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Submitter Information

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General Comment

Thank you for the opportunity to comment on the notice of proposed rule making entitled "Financial Factors in Selecting Plan Investments". Integrating environmental, social and governance (ESG) factors is important to meet fiduciary responsibilities in investment activities to safeguard good risk management. In its present form the proposed rule misconstrues the importance and role of ESG integration in risk reduction and maximization of returns. Presently the proposed rule is also likely to create confusion and increased expenses (documentation) for fiduciaries. Recent research has shown that ESG considerations reduce risk and increase returns and therefor are material investment considerations and therefore should be integrated into any sound investment decisions. The proposed rule establishes additional documentation requirements to establish that ESG alternatives , since they include "collateral benefits" are equal to other alternatives and will therefore discourage fiduciaries from including them despite their important long-term benefits. Therefore I encourage you to keep the present guidelines and to not proceed with the proposed rule change.