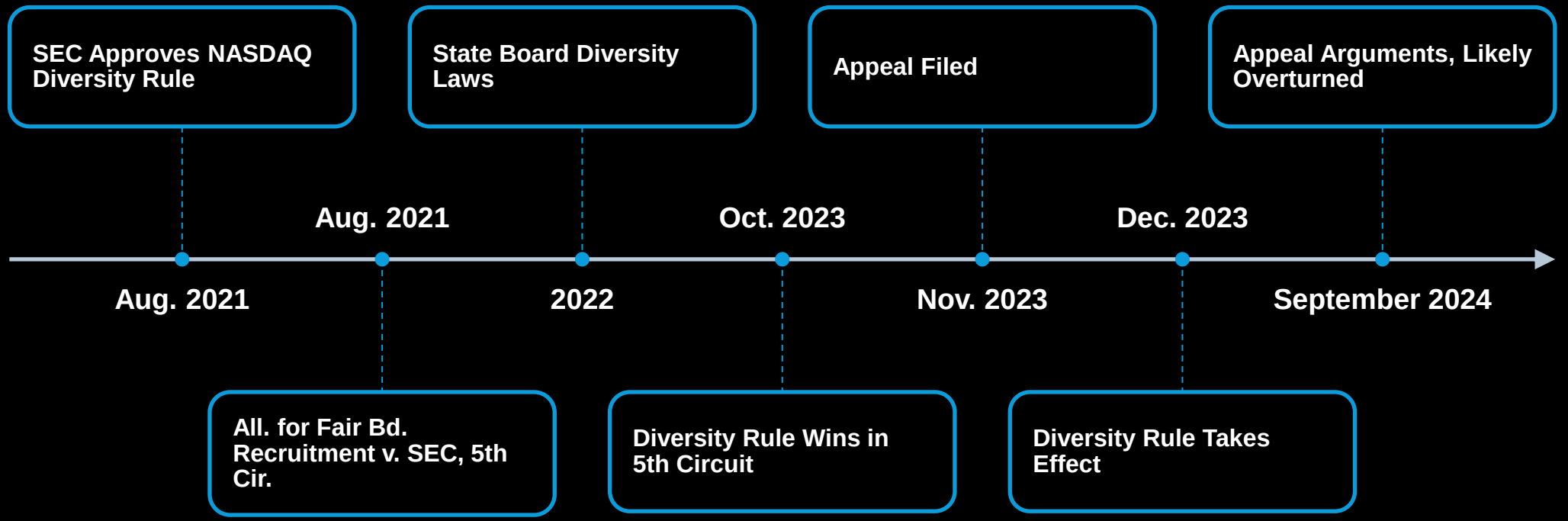
SEC Board Diversity Requirements: Are NASDAQ Listed Companies Disclosing Their Data?

Brittany Long
Assistant Team Lead - Data & Surveys

Princess Onyiri
Senior Data Scientist

Bloomberg Law

Legal Developments for Corporate Board Diversity Matters

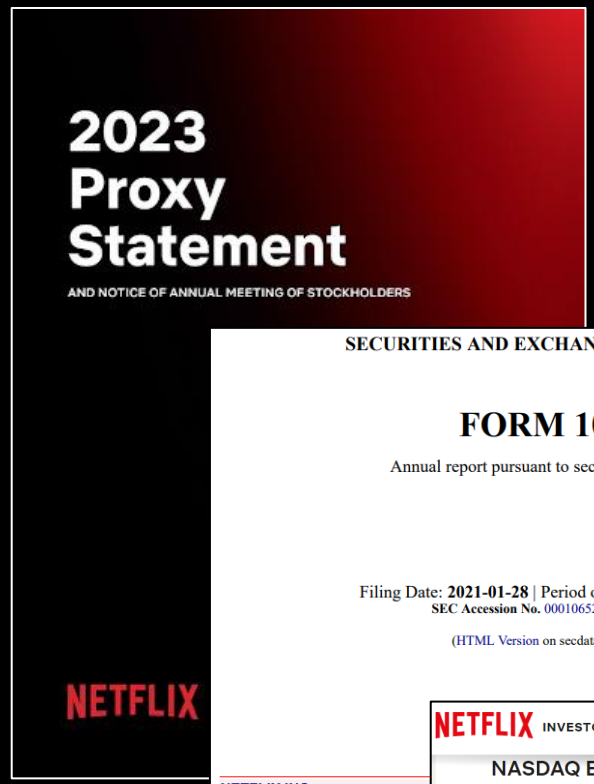


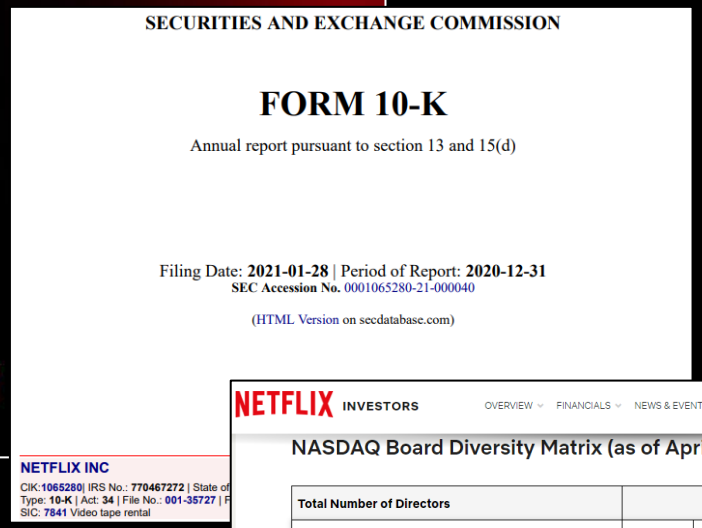
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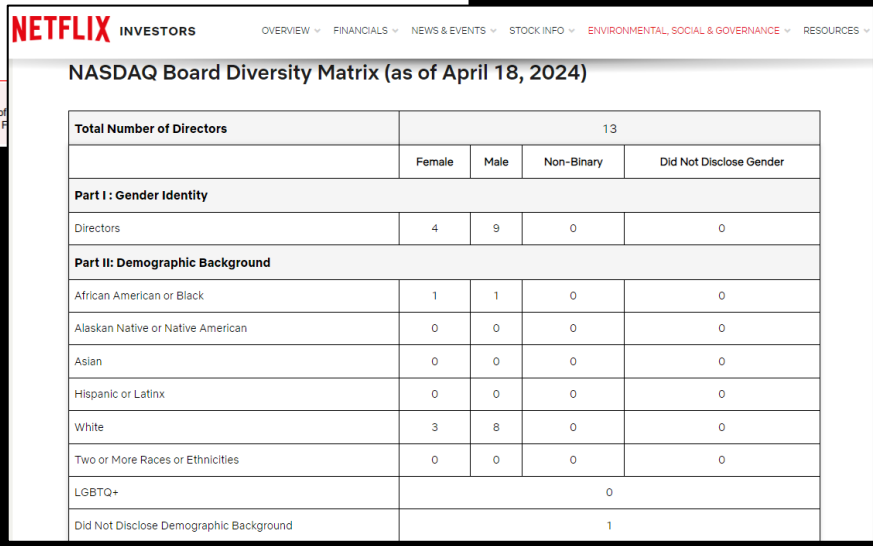
Where Do Companies Disclose?

Board Diversity Matrix Requirement

- Proxy Statements (SEC form DEF 14a)
- Form 10-K
- Public Websites






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NASDAQ Board Diversity Matrix (as of April 18, 2024)

Total Number of Directors	13			
	Female	Male	Non-Binary	Did Not Disclose Gender
Part I : Gender Identity				
Directors	4	9	0	0
Part II: Demographic Background				
African American or Black	1	1	0	0
Alaskan Native or Native American	0	0	0	0
Asian	0	0	0	0
Hispanic or Latinx	0	0	0	0
White	3	8	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+	0			
Did Not Disclose Demographic Background	1			

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Limitation – They Just Don't Want To…



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How the Data Should Look

BOARD DIVERSITY MATRIX DISCLOSURE REQUIREMENTS AND EXAMPLES

Last updated June 6, 2023

Under Nasdaq's Board Diversity Rule:

- All operating companies listed on Nasdaq's U.S. exchange would be required to publicly disclose diversity statistics regarding their board of directors using the Board Diversity Matrix template, or a format substantially similar.

Board Size:				
Total Number of Directors	9			
	Female	**Male**	**Non-Binary**	**Did not Disclose Gender**
Gender:				
Directors	3	6	0	0
Number of Directors who identify in Any of the Categories Below:				
African American or Black	0	0	0	0
Alaskan Native or Native American	0	1	0	0
Asian (other than South Asian)	0	1	0	0
South Asian	1	0	0	0
Hispanic or Latinx	0	1	0	0
Native Hawaiian or Pacific Islander	0	0	0	0
White	2	3	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+	2			
Persons with Disabilities	1			

Limitation – The Data Lack Consistency…

Feb. 14, 2024, 5:00 AM EST

Alphabet, Microsoft Pivot From Nasdaq Diversity Reporting Format



Andrew Ramonas
Senior Reporter

Alphabet, Microsoft Forgo Suggested Nasdaq Disclosure Models

Tech giants report board diversity with dots, check marks

Alphabet

	Page	Brin	Pichai	Hennessy	Arnold	Chávez	Doerr	Ferguson	Mather	Shr…	…ehr
Gender Identity											
Male	•	•	•	•		•	•	•		•	
Female					•				•		•
Race/Ethnicity											
African American or Black								•			•
Asian			•							•	
Hispanic						•					
White	•	•		•	•		•		•		
LGBTQ+						•					

Microsoft

Qualifications and Expertise	Hoffman	Johnston	List	MacGregor	Mason	Nadella	Peterson	Pritzker	Rodriguez	Scharf	Stanton	Walmsley
Board Diversity Representation of gender, ethnic, or other perspectives that expand the Board's understanding of the needs and viewpoint of our customers, partners, employees, governments, and other stakeholders worldwide.			✓	✓	✓	✓	✓	✓	✓			✓
Financial Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes.		✓	✓		✓				✓	✓	✓	
Global Business Experience driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Tesla, Amazon Deliver Nasdaq Board Disclosures

Companies share numerical diversity data

TESLA

Board Diversity Matrix (As of April 6, 2023)

	Female	Male
Total Number of Directors	8	
Gender:		
Directors	2	6
Number of Directors Who Identify in Any of the Categories Below:		
African American or Black	1	—
Asian (other than South Asian)	—	1
White	1	5

amazon

Board Diversity Matrix (As of April 13, 2023)

Total Number of Directors	11	
	Female	**Male**
Directors	5	6
Number of Directors Who Identify in Any of the Categories Below:		
African American or Black	1	—
Asian	1	—
White	3	6

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Methodology



U.S. Securities and Exchange Commission

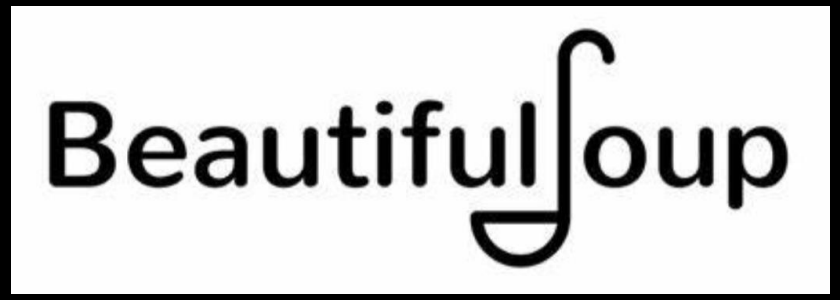
Bloomberg ANYWHERE

Continuing…





Continuing...



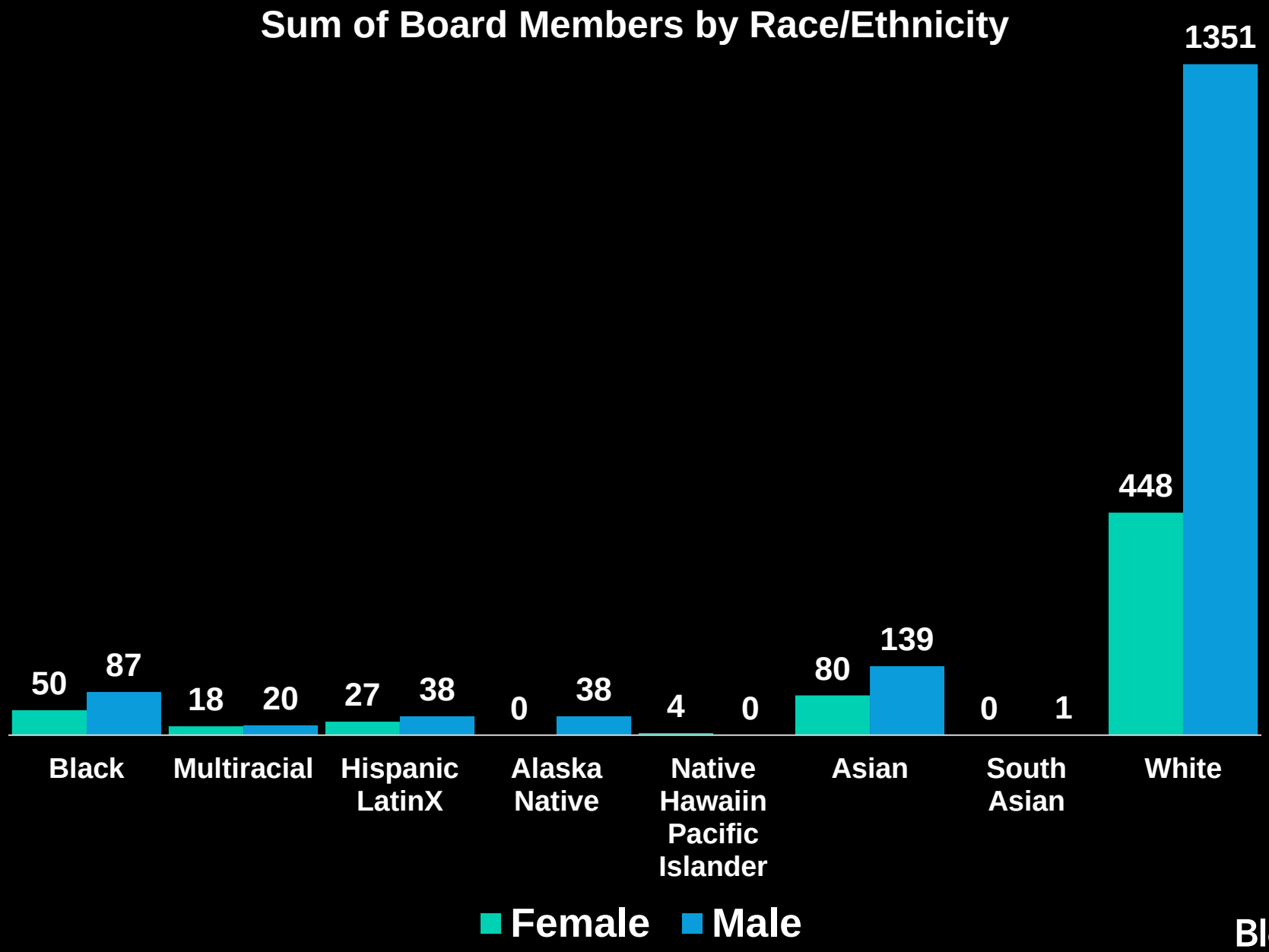
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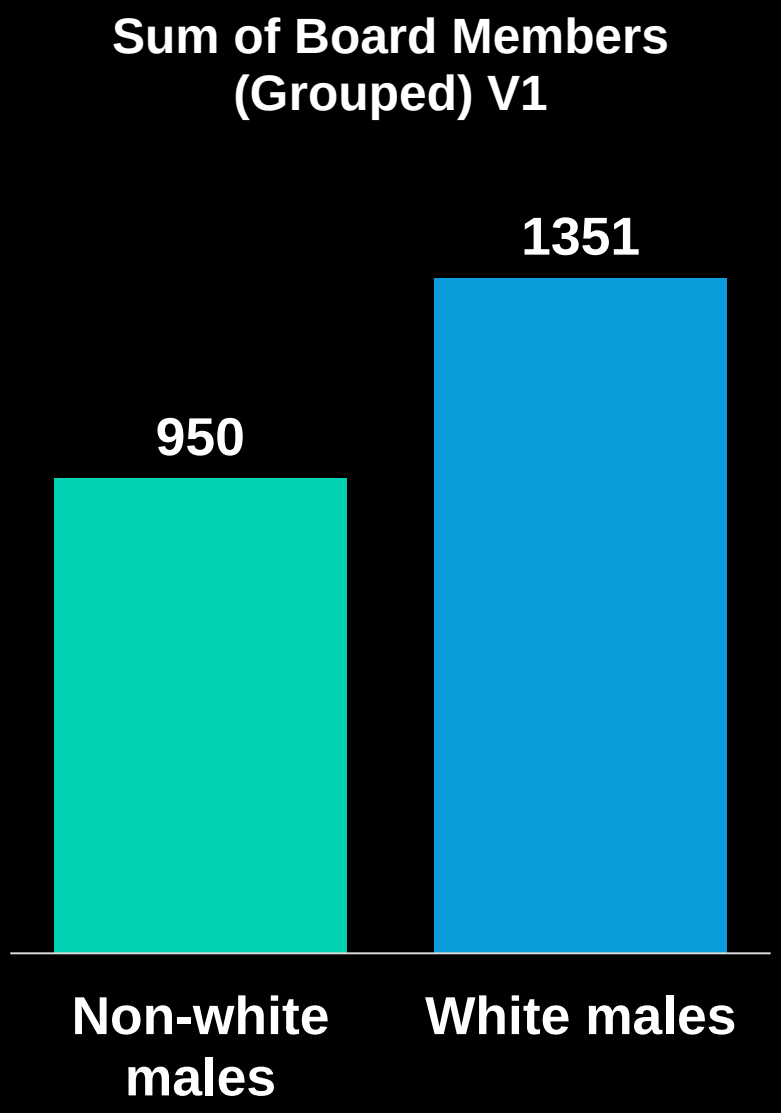


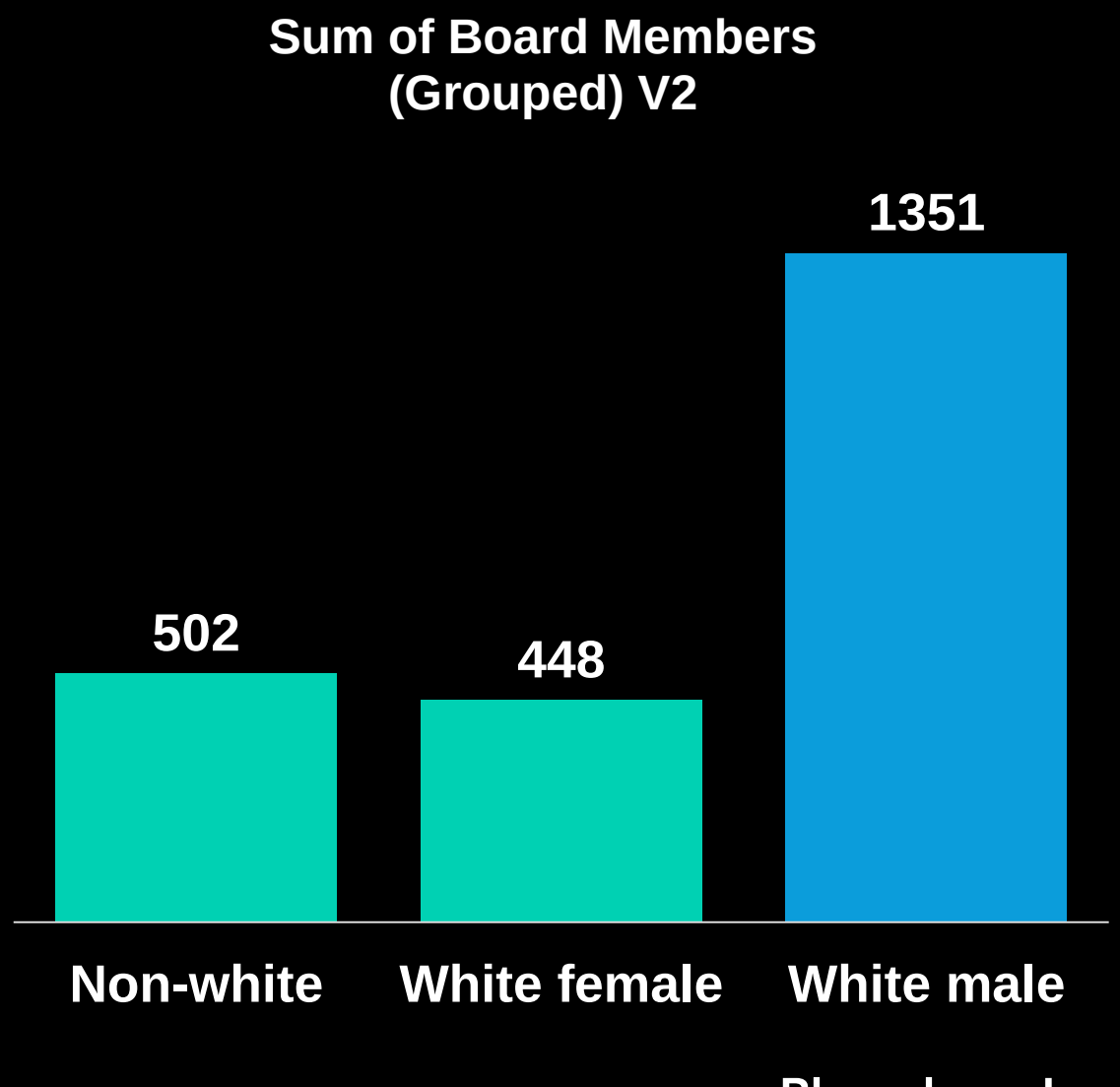
Package ‘Rblpapi’

Findings


Sum of Board Members by Race/Ethnicity
50
87
18
20
27
38
0
38
4
0
80
139
0
1
448
1351
Black
Multiracial
Hispanic LatinX
Alaska Native
Native Hawaiin Pacific Islander
Asian
South Asian
White
Female
Male

Findings Continued…





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Additional Stats From the Bloomberg Terminal

Variable	N (# of companies)	Mean
board members serving 5+ years	228	5 members
board age limit	15	72 years
board size	74	8 to 9 members
board average tenure	228	8 years
board average age	74	63 years of age

Limitations

- Table formatting
- Run-time
- Categories of interest
- Memory issues



Limitations continued…

Board Diversity Matrix (as of April 20, 20	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div	Board Div
Total Number of Directors	â	â	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
â	â	â	Female	Female	Female	Female	â	â	Male	Male	Male	Male	â	â	â	â	â
PartÂ I: Gender Identity	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
Directors	â	â	â	â	2	â	â	â	â	â	7	â	â	â	â	â	â
PartÂ II: Demographic Background	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
African American or Black	â	â	â	â	â	â	â	â	â	â	1	â	â	â	â	â	â
Alaskan Native or American Indian	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
Asian	â	â	â	â	2	â	â	â	â	â	â	â	â	â	â	â	â
Hispanic or Latinx	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
Native Hawaiian or Pacific Islander	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
White	â	â	â	â	â	â	â	â	â	â	6	â	â	â	â	â	â
Two or More Races or Ethnicities	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â
LGBTQ+	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	1
Did Not Disclose Demographic Background	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â	â

Limitations continued…

Board Diversity Matrix (as of April 20, 20	Board Diversity Matrix (as of April 20, 2023)											
Total Number of Directors	9											
â	â	â	Female				â	â	Male			
PartÂ I: Gender Identity	â	â	â	â	â	â	â	â	â	â	â	â
Directors	â	â	â	â	2	â	â	â	â	â	7	â
PartÂ II: Demographic Background	â	â	â	â	â	â	â	â	â	â	â	â
African American or Black	â	â	â	â	â	â	â	â	â	â	1	â
Alaskan Native or American Indian	â	â	â	â	â	â	â	â	â	â	â	â
Asian	â	â	â	â	2	â	â	â	â	â	â	â
Hispanic or Latinx	â	â	â	â	â	â	â	â	â	â	â	â
Native Hawaiian or Pacific Islander	â	â	â	â	â	â	â	â	â	â	â	â
White	â	â	â	â	â	â	â	â	â	â	6	â
Two or More Races or Ethnicities	â	â	â	â	â	â	â	â	â	â	â	â
LGBTQ+	â	â	â	â	â	â	â	â	â	â	â	â
Did Not Disclose Demographic Background	â	â	â	â	â	â	â	â	â	â	â	â

Conclusion

