



Submitted via <https://www.sec.gov/cgi-bin/ruling-comments>

June 17, 2022

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

Re: Enhancement and Standardization of Climate-Related Disclosures for Investors (S7-10-22)

Dear Ms. Countryman,

CommonSpirit Health appreciates the opportunity to submit comments to the Securities and Exchange Commission (SEC) proposed rule on the enhancement and standardization of climate-related disclosures for investors. In alignment with our faith-based investor partners and all investors who seek to reduce the threats of climate change, we support this proposal and its goals to measure and establish a baseline of climate risk information that is accessible to investors of all sizes. We believe that disclosure of the material and systemic risks of climate change will help companies and investors to better understand, set prices, and manage climate risks and opportunities. We urge SEC to finalize the rule expeditiously.

As both an organization and an investor, CommonSpirit knows that decisions that we make today will have long-term impacts on emissions and climate-related matters. We believe that disclosures, such as the ones proposed in this regulation, are essential to ensuring a just and thriving economy that works for all people and communities.

We appreciate and support SEC's proposed changes that would require disclosure of any disaggregated climate-related metrics, such as financial impact metrics; expenditure metrics; and financial estimates and assumptions. We also support the proposed required disclosure of a registrant's:

- governance of climate-related risks;
- any material climate-related impacts on its strategy, business model, and outlook;
- climate-related risk management;
- greenhouse gas (GHG) emissions metrics; and,

- *if any*, climate-related transition plan, targets and goals.

These disclosures will significantly improve investors' ability to understand and analyze the climate-related information of their investment organizations. Currently, investors must rely on voluntary corporate climate disclosures, which have been insufficient to meet investors' needs for comparable, consistent, and reliable data.

Investor organizations must take responsibility for their own emissions as well as take into consideration the emissions and climate goals of their investment organizations. CommonSpirit's commitment to the common good through environmentally responsible practices exemplifies our care and commitment to all people who are served by our providers and facilities. We recognize that U.S. hospitals are responsible for 8.5 percent of U.S. GHG overall, and, as one of the largest nonprofit health systems in the nation, CommonSpirit takes seriously our responsibility to mitigate our own climate impact and to be leaders of change in the health care sector. To address this responsibility, CommonSpirit has developed a Climate Action Plan that, among other initiatives to promote climate-smart health care and climate-resilient communities, commits the organization to reduce our operational emissions by 50 percent by 2030 and to achieve net-zero emissions by 2040.

We are confident in our ability to reduce our direct GHG (Scope 1) emissions from hospitals and facilities, and our indirect GHG (Scope 2) emissions incurred from the generation of purchased energy. However, achieving a reduction in other indirect emissions that are the result of activities from assets not owned or controlled by CommonSpirit but that impact our value chain (Scope 3) is only possible if we have a clear and consistent understanding of the totality of climate impacts to our organization. (We have assessed that Scope 3 emissions comprise 77 percent of our total organizational GHG emissions.) Therefore, knowing the climate impacts and climate target goals of organizations with whom we do business is essential to our ability to successfully meet our own net-zero commitment. Climate-related disclosures like those proposed in this regulation are critical for effective investment, vendor and partner analysis, and decision-making that will effectively move us toward our net-zero goals.

We appreciate and support SEC's proposal to require corporate environmental disclosures and believe it will provide investors like us with the opportunity to choose investments that align with our commitments and GHG emissions reduction goals. These disclosures will also facilitate more effective engagement with corporations as we seek to use our position as an investor to advance meaningful corporate change that will align with the goals of our Climate Action Plan, the Paris Climate Agreement, the Biden Administration 2030 GHG pollution reduction target, and other national and global climate priorities. These corporate disclosures will further assist CommonSpirit and other large organizations in vendor and supply chain relationships, better informing our choices so that we can align ourselves with like-minded businesses. We believe that, with these proposed climate disclosures, we will be able to identify best practices within sectors and can leverage that learning to assist all of our vendors.

This proposal comes at a time when addressing material risks related to the climate crisis has never been more urgent: the latest Intergovernmental Panel on Climate Change (IPCC) report from April 2022 reaffirms the need for “immediate and deep emissions reductions across all sectors” to limit global warming to 1.5 degrees Celsius.¹ We believe that SEC’s proposed rule is a good first step toward creating greater transparency and accountability in the investor space. Again, we urge SEC to finalize these rules as written.

Thank you for your consideration of these comments. If you need any further information, please contact me at [REDACTED]@commonspirit.org or Laura Krausa, Director Advocacy Programs, at [REDACTED]@commonspirit.org.

Sincerely,

/s/

Alyssa Keefe
Senior Vice President, Public Policy and Advocacy

CommonSpirit Health is one of the largest nonprofit health systems serving individuals and communities across 21 states in more than 140 hospitals, myriad long-term care facilities, home health organizations, clinics and community service organizations. As a faith-based system, CommonSpirit seeks to create healthy communities with a special focus on those individuals who are medically and/or socially vulnerable, including our immigrant brothers and sisters. As a large institutional investor, CommonSpirit seeks to utilize its size and scope to influence the corporate sector to make meaningful changes in environmental, social and governance issues.

¹ https://www.ipcc.ch/site/assets/uploads/2022/04/IPCC_AR6_WGIII_PressRelease_English.pdf