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

Via email: rule-comments@sec.gov

September 29th 2022

Dear Secretary Countryman,

Re: SEC Strategic Plan 2022-2026

The International Corporate Governance Network (ICGN) appreciates the Securities and Exchange Commission’s (SEC) request for comment on its Strategic Plan for the fiscal years 2022-2026.

Led by investors responsible for assets under management of around $70 trillion, ICGN is a leading authority on global standards of corporate governance and investor stewardship. Headquartered in London, our membership is based in more than 45 countries and includes companies, advisors and other stakeholders. We are proud that leading pension funds and asset managers in the United States support ICGN as highly active and effective members. ICGN offers an important international investor perspective on corporate governance and investor stewardship to help inform public policy development and the encouragement of good practices by capital market participants. For more information on the ICGN, please visit www.icgn.org.

The United States is a very important market for ICGN Members, as many of our Members are based in the US and many more non-US members have substantial investment holdings in the US capital markets. We have been a regular commentator in past SEC consultations, including the 2022 consultations on climate change disclosure, ESG disclosures for investment advisors and companies, executive remuneration and private equity.¹

While those comment letters were lengthier and contained greater detail, with this letter we would like to provide a short comment in response to your publication of the plan for public review. Our initial feedback is one of support for the plan and the three underlying goals that

underpin it. The plan is high-level and short on specifics, but we support the direction of the plan as well as the broader SEC mission to protect investors, maintain orderly markets and facilitate capital formation.

As we await further detail regarding the plan’s implementation, we would like to leave a few points with you for consideration:

- **Engagement with global investors.** Given the core mission of the SEC to protect investors, it is important that the SEC maintain open engagement with global investors, including those domiciled outside the United States. ICGN engages regularly with other regulators and standard setters, and we would be pleased to have a regular channel of communication with the SEC to facilitate dialogue among the global investor community along a wide range of issues. Particularly given the significant level of investment by non-US investors in the US capital markets, we believe we can share with you the perspectives of the overseas investment community with regard to how they perceive the risks, opportunities and regulatory infrastructure in the US markets.

- **Global convergence of sustainability reporting standards.** In the area of sustainability reporting most institutional investors are encouraged by the formation of the International Sustainability Standards Board (ISSB) and see this as an opportunity to achieve a global baseline of sustainability reporting— which should be to the benefit of both investors and companies. And in addition to the SEC’s review of climate reporting standards, the European Union’s development of European Financial Reporting Standards has emerged. While it is positive to see movement happening in this area, it is important to investors to avoid the potential for regulatory fragmentation— potential disconnects between these differing national (EU, US) and international (ISSB) initiatives. We encourage the SEC to work with these other standard setters to ensure a basic level of global- interoperability— and to avoid regional silos.

- **Systemic risks.** Institutional investors, particularly pension funds and those asset managers managing assets for pension funds, are increasingly focusing on macro/systemic risks, in addition to micro risks at individual companies. Particularly for larger investors who see themselves as ‘universal owners’, owning markets as a whole, the systemic perspective is important and warrants investor consideration of systemic issues including climate change, biodiversity, the Covid pandemic, human rights, racial equity and income inequality. For fiduciary investors who develop investment strategies and engage with companies based on systemic risks, the goal is to take measures to reduce systematic risks as a way to ensure sustainable value creation by companies.

In conclusion, we congratulate the SEC for articulating its Strategic Plan, and hope that our short letter provides a constructive voice of support and highlights our willingness to further engage with the SEC on topics important to ICGN members. If you would like to follow up with questions or comments, please contact me or ICGN’s Policy Director, George Dallas at George.Dallas@icgn.org.
Yours faithfully,

Kerrie Waring

Chief Executive Officer, ICGN

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