June 17, 2022

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

Re: The Enhancement and Standardization of Climate-Related Disclosures for Investors
File No. S7-10-22

Dear Ms. Countryman:

CEMEX, S.A.B. de C.V. ("Company," "CEMEX," or "we") appreciates the opportunity to comment on the U.S. Securities and Exchange Commission's ("SEC" or "Commission") proposed rules regarding the enhancement and standardization of climate-related disclosures for investors ("Proposed Rules"). As a building materials company with global operations, we believe that the Proposed Rules address investors' concerns regarding disclosures related to climate change, and provide, except for certain exceptions as stated below, adequate rules for which we believe no further requirements are needed.

Our principal concerns lie within the following:

Throughout the past years, several frameworks on the disclosure of climate-related impacts and greenhouse gases emissions have been developed. Currently, such frameworks relating to environmental disclosures have been widely used and endorsed throughout the world, providing important guidance on better disclosures while limiting the possible costs and burdens that compliance with such frameworks may cause. Also, the referred frameworks have supported global consistency, allowing companies with global operations, to issue comparable and uniform disclosures that are comparable with other multinationals' reports.

Therefore, we believe that the Proposed Rules' provisions should align as closely as possible to well-established and internationally recognized frameworks on climate-change and carbon emissions, such as the Task Force on Climate-Related Financial Disclosures ("TCFD") and the Greenhouse Gas Protocol ("GHG Protocol").

On the other hand, we believe it is important to recognize that, depending on the industry registrants are a part of, their average emissions and climate-related impacts may vary. In order for information to be comparable between registrants, the difference between their industries and the industries' impact on climate must be recognized. Thus, we believe that the requirement for disclosing greenhouse gases should only be applicable to registrants in the scope of their industry or as deemed material. Registrants should not be required to disclose their emissions for all greenhouse gases if not all greenhouse gases emissions are material or relevant due to the nature of their operations or industry.

Additionally, we believe that the implementation of the proposed rules should not include historical financial statement information, nor historical information on greenhouse gas emissions, due to the fact that information from past years may not be readily available to comply with the requirements of the new regulation when such is approved. If approved, the Proposed Rules should require the disclosure of information regarding its first year of effectiveness, onward.

The following are our Company's responses to the Commission's specific requests for comment regarding the Proposed Rules.

1. Should we add a new subpart to Regulation S-K and a new article to Regulation S-X that would require a registrant to disclose certain climate-related information, as proposed? Would including the climate-related disclosure in Regulation S-K and Regulation S-X facilitate the presentation of climate information as part of a registrant's regular business reporting? Should we instead place the climate-related disclosure requirements in a new regulation or report? Are there certain proposed provisions, such as GHG emissions disclosure requirements, that would be more appropriate under Regulation S-X than Regulation S-K? ***We believe a new subpart to Regulation S-K and new article to Regulation S-X would be more adequate than a new standalone regulation, mostly due to SEC rules precedents being implemented in such manner. A new subpart to Regulation S-K and new article to Regulation S-X would facilitate the presentation of climate-related disclosures.***

2. If adopted, how will investors utilize the disclosures contemplated in this release to assess climate-related risks? How will investors use the information to assess the physical effects and related financial impacts from climate-related events? How will investors use the information to assess risks associated with a transition to a lower carbon economy? ***No comment.***

3. Should we model the Commission's climate-related disclosure framework in part on the framework recommended by the TCFD, as proposed? Would alignment with the TCFD help elicit climate-related disclosures that are consistent, comparable, and reliable for investors? Would alignment with the TCFD framework help mitigate the reporting burden for issuers and facilitate understanding of climate-related information by investors because the framework is widely used by companies in the United States and around the world? Are there aspects of the TCFD framework that we should not adopt? Should we instead adopt rules that are based on a different third-party framework? If so, which framework? Should we base the rules on something other than an existing third-party framework? ***Yes, we agree with aligning the disclosure with the widely accepted and established framework TCFD would be both beneficial for registrants as well as for investors, providing consistent, comparable and reliable disclosures among different sectors. Aligning with TCFD would significantly lessen the reporting burden for companies, particularly, for companies with global operations and foreign private issuers, due to their multiple obligations to provide climate-related information. Additionally, we consider that aligning the Proposed Rules with TCFD enhances other types of ESG disclosures such as GRI (Global Initiative Reporting) that contains climate-related information.***

4. Do our current reporting requirements yield adequate and sufficient information regarding climate-related risks to allow investors to make informed decisions? In lieu of, or in addition to the proposed amendments, should we provide updated guidance on how our existing rules may elicit better disclosure

about climate-related risks? ***We consider that the current reporting requirements do present adequate and sufficient information regarding climate-related risks to investors. The Proposed Rules should be symmetrical and compatible with current reporting requirements.***

5. Should we require a registrant to present the climate-related disclosure in an appropriately captioned, separate part of the registration statement or annual report, as proposed? Should this disclosure instead be presented as part of the registrant's MD&A? ***Disclosures should be in a separate section of the annual report given that such would allow investors to easily identify and draw consistent comparisons by providing uniformity between registrants' disclosures. However, incorporation by reference should remain to provide flexibility and the information should be discussed and analyzed in a similar manner as is required in the MD&A section.***

6. Should we permit a registrant to incorporate by reference some of the climate-related disclosure from other parts of the registration statement or annual report, as proposed? Should we permit a registrant to incorporate by reference climate-related disclosure that appears in a sustainability report if the registrant includes the incorporated by referenced disclosure as an exhibit to the registration statement or annual report? Are there some climate-related disclosure items, such as GHG emissions data, that we should not permit a registrant to incorporate by reference? Would requiring a registrant to include all of the proposed climate-related disclosures in a separate, appropriately captioned section, while precluding a registrant from incorporating by reference some or all of the climate-related disclosures, promote comparability and ease of use of the climate-related information for investors? ***Yes, registrants should be allowed to incorporate by reference the climate-related disclosures from other sections of the annual report. As for incorporating by reference disclosures such as sustainability reports, will it be a requirement to have the report audited by externals? Precluding incorporating by reference of climate-related disclosures only for the proposed item 1505 (Attestation Reports) and item 1504 (GHG Emissions) would not be an issue and would allow for comparability of information, specifically within industries such as the cement one, whereas for the other proposed items, it would be preferable to have the option to incorporate by reference of other sections in the annual report.***

7. Should we permit a registrant to provide certain of the proposed climate-related disclosures in Commission filings other than the annual report or registration statement? For example, should we permit a registrant to provide information about board and management oversight of climate-related risks in its proxy statement? ***Yes, we are in favor of permitting registrants to provide any other statement they deem to. However, the Proposed Rules already require registrants include their disclosures in their financial statements. How will this be managed?***

It is also important to consider that foreign private issuers may need to report certain information in accordance with domestic requirements. Therefore, we suggest that if a foreign private issuer has the obligation to provide climate-related disclosures in its local filings, then it should be mandatory for the foreign private issuer to file the same disclosures with the SEC.

PROPOSED TIME HORIZONS AND THE MATERIALITY DETERMINATION

8. Should we require a registrant to disclose any climate-related risks that are reasonably likely to have a material impact on the registrant, including on its business or consolidated financial statements, which may

manifest over the short, medium, and long term, as proposed? If so, should we specify a particular time period, or minimum or maximum range of years, for "short," "medium," and "long term?" For example, should we define short term as 1 year, 1-3 years, or 1-5 years? Should we define medium term as 5-10 years, 5-15 years, or 5-20 years? Should we define long-term as 10-20 years, 20-30 years, or 30-50 years? Are there other possible years or ranges of years that we should consider as the definitions of short, medium, and long term? What, if any, are the benefits to leaving those terms undefined? What, if any, are the concerns to leaving those terms undefined? Would the proposed provision requiring a registrant to specify what it means by the short, medium, and long term mitigate any such concerns? ***We agree with establishing the term periods as follows:***

"Short term" should be defined as 1-5 years given that the impacts for climate-related risks do not manifest themselves in a 1-year period, but rather over time, or they manifest themselves suddenly as unforeseen natural disasters. Medium term should be defined as 5-20 years to follow with the short-term time horizon, and long term as 20-30 years given many of the measures and predictions on the long term for climate change are within an approximate 20–30-year window. We believe that defining the terms would improve comparability between registrants' disclosures which is a principal objective of the Proposed Rules, and it would facilitate gathering information when preparing for disclosure by having a set term rather than having it be at each registrant's opinion. We believe these time horizons should be in line with well-established and internationally recognized frameworks on climate-change and should depend on the type of industry so that the time horizons are defined in a sense that allows for comparability amongst registrants.

All of the above, notwithstanding that any of the terms should start running when the Proposed Rules are in place and implemented, and not in a retroactive manner, giving the registrants time to gather information and analyze such potential climate-related risks and how they affect them in these defined time horizons.

9. Should we define "climate-related risks" to mean the actual or potential negative impacts of climate-related conditions and events on a registrant's consolidated financial statements, business operations, or value chains, as proposed? Should we define climate-related risks to include both physical and transition risks, as proposed? Should we define physical risks to include both acute and chronic risks and define each of those risks, as proposed? Should we define transition risks, as proposed? Are there any aspects of the definitions of climate-related risks, physical risks, acute risks, chronic risks, and transition risks that we should revise? Are there other distinctions among types of climate-related risks that we should use in our definitions? Are there any risks that we should add to the definition of transition risk? How should we address risks that may involve both physical and transition risks? ***We believe the climate-related risks' definition should not be formulated in a prospective language. If the term means actual or potential negative impacts, then it would be a broad concept that would not allow for cohesive disclosure amongst registrants and would be difficult to adopt for a registrant's disclosures. We suggest actual negative impacts of climate-related risks would be more appropriate, as it is not dubious and still provides investors sufficient information regarding the matter.***

As for physical and transition risks, leaving the definitions based on the TCFD framework suffices and lessens the reporting burden for companies, particularly to those who already comply with it. As for risks that involve both physical and transition aspects, we believe allowing incorporating by reference a risk

that was already discussed in one of these sections to only be referenced in the other one would provide helpful, so that registrants only mention new aspects without having to explain the risks completely all over again.

10. We define transition risks to include legal liability, litigation, or reputational risks. Should we provide more examples about these types of risks? Should we require more specific disclosures about how a registrant assesses and manages material legal liability, litigation, or reputational risks that may arise from a registrant's business operations, climate mitigation efforts, or transition activities? ***Yes, more examples on such types of risks would be helpful. We disagree with requiring more specific disclosures about how a registrant assesses and manages legal liability, litigation or reputational risks that arise from a registrant's business operations, climate mitigation efforts or transition activities, as the proposed rules are already thorough enough.***

11. Some chronic risks might give rise to acute risks, *e.g.*, drought (a chronic risk) that increases acute risks, such as wildfires, or increased temperatures (a chronic risk) that increases acute risks, such as severe storms. Should we require a registrant to discuss how the acute and chronic risks they face may affect one another? ***No, we believe it would be too dubious, involve more effort to report, and will not provide much insight for investors either way. If any, this could be presented as an option for any registrant that may deem it pertinent to their business narrative.***

12. For the location of its business operations, properties or processes subject to an identified material physical risk, should we require a registrant to provide the ZIP code of the location or, if located in a jurisdiction that does not use ZIP codes, a similar subnational postal zone or geographic location, as proposed? Is there another location identifier that we should use for all registrants, such as the county, province, municipality or other subnational jurisdiction? Would requiring granular location information, such as ZIP codes, present concerns about competitive harm or the physical security of assets? If so, how can we mitigate those concerns? Are there exceptions or exemptions to a granular location disclosure requirement that we should consider? ***No, we believe that having to provide specific and detailed information such as the ZIP code of the location of our business operations, properties or processes would be too intrusive, and would not provide much insight for investors. We believe that the requirement to disclose such locations should be limited to a broader range of the business operations, properties or processes location such as a region or country. This way, investors would still receive material information for their decision-making and registrants would feel comfortable with the information provided.***

13. If a registrant determines that the flooding of its buildings, plants, or properties is a material risk, should we require it to disclose the percentage of those assets that are in flood hazard areas in addition to their location, as proposed? Would such disclosure help investors evaluate the registrant's exposure to physical risks related to floods? Should we require this disclosure from all registrants, including those that do not currently consider exposure to flooding to be a material physical risk? Should we require this disclosure from all registrants operating in certain industrial sectors and, if so, which sectors? ***No, we believe there is no evident need to require registrants to disclose any percentage of affected assets as it would not be of significant help to investors nor there to be a need to require it from any specific industrial sector.*** Should we define "flood hazard area" or provide examples of such areas? If we should define the term, should we

define it similar to a related definition by the Federal Emergency Management Agency ("FEMA") as an area having flood, mudflow or flood-related erosion hazards, as depicted on a flood hazard boundary map or a flood insurance rate map? ***Yes, that would be adequate.*** Should we require a registrant to disclose how it has defined "flood hazard area" or whether it has used particular maps or software tools when determining whether its buildings, plants, or properties are located in flood hazard areas? Should we recommend that certain maps be used to promote comparability? Should we require disclosure of whether a registrant's assets are located in zones that are subject to other physical risks, such as in locations subject to wildfire risk? ***No, if the proposed rules define "flood hazard area" it would provide comparability amongst registrants and avoid confusions. Also no, maps of the properties would disclose more information than necessary or even useful.***

14. If a material risk concerns the location of assets in regions of high or extremely high water stress, should we require a registrant to quantify the assets (*e.g.*, book value and as a percentage of total assets) in those regions in addition to their location, as proposed? Should we also require such a registrant to disclose the percentage of its total water usage from water withdrawn in high or extremely high water stressed regions, as proposed? ***We believe it is not necessary to quantify the assets nor requiring registrants to disclose percentage of water usage, as it represents a heavy reporting burden for registrants.*** If so, should we include a definition of a "high water stressed region" similar to the definition provided by the World Resource Institute as a region where 40-80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually? ***Yes, we believe it to be an adequate definition.*** Should we similarly define an "extremely high water stressed area" as a region where more than 80 percent of the water available to agricultural, domestic, and industrial users is withdrawn annually? ***Yes, we believe it to be an adequate definition.*** Are there other definitions of high or extremely high water stressed areas we should use for purposes of this disclosure? No Would these items of information help investors assess a registrant's exposure to climate-related risks impacting water availability? ***Yes, definitions do help in terms of comparability between disclosures.*** Should we require the disclosure of these items of information from all registrants, including those that do not currently consider having assets in high water-stressed areas a material physical risk? Should we require these disclosures from all registrants operating in certain industrial sectors and, if so, which sectors? ***No, we believe it to not be necessary to require the aforementioned disclosures from any particular given industrial sector.***

15. Are there other specific metrics that would provide investors with a better understanding of the physical and transition risks facing registrants? How would investors benefit from the disclosure of any additional metrics that would not necessarily be disclosed or disclosed in a consistent manner by the proposed climate risk disclosures? What, if any, additional burdens would registrants face if they were required to disclose additional climate risk metrics? ***No other specific metrics to mention nor do we believe investors would benefit from any additional metrics. We believe registrants would face many additional burdens, starting with the novelty of the subject, there are not many experts who can provide insight to all registrants in order to ensure a well-rounded and compliant disclosure, hiring more staff that is knowledgeable in the subject both internal and externally. Additionally, once with the support from experts and a compiled taskforce in the matter, the designing and management of the project, deviating company resources for these efforts, amongst many other burdens would prove to be a very difficult and burdensome disclosure. The disclosures of physical and transition risks currently proposed are deemed to suffice investor's***

concerns.. Any additional climate risk metrics would provide even more significant burdens to be able to comply and coordinate the information.

16. Are there other areas that should be included as examples in the definitions of acute or chronic risks? If so, for each example, please explain how the particular climate-related risk could materially impact a registrant's operations or financial condition. ***We believe it to be unnecessary to include any other areas in the definitions of acute and chronic risks, as the terms proposed within the Proposed Rules are sufficient and extensive enough.***

17. Should we include the negative impacts on a registrant's value chain in the definition of climate-related risks, as proposed? Should we define "value chain" to mean the upstream and downstream activities related to a registrant's operations, as proposed? Are there any upstream or downstream activities included in the proposed definition of value chain that we should exclude or revise? Are there any upstream or downstream activities that we should add to the definition of value chain? Are there any upstream or downstream activities currently proposed that should not be included? ***No, we do not agree with including the negative impacts on a registrant's value chain. It is important to consider that not all suppliers of a public company are required to provide or measure their environmental and climate impacts. Therefore, compiling and analyzing the impact across value chains comprised by many industries, sectors and suppliers (many of them non-public) would provide a significant burden. It would be preferable to exclude this requirement altogether.***

18. Should we define climate-related opportunities as proposed? Should we permit a registrant, at its option, to disclose information about any climate-related opportunities that it is pursuing, such as the actual or potential impacts of those opportunities on the registrant, including its business or consolidated financial statements, as proposed? Should we specifically require a registrant to provide disclosure about any climate-related opportunities that have materially impacted or are reasonably likely to impact materially the registrant, including its business or consolidated financial statements? Is there a risk that the disclosure of climate-related opportunities could be misleading and lead to "greenwashing". If so, how should this risk be addressed? ***We believe the definition of climate-related opportunities should fully align with TCFD, as adopting such definition would lessen the burden for registrants, particularly, foreign private issuers who must comply with different requirements in several countries. On the other hand, we consider that mandatory disclosures of climate-related opportunities may cause "greenwashing" risks and misleads because of their dubious aspect. We believe that the disclosure of climate-related opportunities should remain voluntary rather than mandatory, so that, if registrants deem the information material, they could opt for disclosing it. Therefore, we suggest that registrants have the option of taking the corresponding risks derived from disclosing climate-related opportunities.***

DISCLOSURE REGARDING CLIMATE-RELATED IMPACTS ON STRATEGY, BUSINESS MODEL, AND OUTLOOK

19. Should we require a registrant to describe the actual and potential impacts of its material climate-related risks on its strategy, business model, and outlook, as proposed? Should we require a registrant to disclose impacts from climate-related risks on, or any resulting significant changes made to, its business operations, including the types and locations of its operations, as proposed? ***We believe the description of actual and potential impacts of climate-related risks on the registrants' business model, strategy and outlook, should***

not be required, because this type of forthcoming disclosures is already disclosed in general risk sections of annual reports, providing sufficient information for investors.

We also believe that describing actual and potential impacts of climate-related risks on the business model, strategy and outlook, including the locations of said operations, would be unnecessary and would represent a burden for registrants, considering the difficulty to pinpoint how specific risks can affect a particular business.

20. Should we require a registrant to disclose climate-related impacts on, or any resulting significant changes made to, its products or services, supply chain or value chain, activities to mitigate or adapt to climate-related risks, including adoption of new technologies or processes, expenditure for research and development, and any other significant changes or impacts, as proposed? Are there any other aspects of a registrant's business operations, strategy, or business model that we should specify as being subject to this disclosure requirement to the extent they may be impacted by climate-related factors? ***No, we believe it to not be an adequate requirement to disclose climate-related impacts on the products or services, supply chain or value chain of the company, the effort it would take to compile, analyze and comply with such requirement across supply chains and value chains of a variety of sectors for the same registrant, as well as the adoption of new technologies or processes to prepare such information, their expenditures and other impacts would prove to be a big burden on the registrant. Several registrants already disclose the advances in technologies and R&D breakthroughs when such are material. Since such disclosures made to the general public are filed through annual or periodic reports, we consider it to be unnecessary to require such information, which would only add an additional burden to comply with the Proposed Rules.***

21. Should we require a registrant to specify the time horizon applied when assessing its climate-related impacts (*i.e.*, in the short, medium, or long term), as proposed? ***We do not agree with such requirement, as stated in prior responses, because of its prospective nature. However, if such disclosure becomes mandatory, we suggest not specifying a time horizon applicable to the climate-related impacts.***

22. Should we require a registrant to discuss whether and how it considers any of the described impacts as part of its business strategy, financial planning, and capital allocation, as proposed? Should we require a registrant to provide both current and forward-looking disclosures to facilitate an understanding of whether the implications of the identified climate-related risks have been integrated into the registrant's business model or strategy, as proposed? Would any of the proposed disclosures present competitive concerns for registrants? If so, how can we mitigate such concerns? ***We do not believe it to be an adequate requirement for registrants to discuss climate-related impacts on business strategy, financial planning and capital allocation because of competition concerns. Current and forward-looking disclosures will also represent for the registrant a heavy risk to assume considering the unpredictable nature of climate-related impacts. Furthermore, we would suggest to only disclose, if still required, these impacts to be in qualitative terms and not quantitative.***

23. Should we require the disclosures to include how the registrant is using resources to mitigate climate-related risks, as proposed? Should the required discussion also include how any of the metrics or targets referenced in the proposed climate-related disclosure subpart of Regulation S-K or Article 14 of Regulation

S-X relate to the registrant's business model or business strategy, as proposed? Should we require additional disclosures if a registrant leverages climate-related financing instruments, such as green bonds or other forms of "sustainable finance" such as "sustainability-linked bonds," "transition bonds," or other financial instruments linked to climate change as part of its strategy to address climate-related risks and opportunities? For example, should we require disclosure of the climate-related projects that the registrant plans to use the green bond proceeds to fund? Should we require disclosure of key performance metrics tied to such financing instruments? ***Climate change and its derived risks are constantly changing and adapting. Hence, we believe that requiring registrants to disclose how they're using resources might be troublesome in the sense that such resources are constantly changing and thus, the disclosures will not be entirely accurate as it is not feasible to signal the exact resources.***

As for the disclosure of any climate-related financing instruments, they are already disclosed with their appropriate information and processes when offered to the market and so, we believe this disclosure would be redundant, add to the reporting burden, and would not provide any further insight for investors. The conditions of funding allocation and any key performance metrics are already publicly disclosed in separate filings; thus it is unnecessary to disclose it in annual reports. If the SEC believes it to still be necessary, we believe a disclosure by reference to the frameworks of these climate-related financing instruments that have already been publicly disclosed would suffice.

DISCLOSURE OF CARBON OFFSETS OR RENEWABLE ENERGY CREDITS IF USED

24. If a registrant has used carbon offsets or RECs, should we require the registrant to disclose the role that the offsets or RECs play in its overall strategy to reduce its net carbon emissions, as proposed? Should the proposed definitions of carbon offsets and RECs be clarified or expanded in any way? Are there specific considerations about the use of carbon offsets or RECs that we should require to be disclosed in a registrant's discussion regarding how climate-related factors have impacted its strategy, business model, and outlook?

We believe that GHG Protocol and guidelines for each industry must be followed. It is worth mentioning that there is an important difference between RECs and Offsets and should not be used interchangeably. RECs represent the consumption of clean energy while offsets represent avoided emissions. Offsets should not be accepted as emissions reductions.

25. Should we require a registrant to provide a narrative discussion of whether and how any of its identified climate-related risks have affected or are reasonably likely to affect its consolidated financial statements, as proposed? Should the discussion include any of the financial statement metrics in proposed 17 CFR 210.14-02 (14-02 of Regulation S-X) that demonstrate that the identified climate-related risks have had a material impact on reported operations, as proposed? Should the discussion include a tabular representation of such metrics? ***We believe requiring registrants to provide narrative discussion of, if any, identified climate-related risks could affect its consolidated financial statements is feasible as long as it is viable within the scope of applicability in said financial statements. However, extending the discussion to include the financial statement metrics in proposed 17 CFR 210.14-02 (14-02 of Regulation S-X) is, to our consideration, an extremely complex task to determine, to the best of our knowledge, whether the issues stem from normal operations or if they are associated with climate-related risks, as well. It will represent a heavy burden for registrants to determine the origin of these impacts and provide an insightful and accurate discussion to investors.***

26. Should we require registrants to disclose information about an internal carbon price if they maintain one, as proposed? If so, should we require that the registrant disclose:

- The price in units of the registrant's reporting currency per metric ton of CO2e;
- The total price;
- The boundaries for measurement of overall CO2e on which the total price is based if different from the GHG emission organizational boundary required pursuant to 17 CFR 210.14-03(d)(4); and
- The rationale for selecting the internal or shadow carbon price applied, as proposed?

Should we also require registrants to describe the methodology used to calculate its internal carbon price? ***No, we believe that this information should be disclosed voluntarily in order to avoid competitive issues.***

27. Should we also require a registrant to disclose how it uses the described internal carbon price to evaluate and manage climate-related risks, as proposed? Should we further require a registrant that uses more than one internal carbon price to provide the above disclosures for each internal carbon price, and disclose its reasons for using different prices, as proposed? Are there other aspects regarding the use of an internal carbon price that we should require to be disclosed? Would disclosure regarding any internal carbon price maintained by a registrant elicit important or material information for investors? Would requiring the disclosure of the registrant's use of an internal carbon price raise competitive harm concerns that would act as a disincentive from the use of an internal carbon price? If so, should the Commission provide an accommodation that would mitigate those concerns? For example, are there exceptions or exemptions to an internal carbon price disclosure requirement that we should consider? ***We believe the disclosure of the carbon price on itself may bring reporting burdens to registrants, hence, disclosing the price and its usage is not something we agree on.***

28. To the extent that disclosure that incorporates or is based on an internal carbon price constitutes forward-looking information, the PSLRA safe harbors would apply. Should we adopt a separate safe harbor for internal carbon price disclosure? If so, what disclosures should such a safe harbor cover and what should the conditions be for such a safe harbor? ***By nature, determining an internal carbon price requires subjective evaluations of qualitative and quantitative factors that may be uniquely applicable to a registrant. This non-standardized method of determining internal carbon prices makes any related disclosures highly prone to interpretations by readers which may not be aligned with the registrant's intended message.***

29. Should we require all registrants to disclose an internal carbon price and prescribe a methodology for determining that price? If so, what corresponding disclosure requirements should we include in connection with such mandated carbon price? What methodology, if any, should we prescribe for calculating a mandatory internal or shadow carbon price? Would a different metric better elicit disclosure that would monetize emissions? ***We believe that the internal carbon price and methodology for determining such price should not be required, as each industry should have its own methodology to calculate their carbon pricing. Furthermore, since the very nature of each sector or industry varies, it would not be feasible to require the same methodology for every registrant.***

30. Should we require a registrant to disclose analytical tools, such as scenario analysis, that it uses to assess the impact of climate-related risks on its business and consolidated financial statements, and to support the resilience of its strategy and business model, as proposed? What other analytical tools do registrants use for these purposes, and should we require disclosure of these other tools? Are there other situations in which some registrants should be required to conduct and provide disclosure of scenario analysis? Alternatively, should we require all registrants to provide scenario analysis disclosure? If a registrant does provide scenario analysis disclosure, should we require it to follow certain publicly available scenario models, such as those published by the IPCC, the IEA, or NGFS and, if so, which scenarios? Should we require a registrant providing scenario analysis disclosure to include the scenarios considered (*e.g.*, an increase of global temperature of no greater than 3 º, 2 º, or 1.5 ºC above pre-industrial levels), the parameters, assumptions, and analytical choices, and the projected principal financial impacts on the registrant's business strategy under each scenario, as proposed? Are there any other aspects of scenario analysis that we should require registrants to disclose? For example, should we require a registrant using scenario analysis to consider a scenario that assumes a disorderly transition? Is there a need for us to provide additional guidance regarding scenario analysis? Are there any aspects of scenario analysis in our proposed required disclosure that we should exclude? Should we also require a registrant that does not use scenario analysis to disclose that it has not used this analytical tool? Should we also require a registrant to disclose its reasons for not using scenario analysis? Will requiring disclosure of scenario analysis if and when a registrant performs scenario analysis discourage registrants from conducting scenario analysis? If so, and to the extent scenario analysis is a useful tool for building strategic resilience, how could our regulations prevent such consequences?

These scenario analysis disclosures, should be under or aligned to the requirements of internationally recognized standards, such as TCFD or CDP. If the SEC deems it to be necessary to have their own requirements, we believe that the disclosure of scenario analysis to assess the impact of climate-related risks on a registrant's business and consolidated financial statements and to support the resilience of its strategy and business model should be voluntary, not mandatory. If mandatory, we believe this requirement would discourage registrants from conducting the scenario analysis being that having scenario analysis adds a significant economic burden to the registrant. We also do not deem necessary to disclose the reasons a registrant may have for not using scenario analysis. On the other hand, we believe there is no need to disclose any other analytical tools whatsoever.

31. Would the PSLRA forward-looking statement safe harbors provide adequate protection for the proposed scenario analysis disclosure? Should we instead adopt a separate safe harbor for scenario analysis disclosure? If so, what disclosures should such a safe harbor cover that would not be covered by the PSLRA safe harbors and what should the conditions be for such a safe harbor? ***We believe that the PSLRA forward-looking statement safe harbors do not provide adequate protection, considering the subject of climate-related disclosures to be sui generis, specifically scenario analysis disclosure. We suggest to instead adopt a separate safe harbor for these types of disclosures, included in addition to those safe harbors covered by the PSLRA, as any type of scenario analysis is highly speculative and thus requires extensive and comprehensive protection.***

32. Should we adopt a provision similar to 17 CFR 229.305(d) that would apply the PSLRA forward-looking statement safe harbor to forward-looking statements made in response to specified climate-related

disclosure items, such as proposed Item 1502 and Item 1505 (concerning targets and goals) of Regulation S-K? If so, which proposed items should we specifically include in the safe harbor? ***No comment.***

33. As proposed, a registrant may provide disclosure regarding any climate-related opportunities when responding to any of the provisions under proposed 17 CFR 229.1502 (Item 1502). Should we require disclosure of climate-related opportunities under any or all of the proposed Item 1502 provisions? ***No, we believe that the disclosure of climate-related opportunities should remain voluntary given that the discussion could rather be structured within the MD&A section already if it is deemed to be applicable to the registrant's business, relevant to investors for a specific sector or industry and would reduce the risk to fall into "greenwashing" when talking about climate-related opportunities.***

GOVERNANCE DISCLOSURE

34. Should we require a registrant to describe, as applicable, the board's oversight of climate-related risks, as proposed? Should the required disclosure include whether any board member has expertise in climate-related risks and, if so, a description of the nature of the expertise, as proposed? Should we also require a registrant to identify the board members or board committee responsible for the oversight of climate-related risks, as proposed? Do our current rules, which require a registrant to provide the business experience of its board members, elicit adequate disclosure about a board member's or executive officer's expertise relevant to the oversight of climate-related risks? ***We believe current rules already elicit adequate disclosure of board members and executive officer's expertise in different areas, including the optional disclosure of oversight on climate-related matters, and thus we deem it to be inadequate to require any further disclosure of board oversight and expertise.***

35. Should we require a registrant to disclose the processes and frequency by which the board or board committee discusses climate-related risks, as proposed? ***We believe that disclosing the processes and frequency by which board members and their respective committees discuss climate-related risks should not be mandatory.***

36. Should we require a registrant to disclose whether and how the board or board committee considers climate-related risks as part of its business strategy, risk management, and financial oversight, as proposed? Would the proposed disclosure raise competitive harm concerns? If so, how could we address those concerns while requiring additional information for investors about how a registrant's board oversees climate-related risks? ***We have competitive harm concerns over disclosing how the board considers climate-related risks regarding their business strategy, risk management and financial oversight. Hence, we believe it to be preferable to avoid requiring disclosures that involve the processes and the tackling of climate-related risks as it could compromise the business' competitiveness against other companies in the industry.***

37. Should we require a registrant to disclose whether and how the board sets climate-related targets or goals, as proposed? Should the required disclosure include how the board oversees progress against those targets or goals, including whether it establishes any interim targets or goals, as proposed? Would the proposed disclosure raise competitive harm concerns? If so, how could we address those concerns while requiring additional information for investors about how a registrant's board oversees the setting of any climate-related targets or goals? ***We would prefer to not disclose if and how the board sets climate-related***

targets or goals, as stated in prior answers, it raises competitive harm concerns. Please refer to our answer to Item 36.

38. Should we require a registrant to describe, as applicable, management's role in assessing and managing climate-related risks, as proposed? Should the required disclosure include whether certain management positions or committees are responsible for assessing and managing climate-related risks and, if so, the identity of such positions or committees, and the relevant expertise of the position holders or members in such detail as necessary to fully describe the nature of the expertise, as proposed? Should we require a registrant to identify the executive officer(s) occupying such position(s)? Or do our current rules, which require a registrant to provide the business experience of its executive officers, elicit adequate disclosure about management's expertise relevant to the oversight of climate-related risks? ***We would prefer to not be required to disclose management's role in assessing and managing climate-related risks overall, including whether there are certain positions or committees responsible for this and any expertise they may have, as well as identifying the executive officers' occupying such positions, as we believe that the SEC's current rules requiring registrants to provide business experience of their executive officers already elicit an adequate disclosure of management's expertise in several areas, including oversight of climate-related risks. Having this additional requirement would only add to the reporting burden.***

39. Should we require a registrant to describe the processes by which the management positions or committees responsible for climate-related risks are informed about and monitor climate-related risks, as proposed? Should we also require a registrant to disclose whether and how frequently such positions or committees report to the board or a committee of the board on climate-related risks, as proposed? ***No, we believe the disclosure of the processes by which management and committees responsible for climate-related risks are informed or monitor them, and the frequency those positions or committees report to the board or its respective committees, should remain voluntary to supplement current corporate governance disclosures when applicable.***

40. Should we specifically require a registrant to disclose any connection between executive remuneration and the achievement of climate-related targets and goals? Is there a need for such a requirement in addition to the executive compensation disclosure required by 17 CFR 229.402(b)? ***We believe that such requirement is unnecessary, as the registrant could implement other measures to motivate progress towards climate-related targets. Furthermore, current rules already provide sufficient discussion and analysis of executive compensation, in which case a registrant could opt whether to disclose any remuneration related to climate-related targets and goals.***

41. As proposed, a registrant may disclose the board's oversight of, and management's role in assessing and managing, climate-related opportunities. Should we require a registrant to disclose these items? ***No, we would prefer for it to remain voluntary should the registrant choose to disclose the board's oversight and management's role in assessing and managing climate-related opportunities. As stated in prior answers, the dubious nature of climate-related opportunities raises several concerns, hence we consider that the disclosure of matters related to climate-related opportunities should not be mandatory.***

RISK MANAGEMENT DISCLOSURE

42. Should we require a registrant to describe its processes for identifying, assessing, and managing climate-related risks, as proposed? ***No, as we believe having to disclose these processes might raise competitive concerns as it would disclose, among other things, how the registrant has identified customer or counterparty preferences, technological changes it might be developing, etc. We believe the current rules that require discussion of risk management suffices already to provide investors granular information regarding climate-related risk management, should the registrant deem it to be both relevant and material to the company.***

43. When describing the processes for identifying and assessing climate-related risks, should we require a registrant to disclose, as applicable, as proposed:

• How the registrant determines the relative significance of climate-related risks compared to other risks? ***No. The disclosure of this information should remain voluntary.***

• How it considers existing or likely regulatory requirements or policies, such as emissions limits, when identifying climate-related risks? ***No. We believe material information on risk factors is already disclosed in accordance with current requirements of annual reports.***

• How it considers shifts in customer or counterparty preferences, technological changes, or changes in market prices in assessing potential transition risks? ***No. We believe the subject of transitional risks to be both irrelevant and burdensome for a registrant, considering the amount of effort to assess risks that are prospective and dubious.***

• How the registrant determines the materiality of climate-related risks, including how it assesses the potential size and scope of an identified climate-related risk? ***No. Due to the dubious nature of climate-related risks, we believe that the assessment of such risks should remain described in general terms.***

Are there other items relevant to a registrant's identification and assessment of climate-related risks that we should require it to disclose instead of or in addition to the proposed disclosure items? ***We believe there to be no additional items relevant to disclose regarding climate-related risks.***

44. When describing the processes for managing climate-related risks, should we require a registrant to disclose, as applicable, as proposed:

• How it decides whether to mitigate, accept, or adapt to a particular risk?

• How it prioritizes climate-related risks?

• How it determines to mitigate a high priority risk?

We believe providing a description of the processes for managing climate-related risks raise concerns, once again, due to their difficulty to accurately identify and mitigate them once determined, and thus could lead to inaccurate disclosure and unwelcomed liability for registrants. Therefore, we believe that the processes for managing climate-related risks should not be required for disclosure.

Are there other items relevant to a registrant's management of climate-related risks that we should require it to disclose instead of or in addition to the proposed disclosure items? ***We believe there to be no additional items relevant to disclose.***

45. Should we require a registrant to disclose whether and how the processes described in response to proposed 17 CFR 229.1503(a) are integrated into the registrant's overall risk management system or

processes, as proposed? Should we specify any particular aspect of this arrangement that a registrant should disclose, such as any interaction between, and corresponding roles of, the board or any management committee responsible for assessing climate-related risks, if there is a separate and distinct committee of the board or management, and the registrant's committee in charge, generally, of risk assessment and management? ***We deem it to be unnecessary to disclose whether and how processes for risk management (Proposed Item 1503) are integrated in the registrant's overall risk management system, including roles of the board, management or committees, given that, as priorly stated, it would be redundant given this type of discussion is already disclosed within annual reports.***

TRANSITION PLAN DISCLOSURE

46. If a registrant has adopted a transition plan, should we require the registrant to describe the plan, including the relevant metrics and targets used to identify and manage physical and transition risks, as proposed? Would this proposed disclosure requirement raise any competitive harm concerns and, if so, how can we mitigate such concerns? Would any of the proposed disclosure requirements for a registrant's transition plan act as a disincentive to the adoption of such a plan by the registrant? ***If a registrant adopts a transition plan, we do not agree with requiring a description of said plan as it could raise competitive concerns against other companies within the industry on how the plan will allow for a competitive advantage within the sustainable aspect of our company. This could lead to a disincentive to adopt any transition plan as it gives away much of the business strategy and outlook to competitors. These concerns could be mitigated by not establishing this as a requirement but rather a voluntary disclosure.***

47. If a registrant has adopted a transition plan, should we require it, when describing the plan, to disclose, as applicable, how the registrant plans to mitigate or adapt to any identified physical risks, including but not limited to those concerning energy, land, or water use and management, as proposed? Are there any other aspects or considerations related to the mitigation or adaption to physical risks that we should specifically require to be disclosed in the description of a registrant's transition plan? ***See answer for Item 46. We believe that the transition plan, if adopted, should not be required to be disclosed. We do not believe that transition plans should be disclosed in abundant detail if at all.***

48. If a registrant has adopted a transition plan, should we require it to disclose, if applicable, how it plans to mitigate or adapt to any identified transition risks, including the following, as proposed:

- Laws, regulations, or policies that:
    - Restrict GHG emissions or products with high GHG footprints, including emissions caps; or
    - Require the protection of high conservation value land or natural assets?
- Imposition of a carbon price?
- Changing demands or preferences of consumers, investors, employees, and business counterparts?

Are there any other transition risks that we should specifically identify for disclosure, if applicable, in the transition plan description? Are there any identified transition risks that we should exclude from the plan description? ***We believe there to be no additional transition risks relevant to disclose, as for any transition risks that should be excluded, we believe that firstly, as previously answered on Item 46, the transition plan should not be disclosed in any manner due to competitive concerns.***

49. If a registrant has adopted a transition plan, when describing the plan, should we permit the registrant also to discuss how it plans to achieve any identified climate-related opportunities, including, as proposed:

- The production of products that facilitate the transition to a lower carbon economy, such as low emission modes of transportation and supporting infrastructure?
- The generation or use of renewable power?
- The production or use of low waste, recycled, or environmentally friendly consumer products that require less carbon intensive production methods?
- The setting of conservation goals and targets that would help reduce GHG emissions?
- The provision of services related to any transition to a lower carbon economy?

Should we require a registrant to discuss how it plans to achieve any of the above, or any other, climate-related opportunities when describing its transition plan? ***We agree, as long as it is permissible yet not a requirement, for the reasons priorly stated, to allow any further description of the transition should the registrant choose to adopt one and disclose it in the manner they seem fit to their interests without compromising competitiveness.***

50. If a registrant has disclosed its transition plan in a Commission filing, should we require it to update its transition plan disclosure each fiscal year by describing the actions taken during the year to achieve the plan's targets or goals, as proposed? Should we require a registrant to provide such an update more frequently, and if so, how frequently? Would the proposed updating requirement act as a disincentive to the adoption of a transition plan by the registrant? ***We believe it would be preferable for registrants to not be required to update their transition plans every fiscal year, let alone in any more frequent manner, as it would bring about more burden for registrants and would hence disincentivize the adoption of any transition plans in the first place.***

51. To the extent that disclosure about a registrant's transition plan constitutes forward-looking information, the PSLRA safe harbors would apply. Should we adopt a separate safe harbor for transition plan disclosure? If so, what disclosures should such a safe harbor cover and what should the conditions be for such a safe harbor? ***See answer for Item 31***.

52. Should we require a registrant to provide contextual information, including a description of significant inputs and assumptions used, and if applicable, policy decisions made by the registrant to calculate the specified metrics, as proposed? Should we revise the proposed requirement to provide contextual information to require specific information instead? We provide some examples of contextual information disclosure in Sections II.F.2 and II.F.3 below. Would providing additional examples or guidance assist registrants in preparing this disclosure? ***Yes, we believe companies should include a general policy to identify and manage climate-related events and transition activities in the "Significant Accounting Policies" section of the Financial Statements ("FFSS"), which would include relevant decisions made to calculate metrics. In addition, in any given period whereas there would be an event or follow up of transition activities, we believe there should be a complementary footnote with the specific metrics and basis for calculation. This would provide more detailed information whenever there is a change or new event but would provide summarized and contextual information in more general terms when there are no new events.***

53. The proposed rules would specify the basis of calculation for the climate-related financial statement metrics. Is it clear how to apply these accounting principles when calculating the proposed climate-related financial statement metrics, or should we provide additional guidance? Should we require a registrant to report these metrics with reference to its consolidated financial statements, as proposed? If not, how should registrants report these metrics? If we were to establish accounting principles (*e.g.*, the basis for reporting these metrics) in a manner that differs from the principles applicable to the rest of the consolidated financial statements, would the application of those principles to the proposed metrics make climate-related disclosures less clear, helpful, or comparable for investors? ***In order to provide consistency among companies, we would recommend including additional guidance and examples, for the clarification of the proposed climate-related FFSS metrics. We consider the metrics could be incorporated by reference to the FFSS as proposed. We believe that calculating the metrics on a basis different from the applicable accounting principles (either for IFRS or US GAAP, as applicable) to the rest of the FFSS, would be extremely expensive and time consuming for entities which may require significant investments in additional financial reporting systems, designing and implementing controls and additional audit processes. Moreover, in our opinion, the benefit to investors of implementing new specific accounting principles as opposed to metrics obtained in reference to the FFSS is marginal, we would expect that current accounting principles would derive higher quality than a completely new developed basis.***

54. Should we also require such metrics to be calculated at a reportable segment level when a registrant has more than one reportable segment (as defined by the FASB ASC Topic 280 Segment Reporting)? In addition, should we require such metrics to be presented by geographic areas that are consistent with the registrant's reporting pursuant to FASB ASC Topic 280-10-50-41? How would investors use such information? ***As discussed above on question 52., in the relevant periods whereas there are events and/or transition activities with impact to the FFSS, disclosure the display by segments or geographic areas should be made in the specific footnote for these purposes without affecting the main disclosure by reporting segments under IFRS. We believe it is highly unlikely in any given period that companies will have climate-related applicable events across all of their reportable segments. Hence, in our view it would make more sense to report new events or transition activities and disclosing the relevant segment or geographic area when they are relevant; other segments or geographic areas may not have relevant information to be added and would only make FFSS increase in length and result in lesser use by investors.***

55. The proposed rules would require disclosure for the registrant's most recently completed fiscal year and for the corresponding historical fiscal years included in the registrant's consolidated financial statements in the filing. Should disclosure of the climate-related financial statement metrics be required for the fiscal years presented in the registrant's financial statements, as proposed? Instead, should we require the financial statement metrics to be calculated only for the most recently completed fiscal year presented in the relevant filing? Would requiring historical disclosure provide important or material information to investors, such as information allowing them to analyze trends? Are there other approaches we should consider? ***Upon implementation of the proposed rules in the first year of effectiveness, due to time constrains and elevated costs, from our point of view, we highly recommend that historical financial statement metrics should be optional for companies to the extent they would be easily available on a best effort basis and not subject to ICFR and/or audit. Our comments consider that the proposed rules represent the application of significant newly developed principles and calculations, which were not in application in those***

comparable periods. Therefore, significant comparable metrics would be developed prospectively after adoption.

56. Should information for all periods in the consolidated financial statements be required for registrants that are filing an initial registration statement or providing climate-related financial statement metrics disclosure for historical periods prior to the effective date or compliance date of the rules? Would the existing accommodation in Rules 409 and 12b-21 be sufficient to address any potential difficulties in providing the proposed disclosures in such situations? 57. Should we provide additional guidance as to when a registrant may exclude a historical metric for a fiscal year preceding the current fiscal year? ***Please refer above to our comments on item 55.***
58. In several instances, the proposed rules specifically point to existing GAAP and, in this release, we provide guidance with respect to the application of existing GAAP. Are there other existing GAAP requirements that we should reference? Are there instances where it would be preferable to require an approach based on TCFD guidance or some other framework, rather than requiring the application of existing GAAP? ***Please refer above to our comments on item 55***

REQUEST FOR COMMENTS TO DISCLOSE FINANCIAL IMPACT METRICS
59. Should we require registrants to disclose the financial impact metrics, as proposed? Would presenting climate-specific financial information on a separate basis based on climate-related events (severe weather events and other natural conditions and identified physical risks) and transition activities (including identified transition risks) elicit decision-useful or material information for investors? Are there different metrics that would result in disclosure of more useful information about the impact of climate-related risks and climate-related opportunities on the registrant's financial performance and position? ***We consider that financial impact metrics in connection with climate-related events and transition activities are useful for investors as prepared in reference to and using the same accounting principles applied to the FFSS, considering the relief for historical information described and proposed above on our comments to item 55. Different metrics can be evaluated after several years of reporting under the proposed rules. We believe that a progressive approach can be taken by evaluating the usefulness of information provided under the proposed disclosure in year 1 and proposing regular modifications if it is made clear that investors would need additional or differently disaggregated data.***

60. Would the impact from climate-related events and transition activities yield decision-useful information for investors? Would the climate-related events (including the examples provided) and transition activities result in impacts that are easier to quantify or disaggregate than climate-related risks more generally? Would a registrant be able to quantify and provide the proposed disclosure when the impact may be the result of a mixture of factors (*e.g.*, a factory shutdown due to an employee strike that occurs simultaneously with a severe weather event)? If there are situations where disaggregation would not be practicable, should we require a registrant to disclose that it was unable to make the required determination and why, or to make a reasonable estimate and provide disclosure about the assumptions and information that resulted in the estimate? ***We consider that climate-related general risks should be disclosed or discussed either in the Integrated Report or Sustainability Report, as applicable, and only climate-related events or transition activities occurred and/or ongoing during the reported periods should be part of disclosure in the FFSS. We assume that any quantification and/or disaggregation will be made in reference to the FFSS regarding the events of the period being reported. When impacts might be the result of a mixture of***

factors that occur simultaneously with a severe weather event and disaggregation is not practicable, companies should be allowed to include the impacts on aggregate basis and disclose that they were unable to make the required determination and provide instead qualitative information of the several factors.

61. Alternatively, should we not require disclosure of the impacts of identified climate-related risks and only require disclosure of impacts from severe weather events and other natural conditions? Should we require a registrant to disclose the impact on its consolidated financial statements of only certain examples of severe weather events and other natural conditions? If so, should we specify which severe weather events and other natural conditions the registrant must include? Would requiring disclosure of the impact of a smaller subset of climate-related risks be easier for a registrant to quantify without sacrificing information that would be material to investors? ***We consider that both, impacts from identified climate-related risks and severe weather events and other natural conditions should be disclosed in the FFSS when applicable, taking into consideration the same materiality guidelines provided by the applicable accounting framework (IFRS or US GAAP) which require the disclosure of significant impacts and provide relief in cases of immaterial events. We consider the proposed rules may provide examples of severe weather events and other natural conditions without making an exhaustive list, as situations will significantly differ among companies and geographies, always referring to material impacts.***

62. Should impact from climate-related opportunities be required, instead of optional, as proposed? We are proposing to require a registrant that elects to disclose the impact of an opportunity to do so consistently (*e.g.,* for each fiscal year presented in the consolidated financial statements, for each financial statement line item, and for all relevant opportunities identified by the registrant). Are there any other requirements that we should include to enhance consistency? Should we only require consistency between the first fiscal period in which opportunities were disclosed and subsequent periods? ***Following the accounting principle whereas costs and provisions should be recognized when they are known, while revenues and assets are recognized only when they are virtually certain, we consider that the disclosure of opportunities not only should not be required but should be restricted to specific virtually certain opportunities to avoid any misleading messages to investors. Moreover, the Company believes that the implementation of internal controls over such potential opportunities would be extremely complex and subjective as would be the related audit procedures by external auditors.***

63. Is it clear which climate-related events would be covered by "severe weather events and other natural conditions"? If not, should we provide additional guidance or examples about what events would be covered? Should we clarify that what is considered "severe weather" in one region may differ from another region? For example, high levels of rainfall may be considered "severe weather" in a typically arid region. ***As mentioned above on item 61., we consider that the proposed rules should provide as many examples and guidance of severe weather and other natural conditions as possible without making an exhaustive list. The Company believes that impacts from severe weather and other natural conditions should be disclosed to the extent they are material under the applicable accounting framework (IFRS or US GAAP) using the same materiality thresholds applied to all relevant items in the FFSS.***

64. Are the proposed requirements for calculating and presenting the financial impact metrics clear? Should the analysis be performed and disclosed in a manner other than on a line-by-line basis referring to the line

items of the registrant's consolidated financial statements? ***We consider that the proposed requirements should focus on disclosing the impacts in those line items having a significant effect on the reported periods. It is not clear if companies would be implicitly stating that there are no financial impacts on other line items if they are not making any disclosure. Perhaps a required Annex to the FFSS for disclosure of financial impacts on items where those effects are material would provide proper clarity as to the extent of the disclosure.***

65. We are proposing to allow a registrant to aggregate the absolute value of negative and positive impacts of all climate-related events and, separately, transition activities on a financial statement line item. Should we instead require separate quantitative disclosure of the impact of each climate-related event or transition activity? Should we require separate disclosure of the impact of climate-related opportunities that a registrant chooses to disclose? ***We consider that aggregating the absolute value of negative and positive impacts does not relate to a net loss position, as will be reported in the FFSS, or aggregate risk situation. If the net impact in the income statement or statement of financial position is not material, it seems counterintuitive that by aggregating absolute values of negative and positive impacts companies will still be required to disclose certain event or transition activity that may be misleading to investors. As commented above on item 62., the Company believes that the disclosure of climate-related opportunities should apply only when they are virtually certain in alignment with the accounting principles for the recognition of assets and revenues. Moreover, we find extremely complex to implement internal controls and audit procedures over such opportunities.***

66. The proposed financial impact metrics would not require disclosure if the absolute value of the total impact is less than one percent of the total line item for the relevant fiscal year. Is the proposed threshold appropriate? Should we use a different percentage threshold (*e.g.*, three percent, five percent) or use a dollar threshold (*e.g.*, less than or greater than $1 million)? Should we use a combination of a percentage threshold and a dollar threshold? Should we only require disclosure when the financial impact exceeds the threshold, as proposed, or should we also require a determination of whether an impact that falls below the proposed quantitative threshold would be material and should be disclosed? ***CEMEX considers that the materiality threshold should be in a range of 5% to 10%, as calculated on a net impact basis of positive and negative effects, not absolute value, specifically over those line items experiencing a significant impact on the reported periods, considering the following: a) Under certain accounting principles such as IFRS 9, the materiality threshold to differentiate a renegotiation of debt from an extinguishment is 10%; and b) It is customary on debt agreements that the materiality threshold to qualify material subsidiaries for purposes of information to the underwriters is 5%. The Company considers there are no grounds in the accounting principles for a materiality threshold of 1%, which will derive in that although the financial metrics will be calculated in reference to the FFSS, as if they were another topic to be disclosed, they will differ from all other metrics included in the FFSS calculated under accounting principles. In other words, we consider materiality should be a judgmental decision made by a registrant, by reference to the quantification of materiality as defined in IFRS or US GAAP, meaning information that could change a decision by an investor. Given the proposed rule's initiative to determine a specific threshold, we would suggest that between 5% and 10% of a particular line item would render a proper result of disclosure but subjecting such number to an overriding test of whether the information would be material to investors (otherwise applying a specific percentage to a line item that has a low amount in a particular period could result in disclosing information that is not material to investors).***

67. For purposes of determining whether the disclosure threshold has been met, should impacts on a line item from climate-related events and transition activities be permitted to offset (netting of positive and negative impacts), instead of aggregating on an absolute value basis as proposed? Should we prescribe how to analyze positive and negative impacts on a line item resulting from the same climate-related event or the same transition activity (*e.g.*, whether or not netting is permitted at an event or activity level)? Should we permit registrants to determine whether or not to offset as a policy decision (netting of the positive and negative impact within an event or activity) and provide relevant contextual information? Should we require the disclosure threshold to be calculated separately for the climate-related events and transition activities, rather than requiring all of the impacts to be aggregated as proposed? ***We consider that offsetting positive and negative impacts is the right way to determine materiality as discussed above on item 66. We agree with the possibility of companies making a policy election and we firmly consider that for purposes of any materiality threshold for climate-related events and transition activities, they should be calculated separately, since it is highly probable that they will not be related, i.e., companies may have an event such as a flooding with no transition activities attached and also a transition activity related to CO2 emissions reduction with no actual event on the reported periods. We consider there are no technical grounds to aggregate both.***

68. Instead of including a quantitative threshold, as proposed, should we require disaggregated disclosure of *any* impact of climate-related risks on a particular line item of the registrant's consolidated financial statements? Alternatively, should we just use a materiality standard? ***We would agree with the notion of not having a quantitative threshold under the proposed rules and instead relate the climate-related disclosures to the materiality definitions set forth by the general accounting framework (IFRS or US GAAP, as applicable), industry and audit practices, as all other topics and captions in the FFSS.***

69. Should we require a registrant to disclose changes to the cost of capital resulting from the climate-related events? If so, should we require a registrant to disclose its weighted average cost of capital or any internal cost of capital metrics? Would such disclosure elicit decision-useful or material information for investors? ***We consider the disclosure of the cost of capital, which represents sensitive information, should not be required by the proposed rules, considering that such requirement would exceed the disclosure rules under accounting principles and S-X rules. The cost of capital is a company specific value, which varies significantly depending on debt weight, size, geography, line of business and type of stockholders, among other factors. It would be extremely complex and subjective to separate or identify the change in the cost of capital from one period to the other for causes attributable to climate-related events or risks. In the side of the debt component, the average cost of debt incorporates all risks perceived by debtholders, including agreements associated to climate-related events or transitions activities that may increase or decrease the cost of debt. Moreover, in the side of the cost of equity, the entity's specific risk premium, which is calculated using level 1 market inputs, includes all risks perceived by the market, including the climate-related risk.***

70. We have not proposed defining the term "upstream costs" as used in the proposed examples for the financial impact metrics and elsewhere. Should we define that term or any others? If so, how should we define them? ***Terms like "upstream costs" could vary very widely in terms of interpretation and could benefit from more specific definition. Particularly, defining to what lengths a registrant should go and***

would be useful in terms of determining which costs should be considered. This would also promote consistency among companies' disclosures.

71. Are the proposed examples in the financial impact metrics helpful for understanding the types of disclosure that would be required? Should we provide different or additional examples or guidance? ***We consider that the proposed rules do not specifically require, other than for the 1% materiality threshold, any ratio, percentage, calculation or similar that could be construed as a metric. We understand that the proposed rules on financial impact metrics in connection with climate-related events and transition activities relate to contextual information, disclosure of impacts, disaggregation of recognized amounts in the FFSS, analysis of line items, etc. We were not able to clearly identify a set of intended financial impact metrics per se under the proposed rules. As a result, we consider there should be additional examples and guidance to clearly understand the financial impact metrics and promote consistency in disclosure among companies.***

REQUEST FOR COMMENTS TO DISCLSOE EXPENDITURE METRICS

72. Should we require registrants to disclose the expenditure metrics, as proposed? Would presenting the expenditure metrics separately in one location provide decision-useful information to investors? Is there a different type of metric that would result in more useful disclosure of the expense or capitalized costs incurred toward climate-related events and transition activities or toward climate-related risks more generally? ***As commented in item 71., above, for the financial impact metrics, we understand the requirements of the proposed rules are geared towards disclosing contextual information, significant climate-related events and disaggregation of recognized amounts in the income statements over the reported periods. We did not find expenditure metrics in the form of a ratio, a percentage or any sort of calculation, aside of the 1% materiality threshold.***

73. Would the disclosure required by the expenditure metrics overlap with the disclosure required by the financial impact metrics? If so, should we require the disclosure to be provided pursuant to only one of these types of metrics? ***It looks like the Financial Impact Metrics relate to the statement of financial position and the Expenditure Metrics relate to the income statement. In that sense we do not consider they overlap.***

74. Should the same climate-related events (including severe weather events and other natural conditions and identified physical risks) and transition activities (including identified transition risks) that we are proposing to use for the financial impact metrics apply to the expenditure metrics, as proposed? Alternatively, should we not require a registrant to disclose expenditure incurred towards identified climate-related risks and only require disclosure of expenditure relating to severe weather events and other natural conditions? Should we require a registrant to disclose the expenditure incurred toward only certain examples of severe weather events and other natural conditions? If so, should we specify which severe weather events and other natural conditions the registrant must include? Would requiring disclosure of the expenditure relating to a smaller subset of climate-related risks be easier for a registrant to quantify without sacrificing information that would be material to investors? ***We consider that the same reported events and transition activities covered in the financial impact metrics should be considered for the expenditure metrics. It is expected that most of the events affecting the financial impact metrics would also have an impact in the expenditure metrics. We believe expenditure metrics should apply only to significant items***

as defined under the accounting principles and current industry and audit practices, i.e. between 5% and 10% of the specific line item. There should not be an exhaustive list of events but several examples. We consider that nonsignificant effects should not be disclosed in any case because they are not material to investors and would only increase the volume of information in the financial statements, which is also a form of misleading.

75. Should the proposed rules instead require a registrant to disclose the aggregate amounts of expensed and capitalized costs incurred toward *any* climate-related risks? Should expenditures incurred towards climate-related opportunities be optional based on a registrant's election to disclose such opportunities, as proposed? ***We consider that the proposed rules should focus only on the disclosure of significant effects related to climate-related events occurred during the reported periods, as well as significant ongoing transition activities. It will become harder each time to clearly separate the effects associated to transition activities from activities performed by entities as part of the normal evolution of business, such as the required replacement of fossil fuels for clean energies. Such replacement will become the "new normal," so, when they are no longer transition activities or climate-related risks? We are not in favor of the reporting of opportunities in the financial statements and we believe they should relate only to the Integrated Report or Sustainability Report.***

76. Should we apply the same disclosure threshold to the expenditure metrics and the financial impact metrics? Is the proposed threshold for expenditure metrics appropriate? Should we use a different percentage threshold (*e.g.*, three percent, five percent) or use a dollar threshold (*e.g.*, less than or greater than $1 million)? Should we use a combination of a percentage threshold and a dollar threshold? Should we only require disclosure when the amount of climate-related expenditure exceeds the threshold, as proposed, or should we also require a determination of whether an amount of expenditure that falls below the proposed quantitative threshold would be material and should be disclosed? Should we require separate aggregation of the amount of expense and capitalized costs for purposes of the threshold, as proposed? Should we require separate aggregation of expenditure relating to the climate-related events and transition activities, as proposed? ***We consider that the proposed 1% threshold is too low and not appropriate as it was mentioned on item 66. Disclosure should apply only to significant events according to the accounting principles framework, industry and audit practices. Another approach will aggregate unnecessary volume of immaterial items to the financial statements, generating unnecessary additional information to investors.***

77. Instead of including a quantitative threshold, as proposed, should we require disaggregated disclosure of *any* amount of expense and capitalized costs incurred toward the climate-related events and transition activities, during the periods presented? Alternatively, should we just use a materiality standard? ***We consider there is no added value to investors from companies reporting any amount of expense and capitalized costs. Companies should focus on material items. We believe there is no need for a materiality standard but to apply the current definitions of materiality for disclosure used for the rest of the Financial Statements' line-items. We would also welcome an overriding concept of materiality in the context of the financial statements whereby an amount that may seem small should be disclosed because of qualitative factors.***

78. Are the proposed requirements for calculating and presenting the expenditure metrics clear? Should the analysis be performed and disclosed in a different manner, other than separately based on capitalized costs and amount of expenditure expensed and separately based on the climate-related events and transition activities? Should disclosure of expenditure incurred be required for both the amount of capitalized costs and the amount of expenditure expensed if only one of the two types of expenditure meets the disclosure threshold? Should we require separate disclosure of expenditure incurred toward each climate-related event and transition activity? ***We commented before that there are no specific calculations, other than the 1% threshold, prescribed by the Proposed Rules either for financial impact metrics or expenditure metrics. We understand the rules as the requirement to disclose or disaggregate expenses recognized during the reported periods in P&L and capitalized costs in the statement of financial position in connection with climate-related events and transition activities. As mentioned above, we consider disclosure should focus on material items. Accordingly, we do not see the need for the disclosure of each climate-related event and transition activity separately.***

79. The proposed rule does not specifically address expensed or capitalized costs that are *partially* incurred towards the climate-related events and transition activities (*e.g.,* the expenditure relates to research and development expenses that are meant to address both the risks associated with the climate-related events and other risks). Should we prescribe a particular approach to disclosure in such situations? Should we require a registrant to provide a reasonable estimate of the amount of expense or capitalized costs incurred toward the climate-related events and transition activities and to provide disclosure about the assumptions and information that resulted in the estimate? ***We consider that companies should disclose any transition activity associated with significant climate-related events occurred during the reported periods. However, in any case, expenditure incurred or capitalized during the reported periods should be attributed to the climate-related event and only future committed amounts should be considered as part of transition activities. We believe companies should have relief from the burden of making such complex and subjective differentiations between climate-related event and transition activity occurring simultaneously during the reported periods which do not affect the amounts recognized in the FFSS and, to the extent the event has been clearly disclosed, it does also not affect investors.***

80. Are the proposed terms and examples used in the expenditure metrics helpful for understanding the types of disclosures that would be required? Should we provide different or additional examples? ***Additional examples are always welcomed.***

REQUEST FOR COMMENT FINANCIAL ESTIMATES AND ASSUMPTIONS

81. Should we require disclosure of financial estimates and assumptions impacted by the climate-related events and transition activities (including disclosed targets), as proposed? How would investors use this information? ***Yes, subject to materiality as discussed in item 82 below, we consider entities should disclose contextual or qualitative information regarding estimates and assumptions being affected by climate-related events and transition activities during the reported periods to the extent practicable. It is hard to tell how investors could be able to process all these new requirements but, to a certain degree, investors could use such disclosure of estimates and assumptions being utilized to do some sensibility analysis of related risks.***

82. Should we instead require disclosure of only significant or material estimates and assumptions that were impacted by the climate-related events and transition activities? Alternatively, should we require disclosure of only estimates and assumptions that were materially impacted by the climate-related events and transition activities? ***Yes, as proposed, we consider that such disclosure should be presented only for material estimates and assumptions that were used in the calculation of materially impacted accounts in the periods presented by the climate-related events and transition activities, which would provide investors a better picture of the associated risks without increasing the length of the FFSS with immaterial information.***

83. Should we instead require disclosure of financial estimates and assumptions impacts by a subset of climate-related events and transition activities, such as not requiring disclosure related to identified climate-related risks or only requiring disclosure with respect to a subset of severe weather events and natural conditions? If so, how should the subset be defined? ***We do not consider that the disclosure by subset of climate-related events and transition activities, would be any useful for investors and would only increase the length of the FFSS. Furthermore, these subset activities when compared to materiality individually would be lower and therefore less relevant for investors.***

84. Should we instead utilize terminology and thresholds consistent with the critical accounting estimate disclosure requirement in 17 CFR 229.303(b)(3), such as "estimates made in accordance with generally accepted accounting principles that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the financial condition or results of operations of the registrant"? If so, should we only require disclosures of whether and how the climate-related events and transition activities impacted such critical accounting estimates? Should we require only a qualitative description of how the estimates and assumptions were impacted by the climate-related events and transition activities, as proposed? Should we require quantitative disclosures as well? If so, should we require such disclosure only if practicable or subject to another qualifier? ***Yes, we agree to the use of terminology and thresholds consistent with the critical accounting estimate disclosure requirement under accounting principles. Referring, as proposed, to contextual and qualitative information of how the significant estimates and assumptions were impacted by material climate-related events and transition activities. We further consider the quantitative disclosures would be incorporated by entities when applicable for climate-related events occurred or transition activities ongoing during the reported periods.***

85. Should the disclosure of financial estimates and assumptions impacted by climate-related opportunities be optional, as proposed? ***As mentioned above on item 84, we consider that the disclosure of climate-related opportunities and their impact, to a practicable extent, on financial estimates and assumptions should be optional or even restricted to cases where such information is considered material to investors on a qualitative basis.***

86. For the proposed financial statement metrics, should we require a registrant to disclose material changes in estimates, assumptions, or methodology among fiscal years and the reasons for those changes? If so, should we require the material changes disclosure to occur on a quarterly, or some other, basis? Should we require disclosure beyond a discussion of the material changes in assumptions or methodology and the reasons for those changes? Do existing required disclosures already elicit such information? What other

approaches should we consider? ***As mentioned in item 84, above, we consider the quantitative disclosures referring to material changes in estimates and assumptions or methodology among fiscal years would be incorporated by entities when applicable for climate-related events occurred or transition activities ongoing during the reported periods, as with any other significant item of the FFSS. This means that disclosure is provided when there are material impacts on the reported amounts in the financial statements only. We consider the requirements should be mandatory for annual periods and required, when material, for quarterly periods.***

REQUEST FOR COMMENTS INCLUSION OF CLIMATE-RELATED METRICS IN THE FINANCIAL STATEMENTS.

87. We are proposing to require the financial statement metrics to be disclosed in a note to the registrant's audited financial statements. Should we require or permit the proposed financial statement metrics to be disclosed in a schedule to the financial statements? If so, should the metrics be disclosed in a schedule to the financial statements, similar to the schedules required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas-producing activities? If so, should such supplemental schedule be subject to assurance or ICFR requirements? ***Yes, we consider that an annex or schedule to the FFSS would be a preferable approach to disclose the financial statement metrics since investors would have an specific place to look for the significant information. To the extent the information is related in its entirety to the FFSS, we consider the information could be subject to audit and ICFR requirements. There could be a section in the annex or schedule that details which information relates to the specific reporting period and a different section that relates to other information that did not affect the current period financial statements. We would suggest that only the former would be subject to audit and ICFR requirements.***

88. Instead of requiring the financial statement metrics to be disclosed in a note to the registrant's audited financial statements, should we require a new financial statement for such metrics? For example, should a "consolidated climate statement" be created in addition to the consolidated balance sheets, statements of comprehensive income, cash flows, and other traditional financial statements? Would including the proposed metrics in a new financial statement provide more clarity to investors given that the metrics are intended to follow the structure of the existing financial statements (including the line items)? What complications or unintended consequences may arise in practice if such a climate statement is created? ***Considering the significant differences among companies in respect to the contextual and qualitative information and the nature, type and effects of significant climate-related events occurring and transition activities ongoing during the reported periods, we are not sure to which extent whether a new financial statement can be created or such financial would be of use for investors. We believe any such new statement should be subject to the appropriate due process by the IASB or FASB, as applicable. Nonetheless, we consider there is no need for an additional consolidated climate statement and that any significant climate-related events occurring and transition activities ongoing during the reported periods can be dealt with in the footnotes to the financial statements or in a schedule as commented above on item 87.***

89. Should we require the disclosure to be provided outside of the financial statements? Should we require all of the disclosure to be provided in the proposed separately captioned item in the specified forms? ***We consider that any significant financial impacts associated to climate-related events and transition activities should be disclosed under applicable accounting principles in reference to the FFSS, similar to any other items of such FFSS. In the case of very specific new information not covered by the applicable accounting principles, alternatively, the annex or schedule to the FFSS is a preferable option to a new financial statement.***

90. Should we require any additional metrics or disclosure to be included in the financial statements and subject to the auditing and ICFR requirements as described above? For example, should any of the disclosures we are proposing to require outside of the financial statements (such as GHG emissions metrics) be included in the financial statements? If so, should such metrics be disclosed in a note or a schedule to the financial statements? If in a schedule, should such schedule be similar to the schedules required under Article 12 of Regulation S-X and subject to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information in a supplemental schedule? If so, should such supplemental schedule be subject to assurance or ICFR requirements? ***We consider the inclusion of non-financial information, such as GHG emission metrics should not be part of the financial statements and instead, should be part of the Integrated Report or Sustainability Report where they may or may not be subject to proper assurance requirements. We do not see how ICFR requirements can be applied literally to information not related to the FFSS as determined under applicable accounting principles. This is why we would propose that information that directly affected the current year reported amounts in the financial statements should be disclosed separately from other information that is more forward-looking or has not affected the financial statement amounts in the reported periods.***

91. Under the proposed rules, PCAOB auditing standards would be applicable to the financial statement metrics that are included in the audited financial statements, consistent with the rest of the audited financial statements. What, if any, additional guidance or revisions to such standards would be needed in order to apply PCAOB auditing standards to the proposed financial statement metrics? For example, would guidance on how to apply existing requirements, such as materiality, risk assessment, or reporting, be needed? Would revisions to the auditing standards be necessary? What additional guidance or revisions would be helpful to auditors, preparers, audit committee members, investors, and other relevant participants in the audit and financial reporting process? ***We consider that the current PCAOB auditing standards would be readily applicable to the financial statement metrics to the extent they are related to the FFSS as determined under the applicable accounting principles. Non-financial information, such as GHG emission metrics, should be subject to other requirements that may need to be developed or adopted from current reporting practices under TCFD guidance. PCAOB auditing standards already include guidance on the use of external experts which are likely to be used in developing metrics such as GHG emissions. There are however new terms incorporated in the proposal, such as limited assurance and reasonable assurance and it would be advisable to provide guidance on the application of such terms and expectations of the PCAOB in relation to audit practices by external auditors.***

92. Would it be clear that the climate-related financial statement metrics would be included in the scope of the audit when the registrant files financial statements prepared in accordance with IFRS as issued by the IASB? Would it be clear that the proposed rules would not alter the basis of presentation of the financial

statements as referred to in an auditor's report? Should we amend Form 20-F, other forms, or our rules to clarify the scope of the audit or the basis of presentation in this context? For example, should we amend Form 20-F to state specifically that the scope of the audit must include any notes prepared pursuant to Article 14 of Regulation S-X? What are the costs for accounting firms to provide assurance with respect to the financial statement metrics? Would those costs decrease over time? ***Audit firms, from time to time, already are requested to perform assurance over sustainability reports, which now would be converted to either a limited assurance or reasonable assurance level. However, we do not believe that the Form 20-F should be amended to clarify this type of new service as it would be clear that any information included in financial statements would need to be subject to audit and ICFR, whereas other information outside of financial statements would need to be clearly identified as having been subject to any type of assurance. We understand that audit firms are determining the type of specialists needed to validate the new disclosures and metrics. The specialists required to have specialized skills and knowledge are more expensive, and for sure will increase the costs of audit for companies. We believe that these incremental costs would remain and stabilize over time as practice becomes more routine, regulations are digested by audit firms and the disclosure of these metrics becomes commonplace practice.***

93. How would investors use GHG emissions disclosures to inform their investment and voting decisions? How would such disclosures provide insight into a registrant's financial condition, changes in financial condition, and results of operations? How would such disclosures help investors evaluate an issuer's climate risk-related exposure? Would such disclosures enable investors to better assess physical risks associated with climate-related events, transition risks, or both types of risks? ***The disclosure of GHG emissions could aid investors in comparing performance among companies in such matter.***

94. Should we require a registrant to disclose its GHG emissions both in the aggregate, per scope, and on a disaggregated basis for each type of greenhouse gas that is included in the Commission's proposed definition of "greenhouse gases," as proposed? Should we instead require that a registrant disclose on a disaggregated basis only certain greenhouse gases, such as methane (CH4) or hydrofluorocarbons (HFCs), or only those greenhouse gases that are the most significant to the registrant? Should we require disaggregated disclosure of one or more constituent greenhouse gases only if a registrant is obligated to separately report the individual gases pursuant to another reporting regime, such as the EPA's greenhouse gas reporting regime or any foreign reporting regime? If so, should we specify the reporting regime that would trigger this disclosure? ***We believe that the disclosure of registrants' GHG emissions should not have a required basis per each type of GHG, but rather, should depend on the industry the registrant is a part of. In the same way, we believe that registrants should not be required to disclose GHG emissions on a disaggregated basis as each industry may have specific tendencies to be considered. Also, the reporting regime that would trigger the disclosure of one or more constituent greenhouse gases should be specified.***

95. We have proposed defining "greenhouse gases" as a list of specific gases that aligns with the GHG Protocol and the list used by the EPA and other organizations. Should other gases be included in the definition? Should we expand the definition to include any other gases to the extent scientific data establishes a similar impact on climate change with reasonable certainty? Should we require a different standard to be met for other greenhouse gases to be included in the definition?

For comparability among registrants, we believe that all requirements regarding the disclosure of greenhouse gases emissions should be aligned with the GHG Protocol. Additionally, we believe that different standards that depend on the registrant's industry should be considered for the disclosure of greenhouse gases.

96. Should we require a registrant to express its emissions data in CO2e, as proposed? If not, is there another common unit of measurement that we should use? Is it important to designate a common unit of measurement for GHG emissions data, as proposed, or should we permit registrants to select and disclose their own unit of measurement?

We believe that all registrants should report their emissions data in CO2e as per the GHG protocol for it to be comparable among companies of an industry.

97. Should we require a registrant to disclose its total Scope 1 emissions and total Scope 2 emissions separately for its most recently completed fiscal year, as proposed? Are there other approaches that we should consider?

For comparability among registrants, and in line with international standards, Scope 1 and Scope 2 emissions should be reported as of the most recently completed fiscal year.

98. Should we require a registrant to disclose its Scope 3 emissions for the fiscal year if material, as proposed? Should we instead require the disclosure of Scope 3 emissions for all registrants, regardless of materiality? Should we use a quantitative threshold, such as a percentage of total GHG emissions (*e.g.*, 25%, 40%, 50%) to require the disclosure of Scope 3 emissions? If so, is there any data supporting the use of a particular percentage threshold? Should we require registrants in particular industries, for which Scope 3 emissions are a high percentage of total GHG emissions, to disclose Scope 3 emissions? As proposed,

The disclosure of Scope 3 emissions should remain voluntary due to the complexity that having this data entails.

99. Should we require a registrant that has made a GHG emissions reduction commitment that includes Scope 3 emissions to disclose its Scope 3 emissions, as proposed? Should we instead require registrants that have made any GHG emissions reduction commitments, even if those commitments do not extend to Scope 3, to disclose their Scope 3 emissions? Should we only require Scope 3 emissions disclosure if a registrant has made a GHG emissions reduction commitment that includes Scope 3 emissions? ***Registrants should be encouraged but not required to disclose their public reduction targets including those related to Scope 3 emissions.***

100. Should Scope 3 emissions disclosure be voluntary? Should we require Scope 3 emissions disclosure in stages, *e.g.*, requiring qualitative disclosure of a registrant's significant categories of upstream and downstream activities that generate Scope 3 emissions upon effectiveness of the proposed rules, and requiring quantitative disclosure of a registrant's Scope 3 emissions at a later date? If so, when should we require quantitative disclosure of a registrant's Scope 3 emissions?

We believe that Scope 3 reporting should be voluntary as proposed, and if applicable SBTi standards should be applied for reporting Scope 1, 2, and 3. We also believe that the disclosure of Scope 3 emissions should remain voluntary. If required, then Scope 3 emissions should be disclosed near 2030.

101. Should we require a registrant to exclude any use of purchased or generated offsets when disclosing its Scope 1, Scope 2, and Scope 3 emissions, as proposed? Should we require a registrant to disclose both a total amount with, and a total amount without, the use of offsets for each scope of emissions?
As applicable, we believe that in line with SBTi requirements and GHG Protocol, offsets should not be considered as emissions reduction.

102. Should we require a registrant to disclose its Scope 3 emissions for each separate significant category of upstream and downstream emissions as well as a total amount of Scope 3 emissions for the fiscal year, as proposed? Should we only require the disclosure of the total amount of Scope 3 emissions for the fiscal year? Should we require the separate disclosure of Scope 3 emissions only for certain categories of emissions and, if so, for which categories?
We believe that GHG protocol guidelines and industry standards should be followed and if a registrant is answering the Carbon Disclosure Project CDP, the questionnaire should be used as a valid source of disclosure for this requirement.

103. Should the proposed rules include a different standard for requiring identification of the categories of upstream and downstream emissions, such as if those categories of emissions are significant to total GHG emissions or total Scope 3 emissions? Are there any other categories of, or ways to categorize, upstream or downstream emissions that a registrant should consider as a source of Scope 3 emissions? For example, should we require a registrant to disclose Scope 3 emissions only for categories of upstream or downstream activities over which it has influence or indirect control, or for which it can quantify emissions with reasonable reliability? Are there any proposed categories of upstream or downstream emissions that we should exclude as sources of Scope 3 emissions?
The GHG Protocol already includes recommendations for reporting Scope 3 emissions as well as categorization recommendations so we believe that this protocol should be used a reference guideline.

104. Should we, as proposed, allow a registrant to provide their own categories of upstream or downstream activities? Are there additional categories, other than the examples we have identified, that may be significant to a registrant’s Scope 3 emissions and that should be listed in the proposed rule? Are there any categories that we should preclude, *e.g.*, because of lack of accepted methodologies or availability of data? Would it be useful to allow registrants to add categories that are particularly significant to them or their industry, such as Scope 3 emissions from land use change, which is not currently included in the Greenhouse Gas Protocol’s Scope 3 categories? Should we specifically add an upstream emissions disclosure category for land use?
For data to be comparable, companies should follow GHG protocol and industry standards regarding upstream and downstream activities.

105. Should we require the calculation of a registrant’s Scope 1, Scope 2, and/or Scope 3 emissions to be as of its fiscal year end, as proposed? Should we instead allow a registrant to provide its GHG emissions disclosures according to a different timeline than the timeline for its Exchange Act annual report? If so, what should that timeline be? For example, should we allow a registrant to calculate its Scope 1, Scope 2, and/or Scope 3 emissions for a 12-month period ending on the latest practicable date in its fiscal year that is no earlier than three months or, alternatively, six months prior to the end of its fiscal year? Would allowing for an earlier calculation date alleviate burdens on a registrant without compromising the value of

the disclosure? Should we allow such an earlier calculation date only for a registrant's Scope 3 emissions? Would the fiscal year end calculations required for a registrant to determine if Scope 3 emissions are material eliminate the benefits of an earlier calculation date? Should we instead require a registrant to provide its GHG emissions disclosures for its most recently completed fiscal year one, two, or three months after the due date for its Exchange Act annual report in an amendment to that report?
For information to be comparable among registrants, the disclosure of Scope 1 and Scope 2 emissions should be as of the registrant's fiscal year end and should be in line with the GHG Protocol and industry standards. We suggest that the disclosure of Scope 3 emissions shall remain completely voluntary to registrants.

106. Should we require a registrant that is required to disclose its Scope 3 emissions to describe the data sources used to calculate the Scope 3 emissions, as proposed? Should we require the proposed description to include the use of: (i) emissions reported by parties in the registrant's value chain, and whether such reports were verified or unverified ***No***; (ii) data concerning specific activities, as reported by parties in the registrant's value chain ***No***; and (iii) data derived from economic studies, published databases, government statistics, industry associations, or other third-party sources outside of a registrant's value chain, including industry averages of emissions, activities, or economic data, as proposed? ***No*** Are there other sources of data for Scope 3 emissions the use of which we should specifically require to be disclosed? For purposes of our disclosure requirement, should we exclude or prohibit the use of any of the proposed specified data sources when calculating Scope 3 emissions and, if so, which ones?
We believe that GHG Protocol guidelines and industry standards should be followed and if a registrant is answering a Carbon Disclosure Project, the questionnaire should be used as a valid source of disclosure for this requirement.

107. Should we require a registrant to provide location data for its disclosed sources of Scope 1, Scope 2, and Scope 3 emissions if feasible? No, specific location data could be used as competitive advantage for several industries. If so, should the feasibility of providing location data depend on whether it is known or reasonably available pursuant to the Commission's existing rules (Securities Act Rule 409 and Exchange Act Rule 12b-21)? Would requiring location data, to the extent feasible, assist investors in understanding climate-related risks, and in particular, likely physical risks, associated with a registrant's emissions' sources? Would a requirement to disclose such location data be duplicative of any of the other disclosure requirements that we are proposing?
We believe that registrants should not be required to provide location data for its disclosed sources of Scope 1, 2, and 3 emissions as it may result in competitive issues.

108. If we require a registrant to provide location data for its GHG emissions, how should that data be presented? Should the emissions data be grouped by zip code separately for each scope? Should the disclosure be presented in a cartographic data display, such as what is commonly known as a "heat map"? If we require a registrant to provide location data for its GHG emissions, should we also require additional disclosure about the source of the emissions?
We believe that registrants should not be required to provide location data for its disclosed sources of Scope 1, 2, and 3 emissions as it may result in competitive issues.

109. Should we require a registrant to disclose the intensity of its GHG emissions for the fiscal year, with separate calculations for (i) the sum of Scope 1 and Scope 2 emissions and, if applicable (ii) its Scope 3 emissions (separately from Scopes 1 and 2), as proposed? Should we define GHG intensity, as proposed? Is there a different definition we should use for this purpose?
We believe that registrants voluntarily disclose the intensity of its GHG emissions for the fiscal year in the proposed format.

110. Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of total revenue, as proposed? Should we require a different financial measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per unit of total assets?
For information to be comparable among registrants and in line with international reporting directives, GHG intensity should be encouraged to be expressed as proposed in units (metric tons of CO2e per unit of total revenue) but not required, as it may not be applicable for all industries.

111. Should we require the disclosed GHG intensity to be expressed in terms of metric tons of CO2e per unit of production, as proposed? Would such a requirement facilitate the comparability of the disclosure? Should we require a different economic output measure of GHG intensity and, if so, which measure? For example, should GHG intensity be expressed in terms of metric tons of CO2e per number of employees? Should we require the GHG intensity to be expressed per unit of production relevant to the registrant's business (rather than its industry)? Is further guidance needed on how to comply with the proposed requirement? Would requiring GHG intensity to be expressed in terms of metrics tons of CO2e per unit of production require disclosure of commercially sensitive or competitively harmful information? ***For information to be comparable among registrants and in line with international reporting directives and industry standards, GHG intensity should be encouraged (not required) to be expressed as best for each industry (ex. In terms of unit of production relevant to the registrant's business). It's important to note that requiring disclosure per unit of production may translate to commercially sensitive or competitively harmful information.***

112. Should we require a registrant with no revenue or unit of production for a fiscal year to disclose its GHG intensity based on, respectively, another financial measure or measure of economic output, as proposed? Should we require such a registrant to use a particular financial measure, such as total assets, or a particular measure of economic output, such as total number of employees? For registrants who may have minimal revenue, would the proposed calculation result in intensity disclosure that is confusing or not material? Should additional guidance be provided with respect to such instances? ***No comment.***

113. Should we permit a registrant to disclose other measures of GHG intensity, in addition to the required measures, as long as the registrant explains why it uses the particular measure of GHG intensity and discloses the corresponding calculation methodology used, as proposed? ***For information to be comparable among registrants, it should be in line with international reporting directives and industry***

standards. GHG intensity should be encouraged to be expressed as proposed in units (metric tons of CO2e per unit of total revenue) but not required as it may not be applicable for all industries.

114. Should we require GHG emissions disclosure for the registrant's most recently completed fiscal year and for the appropriate, corresponding historical fiscal years included in the registrant's consolidated financial statements in the filing, to the extent such historical GHG emissions data is reasonably available, as proposed? Should we instead only require GHG emissions metrics for the most recently completed fiscal year presented in the relevant filing? Would requiring historical GHG emissions metrics provide important or material information to investors, such as information allowing them to analyze trends? ***We believe that registrants should not be required to include historical GHG emissions data, but rather, GHG emissions should be reported starting the Proposed Rules' first fiscal year for disclosure. Also, GHG emissions metrics published should go in line with the most recent completed fiscal year.***

115. Should we require a registrant to disclose the methodology, significant inputs, and significant assumptions used to calculate its GHG emissions metrics, as proposed? Should we require a registrant to use a particular methodology for determining its GHG emission metrics?
We believe that each registrant should follow their applicable industry standard for calculating their GHG emissions.

116. Should we require a registrant to disclose the organizational boundaries used to calculate its GHG emissions, as proposed? Should we require a registrant to determine its organizational boundaries using the same scope of entities, operations, assets, and other holdings within its business organization as that used in its consolidated financial statements, as proposed? Would prescribing this method of determining organizational boundaries avoid potential investor confusion about the reporting scope used in determining a registrant's GHG emissions and the reporting scope used for the financial statement metrics, which are included in the financial statements? Would prescribing this method of determining organizational boundaries result in more robust guidance for registrants and enhanced comparability for investors? If, as proposed, the organizational boundaries must be consistent with the scope of the registrant's consolidated financial statements, would requiring separate disclosure of the organizational boundaries be redundant or otherwise unnecessary? ***We believe that each registrant should follow their applicable industry standard for calculating their GHG emissions and use the GHG protocol for reporting their emissions***

117. Except for calculating Scope 3 emissions, the proposed rules would not require a registrant to disclose the emissions from investments that are not consolidated, proportionately consolidated, or that do not qualify for the equity method of accounting. Should we require such disclosures for Scopes 1 and 2 emissions, and if so, how?
No, such disclosures should not be required. As a general rule, we believe that each registrant should follow the GHG Protocol for disclosing their Scope 1, 2, and 3 emissions.

118. Could situations arise where it is impracticable for a registrant to align the scope of its organizational boundaries for GHG emission data with the scope of the consolidation for the rest of its financial statements? If so, should we allow a registrant to take a different approach to determining the organizational

boundaries of its GHG emissions and provide related disclosure, including an estimation of the resulting difference in emissions disclosure (in addition to disclosure about methodology and other matters that would be required by the proposed GHG emissions disclosure rules)?

119. Alternatively, should we require registrants to use the organizational boundary approaches recommended by the GHG Protocol (*e.g.*, financial control, operational control, or equity share)? Do those approaches provide a clear enough framework for complying with the proposed rules? Would such an approach cause confusion when analyzing information in the context of the consolidated financial statements or diminish comparability? If we permit a registrant to choose one of the three organizational boundary approaches recommended by the GHG Protocol, should we require a reconciliation with the scope of the rest of the registrant's financial reporting to make the disclosure more comparable? ***We believe that GHG Protocol boundaries are already functional and clear enough. Hence, such guidelines should be followed to improve the comparability of information between registrants.***

120. Should we require a registrant to disclose its operational boundaries, as proposed? Should we require a registrant to discuss its approach towards the categorization of emissions (*e.g.*, as direct or indirect emissions) and emissions sources (*e.g.*, stationary or mobile) when describing its operational boundaries, as proposed?
Disclosing these operational boundaries should not be required, but rather, requirements on GHG emissions should follow GHG Protocol recommendations.

121. The proposed operational boundaries disclosure is based largely on concepts developed by the GHG Protocol. Would requiring a registrant to determine its organizational boundaries pursuant to the GAAP applicable to the financial statement metrics included in the financial statements but its operational boundaries largely pursuant to concepts developed by the GHG Protocol cause confusion? Should we require a registrant to apply the GAAP applicable to its financial statements when determining whether it "controls" a particular source pursuant to the definition of Scope 1 emissions, or particular operations pursuant to the definition of Scope 2 emissions, as proposed? If not, how should "control" be determined and would applying a definition of control that differs from applicable GAAP result in confusion for investors?

122. Should we require a registrant to use the same organizational boundaries when calculating its Scopes 1 and 2 emissions, as proposed? Are there any circumstances when a registrant's organizational boundaries for determining its Scope 2 emissions should differ from those required for determining its Scope 1 emissions? Should we also require a registrant to apply the same organizational boundaries used when determining its Scopes 1 and 2 emissions as an initial step in identifying the sources of indirect emissions from activities in its value chain over which it lacks ownership and control and which must be included in the calculation of its Scope 3 emissions, as proposed? Are there any circumstances where using a different organizational boundary for purposes of Scope 3 emissions disclosure would be appropriate?
We believe that each registrant should follow the GHG protocol for disclosing their Scope 1, 2, and 3 emissions.

123. Should we require a registrant to be consistent in its use of its organizational and operational boundaries once it has set those boundaries, as proposed? Would the proposed requirement help investors to track and compare the registrant's GHG emissions over time? ***Yes, setting operational boundaries makes data comparable, it would help investors track and compare data over time. We believe that each registrant should follow the GHG Protocol for disclosing their Scope 1, 2, and 3 emissions***.

124. Should we require a registrant to disclose the methodology for calculating the GHG emissions, including any emission factors used and the source of the emission factors, as proposed? Should we require a registrant to use a particular set of emission factors, such as those provided by the EPA or the GHG Protocol?
We believe that each registrant should follow the GHG protocol for disclosing their Scope 1, 2, and 3 emissions.

125. Should we permit a registrant to use reasonable estimates when disclosing its GHG emissions as long as it also describes the assumptions underlying, and its reasons for using, the estimates, as proposed? Should we permit the use of estimates for only certain GHG emissions, such as Scope 3 emissions? Should we permit a registrant to use a reasonable estimate of its GHG emissions for its fourth fiscal quarter if no actual reported data is reasonably available, together with actual, determined GHG emissions data for its first three fiscal quarters when disclosing its GHG emissions for its most recently completed fiscal year, as long as the registrant promptly discloses in a subsequent filing any material difference between the estimate used and the actual, determined GHG emissions data for the fourth fiscal quarter, as proposed? If so, should we require a registrant to report any such material difference in its next Form 10-Q if domestic, or in a Form 6-K, if a foreign private issuer? Should we permit a domestic registrant to report any such material difference in a Form 8-K if such form is filed (rather than furnished) with the Commission? Should any such reasonable estimate be subject to conditions to help ensure accuracy and comparability? If so, what conditions should apply? ***Registrants should be permitted to use reasonable estimates when disclosing their GHG emissions, as this will encourage disclosure and improve data reliability in future scenarios; these estimates should specially be allowed for Scope 3 emissions. In case there is a material difference of the data in between reporting periods, we agree that said difference should be disclosed in the registrant's report form of preference.***

126. Should we require a registrant to disclose, to the extent material, any use of third-party data when calculating its GHG emissions, regardless of the particular scope of emissions, as proposed? Should we require the disclosure of the use of third-party data only for certain GHG emissions, such as Scope 3 emissions? Should we require the disclosure of the use of third- party data for Scope 3 emissions, regardless of its materiality to the determination of those emissions? If a registrant discloses the use of third-party data, should it also be required to identify the source of such data and the process the registrant undertook to obtain and assess the data, as proposed? ***We believe that registrants should be encouraged to follow the GHG Protocol and should not be required to disclose any use of 3rd party data when calculating Scope 3 emissions, because presenting information in accordance with well-recognized and well-known organizations such as the Carbon Disclosure Project should provide reliable and enough information to investors.***

127. Should we require a registrant to disclose any material change to the methodology or assumptions underlying its GHG emissions disclosure from the previous year, as proposed? If so, should we require a registrant to restate its GHG emissions data for the previous year, or for the number of years for which GHG emissions data has been provided in the filing, using the changed methodology or assumptions? If a registrant's organizational or operational boundaries, in addition to methodology or assumptions, change, to what extent should we require such disclosures of the material change, restatements or reconciliations? In these cases, should we require a registrant to apply certain accounting standards or principles, such as FASB ASC Topic 250, as guidance regarding when retrospective disclosure should be required?
We believe that registrants should be encouraged but not required to disclose any material change to the methodology or assumptions underlying its GHG emissions, following the GHG Protocol standards.

128. Should we require a registrant to disclose, to the extent material, any gaps in the data required to calculate its GHG emissions, as proposed? Should we require the disclosure of data gaps only for certain GHG emissions, such as Scope 3 emissions? If a registrant discloses any data gaps encountered when calculating its Scope 3 emissions or other type of GHG emissions, should it be required to discuss whether it used proxy data or another method to address such gaps, and how its management of any data gaps has affected the accuracy or completeness of its GHG emissions disclosure, as proposed? Are there other disclosure requirements or conditions we should adopt to help investors obtain a reasonably complete understanding of a registrant's exposure to the GHG emissions sourced by each scope of emissions?
Scope 3 emissions are still very difficult to obtain directly from suppliers, so using estimations is the first step toward improving Scope 3 accounting. Companies should be permitted to explain the methodology and the source of that methodology used for calculating or estimating emissions. Industry Standards should be valid sources.

129. When determining the materiality of its Scope 3 emissions, or when disclosing those emissions, should a registrant be required to include GHG emissions from outsourced activities that it previously conducted as part of its own operations, as reflected in the financial statements for the periods covered in the filing, in addition to emissions from activities in its value chain, as proposed? Would this requirement help ensure that investors receive a complete picture of a registrant's carbon footprint by precluding the registrant from excluding emissions from activities that are typically conducted as part of operations over which it has ownership or control but that are outsourced in order to reduce its Scopes 1 or 2 emissions? Should a requirement to include outsourced activities be subject to certain conditions or exceptions and, if so, what conditions or exceptions?
We believe that registrants should follow the GHG Protocol recommendations as it already mentions the coverage of emissions that all companies should include in their inventories.

130. Should we require a registrant that must disclose its Scope 3 emissions to discuss whether there was any significant overlap in the categories of activities that produced the Scope 3 emissions? If so, should a registrant be required to describe any overlap, how it accounted for the overlap, and its effect on the total Scope 3 emissions, as proposed? Would this requirement help investors assess the accuracy and reliability of the Scope 3 emissions disclosure? ***We believe that the GHG Protocol and industry-specific recommendations should be followed to ensure standard practices among registrants.***
131. Should we permit a registrant to present its Scope 3 emissions in terms of a range as long as it discloses its reasons for using the range and the underlying assumptions, as proposed? Yes Should we place limits or

other parameters regarding the use of a range and, if so, what should those limits or parameters be? Yes, registrant size For example, should we require a range to be no larger than a certain size? What other conditions or guidance should we provide to help ensure that a range, if used, is not overly broad and is otherwise reasonable? ***We believe that the GHG Protocol and industry-specific recommendations should be followed to ensure standard practices among registrants.***

132. Should we require a registrant to follow a certain set of published standards for calculating Scope 3 emissions that have been developed for a registrant's industry or that are otherwise broadly accepted? Yes For example, should we require a registrant in the financial industry to follow PCAF's Global GHG Accounting & Reporting Standard for the Financial Industry when calculating its financed emissions within the "Investments" category of Scope 3 emissions? Are there other industry-specific standards that we should require for Scope 3 emissions disclosure? Should we require a registrant to follow the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard if an industry-specific standard is not available for Scope 3 emissions disclosure? If we should require the use of a third-party standard for Scope 3 emissions reporting, or any other scope of emissions, how should we implement this requirement? ***We believe that the GHG Protocol and industry-specific standards and recommendations should be followed to ensure standard practices among registrants.***

133. Should we provide a safe harbor for Scope 3 emissions disclosure, as proposed? Is the scope of the proposed safe harbor clear and appropriate? For example, should the safe harbor apply to any registrant that provides Scope 3 disclosure pursuant to the proposed rules, as proposed? Should we limit the use of the safe harbor to certain classes of registrants or to registrants meeting certain conditions and, if so, which classes or conditions? For example, should we require the use of a particular methodology for calculating and reporting Scope 3 emissions, such as the PCAF Standard if the registrant is a financial institution, or the GHG Protocol Scope 3 Accounting and Reporting Standard for other types of registrants? Should we clarify the scope of persons covered by the language "by or on behalf of a registrant" by including language about outside reviewers retained by the registrant or others? Should we define a "fraudulent statement," as proposed? Is the level of diligence required for the proposed safe harbor (i.e., that the statement was made or reaffirmed with a reasonable basis and disclosed in good faith) the appropriate standard? Should the safe harbor apply to other climate-related disclosures, such as Scopes 1 and 2 emissions disclosures, any targets and goals disclosures in response to proposed Item 1505 (discussed below), or the financial statement metrics disclosures required pursuant to Proposed Article 14 of Regulation S-X? Should the safe harbor apply indefinitely, or should we include a sunset provision that would eliminate the safe harbor some number of years, (e.g., five years) after the effective date or applicable compliance date of the rules? Should the safe harbor sunset after certain conditions are satisfied? If so, what types of conditions should we consider? What other approaches should we consider? ***Yes, providing a safe harbor for Scope 3 would encourage registrants to provide insightful information and soothe concerns given the estimates and data for Scope 3 emissions depends on the registrant's supply chain. It should apply to any registrant providing Scope 3 disclosures pursuant to the proposed rules. We believe the methodology should fully align with the GHG Protocol. We believe the fraudulent statement definition to suffice and that the level of diligence to be an appropriate standard. As mentioned in earlier replies, it would be beneficial to both investors and registrants to have a broad safe harbor that caters to the nature of this type of climate-related disclosures, this includes Item 1505 and the financial metrics proposed for Article 15 in Regulation S-X. The safe harbor should apply indefinitely, as mentioned earlier, the data for this type of***

emission disclosure is not dependent on the registrant and thus should always be covered by the safe harbor.

134. Should we provide an exemption from Scope 3 emissions disclosure for SRCs, as proposed? Should the exemption not apply to a SRC that has set a target or goal or otherwise made a commitment to reduce its Scope 3 emissions? Are there other classes of registrants we should exempt from the Scope 3 emissions disclosure requirement? For example, should we exempt EGCs, foreign private issuers, or a registrant that is filing or has filed a registration statement for its initial public offering during its most recently completed fiscal year from the Scope 3 disclosure requirement? Instead of an exemption, should we provide a longer phase in for the Scope 3 disclosure requirements for SRCs than for other registrants?

135. Should we require accelerated filers and large accelerated filers to obtain an attestation report covering their Scope 1 and Scope 2 emissions disclosure, as proposed? Should we require accelerated filers and large accelerated filers to obtain an attestation report covering other aspects of their climate-related disclosures beyond Scope 1 and 2 emissions? For example, should we also require the attestation of GHG intensity metrics, or of Scope 3 emissions, if disclosed? Conversely, should we require accelerated filers and large accelerated filers to obtain assurance covering only Scope 1 emissions disclosure? Should any voluntary assurance obtained by these filers after limited assurance is required be required to follow the same attestation requirements of Item 1505(b)–(d), as proposed? ***We believe it to be both insightful and feasible for registrants to obtain attestation reports for Scope 1 and Scope 2, as these are practices already voluntarily implemented by several issuers and would even out comparability amongst registrants. However, we do not believe it to be necessary nor insightful to require attestation reports for other aspects of climate-related disclosures beyond Scope 1 and 2 emissions. For instance, and the most concerning example, is to be required an attestation for Scope 3 emissions, which rely on the information that third parties may or may not have. Thus, requiring an attestation for Scope 3 emissions is not feasible as such data is not within the registrant's control nor can stand by its veracity. Gathering the information for Scope 3 emissions already would represent an enormous reporting burden to issuers, having to provide an attestation report would simply be unfeasible.***

136. If we required accelerated filers and large accelerated filers to obtain an attestation report covering Scope 3 emissions disclosure, should the requirement be phased-in over time? If so, what time frame? Should we require all Scope 3 emissions disclosure to be subject to assurance or only certain categories of Scope 3 emissions? Would it be possible for accelerated filers and large accelerated filers to obtain an attestation report covering the process or methodology for calculating Scope 3 emissions rather than obtaining an attestation report covering the calculations of Scope 3 emissions? Alternatively, is there another form of verification over Scope 3 disclosure that would be more appropriate than obtaining an attestation report?
An attestation for Scope 3 emissions is not feasible as such data is not within the registrant's control nor can stand by its veracity. Gathering the information for Scope 3 emissions already would represent an enormous reporting burden to issuers, having to provide an attestation report would simply be unfeasible.

137.Should the attestation requirement be limited to accelerated filers and large accelerated filers, as proposed? Alternatively, should the attestation requirement be limited to a subset of accelerated filers and large accelerated filers? If so, what conditions should apply? Should the attestation requirement only apply to well-known seasoned issuers? Should the attestation requirement also apply to other types of registrants? Should we create a new test for determining whether the attestation requirements apply to a registrant that would take into account the resources of the registrant and also apply to initial public offerings? For example, should we create a test similar to the SRC definition, which includes a separate determination for initial registration statements, but using higher public float and annual revenue amounts?

138.Instead of requiring only accelerated filers and large accelerated filers to include an attestation report for Scope1 and Scope 2 emissions, should the proposed attestation requirements also apply to registrants other than accelerated filers and large accelerated filers? If so, should the requirement apply only after a specified transition period? Should such registrants be required to provide assurance at the same level as accelerated filers and large accelerated filers and over the same scope of GHG emissions disclosure, or should we impose lesser requirements (e.g., only limited assurance and/or assurance over Scope 1 emissions disclosure only)? ***We agree with requiring attestation reports for both Scope 1 and 2 emissions to other registrants besides accelerated filers and large accelerated filers, as it would be insightful for investors and allow comparability amongst disclosures of these attestation reports between several types of filers. These other registrants should also be able to provide assurance at the same level as accelerated and large accelerated filers over Scope 1 emissions. We also believe this requirement should apply after a specified transition period.***
139.Should we require accelerated filers and large accelerated filers to initially include attestation reports reflecting attestation engagements at a limited assurance level, eventually increasing to a reasonable assurance level, as proposed? What level of assurance should apply to the proposed GHG emissions disclosure, if any, and when should that level apply? Should we provide a one fiscal year transition period between the GHG emissions disclosure compliance date and when limited assurance would be required for accelerated filers and large accelerated filers, as proposed? Should we provide an additional two fiscal year transition period between when limited assurance is first required and when reasonable assurance is required for accelerated filers and large accelerated filers, as proposed? ***We agree with requiring both accelerated and large accelerated filers to initially include attestation reports that reflect attestation engagements at a limited assurance level, and that the eventual increases in reasonable assurance are extended as much as possible in this transition period. Also, we believe that this requirement should not cover historical information.***

140. Should we provide the same transition periods (from the Scopes 1 and 2 emissions disclosure compliance date) for accelerated filers and large accelerated filers, as proposed? Instead, should different transition periods apply to accelerated filers and large accelerated filers? Should we provide transition periods with different lengths than those proposed? Should we require the attestation to be at a reasonable assurance level without having a transition period where only limited assurance is required? Should we instead impose assurance requirements to coincide with reporting compliance periods? No comment.

141. Under prevailing attestation standards, “limited assurance” and “reasonable assurance” are defined terms that we believe are generally understood in the marketplace, both by those seeking and those engaged to provide such assurance. As a result, we have not proposed definitions of those terms. Should we define

“limited assurance” and “reasonable assurance” and, if so, how should we define them? Would providing definitions in this context cause confusion in other attestation engagements not covered by the proposed rules? Are the differences between these types of attestation engagements sufficiently clear without providing definitions? No comment.

142. As proposed, there would be no requirement for a registrant to either provide a separate assessment and disclosure of the effectiveness of controls over GHG emissions disclosure by management or obtain an attestation report from a GHG emissions attestation provider specifically covering the effectiveness of controls over GHG emissions disclosure. Should we require accelerated filers and large accelerated filers to provide a separate management assessment and disclosure of the effectiveness of controls over GHG emissions disclosure (separate from the existing requirements with respect to the assessment and effectiveness of DCP)? Should we require management to provide a statement in their annual report on their responsibility for the design and evaluation of controls over GHG emissions disclosure and to disclose their conclusion regarding the effectiveness of such controls? Instead of, or in addition to, such management assessment and statement, should we require the registrant to obtain an attestation report from a GHG emissions attestation provider that covers the effectiveness of such GHG emissions controls as of the date when the accelerated filer or large accelerated filer is required to comply with the reasonable assurance requirement under proposed Item 1505(a)? If so:

(i) Would it be confusing to apply either such requirement in light of the existing DCP requirements that would apply to the proposed GHG emissions disclosure?

(ii) Would a separate management assessment and statement on the effectiveness of controls over GHG emissions provide meaningful disclosure to investors beyond the existing requirement for DCP?

(iii) Should we specify that the separate management assessment and statement must be provided by the accelerated filer’s or large accelerated filer’s principal executive and principal financial officers, or persons performing similar functions? Should we clarify which members of the accelerated filer or large accelerated filer’s management should be involved in performing the underlying assessment?

(iv) What controls framework(s) would the effectiveness of the registrant’s controls over GHG emissions disclosure be evaluated against, if any?

(v) For the GHG emissions attestation provider, what requirements should be applied to such GHG emissions disclosure controls attestation requirement? For example, what attestation standards should apply? Should other service provider(s) in addition to or in lieu of the GHG emissions attestation provider be permitted to provide such attestation over the effectiveness of the GHG controls?

(vi) Should we limit such a requirement to accelerated filers and large accelerated filers only or should it apply to other registrants as well?

(vii) What would be the potential benefits and costs of either approach?

(viii) Should we require a certification on the design and evaluation of controls over GHG emissions disclosures by officers serving in the principal executive and principal financial officer roles or persons performing similar functions for an accelerated filer or large accelerated filer? Would a certification requirement have any additional benefits or impose any additional costs when compared to a requirement for management to assess and disclose in a statement in the annual report the effectiveness of controls over GHG emissions?

We believe it best to keep as is and not require registrants to either provide a separate assessment and disclosure for the effectiveness of controls over GHG emissions disclosures by management or obtain an attestation report from any attestation provide. Current DCP requirements have proven to be effective,

which is why we believe remaining with present DCP requirements would suffice. It would be confusing to require any additional GHG emissions disclosure, no meaningful insight would be attained from separate management assessment and statement of the effectiveness of controls, no need for specifying any of the proposed requirement in item 142(iii), no need for any controls frameworks to be evaluated against, no limits nor further requirements of a certification.

143. We considered whether to require registrants to include the GHG emissions metrics in the notes or a separate schedule to their financial statements, by amending Regulation S-X instead of Regulation S-K.
(i) Would there be benefits to including this information in a registrant's financial statements? For example, would requiring the GHG emissions disclosure to be included in the financial statements improve the consistency, comparability, reliability, and decision-usefulness of the information for investors? Would it facilitate the integration of GHG metrics and targets into the registrant's financial analysis? Would such placement cause registrants to incur significantly more expense in obtaining an audit of the disclosure? If so, please quantify those additional expenses where possible.
(ii) Should we require a registrant to include the GHG emissions disclosure in its audited financial statements so that the disclosure would be subject to the existing requirements for an independent audit and ICFR? If so, we seek comment on the following aspects of this alternative:
(a) If GHG emissions disclosure is subject to ICFR, or an internal control framework similar to ICFR, would GHG emissions disclosure be more reliable compared to what is currently proposed? What are the benefits or costs?
(b) Should the GHG emissions disclosure be included in a note to the registrant's financial statements (e.g., in the note where the proposed financial statement metrics as discussed above in Section II.F would be included) or in a schedule, or somewhere else? If the GHG emissions disclosure was required in the financial statements, should it be subject to a reasonable assurance audit like the other information in the financial statements? If in a schedule, should the GHG emissions disclosure be disclosed in a schedule similar to those required under Article 12 of Regulation S-X, which would subject the disclosure to audit and ICFR requirements? Should we instead require the metrics to be disclosed as supplemental financial information, similar to the disclosure requirements under FASB ASC Topic 932-235-50-2 for registrants that have significant oil- and gas-producing activities? If so, should such supplemental schedule be subject to ICFR requirements? Instead of requiring the GHG emissions disclosure to be included in a note to the registrant's audited financial statements, should we require a new financial statement for such metrics?
€ PCAOB auditing standards apply to the audit of a registrant's financial statements. If GHG emissions disclosure is included in a supplemental schedule to the financial statements, should we allow other auditing standards to be applied? If so, which ones? What, if any, additional guidance or revisions to such standards would be needed in order to apply them to the audit of GHG emissions disclosure?
(d) What are the costs and benefits of employing registered public accounting firms to perform audits of GHG emissions disclosure and related attestation of internal controls? Are there potential cost savings in employing registered public accountants that currently perform audits of financial statements and attestation of ICFR to review GHG emissions disclosure and any related internal controls? If we require GHG emissions disclosure to be presented in the financial statements, should we permit entities other than registered public accounting firms to provide assurance of this information, as proposed for the current attestation requirements under Regulation S-K? If not limited to registered public accounting firms, who should be permitted to provide assurance of GHG emissions disclosure? Should we permit environmental consultants, engineering firms, or other types of specialists to provide assurance? What are the costs and

benefits of such approach? Would the reliability of the audits and therefore the information disclosed be affected if assurance providers other than registered public accounting firms are permitted to conduct these audits? Please provide supporting data where possible. If we should allow for assurance providers that are not registered public accounting firms, what qualifications and oversight should they have, and what requirements should we impose on them? Should we direct the PCAOB to develop a separate registration process for service providers that are not otherwise registered? What expertise, independence and quality control standards should appl€(e) What would be the other potential benefits and costs of such an approach? ***GHG emissions report should not be included in the filed financial report.***

144. Should we require a registrant to obtain a GHG emissions attestation report that is provided by a GHG emissions attestation provider that meets specified requirements, as proposed? Should one of the requirements be that the attestation provider is an expert in GHG emissions, with significant experience in measuring, analyzing, reporting, or attesting to GHG emissions, as proposed? Should we specify that significant experience means having sufficient competence and capabilities necessary to: (a) perform engagements in accordance with professional standards and applicable legal and regulatory requirements and (b) enable the service provider to issue reports that are appropriate under the circumstances, as proposed? Should we instead require that the GHG emissions attestation provider have a specified number of years of the requisite type of experience, such as 1, 3, 5, or more years? Should we specify that a GHG emissions attestation provider meets the expertise requirements if it is a member in good standing of a specified accreditation body that provides oversight to service providers that apply attestation standards? If so, which accreditation body or bodies should we consider (e.g., AICPA)? Are there any other requirements for the attestation provider that we should specify? Instead, should we require a GHG emissions attestation provider to be a PCAOB-registered audit firm? ***To ensure registrants do obtain an attestation report, they should be able to choose the provider that better fits their necessities. We believe that recommendations on how to select a provider could be helpful but should not be mandatory to follow.***

145. Is additional guidance needed with respect to the proposed expertise requirement? Should we instead include prescriptive requirements related to the qualifications and characteristics of an expert under the proposed rules? For example, should we include a provision that requires a GHG emissions attestation provider that is a firm to have established policies and procedures designed to provide it with reasonable assurance that the personnel selected to provide the GHG attestation service have the qualifications necessary for fulfillment of the responsibilities that the GHG emissions attestation provider will be called on to assume, including the appropriate engagement of specialists, if needed? ***We believe that in order to accurately comply with the proposed expertise requirements, additional guidance is needed. As done before with the recently implemented S-K 1300 where it specified the prescriptive requirements to be a "qualified person" and provide insight to the registrant, something similar would suffice to ensure the experts that provide services to the registrant meet the necessary criteria and thus ensure a comparable and accurate GHG attestations amongst registrants.***

146. Should we require the GHG emissions attestation provider to be independent with respect to the registrant, and any of its affiliates, for whom it is providing the attestation report, as proposed? Should we specify that a GHG emissions attestation provider is not independent if such attestation provider is not, or a reasonable investor with knowledge of all relevant facts and circumstances would conclude that such

attestation provider is not, capable of exercising objective and impartial judgment on all issues encompassed within the attestation provider's engagement, as proposed? The proposed provision is based on a similar provision regarding the qualification of an accountant to be an independent auditor under Rule 2-01 of Regulation S-X. 255 Is Rule 2-01 an appropriate model for determining the independence of a GHG emissions attestation provider? Is being independent from a registrant and its affiliates an appropriate qualification for a GHG emissions attestation provider? ***We believe that requiring the GHG emissions attestation provide to be independent would severely narrow the options registrants have to hire attestation providers, including well known auditing firms who can provide significant support to these novel requirements. If anything, it would be preferable to be allowed to have non-independent attestation providers and address any concerns authorities or investors could have regarding the relationship by requiring registrants to disclose if the attestation provider is not independent. We believe that being independent from a registrant and its affiliates to not be a significant nor appropriate qualification for GHG emissions attestation provider.***

147. Should we specify that the factors the Commission would consider in determining whether a GHG emissions attestation provider is independent include whether a relationship or the provision of a service creates a mutual or conflicting interest between the attestation provider and the registrant, including its affiliates, places the attestation provider in the position of attesting to such attestation provider's own work, results in the attestation provider acting as management or an employee of the registrant, including its affiliates, or places the attestation provider in a position of being an advocate for the registrant and its affiliates, as proposed? Should we specify that the Commission also will consider all relevant circumstances, including all financial and other relationships between the attestation provider and the registrant, including its affiliates, and not just those relating to reports filed with the Commission, as proposed? No comment.

148. Should we adopt all of the proposed factors for determining the independence of a GHG emissions attestation provider, or are there factors we should omit? Are there any additional factors that we should specify that the Commission will consider when determining the independence of a GHG emissions attestation provider? For example, should we include any non-exclusive specifications of circumstances that would be inconsistent with the independence requirements, similar to those provided in 17 CFR 210.2-01(c) (Rule 2-01(c) of Regulation SX)? No comment.

149. Should the definition of "affiliates" be modeled on Rule 2-01, as proposed, or should we use a different definition? Would defining the term differently than proposed cause confusion because the rest of the proposed independence requirement is modeled on Rule 2-01? Many 256 accountants are likely familiar with the proposed definition given their required compliance with Rule 2-01, would non-accountants understand how to comply with and apply this concept? 150. Should the term "attestation and professional engagement period" be defined in the proposed manner? If not, how should "attestation and professional engagement period" be defined? Alternatively, should the Commission specify a different time period during which an attestation provider must meet the proposed independence requirements?

151. Should we include disclosure requirements when there is a change in, or disagreement with, the registrant's GHG emissions attestation provider that are similar to the disclosure requirements in Item 4.01 of Form 8-K and 17 CFR 229.304 (Item 304 of Regulation S-K)?

152. Accountants are already required to comply with the relevant quality control and management standards when providing audit and attest services under the PCAOB, AICPA, or IAASB standards. These quality control and management standards would apply to accountants providing GHG attestation services pursuant to those standards as well. Should we require the GHG emissions attestation provider to comply with additional minimum quality control requirements (e.g., acceptance and continuance of engagements, engagement performance, professional code of conduct, and ethical requirements) to provide greater consistency over the quality of service provided by GHG emissions attestation providers who do not (or cannot) use the PCAOB, AICPA, or IAASB attestation standards? If so, what should the minimum requirements be?

153. As proposed, the GHG emissions attestation provider would be a person whose profession gives authority to statements made in the attestation report and who is named as having provided an attestation report that is part of the registration statement, and therefore the registrant would be required to obtain and include the written consent of the GHG emissions 257 provider pursuant to Securities Act Section 7 and related Commission rules. This would subject the GHG emissions attestation provider to potential liability under Section 11 of the Securities Act. Would the possibility of Section 11 liability deter qualified persons from serving as GHG emissions attestation providers? Should we include a provision similar to 17 CFR 230.436(c), or amend that rule, to provide that a report on GHG emissions at the limited assurance level by a GHG emissions attestation provider that has reviewed such information is not considered part of a registration statement prepared or certified by a person whose profession gives authority to a statement made by him or a report prepared or certified by such person within the meaning of Section 7 and 11 of the Act?

154. Should we require the attestation engagement and related attestation report to be provided pursuant to standards that are publicly available at no cost and are established by a body or group that has followed due process procedures, including the broad distribution of the framework for public comment, as proposed? Is the requirement of "due process procedures, including the broad distribution of the framework for public comment" sufficiently clear? Would the attestation standards of the PCAOB, AICPA, and IAASB meet this due process requirement? Are there other standards currently used in the voluntary climate-related assurance market or otherwise in development that would meet the due process and publicly availability requirements? For example, would verification standards commonly used by non-accountants currently, such as ISO 14064-3 and the Account Ability's AA1000 Series of Standards, meet the proposed requirements? Are there standards currently used in the voluntary climate-related assurance market or otherwise under development that would be appropriate for use under the Commission's climate-related disclosure rules although they may not strictly meet the proposed public comment requirement? If so, please explain whether those standards have other characteristics that would serve to protect investors?

155. Should we require that the attestation standards used be publicly available at no cost to investors, as proposed? Should we permit the use of attestation standards, even if not publicly available at no cost, provided that registrants provide access to those standards at the request of their investors?
156. Should we require the GHG emissions attestation report to meet certain minimum requirements in addition to any form and content requirements set forth by the attestation standard or standards used by the

GHG emissions attestation provider, as proposed? Should we 269 instead require that the attestation report solely meet whatever requirements are established by the attestation standard or standards used?

157. Should we adopt each of the proposed minimum requirements? Are there any proposed requirements that we should omit or add to the proposed list of minimum GHG emissions attestation report requirements?

158. Regarding the proposed provision requiring the identification of the criteria against which the subject matter was measured or evaluated, would reference to proposed Item 1504(a), Item 1504(b), and Item 1504(e)'s instructions concerning the presentation, methodology, including underlying assumptions, and organizational and operational boundaries applicable to the determination of Scopes 1 and 2 emissions meet the "suitable criteria" requirement under prevailing attestation standards (e.g., AICPA SSAE No. 18, AT-C 105.A16)?

159. If we require or permit a registrant to use the GHG Protocol as the methodology for determining GHG emissions, would the provisions of the GHG Protocol qualify as "suitable criteria" against which the Scope 1 and Scope 2 emissions disclosure should be evaluated?

160. Should we require certain items of disclosure related to the attestation of a registrant's GHG emissions to be provided by the registrant in its filing that includes the attestation report (where the GHG emissions and other climate-related disclosures are presented), based on relevant information obtained from the GHG emissions attestation provider, as proposed? Should these additional items of disclosure instead be included in the attestation report?

161. Should we require the registrant to disclose whether the attestation provider has a license from any licensing or accreditation body to provide assurance, and if so, the identity of the licensing or accreditation body, and whether the attestation provider is a member in good standing of that licensing or accreditation body, as proposed? In lieu of disclosure, should we require a GHG emissions attestation provider to be licensed to provide assurance by specified licensing or accreditation bodies? If so, which licensing or accreditation bodies should we specify?

162. Should we require a registrant to disclose whether the GHG emissions attestation engagement is subject to any oversight inspection program, and if so, which program (or programs), as proposed? Should we instead require the registrant to disclose whether the attestation engagement is subject to certain specified oversight programs? If so, which oversight programs should we specify?

163. Should we require a registrant to disclose whether the attestation provider is subject to record-keeping requirements with respect to the work performed for the GHG emissions attestation engagement and, if so, identify the record-keeping requirements and duration of those requirements, as proposed? In lieu of disclosure, should we specify that the record-keeping requirements of a GHG emissions attestation provider must be of a certain minimum duration, such as three, five, or seven years, or some other period? Should we specify that the recordkeeping requirements must include certain reasonable procedures and, if so, what procedures?

164. Should we require a registrant that is not required to include a GHG emissions attestation report pursuant to proposed Item 1505(a) to disclose within the separately captioned "Climate-Related Disclosure" section in the filing the following information, if the registrant's GHG emissions disclosure was subject to third-party attestation or verification, as proposed: (i) Identify the provider of such assurance or verification; (ii) Disclose the assurance or verification standard used; (iii) Describe the level and scope of assurance or verification provided; (iv) Briefly describe the results of the assurance or verification; (v) Disclose whether the third-party service provider has any other business relationships with or has provided any other professional services to the registrant that may lead to an impairment of the service provider's independence with respect to the registrant; and (vi) Disclose any oversight inspection program to which the service provider is subject (e.g., the AICPA's peer review program), each as proposed? Are there other disclosure items that we should require if a registrant has obtained voluntary assurance or verification of the climate-related disclosures? Are there any of the proposed disclosure items that we should omit? Should we specify parameters or include guidance on when the services provided by a third-party would be considered "assurance" or "verification" and thus require disclosure pursuant to the proposed rules? Should a registrant be required to furnish a copy of or provide a link to the assurance or verification report so that it is readily accessible by an investor?

We agree with items (i), (ii), (iii), and (iv). We do not agree with item (v) as we do not believe the third-party provider should be independent. As for item vi, askew suggest aligning with the Science Based Initiative. This should not be made compulsory by the purposed tools but only inquire for voluntary alignment. Guidance may be included on assurance/verification, and registrants should be asked to provide a copy when available.

165. Instead of requiring a registrant to disclose whether the third-party service provider has any other business relationships with or has provided any other professional services to the registrant that may lead to an impairment of the service provider's independence with respect to the registrant as proposed, should we require the third-party service provider to be independent, according to the standard proposed under Item 1505(b) for accelerated filers and large accelerated filers that are required to include a GHG emissions attestation report pursuant to proposed Item 1505(a)? If not, should we provide guidance as to what constitutes an impairment of a service provider's independence with respect to the registrant? Would this result in decision-useful information to an investor? Should we instead require a registrant to disclose whether the third-party service provider would be considered independent under some other independence requirement?

We believe that requiring the third-party service provider to be independent would severely narrow the options registrants have to hire such providers, including well known firms who can provide significant support to these novel requirements.

166. As proposed, a registrant would be required to disclose any oversight inspection program to which the service provider is subject, such as the PCAOB's inspection program or the AICPA's peer review program. Are there other oversight programs that we should provide as examples? Would such disclosure provide decision-useful information to an investor? Is it clear what "any oversight inspection program" would include?

Please take into consideration that you may also include ISAE 3000. Additionally, the oversight inspection program is clear.

167. As proposed, a registrant would not be required to disclose the voluntary assurance or verification fees associated with the GHG disclosures. Should we require GHG disclosure assurance or verification fees to be disclosed? Would such disclosure be decision-useful to investors making voting or investment decisions? ***We believe it to unnecessary to disclose the assurance or verification fees as they would not be useful nor insightful for investors and would only add burden to the registrants.***

168. Should we require a registrant to disclose whether it has set any targets related to the reduction of GHG emissions, as proposed? Should we also require a registrant to disclose whether it has set any other climate-related target or goal, e.g., regarding energy usage, water usage, conservation or ecosystem restoration, or revenues from low-carbon products, in line with anticipated regulatory requirements, market constraints, or other goals, as proposed? Are there any other climate-related targets or goals that we should specify and, if so, which targets or goals? Is it clear when disclosure under this proposed item would be triggered, or do we need to provide additional guidance? Would our proposal discourage registrants from setting such targets or goals? ***Such requirement would be reasonable as long as it is aligns with internationally recognized methodologies such as GRI, SASB, and TCFD***.

169. Should we require a registrant, when disclosing its targets or goals, to disclose:
• The scope of activities and emissions included in the target;
• The unit of measurement, including whether the target is absolute or intensity based;
• The defined time horizon by which the target is intended to be achieved, and whether the time horizon is consistent with one or more goals established by a climate-related treaty, law, regulation, or organization;
• The defined baseline time period and baseline emissions against which progress will be tracked with a consistent base year set for multiple targets;
• Any intervening targets set by the registrant; and
• How it intends to meet its targets or goals, each as proposed? Are there any other items of information about a registrant's climate-related targets or goals that we should require to be disclosed, in addition to or instead of these proposed items? Are there any proposed items regarding such targets or goals that we should exclude from the required disclosure? If a registrant has set multiple targets or goals, should it be permitted to establish different base years for those targets or goals?

Yes, if multiple targets are established the base years may be different.

170. Should we require a registrant to discuss how it intends to meet its climate-related targets or goals, as proposed? Should we provide examples of potential items of discussion about a target or goal regarding GHG emissions reduction, such as a strategy to increase energy efficiency, a transition to lower carbon products, purchasing carbon offsets or RECs, or engaging in carbon removal and carbon storage, as proposed? Should we provide additional examples of items of discussion about climate-related targets or goals and, if so, what items should we add? Should we remove any of the proposed examples of items of discussion? Please see comments for Q169

171. Should we require a registrant, when disclosing its targets or goals, to disclose any data that indicates whether the registrant is making progress towards meeting the target and how such progress has been achieved, as proposed?
This is a reasonable requirement; we agree that companies should indicate their progress towards their targets.

172. Should we require that the disclosure be provided in any particular format, such as charts? Would certain formats help investors and others better assess these disclosures in the context of assessing the registrant's business and financial condition? What additional or other requirements would help in this regard?
Particular formats should not be required, as they would unnecessarily limit a registrant's way of disclosure.

173. If a registrant has used carbon offsets or RECs, should we require the registrant to disclose the amount of carbon reduction represented by the offsets or the amount of generated renewable energy represented by the RECS, the source of the offsets or RECs, the nature and location of the underlying projects, any registries or other authentication of the offsets or RECs, and the cost of the offsets or RECs, as proposed? Are there other items of information about carbon offsets or RECs that we should specifically require to be disclosed when a registrant describes its targets or goals and the related use of offsets or RECs? Are there proposed items of information that we should exclude from the required disclosure about offsets and RECs?
Offsets should not count as carbon reductions as per SBTi's standards. On the other hand, RECs account for renewable energy consumption and the quality criteria used by GHG Protocol Standard should be used as reference for RECs validity. We believe that is not necessary for registrants to disclose the amount of energy represented by RECS, nature or location of the projects. We believe that is not necessary for companies to disclose the amount of energy represented by RECS, nature or location of the projects.

174. Should we apply the PSLRA statutory safe harbors as they currently exist to forward-looking statements involving climate-related targets and goals, or other climate-related forward-looking information? Should we instead create a separate safe harbor for forward-looking climate-related information, including targets and goals? Should we adopt an exception to the PSLRA statutory safe harbors that would extend the safe harbors to climate-related forward-looking disclosures made in an initial public offering registration statement? ***We believe a separate safe harbor for forward-looking climate-related information should be created do to the . We also agree with the adoption of an exception to the PSLRA statutory safe harbors that would extend the safe harbors to climate-related forward-looking disclosures made in an initial public offering registration statement.***

175. Should the proposed climate-related disclosures be required in Exchange Act reports and registration statements, as proposed? Should we exempt SRCs from all of the proposed climate-related disclosure rules instead of exempting them solely from Scope 3 emissions disclosure requirements, as proposed? Should we exempt SRCs from certain other proposed climate-related disclosure requirements and, if so, which requirements? For example, in addition to the proposed exemption from Scope 3 emissions disclosure, should we exempt SRCs from the proposed requirement to disclose Scopes 1 and 2 emissions? Are there certain types of other registrants, such as EGCs or business development companies ("BDCs"), that should

be excluded from all or some of the proposed climate-related disclosure rules? ***SRCs should not be exempt from any climate-related disclosures that are applicable to other registrants.***

176. Should we require foreign private issuers that report on Form 20-F to provide the same climate-related disclosures as Form 10-K filers, as proposed? Should we require climate-related disclosures in the registration statements available for foreign private issuers, as proposed? If not, how should the climate-related disclosures provided by foreign private issuer registrants differ from the disclosures provided by domestic registrants? ***Yes, we agree with requiring foreign private issuers to report on their Form 20-F climate-related disclosures as Form 10-K filers as it would even out and enhance comparability amongst registrants. We also agree with requiring climate-related disclosures in registration statements from foreign private issuers.***

177. Should we require a registrant to disclose any material changes to the climate-related disclosure provided in its registration statement or annual report in its Form 10-Q or Form 6-K, as proposed? Are there any changes that should be required to be reported on Form 8-K? ***We believe it to be adequate requiring registrants to disclose any material changes to climate-related disclosures in registration statement, annual report, Form 10-Q or Form 6-K. No particular comment over any changes that should be required on Form 8-K.***

178. Should we require the climate-related disclosure in the forms specified above? Is the application of the proposed rules to the forms sufficiently clear, or should we include additional clarifying amendments? For example, would the application of proposed Article 14 to Forms 20-F, F-1 and F-3 be sufficiently clear when a registrant prepares its financial statements pursuant to IFRS as issued by the International Accounting Standards Board ("IASB") without reconciliation to U.S. generally accepted accounting principles ("U.S. GAAP"), or should we add a related instruction to those forms?

179. Are there certain registration statements or annual reports that should be excluded from the scope of the proposed climate-related disclosure rules? For example, should we exclude Securities Act registration statements filed in connection with a registrant's initial public offering? Would such an accommodation help address concerns about the burdens of transitioning to public company status? We have not proposed to require climate-related disclosures in registration statements on Form S-8 or annual reports on Form 11-K. Should we require such disclosures? ***No comment.***

180. Should we require climate-related disclosure in Forms S-4 and F-4, as proposed? Should we provide transitional relief for recently acquired companies? For example, should we provide that a registrant would not be required to provide the proposed climate-related disclosures for a company that is a target of a proposed acquisition under Form S-4 or F-4 until the fiscal year following the year of the acquisition if the target company is not an Exchange Act reporting company and is not the subject of foreign climate-related disclosure requirements that are substantially similar to the Commission's proposed requirements? Should such transitional relief in this instance be for a longer period than one year and, if so, for how long should such transitional relief extend? ***No comment.***

181. We have not proposed to amend Form 40-F, the Exchange Act form used by a Canadian issuer eligible to report under the Multijurisdictional Disclosure System ("MJDS") to register securities or to file its annual

report under the Exchange Act, to include the proposed climate-related disclosure requirements. Should we require a Form 40-F issuer to comply with the Commission's proposed climate- related disclosure requirements? Should we permit a MJDS issuer to comply with Canadian climate-related disclosure requirements instead of the proposed rules if they meet certain conditions or provide certain additional disclosures and, if so, which conditions or disclosures? ***No comment.***

182. The proposed rules would not apply to asset-backed issuers. The Commission and staff are continuing to evaluate climate-related disclosures with respect to asset-backed securities. Should we require asset-backed issuers to provide some or all of the disclosures under proposed Subpart 1500 of Regulation S-K? If so, which of the proposed disclosures should apply to asset backed issuers? Are other types of climate disclosure better suited to asset-backed issuers? How can climate disclosure best be tailored to various asset classes? ***No comment.***

183. Should we adopt an alternative reporting provision that would permit a registrant that is a foreign private issuer and subject to the climate-related disclosure requirements of an alternative reporting regime that has been deemed by the Commission to be substantially similar to the requirements of proposed Subpart 1500 of Regulation S-K and Article 14 of Regulation SX to satisfy its disclosure obligations under those provisions by complying with the reporting requirements of the alternative reporting regime ("alternative reporting provision")? If so, should we require the submission of an application for recognition of an alternative reporting regime as having substantially similar requirements for purposes of alternative reporting regarding climate-related disclosures? Should we permit companies, governments, industry groups, or climate-related associations to file such an application? Should we require the applicant to follow certain procedures, such as those set forth in 17 CFR 240.0-13? 291 ***Yes, we believe that allowing foreign private issuers to be able to use an alternative reporting regime that is deemed to be substantially similar to the proposed regulations would satisfy the disclosures, as they foreign private issuers are required already to comply with their own jurisdiction's laws and regulations. Only if a foreign private issuer chooses this option, should it then be required the submission of an application for recognition of an alternative reporting regime regarding climate-related disclosures as not all foreign jurisdictions have regulations substantially similar. We believe companies, governments, industry groups or associations alike can file such application.***

184. If we adopt an alternative reporting provision, should we specify certain minimum standards that the alternative reporting regime must meet in order to be recognized and, if so, what standards? For example, should we specify that an alternative reporting regime must require the disclosure of a foreign private issuer's Scopes 1 and 2 emissions and related targets, the proposed financial statement metrics, as well as disclosures pursuant to the TCFD's recommendations regarding governance, strategy, and risk management disclosure? Should we specify that the alternative reporting regime must require the disclosure of Scope 3 emissions and, if so, should we deem the alternative reporting regime to be substantially similar even if its Scope 3 emissions requirements become effective after the Commission's phase in period for Scope 3 emissions disclosure requirements? Should we specify that the alternative reporting regime must require the disclosure of scenario analysis if a registrant uses scenario analysis in formulating its strategy regarding climate-related risks? Are there certain climate-related disclosure requirements that have been adopted or are in the process of being adopted in other jurisdictions that we should consider to be substantially similar to the Commission's rules for purposes of an alternative reporting provision? If so, which requirements

should we consider? ***If an alternative reporting provision is established, we agree on using widely-recognized standards as a base, such as TCFD.***

185. If we adopt an alternative reporting provision, should it be a mutual recognition system, so that, as a condition of our recognition of a particular jurisdiction as an alternative reporting regime, that jurisdiction must recognize the Commission's climate-related disclosure rules as an alternative reporting system that a registrant dual-listed in the United States and the other jurisdiction may use to fulfill the foreign jurisdiction's climate-related disclosure rules? ***Yes, we believe this would significantly lessen the reporting burden as it would allow registrants, specifically foreign private issuers, to comply with both the SEC and their home country jurisdiction in the same manner.***

186. If we adopt an alternative reporting provision, should we require a registrant filing the alternative climate-related disclosure to make certain changes that we deem necessary as a condition to alternative reporting? For example, should we require a registrant to comply with 292 XBRL tagging requirements as a condition to filing alternative climate-related disclosure? Are there other specific conditions that we should impose on disclosure under an alternative climate reporting provision? ***No. We do not agree with requiring a registrant to make such changes. No other conditions should be imposed on disclosures under an alternative climate reporting provision.***

187. If we adopt an alternative reporting provision, should we require a registrant using that system to:
• State in the filing that it is relying on this alternative reporting provision;
• Identify the alternative reporting regime for which the climate-related disclosure was prepared;
• Identify the exhibit number of the filing where the alternative disclosure can be found; and
• File a fair and accurate English translation of the alternative climate-related disclosure if in a foreign language?

Would these requirements enhance the accessibility of the alternative disclosures? Are there other requirements that we should impose to enhance the transparency of the alternative climate related disclosure? ***Yes, we believe these requirements would enhance the accessibility of the alternative disclosure. No other requirements should be imposed.***

188. If we adopt an alternative reporting provision, should we permit a registrant to follow the submission deadline of the approved alternative reporting regime even if that deadline differs from the deadline for reporting under our rules? If so, what conditions, if any, should apply to permit the use of such alternative deadline? For example, should the registrant be required to provide adequate notice, before the due date of the Commission filing in which the alternative disclosure is required to be included? Should such notice indicate the registrant's intent to file the alternative disclosure using the alternative jurisdiction's deadline? If so, what would constitute adequate notice? For example, should the deadline for filing the notice be three, five, or ten business days before the Commission filing deadline? Should we permit a registrant to provide such notice through an appropriate submission to the Commission's EDGAR system? Should we permit a registrant to indicate in its Form 20-F or other report that it will file the alternative disclosure at a later date if permitted to do so by the alternative reporting regime? In that case, should we permit the registrant to file the alternative disclosure on a Form 6-K or 8-K? Should we instead require a registrant to submit the notice via a form that we would create for such purpose? Should there be any consequences if a registrant fails to

file a timely notice or fails to file the alternative disclosure by the alternative regime's due date? For example, should we preclude such a registrant from relying on the alternative reporting provision for the following fiscal year? ***Yes, we believe the deadline should follow the alternative reporting regime rather than the SEC rules. No conditions should apply to permit the use of such alternative deadline, as none of the proposed conditions would have any effect on the ultimate date on which the registrants comply with alternative reporting.***

189. An International Sustainability Standards Board (ISSB) has recently been created, which is expected to issue global sustainability standards, including climate-related disclosure standards.700 If we adopt an alternative reporting provision, should that provision be structured to encompass reports made pursuant to criteria developed by a global sustainability standards body, such as the ISSB? If so, should such alternative reporting be limited to foreign private issuers, or should we extend this option to all registrants? What conditions, if any, should we place on a registrant's use of alternative reporting provisions based on the ISSB or a similar body? The ISSB was just created in November 2021. Perhaps it would be better to wait for all the standards to be ready.

190. Should we require registrants to tag the climate-related disclosures, including block text tagging and detail tagging of narrative and quantitative disclosures required by Subpart 1500 of Regulation S-K and Article 14 of Regulation S-X in Inline XBRL, as proposed? Should we permit custom tags for the climate-related disclosures? ***No comment.***

191. Should we modify the scope of the proposed climate-related disclosures required to be tagged? For example, should we only require tagging of the quantitative climate-related metrics?

192. Are there any third-party taxonomies the Commission should look to in connection with the proposed tagging requirements?

193. Should we require issuers to use a different structured data language to tag climate-related disclosures? If so, what structured data language should we require? Should we leave the structured data language undefined? ***No comment.***

194. Should we treat the climate-related disclosures required by proposed subpart 1500 of Regulation S-K and proposed Article 14 of Regulation S-X as filed for purposes of potential liability under the Securities Act and Exchange Act, except for the climate disclosures on Form 6-K, as proposed? Should we instead treat the climate-related disclosures required by both proposed subpart 1500 of Regulation S-K and proposed Article 14 of Regulation S-X as furnished? Are there reasons why the proposed climate-related disclosures should not be subject to Section 18 liability? ***All climate disclosures described above should be treated as furnished due to the prospective and changing nature of climate-related risks and disclosures.***

195. Should we only treat the climate-related disclosures required by proposed subpart 1500 of Regulation S-K as filed? Should we only treat the climate-related disclosures required by proposed Article 14 of Regulation S-X as filed? Is there some other subset of climate-related disclosures that should be treated as furnished rather than filed? For example, should we only treat as filed disclosures related to a registrant's

Scopes 1 and 2 emissions, and treat a registrant's Scope 3 emissions as furnished? ***All climate-related disclosures described above should be treated as furnished.***

196. Should we treat the climate disclosures on Form 6-K as filed? ***No, as answered on question 194, we strongly disagree with treating Form 6-K as filed because the form, by its own terms, states that "information and documents furnished in this report shall not be deemed to be "filed" for the purposes of Section 18 of the Act or otherwise subject to the liabilities of that section.***

197. Should we provide different compliance dates for large accelerated filers, accelerated filers, non-accelerated filers, or SRCs, as proposed? Should any of the proposed compliance dates in the table above be earlier or later? Should any of the compliance dates be earlier so that, for example, a registrant would be required to comply with the Commission's climate-related disclosure rules for the fiscal year in which the rules become effective? ***We believe it to be necessary to provide different compliance dates that make a distinction between large accelerated filers, accelerated filers, and non- accelerated filers as it has been proposed given the effort needed to gather all the information from all its operations across different functional and regional teams would represent an enormous and more burdensome effort for large accelerated filers than for smaller registrants, mostly due to the complexity of managing larger and/or global operations.***

198. Should we provide a compliance date for the proposed Scope 3 emissions disclosure requirements that is one year later than for the other disclosure requirements, as proposed? Should the compliance dates for the Scope 3 emissions disclosure requirements be earlier or later? Should the compliance date for the Scope 3 emissions disclosure requirements depend upon whether the registrant is a large accelerated filer, accelerated filer, or non-accelerated filer? ***Given the complexity of garnering the information and data from third parties that are involved within a registrants value chain to disclose Scope 3 emissions, a compliance date for this should be extended to a range of 3-5 years once the rules are in place and compliant. These compliance date should be different depending upon the type of registrant, specifically for large accelerated filers who have bigger operations and thus more complex and larger value and supply chains, more time should be given to them as it would require tremendous effort to ensure the centralization of the information, obtaining the data from suppliers, if they have it, updating the databases amongst different teams, areas and regions, to name a few.***

199. Should we provide different compliance dates for registrants that do not have a December 31st fiscal year-end? ***Yes, for registrants whose fiscal year-ends might differ from the standard December 31st, providing different compliance dates for these types of registrants would significantly lessen the reporting burden and make overall the process of reporting more efficient.***

200. Should we include rules or guidance addressing less common situations, such as, but not limited to, reverse mergers, recapitalizations, other acquisition transactions, or if a registrant's SRC (or EGC) status changes as a result of such situations? ***Yes, we fully agree with including additional guidance to less common situations as this would soothe reporting concerns for many registrants that fall within peculiar situations and ensure adequate compliance and comparability amongst registrants' climate-related disclosures.***

201. Are there other phase-ins or exemptions regarding any or all of the proposed rules that we should provide? ***No comment.***

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Thank you for your consideration of our comments. Please do not hesitate to contact us if you have any questions.

Sincerely,

Guillermo F. Hernández Morales
Legal Director Corporate Finance and Compliance - Attorney-in-Fact