

April 14, 2026

Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549–1090

**Re: SEC Solicitation of Public Comment on Statement on Reforming Regulation S-K,
File No. CLL-15**

Dear Secretary Countryman:

The Principles for Responsible Investment (“PRI”) respectfully submits these comments in response to the Securities and Exchange Commission’s (the “SEC”) January 13, 2026 Request for Information regarding the modernization of Regulation S-K. The PRI is an international network of investors with over 5,000 signatories—including asset managers, asset owners, and service providers—collectively overseeing approximately \$130 trillion in assets under management or advisement. At the time of writing, over 800 of those signatories with approximately \$78.5 trillion of assets are based in the US and our global signatory base maintains significant exposure to the US markets. Our signatories rely on public company disclosures in the US to fulfill their fiduciary duties to beneficiaries and to allocate capital efficiently. We look forward to reviewing a full rule proposal when one is available. In the meantime, we write to offer three observations intended to ensure that any future rulemaking efforts strengthen the US disclosure system and capital markets.

First, strong, consistent, and comparable disclosure of material information is a precondition for market efficiency. The US has the biggest, deepest and most liquid capital markets in the world, enabled in part by a high-quality, high-trust information environment. The foundational economic literature establishes that information asymmetries between issuers and investors generate systematic underproduction of optimal disclosure, a problem historically addressed through the US’ regulated disclosure regime.¹ Corporate disclosures are ingested by a range of market actors, from analysts and academics to investors and ratings agencies, to inform the price discovery process.² This supports liquidity in the

¹ See, for example, George A. Akerlof, “The Market for ‘Lemons’: Quality Uncertainty and the Market Mechanism,” *The Quarterly Journal of Economics*, Vol. 84, No. 3, (Aug., 1970): 488-500, <https://doi.org/10.2307/1879431>; Stewart C. Myers and Nicholas S. Majluf, “Corporate financing and investment decisions when firms have information that investors do not have,” *Journal of Financial Economics*, Volume 13, Issue 2, (1984): 187-221, [https://doi.org/10.1016/0304-405X\(84\)90023-0](https://doi.org/10.1016/0304-405X(84)90023-0); Paul M Healy and Krishna G Palepu, “Information asymmetry, corporate disclosure, and the capital markets: A review of the empirical disclosure literature” *Journal of Accounting and Economics*, Volume 31, Issues 1–3, (2001): 405-440, [https://doi.org/10.1016/S0165-4101\(01\)00018-0](https://doi.org/10.1016/S0165-4101(01)00018-0).

² See, for example, Healy & Palepu, “Information Asymmetry,” (2001); Sanford J. Grossman and Joseph E. Stiglitz, “On the Impossibility of Informationally Efficient Markets,” *The American Economic Review*, Vol.

public markets and, through peer-relative analysis, can inform risk and price for non-publicly traded assets.³

Second, any rulemaking should consider both structural and substantive gaps in current disclosure requirements. Materiality is not a static concept, and the US disclosure regime must keep pace with our rapidly evolving business landscape to provide investors with the information they need to support efficient markets and capital formation. We recognize that this will likely require both rules-based and principles-based disclosures; however, we stress the importance of standardized disclosures for comparability and analysis. Over the last decade, the SEC has received thousands of comment letters identifying material information that is not reliably disclosed.⁴ For example, the Investor Advisory Committee's recent recommendations on AI related risks identified the need for issuers to provide basic definitions around AI and description of material impacts on internal business operations and product lines.⁵ Additionally, materiality is legally defined with reference to a "reasonable investor", but the definition is applied by the providers of disclosure. Research has shown that issuers' materiality analyses appear systematically biased toward immateriality determinations suggesting a divergence between issuers' and investors' assessment of information.⁶ Furthermore, a recent Supreme Court case may create a perverse incentive for issuers to stay silent on material information as a means to reduce potential liability.⁷

Third and finally, the Commission should conform any contemplated reforms to a full notice and comment rulemaking process under the Administrative Procedure Act. Significant changes to disclosure requirements must be supported by a factual record

30, No.3, (June 1980): 393-408, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=228054; David S. Gelb and Paul Zarowin, "Corporate Disclosure Policy and the Informativeness of Stock Prices," *Review of Accounting Studies*, Vol. 7 (March 2002): 33-52, <https://doi.org/10.1023/A:1017927530007>.

³ See, for example, Michael Welker, "Disclosure Policy, Information Asymmetry, and Liquidity in Equity Markets," *Contemporary Accounting Research*, Vol 11, (Spring 1995): 801-827, <https://doi.org/10.1111/j.1911-3846.1995.tb00467.x>.

⁴ See, for example, Principles for Responsible Investment, "Securities and Exchange Commission: Request for Comment on Climate Disclosure" (June 11, 2021), <https://www.sec.gov/comments/climate-disclosure/cl112-8906878-244193.pdf>; Principles for Responsible Investment, "Securities and Exchange Commission File No. S7-10-22: The Enhancement and Standardization of Climate-Related Disclosures for Investors" (June 17, 2022), <https://www.sec.gov/comments/s7-10-22/s71022-20132009-302475.pdf>; Human Capital Management Coalition (May 3, 2024), <https://www.sec.gov/comments/265-28/26528-468251-1275214.pdf>; Investor Advisory Committee, "Recommendation of the SEC Investor Advisory Committee Related to Climate-Related Disclosure Rule Proposals" (September 21, 2022), <https://www.sec.gov/spotlight/investor-advisory-committee-2012/20220921-climate-related-disclosure-recommendation.pdf>.

⁵ SEC Investor Advisory Committee, "Recommendation of the SEC Investor Advisory Committee Regarding the Disclosure of Artificial Intelligence's Impact on Operations" (December 4, 2025), <https://www.sec.gov/files/approved-artificial-intelligence-disclosure-recommendation-120425.pdf>.

⁶ See, for example, Paul Munter, SEC Acting Chief Accountant, "Assessing Materiality: Focusing on the Reasonable Investor When Evaluating Errors," (Mar. 9, 2022), <https://www.sec.gov/newsroom/speeches-statements/munter-statement-assessing-materiality-030922>.

⁷ *Macquarie Infrastructure Corp. v. Moab Partners, L.P.*, 601 U.S. ____ (2024); James T. Christie & Jacqueline Meyers, "The Supreme Court's Macquarie Infrastructure Decision: Pure Omissions and Half-Truths," *PERsist Nat'l Conference on Public Employee Retirement Systems*, (Summer 2024), <https://www.ncpers.org/blog/the-supreme-court%E2%80%99s-macquarie-infrastructure-decision-pure-omissions-and-half-truths>.

demonstrating that proposed revisions advance the statutory objectives of investor protection, fair and efficient markets, and capital formation. We further encourage the Commission to build on the productive engagement at the May 2025 executive compensation roundtable with a convening to solicit the views of a broad range of asset owners, asset managers, service providers and other market actors that participate in the price discovery process (e.g. analysts). The roundtable should be a precursor to structured empirical investigation into: (i) what categories of information investors actually request and use in investment and proxy voting decisions; (ii) how investors use that data, including how new technologies are leveraged to ingest and analyze data⁸; and (iii) whether voluntary disclosure mechanisms can be relied upon or mandatory disclosures are required to supply investors with material information.

We appreciate the opportunity to share these perspectives as the Commission considers possible future rulemaking and look forward to reviewing any proposal that is released. Please don't hesitate to reach out to Sam VanderMeulen at sam.vandermeulen@unpri.org if you have any questions or if it would be helpful to meet with Commission staff to discuss the matters raised herein.

Respectfully submitted,

Cambria Allen-Ratzlaff
Chief Executive Officer
Principles for Responsible Investment

⁸ Sandy Peters, "Is the SEC regulating for a pre-AI world?" *CFO Dive*. Available at: <https://www.cfo.com/news/is-the-sec-regulating-for-a-pre-ai-world-Paul-Atkins-Sandy-Peters-CFA-Institute/812851/>.