

Boards Are IN

Modernizing the Corporate Board to Include
People with Disabilities

An Initiative of Disability:IN

Boards Are IN: Integrating Disability into Documents that Govern the Nomination of Directors

Background on Board Diversity

Despite international efforts to diversify corporate governance in recent years, corporate boards often overlook disability in documents that govern the nomination of directors. When board diversity is a consideration, it is most often conceptualized in terms of gender, race, and ethnicity and to a lesser extent, sexual orientation, nationality, and age.

In a recent report entitled *Global Boardroom Diversity: Legal Findings on Disability & Diversity*, [Disability:IN and TrustLaw](#) (2023) found that few jurisdictions around the world mandate companies to reveal whether their boards include individuals with disabilities. Even where companies are required to disclose the overall diversity of their boards, they are seldom obligated make disclosures specific to disability.

A closer look at disability inclusive companies in the U.S. reveals that only **2.5% of companies mention people with disabilities in documents that govern the nomination of directors**. In these cases, disability is mentioned alongside the aforementioned facets of diversity (gender, race, ethnicity, sexual orientation, nationality, and/or age) as an additive differentiator for strong corporate governance.

Exemplary integration of disability occurs when companies create a nuanced and individualized interpretation of diversity that fits the company's goals and purposes. Disability:IN has compiled model language to demonstrate how companies can incorporate disability into board nomination documents to further inclusive governance.

Why Disability is Additive to Governance

There is a well-documented business case for disability inclusion, first articulated by [Accenture](#) (2018) in *Getting to Equal: The Disability Inclusion Advantage* and [Accenture](#) (2023) in *The Disability Inclusion Imperative*. [Harvard Business Review](#) (2023) recently explored how disability is a source of competitive advantage that humanizes company culture. These advantages translate to corporate governance where disability status **enhances business acuity** because disabled people experience society's core institutions differently and have the ability to contribute **additive and alternative logic** to business decisions. People with disabilities bring a unique set of life-learned skills and perspectives that help boards make better decisions, which in turn benefits companies and their shareholders.

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Model Language for Integrating Disability into Nomination Guidelines

COMPANY NAME LANGUAGE EXCERPTED FROM CORPORATE GOVERNANCE DOCUMENTS

CORNING	Diversity is among these other attributes as the Corporate Governance Committee believes that having a diverse Board enhances Board operations. While the Corporate Governance Committee focuses on finding the best qualified candidates for the Board, a nominee’s diversity may be considered favorably in his or her assessment. For purposes of this Charter, diversity includes business experience, thought, style, culture, gender, geographic background, race, visible minorities, national origin, Indigenous persons, religion, gender identity and expression, sexual orientation, disability , age and other personal characteristics.
CONDUENT BUSINESS SERVICES	Nominees for Director are selected on the basis of, among other things, broad perspective, integrity, independence of judgment, experience, expertise, ability to make independent analytical inquiries, understanding of the Company’s business environment, and ability to devote adequate time and effort to Board responsibilities. In addition, the Board recognizes the tremendous value of having a diverse collection of directors, and as such also places value on candidates who are women, candidates from an underrepresented racial or ethnic group, candidates who are LGBTQ, candidates with disabilities , candidates who are military veterans, and candidates with other diverse or underrepresented characteristics.
FANNIE MAE	The Committee shall look for candidates (a) who, as a group, are knowledgeable in business, finance, capital markets, accounting, risk management, public policy, mortgage lending, real estate, low-income housing, homebuilding, regulation of financial institutions, technology, environmental, social and governance, and any other areas as may be relevant to the safe and sound operation of the Company; (b) who possess the highest personal values, judgment and integrity; (c) who represent diversity in ideas, perspectives, gender, race, and disability ; (d) who have an understanding of the regulatory and policy environment in which the Company does its business;
THOMSON REUTERS	In addition, the Nominating and Corporate Governance Committee seeks to achieve diversity within the Board and adheres to the company’s philosophy of maintaining an environment free from discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability , veteran status or any protected category under applicable law. This process is designed to provide that the Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to the business of the company. Accordingly, the Nominating and Corporate Governance Committee is committed to actively seeking out highly qualified women and minority candidates, as well as candidates with diverse backgrounds, skills and experiences, to include in the pool from which Board nominees are chosen.
23ANDME INC.	The Board seeks the best director candidates based on the skills and characteristics required without regard to race, color, national origin, religion, disability , marital status, age, sexual orientation, gender, gender identity and expression, or any other basis protected by federal, state, or local law. The Independent Directors actively seek candidates for the Board who embody diversity in skills, abilities, industry knowledge, experience, gender, race, ethnicity, and veteran and disability status, as well as such other factors considered useful depending on the needs of the Company at such time. The Independent Directors and any search firm engaged to assist with director recruitment must include women and minority candidates in the pool from which the Independent Directors select director candidates.

FREDDIE MAC

The Board looks for candidates who have achieved a high level of stature, success and respect in their principal occupations and evaluates candidates based on their character, judgment, experience and expertise. The Board also seeks to have a diversity of talent, perspectives, experience and cultures among its members, including minorities, women and **individuals with disabilities**, and considers such diversity in the candidate solicitation and nomination processes. Under Freddie Mac’s statutory Charter, the Board shall include at least one individual from the homebuilding industry, from the mortgage lending industry and from the real estate industry, and one individual who either is from an organization that has represented consumer or community interests for not less than two years or who has demonstrated a career commitment to the provision of housing for low income households. In addition, the Board seeks a range of other talents and backgrounds that will provide it with expertise in dealing with the issues it addresses.

SERVICE NOW

Nominees for director shall be selected on the basis of, among other things, integrity, skills, background (including but not limited to race, ethnicity, gender, age, sexual orientation, geography, **disability**, veteran status and areas of expertise), knowledge about the Company’s business or industry and willingness and ability to devote adequate time and effort to Board responsibilities in the context of the existing composition, other areas that are expected to contribute to the Board’s overall effectiveness and needs of the Board and its committees.

**BOOZ ALLEN
HAMILTON**

The Board seeks members from diverse professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. The Nominating and Corporate Governance Committee defines diversity in an expansive manner to be reflective of the diversity of the Company and representative of its clients and other stakeholders, including, without limitation, race, ethnicity, gender, sexual orientation, age, **disability**, history of military service, geography, and areas of expertise and opinion.

MILLER

The Committee is committed to a policy of inclusiveness. In performing its responsibilities for identifying, screening and recommending candidates to the Board, the Committee will seek candidates of diversity to include in each pool of candidates from which Board nominees are chosen. This diversity may include but not be limited to diversity of gender, ethnicity, age, **neurodiversity**, geographic origin, and diversity reflecting our employees, the communities we serve and our customers. The Committee will maintain an active file of potential skills and capabilities and possible suitable candidates for consideration as nominees to the Board. The Committee includes, and requests any search firm that it engages to include, women and underrepresented candidates in the pool from which the Committee selects director candidates. The Committee shall also consider the independence of each candidate as defined by NASDAQ.

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Support for Integrating Disability into Corporate Governance

“Including disability diversity in the corporate boardroom would mark a major turning point for disability rights and have the single largest impact on the economic independence and quality of life for millions of people with disabilities. If this omission persists, then **Nasdaq and the SEC will miss an enormous opportunity to ensure that corporate leadership reflects the diversity of the U.S. and the world.**” – Ted Kennedy Jr., Co-Chair of the Disability Equality Index, Past President of AAPD

“Concerning to us, however, is that despite this awareness of the importance and benefits of disability inclusion in the corporate sector, as the proposed rule is currently drafted, Nasdaq would not require companies to include disability demographics in their diversity statistics. If this omission persists, you **miss an opportunity to ensure that corporate leadership reflects the diversity of our nation** itself at a time when the imperative for doing so has never been more urgent.” – Disability:IN Letter to NASDAQ

“Companies should **seize the opportunity to join the growing number of corporations that recognize the benefits of disability inclusion and are reporting their efforts.**” – Thomas DiNapoli, New York State Comptroller

“Boards are most effective at governing when members bring diverse abilities and perspectives to the table. While Nasdaq missed an **opportunity** to hold the torch, the disability community is now tuned in to the fact that they're being excluded. Through our engagement with corporate leadership and stakeholders, **people with disabilities will have an opportunity to prove they belong at the highest levels of business.**” – Jill Houghton, President & CEO of Disability:IN



About Disability:IN

Disability:IN is the leading nonprofit resource for business disability inclusion worldwide. Our network of over 500 corporations expands opportunities for people with disabilities across enterprises. Our central office and 25 Affiliates serve as the collective voice to effect change for people with disabilities in business.