

Market Trends 2024/25: Cybersecurity-Related Disclosures

A Practical Guidance® Practice Note by Liz Walsh and Gonzalo Go, Mayer Brown LLP



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This practice note provides an overview of cybersecurity risk disclosures and their implications for public companies. It discusses the potential reputational, financial, and operational harm resulting from cybersecurity breaches, as well as the associated litigation and regulatory costs. This note highlights the U.S. Securities and Exchange Commission's focus on cybersecurity issues, tracing back to its initial guidance in 2011, and the adoption of new rules in 2023 aimed at enhancing and standardizing disclosures related to cybersecurity risks and incidents. These rules require public companies to report material cybersecurity incidents and

risk management processes in a standardized manner. This note also covers the various sections where cybersecurity disclosures are required, including the Business section, Risk Factors section, and Management's Discussion and Analysis section of annual reports. It emphasizes the importance of detailed discussions on updated risks, threat management processes, and ongoing cybersecurity litigations. Additionally, this note provides examples of cybersecurity disclosures under Item 1.05 of Form 8-K, highlighting the need for timely and accurate information about material cybersecurity incidents. This practice note concludes with practical advice on preparing and enhancing required disclosures on cybersecurity risks and incidents.

Assistance provided by Joselys Cornelio, Mayer Brown LLP

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Liz Walsh, Counsel, Mayer Brown LLP

Liz Walsh is counsel in Mayer Brown's Washington DC office and a member of the Public Companies & Corporate Governance and Capital Markets practices. She advises public companies on their obligations under the federal securities laws and on related corporate governance requirements. Liz also provides advice to public companies regarding compliance with SEC executive compensation disclosure requirements and Section 13 and Section 16 reporting. In addition, she advises on corporate governance matters, including advice regarding director independence, board committee structure and charters, codes of conduct, corporate governance guidelines, controls and procedures, CEO and CFO certifications, and NYSE and Nasdaq requirements.

Liz spent over 11 years at the US Securities and Exchange Commission in the Division of Corporation Finance. She most recently served as Acting Director of the Office of Small Business Policy and previously served as Special Counsel to the Deputy Director of the Division. At the SEC's Office of Small Business Policy, Liz counseled on the administration of the federal securities laws and regulations that particularly affect small businesses, including the smaller reporting company requirements, as well as the capital-raising exemptions from Securities Act registration. She also assisted with the Division's substantial revisions to the exempt offering framework, including the adoption of changes to the accredited investor definition and rule amendments intended to harmonize and simplify the offering exemptions in 2020.

Liz was the co-recipient of several awards during her time at the SEC, including the 2020 Byron D. Woodside Award, the 2020 Chairman's Award for Excellence, and the 2019 Isaac C. Hunt Award for Diversity and Inclusion.

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Gonzalo Go represents companies, investment banks and sponsors in public and private offerings of equity and debt securities, including initial public offerings, business combinations with special purpose acquisition companies (SPACs), shelf registration statements, follow-on offerings, medium-term note programs, issuances exempt from registration, investment-grade debt offerings and securitizations. G advises public companies on stock exchange listing applications, maintenance and transfers; securities law reporting and regulatory compliance requirements; and general corporate governance matters.

The International Financial Law Review's (IFLR) IFLR1000 guide for 2023 & 2024 ranked G as Rising Star for both Equity Capital Markets and Debt Capital Markets in the United States and the State of New York. IFLR Americas Awards named G as Rising Star for 2023, and the "VAALCO - TransGlobe merger" he assisted in was shortlisted as 2023 M&A Deal of the Year.

G earned his LLM from Columbia Law School, where he served as a student senator and graduated as [the class speaker](#), a Harlan Fiske Stone scholar and a recipient of the Parker School Recognition of Achievement in International and Comparative Law. He earned his JD, with honors, from the Ateneo Law School and his BS in Accountancy, with honors, from De La Salle University.

G's prior professional experiences include being (i) a capital markets associate in another global law firm in New York, (ii) an associate general counsel of Jollibee Foods Corporation, a multinational fast-food chain headquartered in the Philippines, where he gained extensive experience in managing legal risks in various business activities, such as business development and expansion, customer relations, operations, real estate, franchising, marketing, human resources, purchasing, finance, corporate communications, tax and government relations, (iii) a faculty member of the Ateneo Law School and (iv) a tax associate at SyCip Salazar Hernandez & Gatmaitan, a top-tier law firm in the Philippines. G is also a lawyer and a certified public accountant in the Philippines.

In the American Bar Association's (ABA) Business Law Section, G serves as chair of the 2SLGBTQIA+ Subcommittee of the Diversity & Inclusion Committee (2022-present) and vice chair of the Annual Review of Federal Securities Regulation Subcommittee of the Federal Regulation of Securities Committee (2022-present). He was a Business Law Fellow (2022-2024) and a drafting committee lead for the [ABA's comment letter on the SEC's proposed rules on SPACs](#). G was named a 2023 ABA On the Rise - Top 40 Young Lawyer.

G is a member of the firm's New York Pro Bono Committee.

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