

February 2, 2020

The Honorable Jay Clayton  
Chairman  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

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

Via Electronic Submission

Re: Comments on Proposed Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice (File No.: S7-22-19) and Proposed Amendments to Procedural Requirements and Resubmission Thresholds Under Exchange Act Rule 14a-8 (File No: S7-23-19)

Dear Chairman Clayton and Secretary Countryman:

The rules proposed by the Securities and Exchange Commission (SEC) on November 5th, 2019, will severely limit the rights of shareholders to engage with corporations using the shareholder resolution process over issues with a distinct impact on long-term value.

I work for a sustainable investment firm, based in Milwaukee, Wisconsin, serving families, nonprofits, and institutions. As fiduciaries and active stewards, we represent the interests of our clients, which include superior financial returns and positive social impact. It is our belief, and evidence shows, that companies that incorporate a sustainability lens into long-term corporate strategy offer all stakeholders, including our clients, the opportunity to achieve superior financial and social outcomes due to reduced risk and increased opportunity. As long-term investors who engage with companies on critical environmental, social, and governance (ESG) issues, we believe that the proposed rules are unnecessary, and will undermine a corporate engagement process that has been of great value to both companies and investors.

For decades, the shareholder proposal process has served to benefit issuers and proponents alike as an effective, efficient, and valuable tool for corporate management and boards to gain a better understanding of shareholder priorities and concerns. It should be noted that shareholder priorities and concerns are not limited to the profit of issuers; rather, they are issues that impact all stakeholders, including employees, customers, shareholders, and society. The proposed rule changes will make companies far less accountable to shareholders, stakeholders, and the public at large.

The current 14a-8 rule has worked well for decades, and there is no need to revise it. Trade associations like the Business Roundtable, the U.S. Chamber of Commerce, and the National Association of Manufacturers have lobbied rigorously for the proposed changes by exaggerating the cost of the process to companies, and by misleadingly painting shareholders raising ESG issues as “activists” imposing a

“social agenda” who are uninterested in shareholder value. This misinformation feeds a political agenda by the trade associations to limit the ability of shareholders to engage with the companies that they own. We engage as shareholders on ESG risks precisely because we are concerned about the long-term health of the companies in which we invest. Many of the companies we engage with understand that this engagement enables them to mitigate reputational, legal, and financial risks, and build value. The filing of shareholder resolutions by investors big and small is a crucial part of the engagement process. For the above reasons, I strongly urge the SEC to reconsider the proposed rule changes.

Sincerely,  
Cindy Bohlen  
Milwaukee, Wisconsin