

C L I F F O R D
C H A N C E

GLOBAL BOARD D&I TRACKER
NAVIGATING A GLOBAL APPROACH
MARCH 2025

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Introduction: specific board ratio requirements across the globe

Divergent global approach

Global stakeholder and societal pressure for boardroom diversity reform has over recent years been backed by legislative and regulatory developments. In many jurisdictions, there are now specific target ratios for gender and race on corporate boards (particularly for listed entities). These developments in turn led to increased stakeholder pressure for compliance. From stock exchange sanctions for non-compliance, to investors threatening to 'red-top' companies with non-compliant boards, plus the inclusion of board diversity metrics as a key indicator in ESG assessments, the rationale for compliance was made clear.

Conversely, some stakeholders have expressed concern about what they see as a focus on metrics vs. merit. Additionally, some jurisdictions (most notably, in 2025, the United States) are starting to actively discourage considering certain protected characteristics over "merit" alone. Bearing in mind that this is a rapidly developing area of law, particularly in the U.S., this environment means that clarity on what is a legal requirement, what is guidance, and what is best

practice, can be an important part in weighing board composition and succession considerations, and the reporting of those.

Across Europe, targets are widespread, particularly in light of the European Women on Boards Directive (as a result of which EU member states must require that at least 40% of non-executive director positions, or at least 33% of all director positions, in listed companies are held by members of the underrepresented sex by 30 June 2026). In France, the Loi Rixain requires companies with at least 1,000 employees to publish on their website the gender representation for management positions and governing bodies (not including the board) and will impose quotas of at least 30% of members of management positions and governing bodies to be from the underrepresented gender by 2027 and eventually reach 40% by 2030.

Some jurisdictions (such as Hong Kong) have stock exchange requirements but not a specific target measure. Others (such as Australia) have specific ratio guidelines. Entities in scope of the Corporate Sustainability Reporting Directive ("CSRD"), post the EU

Commission's publication of its omnibus package, need to assess the extent to which they must report on board diversity and workforce composition more generally.

Gender and race / ethnicity remain the most focused upon characteristics by regulators and formal voluntary frameworks in setting board targets. However, we have included disability, social mobility and LGBTQ+ in this updated guide to show where voluntary frameworks or proposed reform reference these. For example, in relation to disability, in Spain, there is the potential to ban contracting with a public administration if no equality plan is in place. In some jurisdictions (including Luxembourg, the Netherlands and the UK), corporate reporting principles on diversity policies specifically reference that other aspects of diversity are equally important. 2024 also saw the global launch of the LGBTQ+ Board Alliance aimed at increasing the number of LGBTQ+ individuals on corporate boards worldwide.

More broadly, beyond board composition, guidance in some jurisdictions invites firms to

consider board diversity as a way of preventing wider legal non-compliance. For example, in the UK, guidance by the Equality and Human Rights Commission suggests that the duty to take reasonable steps to prevent sexual harassment in the workplace will include assessing gender diversity on boards. The EU Pay Transparency Directive (due to be implemented by EU member states by June 2026) and local regulation on equality action plans are likely to see an ongoing focus on pay gaps and workforce composition (for gender, race and disability). The legal permissibility of data collection supporting compliance varies by jurisdiction.

About this guide

We know that for those charged with trying to manage succession pipelines, or appease stakeholders, or ensure their investee companies are compliant (whether that is being assessed by boards and their committees, general counsel, cosec, stewardship and investment strategy teams or diversity & inclusion leads), the global goalposts are not always clear, particularly in light of divergent regional trends.

This summary guide is intended to give a snapshot, on a by-jurisdiction basis in key financial markets, of board diversity targets and includes: (i) where there are *requirements* for which the entity is established; (ii) where there are *guidelines* for these; (iii) what reporting is required; and (iv) the sanctions (if any) for non-compliance.

The guide does not include details of thresholds for requirements (where, for example, these depend

on specific listing types or revenue) or sector-specific provisions (for example, in the financial services sector, where ESMA and EBA guidelines apply).

There is also additional detail in our [Global Employment Law Guide App](#).

Navigating use of board targets

Legal and regulatory considerations will only be one factor at play: this is, of course,

part of broader good governance and market focus (and assessment of sometimes competing commercial risks).

These considerations have become increasingly challenging, given divergent global trends on diversity programmes and initiatives.

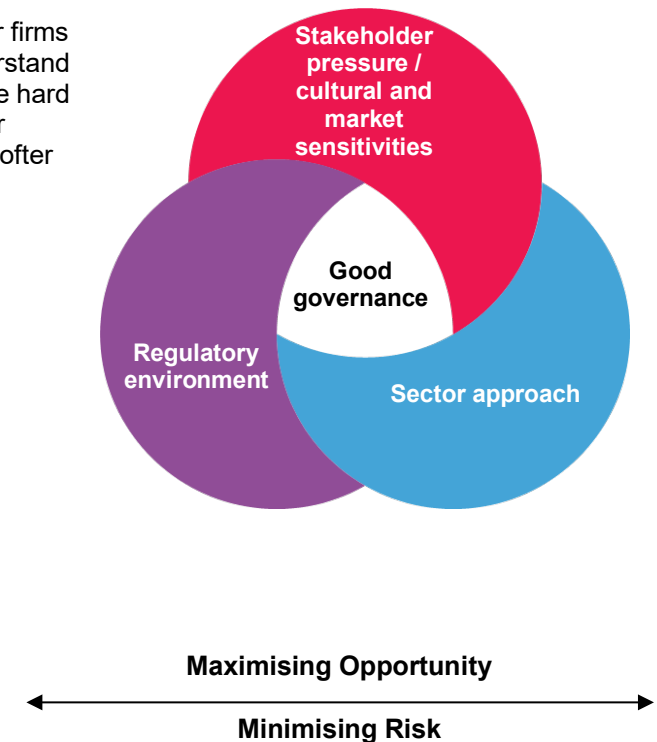
It is therefore important for firms operating globally to understand objectively where there are hard law obligations, "comply or explain" requirements or softer

expectations. This will help firms navigate what is appropriate for their organisation – taken in combination with stakeholder expectations (including regulators, investors and priorities), market focus and commercial priorities.

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It is important for firms operating globally to understand objectively where there are hard law obligations, "comply or explain" requirements or softer expectations.

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Positive action vs. positive discrimination

The Supreme Court found in 2023 that affirmative action by U.S. colleges in admissions policies (i.e. using race as a factor in admissions) was unlawful. Quotas, targets and other programmes were placed under further scrutiny in the U.S. following the Trump administration's Executive Orders in early 2025. However, for organisations looking to improve representation at and below board level, local legal provisions can permit lawful positive action (as opposed to unlawful positive discrimination). Where this done, employers need to navigate the complexities – including data-based justification – to avoid the legal, financial and reputational fallout of equality legislation breach.

Some reports suggest that targets are increasing minority

representation. For example, in February 2025, the FTSE Women Leaders Review reported that the 40% target for women on boards has been exceeded in the FTSE 350, moving up to 43% (with 44.7% for the FTSE 100 and 30.5% for the UK's 50 largest private companies). This was largely driven by an increase in NED roles. Of the "Four Key Roles" (Chair, Senior Independent Director, CEO and Finance Director), there was an increase in Chairs and Senior Independent Directors (but a decrease in CEOs and the level of Finance Directors was stable). However, some targets remained challenging: "achieving balance in executive leadership by 2025...will require a step up in commitment".

Similarly, the report of the Parker Review in the UK released in March 2025 found that 95% of FTSE 100 companies were meeting the target of at least one

ethnic minority director on their board – but that more work was required by the FTSE 250 to achieve this by the target date of 2027.

Next steps

Organisations taking a global approach, or assessing the position for their boards, would be well-advised to ensure that (as a minimum) they are:



- assessing any applicable targets and the approach to compliance with them;
- ensuring that they have the data-gathering framework to monitor ongoing compliance (and rationale for any talent pipeline measures put in place);
- assessing whether it is appropriate to develop succession planning and board diversity policies (taking



into account the position in the U.S., where appropriate);


- if not on track for meeting any appropriate ratios, establishing what steps can be taken in a legally compliant manner to address future governance of this (from assessing what positive action may be lawful, to wider cultural investigations and frameworks to support progress), or how reporting to explain non-compliance (where required) can be addressed.

We would be happy to work with you on navigating the appropriate approach, including co-ordinating advice in relation to any of the jurisdictions covered in this guide (or beyond). Our contact details are included at the end of this guide.

Jurisdiction Snapshot




Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
 Australia	✗ (but guidelines of 30% for listed entities)	✗	✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✗ (but new laws are proposed to make compliance mandatory for companies with 500 or more employees) Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	✓ (in relation to guidelines, depending on number of employees and listed status)	✗ (but proposed changes to ASX Corporate Governance Council's Principles (which apply to listed companies) would encourage reporting of other diversity characteristics of board members)	✗ (but proposed changes to ASX Corporate Governance Council's Principles (which apply to listed companies) would encourage reporting of other diversity characteristics of board members)	Gender: ✓ (only with respect to guidance) Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗
 Belgium	✓ (for listed entities) (one-third to be of different genders from the majority)	✗	✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ (for listed entities) Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	✓ (for listed entities)	✗	✗	Gender: ✗ Race: ✗	Gender: ✓ (for listed entities) If the composition of the board of directors does not comply with diversity requirements, the first subsequent general meeting must see the appointment of a board that meets these requirements. Any other appointment shall be null and void. If, after this subsequent general meeting, the composition of the board of directors



Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
											does not comply with the diversity requirements, any (financial) benefit accruing to the directors based on their appointment will be suspended until the board meets the diversity requirements Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗
 China	✗	✗	✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗ (There is not a central independent voluntary compliance framework in place in respect of disability, LGBTQ+ or social mobility)	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗	✗	✗	✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗
 France	✓ 40% (for listed and significant)	✗	✗	Gender:✓ Race:✗ Disability:✗ LGBTQ+:✗ Social mobility:✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗	Gender:✓ (listed and significant unlisted companies) Race:✗	✓ (for listed and significant)	✗	✗	Gender:✗ Race:✗ Disability:✗ LGBTQ+:✗	Gender: For companies subject to legal requirements on ratios, new appointments made

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
	unlisted companies) ¹				Social mobility:*	Disability:* LGBTQ+:* Social mobility:*	unlisted companies)			Social mobility:*	in violation of such ratios are void. The remuneration of board members is suspended until the composition of the board is compliant. ² Disability:* LGBTQ+:* Social mobility:*
 Germany	✓ 30% (for listed and co-determined companies)	*	*	Gender: ✓ (certain corporate entities such as, amongst others, listed and unlisted stock corporations, Societas Europaea (SE), etc.) Race:*	Gender:* Race:* Disability:* LGBTQ+:* Social mobility:*	Gender: ✓ Race:* Disability:* LGBTQ+ * Social mobility:*	✓ for listed and co-determined companies	*	*	Gender: ✓ Race:* Disability:* LGBTQ+:* Social mobility:*	Gender: ✓ Race:* Gender: Risk of administrative or criminal offences; for certain listed companies, an election of members of the supervisory board by the shareholders' meeting and a delegation to the supervisory board without meeting the minimum quota requirement is void. Disability: * LGBTQ+:* Social mobility:*


¹ Pursuant to an Ordonnance dated 15 October 2024 transposing the European Women on Boards Directive, directors representing the employee shareholders will now be taken into account to meet this ratio (starting from 1 January 2027).


² Pursuant to an Ordonnance dated 15 October 2024 transposing the European Women on Boards Directive, for listed companies exceeding certain thresholds that do not comply with the parity rules, the appointment of any board member is subject to a selection procedure that meets conditions aimed at achieving these objectives (starting from 1 January 2027).

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
 Hong Kong	x (but provisions, without specific target ratios, for example regarding diversity policies, are set out in the Listing Rules)	x	x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ (listed companies and some elements only) Race: x Disability: x LGBTQ+: x Social mobility: x	✓ (listed companies only)	x	x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ May result in disciplinary action or enforcement sanctions by the Hong Kong Stock Exchange. Race: x Disability: x LGBTQ+: x Social mobility: x
 Italy	✓ 40% listed 33% non-listed controlled by public administration	x	x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	✓	x	Disability: ✓ LGBTQ+: x Social mobility: x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ Race: x Gender: unremediated breaches lead to dissolution of the board. Disability: x LGBTQ+: x Social mobility: x
 Ireland (input provided by McCann FitzGerald LLP)	✓ (but proposals for ratio for all companies in train) publicly listed companies to achieve target of 40% non-executive positions or 33% of all director positions	x	x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	✓ (depending on company threshold)	x	x	Gender: ✓ Penalties which can include fines Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: penalties include nullity or annulment of the contested directors' appointment if needed. Race: x Disability: x LGBTQ+: x Social mobility: x


Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
 Japan	x (but widely followed guidance for listed entities)	x (but widely followed guidance for listed entities)	x	Gender: ✓ (but no specific ratio) Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ (but no specific ratio) Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	✓ (depending on company threshold)	✓ (depending on company threshold)	x	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ Non-compliance with reporting requirement could result in delisting from the Tokyo Stock Exchange. Race: x Disability: x LGBTQ+: x Social mobility: x
 Luxembourg	x (but, for companies listed on the Luxembourg Stock Exchange, guidelines for "appropriate representation of both genders" without specific target ratios) ³	x	x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: ✓ Race: ✓ Disability: ✓ LGBTQ+: ✓ Social mobility: x (There is not a central independent voluntary compliance framework in place in respect of gender, race, disability or LGBTQ+. However, the Diversity Charter is a national commitment text signed	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	✓ (companies listed on the Luxembourg Stock Exchange and certain listed and non-listed Luxembourg companies which meet certain criteria must disclose a statement concerning their diversity policy; the law does not fix the scope of "diversity", but includes gender and age as examples)	x (the reporting requirements for companies listed on the Luxembourg Stock Exchange and certain listed and non-listed Luxembourg companies which meet certain criteria do not set out the scope of "diversity" and thus potentially race could be included; however, this is not an explicit requirement)	x (the reporting requirements for companies listed on the Luxembourg Stock Exchange and certain listed and non-listed Luxembourg companies which meet certain criteria do not set out the scope of "diversity" and thus potentially disability, LGBTQ+ and social mobility could be included; however, this is	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x If there is non-compliance with the diversity statement requirement, as applicable, the directors of the relevant entity may be subject to fines of EUR 500-25,000.	Gender: ✓ Race: x Disability: x LGBTQ+: x Social mobility: x Non-compliance with the diversity statement requirement, as applicable, would be considered as a <i>faute de régularité</i> and the board of the relevant entity could be held jointly and severally liable towards the company and any third parties for any damage resulting from such a violation


³ The European Women on Boards Directive, when implemented, will require specific ratios by 30 June 2026: 40% female membership among non-executive directors or 33% female membership among all directors.


Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
					by companies to concrete actions that go beyond legal obligations)				not an explicit requirement)		
 Singapore	x	x	x	✓ An issuer must describe in its annual report its corporate governance practices with specific reference to the principles and the provisions of the Code of Corporate Governance, which states that the board and board committees, as a group, provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age. An issuer must comply with the principles of the Code. Where an issuer's practices vary from any provisions of the Code, it must explicitly state, in its annual report, the provision from which it has varied, explain	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	✓ (but no mandated target)	✓ (the reporting requirements do not specifically address race; however, the language is broad enough to cover this)	x However, the language relating reporting requirements is broad enough to cover this	Gender: x Race: x Disability: x LGBTQ+: x Social mobility: x	x Listed companies are now required to report on their diversity policy and progress regarding gender and race in their annual reports under listing rules (including progress against a target set by the company)

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
				the reason for variation, and explain how the practices it had adopted are consistent with the intent of the relevant principle							
 Spain	Gender: ✓ Mandatory requirement for 40% female board representation in listed companies which are public-interest entities ⁴	✗	✓ Disability: 2% of disabled employees in companies with more than five employees	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: Companies with 50 or more employees or those required by collective bargaining agreement must agree an equality plan with the employees' representatives. Race: ✗ Disability: ✗ LGBTQ+: ✓ protocol to be implemented in companies with 50 or more employees Social mobility: ✗	Gender: ✓ Mandatory reporting for organisations within scope.	✗	✗	Gender: ✓ Race: ✗ Disability: ✓ LGBTQ+: ✓ Social mobility: ✗	Gender: potential ban to contract with the public administration if no equality plan in place. Race: ✗ Disability: potential ban to contract with the public administration if no equality plan in place. LGBTQ+: ✗ Social mobility: ✗


⁴ Dates of entry into force of this obligation: 30 June 2026, for the 35 listed companies with the highest market capitalisation value, determined using the closing price on the day the law enters into force; 30 June 2027 for all other listed companies; for public-interest entities, it will be applied gradually with respect to boards of directors and senior management and should reach 33% by 30 June 2026 and 40% by 30 June 2029.

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
 The Netherlands	✓ (one-third for supervisory boards of listed companies) (For so-called large NVs and BVs, an appropriate and ambitious target should be set for the management board, the supervisory board and top management, to be defined by the company)	✗	✗	Gender: ✓ (only in relation to the self-set targets for non-listed companies) Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗ In the corporate governance statement, listed companies should report on their diversity policy as a whole. Diversity concerns all aspects and personal characteristics in which people may differ, including sex and gender identity, age, ethnicity, occupational disabilities and sexual orientation	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	✓ For so-called large NVs and BVs, annual reporting requirements apply (both in relation to the Social and Economic Council and in the director's report). The Dutch Corporate Governance Code (applicable to listed companies and providing for best practice provisions that either need to be complied with or explained) provides that the composition of its board should ensure a degree of diversity appropriate to the company with regard to expertise, experience, competencies, other personal	✗	✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✗ Gender: New appointments for supervisory or non-executive boards of listed companies that do not contribute to a more gender-balanced composition of such boards will – with limited exceptions – be void. Disability: ✗ LGBTQ+: ✗ Social mobility: ✗

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
							qualities, sex or gender identity, age, nationality and cultural or other background, with related targets etc. and reporting progress in a corporate governance statement				
 UAE (Including Dubai and Abu Dhabi) (Input provided by Al Tamimi & Company)	✓ (Public joint stock companies (listed on the Abu Dhabi Securities Exchange or the Dubai Financial Market) and private joint stock companies are required to have a minimum of one female board member)	✗	✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✗ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗ (There are no voluntary compliance frameworks in respect of ratio or disclosure in relation to disability or social mobility (or LGBTQ+, as homosexual acts are criminalised in the UAE). In relation to disability, there are various government-led	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	✓ (Public joint stock companies must disclose this representation in the annual governance report)	✗	✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✗ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗ Gender: Failure to appoint at least one female board member can result in disciplinary sanctions (e.g. suspension of commercial licence for private joint stock companies) or enforcement action (e.g. referral to the public prosecution for public joint stock companies) by the relevant authorities

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
					initiatives aimed at promoting employment of disabled employees.)						
 United Kingdom	✓ 40% (listed entities) (and one senior board position to be held by a woman)	✓ (listed entities)	✗	Gender: ✓ Race: ✓ Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✓ Disability: ✓ LGBTQ+: ✓ Social mobility: ✓ There is not a central independent voluntary compliance framework in place in respect of disability, LGBTQ+ or social mobility ⁵	Gender: ✓ (listed entities) Race: ✓ (listed entities) Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	✓ (depending on company threshold)	✓ (depending on company threshold)	✗	Gender: ✓ Race: ✓ (listed companies) Disability: ✗ LGBTQ+: ✗ Social mobility: ✗	Gender: ✓ Race: ✓ May result in 'red top' or 'amber top' investment warnings. Disability: ✗ LGBTQ+: ✗ Social mobility: ✗

⁵ However, a number of groups advocate for disclosures of ratios and the UK Corporate Governance Code Guidance states: "Independent frameworks have been introduced that recommend targets relating to gender and ethnicity (e.g. FTSE Women Leaders and The Parker Review); however, other aspects of diversity are equally important. Companies may decide to follow specific programmes related to other forms of diversity and provide an update of their progress in their annual report."

Jurisdiction	Legal requirements on protective characteristics ratios			Compliance requirements			Reporting required?			Consequences of non-compliance	
	Gender (female %)	Race	Other: Disability/LGBTQ+/Social Mobility	Comply or Explain	Voluntary Compliance	Mandatory Compliance	Gender	Race	Other: Disability/LGBTQ+/Social Mobility	Financial	Other (if Y, please state)
 United States	* <u>Previous Targets:</u> Nasdaq diversity guidelines provided for two diverse board members, depending on listed status; however, this rule has been struck down in the courts. ⁶ Some states also have reporting obligations ⁷	* <u>Previous Targets:</u> Nasdaq diversity guidelines provided for two diverse board members, depending on listed status; some states also have reporting obligations		Gender: ✓ Race: ✓ <u>Previous Targets:</u> Nasdaq guidelines – requirement depends on listed status: state law should be checked	Gender: * Race: * Disability: * LGBTQ+ * Social mobility: *	Gender: * Race: * Disability: * LGBTQ+ Social mobility: *	✓ (depending on the state)	✓ (depending on the state)	*	Gender: * Race: * Disability: * LGBTQ+: * Social mobility: * Some of the states with board diversity requirements also have consequences for non-compliance, some of which are financial	*

⁶ On 11 December 2024, the U.S. Court of Appeals for the Fifth Circuit struck down Nasdaq's board diversity requirements, which previously set board composition and reporting requirements for Nasdaq-listed companies. See *All. for Fair Bd. Recruitment v. Sec. & Exch. Comm'n*, 125 F.4th 159 (5th Cir. 2024).

⁷ Currently, two states, Maine and Washington, impose gender diversity requirements on domestic corporate boards. Additionally, three states (Illinois, Maryland and New York) have mandatory reporting rules: Illinois requires companies to report their board's general demographic makeup; Maryland requires companies to report which "underrepresented communit[y][ies]" is or are represented on the board; and New York requires companies to disclose how many board members are women.

Contacts

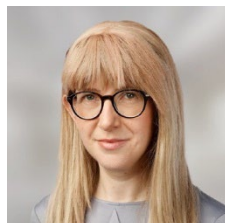


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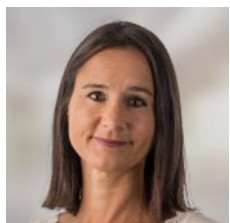


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