



Comment Letter to the U.S. House Committee on Financial Services
Hearing on Proxy Power and Proposal Abuse: Reforming Rule 14a-8 to Protect Shareholder Value
September 10, 2025

The Honorable French Hill
Chairman, Committee on Financial Services
U.S. House of Representatives

The Honorable Maxine Waters
Ranking Member, Committee on Financial Services
U.S. House of Representatives

Dear Chairman Hill, Ranking Member Waters, and Members of the Committee:

United Church Funds (UCF) appreciates the opportunity to comment on the shareholder proposal process. Since 1909, UCF has stewarded the assets of churches, ministries, and mission-driven nonprofits. We are a longstanding financial ministry of the United Church of Christ. Our fiduciary mandate is twofold: 1) deliver competitive, risk-adjusted returns for our clients; and 2) invest in ways that promote a just and sustainable world where those clients—and their communities—can thrive. Our faith commitments—care for creation and love of neighbor—shape how we manage risk, vote proxies, and engage companies. These faith commitments, when paired with our mandate to generate competitive returns, offer a powerful double bottom line for our clients.

Why the shareholder proposal process matters to our clients

At UCF, every action we take in the capital markets is on behalf of the churches, ministries, and nonprofits that entrust us with their assets. When we engage with companies, we do so with the responsibility of protecting these funds and ensuring that they continue to support vibrant ministry and service for decades to come.

The shareholder proposal process is one of the most effective ways we can fulfill that responsibility. For us, it is a means of ensuring that the institutions we serve have a voice in the marketplace. These proposals carry the concerns of congregations that depend on their investments to keep sanctuaries open, fund local missions, and support communities. These ministries do not have the capacity to sit across from Fortune 500 executives—but through UCF's shareholder work, their concerns are heard in boardrooms and reflected in corporate decision-making.

In this way, the proposal process is not simply a shareholder mechanism; it is a lifeline connecting faith-based institutions to the companies whose policies and practices directly impact their communities, their ministries, and the long-term health of their investments.

This commitment to carrying our clients' voice has also shaped how we collaborate—with other faith and values-based investors and with companies themselves—so that progress is both practical and durable.

UCF's Record and the Broader Case for Engagement

UCF has a long history of using our shareholder voice to advance both financial prudence and the common good. Our practice is always to engage first, because genuine dialogue is the most effective path to progress. We begin by seeking a meeting with company leadership to discuss issues that directly affect profitability, performance, and long-term value. When dialogue produces results, we often withdraw a proposal or opt to not file at all. When dialogue stalls, we may proceed with a shareholder proposal to signal concern and invite fellow owners into the conversation.

Last year, UCF filed or co-filed a total of eight shareholder resolutions. Five of these were withdrawn after companies agreed to take meaningful steps forward—without ever going to a vote. This record underscores that shareholder resolutions are not an end in themselves but a tool for dialogue, often leading to constructive agreements without the need for confrontation.

Examples of the results of our engagements include:

- JP Morgan committing to enhanced protection of Indigenous Rights¹
- Workday committing to enhanced reporting on lobbying payments and oversights²

UCF's work is also part of a broader faith-based investor effort. As a founding member of the Interfaith Center on Corporate Responsibility (ICCR), we stand with a coalition of roughly 300 institutions representing \$4 trillion in invested assets—including Protestant, Catholic, Jewish, and Muslim organizations, as well as foundations, pension funds, investment managers, and labor unions. While each institution has its own set of priority issues, all participating investors are independent fiduciaries, responsible for their own investment and voting decisions. Each makes its own choices about strategies, policies, and engagement practices, and ICCR members do not vote as a bloc.

¹ For more information go to <https://ucfunds.org/investor-jpmc-secures-agreement/>

² For more information go to <https://ucfunds.org/notable-wins-for-2025-shareholder-proxy-season>

Yet there are many areas where our interests converge, and in those areas, we share a conviction—stated publicly³—that investors have both the right and the responsibility to communicate with and engage the companies in which they invest.

Importantly, many in the business community recognize these same priorities. Thousands of global companies publicly demonstrate leadership on governance, climate, human rights in supply chains, and fair employment practices. Their sustainability reports make clear that these are not fringe concerns but central to long-term value creation. Attacks on investors who raise environmental, social and governance concerns are, in effect, attacks on widely held views within business that acting responsibly and sustainably is simply good business.

Taken together, this alignment—among faith investors, values-aligned asset owners, and corporate leaders—underscores why the shareholder proposal process must remain available as a practical, well-understood channel for constructive engagement.

Keep the channel open: preserve 14a-8

We write at a moment when some have urged Congress to curtail or even dismantle the shareholder proposal process. From UCF's vantage point as a faith-based fiduciary, that would be a mistake. The current framework provides a balanced, well-understood pathway for long-term owners to exercise their shareholder rights and to be heard while preserving managerial discretion. It encourages constructive dialogue, greater transparency, and a focus on continuous improvement rather than ultimatums.

If long-term investors like UCF are curtailed in their ability to file a shareholder resolution, we risk being routinely or summarily ignored by corporate management. The ability to escalate concerns through 14a-8 is often the reason companies take dialogue with us seriously. Some corporations claim the process is burdensome, but our own experience proves otherwise. UCF carries out this entire program with only 1.5 full-time equivalents. Even with this lean staffing, we recently prepared a competitive response to a company's no-action request. The filing required just 15 hours of staff time and was enough to bring the company back to the dialogue table—where progress was achieved without the need for a vote.

³ See public statement: <https://www.iccr.org/religious-organizations-underscore-their-fundamental-right-to-manage-their-investments-in-alignment-with-their-beliefs-teachings-and-values/>

Therefore, we respectfully urge the Committee to:

1. Preserve access for long-term investors to file shareholder resolutions. Keep the process open to committed owners—including faith-based institutions and nonprofits—whose missions and fiduciary duties require them to manage material risks, not ignore them.
2. Avoid changes that chill responsible stewardship. Proposals are already limited and typically advisory. Further restrictions would silence useful signals from owners and deprive boards of decision-relevant feedback. Importantly, thresholds for filing were already tightened in 2020, requiring investors to hold significantly more shares if their holding period is less than three years (for example, increasing the one-year threshold from \$2,500 to \$25,000).

Our commitment going forward

UCF intends to keep doing what has worked: engage early, elevate issues that matter to long-term shareholder value and community well-being, and use shareholder proposals within the existing 14a-8 framework when necessary. We ask Congress to preserve—not weaken—this channel, so institutions like ours can continue fulfilling our fiduciary duties in a manner consistent with our values and with the long-term interests of beneficiaries.

Thank you for your leadership and for considering our perspective.

Respectfully submitted,



Charles Buck
President and CEO
United Church Funds