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Speaking Sustainability - Legal & Regulatory Updates - February 2026

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Reading Time : **2 min**

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Key Topics

- EPA Finalizes Repeal of Endangerment Finding
- SEC Proposes Changes to ESG-related Disclosures and Reporting Obligations
- Akin Publishes The 2026 Directors Agenda

The Details

On February 18, the U.S. Environmental Protection Agency (EPA) issued its final rule repealing the greenhouse gas (GHG) "endangerment finding." EPA's leadership has characterized the repeal as a return to a narrower reading of the statute in light of scientific, technological and policy developments since 2009. The move significantly attempts to reshape the federal climate regulatory landscape and promptly drew legal challenges.

- Several entities have already filed petitions for review in the D.C. Circuit to challenge the rule. It is anticipated that these entities will soon seek to stay the rule while it is being litigated in the D.C. Circuit and through its inevitable appeal to the U.S. Supreme Court.
- In the meantime, companies within the transportation sector, specifically vehicle manufacturers and suppliers, likely will experience uncomfortable uncertainty as they determine how to approach planning for their future fleets.
- Akin published a client alert covering the topic in more detail, available **here**.

On February 18, the U.S. Securities and Exchange Commission (SEC) proposed a set of rule changes affecting certain registered funds that signal a meaningful shift in its approach to ESG-related disclosures and reporting obligations.

- The proposal would rescind the 2023 amendment to the "names rule," which currently requires funds marketing themselves as ESG- or sustainability-focused to invest at least 80% of assets in line with those strategies. Akin previously wrote on the subject **here**.
- Simultaneously, while the Commission considers whether to eliminate the requirement entirely, it has also proposed extending compliance deadlines by six months (i.e., June 11, 2026, for "larger entities" and December 11, 2026, for "smaller entities").
- The proposal additionally targets fund reporting requirements under Form N-PORT to provide an additional 15 days to file monthly reports of portfolio-related information and restore publication frequency to a quarterly basis.

On February 19, Akin published "The 2026 Director's Agenda: A Review of Risks and Opportunities for Corporate Directors," the first installment in a series of targeted insights to help directors, executives and investors navigate this fast-moving landscape, spotlighting risks and opportunities for corporate directors, emerging activist tactics, regulatory inflection points and governance blind spots.

The first installment includes the following articles:

- "**Key Issues for Companies and Activist Investors Heading into the 2026 Proxy Season**," which previews issues that are top of mind for companies and activists as the 2026 reporting and proxy season heads into full gear, as well as considerations for corporate directors as they confront a rapidly evolving environment.
- "**Sustainability Disclosures: A Complex Legal and Regulatory Environment for Boards of Directors**," we present a snapshot of the current landscape for sustainability-related disclosures and the growing divergence among approaches in the U.S. and Europe and offer practical steps directors may consider taking when evaluating compliance obligations and risks.
- "**Board Considerations for Public Companies Engaging with Digital Assets**" closes this first collection with a brief exposition covering issues faced by public companies and boards when dealing with digital assets.

We will continue to share updates as we publish our next series.

Attachments

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