

MEMO# 33195

March 15, 2021

SEC Requests Public Input on Climate Change Disclosures

[33195]

March 15, 2021 TO: ICI Members

Audit Committee

ESG Advisory Group

ESG Task Force

SEC Rules Committee SUBJECTS: Disclosure

ESG RE: SEC Requests Public Input on Climate Change Disclosures

On March 15, 2021, SEC Acting Chair Allison Herren Lee issued a public statement requesting public input from investors, registrants, and other market participants on climate change disclosures.[\[1\]](#)

She is asking the staff to evaluate the SEC's disclosure rules with an eye toward facilitating the disclosure of consistent, comparable, and reliable information on climate change. To facilitate the staff's assessment, the statement sets forth several questions on which they seek input, including:

- How can the Commission best regulate, monitor, review, and guide climate change disclosures in order to provide more consistent, comparable, and reliable information for investors while also providing greater clarity to registrants as to what is expected of them?
- What information related to climate risks can be quantified and measured?
- What are the advantages and disadvantages of permitting investors, registrants, and other industry participants to develop disclosure standards mutually agreed by them?
- What are the advantages and disadvantages of establishing different climate change reporting standards for different industries, such as the financial sector, oil and gas, transportation, etc.?
- What are the advantages and disadvantages of rules that incorporate or draw on existing frameworks, such as, for example, those developed by the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), and the Climate Disclosure Standards Board (CDSB)?
- What are the advantages and disadvantages of developing a single set of global standards applicable to companies around the world, including registrants under the Commission's rules, versus multiple standard setters and standards?

Chair Lee encouraged commenters to submit empirical data and other information in

support of their comments and noted that original data from respondents, including academics, data providers, and other organizations, may assist in assessing the materiality of climate-related disclosures, and the costs and benefits of different regulatory approaches to climate disclosure.

Comments are due within 90 days and can be submitted via email or webform. In addition, in lieu of making a written submission, commenters can meet with staff in the Division of Corporation Finance.

Annette Capretta
Associate General Counsel

endnotes

[1] See SEC Acting Chair Allison Herren Lee, *Public Input Welcomed on Climate Change Disclosures* (Mar. 15, 2021), available at <https://www.sec.gov/news/public-statement/lee-climate-change-disclosures>.

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