

Congress of the United States
Washington, DC 20515

July 18, 2023

Prashant Yerramalli
VP of Operations and Regulatory Affairs
Public
228 Park Avenue South, Suite 97716
New York, New York 10003

Dear Mr. Yerramalli:

The House Committee on Oversight and Accountability and Senate Committee on Banking, Housing, and Urban Affairs Ranking Member Tim Scott are continuing our oversight of the Securities and Exchange Commission's ("SEC's") activities taken in connection or coordination with the European Union ("E.U.") on environmental, social, and governance ("ESG") and climate-related measures that significantly impact U.S businesses, including E.U. climate-related disclosure mandates that closely resemble the SEC's proposed climate disclosure rule.

The E.U. is moving forward with climate directives that will have significant impacts on American companies. These E.U. mandates, including the Sustainable Finance Disclosure Regulation ("SFDR"), the Corporate Sustainability Reporting Directive ("CSRD"), and the Corporate Sustainability Due Diligence Directive ("CS3D"), seek to ingrain ESG and climate-related factors throughout the financial sector. As U.S. policymakers, we are concerned that, under the Biden Administration, the SEC and other federal agencies have been coordinating with, or ceding regulatory responsibility to, foreign regulators on these and other climate measures that will force burdensome and non-material reporting obligations on American companies.

We are deeply concerned that U.S. agencies under the Biden Administration are either passively allowing a foreign entity to regulate U.S. companies or are willfully circumventing the U.S. regulatory process by actively coordinating with foreign governments to dictate climate and economic policy to U.S. companies. Any such efforts to advance the E.U.'s ESG agenda over the interests of the U.S. and American companies would be an alarming development and a significant deviation from historical practices. Furthermore, shifting to an E.U.-style climate regulatory regime in the U.S. would materially and unnecessarily harm our nation's oil and gas sector, agriculture sector, and our preeminent capital markets.

We believe that as the recently departed SEC Chief of Staff you have information that will assist us in fully understanding: the role and activities of the SEC in the development and promulgation of these E.U. Directives; the interactions the SEC had with E.U. regulators pertaining to these Directives; the SEC's activities taken in connection with the SEC's proposed

climate disclosure rule; and other related matters.¹ We therefore request that you make yourself available for a transcribed interview.

To schedule the transcribed interview or ask any related follow-up questions, please contact the Committee on Oversight and Accountability Majority Staff at (202) 225-5074 no later than July 25, 2023.

Thank you for your attention to this important matter.

Sincerely,



James Comer
Chairman
House Committee on Oversight
and Accountability



Tim Scott
Ranking Member
Senate Committee on Banking, Housing,
and Urban Affairs

Cc: The Honorable Jamie Raskin, Ranking Member
Committee on Oversight and Accountability

The Honorable Sherrod Brown, Chairman
Senate Committee on Banking, Housing, and Urban Affairs

¹ The House Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. The Senate Committee on Banking, Housing, and Urban Affairs has jurisdiction over, among other things, the SEC; financial exchanges and markets; securities, annuities, and other financial investments; accounting standards; and international economic policy as it affects U.S. monetary affairs, financial institutions, economic growth, and credit.