



February 3, 2020

Submitted via email to: rule-comments@sec.gov

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

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

Dear Ms. Countryman:

BlackRock, Inc (together with its affiliates, 'BlackRock') appreciates the Securities and Exchange Commission's (the "SEC" or "Commission") continued efforts to advance proxy process reform beginning with the SEC staff Roundtable on the Proxy Process in November 2018, the ensuing comment period, and then continuing with specific proposals on proxy voting advice and procedural requirements regarding shareholder proposals. This process has given all participants in the US equity markets the opportunity to provide input to the specific proposals, rather than continuing the theoretical debate on these topics that has ensued over many years. We commend the SEC for tackling these difficult topics by providing these opportunities for public comment.

As an asset manager, BlackRock acts as a fiduciary for its clients. In this capacity, we engage with thousands of companies globally and we vote in proxies at over 16,000 company meetings annually. As such, we are supportive of proxy advisors providing information as one of several inputs to our decision process, as well as for their role in the proxy plumbing ecosystem. In addition, BlackRock is a public company that issues a proxy statement each year and solicits its shareholders to vote at its annual meeting, and BlackRock is an investment advisor to companies registered under the Investment Company Act of 1940 – open-end and closed-end – that themselves issue proxy statements and solicit proxies from fund shareholders.

As set forth in our [November 2018 Roundtable Submission](#) we believe that proxy process reform as it relates to proxy advice and shareholder proposals should reflect certain guiding principles. An aspiration underpinning these principles is to simplify the proxy process, rather than add complexity. The principles include:

1. Transparency encourages market integrity and reduces conflicts

This principle is applicable to issuers, asset managers, shareholder proposal proponents, and proxy advisory firms alike. We believe that some issues that have been identified will be self-correcting when all participants in the proxy ecosystem are held to similar standards of transparency.

2. Accurate information is critical to decision making

This principle supports solutions that ensure accuracy, completeness, and a fair and consistent process with regard to the proxy advisory firms' preparations of their company reports and recommendations.

3. A need to balance the rights of all shareholders

Shareholder proposals can be a valuable part of an investment stewardship process, however, it should be acknowledged that the costs of these proposals are borne by all shareholders.

We encourage the SEC to continue the process of proxy reform in two additional sets of proxy-related issues: proxy plumbing and mutual funds as issuers. As to proxy plumbing, we pointed out a fourth principle in our November 2018 Submission: **Voting integrity is paramount to investor confidence**. This principle addresses the importance of end-to-end vote confirmation that we believe can be achieved through an exploration of various technology solutions that address the recordkeeping and reconciliation challenges across multiple layers of data exchange. Likewise, in our [comment letter in November 2019](#) on the Proxy Process for Funds as Issuers we made a number of suggestions that would increase efficiencies and reduce costs borne by fund shareholders in proxy solicitations, yet they maintain the investor protections of the current system.

BlackRock appreciates the opportunity to comment again on proxy reform. If you have any questions, please contact the undersigned.

Sincerely,

Barbara Novick
Vice Chairman

Attachments:

1. BlackRock letter to the SEC Re: SEC Staff Roundtable on the Proxy Process
2. BlackRock letter to the SEC Re: Proxy Process for Funds as Issuers

cc:

The Honorable Jay Clayton
Chairman
Securities and Exchange Commission

The Honorable Robert J. Jackson Jr.
Commissioner
Securities and Exchange Commission

The Honorable Hester M. Peirce
Commissioner
Securities and Exchange Commission

The Honorable Elad L. Roisman
Commissioner
Securities and Exchange Commission

The Honorable Allison Herren Lee
Commissioner
Securities and Exchange Commission

William Hinman
Director
Division of Corporation Finance
Securities and Exchange Commission