



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

January 30, 2026

Paul Kinsella
Ropes & Gray LLP

Re: EMCOR Group, Inc. (the "Company")
Incoming Letter dated January 15, 2026

Dear Paul Kinsella:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by John Chevedden for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Company represents that it has a reasonable basis to exclude the Proposal. Based solely on that representation, we will not object if the Company excludes the Proposal from its proxy materials.

Copies of all of the correspondence on which this response is based will be made available on our website.

Sincerely,

Division of Corporation Finance
Office of Chief Counsel

cc: John Chevedden

January 15, 2026

via e-mail to shareholderproposals@sec.gov

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: EMCOR Group, Inc.
Shareholder Proposal of John Chevedden
Securities Exchange Act of 1934 – Rule 14a-8

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we are writing on behalf of our client, EMCOR Group, Inc., a Delaware corporation (“EMCOR” or the “Company”), to notify the Staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) that, for the reasons stated below, EMCOR intends to exclude from its proxy statement and form of proxy for its 2026 Annual Meeting of Shareholders (collectively, the “2026 Proxy Materials”) a shareholder proposal (the “Proposal”) and statement in support thereof (the “Supporting Statement”) submitted by John Chevedden (the “Proponent”). EMCOR represents that it has a reasonable basis to exclude the Proposal based on the provisions of Rule 14a-8. As described in the Statement Regarding the Division of Corporation Finance’s Role in the Exchange Act Rule 14a-8 Process for the Current Proxy Season (Nov. 17, 2025), EMCOR respectfully requests that the Staff respond with a letter indicating that, based on this representation, the Staff will not object to EMCOR’s omission of the Proposal from the 2026 Proxy Materials.

In accordance with relevant Staff guidance, we are submitting this letter and its attachments to the Staff through the Staff’s online Shareholder Proposal site.

In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of EMCOR’s intent to omit the Proposal from the 2026 Proxy Materials.

Rule 14a-8(k) under the Exchange Act and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send

companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of such correspondence should be furnished concurrently to the Company pursuant to Rule 14a-8(k) and SLB 14D.

Copies of the Proposal and Supporting Statement are attached to this letter as Exhibit A.

The Proposed Resolution

The text of the resolution contained in the Proposal appears below:

Avoid Brand Damage due to Corporate Political Spending- Proposal 4

Shareholders of EMCOR (EME) request that the Company provide a report, updated annually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (director indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including the identity of the recipient as well as the amount paid to each.

The report shall be presented to the board of directors and posted on the Company's website. This proposal does not encompass lobbying spending.

Background

On December 4, 2025, EMCOR received the Proposal via email, accompanied by a cover letter from the Proponent. On December 8, 2025, EMCOR sent a letter to the Proponent via UPS requesting a written statement from the record owner of the Proponent's shares verifying that the Proponent beneficially owned the requisite number of shares of EMCOR common stock continuously for at least the requisite period preceding and including the date of submission of the Proposal, which the Proponent provided on December 12, 2025.

Basis for Exclusion

We hereby respectfully notify the Staff that EMCOR intends to omit the Proposal from the 2026 Proxy Materials pursuant to (1) Rule 14a-8(i)(5) because the Proposal relates to operations which account for less than five percent of the Company's total assets at the end of its most recent fiscal year and for less than five percent of its net earnings and gross sales for its most recent fiscal year, and the subject matter of the Proposal is not otherwise significantly related to the Company's business; and (2) Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal. These reasons were analyzed in detail in EMCOR's no action letter request submitted to the Staff on January 30, 2025 with respect to a substantially similar proposal submitted by the Proponent. (On March 2, 2025, EMCOR withdrew that no action letter request after the Proponent withdrew the proposal.) With respect to Rule 14a-8(i)(5), EMCOR's total assets, revenues, and net income attributable to EMCOR Group, Inc. for the fiscal year ended December 31, 2024 (EMCOR's most recently ended full fiscal year for which data is publicly available) were approximately \$7.7 billion (total assets), \$14.6 billion (revenues) and \$1.0 billion (net income attributable to EMCOR Group, Inc.), respectively. As with the earlier years covered in the January 30, 2025 no action letter request, during fiscal year 2024, EMCOR made (1) no direct political contributions and (2) no expenditures that EMCOR considered indirect political contributions. EMCOR has made payments to various business and industry organizations ("Trade Associations"), and while some of those Trade Associations may engage in political activity, the purpose of membership in such Trade Associations is for non-political purposes such as training and industry dialogue. During fiscal year 2024, however, EMCOR payments to Trade Associations have been less than 0.1% of EMCOR's revenues and total assets and less than 1% of net income attributable to EMCOR Group, Inc. Accordingly, even if such payments were deemed indirect political contributions, the payments fall far below the five percent threshold for economic significance. EMCOR's financial statements for the fiscal year ended December 31, 2025, are not yet available, but (1) EMCOR has made no direct political contributions during 2025, and (2) payments to Trade Associations during 2025 have been well below the five percent threshold for economic significance. With respect to Rule 14a-8(i)(10), the policy referenced in the January 30, 2025, no action letter remains in effect.

CONCLUSION

If the Staff has any questions regarding this request or requires additional information, please contact the undersigned at (617) 951-7921.

We appreciate your attention to this request.

Very truly yours,



Paul Kinsella
Ropes & Gray LLP

Enclosures

cc: John Chevedden [REDACTED]
Maxine Mauricio, Chief Administrative Officer, Executive Vice President and
General Counsel, EMCOR Group, Inc. [REDACTED]
Jarrett Szeftel, Vice President and Assistant General Counsel, EMCOR Group,
Inc. [REDACTED]

Exhibit A

PROPOSAL

[See attached.]

Ms. Maxine L. Mauricio
Corporate Secretary
EMCOR Group Inc. (EME)
301 Merritt Seven
Norwalk, CT 06851-1092
PH: 203-849-7800

Ms. Mauricio,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of the Company.

This Rule 14a-8 proposal is a very low-cost method to improve Company performance – especially given the substantial capitalization of the Company.

This proposal is for the next annual shareholder meeting.

I intend to continue to hold the same requisite amount of Company shares through the date of the Company's next Annual Meeting of Stockholders and beyond as is or will be documented in my ownership proof.

This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

Please assign the proper sequential proposal number in each appropriate place.


Please use the title of the proposal in bold in all references to the proposal in the proxy including the table of contents, like Company proposals, and on the ballot. If there is objection to the title please negotiate or seek no action relief as a last resort.

I expect to forward a broker letter soon so if you acknowledge this proposal in an email message to [REDACTED] it may very well save you from formally requesting a broker letter from me.

Please confirm that this proposal was sent to the correct email address for rule 14a-8 proposals. Per SEC SLB 14L, Section F, the Securities and Exchange Commission Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested." I so request.

Sincerely,


John Chevedden


Date

cc: Jarrett Szeftel [REDACTED]
Lisa Rybnick [REDACTED]

[EME: Rule 14a-8 Proposal, December 4, 2025]

[This line and any line above it – *Not* for publication.]

Avoid Brand Damage due to Corporate Political Spending – Proposal 4

Shareholders of EMCOR (EME) request that the Company provide a report, updated annually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including the identity of the recipient as well as the amount paid to each.

The report shall be presented to the board of directors and posted on the Company's website. This proposal does not encompass lobbying spending.

Supporting Statement

Long-term shareholders of EME support transparency and accountability in corporate electoral spending. This includes any activity considered intervention in a political campaign under the Internal Revenue Code, such as direct and indirect contributions to political candidates, parties, or organizations, and independent expenditures or electioneering communications on behalf of federal, state, or local candidates.

A company's reputation, value, and bottom line can be adversely impacted by political spending. The risk is especially serious when giving to trade associations, Super PACs, 527 committees, and "social welfare" organizations – groups that routinely pass money to or spend on behalf of candidates and political causes that a company might not otherwise wish to support.

A recent poll of retail shareholders by Mason-Dixon Polling & Research found that 83% of respondents said they would have more confidence investing in companies that have adopted reforms that provide for transparency and accountability in political spending.

EME scored a dismal 8% out of a possible score of 100% in the 2025 CPA-Zicklin Index of Corporate Political Disclosure and Accountability <<https://www.politicalaccountability.net/wp-content/uploads/2025/11/2025-CPA-Zicklin-Index.pdf>>

This proposal asks EME to disclose all of its electoral spending, including payments to Trade Associations and 501(c)(4) social welfare organizations, which may be used for electoral purposes—and are otherwise undisclosed. This would bring our Company in line with a growing number of leading companies, including Fortive, Marvell Technology, and Micron Technology, which present this information on their websites.

Without knowing the recipients of our company's political dollars EME directors and shareholders cannot sufficiently assess whether our Company's election-related spending aligns with or conflicts with its policies on climate change, sustainability and other areas of concern.

Please vote for this timely governance reform:

Avoid Brand Damage due to Corporate Political Spending – Proposal 4

[The above line – *Is* for publication.]

Notes:

“Proposal 4” stands in for the final proposal number that management will assign. The proposal number and title at the top of proposal is the number and title intended for publication in the proxy and on the ballot – word for word with no added words or mixture of shareholder words with management words.

It is critically important that the proponent have control of the ballot title with no words added or subtracted from the title because the title of the proposal may be the only words a voting shareholder sees. If management disagrees then it has the option of negotiating now or asking for no action relief.

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The proponent is available for a telephone meeting on the first Monday and Tuesday after 10-days of the proposal submittal date at noon PT.

Please arrange in advance in a separate email message regarding a meeting if needed.

I intend to continue to hold the same requisite amount of Company shares through the date of the Company’s next Annual Meeting of Stockholders and beyond as is or will be documented in my ownership proof.

Please acknowledge this proposal promptly by email [REDACTED]

The color version of the below graphic is to be published immediately after the bold title line of the proposal at the top of the proposal and be center justified with the title.



JOHN CHEVEDDEN

January 15, 2026

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

1 Rule 14a-8 Proposal
EMCOR Group Inc. (EME)
Political Spending
January 15, 2025 j-Notice
976186

Ladies and Gentlemen:

I received the attached evidence of a j-Notice at noon today.

I have not received a copy of the j-Notice.

Please do not consider the j-Notice until I receive a copy of the j-Notice

Sincerely,


John Chevedden

cc: Jarrett Szeftel
Maxine Mauricio
Lisa Rybnick

From: John [REDACTED]
Subject: Fwd: Thank you for your submission
Date: January 15, 2026 at 4:52 PM
To:



Begin forwarded message:

From: "U.S. Securities and Exchange Commission" <no-reply@sec.gov>
Subject: Thank you for your submission
Date: January 15, 2026 at 12:02:02 PM PST
To: [REDACTED]
Reply-To: "U.S. Securities and Exchange Commission" <no-reply@sec.gov>

The Rule14a-8 submission on behalf of EMCOR Group, Inc. regarding the proposal from John Chevedden has been received. The Reference Number for your submission is **976186**. Please provide this number where requested when making any future submissions related to this request. Contact shareholderproposals@sec.gov with any questions.

[Back to form](#)

January 15, 2026

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

2 Rule 14a-8 Proposal
EMCOR Group Inc. (EME)
Political Spending
January 15, 2025 j-Notice
976186

Ladies and Gentlemen:

Here is another big law firm, like the RTX Corporation (RTX) law firm, that thinks it is fair game to forward a j-Notice to the Staff instantly and use a slower method to forward a copy to the proponent. Here the Ropes & Gray firm said it used ordinary mail for the proponent copy.

EME has failed on the 5% threshold claim because it has not even attempted to show that its acknowledged “payments to various business and industry organizations” are made on behalf of less than 5% of its \$14 billion business.

After the 2025 EME no action request, there was the precedent of *Mondelez International, Inc.* (March 25, 2025) which did not allow a similar exclusion based on the 5% threshold (2-pages attached).

EME has failed on its implementation claim because EME acknowledged “payments to various business and industry organizations” and EME has not claimed to make any report of such payments.

Sincerely,


John Chevedden

cc: Maxine Mauricio

From: John [REDACTED]
Subject: Fwd: EMCOR
Date: January 15, 2026 at 6:42 PM
To:

J

Begin forwarded message:

From: "Fisher, Tara M." <Tara.Fisher@ropesgray.com>
"Kinsella, Paul M." <Paul.Kinsella@ropesgray.com>
Subject: EMCOR
Date: January 15, 2026 at 6:20:30 PM PST
To: [REDACTED]
Cc: "Kinsella, Paul M." <Paul.Kinsella@ropesgray.com>

A hard copy of the attached was sent to you via mail earlier today. I've attached a copy for reference by email.

Best regards,
Tara

Tara Fisher
ROPES & GRAY LLP
T +1 617 235 4824 | M +1 508 641 1479
Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
Tara.Fisher@ropesgray.com
www.ropesgray.com

This message (including attachments) is privileged and confidential. If you are not the intended recipient, please delete it without further distribution and reply to the sender that you have received the message in error.



EMCOR - No
Action...on].pdf



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 25, 2025

Lori Zyskowski
Gibson, Dunn & Crutcher LLP

Re: Mondelēz International, Inc. (the "Company")
Incoming letter dated March 3, 2025

Dear Lori Zyskowski:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by John Chevedden for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the board of directors prepare a report, updated annually, describing whether and how the Company aligns its lobbying and policy influence activities, both direct and indirect (through trade associations and other organizations), with its net zero by 2050 goal.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(5).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: John Chevedden

March 9, 2025

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

1 Rule 14a-8 Proposal

Mondelez International, Inc. (MDLZ)

Responsible Climate Lobbying

John Chevedden

**Regarding March 3, 2025 No Action Request
680216**

Ladies and Gentlemen:

MDLZ is a confectionery, food, holding, beverage and snack food company with a market capitalization of \$87 Billion.

As stated in the rule 14a-8 proposal MDLZ has publicly committed to a 2050 net zero emissions target that has been validated by the Science Based Targets Initiative.

The rule 14a-8 proposal asks for MDLZ to report on its alignment with meeting its 2050 net zero emissions target.

MDLZ has not shown that 95%+ of its business produces no net zero emissions.

MDLZ has not shown that its lobbying activities are directed to less than 5% of its business.

I may submit another response to this no action request.

Sincerely,


John Chevedden

cc: Issa Yesufu

[EME: Rule 14a-8 Proposal, December 4, 2025]

[This line and any line above it – *Not* for publication.]

Avoid Brand Damage due to Corporate Political Spending – Proposal 4

Shareholders of EMCOR (EME) request that the Company provide a report, updated annually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including the identity of the recipient as well as the amount paid to each.

The report shall be presented to the board of directors and posted on the Company's website. This proposal does not encompass lobbying spending.

Supporting Statement

Long-term shareholders of EME support transparency and accountability in corporate electoral spending. This includes any activity considered intervention in a political campaign under the Internal Revenue Code, such as direct and indirect contributions to political candidates, parties, or organizations, and independent expenditures or electioneering communications on behalf of federal, state, or local candidates.

A company's reputation, value, and bottom line can be adversely impacted by political spending. The risk is especially serious when giving to trade associations, Super PACs, 527 committees, and "social welfare" organizations – groups that routinely pass money to or spend on behalf of candidates and political causes that a company might not otherwise wish to support.

A recent poll of retail shareholders by Mason-Dixon Polling & Research found that 83% of respondents said they would have more confidence investing in companies that have adopted reforms that provide for transparency and accountability in political spending.

EME scored a dismal 8% out of a possible score of 100% in the 2025 CPA-Zicklin Index of Corporate Political Disclosure and Accountability <<https://www.politicalaccountability.net/wp-content/uploads/2025/11/2025-CPA-Zicklin-Index.pdf>>

This proposal asks EME to disclose all of its electoral spending, including payments to Trade Associations and 501(c)(4) social welfare organizations, which may be used for electoral purposes—and are otherwise undisclosed. This would bring our Company in line with a growing number of leading companies, including Fortive, Marvell Technology, and Micron Technology, which present this information on their websites.

Without knowing the recipients of our company's political dollars EME directors and shareholders cannot sufficiently assess whether our Company's election-related spending aligns with or conflicts with its policies on climate change, sustainability and other areas of concern.

Please vote for this timely governance reform:

Avoid Brand Damage due to Corporate Political Spending – Proposal 4

[The above line – *Is* for publication.]

JOHN CHEVEDDEN

January 20, 2026

Via Shareholder Proposal Portal

Securities and Exchange Commission
Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Request by EMCOR Group Inc. to omit proposal submitted by John Chevedden

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, John Chevedden (the “Proponent”) submitted a shareholder proposal (the “Proposal”) to EMCOR Group Inc. (“EMCOR” or the “Company”). The Proposal asks EMCOR to report on certain information related to its direct and indirect political contributions and the policies and procedures governing those contributions.

In a letter to the Division dated January 15, 2026 (the “No-Objection Request”), EMCOR stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company’s 2026 annual meeting of shareholders. EMCOR argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(5) (the “Relevance Exclusion”), arguing that the Proposal relates to operations that account for less than 5% of total assets, net income and gross sales, and is not otherwise significantly related to EMCOR’s business; and Rule 14a-8(i)(10), on the ground that EMCOR has substantially implemented the Proposal. EMCOR requests that the Division issue a letter stating that it would not object to the exclusion.

EMCOR’s substantive arguments in the No-Objection Request are bare-bones, but it references a more detailed discussion in a no-action request submitted last year (the “2025 Request”) seeking to exclude a similar proposal submitted by the Proponent. (The 2025 Request was withdrawn following the Proponent’s withdrawal of the proposal.) This response will address the arguments made in the 2025 Request as well as the No-Objection Request.

EMCOR is not entitled to omit the Proposal on relevance or substantial implementation grounds. The Proposal does not deal with EMCOR’s operations, making the Relevance Exclusion inapplicable; even if it does apply, it is a circular argument to claim that the “operations” addressed by the Proposal are political spending, the subject of the Proposal. As well, the Proposal is otherwise significantly related to the Company’s business because political spending is a corporate governance

issue and EMCOR's government contracts and exposure to regulation-related risks, as detailed in its 10-K, make the issue of political spending significant for its business. Finally, EMCOR's existing disclosures do not satisfy the Proposal's essential objective of transparency regarding political activity because EMCOR does not make any disclosures regarding political expenditures, a key element of the Proposal.

The Proposal

The Proposal states:

Shareholders of EMCOR (EME) request that the Company provide a report, updated annually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including the identity of the recipient as well as the amount paid to each.

The report shall be presented to the board of directors and posted on the Company's website. This proposal does not encompass lobbying spending.

Background

Since at least the 1980s, shareholders have communicated with companies and each other about corporate political activity using the shareholder proposal process. Over the past 20 years, shareholder proposals have focused primarily on promoting disclosure of companies' political spending policies and expenditures.¹ According to proxy advisor Institutional Shareholder Services, proposals on political spending disclosure have been the most numerous proposal category over the past ten years, with support levels over that period averaging about 30% of shares voted.²

Between 2011 and 2025, political spending disclosure proposals received majority shareholder support at 30 companies, according to the Center for Political Accountability ("CPA"), which tracks political spending disclosure proposals. Five of those majority votes were achieved in 2025, showing the continued importance of the issue to shareholders.³

This strong push for political spending disclosure has been driven by several sources of concern:

¹ See <https://www.iss-corporate.com/library/corporate-political-activity-disclosures-a-continued-priority-for-investors-and-companies/> ("More than 80% of political activity-related proposals have focused on transparency regarding corporate funds used for the purposes of political contributions or lobbying, including the recipients of such payments.")

² <https://www.iss-corporate.com/library/corporate-political-activity-disclosures-a-continued-priority-for-investors-and-companies/>

³ <https://www.trackyourcompany.org/shareholders/>

- Political spending with company treasury funds can directly link companies' brands with controversial candidates and issues important to consumers, workers and shareholders⁴; indirect spending through intermediaries such as trade associations and "social welfare" groups has the added peril of unwittingly supporting candidates whose platforms or actions are at odds with companies' stated values and strategies.⁵
- Executives may use company treasuries to advance their own personal political agendas, without regard for whether donations are in the company's best interests.⁶
- The U.S. Supreme Court asserted in *Citizens United v. FEC*,⁷ which invalidated limitations on corporate "independent expenditures" to influence elections, that "prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for their positions and supporters," including accountability for spending that is not in shareholders' interests.⁸
- Disclosure can alert shareholders to companies' strategic overreliance on political spending, to the detriment of innovation and other sources of long-term value generation.⁹
- There are risks to companies associated with the erosion of democracy, including the rule of law.¹⁰

Meaningful progress has been achieved through these efforts. In 2004, Morgan Stanley was the first company to adopt political disclosure and accountability policies after receiving a shareholder proposal.¹¹ In the 2025 CPA-Zicklin Index of Corporate Political Disclosure and Accountability (the "2025 Index"), 112 S&P 500 companies qualify as "trendsetters," those that score 90% or above for the quality of their political disclosure and accountability policies, up fourfold from the number in 2015.¹²

⁴ E.g., https://www.sec.gov/ix?doc=/Archives/edgar/data/1307954/000110465924037899/tm242902d3_def14a.htm, at 78; https://www.sec.gov/Archives/edgar/data/34088/000119312522098314/d280259ddef14a.htm#toc280259_24; see also <https://www.nasdaq.com/articles/corporate-political-spending-disclosures%3A-not-so-immaterial-after-all-2021-01-21>; Center for Political Accountability, "CPA at 20: Norm Changer," at 16-17 (2023) (hereinafter, "Norm Changer") (presenting case studies of risks created by political spending for companies such as Disney, Amazon, Google, and NextEra); Daniel M. Isaacs, "An Unexpected Friend: Liberalism's Response to Corporate Political Spending," 47 Suffolk U.L. Rev. 305 (2014); Olumuyiwa Odeniyide, "Restoring Public Trust: Why In-House Counsel Should Encourage Companies to Disclose the Use of Corporate Funds for Political Spending," 28 Geo. J. Legal Ethics 799 (Summer 2015)

⁵ See, e.g., <https://www.conference-board.org/topics/corporate-political-activity/Under-a-Microscope-A-New-Era-of-Scrutiny-for-Corporate-Political-Activity> (recommending that companies consider "limiting contributions to third-party organizations" and thoroughly vetting any contributions to such organizations)

⁶ Michael R. Siebecker, "Political Insider Trading," 85 Fordham L. Rev. 2717, 2739 (2017); Lucian A. Bebchuk & Robert J. Jackson, Jr., Shining Light on Corporate Political Spending, 101 Geo. L.J. 923, 942 (2013) (arguing that corporate political spending is an area where "the interests of directors and executives may . . . diverge, frequently and substantially, from those of shareholders . . .") (hereinafter, "Shining Light")

⁷ 558 U.S. 310, 370 (2010)

⁸ See Lucian A. Bebchuk, "The Untenable Case for Keeping Investors in the Dark," 10 Harvard Bus. L. Rev. 1, 6 (2020); William Alan Nelson II, "Informing Shareholders: Providing a Roadmap for the SEC to Act to Require Public Corporations to Disclose Political Spending," 9 Alb. Gov't L. Rev. 241

⁹ Center for Political Accountability, "The Green Canary: Alerting Shareholders and Protecting Their Investments," at 5, 11-12 (2005) (<https://www.politicalaccountability.net/wp-content/uploads/2022/10/GreenCanary.pdf>) (hereinafter, "The Green Canary")

¹⁰ Norm Changer, at 20

¹¹ The Green Canary, at 9

¹² 2025 CPA-Zicklin Index of Corporate Political Disclosure and Accountability, at 10 (Nov. 6, 2025) (<https://www.politicalaccountability.net/wp-content/uploads/2025/11/2025-CPA-Zicklin-Index.pdf>) (hereinafter, "2025 Index")

Main Street investors overwhelmingly support political spending disclosure. In a July 2024 Mason-Dixon survey of 800 individual investors, 94% approved of public disclosure of companies' political contributions; 75% favored disclosure of payments to trade associations that are used for political purposes; 80% endorsed disclosure of the guidelines companies use for political spending decisions; and 86% backed board oversight and approval of all direct and indirect political spending.¹³ The survey thus showed strong support for the key elements of the Proposal.

The salience of corporate political spending has only increased in recent years, as corporate involvement in the political process, including through intermediaries, has intensified and the political landscape has become more fraught. Between 2012 and 2020, \$114 million in “dark money”—money spent on elections by groups that are not required to disclose their donors—was routed through the U.S. Chamber of Commerce alone.¹⁴

A 2024 survey¹⁵ by The Conference Board found that 60% of corporate executives characterized the current political environment as “more difficult to navigate” than it was in 2020. Polarization among policy makers and the electorate, as well as pressure from employees, were identified as the biggest contributors to the difficult environment. Thirty-six percent of surveyed executives believed that the corporate political activity arena itself was more challenging in 2024 than in 2020. A 2024 CPA report pointed out that the economic volatility, policy making unpredictability, and threats to the rule of law posed by more populist governments create a negative business environment, making it even more important for companies to effectively manage risks associated with political involvement.¹⁶

Relevance

Rule 14a-8(i)(5) (the “Relevance Exclusion”) allows a company to exclude a proposal that:

1. Relates to operations which account for less than 5 percent of the company’s total assets at the end of its most recent fiscal year;
2. Relates to operations which account for less than 5 percent of the company’s net earnings and gross sales for its most recent fiscal year; and
3. Is not “otherwise significantly related to the company’s business.”

EMCOR asserts that the amount it spends on political contributions is negligible, as it made no direct contributions during FY 2024 and its payments to trade associations that “may engage in political activity” represent less than .1% of total assets and revenues and less than 1% of net income for FY 2024.¹⁷ EMCOR claims that those comparisons satisfy the Relevance Exclusion’s quantitative tests. EMCOR also urges that political spending is not otherwise significantly related to the Company’s business.

¹³ <https://www.politicalaccountability.net/wp-content/uploads/2024/08/CPAShareholder724NationalPoll.pdf>, at 5-6

¹⁴ <https://www.brennancenter.org/our-work/analysis-opinion/more-shareholders-seek-transparency-corporate-political-spending-and>

¹⁵ <https://www.conference-board.org/press/press-release-corporate-political-environment-2024>

¹⁶ Center for Political Accountability, “Corporate Underwriters: Where the Rubber Hits the Road,” at 30 (2024) (<https://www.politicalaccountability.net/wp-content/uploads/2024/08/Corporate-Underwriters-Where-the-Rubber-Hits-the-Road.pdf>) (hereinafter, “Where the Rubber Hits the Road”)

¹⁷ No-Objection Request, at 3

EMCOR has failed to establish that it is entitled to rely on the Relevance Exclusion to omit the Proposal for three reasons:

- Because the Proposal does not concern a portion of EMCOR’s economic business, and political spending does not constitute “operations,” the quantitative tests do not apply.
- Even if the quantitative tests do apply, political spending does not “relate to” only the amounts spent on it; rather, political spending relates to the parts of EMCOR’s business that would be affected by the recipients of EMCOR’s contributions.
- Finally, political spending is “otherwise significantly related” to EMCOR’s business. Corporate political spending is a corporate governance issue that should be considered, as are other governance topics like cumulative voting, relevant to all companies. As well, EMCOR operates in a heavily regulated industry and depends on government contracts in some of its business lines.

EMCOR’s Political Spending Does Not “Relate to Operations” Within the Meaning of the Relevance Exclusion

The first prong of the Relevance Exclusion is quantitative: It allows omission of a proposal that “relates to operations” that “account for” less than 5% of the company’s assets, net earnings and gross sales. EMCOR’s argument requires us to accept the notion that political spending is the “operations” referred to in the quantitative tests and that the appropriate comparison is between political contributions, on the one hand, and EMCOR’s assets, gross revenues or earnings, on the other. Political spending, however, cannot be the operations referred to in the quantitative tests without torturing the English language to the point of absurdity.

That political spending does not fit within the Relevance Exclusion’s conception of “operations” is apparent from the language used to describe the quantitative tests. First, if the operations to be used for comparison purposes are the amount of political contributions, the tests would be circular: the subject of the Proposal—political spending—would relate to operations—which are also political spending. The subject of the Proposal and the “operations” referenced in the quantitative tests thus cannot be the same thing.

Second, the Relevance Exclusion requires an analysis of whether operations “account[] for” at least 5% of assets, gross revenues and net earnings. “Account for” means “supply or make up a specified amount or proportion.”¹⁸ In other words, the Relevance Exclusion requires that the operations to which the proposal relates must supply or make up a specified amount or proportion—less than five percent—of assets, gross revenues and net earnings in order to support omission.

Trying to shoehorn into that framework a corporate expenditure not directly involved with the company’s actual business is nonsensical, as can be illustrated with an example. Consider a hypothetical manufacturing company that has \$10 billion in assets, mostly plant and equipment; sells \$5 billion worth of products per year; and has \$1 billion in expenses, yielding \$4 billion a year in net earnings.

¹⁸ https://en.oxforddictionaries.com/definition/us/account_for. The alternative meanings of “account for,” which do not apply here, involve “giv[ing] a satisfactory record” of something, such as a reason for an action, the fate or whereabouts of a person or succeeding in killing, destroying or defeating something or someone.

If the company spends \$500 million on political contributions, would we say that the spending “accounts for” five percent of the company’s assets? No; such a statement would be absurd because the political expenditure did not create any proportion of the \$10 billion in assets. It would be equally nonsensical to say that the \$500 million in political spending “accounts for” 10% of gross revenues and 12.5% of net earnings because those revenues and earnings were generated by selling products to customers.

By contrast, if the company did \$500 million in business with Microsoft, one would indeed say that the Microsoft business “accounts for” or supplies 10% of the company’s gross revenues. If the company built a new manufacturing facility whose book value was \$500 million, it would be accurate to say that the facility “accounts for” or makes up five percent of the company’s assets. A shareholder proposal submitted to the company regarding the Microsoft business or the new manufacturing facility would therefore not be excludable under the Relevance Exclusion, though other bases in Rule 14a-8 might support omission.

Commission statements about the scope of the Relevance Exclusion support the conclusion that its use should be confined to proposals dealing with a small part of a company’s actual business. In the 1983 release adopting the proposal to add the five percent tests, the Commission stated that the Relevance Exclusion “relates to proposals concerning the functioning of the economic business of an issuer and not to such matters as shareholders’ rights, e.g., cumulative voting.” (emphasis added)¹⁹ The Commission was drawing a distinction between a proposal addressing an overarching issue, one not concerned with business operations, and a proposal that addresses a portion of a company’s business such as a particular product or operations in a specific country. Similarly, the 1982 release proposing that change explained that the five percent tests were appropriate because the Staff had been declining to grant no-action relief when a proposal dealt with “social or ethical issues” raised by the issuer’s business and the issuer “conducted any such business, no matter how small.” (emphasis added)²⁰

From a policy perspective, it is unreasonable to conclude that the Commission intended to subject all proposals to a test designed to measure the importance of a segment or product line to the company’s overall business. If that approach prevailed, nearly all corporate governance proposals not dealing with “shareholder rights” (as the 1983 release put it) would be vulnerable to exclusion based on the Relevance Exclusion.

A company faced with an independent chair proposal could argue that the amount it spends on board meetings is less than five percent of the company’s assets, gross revenues and sales. Similarly, a company could point to the value of stock options granted each year to justify excluding a proposal asking that stock options granted to senior executives have performance vesting requirements. The burden would then be on the proponent to show that the proposals are “otherwise significantly related to the company’s business.” That outcome would run counter to the purpose of Rule 14a-8.

EMCOR’s Political Spending Relates to Operations That Account For More Than Five Percent of the Company’s Assets and Earnings

¹⁹ Exchange Act Release No. 20091 (Aug. 16, 1983).

²⁰ Exchange Act Release No. 19135 (Oct. 14, 1982).

EMCOR has framed the Relevance Exclusion's quantitative analysis too narrowly. Although the Proponent believes that the most sensible interpretation of the Relevance Exclusion is that it applies only to proposals addressing one or more aspects of a company's actual operations, EMCOR's political spending could be said to "relate to" those segments of the Company's business that could be affected by the recipients of that spending, rather than to the amount of the expenditures themselves. EMCOR is "one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services."²¹

EMCOR's business is significantly affected by regulation. For example, EMCOR's most recent 10-K discusses the Company's exposure to risks associated with the oil and gas industry; the Company's industrial services operations, which accounted for 9% of 2024 total revenues, "primarily" provides services to customers in that industry.²² EMCOR states, "These risks, which are not subject to our control, include volatility in the price and production of crude oil, the development of and consumer demand for alternative energy sources, including as a result of a change in consumer preference, or in an effort to reduce greenhouse gas emissions or combat climate change, and legislative and regulatory actions."²³

More generally, EMCOR's 10-K discloses numerous avenues through which policy, funding and budgetary decisions affect its business:

Our business may be adversely affected by significant reductions in government spending, delays or disruptions in the government appropriations process or the failure to fully fund or implement legislation such as the CHIPS and Science Act of 2022 and the Inflation Reduction Act. Some of our businesses derive a significant portion of their revenues from federal, state, and local governmental agencies. As a result, reduced or delayed spending by the federal government and/or state and local governments, potentially including the reduction or elimination of funding for projects or other benefits under relevant legislation, may have a material and adverse impact on our business, financial condition, results of operations, and cash flows. Significant reductions in spending aimed at reducing federal, state, or local budget deficits, the absence of a bipartisan agreement on the federal government's budget or raising the debt ceiling (and any disruption caused by a federal government shutdown as a result thereof), personnel reductions, elimination of government agencies or programs, the closure of government facilities and offices, or other changes in budget priorities could result in the deferral, delay, disruption, or cancellation of projects or contracts that we might otherwise have sought to perform. These potential events could impact the level of demand for our services and our ability to execute, complete, and receive compensation for our current contracts, or bid for and enter into new contracts with governmental agencies.

...

We cannot predict the full extent of new, extended, or changed trade policies, including tariffs, that may be made by the current or a future presidential administration or Congress,

²¹ 10-K for the year ended December 31, 2024 filed on Feb. 26, 2025, at 1 ("2024 10-K")

²² 2024 10-K, at 4

²³ 2024 10-K, at 8

including whether existing tariff policies will be maintained or modified or if changes in the U.S. trade policy could result in reactions from U.S. trading partners, such as adopting responsive trade policies making it more difficult or costly for us to purchase materials or supplies. These changes in U.S. trade policy or in laws and policies governing foreign trade, and any resulting negative sentiments towards the United States as a result of such changes, could have an adverse impact on our business, financial position, results of operations, and liquidity.²⁴

EMCOR's 10-K also describes risk factors related to environmental,²⁵ labor and employment,²⁶ and climate change²⁷ regulations.

EMCOR's Lobbying is Otherwise Significantly Related to its Business

Even assuming that the operations to which the Proposal relates are the political spending activities themselves, and EMCOR has thus satisfied the quantitative tests contained in the Relevance Exclusion, EMCOR is still not entitled to omit the Proposal because it is "otherwise significantly related" to the Company's business.

The Commission itself has singled out political spending as an issue that may be otherwise significantly related to a company's business. Exchange Act Release No. 12999 stated:

In this regard, the Commission does not believe that subparagraph (c)(5) [predecessor to 14a-8(i)(5)] should be hinged solely on the economic relativity of a proposal, since there are many instances in which the matter involved in a proposal is significant to an issuer's business, even though such significance is not apparent from an economic viewpoint. . . And **proposals relating to ethical issues such as political contributions also may be significant to the issuer's business**, when viewed from a standpoint other than a purely economic one.²⁸ (emphasis added)

Political spending disclosure is viewed by many as a corporate governance issue, making it the kind of "substantive governance matter" Staff Legal Bulletin 14M ("SLB 14M")²⁹ said is "significantly related to almost all companies" and akin to the "shareholder rights" proposals referenced by the Commission in its 1983 release. For example:

- The Council of Institutional Investors specifies in its "Policies on Corporate Governance" that boards should oversee political spending and that companies should disclose that spending.³⁰
- CPA, the leading organization promoting political spending disclosure, advocates that companies adopt "governance practices ensuring that their political activities are fully disclosed to the Board of Directors."³¹

²⁴ 2024 10-K, at 9

²⁵ 2024 10-K, at 15

²⁶ 2024 10-K, at 15-17

²⁷ 2024 10-K, at 17-18

²⁸ Exchange Act Release No. 12999, at 25-26 (Nov. 22, 1976)

²⁹ Staff Legal Bulletin 14M (Feb. 12, 2025)

³⁰ https://www.cii.org/corp_gov_policies, section 2.14

- The Conference Board published a Handbook on Corporate Political Activity: Emerging Corporate Governance Issues in which it made recommendations for directors overseeing political spending.³²
- A Harvard Business Review article, “A Board Member’s Guide to Corporate Political Spending,” categorized by the magazine as addressing “Corporate Governance,” opined that “Transparency is broadly accepted today as part of good corporate governance, as seen in the steady increase of companies adopting disclosure and accountability policies.”³³
- Then-SEC Commissioner Robert Jackson Jr., who led a group of corporate and securities law scholars in filing a 2011 petition for rulemaking mandating corporate political spending disclosure, described political spending disclosure as a “corporate-governance issue[.]”³⁴
- The Harvard Law School Program on Corporate Governance operates the Project on Corporate Political Spending, which “seeks to foster research, discourse, and education with respect to political spending by public companies and their officeholders.”³⁵ A Georgetown Law Journal article co-authored by Program head Lucian A. Bebchuk and future Commissioner Jackson stated, “We present evidence that disclosure of political spending has in recent years been a more frequent subject of shareholder proposals at U.S. public companies than any other corporate governance issue.”³⁶
- In 2010, a subcommittee of the House Committee on Financial Services held a hearing entitled “Corporate Governance After Citizens United,” at which subcommittee Chair Paul Kanjorski referred to political spending disclosure and shareholder voting as “a matter of corporate democracy and of corporate governance.”³⁷ That view was echoed by other subcommittee members and witnesses.³⁸

Even if corporate political spending disclosure is not considered a governance issue, the issue is significantly related to EMCOR’s business. In SLB 14M,³⁹ the Division emphasized that whether a proposal is “otherwise significantly related” to a company’s business is “dependent upon the particular circumstances of the company to which the proposal is submitted. That is, a matter significant to one company may not be significant to another.” For a company like EMCOR, some of whose businesses “derive a significant portion of their revenues from federal, state, and local governmental agencies” and which is affected by government regulation in key areas like tariff policy and the environment, political spending is significantly related to its business.

Substantial Implementation

³¹ E.g., Center for Political Accountability, “Corporate Enablers,” at 4 (2021) (available at <https://www.politicalaccountability.net/wp-content/uploads/2021/07/Corporate-Enablers.pdf>); see also Center for Political Accountability, “Collision Course,” at 9, 25-27 (2018) (hereinafter, “Collision Course”)

³² <https://www.conference-board.org/publications/publicationdetail.cfm?publicationid=1867>. The Handbook is now behind a member paywall but its contents are discussed in Collision Course, at 25 and at <https://www.politicalaccountability.net/political-spending-and-unintended-consequences/>.

³³ <https://hbr.org/2015/10/a-board-members-guide-to-corporate-political-spending>

³⁴ <https://www.sec.gov/files/jackson-maloney-response-letter-111819-signed.pdf>, at 4

³⁵ <https://pcg.law.harvard.edu/project-on-corporate-political-spending/>

³⁶ Shining Light, at 927

³⁷ <https://financialservices.house.gov/media/file/hearings/111/printed%20hearings/111-109.pdf>, at 2, 3

³⁸ See <https://financialservices.house.gov/media/file/hearings/111/printed%20hearings/111-109.pdf>, at 2 (Rep. Castle), 9 (Prof. John Coffee), 10 (Ann Yerger), 13 (Nell Minow),

³⁹ Staff Legal Bulletin 14M (Feb. 12, 2025)

EMCOR urges that it has substantially implemented the Proposal because its Code of Business Conduct & Ethics (the “Code”) is available on its website. The Code provides that “[n]o business unit may contribute money or other things of value to or for candidates for any public office or to any person for any political purpose or use, or to any political party or political committee, including a PAC, without prior approval from the Office of the General Counsel.”

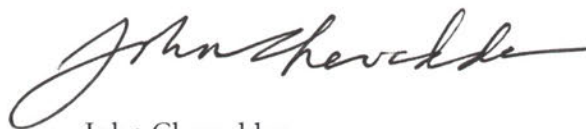
EMCOR’s claim that the availability of the Code substantially implements the Proposal is meritless. Assuming the Code is the only document governing EMCOR’s political activity, which seems odd for a company that relies on government contracts, its disclosure implements only half of the Proposal’s request, the portion seeking disclosure of political spending policies and procedures. EMCOR does not even assert that it has taken any steps to implement the element of the Proposal asking the Company to disclose its political contributions.

EMCOR cannot rely on the fact that it made no direct political contributions to argue substantial implementation of that second element, given that the Proposal’s request extends to indirect contributions made by trade associations and politically active social welfare organizations to which EMCOR belongs or contributes. In the No-Objection Request, EMCOR concedes that it has “made payments to various business and industry organizations” that “may engage in political activity.”⁴⁰ EMCOR’s lack of knowledge regarding the political uses to which its payments have been put is troubling, given the potential risks associated with political spending by intermediaries like trade associations and social welfare organizations. But remaining ignorant is not a basis for claiming that there is nothing to disclose in response to the Proposal’s second element. If EMCOR inquires and learns that no political contributions were made by the business and industry organizations to which it has made payments, it could substantially implement the Proposal by reporting that fact, as well as the fact that it has not made any direct contributions.

* * *

EMCOR has not shown that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(5) or Rule 14a-8(i)(10). If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



John Chevedden


cc: Paul Kinsella
Ropes & Gray LLP

⁴⁰ No-Objection Request, at 3



ROPE & GRAY LLP
PRUDENTIAL TOWER
800 BOYLSTON STREET
BOSTON, MA 02199-3600
WWW.ROPEGRAY.COM

January 23, 2026

John Chevedden


Re: EMCOR Group, Inc.

Mr. Chevedden,

The SEC no longer arbitrates disputes over 14a-8 proposals. On behalf of EMCOR Group Inc. (“EMCOR” or the “Company”), we have addressed this letter to you in response to your letter dated January 20, 2026 (the “Opposition Letter”) regarding the Company’s no-action letter (the “No-Action Letter”) submitted to the Securities and Exchange Commission (the “Commission”) dated January 15, 2026.

Your long missive fails to explain your withdrawal of the same proposal last year. We assume you omitted discussion of that topic because you would prefer not to acknowledge that (1) you submitted last year’s proposal knowing that EMCOR could exclude the proposal, (2) you had hoped EMCOR would not seek a no-action letter to last year’s proposal, and (3) you withdrew the proposal after EMCOR submitted its no-action letter last year because you anticipated that the Staff of the Commission would concur with EMCOR’s position. If that fails to reflect an accurate description, please explain your decision to withdraw an almost identical proposal last year. Otherwise, your approach here highlights the very reasons the Commission has determined that many 14a-8 proposals waste company resources and determined that companies are well-positioned to assess whether a proposal may be excluded. Since 2017, you have submitted a proposal every year for inclusion in the Company’s proxy materials for its annual meeting of stockholders, and the Company has put forth your proposals in its proxy materials each year. Last year was the first year that EMCOR sought a no-action letter against your proposal from the Commission. For the reasons set forth below, your arguments lack merit, and EMCOR reiterates its reliance on Rule 14a-8(i)(5) (the “Relevance Exclusion”) and Rule 14a-8(i)(10) (the “Substantial Implementation Exclusion”) as bases for omitting your proposal (the “Proposal”) from the Company’s 2026 proxy materials.

I. The Relevance Exclusion Applies to the Proposal

In your Opposition Letter, you contend that political spending does not constitute “operations” within the meaning of the Relevance Exclusion and that applying the quantitative tests to political spending would be “circular” and “absurd.” These arguments mischaracterize the longstanding application of Rule 14a-8(i)(5) by the Commission and ignore well-established precedent.

Rule 14a-8(i)(5) provides that a shareholder proposal may be excluded “[i]f the proposal relates to operations which account for less than 5 percent of the company’s total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company’s business.” Historically, issues of broad social or ethical concern were often determined by the Commission to be “otherwise significantly related to the company’s business” regardless of the economic relevance of such matter to a company. In Staff Legal Bulletin No. 14M (Feb. 12, 2025) (“SLB 14M”), the staff of the Division of Corporation Finance (the “Staff”) explained that in interpreting Rule 14a-8(i)(5) going forward, it “will focus on a proposal’s significance to the company’s business when it otherwise relates to operations that account for less than 5% of total assets, net earnings and gross sales.” *Id.* The Staff noted that under this framework, “proposals that raise issues of social or ethical significance may be excludable, notwithstanding their importance in the abstract, based on the application and analysis of each of the factors of Rule 14a-8(i)(5) in determining the proposal’s relevance to the company’s business.” *Id.* In addition, the Staff stated that the “proponent could continue to raise social or ethical issues in its arguments, but in accordance with these Commission statements it would need to tie those matters to a significant effect on the company’s business. The mere possibility of reputational or economic harm alone will not demonstrate that a proposal is ‘otherwise significantly related to the company’s business.’” *Id.*

As we have stated in the No-Action Letter, the Proposal relates to operations which account for less than five percent of the Company’s total assets at the end of its most recent fiscal year and less than five percent of its net earnings and gross sales for its most recent fiscal year, and the subject matter of the Proposal is not otherwise significantly related to the Company’s business.

In your Opposition Letter, you argue that the quantitative tests under Rule 14a-8(i)(5) are not applicable to EMCOR’s analysis of the Proposal, which is in direct opposition to Staff guidance under SLB 14M. Further, you fail to demonstrate a concrete causal relationship between political contributions and the Company’s business. Instead, you argue that “EMCOR’s political spending *could* be said to ‘relate to’ those segments of the Company’s business that *could* be affected by the recipients of that spending [emphasis added],” which demonstrates that you are unable to meet the threshold the Staff has clearly stated is required under SLB 14M.

II. EMCOR Has Substantially Implemented the Proposal

You further argue that the Company’s Code of Business Conduct & Ethics (the “Code”) implements only “half” of the Proposal because it addresses political spending policies but not actual expenditures. This argument fails because substantial implementation does not require precise conformity with every element of a proposal; rather, it requires that a company address the proposal’s “essential objective.”

Rule 14a-8(i)(10) permits a company to exclude a stockholder proposal from its proxy materials if the company has “substantially implemented” the proposal. The purpose of Rule 14a-8(i)(10) is to “avoid the possibility of [stock]holders having to consider matters which already have been favorably acted upon by management.” SEC Release No. 34-12598.

Pursuant to this standard, when a company demonstrates that it has taken actions to address the underlying concerns and essential objectives of a stockholder proposal, the Staff has concurred that the stockholder proposal has been “substantially implemented” and may be excluded. See General Motors Corp. (March 4, 1996) (determining that a proposal may be excluded as “substantially

implemented” if the issuer has satisfactorily addressed the proposal's underlying concerns and “essential objectives”).

As we have stated in the No-Action Letter, EMCOR has substantially implemented the Proposal. All employees of EMCOR and its subsidiaries must comply with the Code pursuant to its terms and as a matter of Company policy. The Code is available on the Company's website. Section 6.1 of the Code provides that “[n]o business unit may contribute money or other things of value to or for candidates for any public office or to any person for any political purpose or use, or to any political party or political committee, including a PAC, without prior approval from the Office of the General Counsel.” This policy implements a broad prohibition on political contributions, and the policy is accessible for review by investors.

You state that concerns underlying the Proposal relate to accountability and the perception that political contributions may be at odds with a company's values. EMCOR has negated these concerns by prohibiting such contributions without prior approval of the Office of the General Counsel, and the Office of the General Counsel historically has not approved requests for contributions. EMCOR, consequently, has addressed your concerns.

III. Conclusion

For the foregoing reasons, EMCOR maintains its position that the Proposal may be properly excluded from the Company's 2026 proxy materials pursuant to Rule 14a-8(i)(5) and Rule 14a-8(i)(10). Your Opposition Letter does not present any arguments that undermine the bases set forth in the No-Action Letter. The Proposal relates to operations that fail to satisfy the quantitative thresholds under the Relevance Exclusion, and you have not demonstrated that the subject matter of the Proposal is otherwise significantly related to the Company's business under the standard articulated in SLB 14M. Moreover, the Company has substantially implemented the Proposal through its Code, which addresses the Proposal's essential objectives by establishing comprehensive policies governing political contributions. EMCOR, therefore, reiterates its reliance on the Relevance Exclusion and the Substantial Implementation Exclusion as bases for omitting the Proposal from its 2026 proxy materials.

Sincerely,



Paul M. Kinsella
Ropes & Gray LLP
Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
paul.kinsella@ropesgray.com