INTERFAITH CENTER ON CORPORATE RESPONSIBILITY
*Inspired by faith. Committed to action*

August 3, 2026

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

Re: File Number S7-2026-19
Rescission of Climate-Related Disclosure Rules

Dear Ms. Countryman:

**Introduction**

The Interfaith Center on Corporate Responsibility ("ICCR") strongly opposes the proposal of the Securities and Exchange Commission ("SEC") to rescind its Climate-Related Disclosure Rules (the "Rules"). The SEC thoroughly articulated its statutory authority and provided support for that analysis in its Enhancement and Standardization of Climate-Related Disclosures for Investors (the "2024 Adopting Release").

The SEC's proposed Rescission of Climate-Related Disclosure Rules (the "2026 Proposed Rescission Release") [1] fails to support the Commission's attempt to reject its thorough analysis of only two years ago, and fails to meet the Administrative Procedure Act ("APA") requirements for articulating a supportable rationale for rescinding the Rules. Indeed, as discussed in Section II below, a similar SEC attempt a few years ago to rescind a portion of its proxy advisory regulations was rejected by the U.S. Court of Appeals for the Fifth Circuit due – as here – to the SEC's failure to articulate reasons that would pass muster under the APA.

The enhancement and standardization of disclosures associated with climate-related risks have consistently been of great interest to ICCR and its members. ICCR filed a comment letter in response to the SEC's March 15, 2021, Request for Comment on Climate Change Disclosure. In 2022, ICCR and a number of its members, allied organizations, and fellow investors filed comment letters in response to the SEC's release proposing the Rules,[2] highlighting the importance to investors of robust, standardized, and comparable corporate climate risk

1 Rescission of Climate-Related Disclosure Rules, SEC Rel. No. 33,11421; 91 Fed. Reg. 33296 (June 3, 2026).

2 Enhancement and Standardization of Climate-Related Disclosures for Investors, File No. S7-10-2022 ("2022 Proposing Release").

disclosure. The SEC did not, in the end, adopt all of its proposed regulatory provisions, and excluded or modified many of the provisions we supported. Nevertheless, it was clear that the agency's staff had taken great care to take comments into account and ultimately craft provisions reflective of the input it had received.

ICCR and its members have consistently advocated for comprehensive mandatory disclosures that inform investors about an issuer's business, risks, and governance. Mandatory disclosures are a vital source of information that ICCR members use to make security investment decisions and to inform stewardship actions such as proxy voting and engagement. This information is important for investors striving to make prudent decisions as fiduciaries.

ICCR is a coalition of more than 300 institutional investors consisting of a cross section of religious investors, foundations, asset managers, pension funds, and other long-term institutional investors collectively representing over USD $6 trillion in invested capital. They each rely on the types of disclosures elicited by the Rules to satisfy their fiduciary obligations, and on the structures created by the Rules that provide for comparability. We operate with the understanding that robust management of a company's risks, which include how companies address environmental, social, and governance matters, has a material impact on sustainable long-term performance. The ability to gauge those risks depends on access to sufficient relevant information on a timely basis obtained from company disclosure documents.

For the reasons set forth below, we urge the SEC to permit the Rules to become effective. We first provide support for the Commission's authority to promulgate the Rules, and also address the SEC's failure to articulate any rationale for the proposed rescission in a manner that suffices under the APA. We then turn to our longstanding reliance on climate-related disclosures, and how those disclosures are material to our community.

## I. The SEC Has Clear Statutory Authority to Promulgate, Monitor, and Enforce the Enhancement and Standardization of Climate-Related Disclosures for Investors

The essence of the federal securities laws is embodied in Congress's preamble to the Securities Act of 1933, adopted in the wake of the Great Depression "[t]o provide full and fair disclosure of securities sold in interstate and foreign commerce..., *and to prevent frauds in the sale thereof*, and for other purposes."[3] A year later Congress adopted the Securities Exchange Act of 1934[4] to implement a national system of "regulation and control" to "protect and make more effective" the financial markets and to ensure they remain "fair and honest."[5]

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3 Preamble to the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77(a) et seq. (Emphasis supplied.)

4 Section 1 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78(a) et seq.

5 *Id*. at Section 2, 15 U.S.C. § 78(b).

The Exchange Act also created the Securities and Exchange Commission[6] to oversee and enforce those laws, and to promulgate regulations "as necessary or appropriate in the public interest" and "for the protection of investors."[7] Indeed, the focus on the principal purpose of the federal securities laws and the SEC's mandate to protect the public and investors is so prevalent in the text of the statutes that the two acts together mention those terms, usually in tandem, over 250 times.

One of the principal authors of those laws made it clear that the protection of the investing public is the paramount intent of the federal securities laws:

> The act naturally had its beginnings in the high financing of the Twenties that was followed by the market crash of 1929. Even before the inauguration of Franklin D. Roosevelt as President of the United States, a spectacularly illuminating investigation of the nature of this financing was being undertaken by the Senate Banking and Currency Committee under the direction of its able counsel.... That Committee spread on the record more than the peccadillos of groups of men involved in the issuance and marketing of securities. It indicted a system as a whole that had failed miserably in imposing those essential fiduciary standards that should govern persons whose function it was to handle other people's money. Investment bankers, brokers and dealers, corporate directors, accountants, all found themselves the object of criticism so severe that the American public lost much of its faith in professions that had theretofore been regarded with a respect that had approached awe. As the criticism mounted, doubts as to the value of the very system of private enterprise were generated, and a wide demand was prevalent for the institution of procedures of governmental control that would in essence have created a capital issues bureaucracy to control not only the manner in which securities could be issued but the very right of any enterprise to tap the capital market.[8]

Addressing the widespread failures that led to the economic collapse of the Great Depression in 1929, President Roosevelt, in a 1933 message to Congress, made it clear that "[t]here is ... an obligation upon us to insist that every issue of new securities to be sold in interstate commerce shall be accompanied by full publicity and information, and that no essentially important element attending the issue shall be concealed from the buying public."[9]

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6 *Id.* at Section 4(a), 15 U.S.C. § 78(d).

7 *Id*. passim.

8 James M. Landis, *Legislative History of the Securities Act of 1933*, 28 GEO. WASH. L. REV. 29, 30 (1959).

9 *Id*., citing H.R. REP. No. 85, 73d Cong., 1st Sess. 2 (1933).

It is in this light and with the understanding of the Commission's role in rulemaking the SEC adopted the Rules in 2024. Having received public input during the comment period in response to the 2022 Proposing Release relating to the question of statutory authority, the 2024 Adopting Release carefully addressed and rejected arguments challenging the SEC's authority to adopt the Rules, and provided a thorough analysis of the enabling statutes. The Rules adopted by the Commission in 2024 are thus fully consistent with Congress's disclosure mandate to the SEC as supported by the authorizing statutes and the legislative history.

Congress recognized the need for flexibility as companies face different challenges and risks, and that times change the risks companies face. With that recognition came Congress's broad charge to the SEC to promulgate regulations as it deems appropriate, a concept articulated numerous times in the Securities Act of 1933. In adopting the Rules, the SEC did just that. The 2024 Adopting Release uses over 500 of its 800+ pages to lay out, provision-by-provision: (a) the proposed rule; (b) comments received on the subject; and, taking into account those comments, (c) the final rule. The 2026 Proposed Rescission Release addresses those meticulously-analyzed provisions in a cursory manner, if at all.

In that release, the SEC ignored its own analysis from 2024, and looked not to its broad powers to mandate decision-useful disclosures based on current issues that inform investor needs, but instead erroneously focused on specific subject matter. That strained starting point led the Commission to conclude that the SEC somehow lacked authority to promulgate the Rules. That conclusion is contrary not only to consistent Commission findings and Congress's broad mandate to the SEC, but also to Supreme Court precedent upholding the constitutionality of agency disclosure regulation under the commercial speech doctrine.

The Supreme Court has repeatedly recognized the validity of government disclosure rules anchored in the need to prevent false or misleading statements. As the Supreme Court has explained, "expression related solely to the economic interests of the speaker and its audience,"[10] and statements that "arise from commercial transactions" are commercial speech.[11] Accordingly, the government is "free to prevent the dissemination of commercial speech that is false, deceptive, or misleading...."[12] SEC disclosure rules designed to elicit information for purposes of preventing false and misleading statements in periodic reports and disclosures by registrants raising money from the public is central to Congress's charge to the SEC. That mandate translates to the SEC having broad authority to require disclosures regarding any of the number of concerns that might create material risks for a company, including climate-related risks.

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[10] *Central Hudson Gas & Elec. Svc. Corp. v. Public Serv. Comm'n of N.Y.*, 447 U.S. 557, 561 (1980).

[11] *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council, Inc.,* 425 U.S. 728, 762 (1976).

[12] *Zauderer v. Office of Disciplinary Council of the Supreme Court of Ohio*, 471 U.S. 626, 638 (1985). See also *Thompson v. Western States Medical Center*, 535 U.S. 357, 367 (2002), citing *Central Hudson*, 447 U.S. at 566.

The SEC exercised its broad authority by adopting the Rules in 2024 after having issued its 2022 Proposing Release and taking into account the thousands of comment letters received. The SEC now seeks to overturn the Rules without providing a reasoned explanation as why its earlier findings were inadequate. The Commission engages in rulemaking to determine the scope of additional disclosures that should be required by registrants due to interest by investors concerned about increased risks to company operations. Unless companies disclose those risks to their shareholders and other market participants requiring them, they may end up having distributed regulatory offering documents and other company statements suffering from material omissions which, under the federal securities laws – are no less actionable than material misstatements. SEC rules, including the climate-risk rules, help shield companies from those risks.

In response to the 2022 Proposing Release, some commenters challenged the then-proposed rules as compelled speech in violation of the First Amendment. A citation in the 2026 Proposed Rescission Release referred to the same source[13] notwithstanding ample law to the contrary.[14] In that regard, the Rules requiring that issuers apply uniform standards to present climate risk information do not amount to arbitrary compelled disclosures. Rather, the Rules as adopted constitute a proper effort by the Commission to require registrants to employ accepted uniform frameworks for disclosure of material climate-related risks.

Requiring registrants to employ uniform frameworks for disclosure is well within the boundaries for regulation of commercial speech under the principles established by the Supreme Court under *Central Hudson*. The first principle is that the state must advance a "substantial

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[13] See 2026 Proposed Rescission Release at fn. 88 and accompanying text, pointing to "financial performance of a company, the pricing of securities, and the prospect for economic and financial return" as the sole indicia of materiality, all under the title: "What's Controversial about ESG? A Theory of Compelled Commercial Speech Under the First Amendment."

In addition to ignoring the fact that material risks to a company's operations ultimately impact the financial viability of a company, the author mistakenly cites *SEC v. Wall Street Publishing Institute*, 851 F.2d 365 (D.C. Cir. 1988) as standing for the proposition that the First Amendment restricts the SEC's authority to mandate disclosure. In fact, the court of appeals came to the opposite conclusion. Relying on *Zauderer* (*infra* note 12), the D.C. Circuit stated that if there is a potential for a statement to be misleading, the SEC has the power to require disclosure in order to prevent deception, and that disclosure does not violate the First Amendment.

[14] *Central Hudson*, 447 U.S. at 563 ("there can be no constitutional objection to the suppression of commercial messages that do not accurately inform the public about lawful activity"); *Zauderer*, 471 U.S. at 651-52 (upholding state requirement to disclose additional information necessary to avoid misleading the public).

interest" to be achieved by the disclosure.[15] The decision by the Commission in its 2024 Adopting Release that registrants employ established frameworks for climate risk disclosure meets that test. Such a practice is functionally no different from the long-established Commission requirement that registrants' financial accounting disclosures conform to generally accepted accounting principles.

Indeed, the Commission in its 2022 Proposing Release deemed that "[b]y requiring comprehensive and standardized climate-related disclosures along several dimensions, including disclosure on governance, business strategy, risk management, financial statement metrics, GHG emissions, and targets and goals, the proposed rules would provide investors with climate-related information that is more comparable, consistent, and reliable and presented in a centralized location."[16]

Standardization aids issuers as much as it does investors. Without a mandate and a structure within which companies have some sense that they are protected from risk because they are following the SEC rules, there will continue to be insufficient disclosure. That risk is exacerbated when there are new market registrants without the robust internal controls and procedures the more established issuers have in place based on years of experience and regulatory oversight. The SEC's warnings about information overload are unsubstantiated. Companies want to avoid the risk of material omissions, but absent a common framework for disclosure lack the guidance on how best to achieve that level of disclosure and where best to place the information. For shareholders, even if all the information is ultimately there, without a recognized structure for disclosure, the benefits of comparability are lost.

Likewise, the Commission's proposed requirement that issuers apply uniform standards to present climate risks is not arbitrary compelled disclosure. Rather, it constitutes an effort by the Commission to require registrants to employ accepted uniform frameworks for climate-related disclosure principles to avoid confusion, promote standardization, and to avoid misleading investors.

Even if such economic disclosure requirements were deemed to be outside the broad mandate of the Commission to avoid misleading disclosure (which it is not), requiring registrants to employ uniform frameworks for disclosure is well within the boundaries for regulation of commercial speech under the principles established by the Supreme Court under *Central Hudson*.

Indeed, as shown in Appendix B, a number of public companies affirmatively embrace the need to work towards climate-risk management, and disclose their efforts for doing so. What becomes evident is the need for uniformity in disclosure, both in terms of content as well as placement.

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[15] *Central Hudson*, 447 U.S. at 564.

[16] 2022 Proposing Release at 345.

Corporate support for frameworks for reporting on ESG-related issues was expressed during the litigation challenging the SEC's approval of the Nasdaq DEI rule. Specifically, in the case of *Alliance for Fair Board Recruitment v. SEC*,[17] an *Ad Hoc* Coalition of Nasdaq-Listed Companies supported the SEC's approval of Nasdaq's framework rule for reporting diversity information. The coalition consisted of 19 public companies including Adobe, AirBnB, Brighthouse Financial, Comcast, Lyft, Microsoft, Morningstar, Starbucks, and United Therapeutics. They challenged the notion that the rule and the framework somehow amounted to forcing speech, and advocated that a framework would "add important consistency and comparability."[18]

Employing a framework for climate risk disclosure is hardly novel or controversial. The standards created under the auspices of the Financial Accounting Standards Board ("FASB") and other frameworks-based bodies are subject to rigorous professional oversight and frequently have a public comment process before they are adopted. Indeed, the process is not unlike how FASB came into existence and continues to undergo updates as needed in the interest of standardization. Thus, by looking to an established framework for disclosing climate-related risks, the Commission is advancing a substantial interest relating to uniformity of risk disclosure.

The next requirement is that the disclosure mandate be "narrowly drawn."[19] As explained by the Court in *Central Hudson*, validity of the mandate depends on "whether the regulation directly advances the governmental interest asserted, and whether it is not more extensive than is necessary to serve that interest."[20] The adoption of established disclosure frameworks for standardizing climate-related risk disclosure advances the state's interest in simplifying the disclosure obligations and burdens on registrants, while satisfying the demand of investors for better metrics for comparison of registrants' climate-related risks.

The SEC now suggests that one purpose of rescinding the Rules would be to "protect investors from being buried in an avalanche of trivial information."[21] That statement is misguided. Congress charged the SEC with a broad disclosure mandate precisely because voluntary disclosures led to a "recurrence of abuses..." causing investors to have inadequate

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[17] 125 F.4th 159 (5th Cir. 2024)(*en banc*).

[18] Brief of *Ad Hoc* Coalition of Nasdaq-Listed Companies as *Amicus Curiae* in Support of Respondent (SEC) at 16, *Id*. (citing Letter from Aron Szapiro, Head of Policy Research & Michael Jantzi, Chief Executive Officer, Morningstar, Inc., to Vanessa Countryman, Secretary, Securities and Exchange Commission at 1 (Jan. 13, 2021)).

[19] *Id*. at 565.

[20] *Id*. at 566.

[21] 2026 Proposed Rescission Release at 26, 91 Fed. Reg. 33296, 33303 (June 3, 2026).

information.[22] Moreover, thousands of investors did not object to receiving more information on climate in response to the 2022 Proposing Release.

The 2026 Proposed Rescission Release claims without foundation that the Rules are burdensome because they somehow force all companies to disclose information not applicable to the company, and that rescinding the Rules will "prevent the registrant from having to collect and disclose every minor detail about its operations."[23] That is a misrepresentation of what the Rules require. A company's disclosures are limited by the Rules to those that are material to the company's investors. Companies make those materiality determinations with nearly every disclosure they make under nearly every rule. Once a company determines that it must disclose an issue, it adopts internal controls and procedures to manage that issue, govern for that issue, and report on that issue.

When engaged in rulemaking, the Commission must consider "whether the action will promote efficiency, competition, and capital formation."[24] The SEC claims in its 2026 Proposed Rescission Release that the Rules place impermissible burdens on companies. However, as made clear in the Exchange Act, the burdens at issue refer primarily to burdens on competition and need only be justified by a finding that the regulations are "necessary or appropriate in furtherance of the purposes of this title."[25] And where the burdens relate to impacts on smaller businesses, the SEC has been explicitly authorized to carve out exemptions to relieve those burdens.[26]

The SEC further states in its 2026 Proposed Rescission Release that, were the Commission to wield the authority it asserts Congress conferred on it, "there would be no meaningful limits on the Commission's statutory authority," which would mean that "the Commission could mandate disclosure about virtually any topic."[27] The congressional mandate as to the subject matter of disclosures is not prescriptive, but rather is intentionally broad and left to the expertise of the SEC to accommodate issues of importance that arise from time to time. In

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[22] H.R.Rep. No. 1383, 73d Cong., 2d Sess. at 14 (1934) (*quoted in Roosevelt v. Du Pont*, 958 F.2d 416, 421 (D.C. Cir. 1992) *quoting J.I. Case v. Borak*, 77 U.S. at 431, 84 S.Ct. at 1559).

[23] 2026 Proposed Rescission Release at 26, 91 Fed. Reg. at 33303.

[24] Securities Act Section 2(b), 15 U.S.C. 77(b)(b).

[25] Exchange Act, *passim*.

[26] *See, e.g.*, Exchange Act Section 35A(2), 15 U.S.C. § 78ll(2): "[T]he Commission may exempt persons or classes of persons, or filings or classes of filings, from such rules or regulations in order to prevent hardships or to avoid imposing unreasonable burdens or as otherwise may be necessary or appropriate."

[27] *Id*.

this case, the Rules are subject to "meaningful limits" because they are applicable only if the disclosure is material.

As the Commission set forth in its 2024 Adopting Release (at pp. 60-61): "Congress not only specified certain enumerated disclosures, but also authorized the Commission to update and build on that framework by requiring additional disclosures of information that the Commission finds "necessary or appropriate in the public interest or for the protection of investors."[28]

Read together, the authority conferred on the Commission was designed to ensure that public companies "provide investors with information important to making informed investment and voting decisions."[29] As noted above in President Roosevelt's message to Congress regarding his request that "no essentially important element attending the issue [of new securities] shall be concealed from the buying public."[30] That level of disclosure facilitates the securities laws' core objectives of protecting investors, facilitating capital formation, and promoting market efficiency." 2024 Adopting Release at p. 61 (footnotes omitted).

In deciding what information securities registrants and persons raising money from investors must disclose for the protection of investors and to prevent fraud, the SEC keeps its finger on the pulse of the industry and makes measured determinations based on studies it conducts and other related information gathering such as hosting roundtables and meetings with the public. The SEC also acquires essential information via APA notice and comment in connection with its rulemaking. The broad discretion accorded the SEC requires the agency to draw on its particular expertise, and to do so with investors in mind.

The SEC in its 2026 Proposed Rescission Release confuses the question of authority to promulgate the Rules by conflating statutory authority with the concept of materiality. Under the Rules, companies will consider materiality when deciding what information must be disclosed to investors. In contrast, the Commission's rulemaking authority is not limited by a materiality threshold. Instead, its rulemaking authority under both the Securities Act and the Exchange Act is defined as that "necessary or appropriate in the public interest or for the protection of investors."[31]

The SEC properly made the determination that the Rules met that standard by undertaking APA-compliant notice and comment, and by arriving at the Rules after careful consideration and analysis of the more than 22,000 comment letters it received. Efforts in this

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[28] Quoting Securities Act section 7 (15 U.S.C. § 77(g) and Exchange Act section 13(a) (15 U.S.C. 78m(a)).

[29] 2024 Adopting Release at 61.

[30] See *supra* fn. 8.

[31] *See, e.g.,* Section 7(a) of the Securities Act of 1933, 15 U.S.C. § 77g(a).

regard are based on Commission-adopted policies in place for over 50 years since the 1970s,[32] as well as the SEC's conclusion that climate-related guidance put in place in 2010 is not by itself adequate to meet the needs of investors in light of the increasing financial risks that climate change presents to issuers.[33] Nor did the then-existing disclosures in their non-standardized form address the needs of how investors now incorporate climate-related information into their investment and voting decisions.[34] As explained by the Commission in its 2022 Proposing Release:

> Since [2010], as climate-related impacts have increasingly been well-documented and awareness of climate-related risks to businesses and the economy has grown, investors have increased their demand for more detailed information about the effects of the climate on a registrant's business and for more information about how a registrant has addressed climate-related risks and opportunities when conducting its operations and developing its business strategy and financial plans.[35]

The SEC itself makes the case for not rescinding the Rules in Section C.1.a. of its 2026 Proposed Rescission Release entitled "Existing Disclosure Obligations and Anti-Fraud Provisions Already Elicit Information About the Material Effects of Climate-Related Matters."[36] In acknowledging that climate-related risk disclosure obligations already exist, the SEC creates the argument in support of leaving in place the structural guidance it deemed appropriate in 2024. That structure will help companies know how best to disclose information, resulting in a degree of protection. For investors, the build-out results in comparability, reliability, and accountability based on information appearing in regulatory disclosure documents versus in other materials put forth by a company.

Having admitted in its 2026 Proposed Rescission Release that material effects of climate-related disclosures are already required, what the SEC is essentially doing is repealing a properly-promulgated standardization rule designed to avoid confusion, promote comparability, and avoid misleading investors. In this case, that framework is designed to address the financial risks associated with climate change.

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[32] Adoption of Amendments Relating to Proposals by Security Holders, Exchange Act Release No. 12,999, 41 Fed. Reg. 52,994, 52,997 (1976).

[33] *See*, *e.g.*, the SEC's 2022 Proposing Release at 13-14.

[34] *Id*. at 38-39.

[35] *Id.* at 14 (footnotes omitted).

[36] 2026 Proposed Rescission Release at 48, FR at 33309.

## II. The SEC Lacks an APA-Compliant Rationale to Rescind the Rules Codifying the Disclosure of Information on Which Investors Have Long Relied

The SEC has not stated an APA-compliant rationale to justify rescinding the Rules codifying the disclosure of information on which investors have long relied. Its proposal to rescind the Rules is accordingly arbitrary and capricious and contrary to law. The agency rested its proposed change in policy on factual findings that contradict those underlying its prior policy, yet failed in its 2026 Proposed Rescission Release to articulate the legally-sufficient detail for that change as required by the APA and as set forth by the U.S. Supreme Court.

For one, the agency failed adequately to explain its decision to disregard – after years of consideration – its prior factual finding, particularly given the fact that 97% of the institutional investors who responded during the comment period indicated support for the types of climate-related disclosures outlined in the 2024 Proposed Rule, and for the need to improve the consistency, comparability, and reliability of climate-related disclosures for investors. Some 320 institutional investors managing over $50 trillion in assets, again representing 97% of institutional-investor respondents, supported the disclosures appearing in Form 10-K.[37]

An essential part of the SEC's analysis in its 2024 Adopting Release is that the agency's considerations leading to the SEC adopting the Rules have been considered over a period of some 14 years. That reflects the SEC's recognition of the need for disclosures that reflect increasingly common risks, including those associated with climate risk. In a 2024 case involving the SEC's attempted rescission of a rule enacted during the prior administration, the fact that the rule had been adopted after a long period of consideration led in part to the court's decision that the agency had not adopted a sufficient rationale for its demise.

"An administrative agency may alter or rescind its policies, including when a new administration enters office.... But when 'its new policy rests upon factual findings that contradict those which underlay its prior policy,' a more detailed explanation is required." *National Ass'n of Mfrs. v. SEC*, 105 F4th 802, 810-11 (5th Cir. 2024)(quoting *FCC v. Fox Television Stations, Inc.*, 556 U.S. 502, 516 (2009).

That was the finding of the Fifth Circuit when the SEC, during Chair Gensler's administration, attempted to rescind a portion of a rule adopted during the prior administration relating to proxy advisory services. The court found that, by rescinding the rule, the SEC's actions were arbitrary and capricious because: (1) "the agency failed adequately to explain its decision to disregard [one of] its prior factual finding[s]," and (2) "the agency failed to provide a reasonable explanation why the[] risks were so significant under the [prior] rule as to justify its rescission." *Id*. at 811.

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[37] https://www.ceres.org/resources/news/analysis-shows-that-investors-strongly-support-the-secs-proposed-climate-disclosure-rule

The same holds true here. As set forth above, the agency had considered how best to elicit climate change risk disclosures for more than a decade. And then – after two cycles of comments, and receiving a record number of comments – tailored the new rule while addressing the comments and balancing the needs of the interested parties. And yet the 2026 Rescission Release does not – because it cannot – address how the facts have changed. Under similar circumstances, the Fifth Circuit ruled that the SEC had no basis for rescinding the rule.

Instead, the SEC attempts a novel theory suggesting that the SEC lacked authority to promulgate its rules. The theory would have the reader believe that during the entire history of the agency, those who came before did not appreciate what Congress has mandated them to do. However, even if that were somehow correct – which cannot even be conceded as the theory is so implausible – the attempt still fails, as the SEC does not address how yesterday's carefully-gathered and supportable facts somehow no longer apply. Indeed, "[t]he agency did not engage in any analysis of its prior finding regarding the [need for the rule], or explain why it had changed its mind" (*Id.* at 812) in any meaningful way that would justify from a legal perspective why it can no longer carry out its core congressional directive.

The SEC, in reaching a policy decision to rescind its own Rules based on a same-branch Executive Order versus an identifiable set of facts representing changed circumstances as required under the APA, is subjecting itself to reversal by the judiciary. The agency has failed to provide a reasonable explanation as to how the Rules are suddenly unnecessary and inconsistent with a registrant-specific, materiality-based approach to disclosure that best serves the interest of registrants and investors after previously having considered and found to the contrary.

Congress delegated to the Commission authority to determine what type of disclosure is potentially deceptive or misleading or in the public interest. In the rulemaking context, it is for the agency as part of its rulemaking responsibility to develop an administrative record and make judgments based on that record on the issue of what disclosure is appropriate in the public interest or for the protection of investors. The SEC did just that when it proposed the climate-risk rules and adopted a version of those rules based on public input. The SEC has not made the appropriate findings that would be necessary to unwind those findings.

## III. Consistent with the SEC's Findings When Adopting the 2024 Rules, as Climate-Related Risks Have Become More Prevalent, Investors Have Increasingly Sought and Have Relied on Information from Registrants About the Actual and Potential Impacts of Climate-related Risks on the Financial Performance of the Companies They Own

Investors in general and our members in particular have long relied on information from registrants relating to climate-risk disclosure. Investors have been seeking environmental performance information from companies for over 50 years – over half of the time the SEC has been in existence.[38] ICCR's own database of member shareholder resolutions and engagements with companies, dating back to our founding in 1971, shows that investors sought disclosure from companies on the environmental impacts of their operations. Several proposals were filed in 1972 with U.S. auto manufacturers on disclosure of environmental actions. Global warming-related filings began appearing in the 1980s, increased significantly in 1991, and filing levels have remained steady ever since. Many proposals never went to a vote as company management supported the relevance of reporting the information requested and entered into disclosure agreements with the proponents to improve their practices.

Since 1971, 1,541 resolutions have been filed by ICCR shareholder members on a number of climate-risk topics including, but not limited to, global warming, risks associated with greenhouse gases, the Paris Agreement and its goals, and emissions disclosure. This number does not include proposals related to the Valdez Principles (later renamed the Ceres Principles). After the March 1989 Valdez oil spill off the coast of Alaska, a group of faith-based and other investors began a series of shareholder filings asking companies to adhere to a 10-point environmental code of conduct stemming from the spill. Those proposals also asked companies to do an environmental audit of their performance and report back publicly to shareholders and stakeholders on those efforts.

Company by company and year over year, those efforts helped build the voluntary environmental disclosures we see in the market today, through the tireless efforts of many investors, small and large. These investors understood how important this information was to judging the quality of management and boards, and the risk and opportunity profiles for many North American companies. The time has come to formalize the process by permitting the Rules to go into effect.

Even in an area as challenging for issuers and investors to measure as value chain (Scope 3) emissions, investors have been requesting information as far back as 2006. For example, engagements and resolutions sought information on the climate impacts to lending portfolios (Wells Fargo) or sought the emissions from end use of the company's core products (ExxonMobil). This further demonstrates the long-standing investor need for uniform and easily comparable information on climate. For this reason and others, the framework for the Rules will greatly reduce the costs imposed on investors – particularly smaller ones – tasked with the misplaced burden of having to seek information independently to satisfy their fiduciary obligations.

The staff-hours and financial resources it takes for investors to encourage voluntary disclosures by issuers has been substantial over time. Given that companies in the end provide that information to various requesters and surveys, it makes little sense for investors to be the ones to have to continue to request the bulk of this information. It is also undoubtedly more burdensome for companies to be required to respond to multitudes of requests received in

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38 See Appendix A for examples of the broad range of circumstances in which investors rely on climate-related disclosures.

different formats when a single set of rules could guide them in those efforts, saving substantial corporate resources.

Today, a majority of U.S. institutional investors rely on data sets built on the legacy from these early disclosures, but investors still face a number of obstacles in relying on the available information. Among those obstacles is the lack of consistency, verifiability, audit rigor, enforceability, and ease of finding the specific information. When the SEC looks at the cost-benefit analysis of the Rules, it cannot ignore the very tangible costs and efforts of investors to attempt to obtain this critical information for investment decision-making purposes, nor the very real challenges in the quality and consistency of the information obtained through company-by-company engagement processes.

The SEC's cost-benefit analysis was not robust, in part because it did not seek the views of a diverse set of investors and issuers regarding the costs and resources used to compile their multiple requests for climate-related datasets. A robust cost-benefit analysis would analyze how much time and effort it takes companies to produce the various facets of voluntary and mandatory climate-related requests now coming from a patchwork of surveys and rankings and disclosure regimes across all markets to then assess how a mandatory framework and obligation might reduce those burdens. It is essential that, at a minimum, the SEC have the answers to those questions before any decision to rescind the Rules, in whole or in part, is made.

As the SEC concluded when adopting the Rules, standardized, mandatory disclosures reduce costs and inefficiencies in gathering information, reduce risk premiums, and result in lower costs of capital for a broad sector of institutional investors. ICCR has noted some costs to investors in gathering this data. But it is worthwhile to describe to the Commission how investors rely on this information so that the SEC can recognize why it adopted the Rule after careful consideration, and the importance of permitting it to go effective.

In the 2024 Adopting Release, the SEC concluded that "less information asymmetry among investors could mitigate adverse selection problems by reducing the informational advantage of investors that have sufficient resources to become more informed about a registrant's exposure to and management of climate-related risks." In other words, smaller investors – the ones most in need of the SEC's protection – are the ones most likely to be harmed by a rescission of the Rules. Left unanswered in the 2026 Recission Release is the justification for taking steps that will disadvantage investors, and in particular smaller ones.

Disclosures currently lack quality and completeness and are difficult to compare, incurring costs and inefficiencies when attempting to assess the valuation of a registrant's securities. For example, CDP (Carbon Disclosure Project) is a nonprofit that runs an independent global reporting disclosure system that is widely used by both companies and investors. While the disclosure available via CDP is very valuable to investors, it only takes a peer comparison of disclosures around a few of the same questions to show the range in quality of information investors are getting. On another note, in some years, issuers report to the CDP this information. In other years, those same issuers then decline to report at all – leaving gaps in coverage and analysis and yet more time and resources for investors to acquire those subsets of information.

Thus, this valuable resource still has notable defects in serving as a meaningful data set for use by investors.

A 2025 industry report found about 75% of investors globally are assessing climate-related financial risks and opportunities within their investment portfolios.[39] A separate survey of large global asset owners found that 85% were concerned about the impact of climate risk;[40]

Given that voluntary disclosures are not standardized – often being made outside SEC filings such as in sustainability reports or other documents posted on a registrant's website – they tend to be less reliable and less capable of comparability and accountability. Additionally, investors have noted in recent years that some issuers have deleted their historical climate information from their websites and other Internet domains – including energy scenarios and their historical record of sustainability reports, something that many institutional investors do incorporate into their analysis.

SEC filings made pursuant to the Rule would offer a more visible and reliable record of performance. The Rule facilitates a consistent place and time to report the required disclosures – a huge boon to investors that now spend enormous amounts of time trying to locate relevant climate data. The language of the Rules resolve those issues by facilitating internal controls and procedures, audits, and financial statement references that ensure a rigorous disclosure process. The external verifications provided for in the frameworks help ensure reliability and accuracy, providing the critical information on which investors rely while affording some insulation from liability to issuers.

The Rules broadly support efficiencies and reduce costs especially for small- and medium-sized investors. Contrary to the Commission's statement in the 2026 Proposed Rescission Release, climate-risk related disclosures are primed to fill a need for a broad set of investors.

The Rules do not present a barrier for companies going public or pursuing IPOs. The SEC, in its 2026 Proposed Rescission Release, cited no facts to controvert its own documented findings in the 2024 Adopting Release that standardized disclosures affirmatively serve the informational needs of investors and the marketplace better than existing principles-based requirements. In the end, investors rely on the information elicited by the Rules, and we ask that the SEC permit them to go into effect.

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[39] http://www.unpri.org/about-PRI/annual-report

[40] http://talkingfinances.co.uk/news/climate-change-and-investing-what-does-it-mean-for-esg-investors

## IV. The U.S. financial markets operate in a global environment, and the Rules help ensure that U.S. companies are in a position to remain relevant in today's competitive domestic and international marketplace

U.S. registrants and the investors who allocate capital to them operate in an interconnected fashion, competing for capital, customers, and counterparties in a global market. In that global market, the disclosure of decision-useful climate-related information is increasingly a baseline expectation and, in a growing number of jurisdictions, a legal requirement. The Rules were designed to reflect this. Furthermore, the Securities Act Section 2(b) and Exchange Act Section 3(f) require the Commission to consider whether its actions will promote efficiency, competition, and capital formation.

Therefore, the competitive consequences of rescission are not extraneous policy considerations the Commission may set aside, but are statutory factors it must confront, which the 2026 Proposed Recission Release does not meaningfully do. That Release also characterizes rescission as burden relief, but for the substantial portion of U.S. issuers that operate globally, the obligation to identify and disclose climate-related risks and related information exists outside the Rules and continues to grow under an expanding web of state, foreign, and market requirements.

In adopting the Rules, the Commission recognized the importance of being able to compete in today's global marketplace and filled the void by creating a disclosure regime to replace reliance on voluntary third-party climate-related reporting frameworks.

Before the Rules, U.S. registrants relied on this third-party patchwork of frameworks when they disclosed climate-related information, resulting in information for investors that was inconsistent in scope, incomparable across issuers, and of uneven reliability. The Commission adopted the Rules to replace that patchwork with a single, standardized federal regime, deliberately building on the architecture of the frameworks that issuers and investors already used and understood, namely the governance, strategy, risk-management, and metrics structure of the Task Force on Climate-related Financial Disclosures (TCFD, now part of the IFRS Foundation) and the emissions-accounting methodology of the Greenhouse Gas Protocol.

U.S. issuers and their investors were already familiar with these concepts through voluntary reporting and mandatory international reporting, so the Rules' framework is designed to let U.S. companies speak the same disclosure "language" as their global peers and competitors. The 2026 Proposed Recission Release would force U.S. registrants back to the pre-Rule fragmentation and strip investors of the comparability the Commission worked to create.

In adopting the Rule, the Commission also recognized the importance of aligning with standardized forms of disclosure required by several federal, state, and foreign jurisdictions in order to protect investors, facilitate capital formation and foster stable, efficient markets.

The Commission's mandate to consider efficiency, competition, and capital formation is not satisfied by solely considering the domestic market. In adopting the Rules, the Commission understood that a well-designed federal standard could reduce the aggregate cost and complexity of compliance for globally active U.S. issuers and created a coherent framework to satisfy overlapping obligations arising under state and foreign law. A federal baseline lowers the cost of capital for issuers, improves comparability for the investors allocating that capital across borders, and supports the orderly and efficient functioning of the markets.

The 2026 Proposed Recission Release would not eliminate the compliance obligations that U.S. issuers face. It would remove the tool that would have allowed them to meet those obligations efficiently and on terms comparable to their competitors. The predictable effect is greater fragmentation, higher duplicative compliance costs for globally active registrants, and impaired comparability for investors. The 2026 Proposed Recission Release does not seriously address this harm to efficiency, competition, and capital-formation.

In proposing to rescind the Rules, the SEC ignores the fact that many companies already must identify and must report much of the information required by the Rules in order to remain globally competitive. Disclosure of that material information is paramount and, in many cases, already required. Companies would stand to benefit from a standardized, risk-reducing framework in which to report that information.

The obligation to identify and disclose the information required by the Rules has been growing under an expanding web of state, foreign, and market requirements that are largely built on the same foundations the Commission incorporated into the Rules. Globally, mandatory corporate climate disclosure at the national level has expanded quickly over the past ten years. As of mid-2026, close to 40 jurisdictions have some binding requirements, though the scope, sectors covered, and enforcement mechanisms vary. Jurisdictions with mandatory climate disclosure now represent well over half of global GDP. Mandates are set or about to take effect in Japan, Switzerland, New Zealand, United Kingdom, Australia, Canada, Hong Kong, Singapore, Malaysia, Brazil, South Korea, Nigeria, Mexico, and China.

In some countries, exchanges mandate corporate climate-related disclosures as a condition of listing, in some cases complementing national regulatory requirements. Stock exchanges/markets with mandatory climate disclosure currently in force include Hong Kong, China, London, Tokyo, Australia, Brazil, Singapore, Johannesburg, India, Malaysia, and Mexico.

Disclosure requirements are also mandated in the European Union through the Corporate Sustainability Reporting Directive ("CSRD"). Even after the EU's 2026 "Omnibus" simplification narrowed the population of covered companies and streamlined the European Sustainability Reporting Standards, the CSRD continues to mandate disclosure of greenhouse-gas emissions, including Scope 3, and continues to capture U.S. companies with significant EU operations. It is also worth noting that many companies on exchanges such as Euronext and Deutsche Börse are covered by CSRD rather than an exchange-specific rule.

State-level disclosure requirements are also an active driver of overall obligations for issuers and of information for capital markets. California's SB 253 requires companies doing business in California with revenues above $1 billion to report Scope 1 and 2 emissions, with the first reports due in late 2026 and Scope 3 reporting to follow.

This rapid development of climate disclosure requirements aligned to a common foundation was supported by the International Organization of Securities Commissions ("IOSCO"), which formally endorsed two key sustainability disclosure standards: IFRS S1 (general sustainability-related disclosures) and IFRS S2 (climate-specific disclosures). In framing its 2023 endorsement, IOSCO explicitly compared the action to its earlier endorsement of IFRS Accounting Standards roughly 20 years ago, which helped drive adoption of those accounting standards in over 140 jurisdictions. IOSCO's action came after a comprehensive technical review and serves as a strong signal of the standards' quality and fitness.

The global character of U.S. capital markets is not a reason for the Commission to defer to foreign and state regulators; it is a reason to maintain a coherent federal standard that keeps U.S. issuers competitive and U.S. disclosure comparable. Rescission would cede effective standard-setting for internationally active U.S. companies to other jurisdictions, leaving U.S. issuers to bear the compliance burden without the benefit of a harmonizing domestic framework.

* * *

In sum, shareholders rely on the information that would be elicited by the Rules to make important investment and voting decisions, and – given that issuers will need to continue to provide that information – they will be unable to take advantage of the cost savings from which they would likely benefit were Rules permitted to go effective.  For the above reasons, ICCR strongly opposes the SEC's proposed Rescission of the Climate-Related Disclosure Rules.

Respectfully submitted,

Josh Zinner, Chief Executive Officer
Interfaith Center on Corporate Responsibility

Beth-ann Roth, General Counsel

Erica Lasdon, Director, Climate Change and Environmental Justice

Tracey Rembert, Associate Director, Climate Change and Environmental Justice

## APPENDIX A

The following examples represent the broad range of circumstances in which investors rely on climate-related disclosures. We respectfully submit that these disclosures would become more decision-useful for investors were the Rules to go into effect. Similarly, companies would benefit from: (i) the guidance and uniformity a framework for disclosure provides; (ii) a modicum of protection based on a demonstration that they followed the Rules: and (iii) a cost-effective way to prepare information for distribution versus the need to respond to a multitude of different inquiries.

**A large number of investors rely on climate-related disclosures**

- The U.N. Principles for Responsible Investment ("PRI") now has more than 5,000 signatories, representing more than half of the world's institutional assets under management, with signatory AUM now reaching over $128 trillion. Signatories commit to incorporating ESG (including climate) issues into investment analysis;[41]

- Within PRI, a dedicated Climate Reference Group had 65 signatories during the 2024 Rulemaking comment period, and its Net Zero Asset Owner Alliance had 86 asset owners, representing $9.5 trillion in AUM, committed to transitioning their investment portfolios to net-zero emissions by 2050;[42]

- Additional analysis suggests a very large number of institutional investors would benefit from increased ease and comparability of climate related information in the U.S. marketplace. A 2025 industry report found about 75% of investors globally are assessing climate-related financial risks and opportunities within their portfolios.[43] A separate survey of large global asset owners found that 85% were concerned about the impact of climate risk;[44]

- On the corporate reporting side, 84% of S&P 500 companies now identify climate change as a financial risk, a significant increase from 67% in 2021;[45] and

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41 https://public.unpri.org/pri-blog/meeting-investors-where-they're-at-pri-launches-new-strategy/12636.article

42 https://www.unpri.org/about-PRI/annual-report

43 http://www.unpri.org/about-PRI/annual-report

44 http://talkingfinances.co.uk/news/climate-change-and-investing-what-does-it-mean-for-esg-investors

45 https://corpgov.law.harvard.edu/2025/02/03/ceo-and-c-suite-esg-priorities-for-2025/

- Scope 3 emissions account for up to 70–90% of total corporate emissions, according to Carbon Trust,[46] which is why a significant number of investors were supportive during the rulemaking process for inclusion of the Scope 3 reporting mandate.

**Proxy voting**

- **Many institutional investors cover the topic of climate change in their proxy voting policies, voting assessment and actual votes cast.** This includes support (or lack thereof) for board candidates, approval of the auditor, and both management- and shareholder-proposed voting items on the ballot.

**Risk mitigation**

- **Stress-testing and prioritized engagement.** Scenario outputs are used to flag which holdings carry the most material climate-related financial risk, which then determines where stewardship teams focus engagement resources rather than spreading effort evenly across a portfolio.

**Product development**

- **Climate-labeled and low-carbon investment products.** Managers use GHG and disclosure data to build dedicated low-carbon indices, climate solutions funds, and transition-themed strategies. (CalSTRS, for example, has allocated a defined share of its public equity portfolio to a low-carbon index as a distinct climate strategy, separate from stewardship and direct climate-solutions investing.)

- **Specialist teams driving both research and product design.** At large asset management firms, dedicated sustainable-investing teams combine climate research analysts with professionals who translate that research directly into new products and client-facing strategies, often integrating GHG metrics into portfolio management systems and analytics platforms used firm-wide.

- **Transition and adaptation-finance products.** As physical risk becomes more apparent to investment impact, some managers are developing resilience- and adaptation-focused investment products specifically targeting companies and infrastructure with credible climate resilience measures, reflecting rising investor demand in this niche.

- **Decision-grade disclosure data as a product input.** Frameworks like CDP have shifted from being pure disclosure mechanisms toward a more decision-useful data platform, where verified emissions and scored disclosures feed directly into third-party data products (ratings, screens, indices) that asset managers license and build products around.

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[46] https://www.carbontrust.com/our-work-and-impact/guides-reports-and-tools/scope-3-emissions-what-are-they-and-why-do-they-matter

**Asset selection and portfolio construction**

- **Screening and exclusion.** The most basic application: excluding or underweighting issuers based on carbon intensity, carbon performance, fossil fuel reserves, or disclosure quality.

- **Tilting toward transition leaders.** Rather than blunt exclusion, many investors now tilt portfolios toward companies with credible transition plans–deploying capital into hard-to-abate sectors that are nonetheless demonstrating real decarbonization pathways, rather than avoiding those sectors altogether.

**Climate-related issues constitute a regular element of investment research in connection with both investment and voting decisions**

- **Financed/portfolio emissions accounting.** Financial institutions increasingly calculate financed emissions (the share of a portfolio company's or project's GHG output attributable to a lender or investor through financing, investment, or underwriting) as a baseline research metric, typically benchmarked against PCAF (Partnership for Carbon Accounting Financials) data quality scores.[47]

- **Scenario analysis as a decision tool.** Leading asset owners now use climate scenario analysis to inform capital allocation and stewardship priorities rather than treating it as a check-the-box TCFD exercise. Bottom-up quantitative models offer granular asset- or company-level insight but are poor at revealing systemic effects, while top-down quantitative approaches are more useful for understanding how systemic climate risks affect whole economies and total-portfolio outcomes. Many large asset owners now use the latter primarily to shape strategic asset allocation.[48]

- **Physical risk and adaptation research.** Beyond transition risk, investors are building out research on physical climate risk (heat, drought, flooding, severe convection storms) using tools like the Physical Climate Risk Appraisal Methodology, treating adaptation and resilience assessment as core to understanding a company's or asset's long-term viability, not a side consideration.

- **Carbon-adjusted valuation and/or pricing signals.** Capital markets are increasingly pricing in emissions, with more carbon-intensive firms trading at a discount as investors price in transition risk especially. This shows up directly in equity research models and cost-of-capital assumptions for high-emitting sectors. Climate Action 100+

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[47] https://www.iss-stoxx.com/insights/articles/tracking-financed-emissions-how-disclosures-are-evolving-and-why-it-matters

[48] https://www.mercer.com/insights/investments/investing-sustainably/stress-testing-the-future-scenario-analysis/

investors engage companies across the globe on climate-related CAPEX and OPEX strategy as a subset of those signals.

- **Nature/biodiversity linkage.** Some large managers now research climate and biodiversity together, since climate-driven physical risks can degrade ecosystems and disrupt supply chains, while ecosystem decline in turn weakens natural carbon storage and amplifies climate risk over time, a feedback loop increasingly built into research frameworks (JP Morgan Asset Management, for instance, folds nature-related factors into its climate research where financially material).

APPENDIX B

INTERFAITH CENTER ON CORPORATE RESPONSIBILITY

# A Cross Section of Company Statements Supporting Climate Action

**July 2026**

## Introduction

Over the past two years, the public conversation around corporate climate commitments has shifted considerably. Some companies that spoke openly about decarbonization have grown quieter, a phenomenon often described as “greenhushing”. Regulatory momentum behind mandatory climate disclosure at the federal level shifted to reverse, and sustainability language in public debate has increasingly been recast as a “woke” political position rather than a sound business judgment. And of course, the EPA relentlessly works to eradicate climate rules and regulations, including questioning science. Additionally, the SEC has moved to eliminate any company climate disclosure rules as they formerly propose to end the climate rule.

However numerous major American and global corporations continue to acknowledge that climate change is a critical risk and material business issue. When a food company states changing weather patterns threaten its agricultural supply chain or when an electric utility describes its net zero commitment in the environmental strategy section of its annual report, these are not political statements. They are assessments of business risk and opportunity, made by managements and boards with fiduciary obligations to their shareholders.

This document, compiled by the Interfaith Center on Corporate Responsibility, demonstrates that many businesses understand the necessity to address climate risk as part of their business planning processes. It is a business imperative. As Larry Fink, CEO of Black Rock has often said climate risk is investment risk. The breadth of sectors represented in this document also demonstrates that climate risk is not confined to any one industry, business model, or customer base, but is broadly embraced in the market today.

Corporate acknowledgment of climate risk matters for multiple reasons.

- **It informs investors:** Institutional investors representing trillions of dollars in assets continue to seek decision-useful information about how companies assess and manage climate-related risks, and corporate statements are a primary input into that analysis.
- **It reflects good corporate management:** Companies that publicly acknowledge their environmental footprint, and describe the steps they are taking to manage it, demonstrate accountability to the communities in which they operate, to their investors and to the broader public.
- **It preserves an accurate record:** At a moment when corporate climate language is being downplayed on websites, shareholder letters, and public communications, documentation of what companies have said over time carries independent value.

An analysis of company Form 10-K disclosures shows that most climate-related descriptions in annual reports appear in risk factor sections, where it is drafted primarily from a legal perspective often resulting in boilerplate language. A risk factor noting that climate regulation 'could materially affect' a business tells us little about how management actually views the issue. For that reason, this compilation deliberately draws fewer quotes from financial filings, and instead favors management responses to shareholder proposals, company Sustainability reports and other public statements. This presents a more comprehensive and clear record of company perspectives on the importance of climate action.

Finally, this document does not grade companies on climate performance. Several companies quoted here have missed emissions targets, revised goals downward, or face ongoing criticism regarding the adequacy of their transition plans. However, these companies understand the compelling case for addressing climate and integrating it into their business planning. They do not do this for "political reasons" but because they understand it is a prudent and sensible way to do business. The fact that they acknowledge climate as a business risk in today's shifting environment is still a strong and relevant message.

## Section 1: Financial Filings & Proxy Opposition Statements

*Excerpts from Forms 10-K and definitive proxy statements (DEF 14A) filed with the SEC.*

### Energy

**Dominion Energy** | Form 10-K, FY2025, Environmental Strategy section (filed February 2026)

> *"Dominion Energy's mission is to provide the reliable, affordable, and increasingly clean energy that powers its customers every day. Dominion Energy is working to achieve its commitment of net zero carbon and methane Scope 1 and Scope 2 emissions and material categories of Scope 3 emissions... by 2050."*

Management statement, Environmental Strategy section of the annual report

**Source:** SEC EDGAR: Dominion Energy 10-K, period ended December 31, 2025

**Chevron** | DEF 14A, 2024, Statement in Opposition (p. 116)

*In response to a shareholder proposal concerning the company's renewable energy investments and climate strategy (2024 annual meeting).*

> *"Consistent with other investments, Chevron invests in renewable energy opportunities in furtherance of driving long-term shareholder value... Chevron's approach seeks to create value by delivering competitive returns across our portfolio of advantaged assets as we consistently strive to be more capital-, cost-, and carbon-efficient... Chevron's strategic and business planning processes regularly assess market conditions to guide its actions as Chevron aims to safely deliver higher returns and lower carbon."*

Board of Directors, Statement in Opposition, 2024 Proxy Statement

**Source:** SEC EDGAR: Chevron DEF 14A, filed April 10, 2024

### Technology

**Meta Platforms** | DEF 14A, 2026, Statement in Opposition

*In response to a shareholder proposal concerning the company's climate commitments (2026 annual meeting, May 27, 2026).*

> *"As we continue to build the future of human connection and the technology that makes it possible, we strive to do so in a way that supports a more sustainable world. Since 2020,*

> *we have maintained net zero Scope 1 and Scope 2 emissions in our operations and have matched 100% of our annual electricity use with clean and renewable energy... As of January 2026, we had contracted for more than 30GW of clean and renewable energy projects across the globe, of which nearly 12GW were already in operation. We believe nuclear energy will play a pivotal role in the transition to a cleaner, more reliable, and diversified electric grid."*

Board of Directors, Statement in Opposition, 2026 Proxy Statement

**Source:** [SEC EDGAR: Meta Platforms DEF 14A, 2026]

**Nvidia** | DEF 14A, 2026, Statement in Opposition

*In response to a shareholder proposal requesting enhanced climate-related disclosure, including Scope 3 emissions reporting (2026 annual meeting).*

> *"NVIDIA's current practices evidence a clear commitment to sustainability, climate risk management, and effective disclosure. For example, NVIDIA consistently publishes highly detailed climate reporting, including in our 2025 Sustainability Report, which is assured by our financial auditor..."*

Board of Directors, Statement in Opposition, 2026 Proxy Statement

**Source:** [SEC EDGAR: Nvidia DEF 14A, 2026]

**Amazon** | DEF 14A, 2025, Board Response on Sustainability

*From the board's discussion of the company's sustainability program in the 2025 proxy statement (filed April 10, 2025), presented in the context of responses to shareholder proposals.*

> *"The Climate Pledge and Carbon-Free Energy. In 2019, we co-founded The Climate Pledge, a goal to reach net-zero carbon emissions across our operations by 2040, a decade ahead of the Paris Agreement's goal of 2050. We are proud that more than 550 companies across more than 55 industries and more than 45 countries have joined The Climate Pledge. As part of this commitment, we publish our carbon footprint and calculation methodology. In 2023, our absolute carbon emissions decreased by 3%, driven by an 11% reduction in emissions from electricity and a 5% decrease in indirect and supply chain emissions."*

Board of Directors, Amazon.com, Inc., 2025 Proxy Statement

**Source:** [SEC EDGAR: Amazon DEF 14A, filed April 10, 2025]

## Banking & Financial Services

**Wells Fargo** | DEF 14A, 2026, Statement in Opposition

*In response to a shareholder proposal requesting a report evaluating climate-related litigation risks tied to the bank's financing of high-carbon activities (Proposal 8, 2026 annual meeting, April 28, 2026).*

> *"Our existing public disclosures describe our own operational sustainability efforts as well as our client-centric sustainability approach. We seek to meet the financial needs of our customers, clients and communities whether they are seeking to pursue their own sustainability goals or make their businesses more resilient. We also set a goal in 2021 to finance or facilitate $500 billion in sustainable finance by 2030, and continue to report our progress towards this goal."*

Board of Directors, Statement in Opposition, 2026 Proxy Statement

**Source:** [SEC EDGAR: Wells Fargo DEF 14A, 2026]

**JPMorgan Chase** | DEF 14A, 2026, Board Qualifications (Sustainability)

*From the board skills matrix in the 2026 proxy statement, which also contains a letter from Lead Independent Director Stephen B. Burke. The proxy includes shareholder proposals on climate initiatives and a sustainability ROI report.*

> *“Experience with sustainability-related matters is important to effectively oversee potential risks and opportunities related to climate, nature and social factors that could affect the business, including business solutions that foster sustainable economic growth and support our clients in pursuing their sustainability goals.”*

Board of Directors, director qualifications, 2026 Proxy Statement

**Source:** SEC EDGAR: JPMorgan Chase DEF 14A, filed April 6, 2026

### Citigroup | 2025 Proxy Statement

> *“Through climate risk and net zero analysis, in 2024 Citi continued to review client activities and engage with them as appropriate to understand their climate risk profiles and their transition plans, including where applicable, how they plan to adapt to and/or manage climate-related risks and how we can support them.”*

Citigroup Inc., 2025 Proxy Statement

**Source:** Citi 2025 Proxy Statement (PDF)

### The Travelers Companies | DEF 14A, 2026, Statement in Opposition

*In response to a shareholder proposal concerning climate-related risk measurement and disclosure (2026 annual meeting).*

> *“The Company takes comprehensive measures to identify and mitigate climate-related risks in its business. As stated in the Company's report, 'understanding climate-related effects on weather perils is part of our fundamental evaluation process in connection with the underwriting and pricing of risks related to many of our products.' Because... incorporating weather and climate variability into the Company's underwriting and pricing decisions is 'core to our strategy,' the Company has made significant investments in technology, data and analytics and personnel to refine its view of, and effectively manage, weather- and climate-related risks and to inform its business strategy.”*

Board of Directors, Statement in Opposition, 2026 Proxy Statement

**Source:** SEC EDGAR: The Travelers Companies DEF 14A, 2026

## Consumer Goods

### Unilever | Annual Report Sustainability Statement, FY2025

> *“We updated our quantitative scenario analysis in 2025 to consider both our most material climate and nature risks and drivers, recognizing their interconnectivity. This included physical and transition risks likely to impact our business over the short, medium and long term.”*

Unilever PLC, Sustainability Statement, 2025 Annual Report

**Source:** Unilever Sustainability Statement 2025 (PDF)

### Maersk | 2025 Annual Report Sustainability Disclosure / Climate Pages

*Maersk's FY2025 sustainability disclosures describe a company-wide climate risk assessment and 1.5°C-aligned policy advocacy.*

> *“In 2025, Maersk conducted a climate risk assessment to evaluate physical impacts on land-based assets and operations covering more than 1,400 own and third-party assets (terminals, warehouses, offices, and data centers), to identify exposure to hazards such as flooding, storm surge, windstorms, heatwaves, and water stress.”*

> *“Maersk is committed to conducting all our policy outreach in alignment with the goal of limiting global temperature rise to 1.5°C.”*

A.P. Moller-Maersk, climate disclosures referencing the 2025 Annual Report Sustainability Statement

**Source:** maersk.com/sustainability/climate

**Source:** maersk.com, Climate Change (ESG priorities)

## Section 2: Company Statements — Executives, Sustainability Reports & Media

*Statements by named executives and official corporate communications, drawn from speeches, podcasts, press releases, sustainability reports, and corporate websites, 2025–2026.*

### Technology

**Apple** | Corporate Environment Page and 2026 Environmental Progress Report

> *“Climate change is a defining issue of our time.”*

Apple corporate statement, 2026

**Source:** apple.com/environment

**Apple** | CES technology conference, 2025

> *“At Apple, we're carbon neutral for our own operations and innovating every day to go even further in the urgent work to address climate change. The scale of this challenge is immense, but so is our determination to meet it.”*

Tim Cook, Chief Executive Officer, Apple

**Source:** CES Ltd. ESG analysis, April 2025

**Google** | 2025 Environmental Report

> *“We reduced our data centre energy emissions by 12% in 2024 despite significant growth in electricity demand, showing it's possible to advance the two great transformations of our time, the AI revolution and clean energy growth, hand in hand. This is about building for the future through new advanced energy innovations and deeper supplier engagement, both of which are core parts of our strategy as we work toward our climate moonshots, 24/7 carbon free energy and net zero by 2030.”*

Kate Brandt, Chief Sustainability Officer, Google

**Source:** Sustainability Magazine, June 2025 (covering Google's 2025 Environmental Report)

**Source:** Google: Environmental Report 2025 announcement

**Microsoft** | Carbon removal program statements, 2025

*Microsoft is the world's largest purchaser of carbon removal credits. On the company's long-term offtake commitments:*

> *“Nearly 100 percent of the carbon removal purchases announced in our current fiscal year will be delivered between 2030 and 2050 via long-term offtake agreements. We're not looking at this sustainability report to sustainability report.”*

Brian Marrs, Senior Director of Energy and Carbon Removal, Microsoft

**Source:** Trellis, June 10, 2025

**Source:** Axios, January 30, 2025 (7-million-ton Chestnut Carbon deal)

**Accenture** | Sustainability Strategy, corporate website (2025)

> *"Growing regulatory pressure, consumer scrutiny and risk of material financial shocks from climate change and nature loss means every business must be a sustainable business."*

Accenture corporate statement

**Source:** accenture.com, Sustainability Strategy

## Aviation & Shipping

**Delta Air Lines** | Skift GreenShift podcast (June 2025) and CES interview (January 2025)

> *"Delta is not a sustainability company that just happens to have an airline; we're an airline that has a sustainability team and policy. But we also know that if we don't decarbonize, we lose our license to operate over the next hundred years."*
>
> *"For us, it's just become part of the business. Every business decision that we're making at this point is taking sustainability into consideration."*

Amelia DeLuca, Chief Sustainability Officer, Delta Air Lines

**Source:** Skift, June 3, 2025

**Source:** Miami Herald via Georgia Tech Research News, January 2025

**United Airlines** | Corporate Impact Report (environmental strategy)

> *"United is on a mission to redefine the future of air travel with sustainability at the forefront. We believe that it is critical to continue to serve our purpose of connecting people and uniting the world, and we aim to find more sustainable solutions while also achieving our financial goals. Our ambitions are anchored in our business strategy, as building a future of sustainable aviation benefits our customers, employees and shareholders."*

United Airlines, Corporate Impact Report

**Source:** corporateimpact.united.com, Our Environmental Strategy

**United Airlines** | CERAWeek conference, March 2025

> *"I think SAF [sustainable aviation fuel] is the future."*

Scott Kirby, Chief Executive Officer, United Airlines, on the company's path to its 2050 net zero and 2035 interim emissions goals

**Source:** Crain's Chicago Business, March 11, 2025

**Maersk** | Corporate decarbonization commitment (current)

> *"Reaching net zero greenhouse gas emissions by 2040 demands more than ambition, it requires action. Today, alternative fuels are scarce and costly. To ensure fair competition and meet net zero targets on time, global regulations are essential. No one can do it alone. To decarbonize the industry, we must work together: customers, fuel producers, shipping lines, and policymakers."*

A.P. Moller-Maersk, attributed alongside CEO Vincent Clerc on the company's net zero page

**Source:** maersk.com, All the Way to Net Zero

## Food & Beverage

**PepsiCo** | World Economic Forum panel, Davos, January 2026

> *“This is not about sustainability or profitability. This is about short-term or long-term. Growth is our business model, but growth for the long term means that we need to generate this growth without depleting the resources that will give us future growth.”*

Ramon Laguarta, Chief Executive Officer, PepsiCo

**Source:** ESG Dive, January 21, 2026

**General Mills** | Climate Policy, corporate website (current)

> *“As a global food company, General Mills recognizes the risks that climate change presents to humanity, our environment and our livelihoods. Changes in climate not only affect global food security but also impact General Mills' raw material supply which, in turn, affects our ability to deliver quality, finished product to our consumers and ultimately, value to our shareholders.”*

General Mills, Climate Policy

**Source:** generalmills.com, Climate Policy

**Mars** | HBR Future of Business event / IdeaCast, December 2025

*Asked directly whether political backlash has changed the company's emphasis on climate:*

> *“I would argue that this has absolutely nothing to do with politics at all. If you're a food company, you fundamentally live from converting crops that you buy, processing them, and packaging. There is no person on this planet who cannot say that there are significant impacts, because of climatic changes, because of hurricanes, because of warming temperatures, where crops cannot be grown in certain regions where they used to be grown.”*

Poul Weihrauch, Chief Executive Officer, Mars, Incorporated

**Source:** Harvard Business Review IdeaCast, December 2025

## Healthcare

**Johnson & Johnson** | Sustainability Magazine, September 2025

> *“We are wasting no time making progress because we know there is no time to waste. The world needs bold climate action to advance both human and planetary health.”*

Paulette Frank, Chief Sustainability Officer, Johnson & Johnson

**Source:** Sustainability Magazine, September 26, 2025

**Johnson & Johnson** | Corporate environmental sustainability page, 2025

> *“At Johnson & Johnson, we know that healthy people need a healthy planet. According to the World Health Organization, 'climate change presents a fundamental threat to human health.' That's why, to support a healthy environment and the resilience of our business, we are taking action to improve the environmental footprint of our operations, our value chain and our product portfolio.”*

Johnson & Johnson corporate statement

**Source:** jnj.com, Environmental Sustainability

**Eli Lilly and Company** | Corporate environmental sustainability page (current)

> *“Lilly acknowledges that climate change is negatively impacting human and environmental health. Action against climate change is required to achieve the goals of the Paris Climate Agreement and to avoid the most detrimental effects of climate change by limiting the global temperature rise to 1.5 °C. As a global company committed to making life better for*

> *people, Lilly recognizes our responsibility to reduce our greenhouse gas emissions to help fight climate change."*

Eli Lilly and Company corporate statement

**Source:** lilly.com, Minimizing Our Environmental Impact

## Consumer Goods

**Procter & Gamble** | P&G climate initiatives page, 2025

> *"We see sustainability as a strategic way to help future-proof our operations and operate an agile, thriving business. Our focus is on significantly reducing absolute GHG emissions in our operations and supply chain."*

Procter & Gamble corporate statement

**Source:** us.pg.com, Climate Initiatives and Net Zero Ambition

**Patagonia** | Climate Goals, corporate website (current)

> *"The climate crisis poses an existential threat; if we don't clean up our mess, we'll be history. Business has a role to play, but it's only one lever. We must use all the tools at our disposal to secure a safer, more just future."*

Patagonia, Climate Goals

**Source:** patagonia.com.au, Climate Goals

**IKEA** | TIME Earth Award acceptance, March 2026

> *"Being climate smart is being resource smart, cost smart."*
>
> *"Companies are builders. We might need a bit of time to get moving, but once we get going, we're not gonna go back."*

Jesper Brodin, then Chief Executive Officer, Ingka Group (IKEA's largest retailer)

**Source:** TIME, March 27, 2026

**Kimberly-Clark** | Sustainability Policy, corporate website (current)

> *"Kimberly-Clark acknowledges the scientific consensus that GHG emissions from human activity, including those from our own operations, contribute to climate change, and we believe action must be taken to prepare our business for a low-carbon future."*

Kimberly-Clark corporate statement

**Source:** kimberly-clark.com, Sustainability Policies

**Colgate-Palmolive** | Climate Action Commitment, corporate website (current)

> *"Achieving that future means we have an important responsibility to address climate change and its threat to disrupt every aspect of our lives, from environmental impacts like weather events, water security and biodiversity, to food supply to socioeconomic stability."*

Colgate-Palmolive corporate statement

**Source:** colgatepalmolive.com, Climate Action Commitment

## Utilities

**Con Edison** | Annual shareholders meeting, May 2024

> *"Never have the effects of climate change been more evident. And never has the need for solutions been more urgent. To meet this moment, Con Edison is moving forward with bold plans to enable clean energy in our region."*

Tim Cawley, Chairman and Chief Executive Officer, Con Edison

**Source:** Con Edison, Clean Energy Growth Strategy (May 20, 2024)

## Section 3: Excerpts from Submissions to the SEC

*Comment letters submitted to the SEC in 2022 in response to its proposed climate disclosure rule. The full public comment file is available on the SEC's website.*

**Bank of America** | SEC Comment Letter, File No. S7-10-22, 2022

> *"Organizations across markets and geographies will greatly benefit from common measurement tools and disclosure practices, which we believe will help accelerate the transition of the global economy towards lower (and ultimately net zero) carbon emissions. Various stakeholders, including asset owners and asset managers, will benefit from consistent, standardized disclosures addressing climate-related risks and opportunities to help them make decisions on where best to deploy capital in alignment with investor goals."*

Bank of America

**Source:** SEC public comment file, S7-10-22 (letter available in the comment index)

**Amazon** | SEC Comment Letter, File No. S7-10-22, June 2022

> *"Amazon is committed to fighting climate change. We recognize that this urgent global challenge demands collective action across all industries and sectors. We started investing in sustainability initiatives over a decade ago, and to help meet this global challenge, we co-founded The Climate Pledge in 2019, a commitment to reach net-zero carbon by 2040, 10 years ahead of the Paris Agreement... We support the Commission's objective of providing 'consistent, comparable, and decision-useful information' to investors on public companies' climate-related risks, initiatives, and metrics."*

Amazon

**Source:** SEC.gov: Amazon comment letter, June 17, 2022 (direct PDF)

**UPS** | SEC Comment Letter, File No. S7-10-22, 2022

> *"We recognize that climate-related disclosures are becoming increasingly important to the investment community, and that Greenhouse Gas ('GHG') emissions are a focus for many public, private and governmental organizations... we support increased climate-related disclosures through rulemaking that is appropriately designed to achieve the Commission's objectives of increased transparency and comparability."*

UPS

**Source:** SEC public comment file, S7-10-22 (letter available in the comment index)

**Occidental Petroleum** | SEC Comment Letter, File No. S7-10-22, 2022

> *"Occidental was the first U.S. oil and gas company to establish net-zero goals for our total carbon inventory of Scope 1, 2 and 3 emissions, including emissions from the transportation, processing and use of our oil and gas products by consumers... In addition*

> *to expanding our voluntary GHG emissions disclosure and interim reduction targets, we have presented our detailed pathway to net zero to our investors."*

Occidental Petroleum

**Source:** SEC public comment file, S7-10-22 (letter available in the comment index)

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## Methodology Note

Statements were collected from company news releases, executive speeches and interviews, sustainability reports, corporate websites, SEC comment letters, proxy opposition statements, and financial filings, prioritizing the 2025–2026 period. SEC comment letter excerpts date from the 2022 public comment period on the Commission's proposed climate disclosure rule and are retained as a standalone category. Quotes were selected for affirmative acknowledgment of climate change as a business consideration; defensive risk-factor boilerplate was deliberately excluded. This compilation does not assess or rank companies on climate performance. Companies included here have in some cases revised targets, missed goals, or faced criticism of their transition plans; for that reason, their inclusion documents acknowledgment, not achievement.

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