

Via Hand Delivery

April 8, 2019

The Honorable Michael D. Crapo  
Chairman  
Committee on Banking, Housing, and Urban Affairs  
United States Senate  
Washington, DC 20510

The Honorable Sherrod Brown  
Ranking Member  
Committee on Banking, Housing, and Urban Affairs  
United States Senate  
Washington, DC 20510

*Re: April 2, 2019 Hearing on “The Application of Environmental, Social, and Governance Principles in Investing and the Role of Asset Managers, Proxy Advisors, and Other Intermediaries.”*<sup>1</sup>

Dear Mr. Chairman and Ranking Member Brown:

I am writing on behalf of the Council of Institutional Investors (CII) to express our appreciation for holding the above referenced hearing and to provide you with our views on several corporate governance related topics that are of great interest to our members and that were discussed at the hearing. We would respectfully request that this letter be made a part of the hearing record.

CII is a nonprofit, nonpartisan association of public, corporate and union employee benefit funds, other employee benefit plans, state and local entities charged with investing public assets, and foundations and endowments with combined assets under management of approximately \$4 trillion. Our member funds include major long-term shareowners with a duty to protect the retirement savings of millions of workers and their families. Our associate members include a range of asset managers with more than \$35 trillion in assets under management.<sup>2</sup>

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<sup>1</sup> Hearings, United States Committee on Banking, Housing, and Urban Affairs, The Application of Environmental, Social, and Governance Principles in Investing and the Role of Asset Managers, Proxy Advisors, and Other Intermediaries (Apr. 2, 2019), <https://www.banking.senate.gov/hearings/the-application-of-environmental-social-and-governance-principles-in-investing-and-the-role-of-asset-managers-proxy-advisors-and-other-intermediaries>.

<sup>2</sup> For more information about the Council of Institutional Investors (“CII”), including its board and members, please visit CII’s website at <http://www.cii.org>.

## Human Capital Management (HCM) Disclosure

CII supports dialog that would lead to enhancements to HCM disclosures.<sup>3</sup> We believe that institutional and retail investors have a pronounced interest in clear and comparable information about how public companies approach HCM.<sup>4</sup> That interest is supported by the growing body of research that has found that high quality HCM practices correlate with better corporate performance.<sup>5</sup>

Human capital is an increasingly important value driver for companies, including those with securities listed on U.S. exchanges. We would note in this regard that the “ESG” label may cause confusion to the extent disclosure on human capital as a value driver and source of risk is placed within that category.

CII has a broad tent of members, some more enthusiastic on the language of “ESG” than others, but we are unaware of any segment of our membership that does not consider human capital as important to valuation of most companies, and critical in particular for certain growth sectors.<sup>6</sup> And historically, corporate disclosures on human capital have been limited, in part because of the importance of intangible factors not easily quantified.

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<sup>3</sup> Letter from Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors to The Honorable Jay Clayton, Chairman, Securities and Exchange Commission 1 (Oct. 10, 2017), [https://www.cii.org/files/issues\\_and\\_advocacy/correspondence/2017/10-6-17%20CII%20letter%20to%20SEC%20on%20HCM.pdf](https://www.cii.org/files/issues_and_advocacy/correspondence/2017/10-6-17%20CII%20letter%20to%20SEC%20on%20HCM.pdf) (“CII believes that the . . . U.S. Securities and Exchange Commission . . . [should] . . . further explor[e] . . . the need for enhancements to HCM disclosures.”).

<sup>4</sup> See Recommendation from the Investor-as-Owner Subcommittee on Human Capital Management Disclosure 2 (approved Mar. 28, 2019), <https://www.sec.gov/spotlight/investor-advisory-committee-2012/iac032819-investor-as-owner-subcommittee-recommendation.pdf> (“Institutional and retail investors have a pronounced interest in clear and comparable information about how firms approach HCM”); see also Chairman Jay Clayton, Remarks for Telephone Call with SEC Investor Advisory Committee Members (Feb. 6, 2019), <https://www.sec.gov/news/public-statement/clayton-remarks-investor-advisory-committee-call-020619> (“for human capital, I believe it is important that the metrics allow for period to period comparability for the company”).

<sup>5</sup> See Letter from Dr. Anthony Hesketh, Department of Organization, Work & Technology, Lancaster University Management School to Anne Sheehan, Chairman Investor Advisory Committee, U.S. Securities and Exchange Commission 4 (Mar. 21, 2019), <https://www.sec.gov/comments/265-28/26528-5180428-183533.pdf> (summarizing recent research and including relevant citations suggesting “the depth of human capital disclosure is highly associated with high performance”); Mark Huselid, The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance, 18 Acad. of Mgmt J. 635 (1995), [http://www.markhuselid.com/pdfs/articles/1995\\_AMJ\\_HPWS\\_Paper.pdf](http://www.markhuselid.com/pdfs/articles/1995_AMJ_HPWS_Paper.pdf) (indicating that certain human capital management practices “have an economically and statistically significant impact on . . . long-term measures of corporate financial performance”).

<sup>6</sup> We are concerned that some market participants appear to be seeking to limit certain material disclosures by labeling the matters as “ESG.” In our view, materiality is materiality. Political efforts to constrain disclosure by slapping the “ESG” label on particular areas and essentially saying these are “no-go” subjects are profoundly misguided. We presume that within the human capital context, those opposed to improving disclosure may be thinking in part of risk areas such as challenges in employee recruitment deriving from discriminatory employment policies or prevalence of sexual harassment. We view these matters as clearly material. To take the latter subject, as CII discussed in a 2018 report, allegations of sexual harassment have had serious repercussions for value at a number of companies, with negative impacts on shareholders. See CII, How Corporate Boards Can Combat Sexual Harassment, Recommendations and Resources for Directors and Investors 2 (March 2018), [https://www.cii.org/files/publications/misc/03\\_01\\_18\\_corporate\\_boards\\_sexual\\_harassment.pdf](https://www.cii.org/files/publications/misc/03_01_18_corporate_boards_sexual_harassment.pdf) (“Allegations of sexual harassment and mishandling those allegations can clearly affect the value of a company.”).

We believe that the time has come to seek ways to improve disclosure of both qualitative and quantitative elements of performance in this area. Employee turnover is an example of a measurable, comparable statistic that should be considered as a key disclosure at most or all public companies.<sup>7</sup>

We generally support the recent recommendations of the Investor-as-Owner Subcommittee of the Securities and Exchange Commission (SEC or Commission) Investor Advisory Committee that “as part of its ongoing disclosure review, the Commission . . . undertake a robust examination of the role HCM plays in value creation today and incorporate that analysis into the wide range of tasks the Commission performs on behalf of investors and the US capital markets.”<sup>8</sup> As part of this, and without diminishing the need for comparable metrics, we also suggest that the SEC’s Division of Corporation Finance consider whether further guidance on company disclosures in Management Discussion and Analysis should be considered to encourage management to do a better job of disclosing to shareholders management’s thinking and strategy on human capital development and risks.

### **Environmental, Social, and Governance (ESG) Disclosure**

CII’s members look to public company disclosure documents for information about the full range of material risks facing registrants, including risks that may be labeled ESG.<sup>9</sup> A number of these risks have assumed greater importance in recent years from the perspective of investors and companies.<sup>10</sup> More broadly, there is a growing body of research associating various ESG factors with improved corporate performance.<sup>11</sup>

To our great disappointment, CII has found disclosures on various ESG risks too often consist of boilerplate risk identification without adequate discussion of how those risks apply to the

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<sup>7</sup> Recommendation from the Investor-as-Owner Subcommittee on Human Capital Management Disclosure at 4 (listing “company selected but standardized human capital related key performance indicators (KPIs), such as: [] the stability of the workforce, including voluntary and involuntary turnover”).

<sup>8</sup> *Id.* at 5.

<sup>9</sup> See Letter from Kenneth A. Bertsch, Executive Director, Council of Institutional Investors to Brent J. Fields, Secretary, U.S. Securities and Exchange Commission 6 (July 8, 2016), <https://www.sec.gov/comments/s7-06-16/s70616-49.pdf> (“CII’s members look to registrants’ disclosure documents for information about the full range of material risks facing registrants, including environmental, social and governance (“ESG”) risks.”).

<sup>10</sup> See, e.g., Governance & Accountability Institute, Inc., “FLASH REPORT: 85% of S&P 500 Index Companies Publish Sustainability Reports in 2017 (Mar. 20, 2018), <https://www.ga-institute.com/press-releases/article/flash-report-85-of-sp-500-indexR-companies-publish-sustainability-reports-in-2017.html> (“From 2013 to 2017, the frequency of [ESG] reporting has increased each year, now up to 85% of companies reporting in 2017).

<sup>11</sup> See Rebecca Moore, Investing, ESG Investments a Good Option for Retirement Plans, PLANSPONSOR, Mar. 27, 2019, <https://www.plansponsor.com/esg-investments-good-option-retirement-plans/> (“a growing body of research’ that suggests companies with a holistic consideration of ESG measures have better long-term financial outcomes and may provide more opportunities for profitable investing endeavors”); see, e.g., Gunnar Freide et al., ESG and Financial Performance: Aggregated Evidence From More Than 2000 Empirical Studies, 5(4) J. Sustainable Fin. & Investment 210 (2015), <https://www.tandfonline.com/doi/full/10.1080/20430795.2015.1118917> (aggregating the results of about 2200 individual studies and concluding that most found positive correlations between corporate financial performance and ESG investing).

individual registrant.<sup>12</sup> And most registrant’ disclosures relating to ESG risks provides no basis for investors to understand the scope of the risks or the likelihood of their coming to fruition.<sup>13</sup>

CII believes that clearer and more comparable information about key ESG risks would benefit investors and the U.S. capital markets. In that regard, we are encouraged by private sector efforts to harmonize ESG disclosures such as those of the Corporate Reporting Dialogue (CRD).<sup>14</sup>

It is our understanding that the CRD is designed to more closely align ESG disclosure standards among a number of competing corporate reporting frameworks.<sup>15</sup> We think that adoption by investors and issuers of common ESG disclosure standards would be a highly significant market improvement, but we are not yet confident this can come about through private, non-mandatory work. However, even should a voluntary approach fall short on providing comparable and reliable disclosures of key metrics, we think the work of the participants in the CRD will be important in clarifying best practice and informing eventual rule-making.

Aside from this, CII believes that as part of its routine disclosure reviews, the Commission staff should actively challenge issuers to disclose material ESG risks. That disclosure should, at a minimum, be sufficiently detailed to provide insights as to how management plans to mitigate risks relating to ESG issues, and how associated decisions could be material to a company’s business or their investors.<sup>16</sup>

CII would expect that with more rigorous SEC staff oversight, issuer disclosures about climate related risks would be more robust. We believe the 2010 SEC guidance on disclosure relating to climate change<sup>17</sup> was helpful, and note recent industry comments that those requirements are clear.<sup>18</sup> And we commend William Hinman, the Director of the SEC’s Division of Corporation

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<sup>12</sup> Letter from Kenneth A. Bertsch at 7.

<sup>13</sup> *Id.*

<sup>14</sup> Press Release, CDSB, Leading Corporate Reporting Bodies Launch Two-Year Project for Better Alignment (Nov. 7, 2018), <https://www.cdsb.net/harmonization/860/leading-corporate-reporting-bodies-launch-two-year-project-better-alignment> (“Through this new project, participants will map their respective sustainability standards and frameworks to identify the commonalities and differences between them, jointly refining and continuously improving overlapping disclosures and data points to achieve better alignment, taking into account the different focuses, audiences and governance procedures.”).

<sup>15</sup> *Id.* (“The Corporate Reporting Dialogue was launched four years ago as the principal working mechanism globally to achieve dialogue and alignment between the key standard setters and framework developers which have significant international influence on the corporate reporting landscape.”).

<sup>16</sup> See William Hinman, Director, Division of Corporation Finance, Remarks at the 18<sup>th</sup> Annual Institute on Securities Regulation In Europe (Mar. 15, 2019), <https://www.sec.gov/news/speech/hinman-applying-principles-based-approach-disclosure-031519> (“And as they do so I would suggest they ask themselves whether their disclosure is sufficiently detailed to provide insight as to how management plans to mitigate material risks and how their decisions in the area of risk could be material to the business and their investors.”).

<sup>17</sup> Commission Guidance Regarding Disclosure Related to Climate Change, Securities Act Release No. 9,106, Exchange Act Release No. 61,469, 75 Fed. Reg. 6,290 (Feb. 8, 2010), <https://www.govinfo.gov/content/pkg/FR-2010-02-08/pdf/2010-2602.pdf>.

<sup>18</sup> Climate-Related Risks, SEC Has Taken Steps to Clarify Disclosure Requirements 25 (GAO Feb. 2018), <https://www.gao.gov/products/GAO-18-188> (“representatives from five industry associations with whom we spoke all noted that they consider the current requirements for climate-related disclosures adequate”); *but see, e.g.*, Christian Weller, Workers Face Undisclosed Risks As Companies Often Don’t Disclose Environmental, Other Challenges, *Forbes* (Apr. 2, 2019), <https://www.forbes.com/sites/christianweller/2019/04/02/workers-face-savings-risks-as-companies-often-dont-disclose-environmental-other-challenges/#1bba802e7d9f> (commenting that climate

Finance, for recently reminding issuers that the 2010 SEC guidance “remains a relevant and useful tool for companies when evaluating their disclosure obligations concerning climate change matters.”<sup>19</sup> However, we are unsure of the extent to which this guidance is reflected in SEC comment letters to companies on relevant disclosures.<sup>20</sup>

### Shareholder Proposals and Proxy Advisors

In our December 5, 2018, letter to the Committee on Banking, Housing and Urban Affairs (Committee), CII provided detailed comments on the appropriateness of the current shareholder proposal rule and regulations pertaining to proxy advisory firms.<sup>21</sup> On shareholder proposals, we noted that: “We generally share the reported view of certain SEC staff members that left the roundtable with the impression that stronger arguments were made in favor of keeping the current Rule 14a–8 eligibility requirements and resubmission thresholds.”<sup>22</sup>

While CII recognizes that the existing ownership and resubmission thresholds were set long ago, we continue “to believe the current shareholder proposal rules permit investors to express their voices collectively on issues of concern to them, without the cost and disruption of waging proxy contests.”<sup>23</sup> And we continue to “believe the rule works particularly well in granting retail investors—who lack other avenues to meaningfully engage with management—a voice in the companies they own.”<sup>24</sup>

CII believes that the Committee Ranking Member fairly summarized the current debate surrounding shareholder proposals in his opening statement at the April 2<sup>nd</sup> hearing [Hearing]: “Corporate special interests want to . . . silence the voices of . . . investors by making it harder for shareholders to petition companies to allow all shareholders to vote on issues significant to the company.”<sup>25</sup>

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change guidance “left a lot of room for managers to either not disclose anything or to disclose little new or relevant information”).

<sup>19</sup> William Hinman, Director, Division of Corporation Finance, Remarks at the 18<sup>th</sup> Annual Institute on Securities Regulation In Europe.

<sup>20</sup> See Alexandra Semenova, News, SEC Stops Prodding Companies to Detail Climate Change Impacts, BNA, July 16, 2018, <https://www.bna.com/sec-stops-prodding-n73014477478/> (“The Securities and Exchange Commission last issued a climate change-related public comment letter in September 2016, when it asked Chevron Corp. to expand its risk factor disclosure related to California’s greenhouse gas emission regulations.”).

<sup>21</sup> Letter from Jeff Mahoney, General Counsel, Council of Institutional Investors to The Honorable Michael Crapo, Chairman, Senate Committee on Banking, Housing, and Urban Affairs et al. 1-8 (Dec. 5, 2018) [hereinafter December Letter], [https://www.cii.org/files/issues\\_and\\_advocacy/correspondence/2018/December.%205%202018%20Letter%20to%20Senate%20Banking.pdf](https://www.cii.org/files/issues_and_advocacy/correspondence/2018/December.%205%202018%20Letter%20to%20Senate%20Banking.pdf).

<sup>22</sup> *Id.* at 8 (internal quotations omitted).

<sup>23</sup> Letter from Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors to The Honorable Michael D. Crapo, Chairman, Committee on Banking, Housing, and Urban Affairs, United States Senate et al. 12 (Feb. 27, 2019) [hereinafter February Letter], [https://www.cii.org/files/issues\\_and\\_advocacy/correspondence/2019/February%2027%202019%20Letter%20to%20Senate%20Banking%20Committee.pdf](https://www.cii.org/files/issues_and_advocacy/correspondence/2019/February%2027%202019%20Letter%20to%20Senate%20Banking%20Committee.pdf).

<sup>24</sup> *Id.*

<sup>25</sup> Transcript of Senate Banking, Housing and Urban Affairs Committee, Hearing on The Application of Environmental, Social, and Governance Principles in Investing and the Role of Asset Managers, Proxy Advisors, and Other Intermediaries, Bloomberg Gov’t 5 (Apr. 3, 2019) (on file with CII).

As we suggested above, the attempt to rule certain matters significant to companies and their shareholders as “out of bounds” because they have social and/or political dimensions, or because there are differing views on them, seems perverse. Ironically, these efforts to exclude “politics” are themselves highly political efforts to limit discussion, and we would expect shareholder proposals to highlight matters on which there is some measure of disagreement. Typically, shareholder proposals are not required on matters for which the best path is obvious and universally agreed.

In this regard, we would note that shareholder proposals are a key tool in the U.S. market not only to communicate to the board and management, but also to other shareholders. For antitrust and other reasons, it is very difficult for shareholders in the U.S. market to communicate on company-specific matters with each other, putting a premium on the shareholder proposal as a tool both to express the collective voice of shareholders and for investors to gain some understanding of the perspective of other investors. We think this aspect of utility in shareholder proposals is entirely lost on management-oriented groups that would like to confine all company/shareholder engagement to one-on-one communications.

On proxy advisory firms, we highlighted in our December 5 letter that: “Notably, at the end of the Roundtable when the SEC staff asked if proxy advisory firms need additional regulation, no panelist—including those speaking on behalf of the corporate community . . . —voiced any need for new regulations.”<sup>26</sup> One of those panelists was Patti Brammer, Corporate Governance Officer, Ohio Public Employees Retirement System (OPERS). Consistent with her comments at the Roundtable, a follow-up letter to the SEC explained:

*OPERS does not believe additional regulation of proxy advisory firms is warranted. If however, the SEC believes that some intervention is necessary, we urge the Commission to carefully consider the consequences of any potential changes, particularly for the investors that depend on the information provided by proxy advisory firms. To the extent that a regulatory change increases our costs, delays the information we need, or erodes the confidence we have in the independence of the research reports we receive, there will be a negative impact on our members – the law enforcement officers, university employees, librarians, road workers, and others who depend on us for their retirement security. We respectfully request that the SEC preserve our access to efficient, timely, and independent information from our proxy advisory firm.*<sup>27</sup>

Another of those panelists was former Committee Chairman Senator Phil Gramm. Our members and most market participants share the following view expressed by Senator Gramm at the

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<sup>26</sup> December Letter, *supra* note 21, at 3-4; *see generally* Matt Egan, Corporate America Loves Deregulation. Then Why Is It Pushing For These Rules?, CNN Bus., Mar. 29, 2019, <https://www.cnn.com/2019/03/29/investing/regulation-proxy-advisory-reform-sec/index.html> (commenting that some “say business groups are going after proxy advisers to silence shareholders by cutting them off from rigorous research needed to scrutinize gaudy pay packages and evaluate complicated proposals on topics such as climate change and minimum wage hikes”).

<sup>27</sup> Letter from Karen Carraher, Executive Director, Ohio Public Employees Retirement System et al. to Brent J. Fields, Secretary, Securities and Exchange Commission 4 (Dec. 13, 2018), <https://www.sec.gov/comments/4-725/4725-4767821-176841.pdf>.

Hearing: “[M]y dealings with proxy advisors basically have been good. I think they listen [and] . . . the problem is not proxy advisors.”<sup>28</sup>

CII also notes that in a post-Roundtable letter to the SEC, T. Rowe Price Associates, Inc. stated: “We . . . would have significant concerns with any regulatory changes that would sacrifice the objectivity of proxy advisor reports or introduce delays in the proxy voting process that, in an already compressed and intensely seasonal voting cycle, could result in missed vote deadlines.”<sup>29</sup>

We acknowledge that SEC Commissioner Elad L. Roisman and some others have raised some legitimate issues regarding conflicts of interest, accuracy and completeness, pre-populating votes, and overly standardized voting guidelines.<sup>30</sup> While we concede that there is room for improvement, we believe there are other more cost-effective avenues for improvements to proxy advisory firms that do not require additional regulation.

CII believes that the Commission could encourage private sector solutions. In particular, we support strengthening of the Best Practice Principles for Shareholder Voting Research, a global proxy advisory industry effort to improve standards.<sup>31</sup> We also note that Glass Lewis (GL) recently announced that they have established a Report Feedback Statement (RFS).<sup>32</sup> In response to concerns about accuracy and completeness of information, the RFS provides an opportunity for public companies and shareholder proposal proponents to express their differences of opinion with GL analysis, and then have those comments delivered to 3000+ individuals who subscribe to GL’s research and voting services.<sup>33</sup>

In addition, CII believes the Commission could consider improving the enforcement of its existing guidance. SEC Staff Legal Bulletin No. 20 (SLB 20), in our estimation, already appropriately requires investment advisors to ensure that voting recommendations are based on current and accurate information and to identify and address conflicts of interest.<sup>34</sup> If the SEC has evidence that the provisions of SLB 20 regarding proxy advisory firms are not being complied with or are

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<sup>28</sup> Transcript of Senate Banking, Housing and Urban Affairs Committee, hearing on The Application of Environmental, Social, and Governance Principles in Investing and the Role of Asset Managers, Proxy Advisors, and Other Intermediaries, Bloomberg Gov’t at 14.

<sup>29</sup> Letter from Donna F. Anderson, Head of Corporate Governance, T. Rowe Price Associates, Inc. et al. to Brent J. Fields, Esq., Secretary, Securities and Exchange Commission 3 (Dec. 13, 2018), <https://www.sec.gov/comments/4-725/4-725.htm>.

<sup>30</sup> See, e.g., Commissioner Elad L. Roisman, Keynote Remarks: ICI Mutual Benefit Funds and Investment Management Conference (Mar. 18, 2019), <https://www.sec.gov/news/speech/speech-roisman-031819>.

<sup>31</sup> See The BPPG, Best Practices Principles for Shareholder Voting Research (last visited Apr. 8, 2019), <https://bppgrp.info/>.

<sup>32</sup> Katherine Rabin, CEO, Glass Lewis, Glass Lewis’ Report Feedback Service: Direct, Unfiltered Commentary from Issuers and Shareholder Proponents, Harv. L. Sch. F. on Corp. Governance & Fin. Reg. (Mar. 31, 2019), <https://corpgov.law.harvard.edu/2019/03/31/glass-lewis-report-feedback-service-direct-unfiltered-commentary-from-issuers-and-shareholder-proponents/>.

<sup>33</sup> *Id.* at 2 (“The Report Feedback Statement service provides a unique opportunity for public companies and shareholder proposal proponents—the subjects of Glass Lewis research—to express their differences of opinion with Glass Lewis’ analysis, and then have those comments delivered through a unique, focused channel to 3,000+ individuals who subscribe to Glass Lewis’ research and voting services.”).

<sup>34</sup> See, e.g., February Letter, *supra* note 23, at 13 (“While we concede that there is room for improvement, SEC Staff Legal Bulletin No. 20, in our estimation, already effectively requires investment advisors to ensure that voting recommendations are based on current and accurate information and to identify and address conflicts of interest.”).

otherwise misunderstood by investment advisors, we would support more effective SEC oversight and enforcement of the guidance and, if deemed necessary, clarification of the requirements.

Finally, the most critical point contained in our most recent letter to the Committee on the proxy process bears repeating. In our view, by far the most cost-effective proxy related issue that the SEC should devote its limited resources to, that would benefit capital formation and long-term shareowner value, and that is supported by most issuers and investors, is *modernizing the proxy voting infrastructure using new technologies*.<sup>35</sup> We respectfully request that the Committee focus its important oversight role of the SEC's proxy process project on this critical issue and the related interim improvements of vote confirmation and universal proxy.<sup>36</sup>

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If we can answer any questions or provide additional information that would be helpful to you or the Committee, please do not hesitate to contact me at 202.822.0800 or [jeff@cii.org](mailto:jeff@cii.org).

Sincerely,



Jeffrey P. Mahoney  
General Counsel

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<sup>35</sup> See *id.* at 10 (“Technological change now offers the opportunity to construct a better system with the potential to fix a panoply of problems associated with proxy voting”); see also Andrea Vittorio et al., *Regulating ISS, Proxy Advisors is on SEC’s Radar Under Roisman*, Mar. 12, 2019, <https://news.bloomberglaw.com/corporate-law/regulating-iss-proxy-advisers-is-on-secs-radar-under-roisman> (Quoting a “former SEC official . . . [that proxy plumbing] ‘is one of the more important things to get done’”).

<sup>36</sup> See, e.g., February Letter, *supra* note 23, at 10-12 (discussion of proxy process project longer term and interim improvements).