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VIA EMAIL (SHAREHOLDERPROPOSALS@SEC.GOV)

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

Re: Tractor Supply Company – Request to Exclude Shareholder Proposal Submitted by The Green Century Equity Fund

Ladies and Gentlemen:

We are writing on behalf of our client, Tractor Supply Company, a Delaware corporation (the “Company”), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude a shareholder proposal and related supporting statement (the “Proposal”) submitted by The Green Century Equity Fund (the “Proponent”), from its proxy materials for its 2021 Annual Meeting of Shareholders (the “2021 Proxy Materials”). The Proposal was received by the Company on November 20, 2020. The Company requests confirmation that the Division of Corporation Finance (the “Staff”) will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from its 2021 Proxy Materials in reliance on the provisions of Rule 14a-8(i)(7), Rule 14a-8(i)(5), Rule 14a-8(i)(10) and Rule 14a-8(i)(3) under the Exchange Act described below.

In accordance with Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB No. 14D”), this letter and its attachments are being e-mailed to the Staff at shareholderproposals@sec.gov. As required by Rule 14a-8(j), this letter and its attachments are being filed with the Commission, and are concurrently being sent to the Proponent as notice of the Company’s intent to omit the Proposal from its 2021 Proxy Materials, no later than eighty (80) calendar days before the Company currently intends to file its definitive 2021 Proxy Materials with the Commission. Pursuant to Rule 14a-8(k) and SLB No. 14D, the Company requests that the Proponent concurrently provide to the undersigned a copy of any correspondence that is submitted to the Commission or the Staff in response to this letter.

Pursuant to the guidance provided in Section F of Staff Legal Bulletin No. 14F (Oct. 18, 2011), we ask that the Staff provide its response to this request to the undersigned via email at the address noted in the last paragraph of this letter.

I. The Proposal

The Proposal states:

Resolved: Shareholders request that the board of directors conduct an assessment, at reasonable cost and omitting proprietary information, of the reputational, regulatory, legal and financial risks posed by the Company's current practices regarding the sale of products demonstrated to be toxic to human and environmental health. The assessment should include recommendations for changes to policy and practice that the board deems appropriate.

The supporting statement accompanying the Proposal focuses exclusively on concerns related to pesticide use, and specifically the chemical glyphosate. A copy of the Proposal and supporting statement is attached hereto as Exhibit A.

II. Bases for Exclusion - Analysis

A. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7) Because it Relates to the Company's Ordinary Business Operations

1. Background on the Ordinary Business Standard Under Rule 14a-8(i)(7)

Rule 14a-8(i)(7) permits an issuer to exclude a stockholder proposal if it relates to the issuer's ordinary business operations. The Commission stated that the policy behind Rule 14a-8(i)(7) 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." *Release No. 34-40018* (May 21, 1998) (the "1998 Release").

In the *1998 Release*, the Commission identified two "central considerations" in applying the ordinary business operations exclusion: (1) the subject matter of the proposal and (2) whether the proposal seeks to "micro-manage" the Company. With respect to the first consideration, the Commission considers certain tasks to be "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." *1998 Release*.

The Proposal calls for a risk assessment, and the Staff has determined in prior no-action letters that framing a request for a report, including a report to assess certain risks, rather than a specific action, does not alter the underlying analysis of the Proposal under Rule 14a-8. As the Staff noted in Staff Legal Bulletin No. 14E (Oct. 27, 2007), "rather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk... we will consider whether the underlying subject matter of risk evaluation involves a matter of ordinary business to the company." Therefore, the subject matter of the risk assessment, report or requested action determines whether a proposal can be excluded from the proxy materials.

Although the Commission has stated that “proposals relating to such [ordinary business] matters but focusing on sufficiently significant social policy issues...generally would not be considered to be excludable,” the Staff has expressed the view that proposals relating to both ordinary business matters and significant social policy issues may be excluded in their entirety in reliance on Rule 14a-8(i)(7). *1998 Release*. In Staff Legal Bulletin No. 14I (Nov. 1, 2017) (“SLB No. 14I”), the Staff took the position that a proposal that raises ordinary business matters may be excluded, unless such proposal focuses on policy issues that are sufficiently significant because they transcend ordinary business and would be appropriate for a shareholder vote. In Staff Legal Bulletin No. 14H (Oct. 22, 2015), the Staff noted that “to transcend a company’s ordinary business, the significant policy issue must be ‘divorced from how a company approaches the nitty-gritty of its core business.’” “The focus of an argument for exclusion under Rule 14a-8(i)(7) should be on whether the proposal deals with a matter relating to *that* company’s ordinary business operations or raises a policy issue that transcends *that* company’s ordinary business operations” (emphasis added). Staff Legal Bulletin No. 14K (Oct. 16, 2019). When assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C (June 28, 2005).

2. *The Proposal May Be Excluded under Rule 14a-8(i)(7) Because it Relates to Products Offered by the Company*

Although the Proposal requests an assessment of risks related to “the sale of products demonstrated to be toxic to human and environmental health,” the supporting statement focuses exclusively on concerns related to pesticide use, and specifically the chemical glyphosate. It is clear that the substance of the Proposal relates to the Company’s sale of products. At a minimum, the Proposal would impose on the Company an obligation to re-examine the sale of certain products, which is an ordinary business matter.

In evaluating the Proposal, it is important to look at the Company’s business as a whole. The Company is the largest rural lifestyle retailer in the United States, with over 1,900 stores in 49 states and an e-commerce website. The Company serves the needs of recreational farmers, ranchers and all those who enjoy living the rural lifestyle. The Company offers an extensive mix of products necessary to care for home, land, pets and animals. The Company does not manufacture any products containing glyphosate. Decisions about which products to sell are complex, and the Company must constantly evaluate its product offerings in order to meet the needs of its customers. A multitude of factors go into decisions about what products to sell, including the preferences and needs of customers, the availability of suitable alternatives, the product’s impact on the Company’s environmental, social and governance (“ESG”) goals, the cost of the product, the risks associated with a product, and the availability of shelf space. While the Proposal implies that the use of products containing glyphosate is “toxic to human and environmental health,” the Environmental Protection Agency (the “EPA”), the country’s authority on the protection of human health and the environment, has concluded that “there are no risks of concern to human health when glyphosate is used according to the label and that it is not a carcinogen.” *See, Press Release, EPA, “EPA Finalizes Glyphosate Mitigation” (Jan. 30, 2020)*. Merchandising decisions are inherently complex and require expertise of the Company’s management to weigh, among the other considerations noted above, the analysis of authorities like

the EPA and others. As a result, shareholders as a group are not in a position to make an informed decision on such matters.

The Staff has consistently granted no-action relief pursuant to Rule 14a-8(i)(7) for shareholder proposals, like the Proposal, that relate to the sale of particular products and services. *See, e.g., JPMorgan Chase & Co.* (Mar. 19, 2019) (proposal requesting a report examining the politics, economics, and engineering for the construction of a canal through the Isthmus of Tehuantepec of Mexico was properly excluded under Rule 14a-8(i)(7) because the company's decision to provide banking services to companies engaged in such construction "relates to the products and services offered for sale by the company"); *The Home Depot, Inc.* (Mar. 21, 2018) (granting no-action relief to exclude a shareholder proposal to end the sale of glue traps); *TJX Companies, Inc.* (Apr. 16, 2018) (proposal asking the company to ban the sale of fur products in its store was properly excluded because the decision on which goods and services to provide is an ordinary business matter); and *Delta Air Lines, Inc.* (Mar. 28, 2018) (proposal requesting a report on the discriminatory effects of smaller cabin seat sizes on overweight and obese passengers was properly excluded because the proposal related to the company's provision of particular services).

Consistent with the examples above, the Proposal relates to the products the Company offers for sale. By its own terms, the Proposal requests that the Company evaluate its "practices regarding the sale of products..." and prescribes actions the Company must take related to the products it determines in the ordinary course of its business to offer to its customers. Because such matters relate to the day-to-day operation of the Company's business and are not proper for shareholder oversight, the Proposal should be excluded pursuant to Rule 14a-8(i)(7).

3. *The Proposal May Be Excluded Even Though It Requests an Assessment*

The Staff has also repeatedly allowed for the exclusion of proposals under Rule 14a-8(i)(7), where, similar to the Proposal, the proposal requests an assessment of potentially harmful or toxic substances used in the company's products, where the proposal relates to an assessment of risks associated with products the company sells, or where the proposal relates to company policies with respect to the products it sells. *See e.g., Wal-Mart Stores, Inc.* (Mar. 24, 2006) ("Wal-Mart 2006") (proposal requesting that the board issue a report evaluating the company's policies to minimize exposure to toxic substances in products sold by the company was excluded because the proposal related to the company's ordinary business); *Family Dollar Stores, Inc.* (Nov. 6, 2007; recon. denied Nov. 20, 2007) ("Family Dollar") (proposal requesting a report evaluating the company's policies and procedures for minimizing customers' exposure to toxic substances and hazardous components in its marketed products was excluded as relating to Family Dollar's ordinary business operations); *Walgreen Co.* (Oct. 13, 2006) ("Walgreen") (proposal asking the board to report on potential carcinogens and other toxins contained in its cosmetic products, and to describe options for new policies and procedures aimed at reducing the use of harmful chemicals in its products was excluded as relating to the company's ordinary business operations); *Amazon, Inc.* (Mar. 27, 2015) ("Amazon 2015") (granting no-action relief to exclude a proposal requesting disclosure of risks that could result from negative public opinion with respect to the treatment of animals used to produce products sold by the company); and *Wal-Mart Stores, Inc.* (Mar. 20, 2014) ("Wal-Mart 2014") (granting no-action relief to exclude a proposal requesting board oversight of

determinations regarding the sale of certain products that endanger public safety and well-being, or that could hurt the reputation of the company).

The Proposal is analogous to *Wal-Mart 2006*, *Family Dollar* and *Walgreen*, where in each instance, the respective stockholder requested an assessment of the impact of harmful toxins in the products sold by each company. Similarly, the Proposal requests an assessment related to “the Company’s current practices regarding the sale of products demonstrated to be toxic,” and should be excluded from the 2021 Proxy Materials because the assessment requested relates to the Company’s ordinary business. Additionally, the Proposal, exactly like the *Amazon 2015* proposal, requests an assessment of the financial and reputational risks associated with particular products the Company sells. Like *Amazon 2015*, the Proposal should be excluded because assessing the risks associated with the sale of products, even when those products are viewed as controversial or allegedly dangerous, is an ordinary business matter. *See also Wal-Mart 2014*. Finally, the Proposal, like *Walgreen*, requests recommendations on improvements to policies and procedures related to the sale of products, and because such policies and procedures are ordinary business matters, the Proposal should be excluded.

The fundamental business decision regarding which products to sell is well within the range of day-to-day business operations of the Company. Additionally, day-to-day operational decision-making involves the evaluation of risks associated with products the Company sells, as well as the appropriate policies and procedures related to the Company’s product offerings. These decisions, as described throughout this letter, are ordinary business decisions and are appropriate for determination by management and the Company’s Board of Directors (the “Board”). Therefore, the Proposal should be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(7).

4. *Any Policy Issue Raised by the Proposal Does not Transcend the Company’s Ordinary Business Operations*

In accordance with the established precedent discussed above, the Company believes that the Proposal deals with matters relating to its ordinary business operations. If the Staff were to disagree with the Company’s conclusion, the Company still asserts that the Proposal may be excluded because any policy issue raised by the Proposal does not transcend the Company’s ordinary business matters and would therefore not be appropriate for a shareholder vote.

In reading the Proposal and the supporting statement, it is evident that the policy underlying the Proposal is the impact that pesticides, and specifically the chemical glyphosate, have on human and environmental health. Although the Company agrees that the health, safety and well-being of its stakeholders is an issue of the utmost importance, the Company believes, after careful consideration, that the policy does not transcend the Company’s business because such considerations are related to the Company’s core business activities and embedded into the Company’s Mission and Values, which drive every business decision the Company makes and the way it interacts with its customers and Team Members.

In *EOG Resources, Inc.* (Feb. 26, 2018) (“EOG”), the Staff agreed that a shareholder proposal that sought to require the energy company to adopt new environmental sustainability policies did not transcend the company’s ordinary business because the company was constantly

evaluating how energy use and sustainability impacted its business. Specifically, energy efficiency had an impact on the company's bottom line, the company had an energy policy, and considered current and evolving energy policies when making business decisions. *See also McDonald's Corporation* (Mar. 22, 2019) (proposal requesting an assessment of the potential negative impacts stemming from campaigns targeting the company over concerns about cruelty to chickens was properly excluded under Rule 14a-8(i)(7), despite the significant social issue of animal cruelty, because the sale of chicken related to the company's ordinary business); *McKesson Corp.* (June 1, 2017) (proposal seeking a report on the company's process to safeguard against improper distribution of restricted medicines used for death row inmate executions was properly excluded under Rule 14a-8(i)(7), despite the significant social issues of the death penalty and the control of dangerous substances, because the proposal related to the company's sale and distribution of products); and *Amazon.com, Inc.* (Mar. 28, 2018) (proposal requesting that the company adopt a policy to ensure it does not place promotional or other marketing material on online sites or platforms that produce and disseminate content that expresses hatred or intolerance for people of diverse backgrounds was properly excluded under Rule 14a-8(i)(7), despite the important social issue of minority discrimination, because it related to the manner in which the company advertised its products).

Similar to *EOG*, as discussed above, the Company is constantly evaluating the risks associated with the products it offers or may offer to customers, including its policies and procedures to provide its products in a safe and sustainable manner. For example, prior to the receipt of the Proposal, as part of its regular business operations in 2020, the Company evaluated its lawn and garden product assortment, including the risks associated therewith, and took steps to reduce the number of products containing glyphosate from that assortment. The Company also increased the number of grass and weed control products that do not contain glyphosate in its product offerings. As a result of this recent analysis and action, any further assessment of the risks associated with of the Company's products would not result in any significant change to its offerings.

In addition, the financial impact of the sale of products containing glyphosate illustrates that the issue is not significant to the Company. The Company currently offers more than 100,000 products and less than 0.001% of those contain glyphosate. For the fiscal year ended December 28, 2019, sales of products containing glyphosate accounted for less than 1.0% of the Company's total sales, net income and assets, and the Company expects that the percentages for fiscal 2020 will be even smaller.

Finally, the Company values shareholder input, and seeks out such input through its shareholder engagement program. During the Company's regular communication with shareholders, management took notice that no other shareholder has expressed a concern regarding the Company's sale of products containing glyphosate.

After due consideration of the Company's business and the implications of the Proposal on the Company's business, the Company's management determined that it had analyzed a sufficient amount of information to render a conclusion regarding the Proposal and its significance to the Company. Based on the foregoing and other considerations management deemed relevant, management determined that the Proposal does not transcend the Company's ordinary business

operations. For all of the above reasons, the Proposal should be excluded from the 2021 Proxy Materials because it deals with matters relating to the Company's ordinary business operations and does not transcend the Company's day-to-day business matters.

5. *The Proposal Does Not Relate Solely to a Significant Social Policy Issue*

Although the Company's management does not believe that the Proposal involves a policy that transcends the Company's ordinary business, assuming *arguendo* that it does, the Proposal should be excluded under Rule 14a-8(i)(7) because it does not focus solely on the underlying social issue and instead focuses, at least in part, on ordinary business matters of the Company. If a proposal touches upon a policy issue that is so significant that the matter transcends ordinary business and is appropriate for a shareholder vote, the proposal can nonetheless be properly excluded under Rule 14a-8(i)(7) if the proposal does not focus solely on a significant policy issue or if it addresses, even in part, matters of ordinary business in addition to a significant policy issue. See e.g., *Wal-Mart 2006*, *Walgreen* and *Family Dollar* (each allowing proposals related to the significant issue of harmful consumer products to be excluded, because they each touched ordinary business matters); and *Amazon 2015* (proposal related to the transcending issue of animal cruelty was excluded because it related to "the products and services offered for sale by the company"). For the reasons set forth herein, the Company takes the position that the Proposal relates to its ordinary business, and therefore, even if the Staff disagrees with the Company and finds that the Proposal transcends the Company's ordinary business, the Proposal should nonetheless be excluded under Rule 14a-8(i)(7) because it does not exclusively relate to the policy issue.

B. The Proposal May Be Excluded Under Rule 14a-8(i)(5) Because it Relates to Operations That are not Economically Significant to the Company and is not Otherwise Significantly Related to the Company's Business

Rule 14a-8(i)(5) permits the exclusion of a shareholder proposal relating to operations which account for less than five percent of a company's (i) total assets at the end of its most recent fiscal year, (ii) net earnings for the most recent fiscal year, and (iii) gross sales for the most recent fiscal year, and that is not otherwise significantly related to the company's business.

Under this framework, the analysis of whether a proposal is "otherwise significantly related to the company's business" is "dependent upon the particular circumstances of the company to which the proposal is submitted." *SLB No. 14I*. In addition, "[w]here a proposal's significance to a company's business is not apparent on its face, a proposal may be excluded unless the proponent demonstrates that it is 'otherwise significantly related to the company's business,'" and that "[t]he mere possibility of reputational or economic harm will not preclude no-action relief. In evaluating the significance, the [S]taff will consider the proposal in light of the 'total mix' of information about the issuer." *Id.* (emphasis added). Accordingly, *SLB No. 14I* clarifies that a proponent who raises any social or ethical concerns underlying its proposal has the burden of demonstrating that the social or ethical considerations and the proposal are otherwise significantly related to the company's business.

As noted above, the Company sells more than 100,000 products in its stores, of which less than 0.001% contain glyphosate. At the end of the Company's fiscal year ended December 28,

2019, the sale of products containing glyphosate accounted for less than 1.0% of the Company's total sales, net income and assets. While final numbers are not yet available for fiscal 2020, the Company believes the percentages of sales, net income and assets from products containing glyphosate will not differ materially from fiscal 2019, and are likely to be less than the percentages for 2019, as the Company believes total sales grew by a greater percentage than sales of products containing glyphosate during fiscal 2020. Thus, it is clear that sales of products which contain glyphosate constitute an insignificant portion of the Company's business.

This is a clear case where the Proposal does not deal with a matter that is "significantly" related to the Company's business and is therefore excludable under Rule 14a-8(i)(5). In addition, the Proponent has the burden of tying the Proposal to a significant effect on the Company's business under SLB No. 14I, and it has failed to do so. While the Proponent notes in the supporting statement that "companies that merchandise pesticides, in particular those that pose risks to human health, within their product offerings *may* face a number of business risks, including *potential* reputational, regulatory, legal and competitive risks," the Proponent does not identify a specific risk faced by the Company, and the risks mentioned are remote and speculative. As noted by the Commission in SLB No. 14I, the "mere possibility of reputational or economic harm will not preclude no-action relief."

The Staff has consistently held that even though a proposal may touch on a social issue, the issue is not necessarily significantly related to the company's business. For example, in *Kmart Corp.* (Mar. 11, 1994), a shareholder submitted a proposal requesting that the company's board of directors review the Company's sale of firearms. In that matter, Kmart, also a large retailer, stated that sales of firearms accounted for "substantially less than 5% of the Company's total assets, net earnings and gross sales," and that "the limited scope of the Company's sale of firearms are simply not significantly related to the Company's business." The Staff concurred with Kmart's exclusion stating that the proposal was "not otherwise significantly related to the Company's business." Likewise, in *American Stores Co.* (Mar. 25, 1994), the Staff concurred with the company's argument to exclude a proposal to ban the sale of tobacco products in its stores pursuant to Rule 14a-8(i)(5). American Stores, a large food and drug retailer, estimated that "the sale of tobacco products accounted for less than 4% of its net earnings and 2% of its gross sales for its most recent fiscal year," and that the "[i]nventory of tobacco products represented less than 1% of the Company's total assets." American Stores also stated that "[t]obacco products are one among hundreds of categories of products sold, and are not, within the meaning of Rule 14-8[(i)](5), otherwise significantly related to the Company's business." *See also Dunkin' Brands Group, Inc.* (Feb. 22, 2018) ("Dunkin'") (concurring with the exclusion of a proposal under Rule 14a-8(i)(5) when the subject matter of the proposal related to operations that were financially *de minimis* to the company and was not otherwise significantly related to the company's business because of (i) the negligible impact on the company's bottom line, (ii) the remote and speculative risk the proponent claimed was associated with the failure to adopt the proposal; (iii) the disconnect between the proposal and the company's core business, and (iv) the fact that a similar proposal had been submitted before, but received little shareholder support).

The Proposal received by the Company is analogous to the foregoing shareholder proposals. As stated above, the sale of products targeted by the Proposal accounted for an insignificant portion of the Company's business. Moreover, due to the negligible sales of products

targeted by the Proposal, the risks cited in the Proposal are remote and speculative, and the Proponent has not provided any evidence to the contrary. The Proposal is exactly like *Dunkin'*, where the Staff allowed the company to exclude a proposal asking for an assessment of the “reputational, financial and operational risks” associated with using disposable cups that were harmful to the environment, because the proponent’s vague claims regarding the “threat to [the company’s] bottom line” were not enough to satisfy the proponent’s burden of tying the proposal to a significant effect on the company’s business. As such, there is a disconnect between the Company’s core business, supplying the needs of recreational farmers, ranchers, and all those who enjoy living the rural lifestyle, and the Proposal.

Based on the foregoing, including no finding of economic significance of the subject matter of the Proposal, the Proposal is not otherwise significantly related to the Company’s business. Accordingly, the Proposal should be excluded from the Company’s 2021 Proxy Materials pursuant to Rule 14a-8(i)(5).

C. The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because it has Already Been Substantially Implemented

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company “has already substantially implemented the proposal.” The Commission has consistently concluded that a proposal may be excluded when a company has already addressed each element of the proposal; however, companies need not have implemented each element in the precise manner suggested by the proponent (SEC Release No. 34-20091, Aug. 16, 1983). Additionally, the Commission has allowed for the exclusion of proposals where a specific aspect of the proposal is not implemented, but the proposal’s goal has otherwise been substantially achieved. *See e.g. Duke Energy* (Feb. 21, 2012). Ultimately, the actions taken by the company must have addressed the proposal’s “essential objective.” *See e.g. The Coca-Cola Co.* (Jan. 25, 2012, recon. denied Feb. 29, 2012) (proposal requesting a report relating to the risks associated with using Bisphenol A (BPA) in the company’s products was excluded as substantially implemented by the company’s current practices even though the company failed to address every aspect of the requested report). The Staff has stated that a “determination that the company has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices, and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (Mar. 28, 1991).

The essential objective of the Proposal is to reduce the Company’s sale of pesticides containing glyphosate, thereby reducing the Company’s alleged negative impact on “human and environmental health.” As discussed above, the Company continuously evaluates the risks associated with the products it offers. In connection with such risk evaluations, recommendations for changes to policy and practice are often recommended and subsequently adopted. In the broader context of reducing the Company’s alleged negative impact on “human and environmental health,” the Company continually evaluates its purpose-driven ESG efforts, programs and projects that benefit all of the Company’s key stakeholders. As discussed above, the Company has already recently analyzed the sale of products containing glyphosate and taken appropriate action in the ordinary course of its business.

Therefore, the Company's procedures, policies, guidelines and actions, as currently implemented, compare favorably with the Proposal's essential objective (i.e., reducing the Company's alleged negative impact on human and environmental health). Thus, the Proposal should be excluded under Rule 14a-8(i)(10).

D. The Proposal May Be Excluded Under Rule 14a-8(i)(3) Because The Proposal Is Impermissibly Vague and Indefinite So as to Be Inherently Misleading

A shareholder proposal may be excluded under Rule 14a-8(i)(3) if the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy solicitation materials. The Staff consistently excludes proposals where "the resolution contained in the proposal is so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." *Staff Legal Bulletin No. 14B* (Sept. 15, 2005). Further, a shareholder proposal may be properly excluded as inherently vague where the "meaning and application of terms and conditions . . . in the proposal would have to be made without guidance from the proposal and would be subject to differing interpretations" such that "any action ultimately taken by the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by the shareholders voting on the proposal." *Fuqua Industries, Inc.* (Mar. 12, 1991). Further, the Staff repeatedly allows for the omission of proposals that fail to define key terms. *See e.g., Citigroup Inc.* (Mar. 6, 2014) ("Citi") (proposal requesting the formation of a committee to develop a plan for the company to divest its "non-core banking business segments" was excluded as vague and indefinite because "non-core banking business segments" was not properly defined within the proposal); *Newell Rubbermaid Inc.* (Jan. 11, 2013) (proposal properly excluded as too vague because it failed to define the key concepts of "change-in-control" and "pro rata"); *Citigroup Inc.* (Feb. 22, 2010) (proposal seeking to amend the company's bylaws to establish a board committee on "US Economic Security" was inherently vague and indefinite because the term "US Economic Security" was undefined); and *Wendy's International, Inc.* (Feb. 24, 2006) (proposal properly excluded that requested a report on the progress made toward "accelerating development" of controlled atmosphere-killing, but failed to define the critical terms "accelerating" and "development").

Here, the terms of the Proposal are inherently vague because there is no way for the Company or the stockholders voting on the Proposal to determine what actions or measures the Proposal requires. The Proposal asks for an assessment of the risks related to "products demonstrated to be toxic to human and environmental health." However, the Proponent fails to define the terms "demonstrated" and "toxic" in either the Proposal or the supporting statement. Additionally, the supporting statement accompanying the Proposal focuses exclusively on concerns related to pesticide use, and specifically the chemical glyphosate, despite the fact that neither pesticides nor glyphosate are mentioned in the Proposal itself. The absence of guardrails to the terms "demonstrated" and "toxic," as well as the supporting statement's exclusive focus on pesticides and glyphosate, renders the Proponent's request impermissibly vague, as the Company and its stockholders cannot be certain as to the scope of the Proposal (i.e., does the Proposal relate to all pesticides, glyphosate only, or all products "demonstrated" to be "toxic?") Adding to the ambiguity, if the Proposal relates to all products "demonstrated" to be "toxic," what authority or

evidence defines toxicity, and at what point does a particular product “demonstrate” such toxicity?). As noted above, the EPA has concluded that “there are no risks of concern to human health when glyphosate is used according to the label and that it is not a carcinogen.” Many consumer products sold can be dangerous or toxic if used improperly, and any particular chemical used in a product could be considered toxic under some circumstances or harmful to certain persons, but not so in other circumstances or to other persons. Thus, without defining the terms “demonstrated” and “toxic,” the Company is left guessing as to which products the Proposal encompasses. The Company carries over 100,000 different products, less than 1.0% of which are classified as pesticides, and less than 0.001% of which contain glyphosate. The vagueness in the scope of the Proposal puts the Company and its stockholders in a position of not knowing if they are voting on a measure that relates to 100% or less than 0.001% of the Company’s product offerings, or something in between.

Similarly, in *Citi*, the proposal at issue requested specific board action with respect to the company’s “non-core banking segments,” but failed to properly identify what assets made up such segments. The Staff agreed that the *Citi* proposal could be excluded under Rule 14a-8(i)(3) because the proposal failed to properly define the assets underlying the requested board action. Likewise, the Proposal does not attempt to define which products (assets) underlie the requested Board assessment, causing the Proposal to be impermissibly vague, and therefore excludable from the 2021 Proxy Materials. Because of the Proposal’s vagueness, it is impossible for the stockholders or the Company to determine with any reasonable certainty what actions or measures the Proposal requires. Further, any action taken by the Company to implement the Proposal could be drastically different from what the stockholders of the Company envision when voting on the Proposal. The scope of the Proposal is unknown as currently articulated to the Company and therefore should be excluded under Rule 14a-8(i)(3).

Finally, in addition to the Proposal being excluded because it is impermissibly vague, it should also not be revised, because further revisions would not be minor in nature. In Staff Legal Bulletin No. 14 (CF) (July 13, 2001) (“SLB No. 14”), the Staff highlighted its “long-standing practice of issuing no-action responses that permit stockholders to make revisions that are minor in nature and do not alter the substance of the proposal,” in order to deal with proposals that “generally comply with the substantive requirements of the rule, but contain some relatively minor defects that are easily corrected.” However, as stated throughout, the defects contained in the Proposal are neither “relatively minor” nor “easily corrected.” The vagueness imposed by the lack of a definition for the terms “demonstrated” and “toxic,” as well as the supporting statement’s exclusive focus on pesticides and glyphosate, cannot be corrected by minor changes that “do not alter the substance of the proposal.” To the contrary, the ambiguities are the substance of the Proposal, and any revisions addressing the vagueness would effectively create a new proposal. Therefore, corrective revisions are impermissible under the terms of *SLB No. 14*.

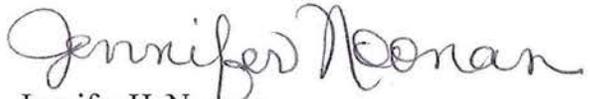
IV. Conclusion

For the reasons set forth above, the Company respectfully requests confirmation that the Staff will not recommend any enforcement action to the Commission if the Proposal is excluded from the 2021 Proxy Materials. Should the Staff disagree with the conclusions set forth in this

letter, the Company would appreciate the opportunity to confer with the Staff prior to the issuance of the Staff's response.

Should the Staff have any questions regarding this matter, please feel free to contact me at (615) 742-6265 or by email at jnoonan@bassberry.com.

Sincerely,


Jennifer H. Noonan

Cc: Benjamin F. Parrish, Jr., Tractor Supply Company (bparrish@tractorsupply.com)
Annalisa Tarizzo, Green Century Capital Management (atarizzo@greencentury.com)

Enclosures:

Exhibit A – Proponents' Proposal

Exhibit A
(see attached)

29451933.7



November 17, 2020

Benjamin Parrish
Executive Vice President, General Counsel and Corporate Secretary
Tractor Supply Company
5401 Virginia Way
Brentwood, TN 37027

Dear Mr. Parrish,

The Green Century Equity Fund hereby submits the enclosed shareholder proposal with the Tractor Supply Company (TSCO) for inclusion in the company's 2021 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

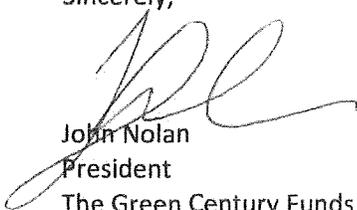
Per Rule 14a-8, the Green Century Equity Fund is the beneficial owner of at least \$2,000 worth of Tractor Supply's stock. We have held the requisite number of shares for over one year, and we will continue to hold sufficient shares in the company through the date of the annual shareholders' meeting. Verification of ownership from a DTC participating bank is enclosed.

Due to the importance of the issue and the fast-approaching filing deadline, we are filing the enclosed proposal for inclusion in the proxy statement for a vote at the next shareholders' meeting. Green Century is the lead filer of this proposal.

We look forward to discussing the subject of the enclosed proposal with company representatives. Please direct all correspondence to Annalisa Tarizzo, Shareholder Advocate at Green Century Capital Management. She may be reached via email at atarizzo@greencentury.com.

Thank you for your attention to this matter.

Sincerely,



John Nolan
President

The Green Century Funds



November 17, 2020

John Nolan
Senior Vice President, Green Century Capital Management, Inc.
President, Green Century Funds
[114 State Street, Suite 200, Boston, MA 02109](https://www.gccm.com/114-State-Street-Suite-200-Boston-MA-02109)

This letter is to confirm that as of November 17, 2020, UMB Bank, N.A. 2450, a DTC participant, in its capacity as custodian, held 2,892 shares of Tractor Supply Company on behalf of the Green Century Equity Fund. These shares are held in the Bank's position at the Depository Trust Company registered to the nominee name of Cede & Co.

Further, this is to confirm that the position in Tractor Supply Company Common Stock held by the bank on behalf of the Green Century Equity Fund has been held continuously for a period of more than one year, including the period commencing prior to November 17, 2019 and through November 17, 2020. During that year prior to and including November 17, 2020 the holdings continuously exceeded \$2,000 in market value.

Sincerely,

Bryan K. Kennedy
Mgr I/Operations Team
UMB Bank, n.a.

UMB Bank, n.a.

928 Grand Boulevard
Kansas City, Missouri 64106

[umb.com](https://www.umb.com)

Member FDIC

Whereas: Homeowners use up to ten times more pesticides per acre than farmers. Companies that merchandise pesticides, in particular those that pose risks to human health, within their product offerings may face a number of business risks, including potential reputational, regulatory, legal and competitive risks.

Numerous studies highlight the correlation between consistent pesticide exposure and increased cancer risk. According to the International Agency for Research on Cancer, glyphosate, the primary ingredient in Roundup, was classified as, “probably carcinogenic to humans.” Analysis from the University of Washington found that glyphosate could increase the risk of cancer to those exposed to the chemical by 41 percent.

A Consumer Reports survey found that pesticides are a concern for 86 percent of Americans who also believe that it is critical to reduce pesticide exposure. A Friends of the Earth campaign calling on Home Depot and Lowe’s to stop selling glyphosate-based products has been supported by 66 nonprofits and over 157,000 consumers. As consumer awareness grows, Tractor Supply’s current practices could pose reputational damage to the Company.

Regulatory actions are increasing, and the continued sale of certain pesticides will require Tractor Supply to comply with an increasingly complex patchwork of restrictions. Twenty five U.S. states have some sort of regulation on synthetic pesticides in place and dozens of cities have legislated full or partial bans of glyphosate locally, such as Boulder, CO; Los Angeles County, CA; Miami, FL; Chicago, IL; Portland, OR and others.

Furthermore, Bayer AG, owner of Roundup maker Monsanto, has been faced with 125,000 legal claims as of November 2020, most of which allege that the consistent use of Roundup has led to cancers such as non-Hodgkin’s Lymphoma. Bayer’s stock price dropped over 40% after acquiring Monsanto in 2018, and the company now owes billions of dollars in damages. Home improvement retailers like Home Depot and Lowe’s have been sued over insufficient consumer warnings of Roundup’s cancer risk, and Tractor Supply could face similar legal action.

In light of these consumer, regulatory and legal trends, companies have committed to eliminating products that are demonstrated to be dangerous to human and environmental health, potentially leaving laggards subject to competitive disadvantage and reputational risk:

- In May 2019, Costco announced that it would stop selling Roundup and other glyphosate-based products.
- In May 2020, European home improvement retailer B&Q announced it would phase out glyphosate-based products.

Tractor Supply, in contrast, does not provide sufficient information including goals, metrics, or progress to determine how it is effectively managing pesticides and other toxic chemicals in its product offerings and the associated business risks.

Resolved: Shareholders request that the board of directors conduct an assessment, at reasonable cost and omitting proprietary information, of the reputational, regulatory, legal and financial risks posed by the Company’s current practices regarding the sale of products demonstrated to be toxic to human and environmental health. The assessment should include recommendations for changes to policy and practice that the board deems appropriate.