

January 20, 2025

VIA ONLINE PORTAL SUBMISSION

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

Re: *Amazon.com, Inc.*  
*Shareholder Proposal of Stanley Monroe and Laurie Carson*  
*Securities Exchange Act of 1934—Rule 14a-8*

Ladies and Gentlemen:

This letter is to inform you that our client, Amazon.com, Inc. (the “Company”), intends to omit from its proxy statement and form of proxy for its 2025 Annual Meeting of Shareholders (collectively, the “2025 Proxy Materials”) a shareholder proposal (the “Proposal”) and statements in support thereof (the “Supporting Statement”) submitted by Arjuna Capital on behalf of Stanley Monroe and Laurie Carson (the “Proponents”).

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

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

## THE PROPOSAL

The Proposal and Supporting Statement state in relevant part:

**Resolved:** Shareholders request Amazon report on *median* pay gaps across race and gender, including associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining talent. The report should be prepared at reasonable cost, omitting proprietary information, litigation strategy and legal compliance information.

Racial/gender pay gaps are defined as the difference between non-minority and minority/male and female *median* earnings expressed as a percentage of non-minority/male earnings (Wikipedia/Organization for Economic Cooperation and Development, respectively).

**Supporting Statement:** An annual report adequate for investors to assess performance could, with board discretion, integrate base, bonus and equity compensation to calculate:

- percentage median gender pay gap, globally and/or by country, where appropriate
- percentage median racial/minority/ethnicity pay gap, US and/or by country, where appropriate

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

## BASIS FOR EXCLUSION

As discussed below, we hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal seeks to micromanage the Company.

## ANALYSIS

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

### *A. Background On The Ordinary Business Standard.*

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing

certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. *Id.* The first of those considerations is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration concerns "the degree to which the proposal seeks to 'micro-manage' 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.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

With respect to the micromanagement prong of Rule 14a-8(i)(7), the 1998 Release further states that "[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific . . . methods for implementing complex policies." In Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), the Staff stated that in considering arguments for exclusion based on micromanagement, the Staff "will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." The Staff stated that in assessing whether proposals are appropriate for shareholder action, it also would consider "references to well-established national or international frameworks when assessing proposals related to disclosure." *Id.* The Staff's approach is "consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters." *Id.*

The Staff has determined that proposals that seek to impermissibly micromanage a 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), regardless of whether the proposal addresses a significant social policy. 1998 Release. The Staff has repeatedly confirmed that the micromanagement basis of exclusion also applies to proposals that call for a study or report and, therefore, a proposal that seeks an intricately detailed study or report may be excluded on micromanagement grounds. In assessing whether a proposal micromanages by seeking to impose specific methods for implementing complex policies, the Staff evaluates not just the wording of the proposal but also the action called for by the proposal and the manner in which the action called for under a proposal would affect a company's activities and management discretion. *See The Coca-Cola Co.* (avail. Feb. 16, 2022) and *Deere & Co.* (avail. Jan. 3, 2022) (each of which involved a broadly phrased request but required detailed and intrusive actions to implement).

*B. The Proposal Is Excludable Because It Seeks To Micromanage The Company.*

The Proposal seeks to micromanage the manner in which the Company measures and manages the complex issue of maintaining equitable pay across the Company's worldwide operations by requesting a highly prescriptive and detailed report that would require the

Company to assemble, calculate, and analyze extensive information in granular detail. The report would cover “median pay gaps across race and gender” and requests that the report be prepared annually and be presented, as to gender pay, on a global, U.S.-specific, and/or country-by-country basis, where appropriate. The Proposal would thus require the Company to calculate the median compensation paid to each listed category of employees—female employees, male employees, minority employees, and non-minority employees—then compare the median employee for each such category against the set of employees that excludes that specific category. These calculations are further complicated by the request to present the gender-specific disclosure for employees “globally and/or by country” and the racial/minority/ethnicity disclosure for employees in the “US and/or by country, where appropriate.” Regarding the racial/minority/ethnicity pay gap information, the required calculations are further complicated by the fact that the nature of racial/minority/ethnic disparities as well as the racial and ethnic composition of underrepresented groups, can vary greatly from region to region, even within the same country. Moreover, the laws of some countries prohibit employers from collecting race and ethnicity information from employees, as recognized by Institutional Shareholder Services (“ISS”) in a 2020 report.<sup>1</sup> Compilation of the requested report would thus require the Company to determine on a jurisdiction-by-jurisdiction basis what types of information can be lawfully gathered regarding its employees, and in jurisdictions where feasible to gather information about a person’s race or ethnicity, to analyze what constitutes racial or ethnic “minorities” in every location. The Proposal provides that such reports be included “where appropriate,” which means the Company would not only be required to determine whether it is lawful to gather certain, often sensitive, personal information, but also whether doing so would be “appropriate” in each circumstance (e.g., taking into account cultural sensitivities, practical concerns, economic feasibility, etc.).

Once the Company makes all of the determinations and calculations described above, the Proposal requests that the Company then analyze and discuss any “associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining talent” arising from such data. Such a request would require the Company to compare the pay gap information to recruitment and retention information gathered for the same categories of employees in order to report on any “risks related to recruiting and retaining talent” associated with any pay gaps.

Moreover, the calculations and disclosures prescribed in the Proposal lack “references to well-established national or international frameworks” and are more detailed than the disclosures provided by most of the Company’s peers and other public companies. SLB 14L.

The extent to which the Proposal seeks to micromanage the Company is comparable to that of other proposals requiring the compilation and analysis of extensive information where the Staff has concurred in exclusion under Rule 14a-8(i)(7). For example, the extent of detailed data collection and analysis that would be required under the Proposal is comparable to that addressed in *Home Depot, Inc. (Jessica Wrobel)* (avail. Mar. 21, 2024). In *Home Depot*, the

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<sup>1</sup> See U.S. Environmental & Social Shareholder Proposals, 2020 Proxy Season Review, ISS, October 20, 2020, at 12.

proposal requested that the company prepare a living wage report, including the number of workers paid less than a living wage broken down into specified categories, “[b]y how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage,” and the living wage benchmark or methodology used for such disclosures. The company characterized the proposal as requiring an unusual and highly prescriptive format for which there was no well-established national or international framework and as requiring the assembly of granular detail to calculate the requested “living wage” amount and provide specific calculations and statistics based on comparisons of various amounts. The company explained that each element of that process required the collection of data that was not readily available and could be complex. The Staff concurred that the proposal sought to micromanage the company and thereby was excludable under Rule 14a-8(i)(7). See also *Amazon.com, Inc.* (avail. Apr. 1, 2024) (same).

Similarly, in *Delta Air Lines, Inc.* (avail. Apr. 24, 2024) the Staff concurred that a proposal asking the company to report on “expenditures that are intended or could be viewed as intended to dissuade employees from joining or supporting unions” could be excluded because it sought to micromanage the company where the company pointed out that the proposal would have required it to dig into granular detail to evaluate the costs of numerous routine management actions related to management of its workforce. In *Delta Air Lines*, the company argued that the information required by the proposal would delve deeply into ordinary business operations, noting that workforce management matters are “multi-faceted, complex and based on a range of considerations, and they are the subject of laws of multiple states and foreign countries.” See also *Air Products and Chemicals, Inc.* (avail. Nov. 29, 2024) (concurring with the exclusion of a proposal requesting a report, updated annually, disclosing the company’s policy and procedures governing direct and indirect lobbying and grassroots lobbying communications, the recipient and the amount of payments used for direct or indirect lobbying or grassroots lobbying communications, the company’s membership in and payments to any tax-exempt organization that writes and endorses model legislation, and a description of management’s decision-making process and the board’s oversight for making the aforementioned payments).

The Staff has also granted relief on micromanagement grounds with respect to proposals seeking to inappropriately limit company or board discretion by imposing specific methods for analyzing and reporting on complex matters. For example, in *Walmart Inc. (Green Century Capital Management)* (avail. Apr. 18, 2024), the Staff concurred with the exclusion of a proposal that requested that the company disclose a product category breakdown of the GHG emissions from specific product lines. The company argued that the request would replace management’s judgment by dictating the company’s approach to GHG emissions reporting “beyond the well-established international reporting framework in the GHG Protocol.” See also *Tractor Supply Co.* (avail. Mar. 18, 2024) (similar); *Amazon.com, Inc.* (avail. Apr. 7, 2023, *recon. denied* Apr. 20, 2023) (“*Amazon 2023*”) (concurring with the exclusion of a proposal requesting the company measure and disclose Scope 3 greenhouse gas emissions from the company’s full value chain by imposing a specific method for implementing a complex policy without affording discretion to management). Similarly, in *Bank of America Corp. (Warren Wilson College)* (avail. Feb. 29, 2024, *recon. denied* Apr. 15, 2024), the Staff concurred with the exclusion of a proposal requesting that, for each of its sectors with a Net Zero-aligned target, the company disclose the

proportion of emissions attributable to clients that were not aligned with a credible Net Zero pathway, where the company argued that the proposal micromanaged the company by imposing a specific method for sector emissions reporting, which limited management's discretion and was inconsistent with the company's stated strategy; *JPMorgan Chase & Co. (Brian Patrick Kariger Revocable Trust)* (avail. Mar. 29, 2024); *Morgan Stanley* (avail. Mar. 29, 2024); *Wells Fargo & Co. (Warren Wilson College)* (avail. Mar. 6, 2024, recon. denied Apr. 15, 2024); *The Goldman Sachs Group, Inc.* (avail. Mar. 4, 2024, recon. denied Apr. 15, 2024) (each similar).

Likewise, in *Paramount Global (National Center for Public Policy Research)* (avail. Apr. 19, 2024) the proposal requested disclosure of the recipients of corporate charitable contributions of \$5,000 or more "along with the amount contributed and any material limitations or monitoring of the contributions." The company argued that the proposal would inappropriately limit the company's discretion in choosing the form and substance of its charitable giving disclosure when the company already provided public disclosures related to its charitable giving but not in the level of detail requested by the proposal. The Staff concurred that the proposal could be excluded because it sought to micromanage the company.

As in the precedents described above, the Proposal here is excludable because it is overly granular and requests specific disclosures beyond what the Company has determined to include in its public reporting. As such, the Proposal is not seeking to provide "high-level direction on large strategic corporate matters," but instead seeks to micromanage how the Company is measuring and managing the complex issue of maintaining equitable pay across the Company's operations. The Company already reports on its pay policies and practices, including annually providing information on compensation by gender and by race/ethnicity that analyzes the work of people performing comparable jobs and controls for other factors like geography. Unlike the calculation favored by the Proponents, the Company's chosen form of pay gap measure accounts for factors such as cost of living, job function and level, job experience and tenure, level of education, labor force participation rates, country currency, and geography that impact differences in compensation. These existing disclosures reflect the Company's choice of information and statistics that it has determined are most practical and productive to management in developing and monitoring the Company's compensation policies and practices. Notably, the Proposal recognizes that the Company "currently discloses *adjusted* racial and gender pay gaps" but seeks to second-guess the Company's chosen form of pay equity calculations and disclosures with a different calculation favored by the Proponents. Not only would the Proposal impermissibly limit management's discretion in developing pay equity disclosures, but it would also require the Company to undertake granular and detailed actions in order to implement the Proposal's request, as described above. The Proposal thus attempts to prescribe how the Company tracks and reports on pay equity, despite acknowledging that the Company already includes similar disclosures in its reporting, and as such, the Proposal is exactly the type that the 1998 Release and SLB 14L recognized as appropriate for exclusion under Rule 14a-8(i)(7).

As in *Amazon 2023*, where the proposal attempted to dictate how the Company measured and disclosed its Scope 3 greenhouse gas emissions and the Company argued that doing so



“disregards the complex principles, tradeoffs, and business goal considerations” involved, the Proposal here is excludable because it ignores the fact that pay equity disclosures are highly complex and based on a range of considerations related to the day-to-day operations of the business. The Proposal requests that the report include a discussion of “risks related to recruiting and retaining talent” and the Supporting Statement repeatedly raises concerns about “employees’ career mobility” and “public scrutiny around [the Company’s] pay and promotion practices” asserting the Proponents’ preferred median pay gap disclosure is necessary as a means to “improve hiring, retention, and promotion practices,” including to “improve[] employee recruitment and retention rates” and contribute to “superior stock performance and return on equity.” The Proposal thus seeks to inject shareholders into the Company’s strategy for pay policies and practices and the multitude of complex human capital management considerations that underlie employee recruitment and retention, including decisions related to total compensation (base compensation, cash bonuses, and stock), employee benefits, competition for talent, leadership development programs and mentorship opportunities, and other Company initiatives. These matters involve complex and nuanced issues that are not appropriate for direct shareholder oversight.

We are aware that in *Bank of America Corp. (Cassilly & Konhaus)* (avail. Feb. 21, 2019) and *MasterCard Inc.* (avail. Apr. 24, 2019), the Staff did not concur with the exclusion on Rule 14a-8(i)(7) micromanagement grounds of two proposals requesting a report on each company’s global median gender pay gap, including associated reputational, competitive, and operational risks, and risks related to recruiting and retaining female talent. We believe both precedents are distinguishable from this Proposal. Specifically, while the proposals in *Bank of America* and *MasterCard* requested the “percentage *global median* pay gap between male and female employees across race and ethnicity,” here, the Proposal explicitly requests a separate calculation for the median racial/minority/ethnicity pay gap (in addition to the median gender pay gap) presented for the United States or by country, where appropriate, which would necessitate an incredible amount of analysis and complexity for each jurisdiction where the Company has employees, as described above. As such, the Proposal is more comparable to the proposal considered in *Home Depot* and the other recent precedents discussed above.

In summary, the Proposal seeks to micromanage the Company by probing too deeply into matters of a complex nature and seeking disclosure of intricate details regarding the Company’s pay policies and practices. In this regard, the Proposal does not “preserve management’s discretion on ordinary business matters” and does not seek to provide “high-level direction on large strategic corporate matters.” See SLB 14L. Instead, the Proposal seeks to restrict management discretion and interject shareholders into the complex decision-making process of how to best measure and manage the Company’s strategy regarding its compensation policies and practices and “inappropriately limits discretion of the board or management.” Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company with respect to its pay equity disclosures.

## CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2025 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to [shareholderproposals@gibsondunn.com](mailto:shareholderproposals@gibsondunn.com). If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Mark Hoffman, the Company's Vice President, Associate General Counsel, and Assistant Secretary, at (206) 266-2132.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Mark Hoffman, Amazon.com, Inc.  
Natasha Lamb, Arjuna Capital



EXHIBIT A

## Racial and Gender Pay Gap Reporting

**Whereas:** Narrowing pay gaps is associated with improved employee recruitment and retention rates, as well as superior stock performance and return on equity.<sup>1</sup>

To narrow these gaps, studies show that transparency is key.<sup>2</sup> Many countries including the United Kingdom, Ireland, Australia, and soon the EU, actually mandate companies disclose median gender gaps because they recognize transparency improves pay gap performance.

Investors agree: over the last four years, about 30 percent of Amazon's shareholders have called on Amazon to disclose median racial and gender pay gaps as a means to improve hiring, retention, and promotion practices.<sup>3</sup>

Unfortunately, Amazon continues to face public scrutiny around its pay and promotion practices, despite a stated commitment to career mobility. For instance, a recent audit found that Amazon's warehouse workers believe there are inequities in how Amazon treats employee promotions, acknowledging a disparity between our Company's communication and employees' perceptions.<sup>4</sup> Amazon has also faced numerous lawsuits alleging discrimination in promotion rates and its corporate leveling system for women and minorities.<sup>5</sup>

Investors believe disclosing median racial and gender pay gaps would provide the transparency necessary to address employees' career-mobility concerns, while providing a driver to improve company performance.

Notably, median pay gaps measure the company-wide median pay of women and minorities versus men and non-minorities, respectively, allowing companies to identify and work to narrow pay gaps and disparities in career mobility. And while Amazon currently discloses *adjusted* racial and gender pay gaps, these metrics only assess pay disparities for employees in similar positions, ignoring career mobility, including hiring, retention, and promotion practices.

**Resolved:** Shareholders request Amazon report on *median* pay gaps across race and gender, including associated policy, reputational, competitive, and operational risks, and risks related to recruiting and retaining talent. The report should be prepared at reasonable cost, omitting proprietary information, litigation strategy and legal compliance information.

Racial/gender pay gaps are defined as the difference between non-minority and minority/male and female *median* earnings expressed as a percentage of non-minority/male earnings (Wikipedia/Organization for Economic Cooperation and Development, respectively).

**Supporting Statement:** An annual report adequate for investors to assess performance could, with board discretion, integrate base, bonus and equity compensation to calculate:

- percentage median gender pay gap, globally and/or by country, where appropriate
- percentage median racial/minority/ethnicity pay gap, US and/or by country, where appropriate

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<sup>1</sup><https://static1.squarespace.com/static/5bc65db67d0c9102cca54b74/t/660eae03139aa96bf67eabe3/1712238084312/Arjuna+Capital+-+Racial+and+Gender+Pay+Scorecard+2024.pdf>

<sup>2</sup> Ibid.

<sup>3</sup> [https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465924065117/tm2414140d1\\_8k.htm](https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465924065117/tm2414140d1_8k.htm);  
[https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465923065457/tm2315877d1\\_8k.htm](https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465923065457/tm2315877d1_8k.htm);  
[https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465922065872/tm2215904d1\\_8k.htm](https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000110465922065872/tm2215904d1_8k.htm);  
<https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000101872421000012/amzn-20210526.htm>

<sup>4</sup> <https://assets.aboutamazon.com/ed/8e/1c328d464449a04defbf8b0987d3/83024-final-amazon-external-report.pdf>

<sup>5</sup> <https://bmclaw.com/2024/10/female-employees-sue-amazon-over-gender-discrimination-and-retaliation/>