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Via SEC Comment Portal
Ms. Vanessa A. Countryman, Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Geneva, 20 November 2026

Re: Rescission of Rule 14a-8's Federal Regulation of Shareholder Proposals and Amendments to Rule 14a-4, File No. S7-2026-32

Dear Secretary Countryman,

The Ethos Foundation welcomes the opportunity to comment on the Securities and Exchange Commission's proposal to rescind Rule 14a-8 and the related amendments to Rule 14a-4(c). For the reasons outlined below, we respectfully oppose the rescission of Rule 14a-8 and urge the Commission to withdraw the proposal.

The Ethos Foundation was established in 1997 by two Geneva pension funds to promote responsible investment among Swiss pension funds. The Ethos Foundation currently represents 254 Swiss pension funds and charitable foundations. Our members insure approximately 2.5 million people in Switzerland and manage assets totalling over 440 billion Swiss francs. They are long-term diversified investors with substantial exposure to the U.S. capital markets.

As long-term co-owners of listed companies, our members are convinced that stewardship is a key part of their fiduciary duties. In line with the Swiss Stewardship codes, many pension funds have introduced escalation process in their stewardship policies. Filing and supporting key shareholder resolution at annual general meeting is key component of their stewardship policies and have proven to be an effective mean to defend and protect the long-term value of their assets.

Through Ethos Services SA we provide proxy voting research, voting recommendations, engagement programs and investment solutions to our members and other institutional investors. We therefore have practical experience in helping asset owners' exercise their voting rights across many jurisdictions. Each year, we analyse the general meetings of approximately 270 U.S.-listed companies. In 2026, this represented to date 3426 board's proposals and 274 shareholder proposals. The number of shareholder proposals significantly decreased over the past two years (from 434 resolutions out of 260 AGMs covered in 2023) while the level of shareholder support remained high at around 20% support. The proposed rescission of Rule 14a-8 would therefore directly affect both Ethos and its pension fund members.

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Safeguarding shareholders' rights

The Ethos Foundation considers shareholder proposals as an essential mechanism of shareholder democracy and has relied on Rule 14a-8 to support its members in exercising their fundamental rights as investors. Our voting guidelines contain specific provisions on shareholder proposals and relies on a uniform federal process to bring relevant proposals to the general meetings of U.S. companies.

Voting on shareholder proposals is not only an integral part of how our members carry out their fiduciary duty to protect the long-term interests of their beneficiaries, it is also a critical pillar of a well-functioning capital markets. The shareholders proposal brings relevant topics to the shareholders attention which are often overlooked by board of directions and management. In fact, in many cases, there is an obvious principal – agent problem which may push boards to direct the AGM's proposals towards their own interests and downplay topics which may have a strong impact on the long term valuation of companies often exceeding the tenure of the executives. In this context, shareholder resolutions provide a cost-effective way to foster a stronger alignment of interests.

We rely on Rule 14a-8 to communicate proposals and concerns to companies' board of directors regarding a wide range of financially material issues which could affect the companies' ability to create value in the long-term. The proposed rescission of Rule 14a-8 would undermine our ability to submit and vote on shareholder proposals and engage with companies, and thus share our views on important topics.

Supporting constructive engagement

Over the last 30 years, the Ethos Foundation, has reviewed thousands of shareholder proposals and supported a large part of the propositions made most notably when they seek to improve transparency and governance practices and as such reinforce the attractiveness of a company and reducing risks. In our experience, the possibility of submitting a proposal provides an efficient way to facilitate a dialogue between investors and a company's board and management team. It also makes the dialogue more productive, creating opportunities to identify constructive measures to address concerns. In many cases, it leads to an agreement before a vote is needed.

Shareholder proposals support ongoing multi-year dialogue with companies and give boards an early signal of investor concerns about emerging risks. Combined, these engagement activities have in many cases resulted in improved corporate governance practices and more robust risk management approaches. Rescinding Rule 14a-8 would require investors to find costly alternatives to carry out their engagement activities.

Maintaining capital market efficiency

Rescinding Rule 14a-8 from the federal level will remove a common set of federal procedures for shareholder proposals and create a fragmented regime whereby the process would be governed by different state laws and company-specific governing documents. For a non-U.S. institutional investor with positions in several hundred U.S. companies, maintaining the uniformity enabled by Rule 14a-8 is essential.

This is all the more important in the context of passive investing which represents a growing share of investors' total listed equities allocation. The majority of Ethos members invest passively in U.S. equities and cannot sell a company they are concerned about. Voting and filing proposals are therefore their main tools for managing risk, making Rule 14a-8 a critical instrument for institutional investors such as pension funds.

Without a federal-level rule, investors would need to identify, interpret and monitor the requirements of each state's corporate law and each company's governing documents, at significant cost. This will create increased complexities and inefficiencies for investors seeking to bring specific issues to companies' attention, and may lead them to explore alternative routes to express their concerns, for instance by voting against directors,

opposing the discharge of the board, initiating litigation or adopting other escalation measures. These tools tend to be more adversarial and more costly, both for investors and for the companies concerned.

For these reasons, the Ethos Foundation respectfully urges the Commission not to proceed with the proposed rescission of Rule 14a-8 and to retain a predictable and broadly applicable federal framework for shareholder proposals, which has supported the competitiveness and attractiveness of the US capital markets for decades.

Sincerely,



Vincent Kaufmann
CEO, Ethos Foundation



Matthias Narr
Head Engagement