

# HIGH WATER WOMEN

social change powered by professional women

June 9, 2021

Vanessa Countryman, Secretary  
Securities and Exchange Commission (the "SEC")  
100 F Street, NE  
Washington, DC 20549-0609

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

Re: Public Input Welcomed on Climate Change Disclosures

To Whom It May Concern:

High Water Women (HWW) writes in response to the SEC's request for public input on climate change disclosures; specifically, HWW urges the SEC to implement climate-related disclosure requirements as part of a broader environmental, social, and governance ("ESG") disclosure standard. Since 2013, HWW has been a pioneer in bringing leaders together to demonstrate the power and effectiveness of deploying capital in ways that drive ESG outcomes. We know that investing with impact, which includes ESG and other strategies, is designed to produce better returns, stronger businesses, and a more resilient economy. Mandatory disclosures on climate and ESG topics, including diversity, would enable investors to pursue and achieve those outcomes.

HWW is a New York based non-profit that provides programs that educate, engage, support, and connect investors and professionals in finance to promote the empowerment of women and underserved youth. The High Water Women Foundation, Inc. is a 501(c)3 organization founded in 2005 by women in the hedge fund and financial services industries; its core programs include its annual Investing with Impact Symposia and various financial literacy trainings. With a network of over 2000 people who have participated in its symposia or workshops to date, HWW seeks to empower and expand this base.

In the eight years of symposia that HWW has organized and our aggregate professional experiences we have seen the significant evolution and accelerating interest in integrating ESG factors within investment decision-making and investors' search for reliable and accessible sources of data and contextual information to advance this decision-making. Indeed, as systemic risk considerations become more salient as risks that threaten financial returns, investors would benefit from easier access to reliable, comparable climate and ESG disclosure.

HWW supports the implementation of a climate disclosure framework based on the recommendations of the Task Force on Climate-related Financial Disclosures (the TCFD).<sup>1</sup> This framework incorporates governance, strategy, risk management, and specific metrics and targets, and has been endorsed by hundreds of companies and investors globally. Further, HWW maintains that climate-related requirements should be one component of a broader ESG framework that includes key disclosure items, such as resource use and diversity metrics.

ESG disclosure requirements are within the SEC's mandate to protect investor interests and support market efficiency. Currently, investors face a complex landscape of ESG assessment frameworks that share a need for a standard set of disclosure items; a baseline set of disclosures would enable direct comparison across investment opportunities for more efficient and informed capital allocations. Further, the information currently available through voluntary disclosure frameworks is insufficient to meet and address the systemic threat of climate change. Put simply, disclosure matters; it is difficult to manage what is not measured, and the SEC is uniquely positioned to establish a means of measurement.

In addition to correcting this informational deficiency as it relates to climate change, ESG disclosures may improve financial outcomes for investors. For example, a 2018 article by RBC Global Asset Management describes ESG factors as 'pre-financial' or 'leading' indicators of financial performance, particularly in the long term.<sup>2</sup> These 'pre-financial' indicators are proven to have tangible impacts on investment outcomes and may explain financial data through direct causal channels. Numerous studies also show that diverse boards, management, and teams lead to better business decisions and performance; that sustainability strategies produce equivalent or superior returns for investors; and, that social considerations often yield long term financial benefits missed by more short-sighted approaches. Accordingly, disclosure of these indicators would serve the SEC's mission to protect investor interests.

HWW applauds the Commission for soliciting stakeholder feedback on these important and formative topics.

Sincerely,



Alissa Desmarais  
Executive Director  
HIGH WATER WOMEN FOUNDATION, INC

With

---

<sup>1</sup> <https://www.fsb-tcfd.org/recommendations/>

<sup>2</sup> <https://global.rbcgam.com/global-equities/insights/11/ESG-and-Market-Inefficiency.fs>

Kim Leslie Shafer

Policy Advisor and Accelerating Impact Committee Member

Dianne Benner

Accelerating Impact Committee Co-Chair

Imogen Rose-Smith

Accelerating Impact Committee Co-Chair

Caroline Shipley

Accelerating Impact Committee Member