



Sustainability Accounting Standards Board  
1045 Sansome Street, Suite 450  
San Francisco, CA 94111  
(415) 830-9220  
sasb.org

January 22, 2020

Vanessa A. Countryman, Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-1090

Re: Securities and Exchange Commission, Proposed Rule: Modernization of Regulation S-K  
Items 101, 103 and 105, SEC Release Nos. 33-10668; 34- 86614; File No. S7-11-19

Dear Secretary Countryman:

The Sustainability Accounting Standards Board respectfully submits this letter as a supplement to its letter of October 17, 2019.

Our October 2019 comment letter discussed why in our view the SEC's proposed principles-based human capital management disclosure rule could lead to a lack of consistency and comparability in issuer disclosures. Thus we recommended that if the Commission adopts the proposal the Commission should either require or strongly urge issuers to use a disclosure framework such as SASB's in making their disclosures. We further described how SASB's standards have been developed with considerable due process with input from experienced securities law experts, and we explained that the standards are receiving considerable acceptance globally among investors, issuers, and regulators.

We would like to bring to the Commission's attention an important recent development that underscores SASB's broad and positive reception. In his [annual letter to CEOs sent this month](#), the chairman and CEO of BlackRock, Larry Fink, described a "fundamental reshaping of finance." While the letter focused in particular on the financial impact of climate change, Mr. Fink also said that investors and others need a "clearer picture" of a wide range of sustainability-related matters "beyond climate to questions around how each company serves its full set of stakeholders, such as the diversity of its workforce, the sustainability of its supply chain, or how well it protects its customers' data." Further, Mr. Fink stated: "While no framework is perfect, BlackRock believes that the Sustainability Accounting Standards Board (SASB) provides a clear set of standards for reporting sustainability information across a wide range of issues, from labor practices to data privacy to business ethics."

BlackRock is the world's largest asset manager, with nearly \$7 trillion in assets under management, and it has been a supporter of SASB for several years as a member of SASB's Investor Advisory Group. The reference to the SASB standards in Mr. Fink's letter is significant public recognition of the value of SASB standards to institutional investors and capital markets. It should be noted in this regard that in a [2017 letter to public company directors](#) William McNabb, then Chairman and CEO of Vanguard, the world's

second largest asset manager with \$5.6 trillion under management, also referred to SASB's work. He said: "Our participation in the Investor Advisory Group to the Sustainability Accounting Standards Board (SASB) reflects our belief that materiality-driven, sector-specific disclosures will better illuminate risks in a way that aids market efficiency and price discovery."

These statements about SASB's work provide substantial support for the recommendations contained in our October 2019 letter.

Respectfully submitted,

A handwritten signature in blue ink that reads "T. L. Riesenberg". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Thomas L. Riesenberg  
Director of Legal and Regulatory Policy