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Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549

Re: File No. S7-10-22: The Enhancement and Standardization of Climate-Related Disclosures for Investors

Dear Ms. Countryman,

We are writing today to express our strong support for the Securities and Exchange Commission's (SEC) proposed rule requiring publicly-traded companies to disclose climate-related financial risk information (S7-10-22). Investors need transparent information about climate-related investment risks and the proposed climate-related disclosures would support the Commission's mandate to protect investors, maintain fair and efficient markets and facilitate capital formation. We are in favor of the proposal as it is also responsive to investor and public demands and aligns with global regulatory peers who have made progress towards mandated, standardized climate-related financial disclosures.

As investment practitioners using ESG strategies in public equities, we believe this proposed rule is of particular importance to investors and critical to achieving the SEC's objectives.

Nia Impact Capital's public equities investment strategies include several key elements that are important ingredients to successful impact investing. The first element is a top down approach that identifies solutions that are essential for people and the planet. The second element is a bottoms-up approach involving traditional fundamental analysis that integrates consideration of ESG key performance indicators (KPIs) into traditional fundamental financial analysis. The third element is our corporate activism, which includes engagement, proxy filing, shareholder proposals and proxy voting. Each element of our strategy utilizes ESG data and environmental impact is a key consideration across our portfolios, sectors, and company holdings.

We are supportive of the proposed rules regarding the mandatory reporting of Scope 1 and Scope 2 emissions in accordance with the TCFD framework in conjunction with industry-specific metrics drawn from the SASB framework. Mandating reporting in line with frameworks that increase the relevance of this data for financial analysis will dramatically increase the utility of this data for investors.

We agree that this type of reporting will lead to disclosures that are consistent, reliable, and comparable. Given that much of this data is already contained in mandated reports to domestic regulatory agencies such as the EPA, we encourage the requirement that this data be aggregated in one location and shared directly with investors. For most companies, drawing largely from already mandated disclosures should limit the cost

burden except, as noted in the proposed rule, for the cost of preparing the data for the SEC filing.

We recommend allowing small-cap companies to use an abbreviated reporting format and an additional year to prepare before their reporting requirement starts. Given the additional costs associated with these reporting requirements, our concern would be that an overly burdensome requirement could further disincentivize small, innovative companies from going public. Given the existing regulatory compliance cost headwinds for small companies, we are concerned that increasing these costs may increase the incentives for more innovative companies to remain in the private equity realm, depriving the public markets, and the public, of compelling investment opportunities in companies providing solutions to our most urgent problems.

As mentioned in the proposed rule, scope 3 emissions may represent as much as 85 percent of emissions for some companies. The greater objectives of this new reporting requirement cannot be met without including a mandate for Scope 3 emissions reporting. On the other end of the spectrum, companies with low scope 3 emissions should also be called upon to work toward reporting, so investors understand where these emissions exist today and could pose a larger risk tomorrow.

We agree that the reporting of scope 3 emissions data will likely pose a challenge for all registrants. We are supportive of rules that would allow a 3 to 5 year phase in period. We also agree with and support the Commission's proposal to adopt a safe harbor provision for scope 3 disclosures and believe that it is critical to the robust reporting of scope 3 data. However, throughout the phase in period and beyond, we strongly support a mandated explanation of the methodology used, particularly regarding assumptions and estimates, so that investors have the tools to interpret a company's report, which is far more useful than a black box estimate.

We would further encourage mandating discussion of climate-related disclosures, similar to that found in a company's MD&A. Given the increasing relevance and interconnectedness of climate-related risks to a company's financials, it would be most logical to include this discussion in the MD&A section. We would further suggest that in most cases organizing climate-related data into a separate section would increase the ease of comparability across companies.

In keeping with the SEC's effort to align with international reporting efforts, we further encourage the SEC to mandate registrants to report environmental data with respect to the Paris Accord framework. While investors and the environment would greatly benefit from this information, we believe that companies will also greatly benefit from the exercise of framing out science based targets between the present and 2030, as well as the science based solutions and strategies for meeting these targets. We believe that pushing companies through this exercise will both improve transparency for investors and increase the incentive for companies to invest in climate solutions sooner, thus decreasing mid to long term risk.

In addition, we recommend that the Commission enhance the proposed rule by explicitly referencing racial equity as central to climate justice; and to reference the UN Declaration on the Rights of Indigenous Peoples as has been done in the SASB and GRI reporting frameworks; and specifically reference the need to assess impacts to Indigenous Peoples and local communities within disclosures of sources of Scope 1, 2, and 3 emissions.

Thank you for the opportunity to provide comment on the Proposed Rule, and thank you to the Commission for taking this critical step to address the systemic risks associated with climate change.

Respectfully Submitted,

Andrea Dalton, CFA and Kristin Hull, PhD

Portfolio Managers at Nia Impact Capital