



Investing in America

June 17, 2022

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

**RE: File Number S7-10-22 – The Enhancement and Standardization of Climate-Related Disclosures for Investors**

Dear Ms. Countryman:

The Global Business Alliance (“GBA”) appreciates the opportunity to provide comments on the Securities and Exchange Commission’s (“Commission”) enhancement and standardization of climate-related disclosures for investors (“Proposal”) Release Nos. 33-11042; 34-94478.

GBA’s mission is to ensure that policymakers at the federal, state and local levels understand the critical role that foreign direct investment (“FDI”) plays in strengthening America’s economy. GBA advocates for fair, non-discriminatory treatment of foreign-based companies and promotes policies encouraging them to establish U.S. operations, increasing American employment and supporting U.S. economic growth.

FDI is a critical component of our economy: International companies have created 7.9 million jobs in the United States, offering an average of \$84,000 in wages and benefits annually. Further, these companies have created 69 percent of the U.S. manufacturing jobs over the past five years, supporting “Made in America” goals.<sup>1</sup>

International companies are leaders in sustainability. Of the 61 industry group leaders that comprise the Dow Jones Sustainability Index, 62 percent are international companies that operate in the United States.<sup>2</sup> Additionally, in 2021, 82 of the *Wall Street Journal*’s 100 most sustainably managed companies were foreign headquartered.<sup>3</sup>

GBA applauds the Biden administration’s efforts to expand America’s environmental leadership and its aspiration to build a more sustainable economy. International companies investing in the United States share these common principles. Nearly three-fourths of international investment in the United States

<sup>1</sup> <https://globalbusiness.org/factsheet/national-fdi-data>

<sup>2</sup> <https://www.spglobal.com/spdji/en/indices/esg/dow-jones-sustainability-world-index/#overview>

<sup>3</sup> <https://www.wsj.com/articles/explore-the-full-wsj-sustainable-management-ranking-11602506733>

comes from just eight countries – all of them long-term friends and allies of the United States that have fully entered into force the Paris Climate Agreement.<sup>4</sup>

### **Reporting Requirements Should Align with Well Established Sustainability Standards**

Aligning our environmental reporting requirements with like-minded nations who have already developed sustainability disclosure standards could create congruence with those other jurisdictions in which major U.S. employers operate. Harmonization of climate change disclosure requirements will enable a more efficient and robust reporting process and could lead investors to a more thorough and consistent understanding of how companies are combating climate change globally.

The Proposal laid out by the Commission acknowledges the different governmental and non-governmental frameworks and entities that will drive the future of climate-related financial disclosures. One primary framework is the Task Force for Climate-Related Financial Disclosures (“TCFD”), which the Commission cites as the basis for this Proposal. The Commission notes that the TCFD “has developed a climate-related reporting framework that has become widely accepted by both registrants and investors.”

The Commission also notes that other jurisdictions are or will utilize the TCFD. It is also grounded in the Greenhouse Gas Protocol, a widely adopted accounting and reporting standard for GHG emissions. In doing so, the Commission acknowledges that basing “climate-related disclosure rules on a globally recognized framework should help elicit climate-related disclosures that are consistent, comparable, and reliable while also limiting the compliance burden for registrants that are already providing climate-related disclosures based on this framework.” This effort offers a good starting point for global consistency in climate change disclosure and reporting.

GBA strongly encourages the Commission to not only reference – but fully align with – a globally recognized framework, like the TCFD, to eliminate existing discrepancies and provide a harmonized and efficient regulatory process. To that end, GBA encourages the Commission to consider coordinating any final action with other ongoing initiatives among international bodies like the International Sustainability Standards Board (“ISSB”) and the European Union’s European Financial Reporting Advisory Group (“EFRAG”).

If you have any questions, please do not hesitate to contact me.

Sincerely,



Nancy McLernon  
President and CEO  
The Global Business Alliance

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<sup>4</sup> [https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg\\_no=XXVII-7-d&chapter=27&clang=en](https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-7-d&chapter=27&clang=en)