The Investor Relations Society
5th Floor, 30 Coleman Street
London, EC2R 5AL

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090.

16th June 2022

Dear Ms Countryman,

Re: The Enhancement and Standardization of Climate-Related Disclosures for Investors, Release Nos. 33-11042; 34-94478; File No. S7-10-22

Thank you for giving us the opportunity to comment on the Securities and Exchange Commission's proposed Enhancement and Standardization of Climate-Related Disclosures for Investors (the 'Proposed Rule'). This response is on behalf of the UK's Investor Relations Society ('the IR Society').

The IR Society represents members working for publicly listed companies and consultancies to assist them in the development of effective two-way communication with the markets and to create a level playing field for all investors. It has over 850 members, drawn mainly from the UK, including the majority of the UK FTSE 100 and many of the FTSE 250 constituents, but also including some from companies listed overseas.

The IR Society's mission is to promote best practice in investor relations; to support the professional development of its members; to represent their views to regulatory bodies, the investment community and Government; and to act as a forum for issuers and the investment community.

Given our predominantly UK membership, we are proposing to respond to the International Sustainability Standards Board's Exposure Drafts IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, as well as the call for evidence from the UK Government's Transition Plan Taskforce. However, we are aware that members in UK-incorporated companies with either a dual UK/US listing or that have issued American Depository Receipts will be additionally bound by the rules that the Securities and Exchange Commission ('SEC') establishes. Accordingly, we would like to make one specific point of relevance to that group which we believe should be taken into consideration by the SEC.

We note that in *Section II J "Registrants Subject to the Climate-Related Disclosure Rules and Affected Forms"*, paragraph 189 provides that "*An International Sustainability Standards Board (ISSB) has recently been created, which is expected to issue global sustainability standards, including climate-related disclosure standards. If we adopt an alternative reporting provision, should that provision be structured to encompass reports made* *pursuant to criteria developed by a global sustainability standards body, such as the ISSB? If so, should such alternative reporting be limited to foreign private issuers, or should we extend this option to all registrants? What conditions, if any, should we place on a registrant's use of alternative reporting provisions based on the ISSB or a similar body?"*

The IR Society believes that any global baseline for sustainability reporting requirements established by the ISSB should apply as widely as possible and that regulators should seek to create as much commonality in reporting as possible. International collaboration in the development of that global baseline would be essential for the creation of a disclosure system that can be implemented globally with a consistent approach across markets in order to optimise reporting efficiency for companies. We are therefore supportive of the SEC's participation, along with the UK's Financial Conduct Authority, in the working group recently established by the ISSB involving jurisdictions actively engaged in developing sustainability disclosure standards. We hope the SEC will also join any relevant advisory and consultative bodies established by the ISSB, for example the Sustainability Standards Advisory Forum.

Looking more specifically at paragraph 189 of the Proposed Rule, we therefore would also ask the SEC to allow Form 20-F filers [(for example, companies with American Depositary Receipts)] to use ISSB standards to meet their SEC climate disclosure requirements. Permitting foreign private issuers to use the ISSB climate standard to meet the requirements of the Proposed Rule would avoid duplicative reporting. This would be especially beneficial for those companies with a home market that is likely to mandate the ISSB standards (like the UK) as they would avoid the additional demands and cost of reporting under both the ISSB and SEC standards.

Furthermore, we would suggest that the SEC should not place conditions on a foreign issuer's use of alternative reporting provisions based on either the ISSB's standards or those of any similar body. Our preference is that any additional US/SEC requirements should be built on top of those requirements under the 'building blocks' approach advocated by the ISSB.

Your sincerely,

Nigel Pears
Chair of the Investor Relations Society's Policy Committee
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