

**Generation Investment
Management LLP**
20 Air Street
London W1B 5AN
United Kingdom

Tel: +44 (0)207 534 4700
Fax: +44 (0)207 534 4701

generationim.com

Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

31 DECEMBER 2020

NASDAQ LISTING REQUIREMENTS ON BOARD DIVERSITY (SR-NASDAQ-2020-081)

Generation Investment Management LLP is an independent, private, owner-managed partnership dedicated to long-term investing, integrated sustainability research, and client alignment, headquartered in London. Founded in 2004, we seek to prove the business case for sustainable capitalism by consistently taking a long-term view and fully integrating sustainability research within a rigorous framework of traditional financial analysis.

We are pleased to provide comments to the SEC on SR-NASDAQ-2020-081 – the proposals from Nasdaq for listing requirements around board diversity. Generation supports Nasdaq’s proposals.

In recent years, we have observed growing evidence that greater diversity leads to enhanced corporate performance. We now, as a matter of course, engage with portfolio companies on the benefits of improving diversity on boards, in management and in the workforce as a whole. We ask companies to identify the diversities that will enhance the quality of their board and to incorporate these requirements into their board refreshment programmes.

We view the Nasdaq proposals as rather modest. Our expectation for board gender diversity, for example, is that companies should achieve at least 25% female representation or three female board members. Our expectations on board diversity are only likely to get higher and to be increasingly reflected in our voting on director elections.

We are finding companies very receptive to these conversations, alive to the business benefits of diversity on their boards, and actively taking measures to improve the diversity of their directors, in terms of both gender and under-represented minorities.

The Nasdaq proposals go with the grain of investor expectations and US corporate good practice. They will help raise standards, and protect investor interests, at companies that have not recognised the risks, and missed opportunities, associated with a lack of diversity on their boards. Nasdaq is proposing generous periods of time for companies to meet the new requirements, and allows for companies to explain if there is a reason why they have not been able to meet them.

Generation very much encourages the SEC to approve Nasdaq's proposals.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Mark Ferguson & Miguel Nogales". The signature is fluid and cursive, with a horizontal line extending to the right.

Mark Ferguson & Miguel Nogales
Co-Chief Investment Officers, Global Equity Strategy,
Generation Investment Management LLP