

Church Investment Group

Serving the Episcopal Church and Its Christian Mission



Gary Gensler
Chairman U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chair Gensler,

On behalf of the Church Investment Group, we are pleased to submit comments in response to the Securities and Exchange Commission's questions of March 15, 2021, about investor interest in the financial impact of climate change and the need for climate-related financial disclosure. We are encouraged by the SEC's evolving focus on climate risks and commend the SEC for the steps that it is taking to assess and understand the risks that climate change poses for investors. We believe that the risks associated with climate change and the necessary related climate transitions are material and significant. Better disclosure will enable investors to be able to properly understand these risks and their impact on their investment holdings in companies and other securities.

The Church Investment Group (CIG) is a non-profit for Episcopal Church endowments. The purpose of our investments is to provide a stable and growing funding source to support current and future Episcopal Church missions. The Church Investment Group seeks to invest in companies that are operating sustainably and profitably in the interests of their shareholders. CIG is a Principles for Responsible Investment (PRI) signatory and a member of the Intentional Endowment Network. PRI notes: "We support standardized, mandatory disclosure of material climate and environmental, social and governance (ESG) information, helping us to fulfill our fiduciary obligations to fully consider material information and make informed investment decisions for long-term value creation."

CIG analyzes Episcopal endowments' portfolios through tools such as the Task Force on Climate-Related Financial Disclosures (TCFD), the 2 Degree Initiative and the Transition Pathway Initiative. As such, CIG supports the implementation of a climate disclosure framework based on the recommendations of the TCFD <https://www.fsb-tcfd.org/recommendations>. These tools are valuable to investment analysis only to the extent that the underlying data on companies is reliable and comprehensive. As the Impact-Weighted Accounts Initiative has noted in their comprehensive comment letter of recent date to the SEC: "Voluntary environmental disclosure does not provide sufficient data to evaluate corporate environmental impact." Standards are necessary to create transparency and comparability.

In particular, CIG urges the Commission to consider comprehensive GHG emissions disclosure and management and governance alignment disclosure. While the TCFD framework provides a high-level framework, it is also important to develop industry specific metrics for transition risks and opportunities. Without this information, it is difficult for investors to perform their fiduciary duty to assess the risks and opportunities associated with climate change and transition.

Sincerely,

JoAnn Hanson
President and CEO
Church Investment Group