

Report Shows Activists Don't Nominate Women, as Congress Pressures the SEC to Require More Board Diversity Disclosure for Public Companies

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According to an analysis by [Bloomberg](#), since 2011, 5 of the biggest U.S. activist funds have nominated women just 7 times in seeking 174 board seats. Bloomberg examined Elliot Management, Icahn Associates, Pershing Square, Third Point and Value Act.

Not one of Icahn Associates' 42 nominees to fill 94 board seats in the past five years was a woman. Pershing Square nominated more women than any of the other funds, in recommending 3 women for 23 directorships. At companies in the S&P 500 index, 26% of seats were filled by women over the same period.

Some members of Congress are urging the SEC to push companies to go further through public disclosure. In a [recent letter](#), a coalition of 10 Democratic lawmakers, led by Senator Sherrod Brown (OH) and Representative Maxine Waters (CA), expressed disappointment with the amount of time it has taken for the Commission to examine whether additional disclosure over board diversity should be required.

They want the SEC to expedite its review of a rulemaking petition, which we [previously discussed here](#), that would mandate disclosure of whatever information each nominee provides to the company as to his or her gender, race and ethnicity. In their view, investors have been telling the SEC "for decades" that the information about the diversity characteristics of boards is needed to make informed voting decisions, and the 2009 rules on board diversity fell short of this goal.

Also included in this letter was a desire to see charts or matrixes regarding director skills and qualifications to help investors judge whether a company's approach is appropriate and the nominees are suitable.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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