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June 11, 2021

The Honorable Allison Herren Lee
Commissioner
Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

VIA ELECTRONIC MAIL
rule-comments@sec.gov

Subject: Public Input Welcomed on Climate Change Disclosures

Dear Commissioner Lee:

Oshkosh Corporation appreciates the opportunity to communicate our views in response to your request for written comments regarding climate change disclosures.[1] For some perspective on our company, we had fiscal 2020 revenues of $6.9 billion, making us a Fortune 500 company. We make innovative, mission-critical equipment to help everyday heroes advance communities around the world. We are headquartered in Wisconsin and employ more than 14,000 team members worldwide, all united behind a common cause: to make a difference in people's lives. Oshkosh products can be found in more than 150 countries around the world, and we have a strong track record of ESG reporting, including eight consecutive years of publishing an annual Sustainability Report (www.oshkoshcorp.com/impact/sustainability). We are also included in the S&P Mid Cap 400 Index and we are honored to be named on numerous prestigious lists for our sustainability practices.

In response to your request for comments, we would like to share our views on climate-related disclosures:

1. **The SEC Should Not Alter the Materiality Standard**. Existing disclosure standards in the United States require disclosure of information by public companies that is "material" to a reasonable investor in making informed investment and proxy voting decisions. Any new disclosure standards should be rooted in this materiality standard and should preserve the ability of investors to identify and act on decision-useful information.

[1] *See* Acting Chair Allison Herren Lee, Public Input Welcomed on Climate Change Disclosures, March 15, 2021.

Even though many public companies operate businesses that do not emit greenhouse gases, we believe that the materiality standard forms a solid foundation that can support the goal of enhanced climate change disclosures by public companies.

As a result of the diversity of industries served by American companies, the SEC should refrain from imposing a "one-size-fits-all" disclosure regime that could result in public companies generating an abundance of climate-related information of interest only to a minority of shareholders and investor activists.

2. **The SEC Should Encourage Private Ordering to Continue**. Voluntary disclosures by public companies in sustainability reports and other public statements have increased dramatically over the past several years, in response to investor interest and marketplace demands. Similarly, there are positive trends in the use by public companies of third-party disclosure frameworks.

These third-party frameworks are still at relatively early stages and should be given time to develop further. Companies should continue to have the flexibility to use one or more of these frameworks, depending on their business needs and/or their industry sector.

Oshkosh believes that the current "private ordering" process should continue to proceed without interference. The imposition of prescriptive disclosure rules at this time would have unintended consequences, largely because there is no consensus among public companies or their investors about what climate change metrics are relevant, calculable, and material across different companies and industries.

3. **The SEC Should Utilize Principles-Based Regulation**. If the SEC decides to proceed with a rulemaking, the Commission should employ a flexible, principles-based approach, as it has done successfully in the past.[2] This approach could establish principles for the required disclosures and provide guidance about how best to meet their terms.

Public companies should also have additional flexibility to either provide the requested disclosure or explain why the information is not material, relevant, or available to be disclosed.

4. **The SEC Should Evaluate the Liability Risks in Climate Disclosures**. Since there is no widespread consensus among companies and investors about specific climate change metrics and risks, public companies are concerned about their potential liability if a new climate change disclosure regime is promulgated. Unlike quantitative financial information, climate change metrics and data points are currently difficult to collect in a reliable and standardized manner. They are also not comparable in their application or impact across companies and industries.

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[2] *See, e.g.,* Modernization of Regulation S-K Items 101, 103, and 105, 85 Fed. Reg. 63,726 (Oct. 8, 2020).

The SEC should also consider providing companies with a safe harbor for good faith company statements about climate change risks and opportunities. For almost every public company, the future is difficult to predict with precision and the science of climate change is complex and evolving. These disclosures should be considered similar to forward-looking statements and companies should be protected from liability (and frivolous lawsuits) if they comply with appropriate conditions and their statements later turn out to be incorrect.

5. **The SEC Should Consider Scaled and Phased Disclosure**. In developing any new disclosure requirements, the SEC should provide for "scaled" disclosure, which would allow smaller issuers more time to comply and would subject these companies to less onerous requirements. The SEC should also consider phasing in any new rules, to permit companies enough time to gather data, assess risks, and prepare their disclosures.

Thank you for the opportunity to present the views of Oshkosh Corporation on this important topic.

Sincerely,

Ignacio A. Cortina
Executive Vice President,
General Counsel & Secretary

Patrick N. Davidson
Senior Vice President, Investor Relations