



DIVISION OF
CORPORATION FINANCE

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

January 30, 2026

Ronald O. Mueller
Gibson, Dunn & Crutcher LLP

Re: Amazon.com, Inc. (the "Company")
Incoming Letter dated January 19, 2026

Dear Ronald O. Mueller:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by SOC Investment Group 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: Cornish F. Hitchcock
Hitchcock Law Firm PLLC

January 19, 2026

VIA ONLINE PORTAL SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: *Amazon.com, Inc.*
Shareholder Proposal of SOC Investment Group
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter notifies the staff of the Division of Corporation Finance (the “Staff”) that our client, Amazon.com, Inc. (the “Company”), intends to omit from its proxy statement and form of proxy for its 2026 Annual Meeting of Shareholders (collectively, the “2026 Proxy Materials”) a shareholder proposal and statement in support thereof (collectively, the “Proposal”) submitted by SOC Investment Group (the “Proponent”).

Pursuant to Rule 14a-8(j) and the Statement Regarding the Division of Corporation Finance’s Role in the Exchange Act Rule 14a-8 Process for the Current Proxy Season issued by the Staff on November 17, 2025, we hereby request that the Staff confirm that it will not object if the Company omits the Proposal from the 2026 Proxy Materials. In this regard, the Company represents that it has a reasonable basis to exclude the Proposal based on the provisions of Rule 14a-8, prior published guidance, and/or judicial decisions.

As discussed in greater detail below, the Proposal may be excluded from the 2026 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company’s ordinary business operations—specifically, management of the workforce.

A copy of the Proposal is attached to this letter as Exhibit A and incorporated herein by reference.

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2026 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) 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 undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

Resolved: Request the Board of Directors provide a publicly available report on how U.S. immigration policy and enforcement impacts Amazon.com Inc.’s (“the Company”) operations.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Relates To The Company’s Ordinary Business Operations.

A. Background On The Ordinary Business Standard.

Rule 14a-8(i)(7) permits a company to omit a shareholder proposal from its proxy materials “[i]f the proposal deals with a matter relating to the company’s ordinary business operations.” According to the Commission’s release accompanying the 1998 amendments to Rule 14a-8, the term “ordinary business” “refers to matters that are not necessarily ‘ordinary’ in the common meaning of the word,” but instead the term “is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company’s business and operations.” Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”).

In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors” and identified two central considerations that underlie this policy. *Id.* As relevant here, the first of these considerations is the subject matter of the proposal, since “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” *Id.* The Commission stated that examples of tasks that implicate the ordinary business standard include “the management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers.” *Id.* (emphasis added).

In 1976, the Commission stated that going forward it would interpret Rule 14a-8(i)(7)’s ordinary business standard as not allowing exclusion of proposals that relate to a company’s ordinary business operations but “which have significant policy, economic or other implications inherent

in them.”¹ In Staff Legal Bulletin No. 14M (Feb. 12, 2025) (“SLB 14M”), the Staff stated that, in reliance on and consistent with past Commission statements interpreting Rule 14a-8(i)(7), it would return to taking “a company-specific approach in evaluating significance, rather than focusing solely on whether a proposal raises a policy issue with broad societal impact.” SLB 14M further stated that the Staff’s analysis “will focus on whether the proposal deals with a matter relating to an individual company’s ordinary business operations or raises a policy issue that transcends the individual company’s ordinary business operations” and that the Staff will consider whether a proposal “focuses on a significant policy issue that has a sufficient nexus to a particular company.”

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the subject matter of the report addresses the ordinary business operations of the company. See Exchange Act Release No. 20091 (Aug. 16, 1983) (to avoid interpretations that “raise[] form over substance and render[] the provisions of [Rule 14a-8(i)(7)] largely a nullity . . . [h]enceforth, the staff will consider whether the subject matter of the special report . . . involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)”).

B. The Proposal May Be Excluded Because It Relates To Management Of The Company’s Workforce.

The Proposal requests a report “on how U.S. immigration policy and enforcement impacts [the Company’s] operations.” On its face, the Proposal relates to management of the workforce, which the Commission and the Staff have long treated as implicating a company’s ordinary business operations. The supporting statement of the Proposal (the “Supporting Statement”) reiterates that focus, raising concerns about the financial and business strategy implications of potential reductions in the availability of certain categories of workers or potential increased labor costs that the Supporting Statement asserts could result from U.S. immigration policy and enforcement. By focusing on the Company’s management of its workforce composition and staffing strategy, the Proposal addresses topics that the Commission and Staff have long held may be excluded under Rule 14a-8(i)(7) because they relate to a company’s ordinary business operations.

- In *United Technologies Corp.* (avail. Feb. 19, 1993), the Staff stated that topics relating to a company’s ordinary business operations that make a proposal excludable under Rule 14a-8(i)(7) include “management of the workplace, employee supervision, labor-management relations, employee hiring and firing, conditions of the employment and employee training and motivation.” The Commission subsequently confirmed in the 1998 Release that “management of the workforce” is “fundamental to management’s ability to run a company on a day-to-day basis.”

¹ Exchange Act Release No. 12999 (Nov. 22, 1976). In 1997, the Commission referred to this interpretation as addressing “significant social policy” issues, and in the 1998 Release, the Commission reiterated this standard.

- In *Amazon.com, Inc. (UAW Retiree Medical Benefits Trust)* (avail. Apr. 7, 2022), the Staff concurred with the exclusion of a proposal that requested a report “on the risks to the Company related to ensuring adequate staffing of [the Company]’s business and operations, including risks associated with tighter labor markets, and how [the Company] is mitigating or plans to mitigate those risks,” as well as “a discussion of the extent to which [the Company] relies on part-time, temporary and contracted workers in each of its three operating segments, and whether staffing considerations have affected any of [the Company]’s decisions about strategy, such as expansion plans or entering new geographies or lines of business.” The supporting statement to that proposal addressed factors that could affect the availability of various categories of workers and, as with the Supporting Statement here, posited that those factors could reduce the supply of available workers or increase labor costs. Likewise, similar to the Supporting Statement here, the proponent of that proposal asserted that the Company did not “disclose enough information about its staffing to enable investors to assess how skillfully it is managing staffing pressures.” The Company argued that the proposal related to how the Company managed its workforce by addressing the adequacy of the Company’s staffing, thereby implicating ordinary business considerations such as recruiting, retention, and location of employees, as well as related decisions around business strategy, and the Staff concurred that the proposal did not transcend ordinary business matters.
- In *Dollar Tree, Inc.* (avail. May 2, 2022), the Staff concurred with the exclusion of a proposal requesting an analysis and report on risks to the company’s business strategy in the face of increasing labor market pressure. The proposal required that the report, at minimum, (1) explain how the company’s forward-looking strategy and incentives will enable competitive employment standards, including wages, benefits and employee safety and (2) include particular attention to the company’s lowest paid employees across geographies. The company argued that the proposal related to management of the workforce and staffing levels, and the Staff concurred that the proposal did not transcend ordinary business matters.
- In *Starwood Hotels & Resorts Worldwide, Inc.* (avail. Feb. 14, 2012), the proposal requested that “management require verified US Citizenship for all workers in the USA” and that “[r]equired training for foreign workers in the US should be minimized.” The proposal’s supporting statement raised concerns about the company “employing thousands of foreign workers in the US.” The Staff concurred with the exclusion of the proposal, noting that “the proposal relates to procedures for hiring and training employees” and that “[p]roposals concerning a company’s management of its workforce are generally excludable under [R]ule 14a-8(i)(7).”
- In 2005, the Staff concurred in the exclusion of seven proposals relating to offshoring of company jobs where the companies argued that the proposals related to managing workforce staffing. See *The Boeing Co.* (avail. Feb. 25, 2005); *Citigroup Inc.* (avail. Feb. 4, 2005); *Mattel, Inc.* (avail. Feb. 4, 2005); *SBC Communications Inc.* (avail. Feb. 4, 2005); *Capital One Financial Corp.* (avail. Feb. 3, 2005); *Fluor Corp.* (avail. Feb. 3,

2005); and *General Electric Co.* (avail. Feb. 3, 2005). In each case, the Staff concurred with the exclusion of a proposal requesting the issuance of a “Job Loss and Dislocation Impact Statement” concerning the elimination of jobs and relocation of jobs to foreign countries, including the “decision-making process by which job elimination and job relocation decisions are made,” where the Staff acknowledged that such proposals related to each company’s “ordinary business operations (*i.e.*, management of the workforce).”

Here, the Proposal directly addresses how the Company manages its workforce by requesting the Board of Directors issue a report on “how U.S. immigration policy and enforcement impacts [the Company’s] operations,” which implicates ordinary business considerations related to workforce composition and staffing, hiring and retention strategies, responses to labor market dynamics, and related decisions around business strategy. As with the proposal in *Starwood Hotels*, the Proposal is focused on decisions regarding the employment of foreign workers and policies related to such workers. Similarly, as in *Amazon.com*, where the proposal raised concerns about “tighter labor markets” and questioned the Company’s disclosures regarding its “decisions about strategy” and “adequate staffing,” the Proposal directly relates to the Company’s strategy regarding workforce staffing, including the Company’s decisions regarding whether to hire certain categories of workers in light of changes to the labor market (in this case, as a result of “immigration policy and enforcement”) and seeks disclosure of the financial and business strategy implications of labor market dynamics. The Proposal thus implicates the Company’s policies and practices with respect to its employees and workforce management, considerations that, as reflected by the well-established precedents discussed above, relate to the Company’s ordinary business operations, and therefore may properly be excluded under Rule 14a-8(i)(7).

C. *The Proposal Does Not Focus On A Significant Policy Issue That Transcends The Company’s Ordinary Business Operations.*

The Proposal focuses on the Company’s ordinary business operations and does not raise a significant policy issue that transcends the Company’s ordinary business. SLB 14M, citing Commission statements in the 1998 Release, states that “proposals relating to [ordinary business] matters but focusing on a significant policy issue generally are not excludable under the first consideration ‘because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.’” SLB 14M also reaffirms the Commission’s past statement that the determination as to whether a proposal deals with a matter relating to a company’s ordinary business operations is “made on a case-by-case basis, taking into account factors such as the nature of the proposal and the circumstances of the company to which it is directed.” *Id.* In this regard, when assessing proposals under Rule 14a-8(i)(7), the Staff considers “both the proposal and the supporting statement as a whole.” See Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005).

Here, the Proposal does not transcend the Company’s day-to-day business matters. Nothing in the “Resolved” clause of the Proposal nor in the Supporting Statement implicates a significant policy issue that transcends the Company’s day-to-day business matters, as that term is

interpreted under Rule 14a-8(i)(7). Instead, the only context provided for the Proposal's focus on management of the Company's workforce is concerns about the financial and business strategy implications of potential reductions in the availability of certain categories of workers or potential increased labor costs that the Supporting Statement asserts could result from U.S. immigration policy and enforcement. For example, the Supporting Statement raises concerns about operational costs, including "the economic strain from the new [H-1B worker visa] fees" and effects on the Company's "operations and future success," as well as costs associated with the Company's "supply chain ecosystem" such as "transportation costs" and a supply chain "labor shortage due to deportations in the agricultural sector." With respect to H-1B worker visa fees, the Supporting Statement asserts, "[t]he Company has not disclosed to shareholders how it plans to move forward either without these skilled workers or how it plans to bear the economic strain from the new fees." However, neither concerns about business strategy and expense management nor the implications of immigration laws and policies raise significant policy issues that transcend the Company's day-to-day business matters.

The Staff has repeatedly concurred that proposals addressing management of expenses and corporate budgets do not raise significant policy issues that transcend a company's ordinary business. For example, in *HP, Inc.* (avail. Dec. 20, 2019), the Staff concurred that a proposal requesting a report on the financial statement impact of "maintaining core R&D and Quality headcount and budgets" and on the risk to delivering certain future products due to cuts in personnel did not raise significant policy issues transcending the company's ordinary business. See also *Gilead Sciences, Inc.* (avail. Feb. 15, 2018) (concurring with the exclusion of a proposal requesting "a report assessing the feasibility of adopting time-bound, quantitative, company-wide goals for increasing energy efficiency and use of renewable energy" where the proposal and supporting statement focused on the company's management of energy expenses and detailed the perceived financial benefits of adopting goals for increased energy efficiency and use of renewable energy); *CVS Health Corp.* (avail. Mar. 8, 2016) (concurring with the exclusion of a proposal requesting the company set quantitative renewable energy sourcing or production targets where the supporting statement focused on cost-savings and financial management matters); *CIGNA Corp.* (Feb. 23, 2011) (concurring with exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the potential significant policy issue of access to affordable health care, it also asked the company to report on expense management, an ordinary business matter).

Similarly, although the Proposal arises in the context of current U.S. immigration policy and enforcement actions, its focus is on the potential implications of those actions on the Company's ordinary business operations. Moreover, the Staff repeatedly has concurred that proposals touching upon immigration policy issues do not implicate significant policy issues that transcend a company's ordinary business operations under Rule 14a-8(i)(7). For example, in addition to the *Starwood Hotels* precedent discussed above, in *Wells Fargo & Co. (National Legal and Policy Center)* (avail. Mar. 5, 2025), the proposal requested a "special risk report analyzing the [c]ompany's legal and financial exposure from its business relationships with foreign nationals present in the U.S. illegally, given the very real potential for losses that may be incurred" where the supporting statement raised concerns about the effects of "business related to undocumented migrants" on the company's "operations and financial sustainability."

Notwithstanding these assertions, the Staff did not view the proposal as raising significant policy issues and concurred with exclusion of the proposal as relating to the company's ordinary business operations. Similarly, in *Yum! Brands, Inc.* (avail. Mar. 5, 2010) and *Johnson & Johnson* (avail. Feb. 22, 2010), the proposals each requested that management "verify the employment legitimacy of all future [company] workers by both Social Security and Homeland Security E-Verify systems" and, when permitted by Congress, "verify all current workers and immediately terminate any employees not in compliance." The Staff was not of the view that the proposals implicated a significant policy matter and concurred with exclusion, noting in each instance that "the proposal relates to the specific procedures [the company] must use to verify the employment eligibility of its employees" and that "[p]roposals that concern a company's legal compliance program are generally excludable under [R]ule 14a-8(i)(7)."

The foregoing Staff precedents establish that even when a proposal touches upon topics that may implicate significant policy issues, or takes such a topic as its starting point, those references do not transform an otherwise ordinary business proposal into one that transcends ordinary business. Here, the Proposal is squarely focused on financial and operational aspects of the Company's workforce management, which have been recognized repeatedly by the Staff as "fundamental to management's ability to run a company on a day-to-day basis." 1998 Release. Well-established precedents under Rule 14a-8(i)(7) demonstrate that nothing in the "Resolved" clause of the Proposal nor in the Supporting Statement implicates a significant policy issue that transcends the Company's day-to-day business matters. Accordingly, the Proposal may properly be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

CONCLUSION

We are available to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Susan Jong, the Company's Vice President, Associate General Counsel, and Corporate Secretary, at (206) 266-1000.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Susan Jong, Amazon.com, Inc.
Leanna Rodriguez, SOC Investment Group

EXHIBIT A

Resolved: Request the Board of Directors provide a publicly available report on how U.S. immigration policy and enforcement impacts Amazon.com Inc.'s ("the Company") operations.

Supporting Statement:

Studies show the presence of H-1B workers in a company boost innovation, patents, and productivity.¹ These foreign skilled workers play a significant role in Amazon's operations; it was the largest sponsor of H-1B worker visas in fiscal year 2025, employing over 10,000 workers with the visa.² In September 2025, President Trump issued a proclamation raising the annual fee on skilled foreign workers from \$215 to \$100,000.³ We believe the impacts of this proclamation on Amazon's operations and future success could be significant. The Company has not disclosed to shareholders how it plans to move forward either without these skilled workers or how it plans to bear the economic strain from the new fees.

H-1B recipients are not the only foreign workers impacted by immigration policy changes. After the Trump administration canceled some humanitarian immigration programs in summer 2025, reports surfaced of multiple Amazon facilities laying off hundreds of workers at once.⁴ These workers were in high demand by Amazon and many had earned praise from management, providing key support in high volume times such as Prime Day or the holidays.⁵

Immigration policy changes could drive up transportation costs for Amazon. Amazon owns over 40,000 semitrucks and 70,000 dry van trailers and works with independent long haul trucking companies as part of their supply chain ecosystem.⁶ Truckers have been targeted by the current administration, with the State Department halting the issuance of worker visas for commercial truck drivers in August 2025,⁷ as well as an executive order in April 2025 which introduced regulations that make it difficult for certain immigrants to operate large vehicles.⁸ The Department of Transportation threatened to withdraw federal funding from certain states if they do not revoke commercial driver's licenses from non-U.S.

¹ <https://www.cato.org/blog/dont-ban-h-1b-workers-they-are-worth-their-weight-patents>

² <https://www.americanimmigrationcouncil.org/blog/trump-100000-fee-h-1b-visa/>

³ <https://www.cnn.com/2025/09/20/business/h-1b-fee-trump-immigration-workers>

⁴ <https://www.nytimes.com/2025/07/11/technology/trump-immigration-amazon-warehouses.html>

⁵ <https://www.nytimes.com/2025/07/11/technology/trump-immigration-amazon-warehouses.html>

⁶ [https://capitaloneshopping.com/research/amazon-logistics-statistics/;](https://capitaloneshopping.com/research/amazon-logistics-statistics/)

https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465925033442/tm252295-1_def14a.htm

⁷ <https://x.com/SecRubio/status/1958644528253948015>

⁸ <https://calmatters.org/economy/2025/11/immigrant-drivers/>

residents that were determined to be “improperly issued.”⁹ The trucking industry already faces a driver shortage, and with 18% of professional drivers being born abroad, there are concerns that this will strain the supply chain and increase transportation costs.¹⁰

Domestically sourced produce plays a large part in Amazon’s Whole Foods supply chain; 25% of produce sold in Whole Foods stores comes from local farms, local being defined as within a certain mile radius or bordering states.¹¹ Immigrants are increasingly relied upon within domestic farms. One study found that unauthorized immigrant crop farmworkers account for 42% of hired crop farmworkers and 25% of all agricultural workers in the United States.¹² A labor shortage due to deportations in the agricultural sector could lead to lower yields and higher costs for consumers and sellers.¹³

We urge fellow shareholders to vote FOR this proposal.

⁹ <https://www.reuters.com/world/us-may-withhold-304-million-minnesota-over-foreign-truck-driver-licenses-2025-12-01/>

¹⁰ <https://www.msn.com/en-us/money/general/ice-crackdown-could-drive-out-614-000-truckers-biggest-labor-shortfall-ever/ar-AA1QmHFy?ocid=BingNewsVerp>

¹¹ <https://www.wholefoodsmarket.com/tips-and-ideas/archive/we-love-local>

¹² https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5384966

¹³ <https://www.newsweek.com/trump-mass-deportation-farms-breaking-point-2064190>

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20 January 2026

Office of the Chief Counsel
Division of Corporation Finance
Securities & Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

By online portal submission

Re: Shareholder proposal to Amazon.com, Inc. from SOC Investment Group
Reference no. 979081

Dear Counsel:

I write on behalf of SOC Investment Group to respond to the letter from counsel for Amazon.com, Inc. (“Amazon” or the “Company”) dated 19 January 2026 in which Amazon advises of its intent to omit a shareholder proposal from SOC Investment Group (the “Proposal”) from Amazon’s 2026 proxy materials. For the reasons below we respectfully ask the Division to advise Amazon that the Division does not concur with or does object to the Company’s arguments.

We understand that the Division is currently reviewing company submissions under Rule 14a-8(j) on an expedited basis, compared to prior years. We are filing this letter in an effort to accommodate that schedule with the expectation that this letter will, as the Commission states in the text of Rule 14a-8(k), give the Commission staff the “time to consider fully [the proponent’s] submission before it issues its response.”

THE PROPOSAL

The Proposal states:

Resolved: Request the Board of Directors provide a publicly available report on how U.S. immigration policy and enforcement impacts Amazon.com Inc.’s (“the Company”) operations.

The supporting statement notes how recent policy changes can have a significant impact on the company and its operations:

- Amazon has over 10,000 H-1B workers, who would be affected by the higher fees proposed by the Administration, which fees would rise from \$215 per worker to \$100,000 annually. As the supporting statement notes, “Amazon has not disclosed how it plans to move forward either without these skilled workers or how it plans to bear the economic strain from the new fees.”

- Immigration policy changes could drive up transportation costs. Amazon owns over 40,000 semitrucks and 70,000 dry van trailers and works with independent long haul trucking companies for deliveries. The State Department halted worker visas for commercial truck drivers in August 2025, and an executive order from April 2025 seeks to make it difficult for certain immigrants to operate large vehicles. In addition, the Department of Transportation has threatened to withdraw federal funding from certain states if they do not revoke commercial driver’s licenses from non-U.S. drivers.

- Amazon’s Whole Foods Market chain relies heavily on locally sourced produce for 25% of produce sold in Whole Foods stores. A cited study found that unauthorized immigrant crop farm workers account for 42% of hired crop farm workers and 25% of all agricultural workers in the United States. A labor shortage owing to deportations in the agricultural sector could thus lead to lower yields and higher costs for consumers and sellers.

Amazon’s opposition to this proposal relies on the “ordinary business” exclusion in Rule 14a-8(i)(7), but there is nothing “ordinary” about the issues raised by this Proposal.

DISCUSSION

As Amazon correctly points out, and as the Commission stated in the seminal release in this area, the “ordinary business” exclusion does not permit the exclusion of proposals that may relate to a company’s ordinary business operations, but raise a “significant policy, economic or other implication inherent in them.” Exchange Act Release No. 12999 (22 November 1976). The Commission reaffirmed this approach in a 1998 release stating that the ordinary business exclusion could be invoked in two situations: (1) the proposal deals with tasks that are so fundamental to management’s ability to run a company that they do not lend themselves to shareholder oversight, *e.g.*, hiring, promoting, and terminating employees, decisions on production quality and quantity, and (2) the proposal may be viewed as an effort to micromanage the company by probing too deeply into matter that shareholders, as a group, are not in a position to make an informed judgment. Exchange Act Release No. 40018 (21 May 1998).

We begin with a point that Amazon does *not* argue. Amazon makes no effort to argue that the Proposal seeks to “micro-manage” the Company in some fashion, nor indeed could it. The Proposal seeks a report on how “immigration policy and enforcement” has had an effect on the Company’s operations. The Proposal does not seek to prescribe any course of action, but seeks simply to understand how a large, multi-faceted public policy initiative will affect a single company at multiple levels.

1. Eschewing a micromanagement argument, Amazon focuses on the first element of the 1998 release, claiming (at p. 3) that the Proposal “relates to management of the Company’s workforce” (initial capitals removed). In so doing, Amazon ignores the context in which the 1998 release was issued.

The Commission’s 1998 release explicitly reversed the so-called *Cracker Barrel* doctrine, an approach adopted in the early 1990s under which “all employment-related shareholder proposals raising social policy issues would be excludable under the ‘ordinary business’ exclusion,” stating that the Division would “return to its case-by-case approach that prevailed prior to the *Cracker Barrel* no-action letter.” The Commission added:

Since 1992, the relative importance of certain social issues relating to employment matters has reemerged as a consistent topic of widespread public debate. In addition, as a result of the extensive policy discussions that the *Cracker Barrel* position engendered, and through the rulemaking notice and comment process, we have gained a better understanding of the depth of interest among shareholders in having an opportunity to express their views to company management on employment-related proposals that raise sufficiently significant social policy issues. (footnote omitted).

The Commission added that the two-factor test cited above would be applied to distinguish workforce-related proposals by “taking into account factors such as the nature of the proposal and the circumstances of the company to which it is directed.”

The issue in *Cracker Barrel* was a company’s employment discrimination practices. That said, it should be difficult to argue plausibly that current immigration policy is somehow lacking in policy significance or lacks any direct relevance to Amazon, the latter point having been emphasized in Staff Legal Bulletin 14M. Immigration reform is a hallmark of the current Administration’s policies and, as the supporting statement here indicates, immigration policy can affect Amazon and many of its operations in a variety of ways.

The no-action letters cited by Amazon (at pp. 3-5) do not indicate otherwise. Ironically, the first letter cited by Amazon was issued before the *Cracker Barrel*

reversal (*United Technologies Corp.* (19 February 1993)), while the post-1998 letters:

- dealt with a company's ability to manage the usual ebb and flow of labor markets (*Amazon.com, Inc. (UAW Retiree Medical Benefits Trust)* (7 April 2022)); *Dollar Tree, Inc.* (2 May 2022));
- sought to regulate hiring and training requirements (*Starwood Hotels & Resorts Worldwide, Inc.* (14 February 2012)); or
- involved the decision-making process by which jobs were eliminated or outsourced (*The Boeing Co.* (25 February 2005) and related letters).

A more recent letter to the same effect would be *Apple Inc.* (3 January 2023) (granting relief as to proposal regarding a company's return-to-office practices).

The contrast between these types of proposals and the current proposal is stark; the proposals listed above do not rise to the level of policy significance that is present by the current Proposal, given how immigration policy affects Amazon at multiple, significant levels.

Moreover, Amazon ignores several recent letters that dealt with a major, exogenous development that could have a profound impact on a company and its workforce. Specifically, the Division denied no-action relief as to proposals asking a company to prepare a transparency report on the company's use of Artificial Intelligence in its business operations and disclose any ethical guidelines adopted regarding the use of AI technology. *The Walt Disney Co.* (3 January 2024); *Apple Inc.* (3 January 2024).

The effect of AI on employment was a major concern in both letters, given how AI may lead to automation and the elimination of many jobs. Both Disney and Apple made the same sorts of workplace-related arguments that Amazon advances here, yet both companies were denied no-action relief.

2. Despite all indications to the contrary, Amazon argues (at pp. 5-7) that the Proposal is lacking in policy significance. In doing so, however, the Company manages to downplay the impact of current immigration policy on Amazon at a number of levels. As noted in the supporting statement:

- Amazon is a leading technology company and is the largest corporate sponsor of employees with H-1B visas.
- The ability to deliver consumer orders quickly is a key element of Amazon's strategy and brand.
- Whole Foods' ability to offer fresh, high-quality produce and other food items is an essential element of Whole Foods' brand.

By seeking a high-level, holistic assessment of how current policies affect Amazon, the current Proposal manages to avoid the pitfalls that befell proponents in the letters Amazon cites, which tended to have a more narrow focus.

In arguing for a lack of policy significance, Amazon relies on two sets of letters, neither of which warrants relief.

The first set of letters upon which Amazon relies (at pp. 6-7) are not germane because they deal with efforts to dictate or manage specific elements of a company's budget and input costs, including headcount (*HP, Inc.* (20 December 2019)), energy usage (*Gilead Sciences, Inc.* (15 February 2018) and *CVS Health Corp.* (8 March 2016)); or health care costs (*CIGNA Corp.* (23 February 2011)).

The second set of proposals that Amazon cites did involve immigration policies, but did so at a more granular level than is present here: *Starwood Hotels, supra* (procedures for hiring and training employees); *Wells Fargo & Co. (National Legal and Policy Center)* (5 March 2025) (ability of illegal immigrant customers to repay loans or credit); *Yum! Brands, Inc.* (5 March 2010) and *Johnson & Johnson* (22 February 2010) (asking company to verify citizenship status of all employees with SSA and DHS and "immediately terminate" anyone not in compliance). In addition, those proposals focused more on legal risks and corporate compliance programs, which have long been viewed as "ordinary business" matters.

In short, the SOC Investment Group Proposal cannot be lumped into the same category as the proposals in the letters on which Amazon relies.

CONCLUSION

For these reasons SOC Investment Group respectfully asks the Division to advise Amazon that the Division does not concur in and would object to Amazon's assessment of the Proposal.

Thank you for your consideration of these points. Please do not hesitate to contact me if we can provide any additional information.

Respectfully submitted,



Cornish F. Hitchcock

cc: Ronald O. Mueller