



September 12, 2022

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

Re: File Number S7-20-22

To Whom It May Concern:

The U.S. Impact Investing Alliance (“the Alliance”) writes to the U.S. Securities and Exchange Commission (“the Commission”) in support of the recent proposed rule changes related to the Substantial Implementation, Duplication, and Resubmission of Shareholder Proposals Under Exchange Act Rule 14a-8 (“the proposed rule”).

The Alliance is an organization committed to catalyzing the growth of impact investing in the United States. We define impact investing broadly to include those investments that create financial returns alongside measurable and positive social, economic or environmental impacts across asset classes. Members of our boards and councils include high-net-worth individuals and institutional investors collectively owning hundreds of billions of dollars of invested assets, in addition to asset and fund managers collectively managing over one trillion dollars in assets.

We are supportive of the Commission’s broader disclosure and transparency agenda - including recent rulemakings related to enhanced corporate and asset management disclosures. The proposed rule is an important extension of this work and will help ensure that the processes around the inclusion of shareholder proposals in companies’ proxy statements are objective, clear and consistent.

Shareholder proposals are an important market-based mechanism allowing for shareholders to efficiently communicate with boards, management and other shareholders on important issues that affect the long-term financial viability of a company.

The proposed rule would clarify and standardize when shareholder proposals can and cannot be excluded from proxy materials, helping to protect the engagement rights of investors. At a high level, the proposed changes to reframe the “Substantial Implementation” criteria around the “essential elements” of the proposal will help reduce subjectivity in determining whether an issuer has already addressed the crux of the proposal. Similarly, the proposed changes to the “Duplication” criteria to apply to proposals that address the same subject matter and “seeks the same objective by the same

means” will better allow for co-existing proposals on related topics with different approaches, all of which shareholders should have the opportunity to consider.

The Commission is also wise to align the “Resubmission” criteria with the proposed changes to the “Duplication” standard. The Commission should pay special attention to ensuring shareholders are not unduly restricted from resubmitting proposals given that emerging issues - such as those related to material environmental, social and governance (“ESG”) factors - often take time to gain traction and support among shareholders. The proposed rule is an improvement in this regard, given that shareholders could refine the “means” outlined in their proposals to better align with shareholder priorities for resubmission.

Lastly, shareholder engagement avenues are especially important for investors seeking to engage with portfolio companies on systemic issues, such as workforce diversity and compensation practices or exposure to climate-related financial risks. Diversified investors are increasingly engaging with issuers on systemic risk issues that impact the market as a whole, given their limited abilities to diversify away from these risks. In drafting the final rule, we urge the Commission to limit subjectivity in the exclusion process and consider how to best protect engagement by shareholders on systemic risk topics.

Thank you for the opportunity to provide comment on this proposal. We applaud the Commission for their leadership on this topic and look forward to engaging with the agency in the future.

Sincerely,

A handwritten signature in black ink that reads "Fran Seegull". The signature is written in a cursive style and is positioned above the typed name.

Fran Seegull  
President  
U.S. Impact Investing Alliance