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17 June 2022

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

Re: File Number S7-10-22

Dear Ms. Countryman:

LRQA appreciates this opportunity to respond to the United States Securities and Exchange Commission's (SEC) request for public comment on its proposed amended rule changes entitled, "The Enhancement and Standardization of Climate-Related Disclosures for Investors" herein referred to as the "Proposed Rule." LRQA is excited to see SEC's efforts to address climate risk and create comparable, consistent, and reliable non-financial data.

Background on LRQA and its involvement with greenhouse gas emissions (GHG) disclosure.

By bringing together unrivalled expertise in ESG verification, certification, brand assurance, cybersecurity, inspection, and training, we've become a leading global assurance provider. LRQA provides independent assurance to companies operating high-risk, capital-intensive assets to enhance the safety of life, property, and the environment. The integrity and expertise we bring to our partnerships with clients support their journey to a safer, more secure and more sustainable future. We are committed to acting with integrity and objectivity at all times.

LRQA is an accredited verification body under ISO 14064-3 and ISO 14065 by ANSI and the United Kingdom Accreditation Service (UKAS). We are also accredited for The Climate Registry and the California Air Resources Board as a verification body and are delivering verification services under multiple GHG programs worldwide. Our early participation in both voluntary and mandatory greenhouse gas reporting has provided us with significant perspective and experience in the third-party assurance of greenhouse gas inventories. For CDP, LRQA was one of a select number of strategic verification partners, providing guidance and support for CDP as they developed their criteria for assessing and scoring data in corporate responses. Our experience and credentials in verifying GHG inventories provide a platform for assuring a broader range of ESG data sets and reports. We are a licensed assurance provider for the AccountAbility AA1000AS standard and have verified numerous reports under the Global Reporting Initiative (GRI).

We work with clients across numerous industries, including major manufacturing, oil & gas, public utilities, real estate, food & beverage, packaging, transportation, and hospitality.

Our responses to some of the SEC questions seeking comment are included below:

Q144 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?

Given the complexity of GHG emission calculations and the technical knowledge needed to sufficiently audit specific source types, LRQA supports the proposed rule's requirements that the attestation provider is an expert in GHG emissions, with significant experience in measuring, analyzing, reporting, or attesting to GHG emissions. LRQA recommends SEC to recognize attestation providers other than registered public accounting firms. Furthermore, LRQA recommends using attestation providers who are accredited to ISO 14065 to demonstrate "significant experience". As recommended in other comments, including those of the U.S. Chamber of Commerce, LRQA encourages SEC to allow for a market-developed approach to third-party assurance, allowing registrants the choice of choosing an attestation provider.

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?

Due to the verifier competency requirements that are included in an ISO 14065 accredited program, separate requirements related to the qualifications and characteristics of an expert are deemed unnecessary, as the attestation provider should have sufficient policies in place to guarantee competency.

Q146. 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

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based on a similar provision regarding the qualification of an accountant to be an independent auditor under Rule 2-01 of Regulation S-X. 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?

LRQA supports the SEC requirement that the attestation providers be independent with respect to the registrant and any of its affiliates.

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?

As stated above, LRQA believes that the ISO standards, including ISO 14064-3, ISO 14065, and ISO 14066 create a sufficient basis for ensuring quality attestation engagements. Any attestation provider should be required to perform attestation engagements in accordance to these standard requirements.

LRQA appreciates the persuasive argument in favor of mandatory GHG disclosure, encouraging the increase in transparency of non-financial data, enhancing its consistency, comparability, and relevance.

Best regards,

A handwritten signature in black ink that reads 'Heather Moore'.

Heather Moore, P.E.
Technical Director of Sustainability

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