

ICI Applauds Committee Passage of Bill to Promote Corporate Board Diversity

Washington, DC; April 21, 2021—Investment Company Institute (ICI) President and CEO Eric J. Pan issued the following statement after the House Financial Services Committee passed the Improving Corporate Governance Through Diversity Act, which was introduced by Representative Gregory Meeks (D-NY):

“Diversity and inclusion issues are top priorities for ICI. We are proud to support the Improving Corporate Governance Through Diversity Act and applaud Representative Gregory Meeks’s leadership and hard work, alongside Chairwoman Maxine Waters, to enhance disclosure of board and executive diversity and to advance work to identify strategies that can help improve diversity and inclusion on boards.”

The legislation requires corporate issuers to disclose the race, ethnicity, gender, and veteran status, based on voluntary self-identification, of their board members, nominees, and executives. Companies would disclose the data when they solicit shareholder votes for board director elections or file annual reports with the Securities and Exchange Commission (SEC). Companies also would identify any board policies to promote diversity.

The bill also requires the SEC to provide Congress with an annual report on company disclosures and trends, as well as publish best practices every three years for complying with the disclosure requirements. Additionally, the bill would require the SEC to establish a Diversity Advisory Group with representatives from the government, academia, and the private sector. The group would study strategies to increase board diversity and provide Congress with its findings and recommendations.

ICI Leadership on Diversity and Inclusion

The Institute has effected a number of initiatives to help foster greater inclusiveness in the fund industry, including:

- surveys to provide a benchmark for improving diversity and inclusion in the asset management industry;
- launching ICI’s [Talent Connection](#)—a program to encourage more women and minority students to consider careers in the asset management industry and help the industry form a robust pipeline of qualified job candidates; and
- Robert Toigo Foundation’s work to advance the careers and leadership of underrepresented talent in finance.

ICI’s members also are conducting their own work in this area.