SECURITIES AND EXCHANGE COMMISSION

17 CFR 210, 229, 232, 239, and 249

[Release Nos. 33-11042; 34-94478; File No. S7-10-22]

RIN 3235-AM87

REQUEST FOR COMMENTS ON PROPOSED RULE: The Enhancement and Standardization of Climate-Related Disclosures for Investors

	Questions posed by the SEC in the consultation document for Proposed Rule - File Number S7-10-22	**ERM CVS Response - File Number S7-10-22**
1-7		No comments
8.	Should we require a registrant to disclose any climate-related risks that are reasonably likely to have a material impact on the registrant, including on its business or consolidated financial statements, which may manifest over the short, medium, and long term, as proposed? If so, should we specify a particular time period, or minimum or maximum range of years, for "short," "medium," and "long term?" For example, should we define short term as 1 year, 1-3 years, or 1-5 years? Should we define medium term as 5-10 years, 5-15 years, or 5-20 years? Should we define long-term as 10-20 years, 20-30 years, or 30-50 years? Are there other possible years or ranges of years that we should consider as the definitions of short, medium, and long term? What, if any, are the benefits to leaving those terms undefined? What, if any, are the concerns to leaving those terms undefined? Would the proposed provision requiring a registrant to specify what it means by the short, medium, and long term mitigate any such concerns?	It is important that the registrant discloses climate-related risks which are likely to have a material impact on the registrant, including on its business or consolidated financial statements over the short, medium, and long term. Because a goal of the proposed regulation is to provide investors with comparable data, common reporting periods are important. Currently, the typical long-term is 2050, with variation around the short (typically not modeled) and medium-term time horizons (though 2030 is typical).

9-10		No Comments
11	Some chronic risks might give rise to acute risks, e.g., drought (a chronic risk) that increases acute risks, such as wildfires, or increased temperatures (a chronic risk) that increases acute risks, such as severe storms. Should we require a registrant to discuss how the acute and chronic risks they face may affect one another?	The relationship between the chronic risk-associated acute risks are based in science, and do not change based on the registrant; therefore, we suggest that the affect between chronic risks and acute risks does not need to be a required reporting element.
12		No Comment
13	If a registrant determines that the flooding of its buildings, plants, or properties is a material risk, should we require it to disclose the percentage of those assets that are in flood hazard areas in addition to their location, as proposed? Would such disclosure help investors evaluate the registrant's exposure to physical risks related to floods? Should we require this disclosure from all registrants, including those that do not currently consider exposure to flooding to be a material physical risk? Should we require this disclosure from all registrants operating in certain industrial sectors and, if so, which sectors? Should we define "flood hazard area" or provide examples of such areas? If we should define the term, should we define it similar to a related definition by the Federal Emergency Management Agency ("FEMA") as an area having flood, mudflow or flood-related erosion hazards, as depicted on a flood hazard boundary map or a flood insurance rate map? Should we require a registrant to disclose how it has defined "flood hazard area" or whether it has used particular maps or software tools when determining whether its buildings, plants, or properties are located in flood hazard areas? Should we recommend that certain maps be used to promote comparability? Should we require disclosure of whether a registrant's assets are located in zones that are subject to other physical risks, such as in locations subject to wildfire risk?	If flooding is a material risk to the business, then understanding the percent of assets in flood hazard areas would provide appropriate context to investors. This information should only be required for those registrants where flooding is presented as a material risk. Comparison across registrants is important for investors, as such reported information should be based on the same reporting criteria. Allowing too much flexibility around this criteria will result in non-comparable data. Water systems are a dynamic process and have been changing more rapidly recently. Because of global natural system changes, it may not be the best approach to reference a specific, potentially dated source (e.g., some FEMA maps are quite outdated). It may be better if the SEC required that the flood hazard area used to assess risk meet specific criteria (e.g., data less than X year's old, publicly available). The registrant is required to report on all material risks. If the registrant considers drought or wildfires a material risk, then the % assets within those zones should be reported, just as they would present the risk of flooding. Similarly, the criteria used to assess the risk should meet specific requirements ensuring timeliness and comparability.

		It is also important to note that the main (physical and therefore financial) risks for certain companies from storms, flooding, high temperatures, wildfires etc. may be in their supply chains rather than owned assets. e.g. Clothing companies with suppliers in India, Bangladesh etc. or food companies with suppliers in Latin America so ERM CVS recommends that consideration be given to requiring, at least qualitatively, the material risks that fall outside owned/controlled assets.
14	If a material risk concerns the location of assets in regions of high or extremely high water stress, should we require a registrant to quantify the assets (e.g., book value and as a percentage of total assets) in those regions in addition to their location, as proposed? Should we also require such a registrant to disclose the percentage of its total water usage from water include a definition of a "high water stressed region" similar to the definition provided by the World Resource Institute as a region where 40-80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually? Should we similarly define an "extremely high water stressed area" as a region where more than 80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually? Are there other definitions of high or extremely high water stressed areas we should use for purposes of this disclosure? Would these items of information help investors assess a registrant's exposure to climate-related risks impacting water availability? Should we require the disclosure of these items of information from all registrants, including those that do not currently consider having assets in high water-stressed areas a material physical risk? Should we require these disclosures from all registrants operating in certain industrial sectors and, if so, which sectors?	If high or extremely high water stress areas present a material risk to a registrant's business, then the percentage of total assets located in such areas should be quantified. The WRI aqueduct tool is commonly used to classify areas of water stress, and allows sector specific inputs to help assess sector specific risk. Comparison across registrants is important for investors, as such the information should be based on consistent reporting criteria. Allowing too much flexibility around this criteria will result in non-comparable data. This information should only be required for those registrants where water stress is presented as a material risk either directly or within their supply chain.
15-17		No Comments

18	Should we define climate-related opportunities as proposed? Should we permit a registrant, at its option, to disclose information about any climate-related opportunities that it is pursuing, such as the actual or potential impacts of those opportunities on the registrant, including its business or consolidated financial statements, as proposed? Should we specifically require a registrant to provide disclosure about any climate-related opportunities that have materially impacted or are reasonably likely to impact materially the registrant, including its business or consolidated financial statements? Is there a risk that the disclosure of climate related opportunities could be misleading and lead to "greenwashing"? If so, how should this risk be addressed?	It is appropriate to include both risks and opportunities associated with climate. In addition to reporting material opportunities, it is important to show planned steps (e.g., capital allocation) associated with the opportunity to minimize the potential for a listing of hypothetical opportunities. This would help minimize the potential leaning towards 'greenwashing'.
19-20		No Comments
21	Should we require a registrant to specify the time horizon applied when assessing its climate-related impacts (i.e., in the short, medium, or long term), as proposed?	It is important that registrants disclose climate-related risks which are likely to have a material impact on the registrant, including on its business or consolidated financial statements over the short, medium, and long term. Because a goal of the regulation is to provide investors with comparable data, common reporting periods are important. Currently, the typical long-term is 2050, with variation around the short (typically not modeled) and medium-term time horizons (though 2030 is typical).
22		No Comments
23	Should we require the disclosures to include how the registrant is using resources to mitigate climate-related risks, as proposed? Should the required discussion also include how any of the metrics or targets referenced in the proposed climate-related disclosure subpart of Regulation S-K or Article 14 of Regulation S-X relate to the registrant's business model or business strategy, as proposed?	Yes – as this would demonstrate a proactive approach to the climate strategy and addressing the climate-related risks. Yes – as experience shows that registrants often report climate strategy and related metrics and targets completely separately from their

	Should we require additional disclosures if a registrant leverages climate-related financing instruments, such as green bonds or other forms of "sustainable finance" such as "sustainability-linked bonds," "transition bonds," or other financial instruments linked to climate change as part of its strategy to address climate-related risks and opportunities? For example, should we require disclosure of the climate-related projects that the registrant plans to use the green bond proceeds to fund? Should we require disclosure of key performance metrics tied to such financing instruments?	business model and business strategy. Therefore ERM CVS supports this proposal. The suggested disclosures may raise issues regarding the cut-off for activities in a specific reporting period for both the registrant and for the auditor. For example, would required disclosures for a reporting period include applications for funding and/or funding agreed and/or projects in progress and/or projects completed. Therefore, if additional disclosures are a requirement, the definition for inclusion/exclusion would need to be further defined regarding the status in the reporting period/year, Registrants may decline to give details of projects from a confidentiality/ competitive perspective and, for planned projects, from a liability perspective. Also the latter would mean the auditor might be asked to address planned (future) activities. ERM CVS therefore does not support mandatory disclosure of the details of climate-related instruments.
24	If a registrant has used carbon offsets or RECs, should we require the registrant to disclose the role that the offsets or RECs play in its overall strategy to reduce its net carbon emissions, as proposed? Should the proposed definitions of carbon offsets and RECs be clarified or expanded in any way? Are there specific considerations about the use of carbon offsets or RECs that we should require to be disclosed in a registrant's discussion regarding how climate related factors have impacted its strategy, business model, and outlook?	Yes, the registrant should disclose the role that offsets or RECs play in its overall carbon reduction strategy. This disclosure will make clear to investors whether or not the registrant is making material changes to their business to minimize their GHG footprint/risk. It is important to note that there is considerable variation in the quality of available offsets with regard to their impact on the environment, for example some do not require additionality, meaning that the offset was going to happen as a normal course of doing business (e.g. for financial reasons), instead of being specifically undertaken with the intent to

		remove carbon from the environment. One purposefully manages climate risk, while the other is allowing reputational credit while doing little to mitigate the actual risk. It is also important that offsets be managed through a verification process using a recognized standard (e.g., Verra, Gold Standard). The registrant should therefore indicate if the offsets/credits have been verified.
25	Should we require a registrant to provide a narrative discussion of whether and how any of its identified climate-related risks have affected or are reasonably likely to affect its consolidated financial statements, as proposed? Should the discussion include any of the financial statement metrics in proposed 17 CFR 210.14-02 (14-02 of Regulation S-X) that demonstrate that the identified climate-related risks have had a material impact on reported operations, as proposed? Should the discussion include a tabular representation of such metrics?	For investors to draw comparisons between registrants, the internal price of carbon, the boundary, rationale and the calculation methodology should be disclosed.
26	Should we require registrants to disclose information about an internal carbon price if they maintain one, as proposed? If so, should we require that the registrant disclose: • The price in units of the registrant's reporting currency per metric ton of CO2e; • The total price; • The boundaries for measurement of overall CO2e on which the total price is based if different from the GHG emission organizational boundary required pursuant to 17 CFR • 210.14-03(d)(4); and • The rationale for selecting the internal or shadow carbon price applied, as proposed? Should we also require registrants to describe the methodology used to calculate its internal carbon price?	Yes – these details are important for the user in terms of reasonableness, applicability, comparability and accuracy

27	Should we also require a registrant to disclose how it uses the described internal carbon price to evaluate and manage climate-related risks, as proposed? Should we further require a registrant that uses more than one internal carbon price to provide the above disclosures for each internal carbon price, and disclose its reasons for using different prices, as proposed? Are there other aspects regarding the use of an internal carbon price that we should require to be disclosed? Would disclosure regarding any internal carbon price maintained by a registrant elicit important or material information for investors? Would requiring the disclosure of the registrant's use of an internal carbon price raise competitive harm concerns that would act as a disincentive from the use of an internal carbon price? If so, should the Commission provide an accommodation that would mitigate those concerns? For example, are there exceptions or exemptions to an internal carbon price disclosure requirement that we should consider?	As registrants may use more than one internal carbon price for different aspects of its business, then the proposed bulleted details (in question 26 above) should be disclosed for each internal carbon price and the reasons for using different prices ERM CVS believes that not reporting internal carbon prices may result in a lack of transparency (for example registrants setting a low unrealistic internal carbon price) and reduce comparability (for investors) and consistency over time.
28-32		No Comments
33	As proposed, a registrant may provide disclosure regarding any climate-related opportunities when responding to any of the provisions under proposed 17 CFR 229.1502 (Item 1502). Should we require disclosure of climate-related opportunities under any or all of the proposed Item 1502 provisions?	Yes, it is appropriate to allow reporting on climate related opportunities, with a balance of likelihood and capital commitment. If companies have identified these opportunities, they will want to share it, but may not needed as a requirement.
34		No Comments
35	Should we require a registrant to disclose the processes and frequency by which the board or board committee discusses climate-related risks, as proposed?	The frequency that the board or board committee discusses climate risk is less important that the topics covered during the discussion and the depth of coverage. Frequency, disclosure of topics discussed, and length of the discussion (e.g. as a % of the meeting duration) dedicated to

		climate-related risks would be a better measure of governance of climate-related risks.
36-73		No Comments
74	Should the same climate-related events (including severe weather events and other natural conditions and identified physical risks) and transition activities (including identified transition risks) that we are proposing to use for the financial impact metrics apply to the expenditure metrics, as proposed? Alternatively, should we not require a registrant to disclose expenditure incurred towards identified climate-related risks and only require disclosure of expenditure relating to severe weather events and other natural conditions?	Reporting expenditure related to addressing material climate risks, provides an important indication of governance around these risks for investors.
75-78		No Comments
79	The proposed rule does not specifically address expensed or capitalized costs that are partially incurred towards the climate-related events and transition activities (e.g., the expenditure relates to research and development expenses that are meant to address both the risks associated with the climate-related events and other risks). Should we prescribe a particular approach to disclosure in such situations? Should we require a registrant to provide a reasonable estimate of the amount of expense or capitalized costs incurred toward the climate-related events and transition activities and to provide disclosure about the assumptions and information that resulted in the estimate?	If reporting expensed or capitalized costs that are partially incurred toward the climate-related events and transition activities, registrants should provide a reasonable estimate of the amount incurred for the climate related events and transition activities. The assumptions and information resulting in reported amount should be clearly disclosed to prevent potential greenwashing. The 'driver' for the expense or capitalized costs should be considered when assessing the proportion of expense/cost applied to the climate-related events and transition activities.
80-85		No Comments

86	For the proposed financial statement metrics, should we require a registrant to disclose material changes in estimates, assumptions, or methodology among fiscal years and the reasons for those changes? If so, should we require the material changes disclosure to occur on a quarterly, or some other, basis? Should we require disclosure beyond a discussion of the material changes in assumptions or methodology and the reasons for those changes? Do existing required disclosures already elicit such information? What other approaches should we consider?	Consistent with non-financial accounting practices, registrants should disclose all changes between reporting years (e.g., material changes in estimates, assumptions, and methodology) In addition, registrants should disclose details of material restatements of prior year data (if this has been done) based on the revised methodology, assumptions etc. to provide comparability with the current reporting period, as the re-stated data may differ from previously disclosed data for the same reporting period. Re-statements currently occur quite frequently in non-financial reporting.
87	We are proposing to require the financial statement metrics to be disclosed in a note to the registrant's audited financial statements. Should we require or permit the proposed financial statement metrics to be disclosed in a schedule to the financial statements? If so, should the metrics be disclosed in a schedule to the financial statements, similar to the schedules required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas-producing activities? If so, should such supplemental schedule be subject to assurance or ICFR requirements?	ERM CVS believes that the climate-related financial metrics should be integrated into the financial statements as soon as practicable, in order to increase top management accountability, and consistency for investors. The climate-related financial metrics should therefore be subject to ICFR requirements and assurance by the financial auditor who, in turn, should be able to place reliance on the (separate) assurance of the underlying GHG data and other metrics reported in a separate Supplemental Schedule. This would allow other independent (accredited) assurance providers, with the appropriate level of subject matter expertise, to undertake assurance of the emissions data.
88-89		No Comments
90	Should we require any additional metrics or disclosure to be included in the financial statements and subject to the auditing and ICFR requirements as described above? For example, should any of the disclosures we are proposing to require outside of the financial statements (such as GHG emissions metrics) be included in the financial statements? If so, should such metrics be disclosed in a note or a schedule to the financial statements?	ERM CVS recommends, in the short term, a split in the climate disclosures under the Regulation, as follows: - Disclosure of climate strategy, governance and management, risk assessment and financial data (estimates) linked to material climate -related events and transition activities in the financial statements, subject to audit by the financial auditor. This could

	If in a schedule, should such schedule be similar to the schedules required under Article 12 of Regulation S-X and subject to audit and ICFR requirements? Should we instead require the metrics to be disclosed as s supplemental financial information in a supplemental schedule? If so, should such supplemental schedule be subject to assurance or ICFR requirements?	also include progress on the development of ICFR for climate disclosures. - Disclosure of the climate-related metrics – GHG emissions data in a Supplementary Schedule, subject to assurance by a suitably qualified and independent assurance provider. The GHG emissions metrics should cover Scope 1 and 2 and, where relevant in the regulation, Scope 3), as well as related underlying sources (e.g. energy use, direct emissions, accidental losses). The Supplementary Schedule could also include data relating to claims regarding emission reductions (e.g. from renewable energy, offsetting etc.), progress made against publicly stated targets. The climate-related information in the financial statement (e.g. climate strategy, targets, management and related financial data) should be based on reliable GHG emission data. Therefore the Supplementary Schedule should be subject to independent assurance under an appropriate standard, for example ISAE3410 or ISO14064:3) and be undertaken by climate/GHG subject matter professionals that belong to firms with accredited quality and independence systems. These are therefore likely to be either accredited (carbon/GHG) Certification bodies or (financial) auditing firms that have a sufficient level of expertise within their own organization, not just to carry out (or sub-contract) the assurance procedures, but also at partner level to be able to sign the audit opinion/conclusion. It is also important, in the case of (large) accelerated filers with global operations, that the assurance provider can demonstrate an appropriate level of subject matter expertise across their global operations as, due to the current level of Internal Control around GHG data compared with financial data, assurance work should be carried out at a selection of global operations, even for a limited level of assurance.

91	Under the proposed rules, PCAOB auditing standards would be applicable to the financial statement metrics that are included in the audited financial statements, consistent with the rest of the audited financial statements. What, if any, additional guidance or revisions to such standards would be needed in order to apply PCAOB auditing standards to the proposed financial statement metrics? For example, would guidance on how to apply existing requirements, such a materiality, risk assessment, or reporting, be needed? Would revisions to the auditing standards be necessary? What additional guidance or revisions would be helpful to auditors, preparers, audit committee members, investors, and other relevant participants in the audit and financial reporting process?	ERM CVS believes PCAOB auditing standards should be applied to the financial statement metrics for the following reasons: - The content and nature of the proposed climate-related financial reporting (Financial Impact Metrics; Expenditure Metrics; and Financial Estimates and Assumptions) results in a higher level of inherent limitation in the disclosures than in traditional financial reporting, and therefore separate consideration of audit risk and materiality. - Internal Controls are likely to be less mature than those for financial reporting, which will be critical for a reasonable level of assurance. - Due to the need for sufficient understanding of the subject matter a higher level of dependence may be placed on the work of 'Other Independent Auditors' and/or the work of an 'Auditor-Engaged Specialist' which, in the former, may result in referencing the work of the other auditor in the opinion. While many of the PCAOB Auditing standards are generic and therefore applicable to all audit engagements, ERM CVS recommends the development of additional specific guidance in the PCAOB auditing standards for the climate-related financial metrics. This may require an additional paragraph in many (sub)sections, but perhaps especially in the following areas: AS1200 General Activities (e.g. 1201 Supervision of the Audit Engagement); AS1205 Part of the Audit Performed by Other Independent Auditors; AS1210 Using the work of an Auditor-Engaged Specialist), including examples of referencing the work of Other Independent Auditors in the audit opinion. AS2100 Audit Planning, all subsection but especially: - 2101 para 16 and 17 **Persons with Specialized Skill or Knowledge for conducting the work** but also the auditor needs

		'sufficient understanding of the subject matter' to supervise and understand the work of the expert(s) - 2105 Determining materiality for activities in the wider value chain AS2200 Auditing ICFR – perhaps a new concept/section for climate e.g. 'Auditing Internal Control over Climate-related Reporting' or 'ICCR'? This would again need to emphasize the need for **non-financial auditors and subject matter experts** due to the very significant knowledge and expertise required to assure climate disclosures and GHG emissions data. AS2400 Audit Procedures for Specific Aspects of the Audit (New section for climate?) AS2800 Concluding Audit Procedures – examples of Subsequent events related to climate risks/events NOTE: In order to determine the content of additional paragraphs or guidance ERM CVS recommends that the SEC refers to the recently published IAASB 'NON-AUTHORITATIVE GUIDANCE ON APPLYING ISAE 3000 (REVISED) TO SUSTAINABILITY AND OTHER EXTENDED EXTERNAL REPORTING ASSURANCE ENGAGEMENTS' (2021) which considered how to address the specific challenges of using a generic (financial) assurance standard to sustainability information/reporting. The IAASB has recently set up a 'Sustainability Assurance Working Group' to begin work on a new Standard for Assurance on Sustainability Disclosures. This may provide useful input for supplementary guidance regarding the application of PCAOB Auditing Standards to such a specialist area as carbon accounting and emissions.
92	Would it be clear that the climate-related financial statement metrics would be included in the scope of the audit when the registrant files financial statements prepared in accordance with IFRS as issued by the IASB? Would it be clear that the proposed rules would not alter the basis of presentation of the financial statements as referred to in an auditor's report? Should we amend Form 20-F,	Disclosure of the basis of presentation in financial statements is important for user/investor understanding and comparability. As the basis of presentation of the climate-related financial metrics may be different from the basis of presentation of the financial statements,

	other forms, or our rules to clarify the scope of the audit or the basis of presentation in this context?	due to boundary differences (for example for risk in the value chain), we recommend disclosure when these differ.
93		No comment – not sure of relevance to the proposed regulation
94	Should we require a registrant to disclose its GHG emissions both in the aggregate, per scope, and on a disaggregated basis for each type of greenhouse gas that is included in the Commission's proposed definition of "greenhouse gases," as proposed? Should we instead require that a registrant disclose on a disaggregated basis only certain greenhouse gases, such as methane (CH4) or hydrofluorocarbons (HFCs), or only those greenhouse gases that are the most significant to the registrant? Should we require disaggregated disclosure of one or more constituent greenhouse gases only if a registrant is obligated to separately report the individual gases pursuant to another reporting regime, such as the EPA's greenhouse gas reporting regime	Based on our experience, most organizations report Scope 1 and Scope 2 emissions, separately and in aggregate and use the CO2e emission factors provided in the emission factor data sets (noting that separate CO2, CH4 and N2O emission factors are also available). Companies are beginning to report methane more routinely based on industry type (i.e., in the oil and gas sector). Based on current practice, reporting disaggregated gases may increase the data collection, review and reporting burden on registrants due to the increased volume of data. The assurance costs will also be greater if a conclusion/opinion is required on each contributory GHG as opposed to the aggregated total. This will require additional testing and sampling for both limited and reasonable assurance. Therefore the registrant should have the possibility to have only the aggregated emissions for each of Scope 1 and Scope 2 assured, even if disaggregated data are disclosed. The SEC has proposed having registrants report gasses separately if the registrant reports the individual gas to another reporting regime. However, we believe reporting disaggregated GHG emissions under a regulatory reporting boundary would result in a lack of clarity around the reported emissions due to the difference in reporting boundary (e.g., often times the regulatory reporting boundary is limited to specific equipment or types of operations, while the GHG Protocol is more expansive in the reporting boundary). In the above stated example, the aggregated Scope 1 emissions would include a larger volume of CH4

		emissions (expressed as CO2e) than the disaggregated CH4 emissions reported to a regulatory body. If disaggregated emissions will be required, we recommend that the same reporting boundary be applied, or that the registrant explicitly define the difference between the aggregated reporting boundary and the disaggregated reporting boundary.
95	We have proposed defining "greenhouse gases" as a list of specific gases that aligns with the GHG Protocol and the list used by the EPA and other organizations. Should other gases be included in the definition? Should we expand the definition to include any other gases to the extent scientific data establishes a similar impact on climate change with reasonable certainty? Should we require a different standard to be met for other greenhouse gases to be included in the definition?	The requirements of the SEC should align with current science, that being said, current practice is to align reporting on the gasses specified in the Kyoto protocol, as they are applicable to the registrant.
96	Should we require a registrant to express its emissions data in CO2e, as proposed? If not, is there another common unit of measurement that we should use? Is it important to designate a common unit of measurement for GHG emissions data, as proposed, or should we permit registrants to select and disclose their own unit of measurement?	Greenhouse Gas emissions data are typically reported in CO2e. To maximize comparability, GHG emissions should be consistently reported as CO2e.
97	Should we require a registrant to disclose its total Scope 1 emissions and total Scope 2 emissions separately for its most recently completed fiscal year, as proposed? Are there other approaches that we should consider?	Registrants routinely report their GHG emissions aligned with either the fiscal year or the calendar year. For ease of reporting SEC could consider allowing either temporal reporting boundary and require disclosure of the temporal period along with the reported emissions.
98	Should we require a registrant to disclose its Scope 3 emissions for the fiscal year if material, as proposed? Should we instead require the disclosure of Scope 3 emissions for all registrants, regardless of materiality? Should we use a quantitative threshold, such as a percentage of total GHG emissions (e.g., 25%, 40%, 50%) to require	For comparability of information, ERM CVS supports setting a quantitative threshold for Scope 3 reporting. If a common reporting threshold is established, an additional disclosure for industries a higher proportion of Scope 3 emissions would not be required.

	the disclosure of Scope 3 emissions? If so, is there any data supporting the use of a particular percentage threshold? Should we require registrants in particular industries, for which Scope 3 emissions are a high percentage of total GHG emissions, to disclose Scope 3 emissions?	
99	Should we require a registrant that has made a GHG emissions reduction commitment that includes Scope 3 emissions to disclose its Scope 3 emissions, as proposed? Should we instead require registrants that have made any GHG emissions reduction commitments, even if those commitments do not extend to Scope 3, to disclose their Scope 3 emissions? Should we only require Scope 3 emissions disclosure if a registrant has made a GHG emissions reduction commitment that includes Scope 3 emissions?	If material and the registrant has an emissions reduction commitment that includes Scope 3 emissions, it would make sense for disclosure of Scope 3 emissions to be a requirement.
100	Should Scope 3 emissions disclosure be voluntary? Should we require Scope 3 emissions disclosure in stages, e.g., requiring qualitative disclosure of a registrant's significant categories of upstream and downstream activities that generate Scope 3 emissions upon effectiveness of the proposed rules, and requiring quantitative disclosure of a registrant's Scope 3 emissions at a later date? If so, when should we require quantitative disclosure of a registrant's Scope 3 emissions?	This might be easier for companies to achieve, but the details of the qualitative disclosures would need to be specified in the regulation. However, if Scope 3 emission are integrated into strategy and commitments, then Scope 3 emissions disclosure needs to be mandatory.
101	Should we require a registrant to exclude any use of purchased or generated offsets when disclosing its Scope 1, Scope 2, and Scope 3 emissions, as proposed? Should we require a registrant to disclose both a total amount with, and a total amount without, the use of offsets for each scope of emissions?	For full transparency, and user understanding of proactive emissions management, it will be important for the registrant to report both the total amount, with and without the offset amounts, for Scope 1, 2 and 3 emissions.
102	Should we require a registrant to disclose its Scope 3 emissions for each separate significant category of upstream and downstream emissions as well as a total amount of Scope 3 emissions for the fiscal year, as proposed? Should we only require the disclosure of	If they are only disclosing material (significant?) categories, then disclosure for separate categories and combined would provide additional transparency and enable a link back to the risks identified.

	the total amount of Scope 3 emissions for the fiscal year? Should we require the separate disclosure of Scope 3 emissions only for certain categories of emissions and, if so, for which categories?	
103	Should the proposed rules include a different standard for requiring identification of the categories of upstream and downstream emissions, such as if those categories of emissions significant to total GHG emissions or total Scope 3 emissions? Are there any other categories of, or ways to categorize, upstream or downstream emissions that a registrant should consider as a source of Scope 3 emissions? For example, should we require a registrant to disclose Scope 3 emissions only for categories of upstream or downstream activities over which it has influence or indirect control, or for which it can quantify emissions with reasonable reliability? Are there any proposed categories of upstream or downstream emissions that we should exclude as sources of Scope 3 emissions?	See answer to previous question. However, it might be good to consider the aggregation of the non-material categories as, when these are combined, they could become material. Difficult to do this, and would need clear definitions for 'influence' and for 'reasonable reliability' – there is a risk if this is included that Scope 3 emissions won't be reported. Due to the nature of the source of emissions, registrants **currently** have little influence or indirect control, and excluding these scope 3 emissions may result in an under reporting of the registrant's climate risk from Scope 3 emissions.
104	Should we, as proposed, allow a registrant to provide their own categories of upstream or downstream activities? Are there additional categories, other than the examples we have identified, that may be significant to a registrant's Scope 3 emissions and that should be listed in the proposed rule? Are there any categories that we should preclude, e.g., because of lack of accepted methodologies or availability of data? Would it be useful to allow registrants to add categories that are particularly significant to them or their industry, such as Scope 3 emissions from land use change, which is not currently included in the Greenhouse Gas Protocol's Scope 3 categories? Should we specifically add an upstream emissions disclosure category for land use.	Although this includes a good question on land use we recommend, for the time being, to reference accepted reporting criteria which would be the GHG Protocol Scope 3 categories.
105	Should we require the calculation of a registrant's Scope 1, Scope 2, and/or Scope 3 emissions to be as of its fiscal year end, as	We agree that in the longer term the GHG emissions disclosure should align with the fiscal year.

	proposed? Should we instead allow a registrant to provide its GHG emissions disclosures according to a different timeline than the timeline for its Exchange Act annual report? If so, what should that timeline be? For example, should we allow a registrant to calculate its Scope 1, Scope 2, and/or Scope 3 emissions for a 12-month period ending on the latest practicable date in its fiscal year that is no earlier than three months or, alternatively, six months prior to the end of its fiscal year? Would allowing for an earlier calculation date alleviate burdens on a registrant without compromising the value of the disclosure? Should we allow such an earlier calculation date only for a registrant's Scope 3 emissions? Would the fiscal year end calculations required for a registrant to determine if Scope 3 emissions are material eliminate the benefits of an earlier calculation date? Should we instead require a registrant to provide its GHG emissions disclosures for its most recently completed fiscal year one, two, or three months after the due date for its Exchange Act annual report in an amendment to that report?	However, due to the current status of emissions reporting and assurance it would be useful if the reporting 12 month period, which should be disclosed, could be voluntarily adjusted to (up to) six months prior to the fiscal year end. That would allow more time for data collection, calculation and the required assurance. We believe this would be preferable to delaying reporting and reporting the GHG emissions in an amendment to the Exchange Act annual report, as that would reduce integration with the financial metrics and the value to investors who need to understand the climate-related metrics in conjunction with business strategy and financials.
106	Should we require a registrant that is required to disclose its Scope 3 emissions to describe the data sources used to calculate the Scope 3 emissions, as proposed? Should we require the proposed description to include the use of: (i) emissions reported by parties in the registrant's value chain, and whether such reports were verified or unverified; (ii) data concerning specific activities, as reported by parties in the registrant's value chain; and (iii) data derived from economic studies, published databases, government statistics, industry associations, or other third-party sources outside of a registrant's value chain, including industry averages of emissions, activities, or economic data, as proposed?	We agree that the data sources and methodology for calculating the Scope 3 emissions should be disclosed. However, economic input/output models (which is the least mature calculation methodology for calculating Scope 3 emissions) result in emissions that are calculated in a way that cannot be influenced by the registrant, and are therefore less useful for managing related risks (e.g., only way to impact emission is to spend more or less). We propose that the registrant disclose the % of emissions reported using EIO models to give an indication of the governance around Scope 3 GHG emissions.

	Are there other sources of data for Scope 3 emissions the use of which we should specifically require to be disclosed? For purposes of our disclosure requirement, should we exclude or prohibit the use of any of the proposed specified data sources when calculating Scope 3 emissions and, if so, which ones?	
107	Should we require a registrant to provide location data for its disclosed sources of Scope 1, Scope 2, and Scope 3 emissions if feasible? If so, should the feasibility of providing location data depend on whether it is known or reasonably available pursuant to the Commission's existing rules (Securities Act Rule 409 and Exchange Act Rule 12b-21)? Would requiring location data, to the extent feasible, assist investors in understanding climate-related risks, and in particular, likely physical risks, associated with a registrant's emissions' sources? Would a requirement to disclose such location data be duplicative of any of the other disclosure requirements that we are proposing?	We do not think that this should be a requirement, and would potentially increase (considerably depending on the sector/operations) the extent of assurance procedures which would focus on locations material to the totals.
108	If we require a registrant to provide location data for its GHG emissions, how should that data be presented? Should the emissions data be grouped by zip code separately for each scope? Should the disclosure be presented in a cartographic data display, such as what is commonly known as a "heat map"? If we require a registrant to provide location data for its GHG emissions, should we also require additional disclosure about the source of the emissions?	See response to Q107
109	Should we require a registrant to disclose the intensity of its GHG emissions for the fiscal year, with separate calculations for (i) the sum of Scope 1 and Scope 2 emissions and, if applicable (ii) its Scope 3 emissions (separately from Scopes 1 and 2), as proposed? Should we define GHG intensity, as proposed? Is there a different definition we should use for this purpose?	We support reporting intensity by revenue, and also per unit of production where possible. The latter is currently used by many registrants in the manufacturing sectors, and definitely facilitates comparison across companies in the same industry/sector. We believe the latter disclosure is too important to be avoided for

		commercial/competitive harm and is already being used by customers in some sectors to select suppliers. However, when a registrant has operations across multiple industries or types of product, intensity per production unit for the whole company may not be possible. This may also be the case in, for example, the service sector where there is no physical 'product'. In these cases, intensity per unit of production should be split out and reported for relevant businesses.
110	Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of total revenue, as proposed? Should we require a different financial measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per unit of total assets?	See response to Q 109.
111	Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of production, as proposed? Would such a requirement facilitate the comparability of the disclosure? Should we require a different economic output measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per number of employees? Should we require the GHG intensity to be expressed per unit of production relevant to the registrant's business (rather than its industry)? Is further guidance needed on how to comply with the proposed requirement? Would requiring GHG intensity to be expressed in terms of metrics tons of CO2e per unit of production require disclosure of commercially sensitive or competitively harmful information?	See response to Q 109.
112	Should we require a registrant with no revenue or unit of production for a fiscal year to disclose its GHG intensity based on, respectively, another financial measure or measure of economic output, as	We do not think that disclosure of GHG intensity for registrants with no or minimal revenue in a fiscal year would yield useful information for investors.

	proposed? Should we require such a registrant to use a particular financial measure, such as total assets, or a particular measure of economic output, such as total number of employees? For registrants who may have minimal revenue, would the proposed calculation result in intensity disclosure that is confusing or not material? Should additional guidance be provided with respect to such instances?	Regarding intensity per production unit, where this is possible/relevant in the sector (see response to Q 109) then no reporting of this metric for a fiscal year with no production would be logical.
113	Should we permit a registrant to disclose other measures of GHG intensity, in addition to the required measures, as long as the registrant explains why it uses the particular measure of GHG intensity and discloses the corresponding calculation methodology used, as proposed?	To maintain consistency and comparability, we suggest additional measures of intensity would not be useful, and may add confusion. An exception might be made for registrants where their sector (association) requires other intensity measures in reporting requirements.
114	Should we require GHG emissions disclosure for the registrant's most recently completed fiscal year and for the appropriate, corresponding historical fiscal years included in the registrant's consolidated financial statements in the filing, to the extent such historical GHG emissions data is reasonably available, as proposed? Should we instead only require GHG emissions metrics for the most recently completed fiscal year presented in the relevant filing? Would requiring historical GHG emissions metrics provide important or material information to investors, such as information allowing them to analyze trends?	Although disclosure of prior year(s) data in GHG disclosures is a requirement in some jurisdictions (for example in the EU), and is useful to enable trend analysis, we do not think this should be a requirement in the first year of the regulation. Further consultation and discussion is needed as, among other issues, the following would need to be considered: - the availability (and quality) of comparable prior year data will vary across registrants - prior year data may not have been assured, or not assured in accordance with (inter)national standards - changes in the business due to acquisition/disposals would need to be disclosed - re-statements of prior year data due to the requirements and/or changes in methodology would need to be disclosed (note that the GHG Protocol has specific guidance for restatements) We therefore support required GHG emissions disclosure under the regulation for the first (fiscal) year, and then, historically, moving forward from the date of implementation of the regulation.

		Guidance on the bullets listed above will be needed to ensure consistency and comparison over time.
115	Should we require a registrant to disclose the methodology, significant inputs, and significant assumptions used to calculate its GHG emissions metrics, as proposed? Should we require a registrant to use a particular methodology for determining its GHG emission metrics If so, should the required methodology be pursuant to the GHG Protocol's Corporate Accounting and Reporting Standard and related standards and guidance? Is there another methodology that we should require a registrant to follow when determining its GHG emissions? Should we base our climate disclosure rules on certain concepts developed by the GHG Protocol without requiring a registrant to follow the GHG Protocol in all respects, as proposed? Would this provide flexibility for registrants to choose certain methods and approaches in connection with GHG emissions determination that meet the particular circumstances of their industry or business or that emerge along with developments in GHG emissions methodology as long as they are transparent about the methods and underlying assumptions used? Are there adjustments that should be made to the proposed methodology disclosure requirements that would provide flexibility for registrants while providing sufficient comparability for investors?	Yes Yes, and for comparability recommend GHG Protocol, and/or other sector-specific methodologies that have been widely adopted and accepted. This is also the basis for GRI reporting and EU reporting standards. Otherwise, you will not have comparable data which is one of the aims of the proposal. With regard to Scope 2 - it is important that companies present their market based emissions - because this is what they control. Ideally there should be one set of standards for comparison across all industries and the GHG Protocol is currently the most widely used and accepted reporting standard. In addition registrants should also consider regulatory reporting requirements and the specific requirements of an industry standard, for enable improved comparison across companies in the same sector.
116	Should we require a registrant to disclose the organizational boundaries used to calculate its GHG emissions, as proposed? Should we require a registrant to determine its organizational boundaries using the same scope of entities, operations, assets, and other holdings within its business organization as that used in its consolidated financial statements, as proposed? Would prescribing this method of determining organizational boundaries avoid potential investor confusion about the reporting	Aligning the GHG emission reporting boundary with the boundary used in the consolidated financial statement, makes sense from a practical perspective; however, many companies currently use 'operational control' as the basis for reporting GHG emissions, so may include 100% of emissions from all controlled entities, which may include some with less than 50% ownership. This is because they are only able to implement their (carbon) strategy and GHG targets in controlled entities.

	scope used in determining a registrant's GHG emissions and the reporting scope used for the financial statement metrics, which are included in the financial statements? Would prescribing this method of determining organizational boundaries result in more robust guidance for registrants and enhanced comparability for investors? If, as proposed, the organizational boundaries must be consistent with the scope of the registrant's consolidated financial statements, would requiring separate disclosure of the organizational boundaries be redundant or otherwise unnecessary?	Requiring registrants to report aligned with the consolidated financial statement will require many registrants to restructure their current reporting practices which, in turn, may require more time to implement the proposed regulation. If the SEC does retain this requirement (which seems practical and provide for comparability), we would suggest that the timeline be re-considered and extended. ERM CVS believes additional guidance will be needed regarding how non-consolidated or proportionally consolidated emissions (such as from NOJVs) are addressed as they may be material and needed for comparison across companies in one sector. In this respect, there is a need to recognize the difficulty of obtaining reliable (and often unassured) data from non-controlled/consolidated entities.
117	Except for calculating Scope 3 emissions, the proposed rules would not require a registrant to disclose the emissions from investments that are not consolidated, proportionally consolidated, or that do not qualify for the equity method of accounting. Should we require disclosures for Scopes 1 and 2 emissions, and if so, how?	Seems reasonable.
118	Could situations arise where it is impracticable for a registrant to align the scope of its organizational boundaries for GHG emission data with the scope of the consolidation for the rest of its financial statements? If so, should we allow a registrant to take a different approach to determining the organizational boundaries of its GHG emissions and provide related disclosure, including an estimation of the resulting difference in emissions disclosure (in addition to disclosure about methodology and other matters that would be required by the proposed GHG emissions disclosure rules)?	Every effort should be made to avoid registrants determining a different boundary from the final required one, as the latter should be possible in most, if not all, cases.

119	Alternatively, should we require registrants to use the organizational boundary approaches recommended by the GHG Protocol (e.g., financial control, operational control, or equity share)? Do those approaches provide a clear enough framework for complying with the proposed rules? Would such an approach cause confusion when analyzing information in the context of the consolidated financial statements or diminish comparability? If we permit a registrant to choose one of the three organizational boundary approaches recommended by the GHG Protocol, should we require a reconciliation with the scope of the rest of the registrant's financial reporting to make the disclosure more comparable?	While this would easier for registrants in the short term, if they are already using one of these methods, it would cause lack of comparability in absolute and intensity metrics, which is the aim of the regulation. Requiring registrants to report aligned with the consolidated financial statement, will require many registrants to restructure, their current reporting practices, which may require more time to implement the proposed regulation. If the SEC does retain this requirement (which seems practical and provides for comparability), we would suggest that the timeline for required reporting and assurance be re-considered and extended.
120	Should we require a registrant to disclose its operational boundaries, as proposed? Should we require a registrant to discuss its approach towards the categorization of emissions (e.g., as direct or indirect emissions) and emissions sources (e.g., stationary or mobile) when describing its operational boundaries, as proposed?	No – if the one boundary methodology is a requirement, they would not need to disclose this. Further categorization of emissions or emission sources is unnecessary detail.
121	The proposed operational boundaries disclosure is based largely on concepts developed by the GHG Protocol. Would requiring a registrant to determine its organizational boundaries pursuant to the GAAP applicable to the financial statement metrics included in the financial statements but its operational boundaries largely pursuant to concepts developed by the GHG Protocol cause confusion? If not, how should "control" be determined and would applying a definition of control that differs from applicable GAAP result in confusion for investors?	Longer term, it would be preferable to use the GAAP boundary applicable to the financial statements for GHG emissions reporting. While this may cause some concerns regarding comparability of prior year data reported using a different boundary, it seems the most logical going forward. Prior year data (if required or voluntary) can be re-stated to meet the boundary applied in the first year of reporting under the regulation. However, requiring registrants to report aligned with the consolidated financial statement, will require many registrants to restructure their current reporting practices, which may require more time to implement the proposed regulation. If the SEC does retain this requirement (which

		seems practical and provide for comparability), we would suggest that the timeline be re-considered and extended.
122	Should we require a registrant to use the same organizational boundaries when calculating its Scopes 1 and 2 emissions, as proposed? Are there any circumstances when a registrant's organizational boundaries for determining its Scope 2 emissions should differ from those required for determining its Scope 1 emissions? Should we also require a registrant to apply the same organizational boundaries used when determining its Scopes 1 and 2 emissions as an initial step in identifying the sources of indirect emissions from activities in its value chain over which it lacks ownership and control and which must be included in the calculation of its Scope 3 emissions, as proposed? Are there any circumstances where using a different organizational boundary for purposes of Scope 3 emissions disclosure would be appropriate	Yes – the same boundary should be applied to Scope 1 and Scope 2 emissions. Scope 3 emissions should be determined after identifying the Scope 1 and 2 reporting boundary. Inevitably there will need to be explanatory notes to the Scope 1 and 2 GHG emissions data to enable comparison between companies. For example one company in a sector may own all its own transport (Scope 1), another may own some transport and contract out the rest (mix of Scope 1 and 3), and another may contract out all its transport (Scope 3). If transport is material to the total Scope 1 data, these details need to be clear to the user to enable comparison across companies, especially in one sector. Also any changes between these 3 models over time should also be reported, so that companies do not use contracting to avoid/reduce Scope 1 emissions.
123	Should we require a registrant to be consistent in its use of its organizational and operational boundaries once it has set those boundaries, as proposed? Would the proposed requirement help investors to track and compare the registrant's GHG emissions over time	Approach to the boundary should stay the same – the effect of that boundary, however, will change with acquisition and divestiture, and changes in contracting (see response to Q122).
124	Should we require a registrant to disclose the methodology for calculating the GHG emissions, including any emission factors used and the source of the emission factors, as Should we require a registrant to apply the GAAP applicable to its financial statements when determining whether it "controls" a particular source pursuant to the definition of Scope 1 emissions, or particular operations pursuant to the definition of Scope 2	No – providing the source of the factor and date of the factors is sufficient.

	emissions, as proposed? Should we require a registrant to use a particular set of emission factors, such as those provided by the EPA or the GHG Protocol?	
125	Should we permit a registrant to use reasonable estimates when disclosing its GHG emissions as long as it also describes the assumptions underlying, and its reasons for using, the estimates, as proposed? Should we permit the use of estimates for only certain GHG emissions, such as Scope 3 emissions? Should we permit a registrant to use a reasonable estimate of its GHG emissions for its fourth fiscal quarter if no actual reported data is reasonably available, together with actual, determined GHG emissions data for its first three fiscal quarters when disclosing its GHG emissions for its most recently completed fiscal year, as long as the registrant promptly discloses in a subsequent filing any material difference between the estimate used and the actual, determined GHG emissions data for the fourth fiscal quarter, as proposed? If so, should we require a registrant to report any such material difference in its next Form 10-Q if domestic, or in a Form 6-K, if a foreign private issuer? Should we permit a domestic registrant to report any such material difference in a Form 8-K if such form is filed (rather than furnished) with the Commission? Should any such reasonable estimate be subject to conditions to help ensure accuracy and comparability? If so, what conditions should apply?	Yes reasonable estimates should be disclosed, but should not be used instead of actual data, which for Scope 1 and 2, is normally available. Need to be clear about how materiality is defined regarding the Q4 – for that quarter or for the full fiscal year. Every effort should be made to obtain actual data wherever possible. If Q4 estimates are used, the methodology/sources should be disclosed. Extrapolation from Q1-Q3 is not always accurate as, in particular, energy-based emissions vary with the seasons, and annual variations in e.g. winter temperatures. Q4 estimates should also be adjusted for production/turnover, which may vary depending on type of product.
126	Should we require a registrant to disclose, to the extent material, any use of third-party data when calculating its GHG emissions, regardless of the particular scope of emissions, as proposed? Should we require the disclosure of the use of third-party data only for certain GHG emissions, such as Scope 3 emissions?	It would seem sensible to allow disclosure of the % of third party data in the total Scope 1 and Scope GHG emissions, if material and how the reliability of the data was assessed. For scope 3, much of the data for some categories may be based on third party data so suggest this should be disclosed per category, along with the process for reviewing the reliability of the third party data.

	Should we require the disclosure of the use of third party data for Scope 3 emissions, regardless of its materiality to the determination of those emissions? If a registrant discloses the use of third-party data, should it also be required to identify the source of such data and the process the registrant undertook to obtain and assess the data, as proposed?	
127	Should we require a registrant to disclose any material change to the methodology or assumptions underlying its GHG emissions disclosure from the previous year, as proposed? If so, should we require a registrant to restate its GHG emissions data for the previous year, or for the number of years for which GHG emissions data has been provided in the filing, using the changed methodology or assumptions? If a registrant's organizational or operational boundaries, in addition to methodology or assumptions, change, to what extent should we require such disclosures of the material change, restatements or reconciliations? In these cases, should we require a registrant to apply certain accounting standards or principles, such as FASB ASC Topic 250, as guidance regarding when retrospective disclosure should be required?	GHG Protocol indicates that prior year data should be re-stated when baseline adjustments are appropriate and when the change is material (5%) with respect to previously reported emissions. All material changes to prior year data, for any reason, should be covered by re-statement disclosures.
128	Should we require a registrant to disclose, to the extent material, any gaps in the data required to calculate its GHG emissions, as proposed? Should we require the disclosure of data gaps only for certain GHG emissions, such as Scope 3 emissions? If a registrant discloses any data gaps encountered when calculating its Scope 3 emissions or other type of GHG emissions, should it be required to discuss whether it used proxy data or another method to address such gaps, and how its management of any data gaps has affected the accuracy or completeness of its GHG emissions disclosure, as proposed? Are there other disclosure requirements or conditions we should adopt to help investors obtain a reasonably complete understanding of a registrant's	Gaps should be disclosed. For Scope 3 it would be good to steer away from 'economic input output' methods as these allow constituents to report, but it is not something that can be managed. Registrant's should be guided by the tiered methodology approach presented in the GHG Protocol for Scope 3 emissions.

	exposure to the GHG emissions sourced by each scope of emissions?	
129	When determining the materiality of its Scope 3 emissions, or when disclosing those emissions, should a registrant be required to include GHG emissions from outsourced activities that it previously conducted as part of its own operations, as reflected in the financial statements for the periods covered in the filing, in addition to emissions from activities in its value chain, as proposed? Would this requirement help ensure that investors receive a complete picture of a registrant's carbon footprint by precluding the registrant from excluding emissions from activities that are typically conducted as part of operations over which it has ownership or control but that are outsourced in order to reduce its Scopes 1 or 2 emissions? Should a requirement to include outsourced activities be subject to certain conditions or exceptions and, if so, what conditions or exceptions?	Using the example in our response to Q 122 explanations regarding changes in outsourcing (for example transport) that have a material impact on the current year data or the trend from the prior year, should be disclosed. This is especially important for transparency in the period before Scope 3 emission reporting becomes mandatory as the transfer of emissions from Scope 1 to Scope 3 may not be visible/clear to the user/investor.
130	Should we require a registrant that must disclose its Scope 3 emissions to discuss whether there was any significant overlap in the categories of activities that produced the Scope 3 emissions? If so, should a registrant be required to describe any overlap, how it accounted for the overlap, and its effect on the total Scope 3 emissions, as proposed? Would this requirement help investors assess the accuracy and reliability of the Scope 3 emissions disclosure?	The Scope 3 categories are intended to be separate from one another so unsure why there should be any overlap. If all apply the official definitions in the GHG Protocol – then data should be comparable.
131	Should we permit a registrant to present its Scope 3 emissions in terms of a range as long as it discloses its reasons for using the range and the underlying assumptions, as proposed? Should we place limits or other parameters regarding the use of a range and, if so, what should those limits or parameters be? For example, should we require a range to be no larger than a certain size? What other conditions or guidance should we provide to help ensure that a range, if used, is not overly broad and is otherwise reasonable?	No, we do not think ranges are useful, not even for Scope 3 emissions. Companies should able to apply % uncertainty to the number reported – perhaps +/- 5% would be acceptable, but not an excuse for using actual data or not reviewing the reliability of data from third parties.

132	Should we require a registrant to follow a certain set of published standards for calculating Scope 3 emissions that have been developed for a registrant's industry or that are otherwise broadly accepted? For example, should we require a registrant in the financial industry to follow PCAF's Global GHG Accounting & Reporting Standard for the Financial Industry when calculating its financed emissions within the "Investments" category of Scope 3Should we require a registrant to follow the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard if an industry-specific standard is not available for Scope 3 emissions disclosure? If we should require the use of a third-party standard for Scope 3 emissions reporting, or any other scope of emissions, how should we implement this requirement?	To allow for comparable data, registrants should use GHG Protocol Scope 3 Accounting and Reporting Standard and, where relevant, additional sector/industry standards.
133	Should we provide a safe harbor for Scope 3 emissions disclosure, as proposed? Is the scope of the proposed safe harbor clear and appropriate? For example, should the safe harbor apply to any registrant that provides Scope 3 disclosure pursuant to the proposed rules, as proposed? Should we limit the use of the safe harbor to certain classes of registrants or to registrants meeting certain conditions and, if so, which classes or conditions? For example, should we require the use of a particular methodology for calculating and reporting Scope 3 emissions, such as the PCAF Standard if the registrant is a financial institution, or the GHG Protocol Scope 3 Accounting and Reporting Standard for other types of registrants? Should we clarify the scope of persons covered by the language "by or on behalf of a registrant" by including language about outside reviewers retained by the registrant or others? Should we define a "fraudulent statement," as proposed? Is the level of diligence required for the proposed safe harbor (i.e., that the statement was made or reaffirmed with a reasonable basis and disclosed in good faith) the appropriate standard? Should the safe	The use of a safe harbor for Scope 3 emissions seems sensible for the first reporting period. We also think the safe harbor should not be extended to the category 'product use' when the main registrant products are fuels. For these the calculation of emissions is more standardized (gasoline, diesel, LPG, kerosine, etc.). This will also help to ensure that all Oil and Gas companies report Scope 3 emissions for their product use, as these emissions may be very large, perhaps 10x higher than their Scope 1 and 2 combined emissions (from owned/operated) entities.

	harbor apply to other climate-related disclosures, such as Scopes 1 and 2 emissions disclosures, any targets and goals disclosures in response to proposed Item 1505 (discussed below), or the financial statement metrics disclosures required pursuant to Proposed Article 14 of Regulation S-X? Should the safe harbor apply indefinitely, or should we include a sunset provision that would eliminate the safe harbor some number of years, (e.g., five years) after the effective date or applicable compliance date of the rules? Should the safe harbor sunset after certain conditions are satisfied? If so, what types of conditions should we consider? What other approaches should we consider?	
134	Should we provide an exemption from Scope 3 emissions disclosure for SRCs, as proposed? Should the exemption not apply to a SRC that has set a target or goal or otherwise made a commitment to reduce its Scope 3 emissions? Are there other classes of registrants we should exempt from the Scope 3 emissions disclosure requirement? For example, should we exempt EGCs, foreign private issuers, or a registrant that is filing or has filed a registration statement for its initial public offering during its most recently completed fiscal year from the Scope 3 disclosure requirement? Instead of an exemption, should we provide a longer phase in for the Scope 3 disclosure requirements for SRCs than for other registrants?	Exemption of SRCs from Scope 3 reporting may be appropriate for the first 2-3 reporting periods but that should depend on: - the sector (high Scope 3 emitters should be exempt) - whether they have set a target which includes Scope 3 emissions, - % of total emissions. E.g may be better to set a threshold for reporting in relation to the % of total Scope 1,2 and 3 emissions. For example a rough calculation should enable judgement of this % and, if Scope 3 emission are more than25 % of the total, we think they should be reported. This is difficult because if Scope 3 emissions are material for a registrant that has filed a registration statement for its IPO during its most recent fiscal year, investors will surely want to understand the climate risks and emissions data.

135	Should we require accelerated filers and large accelerated filers to obtain an attestation report covering their Scope 1 and Scope 2 emissions disclosure, as proposed? Should we require accelerated filers and large accelerated filers to obtain an attestation report covering other aspects of their climate-related disclosures beyond Scope 1 and 2 emissions? For example, should we also require the attestation of GHG intensity metrics, or of Scope 3 emissions, if disclosed? Conversely, should we require accelerated filers and large accelerated filers to obtain assurance covering only Scope 1 emissions disclosure? Should any voluntary assurance obtained by these filers after limited assurance is required be required to follow the same attestation requirements of Item 1505(b)–(d), as proposed?	Yes accelerated filers and large accelerated filers should obtain an attestation report covering (separately) their absolute Scope 1 and 2 GHG emissions in tonnes CO2e as well as CO2e intensity. For Scope 3 emissions, voluntary assurance is recommended if the engagement criteria (including independence and subject matter expertise) of the third-party provider are the same, and using the same reporting boundary. Due to the nature of many of the Scope 3 emission categories in the GHG Protocol, we suggest extending limited assurance for a further period to allow registrants more time to put Scope 3 reporting systems and processes in place.
136	If we required accelerated filers and large accelerated filers to obtain an attestation report covering Scope 3 emissions disclosure, should the requirement be phased-in over time? If so, what time frame? Should we require all Scope 3 emissions disclosure to be subject to assurance or only certain categories of Scope 3 emissions? Would it be possible for accelerated filers and large accelerated filers to obtain an attestation report covering the process or methodology for calculating Scope 3 emissions rather than obtaining an attestation report covering the calculations of Scope 3 emissions? Alternatively, is there another form of verification over Scope 3 disclosure that would be more appropriate than obtaining an attestation report?	Assurance of Scope 3 emissions is taking place already (voluntarily) so a requirement for attestation should be phased in in relation to reporting timelines – perhaps 2 years after Scope 3 reporting is mandatory. Total and material categories to be assured. There isn't value to assuring the methodology on its own because if the data going in are unreliable (inaccurate/incomplete) the output will also be unreliable. Better to review the methodology as part of the attestation of the emissions - then all is covered.
137	Should the attestation requirement be limited to accelerated filers and large accelerated filers, as proposed? Alternatively, should the attestation requirement be limited to a subset of accelerated filers and large accelerated filers? If so, what conditions should apply? Should the attestation requirement only apply to well-known seasoned issuers?	All registrants should meet the attestation requirements, if the GHG emission (or other climate related impacts (e.g., water scarcity) are material. IPOs should be required to report and be required to undergo attestation as this information can be a differentiator and as such, is directly related to value from an investment perspective. .

	Should the attestation requirement also apply to other types of registrants? Should we create a new test for determining whether the attestation requirements apply to a registrant that would take into account the resources of the registrant and also apply to initial public offerings? For example, should we create a test similar to the SRC definition, which includes a separate determination for initial registration statements, but using higher public float and annual revenue amounts?	
138	Instead of requiring only accelerated filers and large accelerated filers to include an attestation report for Scope 1 and Scope 2 emissions, should the proposed attestation requirements also apply to registrants other than accelerated filers and large accelerated filers? If so, should the requirement apply only after a specified transition period? Should such registrants be required to provide assurance at the same level as accelerated filers and large accelerated filers and over the same scope of GHG emissions disclosure, or should we impose lesser requirements (e.g., only limited assurance and/or assurance over Scope 1 emissions disclosure only)?	Suggest a further 1 year delay for SRCs to have attestation on Scope 1 and Scope 2 emissions. So 1 year after Accelerated filer which would mean limited assurance for Fiscal year 2026 and reasonable assurance for fiscal year 2028.
139	Should we require accelerated filers and large accelerated filers to initially include attestation reports reflecting attestation engagements at a limited assurance level, eventually increasing to a reasonable assurance level, as proposed? What level of assurance should apply to the proposed GHG emissions disclosure, if any, and when should that level apply? Should we provide a one fiscal year transition period between the GHG emissions disclosure compliance date and when limited assurance would be required for accelerated filers and large accelerated filers, as proposed? Should we provide an additional two fiscal year transition period between when limited assurance is first	Yes – and this also allows time for registrants to prepare for reasonable assurance which would include the development and implementation of appropriate internal control systems. Yes - assurance providers also need time to assess the risks and accountability for auditing such a specialist stand-alone subject matter as GHG emissions, which is rather different from using an expert to undertake a smaller part of the financial audit. Yes – this timing seems reasonable; though some organizations may need more time to implement significant technology changes to improve

	required and when reasonable assurance is required for accelerated filers and large accelerated filers, as proposed?	internal controls. Additionally, if the reporting boundary is to align with the consolidated financial boundary, registrants may need additional time to revise their current data collection and reporting practices.
140	Should we provide the same transition periods (from the Scopes 1 and 2 emissions disclosure compliance date) for accelerated filers and large accelerated filers, as proposed? Instead, should different transition periods apply to accelerated filers and large accelerated filers? Should we provide transition periods with different lengths than those proposed? Should we require the attestation to be at a reasonable assurance level without having a transition period where only limited assurance is required? Should we instead impose assurance requirements to coincide with reporting compliance periods?	Yes – this seems reasonable No – it becomes too complicated It is not practical to start require reasonable assurance without a transition period from limited to reasonable assurance, unless you did not require limited assurance in the near term, and started the requirement for reasonable assurance at the same time or slightly later. The way it is currently proposed provides registrants with a typical progression and allows for an 'easing in' on the assurance process around non-financial metrics.
141	Under prevailing attestation standards, "limited assurance" and "reasonable assurance" are defined terms that we believe are generally understood in the marketplace, both by those seeking, and those engaged to provide such assurance. As a result, we have not proposed definitions of those terms. Should we define "limited assurance" and "reasonable assurance" and, if so, how should we define them? Would providing definitions in this context cause confusion in other attestation engagements not covered by the proposed rules? Are the differences between these types of attestation engagements sufficiently clear without providing definitions?	We recommend including a definition as well as guidance on the difference between limited and reasonable assurance as this is not always understood in relation to non-financial information such as GHG emissions data by companies, accountants (auditors) or the financial world. In the financial world limited assurance is normally only undertaken when there is an expectation that controls are implemented (e.g. for quarterly financials), and therefore assumptions are made about controls and there if no/little testing of source data (at entities). It is also important to make very clear to registrants, as well as assurance providers and investors, that limited assurance is not possible unless the assurance provider believes reasonable assurance is possible on the

		subject matter, and also that it is not allowed to change reasonable assurance to limited assurance during an engagement for reasonable assurance.
142	As proposed, there would be no requirement for a registrant to either provide a separate assessment and disclosure of the effectiveness of controls over GHG emissions disclosure by management or obtain an attestation report from a GHG emissions attestation provider specifically covering the effectiveness of controls over GHG emissions disclosure. Should we require accelerated filers and large accelerated filers to provide a separate management assessment and disclosure of the effectiveness of controls over GHG emissions disclosure (separate from the existing requirements with respect to the assessment and effectiveness of DCP)? Should we require management to provide a statement in their annual report on their responsibility for the design and evaluation of controls over GHG emissions disclosure and to disclose their conclusion regarding the effectiveness of such controls? Instead of, or in addition to, such management assessment and statement, should we require the registrant to obtain an attestation report from a GHG emissions attestation provider that covers the effectiveness of such GHG emissions controls as of the date when the accelerated filer or large accelerated filer is required to comply with the reasonable assurance requirement under proposed Item 1505(a)? If so: (i) Would it be confusing to apply either such requirement in light of the existing DCP requirements that would apply to the proposed GHG emissions disclosure? (ii) Would a separate management assessment and statement on the effectiveness of controls over GHG emissions provide	Due to the ongoing development of internal control systems and processes around GHG emission reporting it would seems sensible to phase this and combine the requirement for management disclosure on the effectiveness of controls with the timelines for the requirement for reasonable assurance. As registrants address the need for more frequent collection and (internal) reporting of GHG emission data (at the moment often only done annually), internal control processes will be designed and implemented and the ability to test the effectiveness of these controls can then be integrated into the attestation engagement processes.

	meaningful disclosure to investors beyond the existing requirement for DCP? (iii) Should we specify that the separate management assessment and statement must be provided by the accelerated filer's or large accelerated filer's principal executive and principal financial officers, or persons performing similar functions? Should we clarify which members of the accelerated filer or large accelerated filer's management should be involved in performing the underlying assessment? (iv) What controls framework(s) would the effectiveness of the registrant's controls over GHG emissions disclosure be evaluated against, if any? (v) For the GHG emissions attestation provider, what requirements should be applied to such GHG emissions disclosure controls attestation requirement? For example, what attestation standards should apply? Should other service provider(s) in addition to or in lieu of the GHG emissions attestation provider be permitted to provide such attestation over the effectiveness of the GHG controls? (vi) Should we limit such a requirement to accelerated filers and large accelerated filers only or should it apply to other registrants as well? (vii) What would be the potential benefits and costs of either approach? (viii) Should we require a certification on the design and evaluation of controls over GHG emissions disclosures by officers serving in the principal executive and principal financial officer roles or persons performing similar functions for an accelerated filer or large accelerated filer? Would a certification requirement have any additional benefits or impose any additional costs when compared	Yes – management accountability will be key to ensuring these controls are put in place Yes, clear guidance would be helpful, with regard to which management members should be engaged in the assessment. Once the controls are in place the GHG emissions attestation provider should be in a position to assess the effectiveness of such controls for assuring the (output) data in the same way they are used in financial audits. Not sure of the value of a separate attestation statement on controls at the moment as there is not, we believe, a specific standard for this in relation to controls around non-financial data, that take into account the specific subject matter expertise needed in the internal control processes.

	to a requirement for management to assess and disclose in a statement in the annual report the effectiveness of controls over GHG emissions?	
143	We considered whether to require registrants to include the GHG emissions metrics in the notes or a separate schedule to their financial statements, by amending Regulation S-X instead of Regulation S-K. (i)Would there be benefits to including this information in a registrant's financial statements? For example, would requiring the GHG emissions disclosure to be included in the financial statements improve the consistency, comparability, reliability, and decision-usefulness of the information for investors? Would it facilitate the integration of GHG metrics and targets into the registrant's financial analysis? Would such placement cause registrants to incur significantly more expense in obtaining an audit of the disclosure? If so, please quantify those additional expenses where possible. Should we require a registrant to include the GHG emissions disclosure in its audited financial statements so that the disclosure would be subject to the existing requirements for an independent audit and ICFR? If so, we seek comment on the following aspects of this alternative: (a) If GHG emissions disclosure is subject to ICFR, or an internal control framework similar to ICFR, would GHG emissions disclosure be more reliable compared to what is currently proposed? What are the benefits or costs? (b) Should the GHG emissions disclosure be included in a note to the registrant's financial statements (e.g., in the note where the proposed financial statement metrics as discussed above in Section II.F would be included) or in a schedule, or somewhere else? If the	We do not believe this should be a requirement of this regulation as, in many cases, it would mean reasonable assurance being undertaken by auditors with insufficient subject matter expertise. It may take many years, or not be possible at all, before this would be possible across all registrants and their risk-averse financial auditors. (b) In order to promote good quality reporting and independent assurance we maintain that the GHG emissions should not be integrated into the financial statements at this time but reported in a separate Supplementary Schedule

	GHG emissions disclosure was required in the financial statements, should it be subject to a reasonable assurance audit like the other information in the financial statements? If in a schedule, should the GHG emissions disclosure be disclosed in a schedule similar to those required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas producing activities? If so, should such supplemental schedule be subject to ICFR requirements? Instead of requiring the GHG emissions disclosure to be included in a note to the registrant's audited financial statements, should we require a new financial statement for such metrics? (c) PCAOB auditing standards apply to the audit of a registrant's financial statements. If GHG emissions disclosure is included in a supplemental schedule to the financial statements, should we allow other auditing standards to be applied? If so, which ones? What, if any, additional guidance or revisions to such standards would be needed tin order to apply them to GHG emissions disclosure? (d) What are the costs and benefits of employing registered public accounting firms to perform audits of GHG emissions disclosure and related attestation of internal controls? Are there potential cost savings in employing registered public accountants that currently perform audits of financial statements and attestation of ICFR to review GHG emissions disclosure and any related internal controls? If we require GHG emissions disclosure to be presented in the financial statements, should we permit entities other than registered public accounting firms to provide assurance of this information, as proposed for the current attestation requirements	(c) & (d) We would recommend and expect the GHG emissions attestation to be carried out under relevant PCAOB or IAASB (ISAE3410) or ISO Standards (14064:3) by an independent organization (financial auditor or accredited certification/assurance body). The work must be carried out by a suitably qualified and experienced team in GHG emissions assurance, and that the attestation statement is signed off by a partner who also has sufficient knowledge and understanding of the subject matter to assess the work of the team and take responsibility for the conclusion/opinion. Many financial auditing firms will need a significant lead-in time to be able to provide such a service, while certification bodies have been verifying GHG emissions for more than 25 years. The cost of using registered public accounting firms to undertake this work may be prohibitive (based on actual data of fees), and many consultants or engineering firms do not have independence or quality control systems and measures in place. As well as ensuring quality, limiting GHG emissions attestation to the groups mentioned would simplify the setting up of a registration process under PCAOB of non-accounting firms that meet certain requirements.

	under Regulation S-K? If not limited to registered public accounting firms, who should be permitted to provide assurance of GHG emissions disclosure? Should we permit environmental consultants, engineering firms or other types of specialists to provide assurance? What are the costs and benefits of such approach? Would the reliability of the audits and therefore the information disclosed be affected if assurance providers other than registered public accounting firms are permitted to conduct these audits? Please provide supporting data where possible. For assurance providers that are not registered public accounting firms, what qualifications and oversight should they have, and what requirements should we impose on them? Should we direct the PCAOB to develop a separate registration process for service providers that are not otherwise registered? What expertise, independence and quality control standards should apply? (e) What would be the other potential benefits and costs of such an approach	Such requirements are already set out in a number of sector assurance requirements such as those of the ICMM. See response to Q 144 for further details.
144	Should we require a registrant to obtain a GHG emissions attestation report that is provided by a GHG emissions attestation provider that meets specified requirements, as proposed? Should one of the requirements be that the attestation provider is an expert in GHG emissions, with significant experience in measuring, analyzing, reporting, or attesting to GHG emissions, as proposed? Should we specify that significant experience means having sufficient competence and capabilities necessary to: (a) perform engagements in accordance with professional standards and applicable legal and regulatory requirements and (b) enable the service provider to issue reports that are appropriate under the circumstances, as proposed?	ERM CVS strongly supports the view that GHG emissions attestation (assurance) should be provided by a GHG emissions attestation provider that meets the proposed requirements, in particular significant expertise in GHG emissions - measuring, analyzing and attestation (assurance). We agree that significant experience means having sufficient competence and capabilities necessary to: (a) perform engagements in accordance with professional standards (preferably named/listed) and applicable legal and regulatory requirements and (b) enable the service provider to issue reports that are appropriate under the circumstances.

	Should we instead require that the GHG emissions attestation provider have a specified number of years of the requisite type of experience, such as 1, 3, 5, or more years? Should we specify that a GHG emissions attestation provider meets the expertise requirements if it is a member in good standing of a specified accreditation body that provides oversight to service providers that apply attestation standards? If so, which accreditation body or bodies should we consider (e.g., AICPA)? Are there any other requirements for the attestation provider that we should specify? Instead, should we require a GHG emissions attestation provider to be a PCAOB-registered audit firm?	We would support an additional requirement that includes a minimum of 3 years' experience in GHG emissions attestation/assurance for the person or organization signing the assurance statement. In order to allow for a sufficient level of expertise in GHG emissions and their attestation, as well as demonstrable independence and an established quality control system, we strongly recommend including all firms that are accredited for independent certification and assurance work by one of the (approx. 90) members of the International Accreditation Forum (IAF), as well as accounting firms that are members of AICPA (US) and IFAC (International) that either have a significant experience in GHG emissions and their attestation within their organization or are able to contract, supervise and understand the reporting of an appropriately qualified Auditor-Engaged Specialist. We believe that certification bodies undertaking GHG emissions attestation should be able to demonstrate compliance and expertise in IAASB Standards (ISAE3000/3410) and/or ISO 14064:3. The latter is in use in audits of regulatory GHG emissions for example in the EU Emissions Trading Scheme. ISAE3000/3410 contain similar requirements to PCAOB auditing standards. This would ensure quality and independence and exclude consultancies and small unaccredited assurance providers, for example those trying to undertake assurance of GHG emissions under AA1000AS (which focuses on sustainability management). Oversight of accredited Certification bodies is provided by the IAF Member (e.g. UKAS, ANSI, etc.) or the PCAOB (US accountants), or the various national oversight bodies for accounting firms. ERM CVS would be strongly opposed to restricting attestation providers to PCAOB-registered audit firms as this would severely limit the GHG attestation expertise available to registrants in the US assurance market, and undermine the confidence investors would have in the conclusions/opinions.

		NOTE: in determining the attestation provider requirements we recommend the SEC to consider recently published sector membership requirements regarding the appointment of suitable assurance providers for GHG emissions data and ESG information. For example the 'Assurance and Validation Procedure' (2020) of the International Council on Mining and Metals (ICMM) includes criteria for selecting an external assurance provider (for the sustainability report) including objectivity, individual competencies and Organizational competencies, as well as specifying a list of acceptable assurance standards.
145	Is additional guidance needed with respect to the proposed expertise requirement? Should we instead include prescriptive requirements related to the qualifications and characteristics of an expert under the proposed rules? For example, should we include a provision that requires a GHG emissions attestation provider that is a firm to have established policies and procedures designed to provide it with reasonable assurance that the personnel selected to provide the GHG attestation service have the qualifications necessary for fulfillment of the responsibilities that the GHG emissions attestation provider will be called on to assume, including the appropriate engagement of specialists, if needed?	ERM CVS agrees with this proposal – all of the firms covered by the answer in Q 144 would have management systems in place which follow professional practice rules regarding expertise, independence and quality control. We also would like to see some requirements included in the regulation regarding the appointment of an 'Auditor-Engaged Specialist'. For example if an attestation provider engages a GHG specialist to undertake the GHG emissions attestation procedures, it is essential that the specialist is also independent (and accredited as such), has an appropriate quality management system, and has at least 3 years' experience in the assurance/attestation of GHG data (so not just consulting experience in GHG measurement and footprinting). It is also very important that the GHG emissions attestation provider has sufficient technical knowledge and understanding of the subject matter to supervise the expert(s) and take final responsibility for signing the attestation statement
146	Should we require the GHG emissions attestation provider to be independent with respect to the registrant, and any of its affiliates, for whom it is providing the attestation report, as proposed? Should we specify that a GHG emissions attestation provider is not	ERM CVS supports the view that the GHG emissions attestation provider must be independent with respect to the registrant, and any of its affiliates, for whom it is providing the attestation report.

	independent if such attestation provider is not, or a reasonable investor with knowledge of all relevant facts and circumstances would conclude that such attestation provider is not, capable of exercising objective and impartial judgment on all issues encompassed within the attestation provider's engagement, as proposed? The proposed provision is based on a similar provision regarding the qualification of an accountant to be an independent auditor under Rule 2-01 of Regulation S-X. Is Rule 2-01 an appropriate model for determining the independence of a GHG emissionsattestation provider? Is being independent from a registrant and its affiliates an appropriate qualification for a GHG emissions attestation provider?	By restricting GHG emissions providers to the groups mentioned in our answer to Q 144 (Accredited Certification Bodies as well as accounting firms with the required expertise) we believe this should, in most cases, provide a sufficient guarantee of independence, as this would be covered by the attestation provider's management systems. ERM CVS believes that, in conjunction with accredited management systems and oversight which is in place in the organizations mentioned in our answer to Q144, some aspects of Rule 2-01 may be useful for determining the independence of the GHG emissions attestation provider or attestation engagement team members (see additional comments under Q148 below).
147	Should we specify that the factors the Commission would consider in determining whether a GHG emissions attestation provider is independent include whether a relationship or the provision of a service creates a mutual or conflicting interest between the attestation provider and the registrant, including its affiliates, places the attestation provider in the position of attesting to such attestation provider's own work, results in the attestation provider acting as management or an employee of the registrant, including its affiliates, or places the attestation provider in a position of being an advocate for the registrant and its affiliates, as proposed? Should we specify that the Commission also will consider all relevant circumstances, including all financial and other relationships between the attestation provider and the registrant, including its affiliates, and not just those relating to reports filed with the Commission, as proposed?	We support these criteria regarding independence. In specific regard to the financial relationships between the attestation provider and the registrant we would recommend that the SEC considers the relationship between the attestation engagement for the climate-related data and information and the financial audit, if the same firm undertakes both engagements. The fees for the former may be small compared to the financial audit fees and therefore we believe, based on 25 years' experience, that there is sometimes the risk of influence from the financial audit team, especially if material errors have been found in the climate disclosures or GHG emission data, despite the professional codes of conduct and independence requirements. Consideration of independence underlies the European Commission's proposal to not allow the financial auditing firm to also undertake the assurance of the ESG disclosures which will be required under the new Corporate Sustainability Reporting Directive (CSRD).

148	Should we adopt all of the proposed factors for determining the independence of a GHG emissions attestation provider, or are there factors we should omit? Are there any additional factors that we should specify that the Commission will consider when determining theindependence of a GHG emissions attestation provider? For example, should we include any non-exclusive specifications of circumstances that would be inconsistent with the independence requirements, similar to those provided in 17 CFR 210.2-01(c) (Rule 2-01(c) of Regulation SX)?	ERM CVS support the view that all of the proposed criteria listed in Q 147 for determining the independence of the GHG emissions attestation provider be included in the regulation. Regarding the non-exclusive specifications, we believe the requirements in 17 CFR 210.2-01(c) (Rule 2-01(c) of Regulation SX are specifically designed for financial auditing and therefore may be excessive for non-accountants undertaking the assurance of ESG information such as GHG emissions which are indirectly related to financial value and benefits. That said, in order to further strengthen the independence requirements of individuals involved in the GHG emissions attestation that are not certified public accountants, ERM CVS would support the inclusion of a general paragraph containing a 'slimmed down' version of Rule 2-01 relating to potential personal conflicts of interest within the GHG emissions attestation team, for example along the following lines: The following non-exclusive specification of circumstances may be inconsistent with 'the independence criteria listed in Q 146 and 147 above': The GHG emissions attestation provider, attestation engagement team members*, any of his or her immediate family** members, has: any known direct or indirect material*** investment in the GHG emissions attestation client (or an entity that is material to the attestation client) a loan or mortgage from the attestation client that has the ability to affect decision-making at the attestation client a member of his/her immediate family working in a senior function for the attestation client * & ** to be defined in the requirements * Team members, other than the Partner or Engagement Quality Control Reviewer, undertaking more than 10 hours on the attestation engagement are excluded from these requirements.

		ERM CVS would also support the inclusion of a revised version of paragraph (4) Non-audit services of Rule 2-01 in the regulation, specifically focused on non-audit services relating to preparing or maintaining the client's GHG accounting or GHG footprint, or preparing or calculating the source data underlying the client's GHG emissions data.
149	Should the definition of "affiliates" be modelled on Rule 2-01, as proposed, or should we use a different definition? Would defining the term differently than proposed cause confusion because the rest of the proposed independence requirement is modelled on Rule 2-01? Many accountants are likely familiar with the proposed definition given their required compliance with Rule 2-01, would non-accountants understand how to comply with and apply this concept?	ERM CVS believes the definition of 'affiliates' (of the attestation client) in Rule 2-01 is clear for accredited certification bodies (non-accountants) undertaking the GHG emissions attestation, as this also applies to, for example, regulatory GHG emissions verification.
150	Should the term "attestation and professional engagement period" be defined in the proposed manner? If not, how should "attestation and professional engagement period" be defined? Alternatively, should the Commission specify a different time period during which an attestation provider must meet the proposed independence requirements?	ERM CVS supports the proposed definition for the 'attestation and professional engagement period'.
151	Should we include disclosure requirements when there is a change in, or disagreement with, the registrant's GHG emissions attestation provider that are similar to the disclosure requirements in Item 4.01 of Form 8-K and 17 CFR 229.304 (Item 304 of Regulation S-K)?	Once again ERM CVS believes the level of detail in regulation 304 is excessive for non-accountants. However, ERM CVS would support a slimmed-down version of this requirement, particularly regarding disclosure of what we have experience to be the most likely circumstances for dismissal/disagreement between the registrant and the GHG emissions attestation provider as follows: Dismissal of the GHG emissions attestation provider due to lack of GHG knowledge and expertise

		Dismissal of the GHG emissions attestation provider due to issuing a qualified attestation statement for the prior year Disagreement, during a reasonable assurance engagement, due to the attestation provider advising the registrant that the internal controls necessary for the registrant to develop reliable GHG emissions data do not exist. Disagreement, due to the attestation provider advising the registrant of the need to expand significantly the scope of the attestation procedures/activities Disagreement, due to the attestation provider advising the registrant that information has come to the accountant's attention that materially impacts the reliability of a previously issued attestation report or the underlying GHG emissions disclosures.
152	Accountants are already required to comply with the relevant quality control and management standards when providing audit and attest services under the PCAOB, AICPA, or IAASB standards. These quality control and management standards would apply to accountants providing GHG attestation services pursuant to those standards as well. Should we require the GHG emissions attestation provider to comply with additional minimum quality control requirements (e.g., acceptance and continuance of engagements, engagement performance, professional code of conduct, and ethical requirements) to provide greater consistency over the quality of service provided by GHG emissions attestation providers who do not (or cannot) use the PCAOB, AICPA, or IAASB attestation standards? If so, what should the minimum requirements be?	ERM CVS agrees that quality control and management standards are critical to the provision of GHG emissions attestation services. All firms that are accredited for independent certification and assurance engagements by one of the members of the International Accreditation Forum (IAF) must have a fully functional quality control and management system which is subject to regular independent internal audit as well as audits by the accreditation body. Many current GHG emission attestation engagements are already carried out in accordance with IAASB Standards (ISAE3000/3410) which require an equivalent system of quality control and management to the underlying quality control standards used by accountants. Therefore restricting GHG emissions attestation to these firms, as we recommended in our answer to Q 144, in addition to suitably experienced accounting firms, should already ensure appropriate quality control and management systems are in place which are regularly reviewed and independently audited.
153	As proposed, the GHG emissions attestation provider would be a person whose profession gives authority to statements made in the	ERM CVS agrees that while it is common practice to issue a consent letter to registrants relating to the publication or submission to a

	attestation report and who is named as having provided an attestation report that is part of the registration statement, and therefore the registrant would be required to obtain and include the written consent of the GHG emissions provider pursuant to Securities Act Section 7 and related Commission rules. This would subject the GHG emissions attestation provider to potential liability under Section 11 of the Securities Act. Would the possibility of Section 11 liability deter qualified persons from serving as GHG emissions attestation providers? Should we include a provision similar to 17 CFR 230.436(c), or amend that rule, to provide that a report on GHG emissions at the limited assurance level by a GHG emissions attestation provider that has reviewed such information is not considered part of a registration statement prepared or certified by a person whose profession gives authority to a statement made by him or a report prepared or certified by such person within the meaning of Section 7 and 11 of the Act?	relevant authority of an attestation statement for GHG emissions, and that an acceptance of (a level of) liability in contractual terms and conditions exists, the possibility of Section 11 liability may deter some suitably qualified firms from providing this service at a reasonable level of assurance. ERM CVS therefore agrees that a provision or amendment to exclude limited assurance on GHG emissions from the registration statement would be appropriate. Due to the level of subject matter expertise needed for GHG emissions data assurance, and therefore the need to allow independent accredited non-accountants to undertake this work, we recommend further consultation regarding liability and whether GHG emissions data assured to a reasonable level should also be excluded from the registration statement.
154	Should we require the attestation engagement and related attestation report to be provided pursuant to standards that are publicly available at no cost and are established by a body or group that has followed due process procedures, including the broad distribution of the framework for public comment, as proposed? Is the requirement of “due process procedures, including the broad distribution of the framework for public comment” sufficiently clear? Would the attestation standards of the PCAOB, AICPA, and IAASB meet this due process requirement? Are there other standards currently used in the voluntary climate-related assurance market or otherwise in development that would meet the due process and publicly availability	ERM CVS supports the requirement that the attestation engagement and related attestation report be provided in accordance with publicly available standards established by the body or group that has followed due process procedures. We believe the attestation Standards of the PCAOB, AICPA, IAASB AND ISO 14064:3 meet these requirements, but note that national versions of IAASB compliant standards may have different names/numbers. It is also important to note that these (with the exception of ISAE3410 for GHG emissions) are generic auditing/assurance/attestation standards and may not always address the complexities of non-financial or GHG emissions assurance/attestation. In the absence of an accepted international standard for attestation on non-financial information in company reporting, we once again recommend the SEC to refer providers to the IAASB ‘NON-AUTHORITATIVE GUIDANCE ON APPLYING

	requirements? For example, would verification standards commonly used by non-accountants currently, such as ISO 14064-3 and the AccountAbility's AA1000 Series of Standards, meet the proposed requirements? Are there standards currently used in the voluntary climate-related assurance market or otherwise under development that would be appropriate for use under the Commission's climate-related disclosure rules although they may not strictly meet the proposed public comment requirement? If so, please explain whether those standards have other characteristics that would serve to protect investors?	ISAE 3000 (REVISED) TO SUSTAINABILITY AND OTHER EXTENDED EXTERNAL REPORTING ASSURANCE ENGAGEMENTS' (2021) for additional guidance on conducting non-financial assurance engagements. ERM CVS does not believe that Accountability's AA1000 Assurance Standard (revised) should be used for assurance of GHG emissions attestation because: Many providers of assurance under AA1000AS are either consultancies or very small businesses. In both cases they would not satisfy the independence or quality control management requirements that the SEC is seeking. AccountAbility's business and their process for developing and publishing standard does not meet the due process requirements. It is a sustainability consultancy and consultation periods on the standards have often been too short. Under the AA1000AS (Assurance Standard) the disclosure of data for individual metrics such as GHG emission data cannot be assured separately from assurance on the implementation and application of the AccountAbility Principles in AA1000APS. We do not believe many SEC registrants have sustainability so embedded in their organisations as to be able and willing to disclose compliance with AA1000APS and contract attestation on those disclosures. We recognize that an AA1000AS Assurance Statement may, in addition to the principles, provide an opinion/conclusion on the reliability of the data/information in the client's report. However, individual metrics with dates/periods or their location in the client's report, are often not specified in the attestation report. We believe this approach will not provide the level of comfort, consistency or comparability investors are seeking.
155	Should we require that the attestation standards used be publicly available at no cost to investors, as proposed? Should we permit the	ERM CVS believes that only publicly available standards should be used. However, ISO standards are not free and therefore some agreement

	use of attestation standards, even if not publicly available at no cost, provided that registrants provide access to those standards at the request of their investors?	needs to be reached regarding access by investors to ISO 14064:3, if this standard is used by the attestation provider.
156	Should we require the GHG emissions attestation report to meet certain minimum requirements in addition to any form and content requirements set forth by the attestation standard or standards used by the GHG emissions attestation provider, as proposed? Should we instead require that the attestation report solely meet whatever requirements are established by the attestation standard or standards used?	While consistency is important to investors for comparability, ERM CVS believes it would be difficult to prescribe minimum contents for the attestation report/statement that would be applicable under all standards being used as any limited list of requirements may cause attestation providers to deviate from the requirements of those (professional) standards. ERM CVS therefore supports the application of the content requirements of the standard applied. However, ERM CVS would welcome additional guidance being provided by the SEC on the content of the attestations report. For example, covering the importance of a 'long form' description of the work undertaken (for example at corporate and local level), especially in limited assurance engagements, the nature of inherent limitation likely to be encountered in GHG emissions attestation engagement, and for wording regarding the nature of limited assurance, as the latter is important for the understanding of investors who may be less familiar with the form of conclusion in these engagements. These items are covered in ISAE3000/ISAE3410 and IAASB Guidance, but guidance from the SEC may be needed for those using PCAOB auditing standards.
157	Should we adopt each of the proposed minimum requirements? Are there any proposed requirements that we should omit or add to the proposed list of minimum GHG emissions attestation report requirements?	As stated above ERM CVS does not support deviations from the minimum requirements of the proposed applicable attestation standards. See previous answer regarding additional guidance.

158	Regarding the proposed provision requiring the identification of the criteria against which the subject matter was measured or evaluated, would reference to proposed Item 1504(a), Item 1504(b), and Item 1504(e)'s instructions concerning the presentation, methodology,including underlying assumptions, and organizational and operational boundaries applicable to the determination of Scopes 1 and 2 emissions meet the "suitable criteria" requirement underprevailing attestation standards (e.g., AICPA SSAE No. 18, AT-C 105.A16)?	ERM CVS would recommend reference in the attestation report/statement to the (publicly available) standard used by the registrant to determine the emissions (for example the WRI/WBCSD GHG Protocol) as well as referencing the registrant's disclosures regarding presentation, boundaries, methodology and underlying assumptions as proposed under Item 1504 (a), (b) and (e).
159	If we require or permit a registrant to use the GHG Protocol as the methodology for determining GHG emissions, would the provisions of the GHG Protocol qualify as "suitable criteria" against which the Scope 1 and Scope 2 emissions disclosure should be evaluated?	ERM CVS: Yes. This is the most common and comprehensive standard for determining GHG emissions.