



## **Put Your Money Where Your Mouth Is: The Ascension of ESG**

### Description:

In a recent report from Harvard Business Review, a third of all professionally managed global assets, or roughly \$30 trillion, are now subject to ESG criteria. That represents an increase of more than 30% since 2016. Increasingly we have heard statements valuing company stakeholders over shareholders and investment demand has shown that the ESG theme is gaining traction.

BlackRock, Vanguard, and State Street have all made boardroom, leadership and workforce diversity a focus and stakeholder demands for corporations to make their leadership more diverse have increased as ESG metrics have drawn more attention. In December 2020, Nasdaq filed a proposal with the U.S. Securities and Exchange Commission to adopt new listing rules related to board diversity and disclosure. If approved by the SEC, the new listing rules would require all companies listed on Nasdaq's U.S. exchange to publicly disclose consistent, transparent diversity statistics regarding their board of directors. Such steps, although critical, need to be accompanied by fundamental shifts in the board's understanding of which directors should be recruited, how the board should engage in discussions about racial justice, and how directors should hold themselves and the company's leaders accountable.

This panel will discuss the importance of developing and implementing a boardroom diversity long-term strategy, transparency including public disclosure of board diversity measures and workforce data, and accountability for companies where board diversity falls behind market norms and expectations.

### Reference Materials:

- [Diversity Strategy, Goals & Disclosure: Our Expectations for Public Companies](#)
- [Vanguard Investment Stewardship Insights: A continued call for boardroom diversity](#)
- [Vanguard Investment Stewardship Insights: Diversity in the workplace](#)
- [BlackRock to Push Companies on Racial Diversity in 2021 \(1\)](#)
- [Fink Promises 30% More Black Employees at BlackRock by 2024](#)
- [Nasdaq Proposes New Listing Rules Related to Board Diversity](#)
- [US Corporate Governance: The Ascension of ESG](#)
- [Nasdaq proposal would require greater diversity on company boards](#)
- [Nasdaq to Advance Diversity through New Proposed Listing Requirements](#)
  - o [The Nasdaq Stock Market LLC - Rule Filing](#)
  - o [Video interview Nasdaq president & CEO on ESG - Taking stock: Catching up with Nasdaq CEO Adena Friedman](#)
- [Fund leader Vanguard pushes for diverse boards, but avoids targets](#)
- [How board directors can advance racial justice](#)
- [Study Shows Disconnect Between Corporate Speak and Action on Diversity](#)