amalgamated bank

December 13, 2021

Ali Khawar
Acting Assistant Secretary US Department of Labor
Room N-5655
200 Constitution Avenue NW
Washington, DC 20210

RE: Proposed rule on Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights (RIN 1210-AC03)

Dear Mr. Khawar:

Thank you for the opportunity to provide comments in response to the Department of Labor's proposed rule, "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights" (RIN 1210-AC03) (the "Proposal").

We are writing on behalf of Amalgamated Bank, America's socially responsible bank. Amalgamated Bank provides banking and investment services for institutional and retail clients across the country and are supported in our work by more than 400 teammates. An important part of who we are is our dedication to mission as America's largest B-Corp bank, the first US bank to set science-based targets, and the first bank to set a $20 minimum wage. The core of our work force is part of a labor union and we provide employees with a defined benefit pension plan along with the ability to save for retirement through a 401k plan. Amalgamated Bank is also the Trustee of a number of collective investment funds, including the ResponsiFunds, which are investment funds based on Environmental, Social and Governance ("ESG") factors.

We take seriously our fiduciary responsibility to our clients and our employees and as such we welcome the Proposal as removing unnecessary and unwise restrictions that created additional expense for investors and stand in the way of fiduciary considerations of risk and return based on ESG factors. The Proposal appropriately removes prejudicial restrictions on fiduciaries and recognizes that "material climate change and ESG factors are no different than other 'traditional' material risk-return factors." Sustainable investing assets now account for $17.1 trillion—or 1 in 3 dollars—of the total US assets under professional management, according to the US SIF Foundation's 2020 biennial Report on US Sustainable and Impact Investing Trends. This represents a 42 percent increase over 2018.[1]

We strongly support the removal of the prohibition of ESG considerations in qualified default investment alternatives and the provisions removing the requirements for special documentation to support the inclusion of ESG options over economically equivalent options.

[1] Report on US Sustainable and Impact Investing Trends 2020: http://www.ussif.org/trends

We believe the proposal can be further strengthened by removing the examples in paragraph (b)(4)(i-iii) as the list may cause some fiduciaries to limit themselves only to what is on the list rather than following the broader intent of the Proposal. We believe the first paragraph of (b)(4) sufficiently addresses the breadth of criteria that can be considered: "A prudent fiduciary may consider any factor in the evaluation of an investment… that, depending on the facts and circumstances, is material to the risk-return analysis."

Again, we commend the Department for the Proposal and believe that investment decision making belongs in the hands of fiduciaries using the best information available, including ESG factors that have over time clearly demonstrated their materiality and benefit to investors. According to analysis by the Global Sustainable Investment Review, sustainable investment in the major financial markets globally has grown to $35.3trn and now represents 36% of all professionally managed assets across the United States, Canada, Japan, Australasia and Europe. The well advised and regulated market has spoken, and ESG factors in investing are clearly bringing benefits to investors, people and the planet. It will benefit Americans, including our employees, to remove what were clearly prejudicial and bureaucratic obstacles to sound investment practices.

Sincerely,

Jim Lingberg, Chief Trust Officer

Cynthia Dalagelis

Cynthia Dalagelis, Director of ESG Investments

Ivan Frishberg, Chief Sustainability Officer