

ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON THE JUDICIARY

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December 11, 2023

Ms. Veronica Renzi
Foley Hoag LLP
1717 K Street NW
Washington, DC 20006

Re: Arjuna Capital, LLC

Dear Ms. Renzi:

The Committee on the Judiciary is conducting oversight of the adequacy and enforcement of U.S. antitrust laws. Pursuant to the Rules of the House of Representatives, the Committee on the Judiciary has jurisdiction to conduct oversight of matters concerning the “[p]rotection of trade and commerce against unlawful restraints and monopolies” to inform potential legislative reforms, such as whether existing civil and criminal penalties and current antitrust law enforcement efforts are sufficient to deter anticompetitive collusion in the investment industry.¹

Corporations are collectively adopting and imposing progressive environmental, social, and governance (ESG)-related goals, and Arjuna Capital, LLC (Arjuna) appears to have entered into collusive agreements to “decarbonize” its assets under management and reduce emissions to net zero in ways that may violate U.S. antitrust law. To advance our oversight and inform potential legislation related to collusive ESG policies, the Committee must understand how and to what extent Arjuna may have colluded to promote ESG-related goals.

To this end, on August 1, 2023, we requested documents and communications related to how Arjuna advances ESG policies, in addition to other key information.² On August 8 and August 30, 2023, Committee staff discussed the Committee’s document requests and production priorities with you by telephone. Following those calls, on September 1, 2023, Arjuna produced just 1,096 documents. On September 18, 2023, Arjuna produced another 838 documents—the last time Arjuna has produced documents to the Committee.

¹ See generally Rules of the House of Representatives R. X (2023).

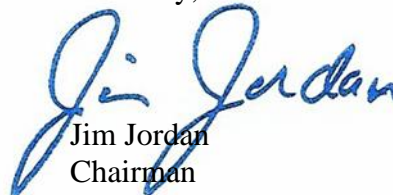
² See Letter from Rep. Jim Jordan, Chairman, Comm. on the Judiciary, et al. to Natasha Lamb & Farnum Brown (Aug. 1, 2023).

Although you represented on September 18, 2023, that Arjuna had “complete[d] [its] production of documents in response to” the Committee’s requests, Arjuna’s overall response to date has been inadequate.³ Altogether, Arjuna has produced only 1,934 documents—among the very lowest of any asset manager that has produced documents to the Committee in this investigation, despite Arjuna’s membership in both Climate Action 100+ and the Net Zero Asset Managers initiative (NZAM) and its commitment to “view[ing] opportunities through an ESG investing (Environmental, Social, & Governance) lens.”⁴ Throughout this investigation, other members of Climate Action 100+ and the NZAM initiative have produced a substantial number of documents reflecting both internal communications, between the members themselves, and external communications, between the members and outside parties.

Contrary to your representation to the Committee, the documents that Arjuna has produced suggest that Arjuna may have artificially limited its collection of responsive documents. Arjuna appears to have collected and produced communications only from two custodians, its Managing Partner and Chief Investment Officer Natasha Lamb and its Senior Associate, ESG Research & Shareholder Engagement, Julia Cedarholm. Arjuna does not appear to have provided documents from its Managing Partner and Chief Strategist Farnum Brown, to whom the Committee’s requests were co-addressed, or from any other custodians.⁵

As discussed above, Arjuna’s response without compulsory process has been inadequate. Accordingly, please find the enclosed subpoenas.

Sincerely,



Jim Jordan
Chairman

cc: The Honorable Jerrold L. Nadler, Ranking Member
Ms. Natasha Lamb, Managing Partner and Chief Investment Officer, Arjuna
Mr. Farnum Brown, Managing Partner and Chief Strategist, Arjuna

Enclosures

³ Letter from Veronica Renzi et al. to Rep. Jim Jordan, Chairman, Comm. on the Judiciary (Sept. 18, 2023).

⁴ ARJUNA CAPITAL, HOME: OUR APPROACH, <https://arjuna-capital.com/>.

⁵ See Letter from Rep. Jim Jordan, Chairman, Comm. on the Judiciary, et al. to Natasha Lamb & Farnum Brown (Aug. 1, 2023).