

January 31, 2020

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549

Re:

**S7-23-19 Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8
S7-22-19 Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice**

Dear Ms. Countryman,

We are writing to express our concern with the U.S. Security and Exchange Commission (SEC)'s recent proposals to change rules related to the shareholder resolution process.

Rockefeller Asset Management, a division of Rockefeller Capital Management, serves institutional asset owners and individual investors. With more than 30 years of experience in global investing, we pair our distinctive worldview and long-term horizon with fundamental research. As long-term investors, we frequently engage with companies on corporate, environmental, social, and governance issues that have a material impact on their risk and return dynamics. Shareholder engagement is an important component of our efforts to create long term value for our portfolio companies. The proposed changes could undermine our ability to effectively serve the best interests of our clients.

We believe that shareholder communication with a company's Board of Directors is essential to maintaining good corporate governance and corporate accountability. Shareholder resolutions are an oversight mechanism critical to help steer companies in a direction that facilitates long term value creation. This function is best reserved for long-term shareholders. As such, we are generally supportive of efforts to reasonably increase ownership thresholds. Conversely, we are concerned that some of the proposed changes weaken shareholder rights unnecessarily. Specifically, we believe the proposed rule changes regarding (1) Resubmission and Ownership Thresholds (2) Issuer Pre-review of Proxy Advisor Research and (3) Interference with the Client/Advisor Relationship, could make companies less accountable to their shareholders in ways that are detrimental to long term value creation.

(1) Resubmission and Ownership Thresholds

The proposed increase in resubmission thresholds threatens to exclude important proposals that may need time to gain support, thus limiting the adoption of best governance practices. The Interfaith Center on Corporate Responsibility (ICCR) has compiled evidence of resolutions that initially received low votes but went on to receive significant support or have led to productive engagements and been withdrawn. The issue of declassified boards is just one example of an issue that took time to gain traction and is now considered to be best practice: in 1987 proposals on this issue received under

10% support, reaching 81% in 2012¹. Most recently, we have seen this momentum in resolutions filed with energy companies regarding the risks of climate change. When these proposals first began appearing in 1998, many received less than 5% of shareholder support, while today, we have seen the same proposals receive substantial or majority support. It can take time for shareholders to gain an understanding of emerging issues that can pose material risks to companies. Additionally, while we broadly oppose rule changes limiting shareholder access, we believe ownership thresholds should be adjusted to reflect a shareholder's meaningful stake in the result. Therefore, we urge you to reconsider the proposed resubmission and ownership thresholds which may prevent material issues from being considered, to the detriment of all shareholders and stakeholders.

(2) Issuer Pre-review of Proxy Advisor Research

We believe the modifications requiring proxy advisory firms to give companies an opportunity to review and provide feedback on proxy voting advice before sharing their analysis with clients interferes in the relationship between investors and their advisors. Proxy advisors collect research and offer guidance at the request of investors. This provision could slow access to independent research and undermine the independence needed to provide informed decisions about issues ranging from director elections, and committee independence to "say on pay" and shareholder proposals. The proposed rule would hinder shareholders' ability to vote effectively and weaken accountability of corporate management.

(3) Interference with the Client/Advisor Relationship

We oppose any rule limiting an asset owner's right to delegate shareholder advocacy to a representative of their choosing. Asset owners of all sizes may not have the resources nor technical capacity to undertake in-depth research on corporate governance issues that are material to their investment goals and horizons. As a result, investment advisers and other shareholder advisors and advocates provide a critical support service, guided by their duty to serve in the asset owner's best interest. Our shareholder engagement activities on behalf of our clients are aligned with long-term value creation and are a critical part of our investment process. We strongly urge the SEC to reconsider any proposal that would disrupt our ability to serve our clients best interests.

At Rockefeller Asset Management, we take a constructive, consultative approach to shareholder engagement, partnering with portfolio companies to create long term value. While we would favor updates to SEC policies that enhance efficiency and modernize dollar limits, we urge the SEC to reconsider policy changes that weaken shareholders rights.

Sincerely,

A handwritten signature in black ink, appearing to read "David Harris", with a long horizontal flourish extending to the right.

David Harris, President & Chief Investment Officer

¹ "The Business Case for the Current SEC Shareholder Proposal Process", US SIF, Ceres, ICCR; 2017

Casey C. Clark

Casey Clark, Director of ESG Research & Engagement

cc. The Honorable Jay Clayton, Chairman
The Honorable Robert J. Jackson, Jr., Commissioner
The Honorable Hester M. Peirce, Commissioner
The Honorable Elad L. Roisman, Commissioner