



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 14, 2021
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1187 – Corporate Governance Improvement and Investor Protection Act

The Administration supports House passage of H.R. 1187, the Corporate Governance Improvement and Investor Protection Act. This legislation would require important changes to the manner in which publicly traded companies account for and disclose certain activities and risks, including disclosures promoting greater equity, transparency, and enhanced investor protections.

As our Nation builds a more equitable economic future, these measures will help safeguard the financial security of America's families, businesses, and workers from risks including the climate-related financial risks they already face. These measures will help protect workers' hard-earned savings.

H.R. 1187 would require the disclosure of environmental, social and governance (ESG) metrics, empowering shareholders with information regarding the connections between an issuer's ESG metrics and long-term business strategy. The bill would require the establishment of the Sustainable Finance Advisory Committee to identify measures the SEC can take to facilitate more sustainable investments. The bill would require additional disclosures around companies' pay equity, political expenditures, and tax liabilities relative to their profit. H.R. 1187 includes important reporting requirements for financial and business risks associated with climate change, reflecting the urgent need to account for the quantitative and qualitative costs of climate risk in a uniform, industry-specific manner.

The Administration supports efforts to account for climate risk in financial services, empower and protect investors, and promote transparency, accountability and equity in corporate governance.

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