



California State Treasurer Fiona Ma, CPA

News Release

FOR IMMEDIATE RELEASE

PR 20:78
December 28, 2020

Contact: [Mark DeSio](#)
(916) 926-1167

California State Treasurer Supports Nasdaq Proposal for Stakeholder Transparency by Providing Diversity Data

Sacramento – California State Treasurer Fiona Ma today sent a letter to Nasdaq expressing her support for [a proposal](#) that seeks to provide stakeholders with more transparency by providing diversity data on the company’s board composition, asking members to include at least two diverse directors on their boards, or explain their rationale for not meeting that standard.

She is also calling upon the CalPERS and CalSTRS boards to support the Nasdaq proposal. Treasurer Ma is a member of both boards.

On Dec. 1, 2020, the Nasdaq Stock Market (Nasdaq) submitted a proposal with the U.S. Securities and Exchange Commission (SEC) that, if approved, would require Nasdaq-listed companies to (1) have (or explain why they do not have) at least two diverse directors and (2) publicly disclose certain diversity statistics about their boards of directors on an annual basis. The proposal is under review by the SEC, and public comments are due to the SEC by Dec. 30, 2020.

Treasurer Ma said she believes that Nasdaq’s diversity proposal is in the public’s interest and will "help make meaningful progress in improving board diversity."

“Here in California, we pride ourselves in being one of the most diverse states in the nation where we have also built the largest economy in the nation,” said the Treasurer in her letter to Vanessa Countryman, NASDAQ Secretary. “As the first minority woman to be elected State Treasurer, I am fully aware of the importance of diversity in leadership roles in order to create financially sustainable and socially responsible corporations. I commend Nasdaq for

providing companies with the opportunity to increase board diversity through a disclosure-based, business-driven approach.”

Treasurer Ma says NASDAQ’S plan for inclusive growth is “realistic and necessary” because it would also implement a phase-in period for companies to adhere to the new listing standards, which she said complements a partnership with Equilar that will assist their members in recruiting diverse board members.

“We do not believe Nasdaq’s requirements will be overly burdensome or coercive,” said Treasurer Ma. “I believe Nasdaq’s proposal will help make meaningful progress in improving board diversity related to race, ethnicity, sexual orientation and gender identity.”

According to Nasdaq, the goal of the proposal “is to provide stakeholders with a better understanding of the current board composition of its listed companies and to enhance investor confidence that listed companies are considering diversity and inclusion in the selection of directors, either by including at least two diverse directors on their boards or by explaining their rationale for not meeting that objective.” Nasdaq also cited extensive research showing that diverse boards improve financial performance and corporate governance.

The recent social justice movement has brought an increased focus on and commitment to diversity and inclusion on the boards of public companies. In recognition of this, Nasdaq seeks to encourage its listed companies to diversify their boards in more meaningful ways and enhance diversity reporting requirements to produce consistency and transparency in company disclosures.

For a copy of the letter, contact Mark DeSio at (916) 926-1167.

###

Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state’s history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world’s fifth-largest economy and Treasurer Ma is the state’s primary banker. Her office processes more than \$2 trillion in transactions within a typical year. She provides transparency and oversight for the government’s investment portfolio and accounts, as well as for the state’s surplus funds.

Treasurer Ma oversees an investment portfolio of about \$103 billion, \$32.2 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$93 billion.

For More News About The State Treasurer's Office, Visit Us:

