

COVINGTON

BEIJING BOSTON BRUSSELS DUBAI FRANKFURT
JOHANNESBURG LONDON LOS ANGELES NEW YORK
PALO ALTO SAN FRANCISCO SEOUL SHANGHAI WASHINGTON

Covington & Burling LLP
One CityCenter
850 Tenth Street, NW
Washington, DC 20001-4956
T +1 202 662 6000

January 3, 2024

By Electronic Submission

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

Re: Republic Services, Inc. — Shareholder Proposal Submitted by the International Brotherhood of Teamsters General Fund

Ladies and Gentlemen:

On behalf of Republic Services, Inc. (the “Company” or “Republic”), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to request confirmation from the staff of the Division of Corporation Finance (the “Staff”) that it will not recommend enforcement action to the U.S. Securities and Exchange Commission (the “Commission”) if the Company excludes a shareholder proposal (the “Proposal”) submitted by the International Brotherhood of Teamsters General Fund (the “Proponent”) from the proxy materials for its 2024 annual meeting of stockholders. A copy of the Proposal and the cover letter to the Proposal are attached hereto as Exhibit A.

In accordance with the Staff’s announcement of November 7, 2023, we are submitting this letter via the Staff’s electronic shareholder proposal submission form. We are simultaneously sending a copy of this letter and the exhibit thereto to the Proponent as notice of the Company’s intent to omit the Proposal from its 2024 proxy materials in accordance with Exchange Act Rule 14a-8(j). We take this opportunity to inform the Proponent that a copy of any correspondence it submits to the Commission or the Staff with respect to the Proposal should be provided concurrently to the Company pursuant to Rule 14a-8(k) and Staff Legal Bulletin No. 14D, and request that a copy also be provided to the undersigned at the address above.

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 2

THE PROPOSAL

The Proposal states, in part:

Resolved: Shareholders request the Board of Directors prepare a report disclosing how Republic Services, Inc., is addressing the impact of its climate change strategy on relevant stakeholders, including but not limited to its employees, workers in its supply chain, and communities in which it operates, consistent with the “Just Transition” guidelines of the International Labor Organization and indicators of the World Benchmarking Alliance. The report should be prepared at reasonable cost, omitting proprietary information, and be available to investors.

BASES FOR EXCLUSION

We request that the Staff concur in our view that the Proposal may be excluded from the Company’s 2024 proxy materials pursuant to Rule 14a-8(i)(7), because the Proposal relates to the Company’s ordinary business operations, and Rule 14a-8(i)(10), because the Company has already substantially implemented the proposal.

BACKGROUND ON THE COMPANY’S ENVIRONMENTAL SERVICES AND SUSTAINABILITY EFFORTS

The Company is one of the largest providers in the U.S., as measured by revenue, of environmental services, including recycling and solid waste services. The Company operates across the U.S. and Canada and serves customers through a vertically-integrated operating platform that offers a complete set of products and services, including the collection and processing of recyclable, solid waste and industrial waste materials; transportation and disposal of non-hazardous and hazardous waste streams; and other environmental solutions.¹ As of September 30, 2023, the Company operated across the U.S. and Canada through 360 collection operations, 245 transfer stations, 75 recycling centers, 208 active landfills, 3 treatment, recovery and disposal facilities, 20 treatment, storage and disposal facilities, 6 salt water disposal wells and 7 deep injection wells. The Company also is engaged in 76 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 126 closed landfills as of September 30, 2023. The Company strives to maintain an environment that attracts and retains the best talent, as the Company’s approximately 40,000 full-time employees are critical to the successful execution of the Company’s strategy and operations.

The Company has long been a leader in environmental services and sustainability. The Company’s sustainability goals and practices are core to its business and are integrated into the Company’s business strategy and long-term financial targets. Sustainable business practices are embedded in the Company’s day-to-day operations, which the Company believes improves its profitability and supports long-term value creation for its stockholders.

¹ See “Comprehensive Environmental Services” in the Company’s Form 10-K for the fiscal year ended December 31, 2022, available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1060391/000106039123000008/rsg-20221231.htm>.

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 3

ANALYSIS

I. The Proposal should be excluded under Rule 14a-8(i)(7) because it relates to the Company's ordinary business operations.

Overview of Rule 14a-8(i)(7)

Rule 14a-8(i)(7) permits the exclusion of a shareholder proposal from a company's proxy materials if the proposal "deals with a matter relating to the company's ordinary business operations." The Commission has stated that the purpose of the ordinary business exception is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." *Amendments to Rules on Shareholder Proposals*, SEC Rel. No. 34-40018 (May 21, 1998) (the "1998 Release"). The Commission has further stated that the policy underlying this exclusion rests on two "central considerations," specifically whether the proposal (i) concerns tasks that 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" and (ii) "seeks to 'micromanage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.*

Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E") provides that, when analyzing a proposal to determine its underlying concern or central purpose, the Staff looks not only to the resolved clause, but to the supporting statement and the proposal in its entirety. This position is not only expressed in SLB 14E, but also in Staff Legal Bulletin No. 14C (June 28, 2005), which states that the Staff will consider both the resolved clause and the supporting statement as a whole when analyzing a proposal for which exclusion is sought under Rule 14a-8(i)(7).

A. The Proposal should be excluded under Rule 14a-8(i)(7) because it concerns the Company's ordinary business operations and does not focus on a significant social policy issue.

The Proposal should be excluded under Rule 14a-8(i)(7) because it concerns the Company's ordinary business operations, including the Company's management of its workforce, its products and services, its choice of technologies and its supplier relationships.

Management of the Company's Workforce

The Proposal is concerned with the Company's management of its workforce, which is an ordinary business matter. The Commission stated in the 1998 Release that a company's "management of [its] workforce" is a task "so fundamental to management's ability to run a company on a day-to-day basis that [it] could not, as a practical matter, be subject to direct shareholder oversight." Consistent with the Commission's statement in the 1998 Release, the Staff has recognized that "[p]roposals concerning a company's management of its workforce are generally excludable under [R]ule 14a-8(i)(7)." *Merck & Co., Inc.* (Feb. 16, 2016). *See Merck & Co., Inc.* (Mar. 6, 2015) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 4

procedures for hiring and promoting employees because the proposal concerned the management of the company's workforce); *Starwood Hotels & Resorts Worldwide, Inc.* (Feb. 14, 2012) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to procedures for hiring and training employees because the proposal concerned the management of the company's workforce); *Berkshire Hathaway Inc.* (Jan. 31, 2012) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to procedures for terminating employees because the proposal concerned the management of the company's workforce); *Northrop Grumman Corp.* (Mar. 18, 2010) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to procedures for terminating employees because the proposal concerned the management of the company's workforce); *Donaldson Co., Inc.* (Sept. 13, 2006) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that concerned ethical standards for employee relationships because the proposal concerned the management of the company's workforce). *See also Apple Inc.* (Jan. 3, 2023) (permitting exclusion under Rule 14a-8(i)(7) of (i) a proposal concerning the effect of the Company's return-to-office policy on employee retention and the company's competitiveness, and (ii) a proposal requesting that employees be able to work from any location and requesting the company explore options to grant more worker autonomy, with the Staff noting that both proposals related to, but did not transcend, ordinary business matters); *Yum! Brands, Inc.* (Mar. 6, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal concerning mandatory arbitration, non-compete and non-disclosure agreements because the proposal "relate[d] generally to the [c]ompany's policies concerning its employees, and [did] not focus on an issue that transcend[ed] ordinary business matters"). The Staff has also permitted the exclusion of workforce management proposals that raise employment security and job loss concerns. *See The Boeing Co.* (Feb. 25, 2005) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the company prepare a "job loss and dislocation impact" statement concerning the elimination or relocation of jobs because the proposal related to the management of the company's workforce); *Bank of America Corp.* (Feb. 4, 2005) (same); *Citigroup, Inc.* (Feb. 4, 2005) (same); *The Black & Decker Corp.* (Feb. 4, 2005) (same); *JPMorgan Chase & Co.* (Feb. 4, 2005) (same); *Mattel, Inc.* (Feb. 4, 2005) (same); *Capital One Financial Corp.* (Feb 3, 2005) (same); *Fluor Corp.* (Feb. 3, 2005) (same); *General Electric Co.* (Feb 3, 2005) (same). *See also International Business Machines Corp.* (Feb. 3, 2004, *recon. denied* Mar. 8, 2004) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the board establish a policy that employees would not lose their jobs as a result of the company transferring work to lower wage countries because the proposal related to employment decisions and employee relations).

The Proposal is focused on the Company's management of its workforce, specifically on how decisions the Company makes as part of its business strategy affect the Company's employees. The Proposal begins by requesting that the Company address the "impact of its climate change strategy" on relevant stakeholders, including "employees," and specifies that the report should be consistent with the "just transition" guidelines of the International Labor Organization ("ILO") and World Benchmarking Alliance ("WBA"). Notwithstanding that the Proposal purports to cover "all relevant stakeholders", the language of the supporting statement illustrates that the Proposal is focused on the Company's employees and workforce, and not on other stakeholders. For instance, the Proposal contemplates that the report will be prepared in a manner consistent with ILO and WBA guidelines and specifically highlights the elements of these guidelines that are related to employees and company workforces. Additionally, when discussing ILO guidelines, the Proposal refers to impacts on employment, protection for job

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 5

losses and job displacement and employee skills development. When discussing WBA guidelines, the Proposal refers to job dislocation, retaining and reskilling workers. The supporting statement also discusses ordinary business matters relating to the Company's business strategy and how strategy decisions may impact the Company's management of its workforce, including:

- the role of automation and artificial intelligence in the provision of the Company's services;
- whether Company vehicles are staffed with one driver or multiple drivers and how that relates to labor costs;
- the use of robotic sorters at recycling facilities and their relation to job security; and
- how automation and optical recycling sorters have impacted staffing levels at the Company's recycling facility in Plano, Texas.

The Proposal is particularly focused on automation, including in relation to the Company's fleet of vehicles and in its facilities. Fleet and facility automation and the Company's strategy regarding the same are core ordinary business matters. For example, the Company has indicated that its strategy takes into consideration the fact that automation improves workforce productivity and creates a safer work environment for the Company's employees, in addition to reducing labor costs. The Company's strategy decisions regarding facility automation also address the fact that automation can increase efficiency and maximize the Company's recycling services. The Staff has permitted the exclusion under Rule 14a-8(i)(7) of proposals that raise the company's strategy in the context of workforce management. *See Dollar Tree, Inc.* (May 2, 2022) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested a report on the risks to the company's business strategy in the face of labor market pressure and how the company intended to address a range of workforce-related matters, including competitive employment standards, wages, benefits and employee safety); *Amazon.com, Inc.* (Apr. 7, 2022) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested a report on the risks to the Company related to staffing its business and operations, including risks associated with tighter labor markets, how the Company was mitigating or planned to mitigate those risks, and whether staffing considerations affected any of the company's decisions about strategy, such as expansion plans or entering new geographies or lines of business). For instance, the proposal in the *Dollar Tree* no-action letter requested the company "explain how the [c]ompany's forward-looking **strategy** and incentives will enable competitive **employment** standards, including wages, benefits and **employee** safety." (emphasis added). The proposal included additional references to workforce management and business strategy, with the proposal seeking "further clarity on how the company is assessing" its business strategy in response to "regulatory and competitive [pressures relating to minimum wage increases]" and sought to understand how the "[company's] **strategy** supports this value with its **employees** while recognizing the current labor challenges." (emphasis added). The proposal in the *Amazon* no-action letter was similarly concerned with how the company's decisions regarding employee "**staffing** of [the company's] business and operations...affected any of the [company's] decisions about **strategy**, such as expansion plans or entering new geographies or lines of business." (emphasis added). Here the Proposal is concerned with the Company's overall business strategy and the impact of that strategy on the Company's workforce. The Proposal seeks a report on the impact of the

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 6

Company's "climate change **strategy** on relevant stakeholders, including but not limited to its **employees, workers** in its supply chain, and communities in which it operates." As noted above, the Company's sustainability goals and practice are integrated into the Company's business strategy and are embedded in the Company's day-to-day operations. Therefore, the Proposal's focus on how decisions the Company makes as part of its business strategy affect the Company's employees shows that the Proposal is focused on the management of the Company's workforce, which is an ordinary business matter and is, therefore, excludable under Rule 14a-8(i)(7).

Products and Services

As noted above, the Proposal is concerned with how the Company provides recycling services, including how many employees are staffed in the Company's recycling vehicles and the specific types of machine sorters used in Company facilities. The Staff has long determined that proposals relating to a company's products and services are excludable under Rule 14a-8(i)(7), as they relate to ordinary business matters. The Staff has stated that "[p]roposals concerning the sale of particular services are generally excludable under [R]ule 14a-8(i)(7)." *JPMorgan Chase & Co.* (Jan. 27, 2012, *recon. denied* Mar. 13, 2012). The Staff has also stated that "[p]roposals concerning the manner in which a company sells particular products are generally excludable under [R]ule 14a-8(i)(7). *General Electric Co.* (Feb. 7, 2011). *See MetLife, Inc.* (Apr. 24, 2023) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to the company's services, including its business practices and business relationships); *JPMorgan Chase & Co.* (Mar. 21, 2023) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to the company's financial services and government requests to close customer accounts); *American Express Co.* (Mar. 9, 2023) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to the company's credit card and electronic payment services); *JPMorgan Chase & Co.* (Mar. 25, 2022) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to the company's underwriting services); *Amazon.com, Inc.* (Mar. 17, 2016) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that concerned potential pollution and public health problems from electronic waste generated as a result of the company's sales); *Dominion Resources, Inc.* (Feb. 19, 2014) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the company develop and provide information concerning renewable energy generation services); *Wells Fargo & Co.* (Jan. 28, 2013, *recon. denied* Mar. 4, 2013) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that concerned the social and financial impacts of the company's direct deposit advance lending services); *Pepco Holdings, Inc.* (Feb. 18, 2011) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that directed the company to incorporate solar power into the company's power delivery services); *Wal-Mart Stores, Inc.* (Mar. 26, 2010) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that would have required all company products and services offered for sale in U.S. stores be manufactured or produced in the U.S.). The manner in which the Company provides its recycling services, including the type of equipment it uses, is an integral part of the Company's ordinary business operations. Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7).

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 7

Choice of Technologies

The Proposal further relates to the Company's choice of technologies, specifically how the Company deploys technology in its vehicles and recycling facilities as part of providing environmental services. The Proposal contends that "automation [is] core" to the Company's strategy and is focused on an increase in automation technology. The Company's decisions regarding whether to use automation technology in fleet vehicles are informed by a number of considerations, including the fact that automation reduces labor costs, improves workforce productivity and creates a safer work environment for the Company's employees. As of February 2023, approximately 76% of the Company's residential routes were serviced by automated single-driver trucks and the Company's decisions regarding the current and future use of automation in these trucks clearly implicate an ordinary business matter. Automation is just one component of the technologies that the Company considers as part of its business strategy—the Company also chooses to use additional technologies in its fleet vehicles, such as electrification and compressed natural gas technologies. The Proposal's focus on one technology in preference to other technologies highlights that the matters raised by the Proposal are ordinary business matters that should be exclusively within management's purview. The Company's use of robotic and optical sorting machinery in Company recycling centers as part of the Company's recycling processing services also clearly implicates the Company's choice of technologies.

The Staff has stated that "[p]roposals that concern a company's choice of technologies for use in its operations are generally excludable under [R]ule 14a-8(i)(7)." *FirstEnergy Corp.* (Mar. 8, 2013). *See also PG&E Corp.* (Mar. 10, 2014) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that concerned the company's power services (the use of smart meters versus analog meters) because the proposal concerned the company's choice of technologies for use in its operations); *Dominion Resources, Inc.* (Feb. 14, 2014) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that related to how the company sourced power for its distribution services (solar versus other methods) because the proposal concerned the company's choice of technologies for use in its operations); *AT&T Inc.* (Feb. 13, 2012) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the company accelerate energy efficient cable set-top boxes over conventional set-top boxes because the proposal concerned the company's choice of technologies for use in its operations); *CSX Corp.* (Jan. 24, 2011) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the company convert the majority of its locomotive fleet to a more efficient power conversion system because the proposal concerned the company's choice of technologies for use in its operations). For instance, the proposal in the *Dominion Resources* no-action letter concerned a specific type of technology (solar power generation) in the context of the company's electric power distribution services and the company had chosen to use a range of technologies (renewable and carbon power generation technologies in addition to solar power generation). The proposal in the *AT&T* no-action letter similarly concerned a specific type of technology (energy efficient cable set-top boxes) in the context of the company's television distribution services and the company had chosen to use a different technology (conventional cable set-top boxes). The Proposal relates to the Company's choices regarding the use of specific types of technology (automation and robotic and optical sorting machinery) used in the Company's services and the Company's decisions regarding whether to deploy those technologies. Accordingly, the Proposal should be excluded under Rule

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 8

14a-8(i)(7) as it relates to the Company's choice of technologies, which is an ordinary business matter.

Supplier Relationships

The Proposal also implicates the Company's supplier relationships, another ordinary business matter under Rule 14a-8(i)(7). The Proposal states that the requested report should encompass "workers in [the Company's] **supply chain**" (emphasis added). The Staff has previously determined that supplier relationships are ordinary business operations. *See Foot Locker, Inc.* (Mar. 3, 2017) (a proposal concerning the company's monitoring of the use of subcontractors by the company's overseas apparel suppliers was excludable under Rule 14a-8(i)(7) as "the proposal relates broadly to the manner in which the company monitors the conduct of its suppliers and their subcontractors"). In addition, the Staff has permitted the exclusion of proposals that sought an assessment of a specific aspect of companies' supply chains. *See The Home Depot, Inc.* (Mar. 20, 2020) (permitting exclusion under Rule 14a-8(i)(7) for a proposal that called for a report on the extent of known usage of prison labor in the company's supply chain); *The TJX Companies, Inc.* (Mar. 20, 2020) (permitting exclusion under Rule 14a-8(i)(7) for a proposal that called for a report assessing the effectiveness of current company policies for preventing prison labor in the company's supply chain). Similarly, the report requested by the Proponent contemplates an assessment of the employees of other third parties in the Company's supply chain, and therefore, it is excludable under Rule 14a-8(i)(7).

The Proposal Does Not Focus on a Significant Social Policy Issue

The Proposal does not focus on a significant social policy issue under Rule 14a-8(i)(7). Although the Proposal discusses the position of workers in connection with the advancement of environmental sustainability goals and climate change commitments, the emphasis of the Proposal is on a broader array of ordinary business matters. As noted above, the language of the Proposal focuses on the Company's management of its workforce, the products and services it provides, its choice of technologies and its supplier relationships, all of which relate to the Company's ordinary business operations. The Proposal is particularly focused on the Company's business strategy regarding automation: the supporting statement includes multiple references to automation in the recycling process, particularly in relation to recycling vehicles and sorting machinery in recycling facilities. The choice of whether and how to deploy automation technologies in the Company's business is an ordinary business matter squarely within the purview of the Company's management. In addition, the Proposal does not implicate the type of human capital management issues with broad societal impact that have been identified by the Staff in previous proposals, consisting of worker safety, employee sick leave, diversity, equity and inclusion data or inequality, racial and gender disparities in compensation and workforce practices.

The Staff has permitted the exclusion of proposals under Rule 14a-8(i)(7) even where significant social policy issues have been raised in the body of a proposal. *See Broadridge Financial Solutions, Inc.* (Sept. 16, 2022) (proposal requesting a report on the distribution of stock-based incentives throughout the company's workforce, including for the purpose of

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 9

combatting wealth inequality, was excludable under Rule 14a-8(i)(7) as the proposal “relate[d] to, and [did] not transcend, ordinary business matters”); *Amazon.com, Inc.* (Apr. 8, 2022) (same); *Repligen Corp.* (Apr. 1, 2022) (same); *BlackRock, Inc.* (Apr. 4, 2022) (proposal requesting a public report on the potential risks of omitting “viewpoint” and “ideology” from the company’s EEO policy was excludable under Rule 14a-8(i)(7) as the proposal “relate[d] to, but [did] not transcend, ordinary business matters”); *The Goldman Sachs Group, Inc.* (Mar. 8, 2022, *recon. denied* Mar. 21, 2022) (proposal requesting a study on the external costs created by the company’s securities underwriting services was excludable under Rule 14a-8(i)(7) as the proposal “relate[d] to, but [did] not transcend, ordinary business matters”); *The TJX Companies, Inc.* (Apr. 9, 2021) (a proposal seeking information about the company’s monitoring of supplier compliance with the company’s policy that prohibited prison labor was excludable under Rule 14a-8(i)(7) because the proposal “[did] not transcend the [c]ompany’s ordinary business operations”). In both the *Dollar Tree* and *Amazon* no-action letters, which concerned company strategy in the context of workforce management, the Staff determined that the proposals related to, but did not transcend, the ordinary business matter of workforce management. As recognized by the Staff in the various no-action letters cited above, secondary references to a significant social policy issue will not automatically immunize a proposal from exclusion under the ordinary business exception if the proposal does not focus on that significant social policy issue. The focus of the Proposal is on the Company’s environmental services, including the Company’s business strategy for those services, and this focus directly implicates and does not transcend ordinary business matters. In light of the broad range of ordinary business matters implicated by the Proposal, the Proposal is not focused on a significant social policy issue and therefore, should be excluded under Rule 14a-8(i)(7).

B. The Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company.

Micromanagement Overview

The Commission and Staff have long recognized that a proposal that seeks to micromanage a company is excludable under Rule 14a-8(i)(7). The Commission has stated that the exclusion of a proposal under Rule 14a-8(i)(7) on the grounds that the proposal micromanages a company “may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” *Id.* The Commission further stated that the micromanagement consideration stands for “the general proposition that some proposals may intrude unduly on a company’s ‘ordinary business’ operations by virtue of the level of detail that they seek.” *Id.*

The Proposal Micromanages the Company’s Sustainability Goals and Practices by Supplanting and Limiting the Judgement of Management

The Proposal micromanages the Company’s existing sustainability goals and practices by supplanting and limiting the judgement of management and the Company’s Board of Directors. The Proposal requests that the Company address the “impact of its climate change strategy” on relevant stakeholders, including “employees,” and that the report should be consistent with the “just transition” guidelines of the ILO and WBA. However, the Proposal concedes that the

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 10

Company has already adopted sustainability goals and practices, which are well-developed, periodically updated and address sustainability opportunities and challenges. The Company developed its 2030 sustainability goals through a comprehensive assessment that included an analysis of global trends, the identification of business model dependencies and engagement with key stakeholders, including stockholders. In 2022, the Company concluded its third sustainability materiality assessment, one of several processes through which the Company engages with employees, communities, investors and other key stakeholder groups to help ensure the Company continues to address the most important environmental, social, and governance topics.

The Company's 2030 sustainability goals are aligned with the UN Sustainable Development Goals ("UN SDGs"), specifically Decent Work and Economic Growth (Goal 8), Sustainable Cities and Communities (Goal 11), Responsible Consumption and Production (Goal 12) and Climate Action (Goal 13). The Company's sustainability goals specifically align with Goal 8 and Targets 8.5 and 8.8 thereunder, as first disclosed in the Company's 2018 Sustainability Report. UN SDG Goal 8 and Targets 8.5 and 8.8 read as follows:

- Goal 8 – Decent Work and Economic Growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
 - Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
 - Target 8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.²

This UN SDG goal and the relevant targets encompass the "just transition" matters noted by the Proposal. However, the Proposal micromanages the Company by substituting the Proponent's own preferences for how the Company should address "just transition" concerns by mandating that the report address the ILO and WBA guidelines. The Proponent evidences a clear intention to micromanage the Company's *existing* sustainability goals and practices: the Proposal states that the Company "has 2030 operational GHG emission reductions goals, consistent with the Science Based Targets Initiative, and targets 'Circular Economy' advancements in plastic recycling in its 'Climate Leadership' but "fails to disclose, however, how this will be achieved in a manner consistent with [j]ust [t]ransition principles." The Proposal would impose specific and granular methods for implementing the Company's sustainability goals and practices in substitution of the Company's own methods by requiring the Company to realign its sustainability program with ILO and WBA guidelines, instead of the UN SDGs. Accordingly, it is excludable under Rule 14a-8(i)(7).

² See UN Sustainable Development Goals, available at https://sdgs.un.org/goals/goal8#targets_and_indicators. For references to Targets 8.5 and 8.8, see the Company's 2018 Sustainability Report, available at <https://www.republicservices.com/sustainability/reporting>.

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 11

The ILO and the WBA guidelines are complex. As the Proposal notes, the WBA guidelines “include discrete, time-based indicators.” The ILO guidelines include at least 29 indicators the Company would have to consider and the WBA guidelines include at least 21. Mandating that the Company modify its sustainability reporting to include these complex topics supplants and limits the judgement of management to such a degree as to micromanage the Company. The actions required by the Proposal probe too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment and seek to micromanage the Company to such a degree that exclusion of the Proposal is appropriate under Rule 14a-8(i)(7).

Exclusion Under Rule 14a-8(i)(7) Due to Micromanagement Would be Consistent with Recent Staff No-Action Letter Decisions

The Staff has determined that proposals that seek to impermissibly micromanage the Company “by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment” are excludable under Rule 14a-8(i)(7). *1998 Release. See Amazon.com, Inc. (Green Century Capital Management) (April 7, 2023) (proposal requesting measure and disclose scope 3 greenhouse gas emissions from the company’s full value chain was excludable under Rule 14a-8(i)(7) because it micromanaged the company by imposing a specific method for implementing a complex policy disclosure without affording discretion to management); Chubb Ltd. (Mar. 27, 2023) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested the board adopt and disclose a policy for the timebound phase out of the Company’s underwriting risks associated with new fossil fuel exploration and development projects, aligned with the Intergovernmental Panel on Climate Change’s recommendation to limit global temperature rise to 1.5 degrees Celsius, because the proposal micromanaged the company); Phillips 66 (Mar. 20, 2023) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that requested a report on the undiscounted expected value to settle obligations for certain company’s asset retirement obligations with indeterminate settlement dates because the proposal micromanaged the company). The Staff has also previously determined that proposals relating to a company’s employees can micromanage a company and are therefore excludable under Rule 14a-8(i)(7), where they impose specific methods for implementing complex policies or limit the flexibility and discretion of management and the board of directors. See Verizon Communications Inc. (Mar. 17, 2022) (proposal micromanaged the company by “probing too deeply into matters of a complex nature by seeking disclosure of intricate details regarding the [c]ompany’s employment and training practices”); American Express Co. (Mar. 11, 2022) (same); Deere & Co. (Jan. 3, 2022) (same); Johnson & Johnson (JLens) (Feb. 12, 2020) (proposal concerning awards granted to employees under an annual cash incentive program was found to have micromanaged the company by imposing specific methods for implementing complex policies). In the Chubb no-action letter, the proposal micromanaged the company’s existing climate change strategy and goals, including in the context of climate change risks: the company argued that the proposal’s singular approach to achieving an emissions goal (cessation of underwriting risks associated with new fossil fuel exploration and development projects) micromanaged the company’s “more holistic, fact-based strategy towards reaching the objective articulated by the [p]roposal.” As in Chubb, the Proposal would micromanage the Company’s existing sustainability goals and practices, which*

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 12

encompass the concerns of the Proposal, by substituting the Proponent's preferred guidelines (ILO and WBA) for the guidelines chosen by the Company (UN SDGs).

II. The Proposal should be excluded under Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal.

Overview of Rule 14a-8(i)(10)

Rule 14a-8(i)(10) permits the exclusion of a shareholder proposal from a company's proxy materials if "the company has already substantially implemented the proposal." This provision recognizes that a company's existing policies or actions may render a shareholder proposal moot and therefore it is appropriate to exclude such a proposal. As the Commission stated of the predecessor rule to Rule 14a-8(i)(10), the purpose of the rule is "to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management" of a company. *Proposed Amendments to Rule 14a-8 Under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders*, SEC Rel. No. 34-12598 (July 7, 1976). The current rule's emphasis on substantial implementation, as opposed to full or exact implementation, was designed to prevent the exclusion of a proposal "where the company has taken most but not all of the actions requested by the proposal." *Proposed Amendments to Rule 14a-8 Under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders*, SEC Rel. No. 34-19135 (Oct. 26, 1982). The Commission has stated that "substantially implemented" does not require the action requested by a proposal to be "fully effected" and the language of the rule was designed to prevent a "formalistic" application of this basis for exclusion. *Amendments to Rule 14a-8 Under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders*, SEC Rel. No. 34-20091 (Aug. 23, 1983).

In light of these Commission statements regarding Rule 14a-8(i)(10)'s emphasis on substantial, not perfect implementation, the Staff has permitted the exclusion of proposals where a company's actions satisfy the proposal's essential objectives or where a company's existing policies, practices, and procedures are similar in comparison to the proposal's request. The Staff has stated that where a company's actions address the proposal's "essential objective," the company has substantially implemented the proposal. *See e.g. Delta Air Lines, Inc.* (Mar. 12, 2018) (permitting exclusion under Rule 14a-8(i)(10) where the proposal asked the board to provide proxy access to shareholders and the board adopted a proxy access bylaw that addressed the proposal's essential objective). The Staff has further determined on numerous instances that a company has substantially implemented a proposal where its "policies, practices and procedures compare favorably with the guidelines of the proposal." *See e.g. Visa Inc.* (Oct. 11, 2019) (permitting exclusion under Rule 14a-8(i)(10) where the proposal recommended that the compensation committee revise the company's executive compensation philosophy to include social factors); *Dunkin' Brands Group, Inc.* (Mar. 6, 2019) (permitting exclusion under Rule 14a-8(i)(10) where the proposal requested that the board issue a report assessing the feasibility of integrating sustainability metrics into the performance quotas of senior executive compensation plans); and *Verizon Communications Inc.* (Feb. 19, 2018) (permitting exclusion under Rule 14a-8(i)(10) where the proposal recommended the establishment of a public policy and social responsibility committee). Each of the companies in the *Visa, Dunkin' Brands* and

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 13

Verizon no action letters had policies, practices and procedures that compared favorably with the Proposal.

When determining which company documents or disclosures substantially implement a proposal, the Staff has long recognized that multiple company policies, reports and other disclosures can collectively act to substantially implement a proposal. In *Apple Inc.* (SumOfUs) (Dec. 17, 2020) the Staff permitted the exclusion of a proposal under Rule 14a-8(i)(10) where the company cited to 11 distinct reports, policy documents and webpages to show that it substantially implemented a proposal that requested a report on the company's management systems and processes for implementing its human rights policy commitments. *See also The Gap, Inc.* (Mar. 16, 2001) (proposal requesting a report on the child labor practices of the company's suppliers was excludable under Rule 14a-8(i)(10) where the company cited to a vendor code of conduct, website information, and the existence of several monitoring programs).

A. The Proposal should be excluded under Rule 14a-8(i)(10) because the Company's sustainability goals and practices already substantially implement the Proposal.

The Company's sustainability reports and other public disclosures regarding its sustainability goals and practices substantially implement the Proposal.³ As noted above, the Company's goal setting and periodic review processes for its 2030 sustainability goals already address the type of "just transition" concerns raised by the Proposal. The Proposal requests that the Company address the "impact of its climate change strategy" on relevant stakeholders, including "employees," and that the report should be consistent with ILO and WBA "just transition" guidelines. As the Proposal concedes, the Company has already adopted sustainability goals and practices, which are well-developed, periodically updated and address sustainability opportunities and challenges. The Company's existing 2030 sustainability goals are aligned with and informed by Goal 8 of the UN SGDs ("promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"), which encompasses just transition matters.

Exclusion Under Rule 14a-8(i)(10) Would be Consistent with Staff No-Action Letter Decisions

The Staff has permitted the exclusion of proposals concerning under Rule 14a-8(i)(10) where a company has existing policies, practices, and procedures in place that encompass the proposal's request. *See Hess Corp.* (Apr. 9, 2020) (proposal requesting a report on how the company planned to reduce its total contribution to climate change and align its operations and investments with the Paris Agreement was excludable under Rule 14a-8(i)(10) where the

³ See the Company's 2022 Sustainability Report, available at <https://www.republicservices.com/sustainability/reporting>. See also "Our 2030 Sustainability Goals" in the Company's Form 10-K for the fiscal year ended December 31, 2023, available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1060391/000106039123000008/rsg-20221231.htm>; "Sustainability and Corporate Responsibility" in the Company's 2023 Proxy Statement, available at https://www.sec.gov/ix?doc=/Archives/edgar/data/1060391/000156459023004660/rsg-def14a_20230512.htm.

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 14

company's 2019 CDP Climate Change Questionnaire, 2018 Sustainability Report, an investor presentation "and various other materials on the company's website" already substantially implemented the proposal); *Kohl's Corporation* (Jan. 16, 2020) (proposal requesting that the board report on the company's process for identifying and analyzing potential and actual human rights risks in the company's supply chain operations was excludable under Rule 14a-8(i)(10) where the company's Code of Ethics, Conflict Minerals Policy, Policy on Uzbekistan Cotton and other policies and initiatives already substantially implemented the proposal); *The Wendy's Company* (Apr. 10, 2019) (a similar proposal was excludable under Rule 14a-8(i)(10) where the company's Code of Conduct for Suppliers and other disclosures already substantially implemented the proposal); and *Mondelez International, Inc.* (Mar. 7, 2014) (a similar proposal was excludable under Rule 14a-8(i)(10) where the company's Supplier Expectations and Supply Chain Transparency and Labor Practices report, enterprise risk management program and other disclosures already substantially implemented the proposal). As noted above, the Company's 2030 sustainability goals already address the type of "just transition" concerns raised by the Proposal. The Company's Form 10-K for the fiscal year ended December 31, 2022 discloses that the Company has "aligned [its] 2030 goals with the following UN Sustainable Development Goals: (8) **Decent Work and Economic Growth**, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production and (13) Climate Action." (emphasis added). The Company's sustainability reports further discuss the alignment of the Company's 2030 sustainability goals with the UN SDGs. Consistent with the no-action letters cited above, the Company's public disclosures and sustainability reports address the call of the Proposal to such a degree as to substantially implement the Proposal, thus warranting exclusion under Rule 14a-8(i)(10).

CONCLUSION

Based on the foregoing analysis, we respectfully request that the Staff concur that the Company may exclude the Proposal and supporting statements from its 2024 proxy materials under Rule 14a-8(i)(7) and Rule 14a-8(i)(10).

* * * * *

The Company anticipates filing its 2024 proxy materials on or about April 2, 2024, and that such materials will need to be finalized for printing and distribution no later than March 27, 2024. Accordingly, the Company would appreciate receiving the Staff's response to this no-action request by March 20, 2024.

COVINGTON

Office of Chief Counsel
January 3, 2024
Page 15

If the Staff disagrees with the Company's view that it can omit the Proposal, we request the opportunity to confer with the Staff prior to the final determination of the Staff's position. If the Staff has any questions regarding this request or requires additional information, please contact me at (202) 662-5297.

Very truly yours,



Kerry Shannon Burke

cc: Catharine D. Ellingsen
Executive Vice President, Chief Legal Officer,
Chief Ethics & Compliance Officer, and Corporate Secretary
Republic Services, Inc.

Michael Pryce-Jones
International Brotherhood of Teamsters General Fund

Exhibit A

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

SEAN M. O'BRIEN

General President

25 Louisiana Avenue, NW
Washington, DC 20001



FRED E. ZUCKERMAN

General Secretary-Treasurer

202-624-6800
www.teamster.org

November 28, 2023

VIA EMAIL: [REDACTED]

VIA UPS DELIVERY

Catharine D. Ellingsen, Esq.
Executive Vice President, Chief Legal Officer,
Chief Ethics & Compliance Officer and Corp. Secy.
Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054

Dear Ms. Ellingsen:

On behalf of the International Brotherhood of Teamsters General Fund (the "Fund"), I hereby submit the enclosed proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8, to be included in the proxy statement of Republic Services, Inc., (the "Company") for its 2024 annual meeting of shareholders.

The Fund has continuously beneficially owned, for at least three years as of November 28, 2023, at least \$2,000.00 worth of the Company's common stock. Verification of this ownership is enclosed. The Fund intends to continue to hold such shares through the date of the Company's 2024 annual meeting of shareholders.

Mr. Pryce-Jones will be available to discuss this proposal with you on Wednesday, December 20, 2023, between 1-4:00 p.m. or on Thursday, January 4, 2024, between 10a.m.-2p.m. (EDT). You may also contact him directly at: [REDACTED] or [REDACTED] [REDACTED] to decide on a mutually agreeable time.

Sincerely,

A handwritten signature in black ink that reads "Fred Zuckerman". The signature is written in a cursive style.

Fred Zuckerman
General Secretary-Treasurer

FZ/mpj
Enclosures



Resolved: Shareholders request the Board of Directors prepare a report disclosing how Republic Services, Inc., is addressing the impact of its climate change strategy on relevant stakeholders, including but not limited to its employees, workers in its supply chain, and communities in which it operates, consistent with the "Just Transition" guidelines of the International Labor Organization and indicators of the World Benchmarking Alliance. The report should be prepared at reasonable cost, omitting proprietary information, and be available to investors.

Supporting Statement: At the 2021 UN Climate Change Conference, the United States agreed to the Just Transition Declaration, which aligns with the "Just Transition" guidelines in the International Labor Organization's Guidelines for a just transition towards environmentally sustainable economies and societies for all. The latter states an environmentally sustainable future requires "anticipating impacts on employment, adequate and sustainable social protection for job losses and displacement, skills development and social dialogue." (https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_432859.pdf) Those guidelines emphasize the "pivotal role" of employers "in bringing about social, economic and environmental sustainability with decent work and social inclusion."

The World Benchmarking Alliance's indicators include discrete, time-based indicators, including those tied to developing a just transition plan through consultation with affected stakeholders; mitigating the negative social impacts of the carbon transition on workers and communities; establishing a clear process for identifying job dislocation risks for workers and communities; and developing plans to retain and reskill workers for an inclusive workforce. (See <https://assets.worldbenchmarkingalliance.org/app/uploads/2021/07/Just-Transition-Methodology.pdf>.)

Republic Services has 2030 operational GHG emission reductions goals, consistent with the Science Based Targets initiative, and targets "Circular Economy" advancements in plastic recycling in its "Climate Leadership." Its fails to disclose, however, how this will be achieved in a manner consistent with Just Transition principles, despite the potential impact on employees and communities, particularly giving automation and artificial intelligence playing key roles in achieving these objectives.

Its 10-K notes using automated single-driver trucks decreases both "emissions" and "labor costs."

The technological advancements and business models behind plastic recycling also raise just transition issues for the millions of 'waste pickers' around the world. While ethical issues are most pronounced for workers in developing countries, the "introduction of robotic sorters for recycling – and artificial intelligence in general -- continues to raise ethical considerations around job security" in the US recycling industry (see <https://www.recyclingproductnews.com/article/40927/how-robotic-sorters-are-redefining-recycling>).

Republic Services' Sustainability Report simultaneously touts spending on "automation with AI" in capturing more recyclable material and in "support[ing] operations amid a challenged labor market." It re-opened its "Next-Gen" recycling facility in Plano, Texas – after a fire destroyed the original one – with half the labor thanks to automation and optical sorters.

With automation core to Republic Services' climate-strategy, there is an urgent need to develop a just transition plan to ensure its actions are fair and equitable to affected workers and communities.