**Summary of Key Differences between Nasdaq’s Board Diversity Rule Proposal and California’s Diversity Law (Last updated 2/26/2021)**

<table>
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<th>Nasdaq Proposal</th>
<th>California’s Diversity Law</th>
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<td><strong>Definition of Diverse</strong></td>
<td>• Includes a director who self-identifies as (i) Female, (ii) an Underrepresented Minority, or (iii) LGBTQ+.</td>
<td>• Substantially similar <em>(California does not specifically include the queer community or a director identifying with two or more races)</em></td>
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| **Requirement**             | • Must include at least one female and one director who self-identifies as either an underrepresented minority or LGBTQ+.  
  • Two directors for boards with more than five directors.  
  • One director for boards with five or fewer directors. | • Must include at least one female and one director from an underrepresented community.  
  • Increases with board size  
  • Law does not specify that they need to be different individuals. |
| **Timing**                  | • One director within two years of SEC approval of the rule and two directors within four years of SEC approval for companies listed on Nasdaq Global Select/Global Market and within five years of SEC approval for companies listed on Capital Market. | • One female director by end of 2019 and one director from an underrepresented community by end of 2021.  
  • Larger boards must have additional female directors by end of 2021 and additional directors from underrepresented communities by end of 2022. |
| **Flexibility**             | • Provided for smaller reporting, foreign companies, and companies with smaller boards.  
  • Two year transition period after listing for newly public companies, SPACs, and switches. | • No flexibility provided. Applies to any U.S. public company with its principal executive offices in California.  
  • Immediately effective. |