

If an issuer files a 10-K instead of a 20-F, does this impact whether it is considered a "foreign issuer" under the board diversity rule?

Identification  
Number 1816

No. The definition of "foreign issuer" in the rule relates to whether the company has its principal executive offices located outside of the United States or is incorporated/organized under the laws of any foreign country, pursuant to Rule 3b-4 of the Act, and it is not based on the types of filings the company makes with the SEC.

Publication Date\*: 3/10/2022

Identification Number: 1816

For foreign issuers, are there any differences in how the diversity rule is applied based on a company's country of origin?

Identification  
Number 1817

No. All foreign issuers are treated the same under the rule, regardless of the location of the company's country of incorporation and/or principal executive offices.

Publication Date\*: 3/10/2022

Identification Number: 1817

How is Nasdaq determining whether the disclosures required on the board diversity matrix are prohibited under home country law?

Identification  
Number 1818

Companies that believe the disclosures required on the board diversity matrix are prohibited under home country law must still submit the matrix. However, such companies should indicate "Yes" on the matrix where asked, "Disclosure Prohibited under Home Country Law." Nasdaq is relying on the representation by the company and will not require the company to also submit any legal analysis supporting its conclusion.

Publication Date\*: 3/10/2022

Identification Number: 1818

How is Nasdaq determining whether a director of a foreign issuer is "diverse" under the board diversity rule?

Identification  
Number 1821

Directors self-identify as diverse, and such self-identifications are to be reflected on the board diversity matrix (unless the disclosure is prohibited by home country law). Nasdaq is relying on the self-identification of directors in determining whether directors are diverse. Diverse means an individual who self-identifies as one or more of the following: Female, LGBTQ+, or an underrepresented individual based on national, racial, ethnic, indigenous, cultural, religious or linguistic identity in the country of the Company's principal executive offices (as reported on the Company's Form F-1, 10-K, 20-F or 40-F).

Publication Date\*: 3/10/2022

Identification Number: 1821

Can foreign issuers exempt themselves from Nasdaq's Board Diversity Rule under Nasdaq Rule 5615 that exempts foreign private issuers from certain requirements of the 5600 Series of Listing Rules?

Identification  
Number 1829

No. Foreign issuers are required to comply with Nasdaq's Board Diversity Rule. However, they have some additional flexibility in that foreign Issuers may satisfy the minimum diversity objective by including two female directors, or by including a female director and an

individual who self-identifies as LGBTQ+ or an underrepresented individual based on national, racial, ethnic, indigenous, cultural, religious or linguistic identity in the country where the Foreign Issuer's principal executive offices are located. Foreign Issuers may also use an alternative Board Diversity Matrix template found [here](#) to annually disclose board-level diversity statistics.

Publication Date\*: 4/27/2022

Identification Number: 1829

What is the first deadline for companies to have, or explain why they do not have, at least one diverse director?

Identification  
Number 1797

A Company must have one diverse director, or explain its reasons for not doing so, by December 31, 2023. Such disclosure can be provided in the Company's proxy statement or on the Company's website.

Should your company choose to make this disclosure on its website, then the company must also notify Nasdaq by either sending an email to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) with a URL link to the disclosure or by completing Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the Listing Center.

Companies that choose to include the Board Diversity Matrix in their proxy statement or information statement do not need to submit the Company Event Form.

Publication Date\*: 1/16/2023

Identification Number: 1797

If a foreign issuer is incorporated and headquartered in two different jurisdictions, what is the relevant jurisdiction for determining whether a disclosure is prohibited by "home country law" as stated on the board diversity matrix?

Identification  
Number 1814

The reference to "home country law" in the board diversity matrix is a reference to the jurisdiction in which the company is legally organized, consistent with the definition of the company's "home country" as described in IM-5615-3. By contrast, the reference to "home country jurisdiction" in the board diversity matrix is a reference to the location of the principal executive offices, pursuant to the definition of an underrepresented individual in Rule 5605(f)(2)(B)(ii). Therefore, if a company is incorporated and headquartered in two different places, then the company must ensure that it is applying the correct definition to its matrix response.

Publication Date\*: 2/4/2022

Identification Number: 1814

How does Nasdaq define "Underrepresented Minority" for companies incorporated in the U.S.?

Identification  
Number 1756

For companies incorporated in the U.S., "Underrepresented Minority" means an individual who self-identifies as one or more of the following: Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or Two or More Races or Ethnicities.

"Two or More Races or Ethnicities" means a person who identifies with more than one of the following categories: White (not of Hispanic or Latinx origin), Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander.

Publication Date\*: 8/6/2021

Identification Number: 1756

Who qualifies as an "underrepresented individual" for a Foreign Issuer?

Identification  
Number 1757

For a Foreign Issuer, an "underrepresented individual" is defined as a person who self-identifies as an underrepresented individual based on national, racial, ethnic, indigenous, cultural, religious or linguistic identity in the country where the Foreign Issuer's principal executive offices are located.

Publication Date\*: 8/6/2021

Identification Number: 1757

How does Nasdaq define "Smaller Reporting Companies" for purposes of the Board Diversity Rule?

Identification  
Number 1758

“Smaller Reporting Company” has the definition set forth in Rule 12b-2 under the Act. Under 12b-2 of the Act, a Smaller Reporting Company “means an issuer that is not an investment company, an asset-backed issuer (as defined in § 229.1101 of this chapter), or a majority-owned subsidiary of a parent that is not a smaller reporting company and that: (1) Had a public float of less than \$250 million; or (2) Had annual revenues of less than \$100 million and either: (i) No public float; or (ii) A public float of less than \$700 million.”

Publication Date\*: 8/6/2021

Identification Number: 1758

What flexibility does Nasdaq provide for Smaller Reporting Companies in connection with the Board Diversity Rule?

Identification  
Number 1759

Smaller Reporting Companies may satisfy the minimum diversity objective if they have two female directors, or if they have one female director and one individual who self-identifies as LGBTQ+ or an Underrepresented Minority.

Publication Date\*: 1/16/2023

Identification Number: 1759

How does Nasdaq define "Foreign Issuer" for purposes of the Board Diversity Rule?

Identification  
Number 1760

Nasdaq defines a Foreign Issuer as (a) a Foreign Private Issuer (as defined in Rule 5005(a)(19)) or (b) a company that (i) is considered a "foreign issuer" under Rule 3b-4(b) under the Act and (ii) has its principal executive offices located outside of the United States. This includes all Foreign Private Issuers and any foreign issuers that are not Foreign Private Issuers so long as their principal executive offices are also located outside of the United States.

Publication Date\*: 8/6/2021

Identification Number: 1760

What flexibility does Nasdaq provide to foreign companies in connection with the Board Diversity Rule?

Identification  
Number 1761

Foreign Issuers may satisfy the minimum diversity objective by including two female directors, or by including a female director and an individual who self-identifies as LGBTQ+ or an underrepresented individual based on national, racial, ethnic, indigenous, cultural, religious or linguistic identity in the country where the Foreign Issuer's principal executive offices are located. Foreign Issuers may also elect to satisfy the board composition disclosure requirement through an alternative disclosure matrix template. View examples of acceptable (i.e., same or substantially similar) and unacceptable (i.e., substantially different) disclosures [here](#).

Publication Date\*: 1/13/2023

Identification Number: 1761

How does Nasdaq's Board Diversity Rule apply to SPACs?

Identification  
Number 1762

SPACs listed under IM-5101-2 are exempt from Nasdaq's Board Diversity Rule until they de-SPAC. They are not required to provide board diversity disclosure information or to have, or disclose that they do not have, any minimum number of diverse directors until their business combination. Following the business combination, such companies have one year to publicly disclose board-level statistics. Companies must meet, or explain why they do not meet, the diverse director objective by the phase-in periods described in Rule 5605(f)(5).

Publication Date\*: 1/16/2023

Identification Number: 1762

Are any companies exempt from Nasdaq's Board Diversity Rule?

Identification  
Number 1763

Yes. The Board Diversity Rule exempts non-operating companies. Consistent with Nasdaq's corporate governance rules the following types of companies are exempt:

- acquisition companies listed under IM-5101-2;
- asset-backed issuers and other passive issuers. Note while closed end funds are exempt from the rule, business development companies are not (as set forth in Rule IM-5615-4);
- cooperatives (as set forth in Rule 5615(a)(2));
- limited partnerships (as set forth in Rule 5615(a)(4));
- management investment companies (as set forth in Rule 5615(a)(5));
- issuers of only non-voting preferred securities, debt securities and Derivative Securities (as set forth in Rule 5615(a)(6)); and
- issuers of securities listed under the Rule 5700 Series, including exchange traded products.

If a company ceases to be an Exempt Company under the Board Diversity Rule, when does that company have to have two diverse directors?

Identification  
Number 1764

Exempt Companies include acquisition companies listed under IM-5101-2; asset-backed issuers and other passive issuers (as set forth in Rule 5615(a)(1)); cooperatives (as set forth in Rule 5615(a)(2)); limited partnerships (as set forth in Rule 5615(a)(4)); management investment companies (as set forth in Rule 5615(a)(5)); issuers of non-voting preferred securities, debt securities and Derivative Securities (as set forth in Rule 5615(a)(6)) that do not have equity securities listed on Nasdaq; and issuers of securities listed under the Rule 5700 Series. These companies are exempt from the Diversity Objective contained in Rule 5605(f) and the Board Diversity Disclosure contained in Rule 5606.

Any company that ceases to be an Exempt Company will have until the later of: (i) one year from the date that the company no longer qualifies as an Exempt Company, or (ii) the date the company files its proxy statement or its information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) for the company's first annual meeting of shareholders subsequent to such event to satisfy the requirements of Rule 5605(f).

What happens if a company can't find diverse directors by the applicable deadline set forth in Nasdaq's Board Diversity Rule?

Identification  
Number 1765

If a company has not been able to add the minimum number of diverse directors by the applicable deadlines, the company can satisfy the diversity objectives of the Rule by providing an explanation, following the specific disclosure instructions set forth in Rule 5605(f)(3).

Can a company be delisted for failing to add the minimum diverse board members or for failing to disclose board diversity metrics as required by Nasdaq's Board Diversity Rule?

Identification  
Number 1766

If a company (i) does not meet the diversity objectives set forth under Rule 5605(f)(2) and also does not provide an explanation as set forth in Rule 5605(f)(3) (and is not otherwise subject to a grace period), then Nasdaq's Listing Qualifications Department would promptly notify the company that it has until the later of its next annual shareholders meeting or 180 days from the event that caused the deficiency to cure the deficiency. The company can cure the deficiency either by meeting the applicable minimum diversity objectives of Rule 5605(f)(2) or providing an explanation as set forth in Rule 5605(f)(3). If a company does not regain compliance within the applicable cure period, the Listings Qualifications Department would issue a Staff Delisting Determination Letter. A company that receives a Staff Delisting Determination can appeal the determination to the Hearings Panel through the process set forth in Rule 5815.

If a company does not disclose board diversity matrix as set forth in Rule 5606, Nasdaq will notify the company that it is not in compliance with a listing requirement, and the company will be allowed 45 calendar days to submit a plan sufficient to satisfy Nasdaq staff that the company has adopted processes and procedures designed to identify and disclose the information required under Rule 5606 in the future. If the company does not do so, it would be issued a Staff Delisting Determination, which the company could appeal to a Hearings Panel pursuant to Rule 5815.

How do companies comply with Nasdaq's Board Diversity Rule?

Identification  
Number 1745

The Board Diversity Rule requires all companies listed on Nasdaq's U.S. exchange to publicly disclose board-level diversity statistics using a standardized disclosure matrix template. Additionally, the Board Diversity Rule requires most Nasdaq-listed companies to either (i) have at least two diverse directors, including one who self-identifies as female and one who self-identifies as either an Underrepresented Minority or LGBTQ+ or (ii) explain why they do not have two diverse directors. There is a transition period before this rule fully takes effect. Foreign Issuers (as defined under Rule 5605(f)(1)) or Foreign Private Issuers and smaller reporting companies have additional flexibility in

satisfying the minimum diversity objective with two female directors, and companies with boards of five or less members can satisfy it with one diverse director. In addition, a phase-in period is available to newly listing companies.

View instructions for completing Nasdaq's disclosure matrix template [here](#). Examples of acceptable and unacceptable disclosures are provided [here](#).

Publication Date\*: 1/16/2023

Identification Number: 1745

When are companies required to comply with the Diverse Director Objective?

Identification  
Number 1748

Nasdaq-listed companies have a transition period to achieve compliance. Transition periods vary based on a company's listing date and market tier, as described in the chart below.\*

	For Companies Listed on Nasdaq prior to August 6, 2021			For Companies Listing on Nasdaq on or after August 6, 2021		
	Board Diversity Matrix	One Diverse Director or Provide Explanation	Two Diverse Directors or Provide Explanation	Board Diversity Matrix	One Diverse Director or Provide Explanation	Two Diverse Directors or Provide Explanation
Nasdaq Global Select or Global Market	Annually by December 31	December 31, 2023	December 31, 2025	Initial Matrix: One Year From Date of Listing  Subsequent Matrix: Annually by December 31	December 31, 2023 or one year from date of listing, whichever is later	December 31, 2025 or two years from date of listing, whichever is later
Nasdaq Capital Market			December 31, 2026		No specific milestone	December 31, 2026 or two years from date of listing, whichever is later
Boards with 5 or fewer directors**			N/A		December 31, 2023 or two years from date of listing, whichever is later	N/A

\* Reflects amendment filed in December 2022.

\*\* Companies with 5 or fewer directors that listed on the Nasdaq Capital Market on or after August 6, 2021 have until December 31, 2026 or two years from date of listing, whichever is later, to meet the Diverse Director Objective or provide an explanation.

Publication Date\*: 2/28/2023

Identification Number: 1748

How is Nasdaq helping companies find diverse directors?

Identification  
Number 1750

Nasdaq is providing resources to help our listed companies and their advisors understand and achieve compliance with the Board Diversity Rule.

Nasdaq recognizes that companies want to leverage their own network to create a candidate pipeline, while also tapping into a broader community of candidates outside their immediate network through a cost effective, transparent process. Therefore, Nasdaq-listed companies have access to a variety of free or discounted board recruiting services. We realize one size doesn't fit all so we are building relationships with a growing number of collaborative partners. To date, Nasdaq has established partnerships with the following organizations to aid Nasdaq-listed companies that have not yet met the diversity objectives and would like assistance doing so:

- African American Board Leadership Institute
- Athena Alliance
- Bank on Women
- theBoardlist
- BoardReady
- Corporate Board Member
- Equilar
- Extraordinary Women on Boards
- Heidrick & Struggles
- Him for Her
- Latino Corporate Directors Association
- Take Your Seat

We also developed a [board diversity tool kit](#) to help companies determine which partner is right fit for their business. The services are complimentary or offered at a discount and it is not mandatory that any company use them. To learn more, visit our [Board Recruitment and Composition Planning page](#) or contact us at [DL-NasdaqBoardDiversity@nasdaq.com](mailto:DL-NasdaqBoardDiversity@nasdaq.com).

Publication Date\*: 1/16/2023

Identification Number: 1750

What if we have diverse board members who don't want to be counted as diverse (e.g., an LGBTQ+ community member who is not "out")? Do we have to add additional diverse board members to comply with Nasdaq's Board Diversity Rule?

Identification  
Number 1768

Directors may choose to opt out rather than reveal their diversity characteristics to the company. In that case, the company would identify these directors in the "Did Not Disclose" category in the board diversity matrix. If a company is unable to meet the applicable diversity objectives as a result, the company may provide an alternative public disclosure under Rule 5605(f)(3) explaining that the company has directors who do not wish to be identified or counted as diverse in order to satisfy the Rule.

Publication Date\*: 8/24/2021

Identification Number: 1768

Do companies have to replace current board members with diverse board members or can companies bring on diverse board members by expanding their boards in order to comply with Nasdaq's Board Diversity Rule?

Identification  
Number 1769

Nasdaq's Board Diversity Rule does not limit board size. A company has flexibility to meet the diversity objectives in the manner it sees fit, including by adding an additional board seat or by replacing a current director.

Publication Date\*: 8/6/2021

Identification Number: 1769

We have a diverse member on our company's advisory board. Does that director count toward having "two diverse directors" for purposes of complying with Nasdaq's Board Diversity Rule?

Identification  
Number 1770

No. Rule 5605(f) excludes emeritus directors, retired directors and members of an advisory board. The diversity requirements of the Rule are only satisfied by diverse directors actually sitting on the board of directors of the company.

Publication Date\*: 8/6/2021

Identification Number: 1770

What reasons does Nasdaq deem acceptable when explaining why a company does not have the minimum number of diverse board members required under Nasdaq's Board Diversity Rule?

Identification  
Number 1771

Nasdaq does not assess the substance of the company's explanation, but verifies that the company has provided one. Nasdaq believes these disclosures provide stakeholders with a better understanding of the company's current board composition and its philosophy regarding diversity.

The following are examples of such disclosures:

- If a company is listed on Nasdaq Global Select or Global Market but believes that it is similarly situated to companies listed on Nasdaq Capital Market in terms of its annual revenues and public float, it may explain that for these reasons it therefore has chosen to meet the objectives of Rule 5605(f)(2)(C) applicable to companies listed on the Nasdaq Capital Market in lieu of Rule 5605(f)(2)(A).
- A U.S. company may disclose that it chooses to define diversity more broadly than Nasdaq's definition by considering national origin, veteran status or individuals with disabilities when identifying nominees for director because it believes such diversity brings a wide range of perspectives and experiences to the board.
- If under Israeli law regarding board diversity, an Israeli company is required only to have a minimum of one woman on the board and such Israeli company chooses to comply with Israeli home country law in lieu of meeting the diversity objectives of Rule 5605(f)(2)(B), it may choose to disclose that "the Company is incorporated in Israel and required by Israeli law to have a minimum of one woman on the board, and satisfies home country requirements in lieu of Nasdaq Rule 5605(f)(2)(B), which requires each Foreign Issuer to have at least two diverse directors."

Publication Date\*: 8/6/2021

Identification Number: 1771

Is the diversity disclosure requirement set forth in Nasdaq's Board Diversity Rule limited to the board of directors, or are companies also required to disclose diversity metrics for management and staff?

Identification  
Number 1775

Nasdaq's Board Diversity Rule disclosure requirement is limited to the board of directors of the company.

Publication Date\*: 8/6/2021

Identification Number: 1775

How are biracial or multi-ethnic directors counted under Nasdaq's Board Diversity Rule?

Identification  
Number 1776

Directors who self-identify as biracial or multi-ethnic are counted as diverse under Nasdaq's Board Diversity Rule.

Publication Date\*: 8/6/2021

Identification Number: 1776

How does Nasdaq's Board Diversity Rule compare to California's Board Gender Diversity Mandate?

Identification  
Number 1777

While Nasdaq's definition of a "diverse" director substantially aligns with California's, there are some key differences. These are highlighted [here](#).

Publication Date\*: 8/6/2021

Identification Number: 1777

Can a director choose not to self-identify with respect to gender, race, ethnicity and/or LGBTQ+?

Identification  
Number 1778

Yes. Disclosure by a director is voluntary and directors are not required to self-identify with respect to gender, race, ethnicity and/or LGBTQ+. The rule's standardized disclosure matrix template reflects aggregated information and allows for a company to indicate that certain information was not disclosed.

Publication Date\*: 8/6/2021

Identification Number: 1778

How does Nasdaq's Board Diversity Rule compare to the Meeks diversity disclosure legislation?

Identification  
Number 1782

While Nasdaq's disclosure requirements align in several ways with the Meeks bill, there are some key differences. These are highlighted [here](#).



What happens if one of our company's two diverse directors unexpectedly leaves the board?

Identification  
Number 1783

A company that met the diversity objectives of Rule 5605(f)(2) but no longer meets the diversity objectives due to a vacancy on its board of directors (for example if a diverse director falls ill or resigns), has a grace period to regain compliance until the later of: (i) one year from the date of vacancy; or (ii) December 31 in the calendar year following the year of the date of vacancy, whichever is longer, to satisfy Rule 5605(f)(2) or (3). In lieu of providing the explanation required by Rule 5605(f)(3), a company relying on the grace period may publicly disclose that it is relying on the grace period provided by Rule 5605(f)(6)(B). Such disclosure must be provided in any proxy statement or information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) or on the company's website.

If the company provides such disclosure on its website, then the company must also notify Nasdaq either by sending an email to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) with a URL link to the disclosure or by completing Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the [Listing Center](#).

Companies that choose to include the Board Diversity Matrix in their proxy statement or information statement do not need to submit the Company Event Form.

Publication Date\*: 1/16/2023

Identification Number: 1783

Are companies required to provide both the board diversity matrix and any explanation pursuant to Rule 5605(f)(3) together?

Identification  
Number 1784

Yes. Both of these disclosures must be provided in the same manner and at the same time.

Publication Date\*: 8/6/2021

Identification Number: 1784

If a company is listed on Nasdaq Global Select or Global Market, are there any circumstances under which that company can have the benefit of the longer timeline to meet the two diverse director objective as companies listed on Nasdaq Capital Market?

Identification  
Number 1785

No. However, a company in this situation that does not meet the applicable timeline could provide an explanation, such as the below example, as to why it does not:

"While the Company is listed on Nasdaq Global Market, the Company believes that it is similarly situated to companies listed on Nasdaq Capital Market in terms of its annual revenues and public float, and therefore has chosen to meet the objectives of Rule 5605(f)(2)(C) in lieu of Rule 5605(f)(2)(A). The company has met these objectives by having at least two diverse directors on the board within the timeframe provided under Rule 5605(f)(7) applicable to Nasdaq Capital Market-listed companies."

Publication Date\*: 8/6/2021

Identification Number: 1785

Does Nasdaq's Board Diversity Rule require our Board members to disclose whether they are diverse?

Identification  
Number 1786

No. Disclosure by a director is voluntary and directors are not required to self-identify with respect to gender, race, ethnicity and/or LGBTQ+. The Rule's standardized disclosure matrix template allows for a company to indicate that the diversity information was not disclosed. A company that indicates in the matrix that its directors' diversity characteristics are not disclosed would be compliant with the Rule's requirement that listed companies publicly disclose board-level diversity statistics.

Publication Date\*: 8/6/2021

Identification Number: 1786

What happens if a company with five directors adds a sixth director, is it then required to have two diverse directors instead of one?

Identification  
Number 1787



Under Nasdaq's Board Diversity Rule, a company with a board of directors of five or fewer members must have, or explain why it does not have, at least one member of its board of directors who is diverse. However, such companies are not automatically subject to a higher threshold by virtue of adding a diverse director that expands their board beyond five members. Specifically, if a company had a five-member board before it was subject to Rule 5605(f), and then the company adds a diverse board member once it becomes subject to Rule 5605(f), this company is still subject to the lower one-diverse board member objective despite the fact that it now has a six person board. However, the rule makes clear that a company would become subject to the two-diverse board member objective if it subsequently expands its board, or if it already had one diverse board member at the time it added the sixth board member.

Publication Date\*: 8/6/2021

Identification Number: 1787

Do Foreign Issuers and Smaller Reporting Companies that have a board of directors of five or fewer members also have the added flexibility of satisfying the minimum diversity objective with one diverse director?

Identification  
Number 1795

Yes. Under Nasdaq's Board Diversity Rule, a company with a board of directors of five or fewer members, even if the company is otherwise a Foreign Issuer (as defined under Rule 5605(f)(1)) or a Foreign Private Issuer or a Smaller Reporting Company, must have, or explain why it does not have, at least one member of its board of directors who is diverse.

Publication Date\*: 1/13/2023

Identification Number: 1795

How did Nasdaq decide on diversity definitions for these rules?

Identification  
Number 1754

Nasdaq considered a number of factors before deciding on its terminology and definition of a Diverse director. These included the board diversity laws in effect or being proposed by various states, definitions and terminology used in the EEO-1 Report and discussions with numerous business leaders and governance organizations.

Publication Date\*: 11/4/2021

Identification Number: 1754

If a company is a Smaller Reporting Company (SRC) but does not apply the scaled disclosure requirements available to SRCs, is it still considered an SRC under Nasdaq's Board Diversity Rule?

Identification  
Number 1773

Yes, a company that is considered a SRC under Rule 12b-2 under the Exchange Act is treated as a SRC under Nasdaq's Board Diversity Rule, whether or not it applies the scaled disclosure requirements available to SRCs.

Under 12b-2 of the Exchange Act, a company may qualify as a SRC if it has: (1) public float of less than \$250 million; or (2) annual revenues of less than \$100 million and either: (i) no public float; or (ii) public float of less than \$700 million.

Publication Date\*: 8/6/2021

Identification Number: 1773

Does a diverse director need to be independent under Nasdaq's Board Diversity Rule?

Identification  
Number 1799

No. The Rule makes no distinction between independent and non-independent directors.

Publication Date\*: 8/18/2021

Identification Number: 1799

Can companies with smaller boards meet the one diverse director objective with a male director who identifies as either an underrepresented minority or LGBTQ+?

Identification  
Number 1800

Yes. Companies with smaller boards can meet the diverse director objective by having a male director who identifies as either an underrepresented minority or LGBTQ+ or a female director on their board.

Publication Date\*: 8/18/2021

Identification Number: 1800

Can two female directors satisfy the diverse director objective?

Identification  
Number 1801

The following companies may satisfy the diverse director objective with two female directors:

- Foreign Issuers (as defined under Rule 5605(f)(1)) or Foreign Private Issuers;
- Smaller Reporting Companies (as set forth in Rule 12b-2 under the Act); and
- Companies that have two directors who self-identify as female where one of the females also identifies as either an underrepresented minority or LGBTQ+.

Publication Date\*: 1/13/2023

Identification Number: 1801

Can one director satisfy both diversity objectives?

Identification  
Number 1802

No. A company cannot double count the same director in more than one diverse category. For example, if a company has one director who self identifies as female and Asian, and no other director self-identifies as female or in any of the other diverse categories, then that company would not satisfy both diversity objectives.

Publication Date\*: 8/18/2021

Identification Number: 1802

How should companies gather board diversity data to complete the Matrix?

Identification  
Number 1803

Directors and nominees are typically required to complete a directors' and officers' (D&O) questionnaire and attest to the accuracy of their responses. A company would then use the director's information provided in the D&O questionnaire to ensure that the company has accurately disclosed information in its SEC filings. Companies may want to consider including voluntary board diversity questions in their annual D&O questionnaire. Sample diversity questions a company may want to consider including in their D&O questionnaire are available [here](#).

Directors may choose to opt out rather than reveal their diversity characteristics to the company. In that case, the company would identify these directors in the "Did Not Disclose" category in the board diversity matrix. If a company is unable to meet the applicable diversity objectives as a result, the company may provide an alternative public disclosure under Rule 5605(f)(3) explaining that the company has directors who do not wish to be identified or counted as diverse in order to satisfy the Rule. Please see FAQs [1768](#) and [1778](#).

Publication Date\*: 1/16/2023

Identification Number: 1803

Does a company need to give Nasdaq a copy of its board diversity matrix under the Board Diversity Rule?

Identification  
Number 1755

Companies that choose to disclose the Board Diversity Matrix only on their website must also notify Nasdaq either by sending an email to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) with a URL link to the disclosure or by completing Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the [Listing Center](#).

Companies that choose to include the Board Diversity Matrix in their proxy statement or information statement do not need to submit the

When do newly listed companies need to disclose the Board Diversity Matrix?

Identification  
Number 1796

Newly listed operating companies have one year from the date of listing to publicly disclose board diversity statistics using the Board Diversity Matrix template found [here](#), or a format substantially similar.

Should your company choose to provide the Board Diversity Matrix on its website, the company must also notify Nasdaq either by sending an email to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) with a URL link to the disclosure or by completing Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the [Listing Center](#).

Companies that choose to include the Board Diversity Matrix in their proxy statement or information statement do not need to submit the Company Event Form.

Where can companies view Nasdaq's board diversity matrix template instructions and examples?

Identification  
Number 1751

Instructions for completing the board diversity matrix and sample templates can be found [here](#). Examples of acceptable and unacceptable disclosures are provided [here](#).

How are companies required to disclose board diversity statistics?

Identification  
Number 1752

Companies are required to annually disclose director self-identified board-level diversity data using the Board Diversity Matrix template found [here](#), or a format substantially similar. Each company is required to provide this disclosure in advance of the company's next annual meeting of shareholders in any proxy statement or information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) or on the company's website by December 31 annually.

If a company elects to provide such disclosure on its website, then the company must also notify Nasdaq either by sending an email to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) with a URL link to the disclosure or by completing Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the [Listing Center](#).

How many years' worth of board diversity statistics do companies need to disclose under Nasdaq's Board Diversity Rule?

Identification  
Number 1753

The first year a company is required to disclose board diversity statistics, the company is required to publish board diversity statistics for the current year only. Each subsequent year, the company is required to publish its data for the current year and prior year. If the immediately prior year data is publicly disclosed elsewhere (i.e., a proxy statement, information statement or company website), then the company can choose to disclose the current year data only.

Under Nasdaq's Board Diversity Rule, are companies required to disclose board diversity metrics in an SEC filing along with their proxy materials?

Identification  
Number 1767

No. Companies can instead disclose them on their websites. However, if a company chooses to make this disclosure on its website, then

the company must either send an email with a URL link to [drivingdiversity@nasdaq.com](mailto:drivingdiversity@nasdaq.com) or complete Section 10 (Board Diversity Disclosure) of the [Company Event Form](#), which is available from the [Listing Center](#), within one business day after such posting.

Publication Date\*: 1/16/2023

Identification Number: 1767

Can a company supplement the information provided in the Matrix?

Identification  
Number 1798

Yes. A company may supplement its disclosure by providing additional information related to its directors within its board diversity matrix or in a separate table. For example, a company may choose to provide the information on a director-by-director basis or may choose to include any skills, experience and attributes of each of its directors that are relevant to the company. However, a company may not substantially alter the matrix.

Please refer to the board diversity matrix examples provided [here](#).

To the extent a company elects to provide supplemental information in any year, it is not required to continue to provide the same disclosure in disclosures in subsequent years.

Publication Date\*: 2/18/2022

Identification Number: 1798

Following the initial Matrix requirement, is there a specific deadline for companies to file their Matrix in future years?

Identification  
Number 1837

Yes. A company must disclose the Board Diversity Matrix by December 31<sup>st</sup> each year.

Publication Date\*: 1/16/2023

Identification Number: 1837

Do newly listed companies have a phase-in period to satisfy the diversity objective set forth in Nasdaq's Board Diversity Rule?

Identification  
Number 1772

Yes. Newly listed companies on Nasdaq, including IPOs, direct listings, or a company listing in connection with a business combination with a SPAC have a phase-in period to satisfy the diversity objectives.

A newly listing company (except one already subject to a substantially similar exchange requirement) must have, or explain why it does not have, two Diverse directors by the later of two years from the date of listing or the date the company files its proxy statement or its information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) for the company's second annual meeting of shareholders subsequent to the company's listing, with differing milestones depending on the company's market tier.

A company newly listing on the Nasdaq Global or Global Select Market must also have, or explain why it does not have, one Diverse Director by the later of one year from the date of listing or the date the company files its proxy statement or its information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) for the company's first annual meeting of shareholders subsequent to the company's listing.

Please note that during the transition period for implementing the Diversity rules, a company is not subject to the rule until the effective date contained in Rule 5605(f)(7). Thus, if longer than the above timeframes, a company listing on Nasdaq would not need to have, or explain why it does not have, one Diverse Director before December 31, 2023. In addition, a company listing on the Nasdaq Global or Global Select Market would not need to have, or explain why it does not have, two Diverse Director before December 31, 2025; and a company listing on the Nasdaq Capital Market would not need to have, or explain why it does not have, two Diverse Director before December 31, 2026.

Publication Date\*: 1/16/2023

Identification Number: 1772

Are companies transferring from another exchange or the OTC market required to comply with Nasdaq's Board Diversity Rule?

Identification  
Number 1774

Yes, A company transferring from another exchange or the OTC market is required to comply with Nasdaq's Board Diversity Rule, however a phase-in period is available before the company will be subject to the rule.

Specifically, A company transferring from another exchange (except one already subject to a substantially similar exchange requirement) or the OTC market must have, or explain why it does not have, two Diverse directors by the later of two years from the date of listing or the date the company files its proxy statement or its information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) for the company's second annual meeting of shareholders subsequent to the company's listing, with differing milestones depending on the company's market tier.

A company newly listing on the Nasdaq Global or Global Select Market must also have, or explain why it does not have, one Diverse Director by the later of one year from the date of listing or the date the company files its proxy statement or its information statement (or, if the company does not file a proxy, in its Form 10-K or 20-F) for the company's first annual meeting of shareholders subsequent to the company's listing.

Please note that during the transition period for implementing the Diversity rules, a company is not subject to the rule until the effective date contained in Rule 5605(f)(7). Thus, if longer than the above timeframes, a company listing on Nasdaq would not need to have, or explain why it does not have, one Diverse Director before December 31, 2023. In addition, a company listing on the Nasdaq Global or Global Select Market would not need to have, or explain why it does not have, two Diverse Director before December 31, 2025; and a company listing on the Nasdaq Capital Market would not need to have, or explain why it does not have, two Diverse Director before December 31, 2026.

Publication Date\*: 1/16/2023

Identification Number: 1774

When is a newly listed company on Nasdaq Capital Market required to have at least one diverse director or explain its reasons for not doing so?

Identification  
Number 1811

There is no specific milestone for an issuer newly listing on Nasdaq Capital Market to have at least one diverse director. Such companies must have at least two diverse directors by December 31, 2026, unless they are subject to a later phase-in date under Rule 5605(f)(5) based on their listing date.

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Identification Number: 1811