



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

January 29, 2024

Julia Lapitskaya
Gibson, Dunn & Crutcher LLP

Re: The Charles Schwab Corporation (the "Company")
Incoming letter dated January 27, 2024

Dear Julia Lapitskaya:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the National Center for Public Policy Research (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 3, 2024 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Scott Shepard
National Center for Public Policy Research

January 3, 2024

VIA ONLINE SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *The Charles Schwab Corporation*
Stockholder Proposal of the National Center for Public Policy
Research
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, The Charles Schwab Corporation (the “Company”), intends to omit from its proxy statement and form of proxy for its 2024 Annual Meeting of Stockholders (collectively, the “2024 Proxy Materials”) a stockholder proposal (the “2024 NCPPR Proposal”) and statement in support thereof (the “Supporting Statement”), received from the National Center for Public Policy Research (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2024 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the 2024 NCPPR Proposal, a copy of that correspondence should be sent at the same time to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 2

THE PROPOSAL

The 2024 NCPPR Proposal, titled “Report on Respecting Workforce Civil Liberties,” states:

Resolved: Shareholders request the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how Company’s policies and practices impact employees and prospective employees based on their race, color, religion (including religious views), sex, national origin, or political views, and the risks those impacts present to Company’s business.

A copy of the 2024 NCPPR Proposal and the Supporting Statement, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the 2024 NCPPR Proposal may be excluded from the 2024 Proxy Materials pursuant to:

- Rule 14a-8(b) and Rule 14a-8(f)(1) because the Proponent failed to provide the requisite proof of continuous stock ownership in response to the Company’s proper request for that information;
- Rule 14a-8(i)(12)(i) because the 2024 NCPPR Proposal addresses substantially the same subject matter as a stockholder proposal that was included in the Company’s proxy materials for the 2023 Annual Meeting of Stockholders (“2023 Annual Meeting”), and the previous proposal did not receive the support necessary for resubmission at the 2023 Annual Meeting; and
- Rule 14a-8(i)(11) because the 2024 NCPPR Proposal substantially duplicates another proposal previously submitted to the Company that the Company intends to include in the 2024 Proxy Materials if the Staff denies the Company’s no-action request, dated December 29, 2023,

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 3

related to the exclusion of the earlier received proposal from the 2024 Proxy Materials pursuant to Rule 14a-8.¹

BACKGROUND

A. Rule 14a-8(b) and Rule 14a-8(f)(1) Background

The 2024 NCPPR Proposal was submitted to the Company by Scott Shepard on behalf of the Proponent on November 28, 2023 (the “Submission Date”) via email. *See Exhibit A.* Mr. Shepard’s submission did not include any documentary evidence of the Proponent’s ownership of Company shares. In addition, the Company reviewed its stock records, which did not indicate that the Proponent was a record owner of Company shares. Accordingly, the Company properly sought verification of stock ownership and other documentary support from the Proponent. Specifically, the Company sent the Proponent a letter, dated December 1, 2023, identifying a proof of ownership deficiency, notifying the Proponent of the requirements of Rule 14a-8 and explaining how the Proponent could cure the procedural deficiencies identified (the “First Deficiency Notice”).

The First Deficiency Notice, attached hereto as Exhibit B, provided detailed information regarding the “record” holder requirements, as clarified by Staff Legal Bulletin No. 14F (Oct. 18, 2011) (“SLB 14F”) and Staff Legal Bulletin No. 14L (Nov. 3, 2021) (“SLB 14L”), and attached a copy of Rule 14a-8, Staff Legal Bulletin No. 14 (Jul. 13, 2001) (“SLB 14”), SLB 14F and SLB 14L. Specifically, the First Deficiency Notice stated:

- the ownership requirements of Rule 14a-8(b);
- that, according to the Company’s stock records, the Proponent was not a record owner of sufficient Company shares;

¹ Although the Company believes that the 2024 NCPPR Proposal, as well as the Inspire Investing Proposal and the AFA Proposal, each as defined below, may be excluded from the 2024 Proxy Materials under Rule 14a-8(i)(12)(i), to the extent the Staff does not concur that each proposal may be excluded on such basis, the Company intends to include the Inspire Investing Proposal in the 2024 Proxy Materials. In such case, the Company believes the 2024 NCPPR Proposal may be excluded from the 2024 Proxy Materials under Rule 14a-8(b) and Rule 14a-8(f)(1) and, like the AFA Proposal, under Rule 14a-8(i)(11) on the grounds that the 2024 NCPPR Proposal substantially duplicates the Inspire Investing Proposal.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 4

- that, as of the date of the First Deficiency Notice, the Company had not received any documentation evidencing the Proponent’s proof of continuous ownership, as required under Rule 14a-8(b);
- the type of statement or documentation necessary to demonstrate beneficial ownership under Rule 14a-8(b), including “a written statement from the ‘record’ holder of the Proponent’s shares (usually a broker or a bank) verifying that, at the time the Proponent submitted the [2024 NCPPR] Proposal (the Submission Date), the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the [o]wnership [r]equirements” of Rule 14a-8(b); and
- that any response had to be postmarked or transmitted electronically no later than 14 calendar days from the date the Proponent received the First Deficiency Notice.

The Company sent the First Deficiency Notice to the Proponent via email and UPS overnight delivery on December 1, 2023, which was within 14 calendar days of the Company’s receipt of the 2024 NCPPR Proposal. *See Exhibit B.*

Subsequently, on December 7, 2023, the Company received an email from Stefan Padfield, on behalf of the Proponent, stating, “[p]lease find attached our proof of ownership letter.” *See Exhibit C.* Attached to the email was a letter from Wells Fargo Advisors dated December 6, 2023 (the “First Wells Fargo Letter”), stating that “[a]s of December 6, 2023, the National Center for Public Policy Research holds, and has held continuously since November 16, 2020, more than \$2,000 of The Charles Schwab Corporation common stock. This continuous ownership was established as part of the cost-basis data that UBS transferred to us along with this and other NCPPR holdings. This information routinely transfers when assets are transferred.” The First Wells Fargo Letter did not contain any indication that Wells Fargo was affiliated with UBS or was otherwise authorized to speak on behalf of UBS. The First Wells Fargo Letter also did not attach any documentation from UBS.

Accordingly, the Company again properly sought verification of share ownership from the Proponent. Specifically, and in accordance with SLB 14L, on December 15, 2023, which was within 14 calendar days of the Company’s receipt of the First Wells Fargo Letter, the Company sent a second deficiency notice (the “Second Deficiency Notice”) via email and UPS overnight delivery to the Proponent, which explained that the First Wells Fargo letter did not cure the previously identified proof of ownership deficiency, reiterated the requirements of Rule 14a-8, and explained how the Proponent could cure the procedural deficiency. *See Exhibit D.* The Second Deficiency Notice also

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 5

included a copy of Rule 14a-8, SLB 14F, and SLB 14L. Specifically, the Second Deficiency Notice stated:

Wells Fargo Advisors has not confirmed that it is the “record” holder of the Company’s shares and therefore it is not clear whether Wells Fargo Advisors is the “record” holder of the Company’s shares or whether a different entity is. Additionally, the Wells Fargo Letter does not state that Wells Fargo Advisors has been the “record” holder of the Proponent’s shares during the three years preceding and including the Submission Date, and in fact, by seeking to rely on “cost-basis data” provided by UBS, indicates that UBS was the “record” holder for some unspecified portion of the three years preceding and including the Submission Date.

To remedy this defect, the Proponent must obtain and submit new proof of ownership verifying that the Proponent has satisfied at least one of the Ownership Requirements. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of either:

(1) a written statement from the “record” holder of the Proponent’s shares (usually a broker or a bank) confirming its status as the “record” holder of the Proponent’s shares and verifying that, at the time the Proponent submitted the [2024 NCPPR] Proposal (the Submission Date), the Proponent continuously held through the record holder the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above; . . .

If the Proponent’s shares were held by more than one “record” holder over the course of the applicable one-, two-, or three-year ownership period, then confirmation of ownership needs to be obtained from each record holder with respect to the time during which it held the shares on the Proponent’s behalf, and those documents must collectively demonstrate the Proponent’s continuous ownership of sufficient shares to satisfy at least one of the Ownership Requirements.

Mr. Shepard confirmed receipt of the Second Deficiency Notice via email on behalf of the Proponent on December 15, 2023. See Exhibit D.

On December 28, 2023, the Company received an email from Mr. Padfield stating, “[w]e believe our original proof of ownership letter provided all the information necessary to satisfy our relevant obligations. However, as a courtesy we are providing two additional letters (attached) to address your concerns.” The email included (1) a

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 6

letter from Wells Fargo Advisors dated December 27, 2023 (the “Second Wells Fargo Letter”), and (2) a letter from UBS Financial Services Inc. dated December 4, 2023 (the “UBS Letter”). *See Exhibit E.* The Second Wells Fargo Letter was identical to the First Wells Fargo Letter, except that it abbreviated the Company’s name and stated, “Wells Fargo N.A. is record owner of these shares.” Specifically, the Second Wells Fargo Letter said:

As of December 27, 2023, the National Center for Public Policy Research holds, and has held continuously since November 16, 2020, more than \$2,000 of Charles Schwab Corp common stock. This continuous ownership was established as part of the cost-basis data that UBS transferred to us along with this and other NCPPR holdings. This information routinely transfers when assets are transferred. Wells Fargo N.A. is record owner of these shares.

The Second Wells Fargo Letter did not contain any indication that Wells Fargo Advisors or Wells Fargo N.A. were affiliated with UBS or were otherwise authorized to speak on behalf of UBS, and did not confirm that Wells Fargo Advisors or Wells Fargo N.A. had continuously served as record holder for the Proponent of sufficient shares to satisfy at least one of the Ownership Requirements. The UBS Letter stated:

Please accept this letter as a confirmation of the following facts:

- During the month of October 2023, the National Center for Public Policy Research transferred assets, including 95 individual equity positions, from UBS Financial Services account [REDACTED] PII to Wells Fargo account [REDACTED] PII.
- As part of this transfer UBS Financial Services transmitted cost basis data, including purchase date and purchase price, for each of these 95 equity positions transferred to Wells Fargo.
- UBS has reviewed a copy of the October 2023 Wells Fargo statement for account [REDACTED] PII and has confirmed the original purchase dates and purchase prices which were transmitted by UBS Financial Services to Wells Fargo are being accurately and correctly reported on this statement.

As discussed below, the First Wells Fargo Letter, the Second Wells Fargo Letter, and the UBS Letter (collectively, the “Financial Institution Letters”) are insufficient to cure the ownership deficiency because they are not statements from the record holder of the Proponent’s securities verifying that as of the Submission Date the Proponent had satisfied any of the continuous ownership requirements of Rule 14a-8(b)(1) for any of the full time periods set forth in the rule (specifically, the three-year holding period as the

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 7

Financial Institution Letters purport to verify holdings of “more than \$2,000”). As of the date of this letter, the Company has not received any further proof of ownership from the Proponent.

B. Rule 14a-8(i)(12) and Rule 14a-8(i)(11) Background

The Company has received a proposal entitled “Report On Respecting Workforce Civil Liberties” from three different proponents. Each proposal requests the Company’s Board of Directors “conduct an evaluation and issue a civil rights and non-discrimination report within the next year . . . evaluating how” the Company’s “policies and practices impact employees and prospective employees based on their . . . religion (including religious views), . . . or political views, and the risks those impacts present” to the Company’s business:

- the first proposal was received on October 25, 2023 from Inspire Investing, LLC on behalf of Inspire Global Hope ETF (the “Inspire Investing Proposal”);
- the 2024 NCPPR Proposal was next received on November 28, 2023 from the Proponent; and
- the third proposal was received on November 30, 2023 from Bowyer Research Inc. on behalf of the American Family Association (the “AFA Proposal”).

As discussed herein, and in the Company’s separate no-action requests related to the Inspire Investing Proposal and AFA proposal, dated December 29, 2023 and December 29, 2023, respectively, the Company believes that each of the Inspire Investing Proposal, the 2024 NCPPR Proposal and the AFA Proposal may be excluded from the 2024 Proxy Materials under Rule 14a-8(i)(12)(i) because each proposal addresses substantially the same subject matter as a previously submitted proposal that was included in the Company’s proxy materials for the 2023 Annual Meeting, and the previously submitted proposal did not receive the support necessary for resubmission at the 2023 Annual Meeting.

If, however, the Staff denies the Company’s no-action request related to the exclusion of the Inspire Investing Proposal from the 2024 Proxy Materials, the Company believes that the 2024 NCPPR Proposal may be excluded under Rule 14a-8(i)(11) because it substantially duplicates the Inspire Investing Proposal.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 8

ANALYSIS

I. The 2024 NCPPR Proposal May Be Excluded Under Rule 14a-8(b) And Rule 14a-8(f)(1) Because The Proponent Failed To Establish Eligibility To Submit The 2024 NCPPR Proposal Despite Proper Notice.

A. Rule 14a-8(b)(1)

The Company may exclude the 2024 NCPPR Proposal under Rule 14a-8(f)(1) because the Proponent failed to substantiate its eligibility to submit the 2024 NCPPR Proposal under Rule 14a-8(b). Rule 14a-8(b)(1) provides, in part, that to be eligible to submit a proposal, a stockholder proponent must have continuously held:

- (A) at least \$2,000 in market value of the company's securities entitled to vote on the proposal for at least three years preceding and including the Submission Date;
- (B) at least \$15,000 in market value of the company's securities entitled to vote on the proposal for at least two years preceding and including the Submission Date; or
- (C) at least \$25,000 in market value of the company's shares entitled to vote on the proposal for at least one year preceding and including the Submission Date.

Each of these ownership requirements were specifically described by the Company in both the First Deficiency Notice and the Second Deficiency Notice.

Rule 14a-8(f) provides that a company may exclude a stockholder proposal if the proponent fails to provide evidence of eligibility under Rule 14a-8, including the beneficial ownership requirements of Rule 14a-8(b), provided that the company timely notifies the proponent of the problem and the proponent fails to correct the deficiency within the required time. SLB 14 specifies that when the stockholder is not the registered holder, the stockholder "is responsible for proving his or her eligibility to submit a proposal to the company," which the stockholder may do by one of the ways provided in Rule 14a-8(b)(2). *See* Section C.1.c, SLB 14.

SLB 14F provides that proof of ownership letters may fail to satisfy Rule 14a-8(b)(1)'s requirement if they do not verify ownership "for the entire one-year period preceding and including the date the proposal [was] submitted." This may occur if the letter verifies ownership as of a date before the submission date (leaving a gap between the verification date and the submission date) or if the letter verifies ownership

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 9

as of a date after the submission date and only covers a one-year period, “thus failing to verify the [stockholder’s] beneficial ownership over the required full one-year period preceding the date of the proposal’s submission.” SLB 14F. SLB 14F further notes, “The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held.” The guidance in SLB 14F remains applicable even though Rule 14a-8 has since been amended to provide the tiered ownership thresholds described above. In each case, consistent with the Staff’s guidance in SLB 14F and as required by Rule 14a-8(b), a stockholder proponent must submit adequate proof from the record holder of its shares demonstrating such proponent’s continuous ownership of the requisite amount of company shares for the requisite time period.

As discussed in the “Background” section above, the Financial Institution Letters, taken together or separately, do not satisfy what SLB 14F describes as the “highly prescriptive” requirements of Rule 14a-8(b), and the 2024 NCPFR Proposal may therefore be excluded. After receiving the First Wells Fargo letter, the Company timely provided the Second Deficiency Notice, which, consistent with SLB 14L, identified the specific defects in the Proponent’s proof of ownership submissions and described how the deficiencies could be remedied. Thereafter, the Proponent failed to timely correct the deficiency.

B. The Financial Institution Letters Fail To Cure The Deficiency Because The Financial Institution Letters Fail To Demonstrate Continuous Ownership Of Company Shares For The Requisite Period

The Financial Institution Letters are insufficient because they do not satisfy Rule 14a-8(b)(2)(ii)’s requirement of a written statement from the “record” holder of the Proponent’s securities demonstrating that as of the Submission Date the Proponent had satisfied one of the ownership requirements of Rule 14a-8(b). Specifically, the Second Wells Fargo letter confirms that Wells Fargo N.A. is the record holder of the Proponent’s Company shares, but does not confirm that Wells Fargo N.A. has been the record holder of the Proponent’s shares continuously for the entire period purportedly covered by the letter (*i.e.*, November 16, 2020 through December 27, 2023). In fact, both the First Wells Fargo Letter and the Second Wells Fargo Letter explicitly state that the duration of the holdings discussed in the letters is based on information obtained from UBS in connection with the transfer of the Proponent’s holdings. As such, Wells Fargo Advisors is unable to independently provide adequate documentation confirming the Proponent’s continuous ownership for the period during which Wells Fargo N.A. was not the record holder of the Proponent’s shares.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 10

Notably, the UBS Letter itself does not provide any identifying information regarding the issuers of the 95 securities purportedly covered, the number of shares purportedly held, or the duration of the purported holdings. In fact, the UBS Letter only purports to verify that the “October 2023 Wells Fargo statement for account [REDACTED] PII” accurately reflects the “original purchase dates and purchases prices that were transmitted by UBS Financial Services to Wells Fargo.” The UBS Letter does not attach the October 2023 Wells Fargo statement for account [REDACTED] PII. However, even if the UBS Letter included such an account statement, the Staff has consistently stated that account statements are insufficient to demonstrate continuous ownership. *See* SLB 14 (noting that a stockholder’s monthly, quarterly or other periodic investment statements are insufficient to demonstrate continuous ownership of securities). Moreover, the UBS Letter does not address the Proponent’s holding of the Company’s shares as it does not identify any of the 95 companies in which the Proponent previously held shares at UBS Financial Services.

In this situation, as explained in both the First Deficiency Notice and the Second Deficiency Notice, each record holder must provide proof of ownership for the period in which they held the shares, as was done for example by the record holders in *The AES Corp.* (avail. Jan. 21, 2015) (providing one ownership letter from BNY Mellon verifying the proponent’s ownership from October 20, 2013 through October 31, 2013 and a second letter from State Street verifying the proponent’s ownership from November 1, 2013 through October 20, 2014). The Staff has consistently concurred with the exclusion of proposals pursuant to Rule 14a-8(b) and Rule 14a-8(f)(1) where, after receiving proper notice from a company, the proof of ownership submitted failed to establish that as of the date the stockholder submitted the proposal the stockholder had continuously held the requisite amount of company securities for the entire required period. *See Amazon.com, Inc. (Phyllis Ewen Trust)* (avail. Apr. 3, 2023) (concurring in the exclusion of a stockholder proposal when the proponent provided proof of ownership of company shares that covered a holding period of only 122 days); *see also Starbucks Corp.* (avail. Dec. 11, 2014) (concurring with the exclusion of a proposal where the proponent’s proof established continuous ownership of company securities for one year as of September 26, 2014, but the proponent submitted the proposal on September 24, 2014); *PepsiCo, Inc. (Albert)* (avail. Jan. 10, 2013) (concurring with the exclusion under Rule 14a-8(b) and Rule 14a-8(f) of a proposal where the proponent’s purported proof of ownership covered the one-year period up to and including November 19, 2012, but the proposal was submitted on November 20, 2012); *Union Pacific Corp.* (avail. Mar. 5, 2010) (letter from broker stating ownership for one year as of November 17, 2009 was insufficient to prove continuous ownership as of November 19, 2009); *The McGraw Hill Companies, Inc.* (avail. Jan. 28, 2008) (letter from broker stating ownership for one year as of November

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 11

16, 2007 was insufficient to prove continuous ownership for one year as of November 19, 2007).

When a proponent's shares were transferred during the applicable holding period, the proponent can satisfy Rule 14a-8(b)'s requirement to provide sufficient proof of continuous ownership by submitting letters from each record holder demonstrating that there was no interruption in the proponent's chain of ownership. For example, in *Associated Estates Realty Corp.* (avail. Mar. 17, 2014), the proponent submitted letters from its introducing broker and the two record holders that held the proponent's shares during the previous one-year period. The first record holder's letter confirmed that the proponent's account held the company's securities "until December 7, 2012 on which dates the [s]hares were transferred out," and the second record holder's letter confirmed that it "became the registered owner . . . on December 7, 2012 . . . when the shares were transferred . . . at the behest of [the proponent] as a broker to broker transfer between accounts" Similarly, in *Bank of America Corp.* (avail. Feb. 29, 2012), the proponent provided proof of ownership of the company's shares by submitting letters from TD Ameritrade, Inc. and Charles Schwab & Co. The TD Ameritrade letter confirmed ownership of the company's shares "from December 03, 2009 to April 21, 2011," and the Charles Schwab letter confirmed that the company's shares "have been held in this account continuously since April 21, 2011." See also *Moody's Corp.* (avail. Jan. 29, 2008) (the proponent's continuous ownership of the company's stock was verified by two letters, with the first letter stating that "[a]ll securities were transferred from Morgan Stanley on November 8, 2007" and the second letter stating that the proponent transferred the company's securities into his account on November 8, 2007); *Eastman Kodak Co.* (avail. Feb. 19, 2002) (the proponent provided letters from Merrill Lynch & Co., Inc. and Salomon Smith Barney Inc. to demonstrate his continuous ownership, with the Merrill Lynch letter stating that the proponent's shares were "transferred to Salomon Smith Barney Inc. on 09-28-2001" and the Salomon Smith Barney letter confirming that the shares were "transferred over from Merrill Lynch on 09/28/01"); *Comshare, Inc.* (avail. Sept. 5, 2001) (the proponent demonstrated sufficient ownership in response to the company's deficiency notice by providing two broker letters, with one letter stating that the proponent owned at least \$2,000 of the company's stock "from March 30, 2000 until March 26, 2001 when the account was transferred to Charles Schwab," and the second letter stating that the proponent has held the shares "continuously at Charles Schwab & Co., Inc. since March 26, 2001 to present").

In this instance, consistent with the foregoing precedent, the Proponent was required to provide documentary evidence from each record holder verifying that the end date of the first record holder's holding period matched the start date of the second record holder's holding period, showing that the Proponent maintained continuous ownership throughout the three-year period despite the change in record holders. As such, the

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 12

Proponent has not demonstrated eligibility under Rule 14a-8 to submit the 2024 NCPPR Proposal because the Proponent failed to provide adequate documentary evidence of ownership of Company shares. Accordingly, we ask that the Staff concur that the Company may exclude the 2024 NCPPR Proposal under Rule 14a-8(b) and Rule 14a-8(f)(1).

II. The 2024 NCPPR Proposal May Be Excluded Under Rule 14a-8(i)(12)(i) Because It Addresses Substantially The Same Subject Matter As A Previously Submitted Proposal, And The Previously Submitted Proposal Did Not Receive The Support Necessary For Resubmission at the 2023 Annual Meeting.

Under Rule 14a-8(i)(12)(i), a stockholder proposal that “addresses substantially the same subject matter as a proposal, or proposals, previously included in the company’s proxy materials within the preceding five calendar years” may be excluded from the proxy materials “if the most recent vote occurred within the preceding three calendar years and the most recent vote was . . . [l]ess than 5 percent of the votes cast if previously voted on once.”

A. Overview Of Rule 14a-8(i)(12).

The Commission has indicated that the condition in Rule 14a-8(i)(12) that the stockholder proposals deal with or address “substantially the same subject matter” does not mean that the previous proposal(s) and the current proposal must be exactly the same. Although the predecessor to Rule 14a-8(i)(12) required a proposal to be “substantially the same proposal” as prior proposals, the Commission amended this rule in 1983 to permit exclusion of a proposal that “deals with substantially the same subject matter.” The Commission explained that this revision to the standard applied under the rule responded to commenters who viewed it as:

[A]n appropriate response to counter the abuse of the security holder proposal process by certain proponents who make minor changes in proposals each year so that they can keep raising the same issue despite the fact that other shareholders have indicated by their votes that they are not interested in that issue.

Exchange Act Release No. 20091 (Aug. 16, 1983) (the “1983 Release”). *See also* Exchange Act Release No. 19135 (Oct. 14, 1982), in which the Commission stated that Rule 14a-8 “was not designed to burden the proxy solicitation process by requiring the inclusion of such proposals.” In the release adopting this change, the Commission explained the application of the standard, stating:

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 13

The Commission believes that this change is necessary to signal a clean break from the strict interpretive position applied to the existing provision. The Commission is aware that the interpretation of the new provision will continue to involve difficult subjective judgments, but anticipates that those judgments will be based upon a consideration of the substantive concerns raised by a proposal rather than the specific language or actions proposed to deal with those concerns.

In Exchange Act Release No. 89964 (Sept. 23, 2020), the Commission amended Rule 14a-8(i)(12) to adjust the resubmission percentage thresholds, and it also altered the provision's lead-in language to state that a company may exclude from its proxy materials a stockholder proposal that "*addresses* substantially the same subject matter" (emphasis added), rather than one that "*deals with* substantially the same subject matter" (emphasis added). In the release adopting this change, the Commission provided no indication that it intended a different substantive interpretation to apply under Rule 14a-8(i)(12) as a result of updating the language from "deals with" to "addresses." On the contrary, the Commission stated that it "did not propose changes to the 'substantially the same subject matter' test." See Exchange Act Release No. 89964 (Sept. 23, 2020).

The Staff has confirmed numerous times that Rule 14a-8(i)(12) does not require that the stockholder proposals or their requested actions be identical in order for a company to exclude the later submitted proposal. Instead, pursuant to the Commission's statement in the 1983 Release, when considering whether proposals deal with or address substantially the same subject matter, the Staff has focused on the "substantive concerns." Consistent with this approach, the Staff has concurred with the exclusion of a proposal under Rule 14a-8(i)(12) when it shares the same substantive concerns even if the proposal differs in scope from a prior proposal. See, e.g., *The PNC Financial Services Group, Inc.* (avail. Feb. 28, 2023) (concurring with the exclusion of a proposal requesting a "report on the company's due diligence process to identify and address environmental and social risks related to financing companies producing controversial weapons and/or with business activities in conflict-affected and high-risk areas" because it addressed substantially the same subject matter as two earlier proposals requesting a report "assessing the effectiveness of PNC's Environmental and Social Risk Management (ESRM) systems at managing risks associated with lending, investing, and financing activities within the nuclear weapons industry"); *Apple Inc.* (avail. Nov. 20, 2018) (concurring with the exclusion of a proposal requesting that the company review its policies related to human rights to assess whether it needed to adopt and implement additional policies because it dealt with substantially the same subject matter as one prior proposal requesting that the company establish a board committee on human rights and a second prior proposal requesting that the board amend the company's bylaws to require a board committee on human rights); *Apple Inc. (Eli Plenk)* (avail. Dec. 15, 2017)

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 14

(concurring with the exclusion of a proposal requesting that the company prepare a report assessing the feasibility of integrating sustainability metrics, including metrics regarding diversity among senior executives, into performance measures of the CEO because it dealt with substantially the same subject matter as two earlier proposals requesting that the company adopt an accelerated recruitment policy requiring the company to increase the diversity of senior management and its board of directors); *The Coca Cola Co.* (avail. Jan. 18, 2017) (concurring with the exclusion of a proposal requesting a report identifying the number of Israel/Palestine employees who were Arab and non-Arab because it dealt with substantially the same subject matter as a prior proposal requesting that the company implement a set of “Holy Land” equal employment principles); *Exxon Mobil Corp.* (avail. Mar. 7, 2013) (concurring with the exclusion of a proposal requesting that the company review its facilities’ exposure to climate risk and issue a report to stockholders because it dealt with substantially the same subject matter as three prior proposals requesting that the company establish a committee or a task force to address issues relating to global climate change); *Pfizer Inc. (AFSCME Employees Pension Plan et al.)* (avail. Jan. 9, 2013) (concurring with the exclusion of a proposal seeking disclosure of the company’s lobbying policies and expenditures because it dealt with substantially the same subject matter as two prior proposals seeking disclosure of contributions to political campaigns, political parties, and attempts to influence legislation); *Saks Inc.* (avail. Mar. 1, 2004) (concurring with the exclusion of a proposal requesting that the board of directors implement a code of conduct based on International Labor Organization standards, establish an independent monitoring process, and annually report on adherence to such code because it dealt with substantially the same subject matter as one prior proposal that was nearly identical to the proposal at issue and a second prior proposal requesting a report on the company’s vendor labor standards and compliance mechanism).²

² We note that Exchange Act Release No. 34-95267 (July 13, 2022) (the “2022 Proposing Release”) proposed, among other changes to Rule 14a-8, amendments to Rule 14a-8(i)(11) and Rule 14a-8(i)(12) that would align the current distinct standards used to analyze proposals under Rule 14a-8(i)(11) and Rule 14a-8(i)(12) (the “Proposed Amendments”). In so doing, the Commission necessarily acknowledges that the current standards are distinct and therefore are subject to discrete analysis under the applicable standard. Applying the realigned standard for Rule 14a-8(i)(12) proposed by the Commission under the Proposed Amendments to the 2024 NCPPR Proposal is inappropriate under the Administrative Procedure Act because those changes are not yet effective. Accordingly, because the Proposed Amendments are not yet effective, the Staff must apply the current Rule 14a-8(i)(12)

Office of Chief Counsel
 Division of Corporation Finance
 January 3, 2024
 Page 15

B. The 2024 NCPPR Proposal Addresses Substantially The Same Subject Matter As A Proposal That Was Previously Included In The Company’s Proxy Materials Within The Preceding Five Calendar Years.

The Company has, within the past five years, included in its proxy materials a stockholder proposal from the Proponent requesting that the Company’s Board of Directors (the “Board”) evaluate and report on risks related to discrimination against individuals based on a number of protected characteristics and related impacts on civil rights. The Company included such proposal (the “2023 NCPPR Proposal”) and statement in support thereof (the “2023 NCPPR Proposal Supporting Statement”) in its proxy materials for the 2023 Annual Meeting, filed with the Commission on March 31, 2023, which is attached to this letter as Exhibit F. The 2024 NCPPR Proposal addresses substantially the same subject matter as the 2023 NCPPR Proposal, demonstrated by the language used in each proposal (emphases added):

<i>2024 NCPPR Proposal</i>	<i>2023 NCPPR Proposal</i>
<i>Both proposals request the same action from the Board.</i>	
<i>“Shareholders request the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation.”</i>	<i>“Shareholders request the Board of Directors conduct an evaluation and issue a report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation.”</i>

standard here when analyzing the 2024 NCPPR Proposal. While Rule 14a-8(i)(12) provides that “a proposal which *addresses substantially the same subject matter* as a proposal, or proposals, previously included in the company’s proxy materials within the preceding five calendar years” (emphasis added) may be excluded from a company’s proxy materials, Rule 14a-8(i)(11) provides a separate standard that a shareholder proposal may be excluded if it “*substantially duplicates* another proposal previously submitted to the company by another proponent that will be included in the company’s proxy materials for the same meeting.” (emphasis added).

<i>2024 NCPPR Proposal</i>	<i>2023 NCPPR Proposal</i>
<i>Both proposals request a report on risks and impacts related to potential discrimination and civil rights.</i>	
“issue a <i>civil rights and non-discrimination</i> report . . . evaluating how Company’s policies and practices <i>impact employees and prospective employees</i> . . . and the <i>risks those impacts present to Company’s business.</i> ”	“evaluating how it oversees <i>risks related to discrimination against individuals</i> . . . and whether such discrimination may <i>impact individuals’ exercise of their constitutionally protected civil rights.</i> ”
<i>Both proposals focus on the same type of potential discrimination.</i>	
“evaluating how Company’s policies and practices impact employees and prospective employees <i>based on their race, color, religion (including religious views), sex, national origin, or political views.</i> ”	“evaluating how it oversees risks related to discrimination against individuals <i>based on their race, color, religion (including religious views), sex, national origin, or political views.</i> ”

Although there are wording differences between the 2024 NCPPR Proposal and the 2023 NCPPR Proposal, those differences are non-substantive. As demonstrated above, the 2024 NCPPR Proposal and the 2023 NCPPR Proposal share the same substantive concerns and address substantially the same subject matter. Both proposals call for the Board to “conduct an evaluation and issue” a report on civil rights and discrimination. In expressing this concept, the 2024 NCPPR Proposal focuses on “how the Company’s policies and practices impact employees and prospective employees” and the 2023 NCPPR Proposal refers to “whether such discrimination may impact individuals’ exercise of their constitutionally protected civil rights.” While the wording differences, at most, suggest a more targeted scope for the 2024 NCPPR Proposal, both proposals are clearly concerned with the Company’s oversight of risks associated with potential discrimination and the impact that such discrimination may have on civil rights.

Both the 2024 NCPPR Proposal and the 2023 NCPPR Proposal contemplate a review of Company policies and practices related to certain types of discrimination and the Company’s role in the protection of civil rights, as further demonstrated by the concerns raised in the Supporting Statement and the 2023 NCPPR Proposal Supporting Statement:

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 17

- the 2023 NCPPR Proposal Supporting Statement specifically raises concerns about “recent evidence of religious and political discrimination” and the Supporting Statement similarly points to concerns of “discrimination against employees on many grounds, including religion and sometimes political affiliation”;
- both the Supporting Statement and the 2023 NCPPR Proposal Supporting Statement cite the Viewpoint Diversity Score Business Index for examples of discriminatory practices by companies generally;
- the Supporting Statement cites concerns about “legislation undermining fundamental First Amendment freedoms” and the 2023 NCPPR Proposal Supporting Statement raises concerns about discrimination based on “speech or political activity” and cites the U.S. Constitution as recognizing that “everyone has the right to freedom of thought, conscience, and religion”;
- the Supporting Statement states that “[r]especting diverse views allows [the] Company to . . . contribute to a healthy economic market and marketplace of ideas” and the 2023 NCPPR Proposal Supporting Statement raises concerns that discrimination “destabilize[s] the market” and “[w]hen companies engage in this kind of discrimination, they hinder the ability of individuals, groups, and businesses to access and equally participate in the marketplace.”

Thus, it is clear that the subject of both the 2024 NCPPR Proposal and the 2023 NCPPR Proposal focuses on concerns over risks of discrimination in the Company’s business and operations and related impacts on civil rights.

Despite the overwhelming similarity of the subject matter of the 2023 NCPPR Proposal and the 2024 NCPPR Proposal and of the concerns raised in the supporting statements to each proposal, admittedly, the scopes of the proposals are not identical. The 2023 NCPPR Proposal requests an analysis of “risks related to discrimination against individuals” while the 2024 NCPPR Proposal requests a report on “how [the] Company’s policies and practices impact employees and prospective employees.” However, as with *The PNC Financial Services Group, Inc.*, *Exxon Mobil Corp.* and the other precedent described above, the narrower scope of the category of individuals covered by the report requested by the 2024 NCPPR Proposal does not change the conclusion that both the 2024 NCPPR Proposal and the 2023 NCPPR Proposal share the same substantive concerns and are requesting substantially the same thing of the Company: an evaluation

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 18

and report on risks of discrimination and related impacts on civil rights.³ Notwithstanding the differences in the supporting statements, the actions the Company must take to complete either requested report would be the same, and the broader analysis required by the 2023 NCPPR Proposal would encompass the more narrow analysis sought by the 2024 NCPPR Proposal.

In short, under Rule 14a-8(i)(12), the proposals at issue need not be identical in terms and scope in order to merit relief. Although the specific language in the resolved clauses of the 2024 NCPPR Proposal and the 2023 NCPPR Proposal may differ, the two proposals call for the same action—evaluate and report on risks of discrimination and impacts on civil rights. As such, the 2024 NCPPR Proposal is excludable under Rule 14a-8(i)(12)(i) because it addresses substantially the same subject matter as the 2023 NCPPR Proposal, and, as discussed and documented below, the 2023 NCPPR Proposal did not receive the necessary stockholder support to permit resubmission.

C. The Stockholder Proposal Included In The Company's 2023 Proxy Materials Did Not Receive The Stockholder Support Necessary To Permit Resubmission.

In addition to requiring that the proposals address the same substantive concerns, Rule 14a-8(i)(12) sets thresholds with respect to the percentage of stockholder votes cast in favor of the last proposal submitted and included in the Company's proxy materials. As evidenced in the Company's Form 8-K filed on May 22, 2023, which states the voting results for the Company's 2023 Annual Meeting and is attached to this letter as Exhibit G, the 2023 NCPPR Proposal received 0.97% of the votes cast at the Company's 2023 Annual Meeting.⁴ Thus, the vote on the 2023 NCPPR Proposal failed to achieve the 5% threshold specified in Rule 14a-8(i)(12)(i) at the 2023 Annual Meeting.

³ We note that the Proponent submitted both the 2024 NCPPR Proposal and the 2023 NCPPR Proposal. In light of the very low support that the 2023 NCPPR Proposal received and given the significant overlap between the proposals, it appears that the Proponent may have incrementally revised the 2023 NCPPR Proposal in an effort to avoid the Rule 14a-8(i)(12) limitations on the resubmission of unpopular proposals. The Supporting Statement is clearly modeled after its predecessor and puts forth substantially similar reasons for supporting the 2024 NCPPR Proposal as did the 2023 NCPPR Proposal Supporting Statement.

⁴ The 2023 NCPPR Proposal received 1,454,343,901 “against” votes and 14,281,846 “for” votes. Abstentions and broker non-votes were not included for purposes of this

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 19

For the foregoing reasons, the Company may exclude the 2024 NCPPR Proposal from its 2024 Proxy Materials under Rule 14a-8(i)(12)(i).

III. The 2024 NCPPR Proposal May Be Excluded Under Rule 14a-8(i)(11) Because It Substantially Duplicates An Earlier Submitted Proposal That The Company Intends To Include In Its 2024 Proxy Materials.

A. Receipt of the Inspire Investing Proposal and the 2024 NCPPR Proposal.

As noted above, the 2024 NCPPR Proposal was received by the Company on November 28, 2023, which was after the Company received the Inspire Investing Proposal (together with the 2024 NCPPR Proposal, the “Duplicative Proposals”) and statement in support thereof (the “Inspire Investing Supporting Statement,” and together with the Supporting Statement, the “Duplicative Supporting Statements”). Specifically, the Inspire Proposal was received on October 25, 2023—34 days before the 2024 NCPPR Proposal was received. See Exhibit A and Exhibit H.

The 2024 NCPPR Proposal and the Inspire Investing Proposal have the same title—“Report on Respecting Workforce Civil Liberties.” Furthermore, the Inspire Investing Proposal includes a resolved clause that is substantially identical to the resolved clause in the 2024 NCPPR Proposal. The Inspire Investing Proposal and the Inspire Investing Proposal Supporting Statement, as well related correspondence, are attached to this letter as Exhibit H.

The Inspire Investing Proposal states:

Resolved: Shareholders request the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report within the next year, at a reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how Charles Schwab’s policies and practices impact employees and prospective employees based on their race, color, religion (including religious views), sex, national origin, or political views, and the risks those impacts present to Charles Schwab’s business.

The Company intends to include the Inspire Investing Proposal in the 2024 Proxy Materials if the Staff denies the Company’s no-action request, dated December 29, 2023,

calculation. The total stockholder votes cast is calculated using a fraction for which the numerator is “for” votes and the denominator is “for + against” votes. See Staff Legal Bulletin No. 14, part F.4 (July 13, 2001).

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 20

related to the exclusion of the Inspire Investing Proposal from the 2024 Proxy Materials pursuant to Rule 14a-8. In that case, the relevant analysis under Rule 14a-8(i)(11) is whether the 2024 NCPPR Proposal “substantially duplicates” the Inspire Investing Proposal and, if so—which the Company believes to be the case—the Company may exclude the 2024 NCPPR Proposal from the 2024 Proxy Materials under Rule 14a-8(i)(11).

B. Overview of Rule 14a-8(i)(11).

Rule 14a-8(i)(11) provides that a stockholder proposal may be excluded if it “substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company’s proxy materials for the same meeting.” The Commission has stated that “the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” Exchange Act Release No. 12999 (Nov. 22, 1976). When two substantially duplicative proposals are received by a company, the Staff has indicated that the company may exclude the later of the proposals it received from its proxy materials, unless the initial proposal otherwise may be excluded. *See, e.g., Great Lakes Chemical Corp.* (avail. Mar. 2, 1998); *Pacific Gas and Electric Co.* (avail. Jan. 6, 1994). A later proposal may be excluded as substantially duplicative of an earlier proposal despite differences in terms or breadth and despite the proposals requesting different actions. *See, e.g., Amazon.com, Inc.* (avail. Apr. 6, 2022) (concurring that a proposal requesting the board commission an independent third-party audit on workplace health and safety, evaluating productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover was substantially duplicative of a proposal requesting the board commission an independent audit and report of the working conditions and treatment that warehouse workers face). The Staff has traditionally referred to Rule 14a-8(i)(11)’s substantial duplication standard as assessing whether the later proposal presents the same “principal thrust” or “principal focus” as a previously submitted proposal. *See Pacific Gas & Electric Co.* (avail. Feb. 1, 1993).⁵

⁵ We note that the Commission has proposed amendments to Rule 14a-8(i)(11) to provide “that a proposal ‘substantially duplicates’ another proposal if it ‘addresses the same subject matter and seeks the same objective by the same means.’” 2022 Proposing Release. We believe that the 2024 NCPPR Proposal satisfies this standard as well for the reasons noted below. Specifically, the Duplicative Proposals share a nearly identical resolved clause that seeks identical objectives by identical means.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 21

C. Analysis.

As demonstrated below, the Duplicative Proposals clearly share the same principal thrust and focus. In this regard:

- the Duplicative Proposals have the same title;
- the resolved clause of the Duplicative Proposals is identical but for the 2024 NCPPR Proposal's use of "Company" in place of the Inspire Investing Proposal's use of "Charles Schwab" and the omission of one instance of the word "a" in the 2024 NCPPR Proposal;
- both Duplicative Proposals request "the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report" evaluating how the Company's "policies and practices impact employees and prospective employees based on their race, color, religion (including religious views), sex, national origin, or political views, and the risks those impacts present" to the Company's business; and
- the Duplicative Supporting Statements demonstrate that the Duplicative Proposals have the same thrust and focus and share the same concerns and objectives as follows:
 - both Duplicative Supporting Statements raise concerns about discrimination against certain employees, with both Duplicative Supporting Statements stating that the Company must "comply with many laws prohibiting discrimination against employees" on grounds such as "religion and sometimes political affiliation";
 - both Duplicative Supporting Statements cite the Viewpoint Diversity Score Business Index in the same manner noting that:
 1. "91% of scored companies promote divisive training concepts like critical race theory (CRT) that replace rich cultural and ideological diversity with a monolithic focus on group identity";
 2. "78% of scored companies discriminate[] against religious nonprofits"; and
 3. "63% [supported] legislation [that undermines] fundamental First Amendment freedoms";

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 22

- both Duplicative Supporting Statements assert that “[r]especting diverse views” allows the Company to “attract the most qualified talent, promote a healthy and innovative business culture,” and “contribute to a healthy economic market and marketplace of ideas”; and
- both Duplicative Supporting Statements raise concerns about liability stemming from “recent Supreme Court decisions in *Students for Fair Admission v. Harvard* and *Groff v.[.] DeJoy*” and the need for the Company to act to assess “potential shortcomings.”

As shown above, the request made by the Duplicative Proposals is identical and the Duplicative Supporting Statements also use much of the same language to raise the same concerns. Although the Supporting Statement and the Inspire Investing Proposal Supporting Statement also include additional distinct, minor details in support of their arguments,⁶ these are not substantive differences that detract from the overall shared principal thrust and focus of the Duplicative Proposals.

The Staff has consistently concurred with the exclusion of proposals under Rule 14a-8(i)(11) when the earlier and later-received proposals presented the same principal thrust or focus even when the supporting statements are worded differently. For example, in *McDonald’s Corp. (John Chevedden)* (avail. Apr. 3, 2023), the Staff concurred with the exclusion under Rule 14a-8(i)(11) of a proposal requesting a report on the company’s lobbying expenditures where, as with here, the resolved clauses were nearly identical and the supporting statements were worded differently, but both addressed concerns about the company’s lobbying activities, with one supporting statement focused in part on reputational risks associated with the company’s lobbying activities, and the other supporting statement addressing potential misalignment with the company’s values. In *PepsiCo, Inc.* (avail. Feb. 8, 2022), the Staff concurred with the exclusion under Rule 14a-8(i)(11) of an independent board chair proposal where, as with the Duplicative Supporting Statements here, the supporting statements were worded differently, but both addressed concerns with having the same person fulfilling two roles, with one supporting statement elaborating on concerns that the situation is not remedied by having an independent lead director, and the other supporting statement citing various corporate governance studies. In *The Southern Co.* (avail. Mar. 6, 2020), the Staff

⁶ For example, the 2024 NCPPR Supporting Statement discusses the Company’s mentorship programs and sponsorship of “employee-resource groups (ERGs) that support and lobby for the interests of those groups,” while the Inspire Investing Supporting Statement discusses “promoting ‘diversity, equity, and inclusion’” and related activities more broadly.

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 23

concluded with the exclusion an independent board chair proposal where the supporting statement outlined certain management-related benefits of an independent chair and expressed concern with the company's corporate governance practices, including the company's failure "to adopt a simple majority vote standard for company elections," but the earlier-received proposal's supporting statement raised concerns related to the company's "strategic transformation necessary for [the company] to capitalize on the opportunities available in the transition to a low carbon economy." Despite the different concerns expressed in the supporting statements of the proposals at issue, the Staff concluded that the proposals in *The Southern Co.* shared the same principal thrust such that relief under Rule 14a-8(i)(11) was appropriate. *See also Pfizer Inc. (International Brotherhood of Teamsters General Fund)* (avail. Feb. 28, 2019) (concurring with the exclusion of a proposal requesting information on certain categories of lobbying expenditures and related company risks, with a supporting statement that "describe[d] the [p]roponents' concern that the lack of lobbying disclosure creates reputational risk when such lobbying contradicts public positions," as substantially duplicative of an earlier-received proposal with a supporting statement that "describe[d] lobbying in the context of [the company's] free speech and freedom of association rights") and *Danaher Corp.* (avail. Jan. 19, 2017) (concurring with the exclusion of a proposal to adopt goals for reducing greenhouse gas emissions, with a supporting statement describing reasons to do so, as substantially duplicative of an earlier-received proposal with a supporting statement describing risks and opportunities associated with climate change).

As shown above, the request made by the Duplicative Proposals is identical and the Duplicative Supporting Statements also use much of the same language to raise the same concerns. While the Supporting Statement and Inspire Investing Supporting Statement each contain some differing, non-substantive arguments in support of their shared request, consistent with the aforementioned precedent, this does not change the conclusion that the 2024 NCPPR Proposal would have its key focus addressed through implementation of the Inspire Investing Proposal and shares the same principal thrust and focus.

Finally, as noted above, the purpose of Rule 14a-8(i)(11) "is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." Exchange Act Release No. 12999 (Nov. 22, 1976). As the 2024 NCPPR Proposal substantially duplicates the Inspire Investing Proposal, if the Company were required to include both Duplicative Proposals in its 2024 Proxy Materials, there is a significant risk that the Company's stockholders would be confused when asked to vote on the identical Duplicative Proposals. In such a circumstance, stockholders could assume incorrectly that there are substantive differences between the Duplicative Proposals and the requested actions. In addition, if the voting outcome on the Duplicative Proposals

Office of Chief Counsel
Division of Corporation Finance
January 3, 2024
Page 24

differed, the stockholder vote would not provide guidance on what actions stockholders want the Company to pursue, given that the same actions would be necessary to implement either the 2024 NCPPR Proposal or the Inspire Investing Proposal.

For the reasons discussed above, the principal thrust and focus of the Duplicative Proposals is the same. Moreover, the Company intends to include the Inspire Investing Proposal in the 2024 Proxy Materials (if the Staff denies the Company's no-action request, dated December 29, 2023, related to the exclusion of the Inspire Investing Proposal from the 2024 Proxy Materials pursuant to Rule 14a-8). Accordingly, the Company believes that the 2024 NCPPR Proposal may be excluded under Rule 14a-8(i)(11).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the 2024 NCPPR Proposal from its 2024 Proxy Materials, and we respectfully request that the Staff concur that the 2024 NCPPR Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (212) 351-2354 or Kristopher Tate, the Company's Managing Director and Assistant Corporate Secretary, at (469) 278-2912.

Sincerely,

Julia Lapitskaya

Enclosures

cc: Kristopher Tate, The Charles Schwab Corporation
Scott Shepard, National Center for Public Policy Research

EXHIBIT A



November 28, 2023

Via email to

The Charles Schwab Corporation
Attn: Office of the Corporate Secretary
3000 Schwab Way
Building DFW-1
Westlake, Texas 76262
SchwabCorporateSecretary@Schwab.com

Dear Sir/Madam,

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in the Charles Schwab (the “Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission’s proxy regulations.

I submit the Proposal as the Director of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding \$2,000 for at least 3 years prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company’s 2024 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Pursuant to interpretations of Rule 14(a)-8 by the Securities & Exchange Commission staff, I initially propose as a time for a telephone conference to discuss this proposal December 15, 2023 or December 18, 2023 from 2-5 p.m. eastern. If that proves inconvenient, I hope you will suggest some other times to talk. Please feel free to contact me at [REDACTED]@nationalcenter.org so that we can determine the mode and method of that discussion.

Copies of correspondence or a request for a “no-action” letter should be emailed to me at [REDACTED]@nationalcenter.org. Assuming that you have accepted email submission of this proposal, you need not send a paper copy. If you have not, you will need to supplement your email with a mailing to to me at the National Center for Public Policy Research, [REDACTED]
[REDACTED].

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Shepard", with a long, sweeping horizontal line extending to the right.

Scott Shepard
FEP Director

Enclosures: Shareholder Proposal

Report on Respecting Workforce Civil Liberties

Supporting Statement:

Charles Schwab (Company) employs more than 32,000 people.¹ It should respect its employees' speech rights and religious freedom. Company legally must comply with many laws prohibiting discrimination against employees on many grounds, including religion and sometimes political affiliation.

Respecting diverse views allows Company to attract the most qualified talent, promote a healthy and innovative business culture, and contribute to a healthy economic market and marketplace of ideas.

Despite this, the Viewpoint Diversity Score Business Index (2023) (VDSBI)¹ found 91% of scored companies promote divisive training concepts like critical race theory (CRT) that replace rich cultural and ideological diversity with a monolithic focus on group identity. Charles Schwab goes further, from training to practice. It offers unique mentorship opportunities only to members of favored races and ethnicities and otherwise favors preferred surface-characteristic groups over others, while “educating” registered investment advisors on “best practices” for furthering such discrimination.² And it sponsors employee-resource groups (ERGs) that support and lobby for the interests of those groups, while failing to sponsor ERGs for the groups discriminated against.³

Likewise, Charles Schwab is one of many companies that alienate their own employees by taking divisive stances on political and social issues. The 2023 VDSBI found 78% of scored companies discriminated against religious nonprofits in company programs, and 63% supported legislation undermining fundamental First Amendment freedoms. Charles Schwab scores 100 percent on the Corporate Equality Index, a partisan venture that, for a perfect score, requires companies to advance causes and policies that foster partisanship and discrimination.⁴ Yet Charles Schwab offers no ERGs for employees who seek a workplace genuinely welcoming to all.

Companies' potential liability for discrimination was sharpened by the recent Supreme Court decisions in *Students for Fair Admission v. Harvard* and *Groff v. DeJoy*. The Company must act now to assess and correct potential shortcomings.

Corporations have recently lost such actions, paying \$10 to \$25 million in damages, plus litigation costs. The risk of these suits is rising. With more than 32,000 employees, Company likely has 20,000+ potentially discriminated against because they are white, Asian, male, or straight. If only 10 percent of them sue, and only 10 percent of those win, Company losses would run to the billions. And while racial equity audits can cost up to \$4 million, this report should

¹ <https://www.schwab.com/system/file/P-8770544>

² <https://www.aboutschwab.com/diversity-and-inclusion>

³ Id.

⁴ <https://www.hrc.org/resources/corporate-equality-index-criteria>; <https://www.hrc.org/resources/buyers-guide/charles-schwab-co.-inc>.

cost much less, as it need review only the discriminatory programs – unless Charles Schwab so embraces suspect discrimination that its whole operation need be reviewed.

Resolved: Shareholders request the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how Company’s policies and practices impact employees and prospective employees based on their race, color, religion (including religious views), sex, national origin, or political views, and the risks those impacts present to Company’s business.

EXHIBIT B

December 1, 2023

VIA OVERNIGHT MAIL AND EMAIL

Scott Shepard
National Center for Public Policy Research



Dear Mr. Shepard:

I am writing on behalf of The Charles Schwab Corporation (the “**Company**”), which received on November 28, 2023, the stockholder proposal entitled “Report on Respecting Workforce Civil Liberties” that you submitted for inclusion in the proxy statement for the Company’s 2024 Annual Meeting of Stockholders via email on November 28, 2023 (the “**Submission Date**”) on behalf of the National Center for Public Policy Research (the “**Proponent**”) pursuant to Securities and Exchange Commission (“**SEC**”) Rule 14a-8 (the “**Proposal**”).

The Proposal contains certain procedural deficiencies, which SEC regulations require us to bring to your attention and which you and the Proponent should correct as described below if the Company is to consider the Proponent to have properly submitted the Proposal.

Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, provides that a stockholder proponent must submit sufficient proof of its continuous ownership of company shares preceding and including the submission date. Thus, with respect to the Proposal, Rule 14a-8 requires that the Proponent demonstrate that the Proponent has continuously owned at least:

- (1) \$2,000 in market value of the Company’s shares entitled to vote on the Proposal for at least three years preceding and including the Submission Date;
- (2) \$15,000 in market value of the Company’s shares entitled to vote on the Proposal for at least two years preceding and including the Submission Date; or
- (3) \$25,000 in market value of the Company’s shares entitled to vote on the Proposal for at least one year preceding and including the Submission Date (each an “**Ownership Requirement**,” and collectively, the “**Ownership Requirements**”).

The Company’s stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy any of the Ownership Requirements. In addition, while the submission letter states that proof of ownership will be provided, to date the Company has not received proof that the Proponent has satisfied any of the Ownership Requirements.

To remedy this defect, the Proponent must submit sufficient proof that such Proponent has satisfied at least one of the Ownership Requirements. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of either:

- (1) a written statement from the “record” holder of the Proponent’s shares (usually a broker or a bank) verifying that, at the time the Proponent submitted the Proposal (the Submission Date), the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above; or
- (2) if the Proponent was required to and has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, demonstrating that the Proponent met at least one of the Ownership Requirements above, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above.

If the Proponent intends to demonstrate ownership by submitting a written statement from the “record” holder of the Proponent’s shares as set forth in (1) above, please note that most large U.S. brokers and banks deposit their customers’ securities with, and hold those securities through, the Depository Trust Company (“DTC”), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC. You can confirm whether the Proponent’s broker or bank is a DTC participant by asking the Proponent’s broker or bank or by checking DTC’s participant list, which is available at <https://www.dtcc.com/-/media/Files/Downloads/client-center/DTC/DTC-Participant-in-Alphabetical-Listing-1.pdf>. If a stockholder’s shares are held through DTC, the stockholder needs to obtain and submit to the Company proof of ownership from the DTC participant through which the securities are held, as follows:

- (1) If the Proponent’s broker or bank is a DTC participant, then the Proponent needs to obtain and submit a written statement from the Proponent’s broker or bank verifying that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above.
- (2) If the Proponent’s broker or bank is not a DTC participant, then the Proponent needs to obtain and submit proof of ownership from the DTC participant through which the shares are held verifying that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above. You should be able to find out the identity of the DTC participant by asking the Proponent’s broker or bank. If the Proponent’s broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through the Proponent’s account statements, because the clearing broker identified on

Scott Shepard
December 1, 2023
Page 3

the account statements will generally be a DTC participant. If the DTC participant that holds the Proponent's shares is not able to confirm the Proponent's individual holdings but is able to confirm the holdings of the Proponent's broker or bank, then the Proponent needs to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that the Proponent continuously held Company shares satisfying at least one of the Ownership Requirements above: (i) one from the Proponent's broker or bank confirming the Proponent's ownership, and (ii) the other from the DTC participant confirming the broker or bank's ownership.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to Kristopher Tate, Managing Director, Corporate Legal at The Charles Schwab Corporation via email at kris.tate@Schwab.com. Alternatively, you may transmit any response to Mr. Tate by mail at The Charles Schwab Corporation, Attention: Kristopher Tate, at 3000 Schwab Way, Westlake, Texas 76262. Please note that the SEC's staff has stated that a proponent is responsible for confirming our receipt of any correspondence transmitted in response to this letter.

If you have any questions with respect to the foregoing, please contact me at 212-351-2354. For your reference, I enclose a copy of Rule 14a-8, Staff Legal Bulletin No. 14F and Staff Legal Bulletin No. 14L.

Sincerely,

Julia Lapitskaya

cc: Kristopher Tate, The Charles Schwab Corporation

Enclosures

EXHIBIT C

From: [Stefan Padfield](#)
To: [Walter, Geoffrey E.](#)
Subject: RRe: Charles Schwab (National Center for Public Policy Research) Correspondence
Date: Thursday, December 7, 2023 3:40:09 PM
Attachments: [NCPPR Charles Schwab.pdf](#)

[WARNING: External Email]

Please find attached our proof of ownership letter. Please confirm receipt.

Regards,
Stefan

Stefan J. Padfield, JD
Deputy Director
Free Enterprise Project
National Center for Public Policy Research
<https://nationalcenter.org/ncppr/staff/stefan-padfield/>

December 6, 2023

National Center for Public Policy Research Inc
2005 Massachusetts Avenue NW
Washington DC 20036-1030

RE: Verification of Assets for Account Number ending in [PII]

To Whom It May Concern:

In connection with your recent request regarding the verification of certain information about your investment account relationship with Wells Fargo Clearing Services, LLC ("Wells Fargo Advisors"), we are providing this letter as confirmation that:

(i) You maintain a Brokerage Cash Service account with Wells Fargo Advisors, number ending in [PII].

(ii) As of December 6, 2023, the National Center for Public Policy Research holds, and has held continuously since November 16, 2020, more than \$2,000 of The Charles Schwab Corporation common stock. This continuous ownership was established as part of the cost-basis data that UBS transferred to us along with this and other NCPPR holdings. This information routinely transfers when assets are transferred.

This letter is provided for informational purposes and does not represent future Account value, if this said Account will remain with Wells Fargo Advisors in the future, any purposes not mentioned in this letter, or the creditworthiness of the person(s) referenced within. Wells Fargo Advisors will have no liability with any party's reliance on this letter or the information within. This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for informational purposes only. Your Wells Fargo Advisors Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your local Sales Location Manager with any questions. Cost data and acquisition dates provided by you are not verified by Wells Fargo Advisors. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. Unless otherwise indicated, market prices/values are the most recent closing prices available at the time of this report and are subject to change. Prices may not reflect the value at which securities could be sold. Past performance does not guarantee future results.

Sincerely,



David A. Bos
Senior Vice President - Investments
Branch Manager – Private Client Group
Wells Fargo Advisors
1650 Tysons Blvd, Suite 500 | McLean, VA 22102

Direct: [REDACTED] Cell [REDACTED] | Fax: [REDACTED]
[REDACTED]@wfadvisors.com

Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Investment products and services are offered through Wells Fargo Advisors, a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.



EXHIBIT D

December 15, 2023

VIA OVERNIGHT MAIL AND EMAIL

Scott Shepard
National Center for Public Policy Research



Dear Mr. Shepard:

I am writing on behalf of The Charles Schwab Corporation (the “**Company**”), which received on November 28, 2023, the stockholder proposal entitled “Report on Respecting Workforce Civil Liberties” that you submitted for inclusion in the proxy statement for the Company’s 2024 Annual Meeting of Stockholders via email on November 28, 2023 (the “**Submission Date**”) on behalf of the National Center for Public Policy Research (the “**Proponent**”) pursuant to Securities and Exchange Commission (“**SEC**”) Rule 14a-8 (the “**Proposal**”). In the deficiency notice the Company sent you on December 1, 2023, we notified you of the requirements of Rule 14a-8 and how to cure the procedural deficiencies associated with the Proposal (the “**Deficiency Notice**”). The purpose of this second deficiency notice is to notify you of the defects associated with the response letter from Wells Fargo Advisors, dated December 6, 2023 (the “**Wells Fargo Letter**”), that the Company received on December 7, 2023.

As previously noted in the Deficiency Notice, Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, provides that a stockholder proponent must submit sufficient proof of its continuous ownership of company shares preceding and including the submission date. Thus, with respect to the Proposal, Rule 14a-8 requires that the Proponent demonstrate that the Proponent has continuously owned at least:

- (1) \$2,000 in market value of the Company’s shares entitled to vote on the Proposal for at least three years preceding and including the Submission Date;
- (2) \$15,000 in market value of the Company’s shares entitled to vote on the Proposal for at least two years preceding and including the Submission Date; or
- (3) \$25,000 in market value of the Company’s shares entitled to vote on the Proposal for at least one year preceding and including the Submission Date (each an “**Ownership Requirement**,” and collectively, the “**Ownership Requirements**”).

Scott Shepard
December 15, 2023
Page 2

The Company's stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy any of the Ownership Requirements. In addition, to date the Company has not received adequate proof that the Proponent has satisfied any of the Ownership Requirements. In this regard, we note that the Wells Fargo Letter asserts the following:

“(i) [the Proponent] maintain[s] a Brokerage Cash Service account with Wells Fargo Advisors, number ending in [REDACTED] PII .”

(ii) As of December 6, 2023, the National Center for Public Policy Research holds, and has held continuously since November 16, 2020, more than \$2,000 of The Charles Schwab Corporation common stock. This continuous ownership was established as part of the cost-basis data that UBS transferred to us along with this and other NCPPR holdings. This information routinely transfers when assets are transferred.”

Wells Fargo Advisors has not confirmed that it is the “record” holder of the Company's shares and therefore it is not clear whether Wells Fargo Advisors is the “record” holder of the Company's shares or whether a different entity is. Additionally, the Wells Fargo Letter does not state that Wells Fargo Advisors has been the “record” holder of the Proponent's shares during the three years preceding and including the Submission Date, and in fact, by seeking to rely on “cost-basis data” provided by UBS, indicates that UBS was the “record” holder for some unspecified portion of the three years preceding and including the Submission Date.

To remedy this defect, the Proponent must obtain and submit new proof of ownership verifying that the Proponent has satisfied at least one of the Ownership Requirements. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of either:

- (1) a written statement from the “record” holder of the Proponent's shares (usually a broker or a bank) confirming its status as the “record” holder of the Proponent's shares and verifying that, at the time the Proponent submitted the Proposal (the Submission Date), the Proponent continuously held through the record holder the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above; or
- (2) if the Proponent was required to and has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, demonstrating that the Proponent met at least one of the Ownership Requirements above, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above.

Scott Shepard
December 15, 2023
Page 3

If the Proponent's shares were held by more than one "record" holder over the course of the applicable one-, two-, or three-year ownership period, then confirmation of ownership needs to be obtained from each record holder with respect to the time during which it held the shares on the Proponent's behalf, and those documents must collectively demonstrate the Proponent's continuous ownership of sufficient shares to satisfy at least one of the Ownership Requirements.

If the Proponent intends to demonstrate ownership by submitting a written statement from the "record" holder of the Proponent's shares as set forth in (1) above, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC. You can confirm whether the Proponent's broker or bank is a DTC participant by asking the Proponent's broker or bank or by checking DTC's participant list, which is available at <https://www.dtcc.com/-/media/Files/Downloads/client-center/DTC/DTC-Participant-in-Alphabetical-Listing-1.pdf>. If a stockholder's shares are held through DTC, the stockholder needs to obtain and submit to the Company proof of ownership from the DTC participant through which the securities are held, as follows:

- (1) If the Proponent's broker or bank is a DTC participant, then the Proponent needs to obtain and submit a written statement from the Proponent's broker or bank verifying that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above.
- (2) If the Proponent's broker or bank is not a DTC participant, then the Proponent needs to obtain and submit proof of ownership from the DTC participant through which the shares are held verifying that the Proponent continuously held the requisite amount of Company shares to satisfy at least one of the Ownership Requirements above. You should be able to find out the identity of the DTC participant by asking the Proponent's broker or bank. If the Proponent's broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements, because the clearing broker identified on the account statements will generally be a DTC participant. If the DTC participant that holds the Proponent's shares is not able to confirm the Proponent's individual holdings but is able to confirm the holdings of the Proponent's broker or bank, then the Proponent needs to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that the Proponent continuously held Company shares satisfying at least one of the Ownership Requirements above: (i) one from the Proponent's broker or bank confirming the Proponent's ownership, and (ii) the other from the DTC participant confirming the broker or bank's ownership.

GIBSON DUNN

Scott Shepard
December 15, 2023
Page 4

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to Kristopher Tate, Managing Director, Corporate Legal at The Charles Schwab Corporation via email at kris.tate@Schwab.com. Alternatively, you may transmit any response to Mr. Tate by mail at The Charles Schwab Corporation, Attention: Kristopher Tate, at 3000 Schwab Way, Westlake, Texas 76262. Please note that the SEC's staff has stated that a proponent is responsible for confirming our receipt of any correspondence transmitted in response to this letter.

If you have any questions with respect to the foregoing, please contact me at 212-351-2354. For your reference, I enclose a copy of Rule 14a-8, Staff Legal Bulletin No. 14F and Staff Legal Bulletin No. 14L.

Sincerely,

Julia Lapitskaya

cc: Kristopher Tate, The Charles Schwab Corporation

Enclosures

From: [Scott Shepard](#)
To: [Walter, Geoffrey E.](#)
Subject: Re: Charles Schwab (National Center for Public Policy Research) Correspondence
Date: Friday, December 15, 2023 2:58:22 PM

[WARNING: External Email]

Received.

EXHIBIT E

From: [Stefan Padfield](#)
To: [Walter, Geoffrey E.](#)
Subject: Charles Schwab (National Center for Public Policy Research) Correspondence
Date: Thursday, December 28, 2023 1:28:56 PM
Attachments: [NCPPR Schwab.pdf](#)
[ACAT Cost Basis Confirmation Letter.pdf](#)

[WARNING: External Email]

Regarding your 12/15/23 email and attachment, we believe our original proof of ownership letter provided all the information necessary to satisfy our relevant obligations. However, as a courtesy we are providing two additional letters (attached) to address your concerns. Please confirm receipt.

Regards,
Stefan

Stefan J. Padfield, JD
Deputy Director
Free Enterprise Project
National Center for Public Policy Research
<https://nationalcenter.org/ncppr/staff/stefan-padfield/>



Advisors

1650 Tysons Boulevard
Suite 500
McLean, Virginia 22102

Tel: 703.893.5700
Fax: 703.448.0406

12/27/2023

National Center for Public Policy Research Inc
2005 Massachusetts Avenue NW
Washington DC 20036-1030

RE: Verification of Assets for Account Number ending in PII

To Whom It May Concern:

In connection with your recent request regarding the verification of certain information about your investment account relationship with Wells Fargo Clearing Services, LLC ("Wells Fargo Advisors"), we are providing this letter as confirmation that:

(i) You maintain a Brokerage Cash Service account with Wells Fargo Advisors, number ending in PII.

(ii) As of December 27, 2023, the National Center for Public Policy Research holds, and has held continuously since November 16, 2020, more than \$2,000 of Charles Schwab Corp common stock. This continuous ownership was established as part of the cost-basis data that UBS transferred to us along with this and other NCPFR holdings. This information routinely transfers when assets are transferred. Wells Fargo N.A. is record owner of these shares.

This letter is provided for informational purposes and does not represent future Account value, if this said Account will remain with Wells Fargo Advisors in the future, any purposes not mentioned in this letter, or the creditworthiness of the person(s) referenced within. Wells Fargo Advisors will have no liability with any party's reliance on this letter or the information within. This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for informational purposes only. Your Wells Fargo Advisors Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your local Sales Location Manager with any questions. Cost data and acquisition dates provided by you are not verified by Wells Fargo Advisors. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. Unless otherwise indicated, market prices/values are the most recent closing prices available at the time of this report and are subject to change. Prices may not reflect the value at which securities could be sold. Past performance does not guarantee future results.

Sincerely,

David A. Bos

Senior Vice President - Investments

Branch Manager – Private Client Group

Direct: [REDACTED] Cell [REDACTED] | Fax: [REDACTED]

[REDACTED]@wfadvisors.com

Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Investment products and services are offered through Wells Fargo Advisors, a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.





UBS Financial Services Inc.
1000 Harbor Blvd
3rd Floor
Weehawken, NJ 07086

Confirmation

ubs.com/fs

National Center for Public Policy Research
2005 Massachusetts Ave NW
Washington, DC 20036

12/4/2023

Confirmation: Information regarding the account of The National Center for Public Policy Research

Dear Sir,

Please accept this letter as a confirmation of the following facts:

- During the month of October 2023, the National Center for Public Policy Research transferred assets, including 95 individual equity positions, from UBS Financial Services account [PII] to Wells Fargo account [PII].
- As part of this transfer UBS Financial Services transmitted cost basis data, including purchase date and purchase price, for each of these 95 equity positions transferred to Wells Fargo.
- UBS has reviewed a copy of the October 2023 Wells Fargo statement for account [PII] and has confirmed the original purchase dates and purchase prices which were transmitted by UBS Financial Services to Wells Fargo are being accurately and correctly reported on this statement.

Questions

If you have any questions about this information, please contact the UBS Wealth Advice Center at 877-827-7870.

Sincerely,

Evan Yeaw
Head Wealth Advice Center Operations
UBS Financial Services

EXHIBIT F



November 30, 2022

Corporate Secretary
Charles Schwab
3000 Schwab Way
Westlake, TX 76262

Dear Mr. Morgan,

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in the Charles Schwab (the “Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission’s proxy regulations.

I submit the Proposal as the Coordinator of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding \$2,000 for at least 3 years prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company’s 2023 annual meeting of shareholders. A proof of ownership letter is enclosed.

Pursuant to interpretations of Rule 14(a)-8 by the Securities & Exchange Commission staff, I initially propose as a time for a telephone conference to discuss this proposal December 19, 2022 or December 20, 2022 from 1-4 p.m. eastern. If that proves inconvenient, I hope you will suggest some other times to talk. Please feel free to contact me at [REDACTED]@nationalcenter.org so that we can determine the mode and method of that discussion.

Copies of correspondence or a request for a “no-action” letter should be sent to me at the National Center for Public Policy Research, [REDACTED] and emailed to [REDACTED]@nationalcenter.org.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sarah Rehberg".

Sarah Rehberg

cc: Scott Shepard, FEP Director

Enclosures: Shareholder Proposal
Proof of Ownership Letter

Report on Ensuring Respect for Civil Liberties

Supporting Statement: Companies that provide banking or financial services are essential pillars of the marketplace. On account of their unique and pivotal role in America’s economy, many federal and state laws already prohibit them from discriminating when providing financial services to the public. And the UN Declaration of Human Rights, consistent with many other laws and the U.S. Constitution, recognizes that “everyone has the right to freedom of thought, conscience, and religion.”¹ Financial institutions should respect these freedoms.

As shareholders of Charles Schwab, we believe it is of great import that the company respect civil rights by identifying potential factors that may contribute to discrimination in the provision of services based on race, color, religion, sex, national origin, or social, political, or religious views.

We are particularly concerned with recent evidence of religious and political discrimination by companies in the financial services industry, as detailed in the Statement on Debanking and Free Speech.²

When companies engage in this kind of discrimination, they hinder the ability of individuals, groups, and businesses to access and equally participate in the marketplace and instead skew it to their own ends.

The Statement on Debanking and Free Speech identified many companies in the financial services industry that frequently include vague and subjective standards in their policies like “hate speech” or promoting “intolerance” that allow employees to deny or restrict service for arbitrary or discriminatory reasons. The 2022 edition of the Viewpoint Diversity Business Index³ also identified numerous examples of this in many companies’ terms of service. The inclusion of vague and arbitrary terms risks impacting clients’ exercise of their constitutionally protected civil rights, by creating the potential that such persons or groups will be denied access to essential services as a consequence of their speech or political activity. Moreover, they risk giving fringe activists and governments a foothold to demand that private financial institutions deny service under the sweeping, unfettered discretion that such policies provide.

These actions and policies are an affront to public trust, destabilize the market, and threaten the ability of American citizens to live freely and do business according to their deeply held convictions.

¹ <https://www.un.org/en/about-us/universal-declaration-of-human-rights>.

² https://storage.googleapis.com/vds_storage/document/Statement%20on%20Debanking%20and%20Free%20Speech.pdf.

³ <https://viewpointdiversityscore.org/business-index>.

Charles Schwab also maintains that it promotes good social policy and diversity, equity, and inclusion practices.⁴ It is important for the shareholders to know that Charles Schwab is adhering to its own standards by serving diverse consumers without regard to their beliefs or other factors above.

Resolved: Shareholders request the Board of Directors conduct an evaluation and issue a report within the next year, at reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how it oversees risks related to discrimination against individuals based on their race, color, religion (including religious views), sex, national origin, or political views, and whether such discrimination may impact individuals' exercise of their constitutionally protected civil rights.

⁴ <https://www.aboutschwab.com/diversity-and-inclusion>; <https://www.aboutschwab.com/schwab-ramps-up-its-ongoing-d&i-efforts-in-2021>

EXHIBIT G

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 18, 2023

The Charles Schwab Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-9700
(Commission
File Number)

94-3025021
(IRS. Employer
Identification No.)

3000 Schwab Way
Westlake, Texas
(Address of principal executive offices)

76262
(Zip Code)

Registrant's telephone number, including area code: (817) 859-5000

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - \$.01 par value per share	SCHW	New York Stock Exchange
Depository Shares, each representing a 1/40th ownership interest in a share of 5.95% Non-Cumulative Preferred Stock, Series D	SCHW PrD	New York Stock Exchange
Depository Shares, each representing a 1/40th ownership interest in a share of 4.450% Non-Cumulative Preferred Stock, Series J	SCHW PrJ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.07 Submission of Matters to a Vote of Security Holders.

- (a) The 2023 Annual Meeting of Stockholders of The Charles Schwab Corporation (“CSC”) was held on May 18, 2023.
- (b) All nominees for directors were elected, and each nominee received more “for” votes than “against” votes cast for his or her election. The proposal to ratify the selection of Deloitte & Touche LLP as CSC’s independent auditors for the 2023 fiscal year was approved. The advisory vote on named executive officer (“NEO”) compensation was approved. The advisory vote on the frequency of approval of named executive officer compensation was approved as one year. The stockholder proposal requesting pay equity disclosure was not approved. The stockholder proposal requesting disclosure of discrimination risk oversight and impact was not approved. The final voting results were as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>	
1 Election of Directors					
(a) Marianne C. Brown	1,391,923,049	77,744,557	10,504,388	65,171,953	
(b) Frank C. Herringer	1,187,522,013	276,652,237	15,997,744	65,171,953	
(c) Gerri K. Martin-Flickinger	1,398,255,689	71,370,592	10,545,713	65,171,953	
(d) Todd M. Ricketts	1,397,658,822	71,906,569	10,606,603	65,171,953	
(e) Carolyn Schwab-Pomerantz	1,386,051,905	78,347,621	15,772,468	65,171,953	
2 Ratification of the selection of Deloitte & Touche LLP as independent auditors	1,466,597,288	77,187,153	1,559,506	0	
3 Advisory vote to approve named executive officer (NEO) compensation	1,358,945,646	118,735,604	2,490,744	65,171,953	
	<u>One Year</u>	<u>Two Years</u>	<u>Three Years</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>
4 Frequency of advisory vote on NEO compensation	1,463,499,865	3,414,694	11,453,065	1,804,370	65,171,953
	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>	
5 Stockholder Proposal on Pay Equity Disclosure	361,505,475	1,101,320,605	17,345,914	65,171,953	
6 Stockholder Proposal on Discrimination Risk Oversight and Impact	14,281,846	1,454,343,901	11,546,247	65,171,953	
(d) CSC has decided, in light of the vote of stockholders, to include a stockholder vote on the compensation of NEOs in its proxy materials annually until the next required vote on the frequency of stockholder votes on the compensation of NEOs (which would be at CSC’s 2029 Annual Meeting of Stockholders unless presented earlier).					

Signature(s)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE CHARLES SCHWAB CORPORATION

Date: May 22, 2023

By: /s/ Peter Crawford

Peter Crawford

Managing Director and Chief Financial Officer

EXHIBIT H

Via UPS

October 20, 2023

The Charles Schwab Corporation
Attn: Secretary of the Company
3000 Schwab Way
Westlake, TX 76262

To whom it may concern,

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in the Charles Schwab (the “Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission’s proxy regulations.

I submit the Proposal as the Founder & Managing Member of Inspire Investing, LLC, which has continuously owned Company stock with a value exceeding \$25,000 for at least 1 year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company’s 2023 annual meeting of shareholders. A Proof of Ownership spreadsheet from our custodian, BBH, will be made available. Please let us know to whom it can be emailed.

Copies of correspondence or a request for a “no-action” letter should be sent to me and Tim Schwarzenberger at Inspire Investing, [REDACTED] and emailed to [REDACTED] [@inspireinvesting.com](mailto:[REDACTED]@inspireinvesting.com). We will make ourselves available to speak to the company about this proposal as needed.

Sincerely,

Robert Netzly

Robert Netzly
Chief Executive Officer

Tim Schwarzenberger

Tim Schwarzenberger, CFA
Director of Shareholder Engagement

Enclosure: Shareholder Proposal

Report on Respecting Workforce Civil Liberties

Supporting Statement:

Charles Schwab is one of the largest companies in the United States and employs over 30,000 people. As a major employer, Charles Schwab should respect the free speech and religious freedom of its employees. Charles Schwab is legally required to comply with many laws prohibiting discrimination against employees on a variety of factors, including religion and sometimes political affiliation.

Respecting diverse views also allows Charles Schwab to attract the most qualified talent, promote a healthy and innovative business culture, serve its diverse customer base, and contribute to a healthy economic market and marketplace of ideas.

Despite this, the 2023 edition of the Viewpoint Diversity Score Business Index¹ found that 91% of scored companies promote divisive training concepts like critical race theory (CRT) that replace rich cultural and ideological diversity with a monolithic focus on group identity. These concepts label employees as “oppressed” or “oppressors” based on the color of their skin, biological sex, or religious status. While companies often push concepts like CRT under the guise of promoting “diversity, equity, and inclusion,” such efforts often have the opposite effect. Instead of creating workplaces that afford equal opportunity based on individual merit, DE&I too often leads to hostility, polarization, and partiality.

Many companies also alienate their own employees by taking divisive stances on political issues. For example, many companies have adopted radical stances and policies on abortion. The 2023 Index also found that 78% of scored companies discriminate against religious nonprofits in their charitable giving and 63% give money to legislation that undermines fundamental First Amendment freedoms. According to the Freedom at Work survey, 60% of employees were concerned that their company would punish them for expressing their religious or political views at work, and 54% said they feared the same for sharing these views even on their private social media accounts.²

Companies may also face additional legal liability for DE&I programs that make distinctions based on race, per the recent Supreme Court decisions in *Students for Fair Admission v. Harvard* and *Groff v. DeJoy*. In light of these risks, the Company must take immediate steps to assess potential shortcomings and act to remedy these concerns.

¹ The Index is the first comprehensive benchmark for measuring corporate respect for free speech and religious liberty and is available at <https://www.viewpointdiversityscore.org/>

² [2023 Freedom at Work Survey](#), VIEWPOINT DIVERSITY SCORE (last accessed Sept. 14, 2023).

Resolved: Shareholders request the Board of Directors conduct an evaluation and issue a civil rights and non-discrimination report within the next year, at a reasonable cost and excluding proprietary information and disclosure of anything that would constitute an admission of pending litigation, evaluating how Charles Schwab's policies and practices impact employees and prospective employees based on their race, color, religion (including religious views), sex, national origin, or political views, and the risks those impacts present to Charles Schwab's business.

The UPS Store®
theupsstore.com

UPS 325

Made in Mexico



Made from 100% recycled paperboard.
Minimum 95% post-consumer content.

SupplySide USA, Inc. - Brunswick, OH 44212

THE CHARLES SCHWAB CORPORATION *
3000 SCHWAB WAY
ROANOKE TX 76262

P:MET09S:900 1M09

924-RDR

1Z61E268037864 6416
SAT09485 VLE A102-3 061 25 05:39:53 2023
US 7618 H1P5-23.6.0 SATOLR

Mailer Size:

9 x 12

Mailer will h

8 x 10 Photo

8 1/2 x 11 Documents

1 LBS 1 OF 1
SHP WT: 1 LBS
DATE: 20 OCT 2023

INSPIRE INVESTING
THE UPS STORE #4537
STE 102
13601 W MCMILLAN RD
BOISE ID 83713-2071

SHIP SECRETARY OF THE COMPANY
TO: THE CHARLES SCHWAB CORPORATION
3000 SCHWAB WAY

WESTLAKE TX 76262-8104



TX 768 7-91



UPS GROUND

TRACKING #: 1Z 61E 268 03 7664 6416



BILLING: P/P

REF #1: M8

ISH 13.00F 22P 450 38.5U 09/2023

SPS
Swiss Post Solutions

POE: SCDAL

From: UPS GROUND

CSoles

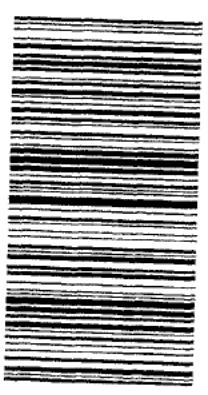
To: WILLIAMS-WRIG

STEPHANIE

DFW1-02-850

Route: DFW1

*Murday,
October 26
(received)*



1Z61E2680376646416

1st Attempt/LG	2nd Attempt	Final Attempt
----------------	-------------	---------------

UPS Store

MailCenterDFW@schwab.com
For information about UPS's privacy practices or to opt out from the sale of personal information, please see the UPS Privacy Notice at www.ups.com

880 R 0223

January 27, 2024

VIA ONLINE SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *The Charles Schwab Corporation*
Stockholder Proposal of the National Center for Public Policy
Research
Securities Exchange Act of 1934—Rule 14a-8

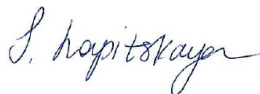
Ladies and Gentlemen:

In a letter dated January 3, 2024, we requested that the staff of the Division of Corporation Finance concur that our client, The Charles Schwab Corporation (the “Company”), could exclude from its proxy statement and form of proxy for its 2024 Annual Meeting of Stockholders a stockholder proposal and statement in support thereof received from the National Center for Public Policy Research (the “Proposal”).

Enclosed as Exhibit A is correspondence from the Proponent withdrawing the Proposal. In reliance thereon, we hereby withdraw the January 3, 2024 no-action request relating to the Company’s ability to exclude the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934.

Please do not hesitate to call me at (212) 351-2354, or Kristopher Tate, the Company’s Managing Director and Assistant Corporate Secretary, at (469) 278-2912, if you have any questions.

Sincerely,



Julia Lapitskaya

Enclosure

cc: Kristopher Tate, The Charles Schwab Corporation
Scott Shepard, National Center for Public Policy Research

EXHIBIT A

January 24, 2024

Kristopher Tate
Managing Director and Assistant Corporate Secretary
The Charles Schwab Corporation
3000 Schwab Way
Westlake, Texas 76262

Re: Stockholder Proposal Entitled “Report on Respecting Workforce Civil Liberties”

Dear Mr. Tate:

I am writing regarding the stockholder proposal and statements in support thereof entitled “Report on Respecting Workforce Civil Liberties” (the “Proposal”) that I submitted on behalf of the National Center for Policy Research to The Charles Schwab Corporation (the “Company”) for inclusion in the proxy statement for the Company’s 2024 Annual Meeting of Stockholders.

Following discussions with the Company, and in light of the Company’s commitment to continued dialogue with the National Center for Public Policy Research following shareholder-meeting season, I hereby withdraw the Proposal in its entirety as of the date set forth below. The Company confirms that it will then withdraw its no-action request.

/s/ Scott Shepard
Scott Shepard
FEP Director
National Center for Public Policy Research

Date: January 24, 2024