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## **LDF FILES AMICUS BRIEF IN SUPPORT OF NASDAQ'S BOARD DIVERSITY RULE**

Today, LDF filed an amicus brief in the U.S. Court of Appeals for the Fifth Circuit in *Alliance for Fair Board Recruitment ("AFBR") v. Securities and Exchange Commission* in support of Nasdaq's Board Diversity Rule, which requires Nasdaq-listed companies to disclose information about corporate board diversity to the public. Although it is well established that the collection and dissemination of demographic data are lawful practices that serve important antidiscrimination and informational purposes, Petitioners in this lawsuit seek to change the law by challenging a disclosure rule popular with investors given well-documented evidence that companies with a diverse group of leaders have better economic performance.

"Nasdaq, one of the most powerful institutional drivers of our global economy, acknowledged the value of diversity by implementing a rule that responds to the calls of investors, who understand that inclusion of underrepresented people at the highest levels of decision making yields returns; yet, the response from AFBR is to use the equal protection doctrine as a cudgel to deprive people of color, women, and LGBTQ+ individuals of opportunities to strengthen our economy" said Jennifer Holmes, Deputy Director of Litigation at LDF. "We encourage courts to reject these scare tactics, which are not supported by the law or by empirical evidence."

The Board Diversity Rule requires listed companies to disclose aggregate, voluntarily disclosed demographic information about their board of directors and sets optional objectives under which companies should have at least one woman director and at least one director who is LGBTQ+ or an underrepresented person of or color or explain why they did not meet the objective. Companies that do not meet the benchmark do not face negative consequence under the rule, and the increased transparency from these disclosures provides crucial information to investors and shines a light on company practices that may be barriers to equal opportunity.

"The Fifth Amendment's equal protection guarantee is meant to ensure equal opportunity," said Michael Turnage Young, Senior Counsel and Co-Manager of the Equal Protection Initiative at LDF. "We are proud to urge the court to adhere to the proper interpretation of the law and uphold Nasdaq's Board Diversity Rule as constitutional so that investors can enjoy the transparency, they need to make informed investment decisions and we can all continue to advance equal opportunity for all."

In its amicus brief, LDF argues that the Board Diversity Rule does not violate equal protection and plays a vital role in financial markets.

To view the amicus brief, click [here](#).

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*Founded in 1940, the Legal Defense Fund (LDF) is the nation's first civil rights law organization. [LDF's Equal Protection Initiative](#) seeks to defend and advance the proper interpretation of the Equal Protection Clause and anti-discrimination law so that we can all continue to advance equal opportunity for all. LDF's Thurgood Marshall Institute is a multi-disciplinary and collaborative hub within LDF that launches targeted campaigns and undertakes innovative research to shape the civil rights narrative. In media attributions, please refer to us as the Legal Defense Fund or LDF. Please note that LDF has been separate from the National Association for the Advancement of Colored People (NAACP) since 1957—although LDF was originally founded by the NAACP and shares its commitment to equal rights.*