

PUBLIC SUBMISSION

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Docket: EBSA-2022-0002

Request for Information on Possible Agency Actions to Protect Life Savings and Pensions from Threats of Climate-Related Financial Risk

Comment On: EBSA-2022-0002-0001

Request for Information on Possible Agency Actions to Protect Life Savings and Pensions from Threats of Climate Related Financial Risk

Document: EBSA-2022-0002-DRAFT-0084

1210-ZA30 comment 00046 Natural Investments 05132022

Submitter Information

Organization: Natural Investments

General Comment

RE: Request for Information on Possible Agency Actions to Protect Life Savings and Pensions from Threats of Climate-Related Financial Risk; Attention: Z-RIN 1210-ZA30

Dear Acting Assistant Secretary Khawar,

This is a response to your “Request for Information on Possible Agency Actions to Protect Life Savings and Pensions from Threats of Climate-Related Financial Risk”.

As climate-change risk is material to the global economy and therefore the financial profitability of companies and the performance of investments, we recommend that DOL assure that a final fiduciary duty rule allows for ESG integration in how pensions are managed and requires money managers to vote proxies in accordance with ESG criteria. We also recommend that the relationship between racial and economic inequality and climate change and all forms of climate-related risk be examined and mitigated by the Thrift Savings Plan’s offerings. For climate risk creates financial risk. As such, plan participants should have options available to

remove carbon-emitting investments from their pension. Funds managed by individuals of diverse racial, ethnic, and economic backgrounds and diverse gender identities and sexual orientations must be included in the menu of options. Many financially competitive ESG investment vehicles exist in this regard.

All federal regulatory agencies should be focused now on decarbonizing the economy given the threat not doing so poses to humanity. This approach is in the long-term financial interests of plan participants and retirees. We therefore encourage you to address systemic climate change risk and racial and economic inequality by allowing fiduciaries to consider ESG factors, not merely climate change, as material, and allow ESG-mandated funds to be available to plan participants. Humanity's use of natural resources has major ecological impacts on food, water, air, forests, and land, all of which affects investment profitability.

Sincerely,

Michael Kramer
Managing Partner