



January 4, 2020

Via Electronic Transmission  
Vanessa A. Countryman  
Secretary  
United States Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
Re: File No. SR-NASDAQ-2020-081

The Service Employees International Union appreciates the opportunity to submit comments on the above referenced proposal. respectfully submits this letter in response to this historic moment and the U.S. Securities and Exchange Commission's request for public comments regarding NASDAQ's proposal to adopt new listing and disclosure rules that advance board diversity.

We believe that the adoption of this proposal by the Securities and Exchange Commission ("SEC") would advance corporate board diversity as a foundational principle of the NASDAQ Stock Exchange's ("Nasdaq") listing and disclosure requirements. The proposed rules promise to strengthen accountability for board diversity at Nasdaq-listed companies and promote a market system that reflects greater inclusion and decision making.

The Service Employees International Union (SEIU) has more than 2 million public and private sector members in the United States and Canada. Our members work primarily in public service delivery, health care, and property services. ("Taft-Hartley") funds with more than \$1 trillion in assets. The appointment of diverse directors at NASDAQ companies is important to SEIU and our members. We believe that board diversity will lead to improved corporate governance, policymaking and practices that reflect a broader commitment to inclusion, market fairness, and economic parity-all of which are important to our constituents. These principles are relevant to our national conversation about the systemic reforms needed to unlock meaningful equity. Market dynamics that inspire investor and public confidence are being shaped within the board rooms of NASDAQ- listed companies. Moreover, a significant percentage of companies from the innovation and tech sectors are represented on the NASDAQ Exchange. These companies are driving the future of job creation, competitiveness, and economic growth in our country.

It is crucial that the rooms in which decisions are being made at NASDAQ-listed companies be inclusive so that the communities we care about and work within are not disparately impacted or overlooked. NASDAQ's board diversity-focused rule changes can help to prevent that and catalyze greater diversity in our country's growth sectors.

Our position is supported by the prevailing data science which confirms the positive outcomes that are achieved by board diversity. In its May 2020 report titled, "Diversity Wins: Inclusion Matters," McKinsey Consulting shared recent board diversity performance data based on its survey of over 1,000 companies.

MARY KAY HENRY  
International President

GERRY HUDSON  
International Secretary-Treasurer

NEAL BISNO  
Executive Vice President

HEATHER CONROY  
Executive Vice President

LESLIE FRANE  
Executive Vice President

VALARIE LONG  
Executive Vice President

ROCIO SÁENZ  
Executive Vice President

SERVICE EMPLOYEES  
INTERNATIONAL UNION  
CTW, CLC

1800 Massachusetts Ave., NW  
Washington, DC 20036

202.730.7000

www.SEIU.org

McKinsey's findings indicated that companies in the top quartile for ethnic and racial diversity on their boards financially outperform other companies by 36 percent higher returns on profitability. Boards in the top quartile for gender diversity outperform other companies with 25 percent higher returns on profitability. At this pivotal economic moment, it is imperative that companies be especially mindful of risk and the competitive disadvantage posed by governance norms that are out of alignment with social pressures regarding diversity and inclusion. Diversity represents a material consideration for investors and shareholders in view of these outcomes.

NASDAQ'S proposal provides a standardized, transparent framework for reliably collecting and reporting

aggregated diversity data that will be accessible to stakeholders. We also applaud the proposal's structural flexibility, uniform guidelines, and implementation time frame set forth in its phase-in period.

In sum, SEIU supports the bold direction inherent in the rule changes set forth in NASDAQ'S proposal.

Pursuant to the SEC's mission to "protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation," the adoption of new norms advancing board diversity as a material disclosure will be critical. It is our hope that the Securities and Exchange Commission will grant this vision for the future its highest consideration.

Sincerely,



Edgar Hernandez

Assistant Director

Capital Stewardship, SEIU