June 15, 2022

The Honorable Gary Gensler, Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

RE: Proposed Rule: The Enhancement and Standardization of Climate-Related Disclosures for Investors (File Number S7-10-22)

Dear Chairman Gensler:

Camden National Corporation appreciates the opportunity to comment on the proposed rulemaking of the Securities and Exchange Commission ("SEC") relating to "The Enhancement and Standardization of Climate Related Disclosures for Investors" (the "proposed rule").

Camden National Corporation (NASDAQ:CAC) is the largest publicly-traded bank holding company in Northern New England with $5.4 billion in assets and approximately 620 employees. Camden National Bank, a national bank regulated by the Office of the Comptroller of the Currency and a wholly owned subsidiary of Camden National Corporation, is a full-service community bank founded in 1875 in Camden, Maine. Dedicated to customers at every stage of their financial journey, the bank offers the latest in digital banking, complemented by personalized service, with 58 banking centers, 24/7 live phone support, 66 ATMs, and additional lending offices in New Hampshire and Massachusetts. As a bank holding company, Camden National Corporation is regulated by the Board of Governors of the Federal Reserve System.

Camden National Corporation believes in providing robust and decision-useful disclosure to our investors, and we are committed to our communities and customers to be a well-run company and to be respectful of the markets that we serve. However, we have significant concerns with respect to the proposed rule. The added level of disclosure in the proposed rule, if adopted as proposed, would impose significant implementation challenges and compliance costs for Camden National Corporation, without commensurate benefits for investors.

We urge the SEC to focus on its mission of investor protection. Mandating extensive, prescriptive climate-related disclosures is a departure from the traditional mission of the SEC. The SEC should consider investors' climate concerns in context with other investor concerns. A focus solely on – or too focused on – climate concerns can lead to broad economic dislocation and damage, which does not benefit the investors that the SEC is seeking to protect.

In addition, we recommend that the SEC apply its traditional materiality-based disclosure approach to climate-related disclosures, and only require disclosure of climate-related information to the extent the

PO Box 310 | Camden, Maine 04843 | 800.860.8821 | CamdenNational.com

information is material to investors' investment or voting decisions. The proposed rule goes far beyond what reasonable investors would need to know to inform their decisions about whether to buy, sell or hold stock, or how to vote on company proposals. For example, the proposed rule would require Scope 1 and 2 emissions to be disclosed and attested (eventually at a reasonable assurance level) by a third-party attestation provider (regardless of materiality), require the impact of climate-related risks on financial statement line items to be disclosed in a note to the financial statements (each triggered at a 1% threshold), and require climate scenario analysis to be disclosed in detail (if conducted). Climate-related issues, including a registrant's greenhouse gases emissions, are not material to all investors or for all companies. We strongly encourage the SEC to tailor disclosure requirements to the size and complexity of the registrant, as well as to the materiality of the climate-related exposure.

Furthermore, even when climate-related issues are material to investor decisions, a prescriptive, one-size-fits-all approach to disclosure is unnecessary and overly burdensome to smaller institutions. Given the new and evolving nature of climate-related metrics and methodologies, allowing diverse approaches to disclosure within a principles-based framework likely will yield more efficient and effective processes over the long term than the proposed rule's more prescriptive approach. Requiring expansive disclosures of all registrants before we fully understand climate-related reporting is creating an undue burden. The SEC should include in any final rule flexibility, safe harbors and sufficient implementation timeframes, particularly for smaller institutions that may lack the expertise or resources to comply with complex new requirements.

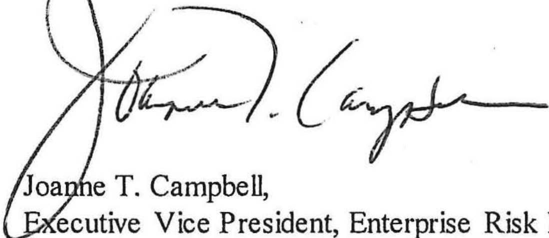
It is also our strong recommendation that the SEC should not require the disclosure of Scope 3 emissions. The proposed rule would require disclosure of Scope 3 emissions if the issuer has set an emissions reduction target or goal that includes Scope 3 emissions or if Scope 3 emissions are material. However, many banking organizations have voluntarily announced goals to reduce emissions, some of which include Scope 3 emissions. Under the proposed rule, this would trigger Scope 3 disclosures, even if they are not "material" to investors under the SEC's traditional materiality standard. Requiring disclosure of Scope 3 emissions creates significant hurdles to implementation for banking organizations, including because of the complexity of their "value chain" and the challenges of collecting data from their customers (including from privately-held companies (which frequently include small and independent businesses) and local municipalities) and other third parties in the value chain. In many cases, these third parties have no contractual obligation to provide climate-related data, and private companies, which would not be subject to the proposed rule, may not collect data that their banks would need in order to comply with the proposed rule's reporting requirements. If the proposed rule is adopted as proposed, banking organizations subject to the rule would need to impose contractual covenants on customers and other third parties in their value chain to require reporting of climate-related data. This added burden may encourage customers to avoid doing business with publicly-traded banking organizations in favor of less regulated lenders such as privately-held fintechs, weakening the competitive position of the publicly-traded banking organizations.

Banking organizations are unique among publicly-listed companies. Banking organizations are already highly regulated and subject to numerous requirements, including maintenance of minimum capital and regular supervisory examinations for safety and soundness. That regulation, while different from

disclosure regimes, also serves to protect investors. Any further SEC regulation applied to banking organizations should take into consideration the existing regulation of banking organizations, and should be coordinated with the federal banking regulators to avoid contradictory, duplicative and/or unnecessary requirements that increase costs and burdens unnecessarily.

We want to thank the SEC for consideration of our comments and concerns regarding this proposal and the adverse impact it can have on a relatively small community banking organization such as Camden National Corporation, including on our ability to compete and the potential to harm investor return based upon the added burden and costs of compliance.

Regards,



Joanne T. Campbell,
Executive Vice President, Enterprise Risk Management and Chief Risk Officer

Michael R. Archer, C.P.A.,
Executive Vice President, Chief Financial Officer