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February 26, 2025

VIA ONLINE SUBMISSION

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

**Re: lululemon athletica inc.
Stockholder proposal from Oklahoma Tobacco Settlement Endowment Trust
Securities Exchange Act of 1934 – Rule 14a-8
Request for No-Action Letter**

Ladies and Gentlemen:

On behalf of our client, lululemon athletica inc., a Delaware corporation (the “Company”), we are submitting this letter in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934 (the “Exchange Act”) to advise you of the Company’s intent to exclude from its proxy statement and form of proxy for its 2025 annual meeting of shareholders (the “2025 Proxy Materials”) the attached stockholder proposal (the “Proposal”) and related statement in support (the “Supporting Statement”) submitted by Bowyer Research, Inc., on behalf of the Oklahoma Tobacco Settlement Endowment Trust (the “Proponent”).

For the reasons explained below, we request, on behalf of the Company, confirmation that the staff (the “Staff”) of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the “Commission”) will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal and the Supporting Statement from its 2025 Proxy Materials in reliance on the provisions of Rule 14a-8(i)(3), Rule 14a-8(i)(5), and Rule 14a-8(i)(7) under the Exchange Act. The Company has advised us as to the factual matters described below.

This letter is being submitted to the Commission via the Commission’s online shareholder proposal portal. In accordance with Rule 14a-8(j), this letter and its attachments are concurrently being sent to the Proponent, through its designated agent, as notice of the Company’s intent to omit the proposal from its 2025 Proxy Materials.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or Staff. Accordingly, by copy of this letter we hereby notify the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this



Office of Chief Counsel
February 26, 2025
Page Two

Proposal, a copy of that correspondence should be provided concurrently to the undersigned on behalf of the Company.

A. The Proposal

The Proposal includes the following proposed resolution for the vote of the Company's shareholders at its 2025 annual meeting of shareholders:

Resolved: Shareholders request that the Board of Directors of Lululemon Athletica report to shareholders annually, at reasonable expense and excluding confidential information, an analysis of how Lululemon's charitable partnerships impact its risks related to discrimination against individuals based on their speech or religious exercise.

A full copy of the Proposal and the Supporting Statement are attached as Exhibit A.

B. Basis for Exclusion

As discussed more fully below, the Company believes it may properly exclude the Proposal from its 2025 Proxy Materials under any of the following rules: Rule 14a-8(i)(3), because the Proposal is impermissibly vague and indefinite to the point of being inherently misleading; Rule 14a-8(i)(5), because the Proposal concerns a matter that is not economically significant or otherwise significantly related to the Company's business; and Rule 14a-8(i)(7), because the Proposal's subject matter directly relates to the Company's ordinary business operations, does not focus on a significant policy issue that transcends the Company's ordinary business operations, and seeks to micromanage the Company.

1. The Proposal May Be Excluded Under Rule 14a-8(i)(3) Because It Is Impermissibly Vague and Indefinite, Rendering It Inherently Misleading

The Proposal is excludable under Rule 14a-8(i)(3) because it is so vague and indefinite that neither shareholders voting on it nor the Company in implementing it (if adopted) would be able to determine with reasonable certainty what actions or measures it requires.

(a) Rule 14a-8(i)(3) and the Standard for Exclusion

Rule 14a-8(i)(3) permits exclusion of a shareholder proposal from a company's proxy materials if it violates the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy solicitations. Specifically, Rule 14a-9(a) states:

"No solicitation subject to this regulation shall be made by means of any proxy statement, form of proxy, notice of meeting or other communication, written or oral, containing any statement which, at the



Office of Chief Counsel
February 26, 2025
Page Three

time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact...”

The Commission has long recognized that a proposal may be misleading if it is so vague that neither shareholders nor the company can determine what it requires. See *New York City Employees’ Retirement System v. Brunswick Corp.*, 789 F. Supp. 144, 146 (S.D.N.Y. 1992) (holding that shareholders “are entitled to know precisely the breadth of the proposal on which they are asked to vote”).

In Staff Legal Bulletin No. 14B (Sept. 15, 2004) (“SLB 14B”), the Staff clarified that a proposal may be excludable if it is so vague or indefinite that shareholders and the company could interpret it in multiple, conflicting ways. The Commission has consistently agreed with the exclusion of proposals where:

- The proposal lacks guidance on key terms, leading to differing interpretations, such that any action taken by the company may differ significantly from what shareholders intended. See *Fuqua Industries, Inc.* (Mar. 12, 1991).
- The language is so broad that it is unclear what specific actions or measures the company would be required to take. See *The Walt Disney Co.* (Grau) (Jan. 19, 2022) (excluding a proposal prohibiting communications reflecting “politically charged biases” because neither the company nor shareholders could determine what it required).
- Undefined terms create ambiguity as to the scope of the proposal. See *The Boeing Company* (Feb. 23, 2021) (excluding a proposal requiring 60% of directors to have an “aerospace/aviation/engineering executive background” because that term was undefined).

(b) The Proposal Fails to Clearly Define Key Terms, Making It Impossible to Determine Its Scope

The Proposal requests that the Company publish an annual report analyzing how its charitable partnerships impact “risks related to discrimination against individuals based on their speech or religious exercise.” However, the Proposal is impermissibly vague because it does not define critical terms or provide meaningful guidance on key issues, making it impossible for shareholders to understand what they are voting on or for the Company to implement the Proposal in a manner consistent with shareholder expectations.

(1) The Proposal Fails to Define What “Risks” Should Be Included in the Report

The Proposal does not specify what types of “risks” the report should address. The Company faces numerous categories of risk, including business risks, legal risks, compliance risks, and reputational risks.



Office of Chief Counsel
February 26, 2025
Page Four

The Proposal does not clarify whether it is referring to financial risks, regulatory risks, litigation risks, or other forms of potential harm. Without such clarification, shareholders cannot determine the intended focus of the report, and the Company would have no way to ensure that its response aligns with shareholder expectations.

(2) The Proposal Creates Significant Ambiguity by Failing to Identify Which “Individuals” it Seeks to Protect

The Proposal is unclear about which “individuals” are purportedly at risk of discrimination based on their speech or religious exercise. It does not specify whether this term refers to the Company’s employees, customers, suppliers, shareholders, or members of the public more broadly. Without this crucial clarification, shareholders cannot determine the intended scope of the requested report, and the Company would have no clear standard for implementing the Proposal. For example, does the Proposal seek an analysis of the risks faced by employees who express religious beliefs in the workplace? Customers whose views are controversial? Public figures affiliated with the Company in some way? Each of these interpretations could lead to materially different outcomes, making it impossible for the Company to produce a report that aligns with stockholder expectations.

Further complicating the issue, the Supporting Statement veers away from the Proposal’s stated focus on risks related to speech and religious exercise and instead emphasizes the Company’s alleged involvement in divisive political and social debates. Rather than addressing specific instances of discrimination against individuals for their speech or religious beliefs, the Supporting Statement appears to be concerned primarily with the public stances of the Company’s “charitable partnerships” and charitable contributions on broader political issues. This disconnect creates further ambiguity about what shareholders would actually be voting on – whether they would be endorsing an analysis of risks to individuals’ free expression or religious rights or, instead, taking a position on the Company’s “charitable partnerships” engagement in politically charged debates.

This inconsistency makes the Proposal inherently vague and misleading under Rule 14a-8(i)(3). Because shareholders may interpret the Proposal in different ways, and because the Supporting Statement introduces an entirely separate focus from the Proposal’s stated objective, neither the Company nor shareholders can determine with reasonable certainty what actions the Proposal actually requires.

(3) The Proposal’s Focus on “Speech” and “Religious Exercise” Are Inconsistent and Undefined

The Proposal claims to focus on risks related to discrimination against individuals based on their speech or religious exercise. However, the Supporting Statement shifts the emphasis away from this stated focus and instead highlights a broad and unrelated set of political and social issues, including topics such as abortion, economic systems, law enforcement policies, and gender-related rights and roles. Rather than



Office of Chief Counsel
February 26, 2025
Page Five

discussing specific risks related to the speech or religious exercise rights of individuals, the Supporting Statement appears more concerned with the public stances of the Company's "charitable partnerships" on controversial and divisive political debates.

This disconnect creates substantial ambiguity regarding the specific issues on which shareholders would be voting. A shareholder who supports analyzing risks related to discrimination based on speech or religion may not intend to endorse a broader examination of the involvement in contentious political matters of the recipients of the Company's charitable contributions. Likewise, if the Proposal were adopted, the Company would have no clear guidance on whether it is expected to produce a report about risks related to individuals' free expression and religious rights or, instead, to assess the consequences of the engagement in hotly debated social and political issues by the recipients of the Company's charitable contributions.

Because the Proposal and the Supporting Statement present two conflicting and potentially unrelated objectives, the Proposal is impermissibly vague and misleading under Rule 14a-8(i)(3). Neither shareholders nor the Company can determine with reasonable certainty what the Proposal actually requires, making its implementation inherently subjective and open to significantly different interpretations.

(c) The Proposal Cannot Be Amended Without Substantially Altering Its Meaning

The ambiguities in the Proposal cannot be resolved through minor revisions. To clarify its intent, the Proponent would need to introduce substantive definitions (e.g., defining "risks" and "individuals") and significantly revise the Supporting Statement to align with the Proposal's stated focus on speech and religious exercise.

As SLB 14B explains, the Staff allows minor edits to fix technical issues but does not permit extensive revisions that would materially alter the substance of a proposal. Here, the level of revision needed to clarify the Proposal's intent would be so extensive that it would transform it into a fundamentally different proposal.

(d) The Proposal is Impermissibly Vague and Misleading and Should be Excluded

Because the Proposal is impermissibly vague and indefinite, making it impossible for shareholders to understand what they are voting on or for the Company to implement it with any reasonable certainty, we respectfully request that the Staff concur that the Company may exclude the Proposal from its 2025 Proxy Materials under Rule 14a-8(i)(3).



Office of Chief Counsel
February 26, 2025
Page Six

2. The Proposal May Be Excluded Under Rule 14a-8(i)(5) Because It Relates to Operations That Are Not Economically Significant or Otherwise Significantly Related to the Company's Business.

The Proposal may be excluded under Rule 14a-8(i)(5) because it relates to operations that are not economically significant or otherwise significantly related to the Company's business. The Proposal asks the Company to provide a report analyzing how its "charitable partnerships" impact risks related to discrimination against individuals based on their speech or religious exercise. However, the Proponent has not demonstrated how the Company's charitable contributions—or the vague and undefined risks of discrimination—are economically relevant to the Company's business or otherwise significantly related to its operations.

(a) Background on Rule 14a-8(i)(5)

Rule 14a-8(i)(5) allows a company to exclude a shareholder proposal if it relates to operations that account for:

- Less than 5% of the company's total assets at the end of its most recent fiscal year;
- Less than 5% of the company's net earnings and gross sales for its most recent fiscal year; and
- Are not otherwise significantly related to the company's business.

In adopting this rule, the Commission made clear that shareholder proposals should not be used to raise issues that have no meaningful connection to a company's operations. See Exchange Act Release No. 19135 (Oct. 14, 1982). The Commission reaffirmed this approach in Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), stating that proposals involving broad social or ethical concerns must still be significantly related to a company's business to avoid exclusion.

Further, the Commission's recent Staff Legal Bulletin No. 14M (Feb. 12, 2025) ("SLB 14M") clarified that a proposal must demonstrate a clear economic impact on a company's business. If a proposal fails to meet the economic thresholds of Rule 14a-8(i)(5) and lacks a significant connection to the company's business, it may be excluded. Here, under SLB 14M, the Proposal does not meet the economic relevance test, as explained below.

(b) The Proposal Is Not Significantly Related to the Company's Business

The Company's charitable contributions are economically insignificant under the Commission's standards. The total amount contributed in the most recent fiscal year represents less than 1% of each of the Company's total assets and net revenue, and less than 2% of its net income. These figures



Office of Chief Counsel
February 26, 2025
Page Seven

demonstrate that the Company's charitable giving is financially immaterial and does not have a meaningful economic impact on the business. See, e.g., *Reliance Steel & Aluminum Co.* (Apr. 2, 2019) (concurring with exclusion of a proposal on political contributions that fell below the 5% economic threshold and was not otherwise significantly related to the company's business).

Moreover, the Proposal does not raise social or ethical concerns that are significantly related to the Company's business. The Commission has consistently granted no-action relief when proposals do not demonstrate a meaningful connection to a company's core operations. See *AT&T Co.* (Jan. 19, 1990) (concurring with exclusion of a proposal addressing worker relocation where the economic impact on the company was *de minimis*).

While the Proposal claims to address risks related to discrimination based on speech or religious exercise, the Supporting Statement largely focuses on unrelated political and social issues. For instance, it discusses certain advocacy organizations and their influence on corporate decision-making, but it does not establish any connection between these organizations and the Company's operations. The Proposal's significance to the Company's business is not apparent on its face, and the Proponent makes no attempt whatsoever to tie the political and social issues on which the Proposal focuses to a significant effect on the Company's business. The Commission's guidance in SLB 14M makes clear that a proposal like this – which merely raises the possibility the Company's charitable contributions could “expose itself to reputational risk,” but makes no attempt to demonstrate a significant connection to the Company's core business operations – should be excluded under Rule 14a-8(i)(5). See SLB 14M (The mere possibility of reputational or economic harm alone will not demonstrate that a proposal is “otherwise significantly related to the company's business”).

Given that the Company's charitable contributions are financially insignificant, and the Proposal does not even attempt to demonstrate that it is otherwise significantly related to the Company's business, it does not meet the Commission's standard for relevance to the Company's business under Rule 14a-8(i)(5).

(c) The Proposal Is Not Economically Significant and Should Be Excluded

The Proposal relates to operations that are economically insignificant to the Company and does not demonstrate that the Proposal is otherwise significantly related to the Company's business. Moreover, the Supporting Statement strays far from the Proposal's stated focus, making broad claims about social and political issues that have no clear connection to the Company's operations. Under Rule 14a-8(i)(5) and the Commission's recent guidance in SLB 14M, the Proposal is not significantly related to the Company's business and should be excluded from the Company's 2025 Proxy Materials. Accordingly, we respectfully request that the Staff concur that the Company may exclude the Proposal from its 2025 Proxy Materials under Rule 14a-8(i)(5).



Office of Chief Counsel
February 26, 2025
Page Eight

3. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Deals with Matters Relating to the Company's Ordinary Business

The Proposal is excludable under Rule 14a-8(i)(7) because its subject matter directly relates to the Company's ordinary business operations—specifically, its charitable contributions, does not focus on a significant policy issue that transcends the Company's ordinary business operations, and seeks to micromanage the Company. As discussed below, Rule 14a-8(i)(7) permits the exclusion of shareholder proposals that relate to fundamental day-to-day management decisions that are impracticable for shareholder oversight.

(a) Background on Rule 14a-8(i)(7)

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal if it “deals with a matter relating to the company's ordinary business operations.” The Commission has explained that the term “ordinary business” is rooted in the principle that management must have flexibility to direct certain core business matters without shareholder interference. See Exchange Act Release No. 34-40018 (May 21, 1998) (the “1998 Release”). The 1998 Release further states that the policy underlying the 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.” The Commission identified as a key consideration 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.” *Id.*

The Commission has reaffirmed this principle in its latest guidance. SLB 14M clarifies that a proposal is excludable under Rule 14a-8(i)(7) when it addresses matters that are so central to management's ability to run the company that any significant policy issue it implicates does not transcend the company's ordinary business operations.

This principle applies regardless of whether a proposal is framed as a request for a report. The Commission has consistently held that proposals requesting reports are excludable under Rule 14a-8(i)(7) if the subject matter of the report relates to the company's ordinary business. See Exchange Act Release No. 34-20091 (Aug. 16, 1983). Further, in Staff Legal Bulletin No. 14E (Oct. 27, 2009) (“SLB 14E”), the Commission emphasized that a proposal seeking a risk assessment does not avoid exclusion if the underlying subject matter concerns ordinary business operations. See, e.g., *The TJX Companies, Inc.* (Mar. 29, 2011); *Amazon.com, Inc.* (Mar. 21, 2011); *Wal-Mart Stores, Inc.* (Mar. 21, 2011).

Finally, 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) (“In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole”).



Office of Chief Counsel
February 26, 2025
Page Nine

(b) The Proposal Deals with Matters Relating to the Company's Ordinary Business Operations

The Proposal implicates the "ordinary business" exception as outlined in the 1998 Release, as its subject matter is "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 does not present a significant social policy issue that transcends ordinary business matters. This is evident in both the Company's decisions regarding its charitable contributions and its associations with specific types of organizations.

Additionally, while the Proposal requests a report analyzing "how [the Company's] charitable partnerships impact its risks related to discrimination against individuals based on their speech or religious exercise," the Staff clarified in SLB 14E that "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 the risk evaluation involves a matter of ordinary business to the company." The Staff has consistently concurred with the exclusion under Rule 14a-8(i)(7) of shareholder proposals seeking risk assessments when the subject matter concerns ordinary business operations. See, e.g., *McDonald's Corp.* (avail. Mar. 22, 2019) (concurring with the exclusion of a proposal asking the company to "disclose the economic risks" it faced from "campaigns targeting the [c]ompany over concerns about cruelty to chickens" because it "focuse[d] primarily on matters relating to the [c]ompany's ordinary business operations"); *The TJX Companies, Inc.* (avail. Mar. 29, 2011) (concurring with the exclusion of a proposal requesting an annual assessment of the risks created by the actions the company takes to avoid or minimize U.S. federal, state, and local taxes and provide a report to shareholders on the assessment).

The Proposal requests that the Company "report to shareholders annually... an analysis of how [the Company's] charitable partnerships impact its risks related to discrimination against individuals based on their speech or religious exercise."

The Proposal may be excluded under Rule 14a-8(i)(7) because it relates to political and charitable contributions to specific types of organizations, which is a well-established component of a company's "ordinary business." See, e.g., *JPMorgan Chase & Co.* (avail. Feb. 28, 2018) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company provide an annual report disclosing the company's standards for choosing recipients of charitable donations); *PG&E Corp.* (avail. Feb. 4, 2015) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company limit its "anti-traditional family political and charitable contributions" that support same-sex marriage); *The Walt Disney Co.* (avail. Nov. 20, 2014) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal relating to charitable contributions to the Boy Scouts of America); *BellSouth Corp.* (avail. Jan. 17, 2006) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board make no direct or indirect contributions from the company to any legal fund used in defending any politician);



Office of Chief Counsel
February 26, 2025
Page Ten

Wachovia Corp. (avail. Jan. 25, 2005) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal recommending that the board prohibit charitable contributions to Planned Parenthood and similar organizations); *American Home Products Corp.* (avail. Mar. 4, 2002) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company form a committee to study the impact of its charitable contributions in the context of specific prior charitable contributions to Planned Parenthood); *Minnesota Mining and Manufacturing Co.* (avail. Jan. 3, 1996) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requiring a company to “make charitable/political contributions to organizations/campaigns defending unborn persons’ right[s]”).

While the Proposal appears facially neutral, the Supporting Statement clarifies that it targets the Company’s association with specific types of organizations focused on social justice, racial equity, and policy reform, particularly in areas such as policing, criminal justice, and community investment. The Staff has consistently permitted the exclusion of facially neutral proposals under Rule 14a-8(i)(7) when supporting statements reveal an intent to influence company decisions regarding specific types of organizations. For example, in *The Home Depot, Inc.* (avail. Mar. 18, 2011), the Staff concurred that a facially neutral proposal requesting the company to disclose the recipients of corporate charitable contributions on the company website related to the company’s ordinary business operations – and could therefore be excluded under Rule 14a-8(i)(7) – because the supporting statement focused on LGBT issues. See also *AT&T Inc.* (avail. Jan. 15, 2021) (concurring with excluding a facially neutral proposal requesting a report on charitable contributions where the supporting statement made clear the focus was on organizations supporting the Black Lives Matter movement); *Johnson & Johnson* (avail. Feb. 12, 2007) (concurring with excluding a facially neutral proposal requesting disclosure of charitable contributions where the supporting statement targeted Planned Parenthood and organizations supporting abortion and same-sex marriage).

Similarly, while the Proposal’s broadly worded resolution refers to the Company’s “charitable partnerships,” the Supporting Statement demonstrates that its actual focus is on a particular category of contribution – those to organizations advocating for social justice, racial equity, and policy reform.

The Staff has consistently concurred that proposals seeking details on corporate contributions to specific types of charitable or political organizations, even when framed in facially neutral terms, are excludable under Rule 14a-8(i)(7). Here, the Supporting Statement explicitly seeks disclosure regarding the Company’s support for organizations advocating in certain policy areas. The Staff has repeatedly affirmed that such decisions are within management’s purview and that allowing shareholder involvement in these matters constitutes inappropriate interference in the Company’s ordinary business operations.

Even if the Proposal touches on broader policy issues related to free speech or religious freedom, it remains excludable because it does not transcend the Company’s ordinary business operations. The Staff recently updated its approach to how it evaluates significant social policy issues, providing that a



Office of Chief Counsel
February 26, 2025
Page Eleven

“case-by-case” approach to evaluating significance is appropriate, “rather than focusing solely on whether a proposal raises a broad societal impact or whether particular issues or categories of issues are universally ‘significant’.” See SLB 14M. Under SLB 14M, a proposal must do more than reference a significant policy issue—it must transcend the company’s ordinary business operations. SLB 14M explicitly rejects prior Staff interpretations that automatically allowed proposals to proceed if they implicated a significant policy issue, reinstating the approach taken in the Commission’s 1998 Release.

In this case, the underlying purpose of the report sought by the Proposal is to have shareholders dictate how the Company selects its charitable partners—a core business decision that is “fundamental to management’s ability to run the company.” See SLB 14M. Accordingly, under both long-standing Commission precedent and the renewed guidance in SLB 14M, the Proposal is excludable under Rule 14a-8(i)(7).

(c) The Proposal Seeks to Micromanage the Company

The Proposal is also excludable under the Commission’s micromanagement standard. The Commission has long recognized that a proposal is excludable if it seeks to micromanage the company by probing too deeply into complex matters best left to management. See 1998 Release. SLB 14M expressly reinstates the Commission’s pre-SLB 14L micromanagement framework, which had been articulated in Staff Legal Bulletins 14J (Oct. 23, 2018) (“SLB 14J”) and 14K (Oct. 16, 2019). See SLB 14M (reinstating Staff Legal Bulletin No. 14J Section C.2. Micromanagement and Staff Legal Bulletin No. 14K Section B.4. Micromanagement, which were “previously rescinded by Staff Legal Bulletin No. 14L”).

The Commission has routinely excluded proposals that would require a company to disclose detailed information about its operations or constrain management’s discretion in routine decision-making. See, e.g., *Paramount Global* (Apr. 19, 2024) (excluding a proposal requesting details on charitable contributions that would result in excessive disclosure of the company’s policies and practices); *Merck & Co., Inc.* (Mar. 29, 2023) (excluding a similar proposal).

Here, the Proposal does not merely seek a high-level review of risks associated with charitable donations—it seeks to dictate how the Company engages with specific charitable organizations. The Supporting Statement makes clear that the Proponent is opposed to certain organizations, including those purporting to advocate for social justice, racial equity, and policy reform, and that a goal of the Proposal is for the Company to sever any ties it may have with these groups. A company’s decisions regarding charitable contributions involve complex considerations, including strategic business objectives, community impact, and legal compliance, making them matters of management’s routine decision-making rather than shareholder oversight. This level of shareholder intervention into routine business operations constitutes micromanagement under SLB 14M and SLB 14J.



Office of Chief Counsel
February 26, 2025
Page Twelve

(d) The Proposal Deals With Matters Relating to the Company's Ordinary Business Operations and Seeks to Micromanage the Company and Should Be Excluded

Although the Proposal and the Supporting Statement make brief references to “the rights to free speech and religion,” the Proposal’s primary focus is on the disclosure of the Company’s charitable contributions. Accordingly, the Proposal concerns an ordinary business matter that is not transcended by a significant social policy issue, and it seeks to micromanage the Company’s operations. Under Rule 14a-8(i)(7) and the Commission’s reaffirmed guidance in SLB 14M, the Proposal is excludable. Accordingly, we respectfully request that the Staff concur that the Company may exclude the Proposal from its 2025 Proxy Materials under Rule 14a-8(i)(7).

C. Request for Waiver of 80-Day Requirement Under Rule 14a-8(j)(1)

The Company respectfully requests that the Staff waive the 80-day filing requirement under Rule 14a-8(j) for good cause.

Rule 14a-8(j)(1) requires a company seeking to exclude a shareholder proposal from its proxy materials to submit its reasons to the Commission at least 80 calendar days before filing its definitive proxy statement and form of proxy. The Company is currently preparing its definitive proxy statement for the 2025 annual shareholder meeting and expects to begin the printing process on or before April 22, 2025. The Company currently intends to file its 2025 Proxy Materials with the Commission on or about May 1, 2025. As a result, the Company’s filing date for the 2025 Proxy Materials is expected to be less than 80 days from the date of this letter.

However, Rule 14a-8(j)(1) allows the Staff to permit a later submission if the Company demonstrates good cause for missing the deadline. As stated in SLB 14M, the Staff considers the publication of SLB 14M itself to constitute “good cause” when a request relies on legal arguments affected by the guidance. Because the legal arguments in this letter include considerations specific to SLB 14M, the Company believes it has demonstrated good cause for its inability to meet the 80-day requirement. Accordingly, we respectfully request that the Staff waive the 80-day requirement for this submission.

D. Conclusion

For the reasons discussed above, the Company believes that the Proposal may properly be excluded from its 2025 Proxy Materials under Rule 14a-8(i)(3), Rule 14a-8(i)(5), and Rule 14a-8(i)(7), each of which independently provides a basis for exclusion, and that the Company has demonstrated good cause under Rule 14a-8(j)(1) for missing the 80-day deadline. Accordingly, we respectfully request that (1) the Staff concur with our view and confirm that it will not recommend enforcement action to the Commission if the Company omits the Proposal from its 2025 Proxy Materials, and (2) the Staff waive the 80-day filing requirement under Rule 14a-8(j)(1) for good cause with respect to this submission.



Office of Chief Counsel
February 26, 2025
Page Thirteen

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. If we can be of any further assistance in this matter, please do not hesitate to call me at (206) 295-4633.

Respectfully,

DLA Piper LLP (US)

Signed by:

ADB044CCED3C445...
Michael Hutchings
Partner

Enclosures

Cc: Shannon Higginson, Chief Legal & Compliance Officer, lululemon athletica inc.
shigginson@lululemon.com

Jerry Bowyer, Bowyer Research, Inc.
jerrybowyer@bowyerresearch.com

EXHIBIT A

Report on Charitable Partnerships

Supporting Statement:

Corporations routinely use their platforms to voice support for humanitarian causes and human rights. Some of the most fundamental are the rights to free speech and religion, which are recognized by the First Amendment to the United States Constitution and the UN Declaration of Human Rights¹. Unfortunately, many companies are supporting organizations that are undermining these freedoms.

The 2024 edition of the Viewpoint Diversity Score Business Index found that 62% of some of the largest companies in America support non-profits that are influencing public policy by actively attacking free speech and religious freedom, as well as pressuring companies into public stances on divisive political issues.

That list includes Lululemon. The company is currently listed² as a member of the Don't Ban Equality coalition, which describes its purpose as "making the case that abortion access is a workforce and economic issue." By taking a public stance on politically charged issues, the company exposes itself to reputational risk. The choice to politicize the Lululemon brand carries the increasing possibility of alienating employees and customers alike of diverse political and religious views, as well as negatively impacting shareholder return.

This record of divisive stances is not limited to the issue of abortion, with the company having taken flack previously³ for hosting events urging attendees to 'resist capitalism' and discussing ways of 'decolonizing gender.' Additionally, Lululemon donated⁴ \$300,000 to organizations such as Black Lives Matter and Reclaim the Block (the latter being a group formed to encouraging defunding⁵ of the Minneapolis Police Department), although it later admitted⁶ that it was no longer donating to either organization.

Lululemon needs to assure its shareholders that it is committed to a business-first model of political neutrality, avoiding taking divisive stances on social/political issues, and putting shareholder value first in keeping with its fiduciary duty. Eschewing charitable partnerships with organizations designed to politicize the Lululemon brand is an essential facet of doing so.

Resolved: Shareholders request that the Board of Directors of Lululemon Athletica report to shareholders annually, at reasonable expense and excluding confidential information, an analysis of how Lululemon's charitable partnerships impact its risks related to discrimination against individuals based on their speech or religious exercise.

¹ <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

² <https://dontbanequality.com/>

³ <https://freebeacon.com/culture/lululemon-promotes-decolonizing-gender-workshop-to-resist-capitalism/>

⁴ https://claremont.shinyapps.io/BLM_Funding/

⁵ <https://takeactionminnesota.org/policy-organizer-reclaim-the-block/>

⁶ <https://takeactionminnesota.org/policy-organizer-reclaim-the-block/>