

Milwaukee Women inc chair touts impact of new Nasdaq diversity rule

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The board chair for Milwaukee Women inc says a new Nasdaq rule requiring annual disclosures of diversity statistics will improve representation among business leadership.

“As we begin to see these organizations really making it an intentional business strategy to add diversity to their board, we will begin to continue to see movement towards a more diverse board across not just Nasdaq organizations, but all companies,” Kim Stoll said during a recent meeting of the Milwaukee Rotary Club.

Stoll also highlighted a number of findings from the group’s 2022 Research Report, which shows the percentage of women on the boards of the top 50 public companies in Wisconsin reached 26.3 percent this year. This is the first time that figure has exceeded 25 percent, and marks an improvement over 2021 when it was 23 percent, she said.

Stoll, who is also the vice president of sales and marketing at Badger Meter in Milwaukee, explained the Nasdaq rule was introduced in 2021 and has been approved by the SEC. It requires that Nasdaq-listed companies will need to have at least two diverse directors — one a woman, and the other from another underrepresented group — by 2025/2026, she said.

“Otherwise, the company’s going to have to explain why it has failed, or been unable to achieve that representation,” she told Rotary members.

She noted federal regulators have approved a new board recruiting portal, “so companies ... can’t use as an excuse, ‘I can’t find these candidates.’ So that I think will help.”

Milwaukee Women inc celebrated its 20th anniversary this year, and Stoll noted companies in the state have made significant progress toward diversifying leadership in that time. She said statistics from the past two decades “show a pretty noteworthy progress towards gender parity on the boards of Wisconsin public

companies.”

Between 2003 and 2022, the number of women director seats on boards of the top 50 public companies in the state has quadrupled from 30 to 120, she said. The number of such directors who are women of color has risen from six to 26 over the same period, she added. And the number of these companies with three or more directors who are women has grown from three to 22.

“When you have three women that are communicating and part of the dialogue, it then becomes a true, louder voice on the board,” she said. “And it really changes the dynamics and raises the performance of that board.”

Watch a video of her remarks: <https://www.youtube.com/watch?v=mGN66p1c2x0>

See the group’s 2022 report:

<https://milwaukeewomeninc.org/milwaukee-women-inc-releases-2022-research-report/>

-By Alex Moe