

**Securities and Exchange Commission Investor Advisory Committee
Minutes of the Meeting of December 3, 2020**

The Investor Advisory Committee (IAC) met on December 3, 2020, in a public meeting held remotely online at <https://www.sec.gov>. The meeting convened at 10:00 am¹ and was broadcast live by webcast. The webcast archive can be found on the IAC web page at https://www.sec.gov/video/webcast-archive-player.shtml?document_id=iac120320.

The following persons participated in the meeting:

Commissioners of the Securities and Exchange Commission (SEC)

Hester Peirce, Commissioner
Elad Roisman, Commissioner
Allison Herren Lee, Commissioner
Caroline Crenshaw, Commissioner

Members of the Investor Advisory Committee

Jennifer Marietta-Westberg, Chair
Paul Maloney, Interim Chairman
Jamila Abston
Cambria Allen-Ratzlaff
Cien Asoera
Allison Bennington
Theodore Daniels
Rick Fleming
Elissa Germaine
Nancy LeaMond
Christopher Mirabile
Mina Nguyen
Sandra Peters
Jerome Solomon
Paul Sommerstad
Heidi Stam
Alice Stinebaugh
JW Verret
Joanne Yoo

Panelists

Matt DiGuiseppe
Brian Hall
Colleen Honigsberg
Sandra Peters

¹ All times listed are for the local Washington, DC time.

Darla Stuckey
Dan Taylor

SEC Staff

Adam Anicich

Opening

Interim Chair Mahoney called the meeting to order at 10:00 am.

Initial Business

Interim Chair Mahoney welcomed new Members to the IAC, and bid farewell to departing member Jerome Solomon. Mr. Mahoney then turned the floor over for welcome remarks from SEC Commissioners Peirce, Roisman, Lee, and Crenshaw. The Commissioners also bid farewell to Mr. Solomon and thanked him for his service.

A roll call of members was taken.

Mr. Mahoney provided an opportunity for Mr. Solomon to share remarks. Mr. Solomon reflected on his IAC tenure and thanked the group.

Announcement of Results of Officers Election

Interim Chair Mahoney announced the election of Jennifer Marietta-Westberg as Chair of the IAC, Heidi Stam as Vice Chair, Ted Daniels as Secretary, and J.W. Verret as Assistant Secretary, and thanked them for their willingness to serve in leadership roles. Mr. Mahoney then passed leadership of the meeting over to Chair Marietta-Westberg.

Approval of Minutes

A motion was put forward and seconded to approve the minutes of the IAC meetings held on September 24, 2020. The minutes were approved and subsequently posted to the [IAC webpage](#).

Panel Discussion Regarding Corporate Disclosure During COVID-19

Mr. Asoera introduced the panel topic and moderated the discussion. The panelists presented remarks in the following order:

- **Brian Hall**, Executive Vice President and Chief Financial Officer, Lippert Components, Inc., provided information on demand for products during COVID-19 and the impact of supply chain disruptions. He described challenges related to shut downs and employee staffing, as well as executive compensation models during the pandemic.
- **Sandra Peters**, Head, Financial Reporting Policy, CFA Institute, provided information on quarterly financial statements, how different industries and companies are being

effected by COVID-19, and remarked on the behavior of revenue and expenses during crises. She then provided commentary on the differences between the previous financial crisis and the COVID crisis, how people are consuming data, and how to anticipate data consumption in the future.

- **Dan Taylor**, Associate Professor, The Wharton School at the University of Pennsylvania, provided information from a paper he had written about COVID disclosures. He provided commentary on the way companies were disclosing COVID information, the timing of disclosures related to COVID, the impact of COVID on different industries, and a case study.

After the panelists' presentations, a discussion between panelists and Committee members occurred.

Recess

Chair Marietta-Westberg took the Meeting into recess at 12:10 pm.

Non-Public Administrative Session

Chair Marietta-Westberg took the Committee into a non-public administrative session at 12:15 pm.

Afternoon Session

Chair Marietta-Westberg called the afternoon session to order at 1:40 pm and asked Mr. Mahoney to introduce the panelists for the afternoon session.

Panel Discussion Regarding COVID-19 Implications for Next Proxy Season

Mr. Mahoney introduced each panelist followed by remarks from each panelist in the following order:

- **Matt DiGuseppe**, Vice President, Asset Stewardship Team, State Street Global Advisors, provided an overview of the challenges companies are likely to face in the upcoming proxy season, discussed various disclosure matters, and explained that executive compensation is receiving elevated attention because of the COVID-19 pandemic. He provided commentary on performance targets, enhanced disclosure, and the disclosure of decision-making processes.
- **Colleen Honigsberg**, Associate Professor of Law, Stanford Law School, provided information on non-GAAP reporting, including as it relates to COVID-19, internal controls, and the increase in COVID-related disclosures. She provided commentary regarding ongoing concerns related to COVID and the future implications of the pandemic.
- **Darla Stuckey**, President and CEO, Society for Corporate Governance, began by sharing information regarding virtual shareholder meetings and explained that COVID-19 resulted in many companies holding virtual shareholder meetings for the first time. She

provided commentary on the future of shareholder meetings, and highlighted some areas for improvement.

After the panelists' presentations, discussion between panelists and Committee members occurred.

Subcommittee Reports

Chair Marietta-Westberg called upon Ms. Stam to report on matters of the Investor-as-Owner Subcommittee; Mr. Asoera on the matters of the Investor-as-Purchaser Subcommittee; and Mr. Verret on the matters of the Market Structure Subcommittee.

Adjournment

Chair Marietta-Westberg adjourned the meeting at 3:17 pm.