



Via email to rule-comments@sec.gov

August 30, 2022

Via rule-comments@sec.gov
Ms. Vanessa A. Countryman, Secretary
Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549-

File Number S7-20-22

Dear Ms. Countryman:

We contact you today in support of the proposed rulemaking on Substantial Implementation, Duplication, and Resubmission of Shareholder Proposals under Exchange Act Rule 14a-8. First Affirmative is an SEC registered investment advisor with oversight of approximately \$900 million in assets under management and advisement. We consider the integration of environmental, social, and governance (ESG) issues to be a fundamental fiduciary duty to our clients and have been guided by this consideration since our inception in 1988.

We are a member of the Shareholder Rights Group and fully endorse the organization's comments¹ previously submitted to the SEC regarding this proposal. We believe that the proposal crafted by the SEC, as the Shareholder Rights Group comment points out:

- supports the rights and responsibilities of investment fiduciaries, including pension funds, to assess and manage risk in their portfolios, including long-term risks associated with issues raised in shareholder proposals;
- provides greater choice and flexibility to voting investors in possible approaches to addressing critical issues facing their companies;
- allows investors to address the portfolio-wide risks posed by issuer activities associated with systemic issues and externalities;
- provides recourse for investors concerned with potentially misleading statements or commitments by corporations. Shareholder proposals often provide the least costly and

¹ <https://www.sec.gov/comments/s7-20-22/s72022-20134698-305893.pdf>

most efficient means of confirming whether a company's net zero by 2050 or diversity commitments are backed by actions and metrics, and therefore provide critical information to the market;

- reduces costs of the no action process and increases efficiency for proponents and issuers alike, including the amount of SEC staff deliberative time on the three exclusions.

First Affirmative fully supports the SEC in the implementation of this rule as proposed.

Regards,

A handwritten signature in cursive script that reads "Holly A. Testa".

Holly A. Testa
Director, Shareowner Engagement