

Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: Fiduciary Duties Regarding Proxy Voting and Shareholder Rights
Proposed Regulation (RIN 1210-AB91)

Dear Director Canary:

On behalf of the Principles for Responsible Investment (PRI),¹ I am writing to request an extension of the comment period from 30 days to 90 days for public comments on the notice of proposed rulemaking entitled “Fiduciary Duties Regarding Proxy Voting and Shareholder Rights Proposed Regulation” (“Proposal”).² The Employee Benefits Security Administration (“EBSA”) announced its proposed regulation on August 31, 2020.

Signatories to the PRI are committed to integrating all financially material factors, including ESG factors, into their investment processes. This is a risk management strategy aimed at integrating factors such as climate change and human capital management that evidence shows have a material economic impact on asset prices, especially when taking into account the risks that universal investors face.

The Proposal adds a number of onerous obligations on ERISA fiduciaries which could increase costs to American retirement savers. The shareholder proposal process is a core part of an investor’s fiduciary duty. We encourage the DOL to provide additional opportunities and time to collect information to ensure that the Department and practitioners have a shared understanding of the impact of the rule and how plan fiduciaries will be required to act in response to it. Signatories to the PRI have taken a strong interest in submitting comments on the Proposal. The Proposal makes

¹ The PRI is the world’s leading proponent of responsible investment. We work to understand the investment implications of environmental, social and governance (ESG) factors and to support an international network of investor signatories in incorporating these factors into their investment and ownership decisions. Globally, more than 3000 investors, with more than \$100 trillion in assets under management, have signed onto the principles aimed at facilitating integration of environmental, social and governance factors into investment decisions.

² Department of Labor Employee Benefits Security Administration, *Fiduciary Duties Regarding Proxy Voting and Shareholder Rights Proposed Rule RIN 1210-AB91* (August 31, 2020) available at: <https://www.dol.gov/sites/dolgov/files/ebsa/temporary-postings/fiduciary-duties-regarding-proxy-voting-and-shareholder-rights.pdf>.

“major additions to the Investment duties regulation”³ and we are concerned that 30 days is insufficient due to pandemic-related productivity challenges, economic challenges, and asset price volatility that asset owners and investors are trying to manage. We believe that 90 days will provide a reasonable opportunity for interested parties to submit comments.

Thank you for taking our views into consideration. If the PRI can be of further assistance, please contact Colleen Orr at colleen.orr@unpri.org.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Fiona Reynolds". The signature is fluid and cursive, with a large initial "F" and "R".

Fiona Reynolds
Chief Executive Officer
Principles for Responsible Investment

³ Department of Labor, *Fact Sheet: Notice of Proposed Rulemaking on Fiduciary Duties Regarding Proxy Voting and Shareholder Rights* (August 31, 2020) available at: <https://www.dol.gov/agencies/ebsa/about-ebsa/our-activities/resource-center/fact-sheets/fiduciary-duties-regarding-proxy-voting-and-shareholder-rights>.