The Securities and Exchange Commission (SEC) proposed a rule change on March 21, 2022, under the Securities Act of 1933 and Securities Exchange Act of 1934 that requires registrants of a business to provide and illustrate certain climate-related information in their registration statement and annual reports. The required information that needs to be provided is information that would have a material impact on its business, results of operations, or financial condition that can potentially have climate-related risks. Registrants are to provide information about their greenhouse gas emissions as well. The information must be consistent and credible when providing climate-related risks and greenhouse gas emissions. Climate-related risks are the actual or potential negative impacts on the environment that are from the past, present, and future that a company has made or will make. I believe this proposal is a step in the right direction for companies to give out their climate-related risks as it has a potential effect on the Global public. I believe that we can put an end to companies withholding crucial information about their climate-related risks and greenhouse gas emissions if this proposed rule transforms into direct laws in the future. This may potentially lead to lowering industry’s potential carbon footprints to reduce the harm down from climate-related risks and greenhouse gas emissions. A company must provide as much information about their climate-related risks and greenhouse gases to ensure that we can trust them to reduce their carbon footprints. Carbon footprints by companies need to be reduced for the better health of this planet as global warming and carbon emissions have steadily increased for the last 150 years. Hotter temperatures and drier conditions have been a result of human-caused climate change. If companies begin to be more transparent, I believe it has a potential to slow some of these human-caused climate changes. We will not be able to reduce the damage that has already been by industries for well over 100 years, but the time is now that we
As for investors, companies need to provide the information from climate-related risks and greenhouse gas emissions to those that give them monetary investments. This information is crucial to investors because they need transparency from the companies they invest in when giving them large sums of money and to be confident that they are abiding by climate-related risks. The information that is provided by registrants also aligns with how climate-related risks will affect the company’s strategies, business models, and outlooks. Depending on the investor, this information is very important to those who are trying to seek the best options that they want to put their monetary investments into. Investors need this information to know what the risks are if they were to invest into specific companies and how these risks may impact their investments. In the past, some companies have not reported their climate-related risks and greenhouse gases very effectively or have barely reported any of this information at all. An investor would not feel very confident in their investment or potential investment if companies are withholding this crucial information. As an investor myself, the risks of investing are heavily influenced by the carbon footprint that a company owns. I personally refuse to invest in companies that are stingy with the information they grant to the general public. When looking for potential investments in the past, I have turned down a few companies based on their public relations and how effective they were at addressing climate-related risks. As an investor, I want the company that I have granted money to stand out amongst others and be transparent of the things they do that can affect our everyday environment. I will be pleased when this rule is fully set in place because
companies will follow a strict standardization of the how they report their climate-related risks, and I will be able to invest with better confidence.

The proposed rule will be backed by auditors from outside sources as well for the information of past climate-related risks and greenhouse gas emissions for companies to be completely transparent. Companies must provide their direct GHG emissions for Scope 1 and indirect emissions from purchased electricity or other form of energy for Scope 2. Companies must be held accountable for their past climate-related risks and greenhouse gas emissions when completing their annual reports for the SEC. They will be completely transparent about past, present, and future climate-related risks and greenhouse gas emissions. I believe the use of auditors from outside sources will make companies truly be open to their climate-related risks and greenhouse gas emissions.

I am for the proposed rule of Enhancement and Standardization of Climate-Related Disclosures for Investors. This rule is necessary for the investor and the everyday citizen that is affected by climate-related issues in our environment. I believe this proposed rule will make companies be more transparent about their climate-related risks and greenhouse gas emissions and begin to reduce their carbon footprint as well. I think companies have swept much of this information under the rug and that is unacceptable. This proposed rule shall put an end to the power that companies have over withholding their crucial climate-related information. I think that companies will begin to have better goals for reducing their carbon footprint and limit their climate-related risks. Investors may find companies with better goals for reducing their carbon
footprint more attractive and worthwhile. Please propose this rule as it will have a direct effect on the future of this planet and our society’s everyday life.


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