



January 27, 2020

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

RE: Proposed Rule on Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8; File Number S7-23-19

Dear Ms. Countryman:

On behalf of Green Century Capital Management, I welcome the opportunity to provide this comment letter on the "Proposed Rule on Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8," File Number S7-23-19. I strongly oppose the proposed rule.

Green Century Capital Management offers the first family of fossil fuel free, responsible, and diversified mutual funds in the U.S. It also is the only mutual fund company in the country wholly owned by environmental and public health nonprofit organizations.

Investors chose Green Century to make an environmental impact. A key component of Green Century's ability to make an environmental impact is our award-winning shareholder advocacy program. Green Century's in-depth shareholder advocacy program goes well beyond proxy voting and includes direct engagement, global collaborations, and as a leader of investor groups.

It also includes the filing of shareholder proposals, which enable us to press companies to reduce their exposure to materials risks associated with climate change, deforestation, the overuse of medically-important antibiotics, plastic pollution, and more. Green Century's team of shareholder advocates directly engages dozens of corporations each year to improve their environmental practices – and has achieved real results, which benefit our shareholders, the corporations we engage, and the environment.

The shareholder proposal rule (Rule 14a-8) is integral these efforts.

It is a vitally important, market-based mechanism that enables us to communicate with boards, management, and other shareholders about corporate governance risks, including social and environmental issues, that are not being properly addressed.

For decades, the shareholder proposal process has been one of the most visible and verifiable ways for investors to practice responsible ownership. It provides shareholders' the ability to file resolutions at companies' annual meetings and highlight the material risks posed by unaddressed risk. The proposed rule would gravely and unnecessarily injure the process.

Rule 14a-8 was designed to protect investors, including those with limited stock holdings. The threshold to file shareholder proposals (currently \$2,000 of shares held for one year) was intentionally set at a level to allow both individual and institutional shareholders to engage corporate boards and senior management.

The resubmission thresholds of the current rule provide an opportunity for proposals to gain support over time. Proposals that required resubmission/multiple resubmissions to gain support have contributed to significant and tangible benefits at countless companies.

For example, in 2019, Darden Restaurants, Inc. announced that it was adopting a policy to phase out the use of medically important antibiotics in its chicken supply chain by 2023, following a multi-year engagement with investors, including Green Century. A shareholder proposal on the issue received the support of 40.2% of the votes cast at the company's 2018 annual meeting. It is unacceptable to undermine a process that has a successful track record of spurring corporations to mitigate unaddressed risk.

The justification for the changes is scant. Corporations simply are not being inundated with frivolous proposals. In fact, on average, only 13 percent of Russell 3000 companies received a shareholder proposal in any one year between 2004 and 2017. In other words, the average Russell 3000 company can expect to receive a proposal once every 7.7 years.

The shareholder proposal process is one of the least costly ways of alerting companies and their investors to emerging issues, assessing shareholder perspectives and improving governance, disclosure, risk management, and performance.

Alternatives to shareholder proposals include voting against directors, lawsuits, books and records requests and requests for additional regulations. Each of these is more onerous and adversarial than including a 500-word proposal in the proxy statement for the consideration of shareholders.

The mission of the SEC is to protect investors, but investors did not seek these changes. The SEC should protect investors' ability to help hold publicly traded companies accountable rather than undermining shareholder rights at the behest of corporate front groups. Rule 14a-8 is working for investors. The SEC should leave it alone.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Leslie Samuelrich". The signature is written in a cursive, flowing style.

Leslie Samuelrich,  
President