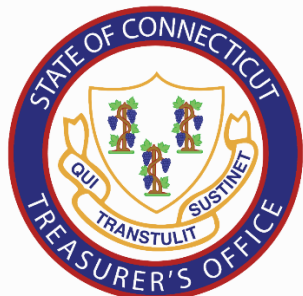


FOR IMMEDIATE RELEASE: Wednesday, October 28, 2020
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TREASURERS OF ILLINOIS, CONNECTICUT CALL ON RUSSELL 3000 COMPANIES TO DISCLOSE BOARD DIVERSITY DATA

Hartford, CT – Wednesday, October 28, 2020 – Today, Connecticut State Treasurer, Shawn T. Wooden, joined Illinois State Treasurer, Michael Frerichs, [in calling on companies listed on the Russell 3000 index](#) to disclose racial, ethnic and gender data for the members of their board of directors. The **[Russell 3000 Board Diversity Disclosure Initiative](#)** is a national effort led by Illinois State Treasurer Frerichs, with Connecticut State Treasurer Wooden co-leading the effort, and an additional 19 signatories representing over \$3 trillion in assets under management and advisement.

“I commend Treasurer Frerichs’ leadership in urging companies on the Russell 3000 index to disclose racial and ethnic data for their board of directors,” said Connecticut State Treasurer Shawn Wooden. “Research from McKinsey & Company indicates that diversity enhances investment returns, and that companies with greater gender, racial and ethnic diversity, outperform their peers. As a fiduciary, my priority is creating a portfolio that has sustainable, long term-value. Promoting greater transparency around board diversity will improve accountability and allow investors to use this information to maximize returns and safeguard shareholder value.”

Institutional investors such as Illinois and Connecticut have a long history of advocating for gender diversity on corporate boards through proxy voting policies and direct shareholder engagement with companies. These actions, now broadly adopted by institutional investors across the world, have helped generate an increase in gender diversity on corporate boards. By comparison, there is a lack of data on race and ethnicity that makes it difficult to apply the same successful tools and creates unnecessary barriers to investment analysis, due diligence and academic study. Despite the paucity of data, experts agree that persons of color, including African Americans, Latinx Americans, and Asian Americans, are highly underrepresented in corporate boardrooms.

“All companies on the Russell 3000 index should disclose racial, ethnic and gender data for their Board of Directors because doing so will lead to more informed long-term strategies and greater valuations for shareholders,” Illinois State Treasurer Michael Frerichs said.

“Insular corporate boards make too many decisions in an echo chamber and miss opportunities for growth and leadership. Providing racial, ethnic and gender disclosure will allow institutional investors to identify strategic weaknesses that inhibit growth and provide specific guidance to maximize shareholder value.”

Joining Frerichs and Wooden in this call to action are the Pennsylvania State Treasurer, Oregon State Treasurer, Vermont State Treasurer, New York City Comptroller, Minnesota State Board of Investment, Illinois State Board of Investment, Chicago City Treasurer, Seattle City Employees’ Retirement System, Boston Trust Walden, UAW Retiree Medical Benefits Trust, SEIU Master Trust, Segal Marco Advisors, Marquette Associates, Meketa Investment Group, Wespath Benefits and Investments, Trillium Asset Management, Pax World Funds, CtW Investment Group, and JUST Capital. These organizations recognize that board diversity – inclusive of gender, race and ethnicity – is an indicator of good corporate governance. Many are examining policies to vote against boards with no reported racial/ethnic diversity as well as expanding more direct shareholder engagement with companies that fail to disclose.

“As institutional investors, we have an obligation to pursue value. This pursuit includes encouraging corporate boards to adopt internal and external strategies to promote growth,” Treasurer Frerichs continued. “It also includes identifying opportunities to increase diversity and inclusion numbers among the companies in which we invest and across the financial services industry.”

The Russell 3000 Board Diversity Disclosure Initiative builds on the momentum of the work of The Thirty Percent Coalition, the Midwest Investors’ Diversity Initiative, and the Northeast Investors’ Diversity Initiative.

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About the Office of the Connecticut State Treasurer

Under the leadership of Connecticut’s State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding the state’s financial resources and taxpayers’ dollars, while maximizing returns and minimizing risks for pension beneficiaries and operating at the highest professional and ethical standards. Through investments and cash management, the office continues to enhance the state’s fiscal stability, financial literacy, college savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunity for economic growth.

About the Office of the Illinois State Treasurer

As Illinois State Treasurer, Frerichs is the state’s Chief Investment and Banking Officer and actively manages approximately \$35 billion. The portfolio includes \$16 billion in state funds, \$13 billion in retirement and college savings plans and \$6 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of capital and returns \$42 to the state for every \$1 spent in operations. Frerichs’ office protects consumers by safeguarding more than \$3 billion in unclaimed property, encouraging savings plans for college or trade school, increasing financial education among all ages, assisting people with disabilities save without losing government benefits, and removing barriers to a secure retirement. The Treasurer’s Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.