

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

NEIL L. BRADLEY  
EXECUTIVE VICE PRESIDENT &  
CHIEF POLICY OFFICER

1615 H STREET, NW  
WASHINGTON, DC 20062  
(202) 463-5310

March 1, 2021

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The U.S. Chamber of Commerce supports S. 374 / H.R. 1277, the “Improving Corporate Governance through Diversity Act of 2021.” **Members who cosponsor this bill will receive credit for the Leadership component of their “How They Voted” rating.**

The Chamber supports efforts to increase gender, racial, and ethnic diversity on corporate boards of directors, as diversity has become increasingly important to good corporate governance. According to PwC’s 2019 Annual Corporate Directors survey, 94% of board directors surveyed indicated that a diverse board brings unique perspectives, 87% responded that diversity enhances performance, and 84% responded that it improves relationships with investors. In addition, 76% of directors agree that board diversity enhances the performance of the company. More recently, institutional investors and other stakeholders have pointed to growing research demonstrating the link between diversity and financial performance, innovation, productivity, and market share.

Earlier this year, the Chamber launched the [Equality of Opportunity Initiative](#) to develop real, sustainable solutions to help close race-based opportunity gaps in four areas: education, employment, entrepreneurship, and criminal justice. Systemic inequalities in these four areas perpetuate broader inequalities in our society, hold back individual and business success, and hinder economic growth. As part of this effort, the Chamber is identifying specific legislative solutions it is encouraging Congress to enact.

The “Improving Corporate Governance through Diversity Act of 2021” would establish a model to organically boost diversity on boards through disclosure, rather than the counterproductive quota-driven strategies that some jurisdictions have attempted. The legislation would also establish an advisory group that would carry out a study and provide recommendations on private sector strategies to increase gender, racial, and ethnic diversity among boards of directors.

Sincerely,



Neil L. Bradley