The Honorable Gary Gensler
Chair, Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

May 6, 2022

Subject: **Proposed Rule [Release No. 33-11402; File No. S7-10-22]:** Enhancement and Standardization of Climate-Related Disclosures for Investors– **SUPPORT**

Dear Chair Gensler:

On behalf of Sustainable Silicon Valley, I would like to express our support for the Enhancement and Standardization of Climate-Related Disclosures for Investors.

The proposed rule is well within the SEC's mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. Requiring publicly traded firms to enhance disclosures about climate risks and impacts is totally consistent with existing requirements to fully disclose other material risks, including impairments (aka damages, diminished values), operational trends, events triggering financial obligation, customer, supplier, partnership, contractual, legal/regulatory issues, credit rating and employee benefits.

Climate risks and impacts are *material* to investment decisions.

As such, company boards need to better understand climate risks and impacts, as well as provide the much-needed governance and oversight to drive increased focus on risk management and innovation to address the existential threats posed by climate change.

Heightened consumer attention on Climate Change and its associated risks has made it increasingly lucrative for companies to employ GHG emissions offsets and other tactics to "Greenwash" publicly traded companies in the market. Leaving climate change disclosure unregulated and non-standardized perpetuates inconsistent reporting and allows publicly traded companies to employ marketing tactics to their disclosures that could be misleading to investors. Standardization of emissions reporting and other climate change disclosure protects investors by requiring actual risks to be disclosed in a standardized manner.

Industry-specific metrics: To help investors compare climate risks and impacts for public companies in the same industries, there should be standard reporting frameworks by industry, which various independent groups (TCFD, SASB, etc.) have proposed and are endorsed by hundreds of companies and investors globally.

Scope 1 and Scope 2 emission reporting should be detailed enough to distinguish a company's actual emissions from net emissions resulting from carbon credits and offsets. Additionally, reporting on a company's total emissions should include supporting detail showing emissions by major processes (i.e., mineral extraction, distribution, manufacturing), particularly for vertically integrated companies.

Regular updates: SEC Climate Reporting Rules, particularly around Scope 3 emissions, should continue to evolve as transparency and standardization for Scope 1 & 2 reporting and other metrics improve.

As a "think & do" tank focused on an innovative equitable & healthy life for all in a decarbonized Bay Area, Sustainable Silicon Valley is committed to help. Please feel free to contact me should you have any questions or comments.

Sincerely,

JT

Jennifer Thompson
Executive Director
Sustainable Silicon Valley
jthompson@sustainablesv.org