

Via Hand Delivery

February 6, 2019

The Honorable Gregory W. Meeks  
Chair  
Subcommittee on Consumer Protection and Financial Institutions  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

*Re: H.R. \_\_\_\_, Improving Corporate Governance Through Diversity Act of 2019<sup>1</sup>*

Dear Representative Meeks:

I am writing on behalf of the Council of Institutional Investors (CII or Council) to express our strong support for H.R. \_\_\_\_, the “Improving Corporate Governance Through Diversity Act of 2019 (Act).”

CII is a nonprofit, nonpartisan association of public, corporate and union employee benefit funds, other employee benefit plans, state and local entities charged with investing public assets, and foundations and endowments with combined assets under management exceeding \$4 trillion. Our member funds include major long-term shareowners with a duty to protect the retirement savings of millions of workers and their families. Our associate members include a range of asset managers with more than \$25 trillion in assets under management.<sup>2</sup>

CII’s membership approved policies state:

The Council supports a diverse board. The Council believes a diverse board has benefits that can enhance corporate financial performance, particularly in today’s global market place. Nominating committee charters, or equivalent, ought to reflect that boards should be diverse, including such considerations as background, experience, age, race, gender, ethnicity, and culture.<sup>3</sup>

We believe the proxy statement disclosures that would be required by the Act could contribute to enhancing U.S. public company board consideration of diversity generally consistent with our

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<sup>1</sup> Improving Corporate Governance Through Diversity Act of 2019, H.R. \_\_\_\_, 116<sup>th</sup> Cong. (Feb. 1, 2019) (on file with the Council of Institutional Investors (CII)).

<sup>2</sup> For more information about CII, including its board and members, please visit CII’s website at <http://www.cii.org>.

<sup>3</sup> Council of Institutional Investors, Corporate Governance Policies, § 2.8b Board Diversity (updated Oct. 24, 2018), [https://www.cii.org/files/10\\_24\\_18\\_corp\\_gov\\_policies.pdf](https://www.cii.org/files/10_24_18_corp_gov_policies.pdf).

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policies. As long-term investors, our members benefit from the long-term shareowner value that may result, in part, from embracing diversity.<sup>4</sup>

We appreciate the opportunity to work with you in support of the Act. If we can answer any questions or provide you or your staff any additional information, please do not hesitate to contact me at 202.822.0800 or [jeff@cii.org](mailto:jeff@cii.org).

Sincerely,

A handwritten signature in cursive script that reads "Jeff Mahoney".

Jeffrey P. Mahoney  
General Counsel

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<sup>4</sup> See, e.g., Press Release, National Association of Corporate Directors, NACD Opens Call for Nominations for Boards of Directors That Are Leveraging Diversity and Inclusion to Drive Innovation and Long-Term Value (Feb. 5, 2019) (recognition of corporate boards that are “shining examples of how to achieve innovation and long-term value in part by embracing diversity”), <https://www.apnews.com/8794b70642d7fb8838123f2841ff4792>.