ICGN
International Corporate Governance Network

The Honourable Ruben Gallego
United States Senator
SH-302 Hart Senate Office Building
Washington, DC 20510

27 February 2026

Dear Senator Gallego,

Subject: S. 3831, The Enhancing Multi-Class Share Disclosure Act

The International Corporate Governance Network (ICGN) is pleased to hear that you have introduced S. 3831, a bill to amend the Securities and Exchange Act of 1934 to require issuers with a multi-class stock structure to make certain disclosures in any proxy or consent solicitation material, with Senator Mike Rounds (R-SD) as a cosponsor. ICGN would like to offer our support for the bill.

Led by investors responsible for assets under management of >US$90 trillion, ICGN is an authority on global standards of corporate governance and investor stewardship. Headquartered in London, our membership is based in more than 40 countries. ICGN's *Global Governance Principles* and *Global Stewardship Principles*, written from an investor perspective, are widely used by our members in their company assessments and voting decisions, and by regulators when developing corporate governance rules.

As you and Senator Rounds mentioned in the joint press release, the bill would increase corporate transparency for everyday investors in companies with multi-class share structures. The bill requires companies to disclose how much voting power each share has by taking a practical, balanced approach by improving disclosure. It would:

- Require companies with multi-class share structures to disclose shareholders' voting power, including the number of shares owned by specified persons and the amount of voting power held by specified persons.
- Specified persons refers to directors, director nominees, executives, or anyone who owns 5% or more of the company's total voting power.

ICGN believes that disclosures of multi-class voting arrangements are *material* for investors because they create significant governance impacts on investments, which must be in line with their fiduciary duties. The ICGN Global Governance Principles (ICGN GGP) provide that "one share should equal one vote. However, we have reiterated that "the board should disclose sufficient information about the material attributes of all of the company's classes and series of shares on a timely basis" The bill would help support these disclosures.

We would also like to thank you for reaching out to Senator Rounds and requesting that he cosponsor the bill. We hope that the bipartisan support will encourage the bill's passage.

If we can provide additional support or information from our investor members, or if you have any questions, please contact Carol Nolan Drake, Senior Policy Advisor-Americas, at Policy@icgn.org.

Yours faithfully,

Jen Sisson

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Chief Executive Officer, ICGN