July 23, 2026

Vanessa A. Countryman, Secretary

U.S. Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549-1090

**Re: Rescission of Climate-Related Disclosure Rules, Release No. 33-11421; File No. S7-2026-19**

Dear Ms. Countryman:

The Unitarian Universalist Common Endowment Fund (UUCEF) appreciates the opportunity to comment on the Securities and Exchange Commission's (the "Commission") Proposal that fully rescinds the climate-related disclosure rules adopted in March 2024 (the "2024 Rules"). UUCEF is a values-based common endowment fund serving Unitarian Universalist congregations and affiliated organizations. As reflected at www.uucef.org, UUCEF seeks strong long-term financial returns while aligning endowment stewardship with Unitarian Universalist values, including responsible investing, shareholder advocacy, community investment, and careful management of investment risk. Climate-related financial information is a routine input into UUCEF's investment oversight, manager monitoring, stewardship, valuation, and risk-management processes across public and private portfolios. UUCEF is adding to its comment record on the 2024 Rules through this submission and respectfully asks that the Commission consider this letter alongside prior investor comments supporting mandatory, standardized, and comparable climate-related disclosure.

UUCEF opposes the rescission Proposal in full. UUCEF recommends that the Commission withdraw its rescission Proposal and retain the 2024 Rules as adopted, without narrowing their scope, phase-in schedule, or substantive content. This is not a new position: as detailed below, institutional investors representing tens of trillions of dollars in assets have told the Commission, across multiple comment cycles since 2021, that standardized, mandatory, comparable climate disclosure is decision-useful and, for a large share of registrants, material. The Commission may not disregard that record simply because the Commission's membership has changed.

### 1. The investor record before the Commission is extensive, consistent, and relevant.

The Commission does not need to speculate about whether, and how, institutional investors use climate-related disclosure — the docket already contains detailed, first-hand evidence spanning three rulemaking cycles (2021–2022, 2024, and the current Proposal). In an October 2022 analysis of comments from 320 institutional investors, Ceres found that 97% supported requiring the Rules' disclosures in Form 10-K.

That docket includes dozens of letters from large institutions explaining how climate-related information is critical to, and used in, the investment process. UUCEF likewise relies on climate-related information to evaluate long-term risks and opportunities, assess the resilience of portfolio companies and external managers, inform stewardship priorities, and monitor alignment between investment practices and Unitarian Universalist values. UUCEF's work includes values-based investing, shareholder advocacy, community and private investing, and enhanced reporting on values alignment and investment risks.

In the Commission's own 2022 proposing release, it catalogued 2021 comment letters from asset managers and industry bodies collectively representing well over $100 trillion in assets under management or advisement in support of mandatory climate disclosure, including the Investment Company Institute ($30.8T), SIFMA ($45T), the Investment Adviser Association ($25T), BlackRock ($9T), Vanguard ($7T), the Council of Institutional Investors ($4T), State Street Global Advisors ($3.9T), and PIMCO ($2T), to name just a few.

This is a largely consistent record coming from a diverse subset of investors the Commission's congressionally mandated disclosure regime exists to serve.

**2. Climate-related risks are decision-useful and, for many companies, financially material.**

UUCEF and its external investment managers routinely encounter climate-related risks that bear directly on a corporation's cost of capital, asset values, insurance availability, and long-term earnings power — including physical risks to facilities and supply chains, transition risks tied to energy-intensive operations, and regulatory exposure in carbon-priced jurisdictions. These are not "divisive social or political issues" unconnected to UUCEF's mandate; they are financial risk factors indistinguishable in kind from the interest-rate, geopolitical, litigation, or supply-chain risks registrants already disclose under Regulation S-K Items 101, 103, and 105. Undefined, case-by-case materiality judgments by registrants — without the baseline structure, defined terms, and thresholds the 2024 Rules provided — produce inconsistent disclosures across companies and less useful disclosure for investors, not more. It is also more challenging for issuers to determine whether their disclosures are compliant. The investor letters cited above make this point directly:

the problem investors identified in 2021 and 2022 was not too much structure and consistency, but too little — and that problem will remain if the 2024 Rules are rescinded.

UUCEF uses climate-related information in several ways: to evaluate whether portfolio companies are exposed to material physical and transition risks; to assess whether external managers are appropriately incorporating climate risk into research, portfolio construction, and engagement; to inform shareholder advocacy and proxy-voting priorities; and to support transparent reporting to congregations and UU-affiliated organizations that entrust UUCEF with long-term endowment assets. Comparable, reliable climate disclosure helps UUCEF distinguish between issuers that are managing financially material risks and those that are not.

**3. Voluntary and fragmented disclosure imposes real costs on both investors and issuers.**

The rescission Proposal's cost-benefit analysis emphasizes the compliance costs registrants would avoid, but that analysis is misleading. Public company registration confers significant benefits, and compliance obligations are part of that bargain. Those costs are substantially mitigated when issuers have a clear disclosure framework to follow, which increases certainty around disclosure obligations and reduces compliance risk.

Without a mandatory, standardized baseline, UUCEF and other investors must instead source climate data from a patchwork of voluntary disclosures, third-party estimates, and unaudited vendor datasets of varying quality, cost, and comparability. UUCEF and its peers already bear meaningful costs assembling and reconciling that data; a durable SEC framework would have shifted that cost from being duplicated across thousands of investors to being borne once by each registrant. Rescission does not eliminate this cost — it reallocates it, less efficiently, to the buy side. Similarly, many investors have borne substantial costs over the past three decades by having to engage issuers on an individual basis to drive the climate-related disclosures that already exist in the marketplace and under voluntary frameworks. Large institutional investors have deep experience understanding the resources and long-term costs of obtaining such data under a voluntary regime. It is no longer reasonable, with so many investment actors using this information in the investment process, to continue to ask them to individually engage companies for each climate data set.

**4. Rescission increases, rather than reduces compliance complexity for issuers and inconsistency for investors.**

Many companies held in UUCEF portfolios are already subject to overlapping climate-reporting obligations under California's SB 253 and SB 261, the EU's Corporate Sustainability Reporting Directive and European Sustainability Reporting Standards, and the International Sustainability Standards Board-aligned S2 disclosure regimes adopted by other jurisdictions in which they operate or list. A single, well-calibrated federal disclosure standard would give issuers one clear, cost-effective baseline usable across these regimes, and would give investors comparable disclosure across the full universe of U.S. registrants regardless of state of incorporation or listing venue. Wholesale rescission leaves U.S. issuers navigating an uncoordinated, patchwork mix of state, foreign, and voluntary frameworks — an outcome inconsistent with the Commission's stated goal of reducing unnecessary burden. Such a patchwork of disclosures has led to enormous "disclosure fatigue" by companies — and major inefficiencies in the marketplace — simply because disclosure expectations are so variable. The SEC's 2024 Rules would have helped rationalize those voluntary reporting expectations, allowing issuers to address multiple investor and market expectations through a single federal baseline and reducing compliance and legal burdens on companies across sectors.

**5. The Commission's rationale for rescission is deficient and does not justify full rescission.**

Governance and risk-oversight disclosures, and Scope 1 and Scope 2 emissions reporting for large accelerated and accelerated filers, rest on the same footing as other risk-factor and MD&A disclosures long required under Items 101, 103, and 105, and fall comfortably within the Commission's traditional, well-established disclosure authority. Even if the Commission were to conclude that narrower authority questions exist as to specific provisions, that is a reason to address those provisions individually through the administrative process, not a basis for wholesale repeal of a rule the investor record overwhelmingly supports.

**6. Recommendations to the Commission.**

UUCEF urges the Commission to withdraw the rescission Proposal and retain the 2024 Rules in their entirety, including:

- The mandatory requirement for registrants to disclose Scope 1 and Scope 2 greenhouse gas emissions, on the phase-in schedule and filer-status thresholds set out in the 2024 Rules, together with the accompanying third-party attestation requirements;

- The governance and risk-oversight disclosures — board oversight and management's role in assessing and managing climate-related risk — as discrete, structured Item 103/105-style requirements rather than unstructured MD&A discussion;

- The requirement to disclose material climate-related financial statement metrics in the notes to the audited financial statements, so that climate risk is integrated into the financial reporting process rather than siloed in a separate voluntary report; and
- The safe harbor for forward-looking climate statements and transition plans, which appropriately encourages candid disclosure without exposing registrants to disproportionate litigation risk.

None of these provisions should be narrowed, delayed beyond their existing phase-in schedules, or made optional. If the Commission nonetheless determines that discrete legal risks require it to modify specific provisions, we urge it to do so through a narrowly tailored amendment addressing only those provisions — not through wholesale rescission of a rule for which the investor community spent years building a supportive record.

We appreciate the Commission's consideration of these comments and would welcome the opportunity to discuss them further with the Commission or its staff.

Respectfully submitted,

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