

The New Agenda for Sustainable Investment: Disclosure on Financial, Human and Physical Capital

Financial Regulatory Agenda (US)
SEC: Three Year Outlook

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SEC Pivot From Regulatory Burdens to Benefits

SEC's Mission and Purpose

Protect Investors

Promote Fair, Orderly, and Efficient Markets

Promote Capital Formation

Protect the Public Interest

SEC Pivot From Regulatory Burdens to Benefits (Cont.)

Two Decades of Issuer and Intermediary Primacy

→ Now Investor and Stakeholder Primacy

Staffing

Rulemaking

Enforcement

Focus on Whether and How Markets Work for Investors

Chair Gensler's Three Missions

1. Translate “Build Back Better” into SEC Spring 2021 Agenda

A. Climate Change

Company and fund disclosures

Investment adviser and fund naming conventions

Investment adviser and fund policies and procedures
(e.g., Sustainable Investment Policies)

Chair Gensler's Three Missions

1. Translate “Build Back Better” into SEC Spring 2021 Agenda

B. Worker Rights, Pay, and Power

Human capital management disclosures

Executive compensation disclosures

Chair Gensler's Three Missions

1. Translate “Build Back Better” into SEC Spring 2021 Agenda

C. Investor Rights

Universal proxy ballot

Shareholder proposals (e.g., 14a-8)

Proxy advisers regulation and reliance

Chair Gensler's Three Missions

2. Address Other Known Regulatory Concerns

Treasuries and Fixed Income Trading

Cryptocurrencies and Digital Assets

Special Purpose Acquisition Companies (SPACs) and Direct Listings

Private Offering Exemptions, Unicorns, and Private Debt

- Note: Relationships between PE, climate, and workers

Chair Gensler's Three Missions

2. Address Other Known Regulatory Concerns (Cont.)

Money Market Mutual Funds

Index Providers and Ratings Agencies

Accounting and Auditing Oversight

LIBOR Transition

Chair Gensler's Three Missions

3. Address Market Integrity and Stability as Highlighted by “Meme Stocks” and Archegos

Conflicted Order Routing

- Exchange rebates and pricing tiers
- Retail payment for order flow

Best Execution Failures

- Order routing and execution disclosures

Chair Gensler's Three Missions

3. Address Market Integrity and Stability as Highlighted by “Meme Stocks” and Archegos

Securities Lending Transparency and Risks

Short Selling Transparency

Shortening the Settlement Cycle

Holdings Disclosures (including “synthetic” equity and short positions)

Revisions to Form PF

Selected Resources

SEC [Agenda](#) (June 2021)

SEC Chair Gensler [Budget Request Testimony](#) (May 2021)

Acting Chair Lee [Speech re Climate Disclosure](#) (Mar. 2021)

HMA [Letter to SEC re Market Reforms](#) (May 2021)

HMA [Letter to House Financial Services Committee re Implications of GameStop Trading](#) (Feb. 2021)



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