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Vanessa A. Countryman
Secretary, U.S. Securities and Exchange Commission
100 F Street NE
Washington DC 20549-1090

(Email copy to: rule-comments@sec.gov)

Subject: File Number S7-10-22
The Enhancement & Standardization of Climate-Related Disclosures for Investors

Dear Ms. Countryman:

Jacobs is a purpose-led company that strives to create a more connected, sustainable world. Our global professional services teams collaborate with our clients to deliver solutions that make a positive impact on our communities and the natural environment.

Over the past five years, Jacobs (NYSE: J) has invested in people, processes and tools that have collectively begun to embed sustainability in the way that our company operates—from the work that we deliver with our clients to the day-to-day running of our business. The public launch in 2020 of our sustainability strategy — *PlanBeyond* — was a declarative moment in our history that demonstrated our unequivocal commitment to delivering on our purpose. This was soon followed by the publication of our *Climate Action Plan*, under which we have established ourselves as a world leader in our industry for the ambitious decarbonization targets that we are already achieving, including our recent recognition by the Science-based Targets Initiative as one of the world's first companies and the first consultancy with approved net-zero targets.

While we are proud of our progress and achievements, we know there remains much work to be done by us, our clients, the industry and our communities to mitigate the climate crisis. We are committed to continuing to lead at the forefront of this effort.

Jacobs is proactively reporting on our ESG/sustainability performance through voluntary public disclosures and external ratings agencies such as Standard & Poor's Dow Jones Sustainability Index, CDP Worldwide, Ecovadis, the Global Reporting Initiative, Sustainalytics, and others. There is widely acknowledged recognition of the need for transparency, accountability and certainty in the public disclosure of climate-related risks facing companies globally. Jacobs welcomes the Commission's proposed rules (the "Proposal") as a first step in reporting harmonization among U.S. public issuers and supports enhancing and standardizing climate-related disclosure by public companies.

We expect the Commission will receive comments from certain of our clients and other industry leaders sharing their concerns around the Proposal, including, among others, the challenges of including Scope 3 Greenhouse Gas (GHG) emissions in a registrant's GHG emissions calculations, the potential reluctance of qualified experts to provide the expert attestations contemplated by the Proposal, and the implementation challenges that registrants will face if the Proposal utilizes a 1% threshold as the bright line test for financial metrics. Therefore, we have focused our comments on areas of the Proposal that we believe may receive less attention but that may unintentionally deter companies from advancing our shared climate related goals.

1. ***The Proposal should encourage experienced directors with climate-related expertise to serve on public company boards by addressing their concerns of being subjected to heightened liability.***

   We believe that it is critical that boards be able to recruit experts in climate-related risks so that boards can benefit from their participation and oversight in governance. While the Proposal requires companies to identify any board member with expertise in climate-related risks, the Proposal does not provide a safe harbor from expert liability as a result of this designation. This is different than the Commission's treatment of board members with financial expertise serving on audit committees as well as directors with cyber expertise under the Commission's recently proposed cyber-related rules. As a result of the lack of safe harbor—particularly in light of the Proposal's requirements for new climate-related disclosures in a registrant's financial statement footnotes, which themselves carry heightened liability—directors with such expertise may hesitate to serve on boards of public companies for fear of exposure to greater scrutiny and liability in connection with their climate-related oversight.

   For these reasons, we believe that the Proposal should incorporate a safe harbor that parallels the safe harbor available to financial experts serving on audit committees and that clarifies that such individuals are not subject to greater duties or liabilities than directors generally.

2. ***The Proposal should encourage companies to set ambitious targets and goals for mitigating their climate impact.***

   The Proposal mandates that registrants include in their filed reports any climate-related target or goal that they have set but does not include a threshold for materiality or a carveout for internal targets and goals that the company has not otherwise publicly disclosed. The breadth of this disclosure exposes companies to risk of liability and reputational risk for failing to meet a goal they have been

required to disclose, which will in turn discourage companies from setting ambitious goals.

Countries, cities, communities, and businesses must accelerate efforts for mitigating and adapting to the impacts of climate change today and in the future. Without the ability to maintain confidential internal goals and targets, and a safe harbor from liability for disclosed goals and targets, these requirements may have the opposite effect by motivating registrants to only set goals that are clearly achievable with minimal investment, or by encouraging them not to set any goals at all. We encourage the Commission to limit disclosure obligations in filed reports to only climate-related goals and targets which a registrant has both publicly disclosed and determined to be material. In order to ensure that the materiality threshold does not form the basis for excluding most or all of a registrant's climate-related goals and targets, we urge the Commission to specify factors that must be considered in determining whether a goal or target is material, such as by providing that there will be a strong presumption that any long-term climate-related goal included in a registrant's climate action plan is material.

3. ***The Proposal should encourage registrants to refine their emission disclosures as they collect data and learn from experience during the transition period.***

   The Proposal provides transition periods for assurance covering GHG disclosures intended to give registrants time to familiarize themselves with the new disclosure requirements and develop the relevant disclosure controls and procedures (DCP) but does not provide a safe harbor for corrections that may result during this time as registrants develop GHG accounting processes and DCP to support the same. As the Commission has recognized, the newness of calculating and disclosing GHG emissions poses challenges. Although the transition period provides registrants with time to implement the rules, a temporary safe harbor protecting registrants from liability related to adjustments to past disclosures of GHG emissions would ensure that registrants are not reluctant to refine their calculations and related DCP during the transition period due to liability concerns.

4. ***The Proposal should not deter public companies from investing their experience and resources in private companies with immature climate profiles.***

   The Proposal would require a registrant to disclose certain climate-related information for any target where the acquirer is registering shares on a Form S-4, without exception for private targets that are not required to collect or disclose this information at the time of acquisition.

The net effect of these rules may have meaningful and negative implications for acquisitions of private companies with immature climate profiles. The substantial increase in ESG interest from public investors has led public companies to invest more time and resources into developing climate action plans, measuring their GHG emissions, and developing targets and goals for the future. Many public companies, such as Jacobs, have been preparing themselves for years to be able to provide more transparent climate disclosure. However, for many smaller private companies their lack of access to capital from public markets constrains the resources available to devote to achieving climate goals. Public companies may be forced to decline these acquisitions if the target cannot meet these new disclosure burdens in a timely manner.

We believe that our climate goals as a society would benefit from more companies becoming subject to the regulatory regime being created by the Proposal, and therefore we urge the Commission to provide that registrants may exclude newly acquired targets from all disclosures required by the Proposal until at least the end of the first full fiscal year after the completion of the acquisition. This would be consistent with the timing of when an acquisition would be required to be included in management's assessment of internal controls over financial reporting under the Commission's current guidance.

Postponing the requirement to provide disclosure for newly acquired targets will ensure that these rules do not discourage acquisitions of private companies by registrants and will thus ultimately increase the number of companies required to provide investors with information under the new disclosure requirements.

5. ***The Proposal should not require public companies to include GHG from entities over which they do not exercise operational controls.***

The Proposal would require registrants to include a proportionate amount of emissions from any equity method investees as well as any proportionately consolidated subsidiaries in their own GHG emissions calculations. We recommend that the Commission limit the Proposal to require inclusion of a proportionate amount of emissions only from entities which are under the operational control of the registrant.

Under the current Proposal, registrants may be subjected to potential liability for failure to comply with the disclosure requirements even though the registrant does not have the ability to compel the investee or other non-controlled subsidiary to provide the required information. As a result, registrants may be forced to divest

their interests in these entities. Because investments are often a first step to the eventual full acquisition of a target, as discussed above, we believe the long-term goals of bringing more companies under this disclosure regime would be better served by utilizing an operational control test to determine when a proportionate amount of GHG emissions from non-wholly owned subsidiaries and investees must be included in the registrant's own GHG emissions calculations.

We thank the SEC for the opportunity to review and comment on the Proposal. Please reach out to me directly for any further dialogue.

Best regards,

Kevin Berryman
President & CFO
Jacobs Engineering Group Inc.