

# Diversity on Corporate Boards: HB 3110

From the Office Of:

Representative Karin Power



## A NATIONAL TREND

As late as 2018, Fortune 100 boards were 66% white men, and only 18% white women, 11% BIPOC men, and 5% BIPOC women.

California was the first state to mandate corporate board diversity.

As a result, California went from a national rank of 32nd in 2018 to 17th in 2020 regarding women on boards.

Eleven additional states have either passed or are considering the passage of similar legislation.

## IT'S GOOD FOR BUSINESS

- Higher profits and better bottom-line performance
- Boosted competitive edge
- Addition to existing customer demographic base
- Increased knowledge about customer purchasing and product usage preferences
- Critical input about talent management practices that lead to increased productivity
- Ability to discuss tough issues at a senior level
- Improved ability to attract and motivate other talented employees
- Enhanced reputation for leadership in advancing equity

Boards with at least 30% women have higher profit margins and make decisions twice as fast with half the number of meetings. Companies with the most women on their boards outperform those with the least by 26%.

## IT'S GOOD FOR BOARD MEMBERS AND OUR WIDER COMMUNITY

- Opportunity to advance at the highest levels
- Increased potential for financial advancement
- Personal and professional growth
- Enhanced reputation
- Ability to join business decision making as an insider
- Diverse viewpoints that are listened to and valued
- Ability to model leadership and mentor others
- Better products that meet diverse needs



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DIVERSITY IN THE CORPORATE BOARDROOM IS NOT ONLY FAIR,  
IT'S GOOD FOR BUSINESS!

