



School Sisters of Notre Dame, Central Pacific Province
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July 21, 2016

Mary Jo White, Chairman
Kara M. Stein, Commissioner
Michael S. Piwowar, Commissioner
Brent J. Fields, Secretary

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Via email to: rule-comments@sec.gov

Re: File No. S7-06-16 – Business and Financial Disclosure Required by Regulation S-K

Dear Chairman, Commissioners, and Secretary:

The School Sisters of Notre Dame, Central Pacific Province Corporate Responsibility Committee appreciates and welcomes the opportunity to respond to the SEC's Concept Release on *Business and Financial Disclosure Required by Regulation S-K*. We wish to express our support for the SEC's evaluation of disclosure under Regulation S-K and the establishment of enforceable SEC requirements for companies to report on sustainability issues. While we note the importance of the entirety of this complex review, we will focus our comments on Section F, *Disclosure of Information Relating to Public Policy and Sustainability Matters*.

- The School Sisters of Notre Dame are an international congregation of women religious committed to promoting education, human rights, and sustainable living in all aspects of ministry and life. Founded in Bavaria in 1833, the first sisters arrived in North America in 1847. Over 2,500 School Sisters of Notre Dame currently minister on five continents. The Central Pacific Province includes about 1,000 sisters who minister primarily in 17 states of the U.S., but also the territory of Guam and the country of Japan. As a member of the Interfaith Center on Corporate Responsibility (ICCR) driven by faith and values, we view the management of our investments as a catalyst for both change and economic stability with the companies where we are shareowners.

Among the responsibilities of our Corporate Responsibility Committee is to serve as a resource for development and review of socially and ecologically responsible investment guidelines for province portfolios. We explore areas of Environmental, Social, and Governance (ESG) concern, including human rights, public health, economic fairness, food and water sustainability, and the protection of our environment. Throughout our many years of affiliation with ICCR, we have engaged numerous corporations to promote more

sustainable and just practices. We believe this work has a positive impact on companies' long term profitability and shareowner value as it helps companies to improve financial performance and sustain shareholder and long-term value while securing a better future for their employees, their customers, their investors, and our world.

The School Sisters of Notre Dame, Central Pacific Province Corporate Responsibility Committee endorses mandatory disclosure of sustainability information that is material and comparable, and that affects our financial interests as shareholders, as well as our communities. Numerous investors and organizations like the PRI, Ceres, CDP, and the US Forum for Sustainable and Responsible Investment (US SIF) have made articulate cases for the need for such information to meet our fiduciary obligations as investors. We are aware that hundreds of global companies embrace the case for such disclosure as they publish useful annual sustainability reports. They understand the business and financial case for addressing these issues. The value of such information is affirmed by an expanding number of global investors and companies alike, and has been an issue that we have raised with companies over decades of engagement. However, this disclosure is done on a voluntary basis. Because the disclosure is voluntary, the reporting is inconsistent and therefore insufficient for investor needs.

The School Sisters of Notre Dame, Central Pacific Province Corporate Responsibility Committee uses ESG disclosure to evaluate companies for investment, thus informing our investment strategies and stock selection decisions, and to inform our proxy voting. We also use existing disclosure to help us identify appropriate companies for shareholder engagement with corporate management, where we address current practices and policies that expose companies to risks. We believe that mandatory disclosure of ESG information under Regulation S-K is necessary for investors to make informed decisions. While voluntary measures have served an important role in providing increased ESG information to investors, this information is inconsistent across corporate sectors, and leaves investors with an unclear basis upon which to build our investment strategies.

Mandatory disclosure would provide more consistent, reliable, comparable, and verifiable ESG information that would allow educated investors to make more informed investment decisions across the portfolio and advance effective engagement strategies.

In summary, the School Sisters of Notre Dame, Central Pacific Province Corporate Responsibility Committee strongly supports the establishment of enforceable SEC requirements for companies to report on sustainability issues. Such reporting is arguably already required by Regulation S-K, as demonstrated by the SEC's 2010 Interpretative Guidance on Disclosures Regarding Climate Change. Yet the current disclosures of sustainability issues by registrants do not satisfy our needs as investors. Voluntary reporting frameworks provide information on many companies but without providing consistency across companies and sectors, and without providing the checks on accuracy and completeness that are inherent in securities filings.

We thank the SEC for this opportunity to comment on the important topic of sustainability disclosure. We urge the SEC to act and develop mandatory reporting on ESG issues as described above.

Sincerely,



Tim Dewane

School Sisters of Notre Dame, Central Pacific Province Corporate Responsibility Committee