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

DIVISION OF
CORPORATION FINANCE

March 14, 2024

Brandon N. Egren
Verizon Communications Inc.

Re: Verizon Communications Inc. (the "Company")
Incoming letter dated January 5, 2024

Dear Brandon N. Egren:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by AFL-CIO Equity Index Funds for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests the board of directors to take the steps necessary to conduct an independent third-party assessment of the Company's due diligence process for preventing health and safety violations in the Company's supply chain for wireless communications services.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal relates to ordinary business matters. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7). In reaching this position, we have not found it necessary to address the alternative basis for omission upon which the Company relies.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Maureen O'Brien
Segal Marco Advisors

One Verizon Way
Mail Code VC54S
Basking Ridge, NJ 07920
908.559.2726
brandon.egren@verizon.com

Brandon N. Egren
Managing Associate General Counsel &
Assistant Corporate Secretary

January 5, 2024

By electronic submission

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

Re: Verizon Communications Inc. 2024 Annual Meeting
Shareholder Proposal of the AFL-CIO Equity Index Funds

Ladies and Gentlemen:

I am writing on behalf of Verizon Communications Inc., a Delaware corporation ("Verizon"), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, to request that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with our view that, for the reasons stated below, Verizon may exclude the shareholder proposal and supporting statement (the "Proposal") submitted by Segal Marco Advisors (the "Representative"), on behalf of the AFL-CIO Equity Index Funds (the "Proponent"), from the proxy materials to be distributed by Verizon in connection with its 2024 annual meeting of shareholders (the "2024 proxy materials"). A copy of the Proponent's submission, which includes the Proposal, is attached as Exhibit A hereto.[1]

In accordance with Rule 14a-8(j), I am submitting this letter not less than 80 calendar days before Verizon intends to file its definitive 2024 proxy materials with the Commission and have concurrently sent a copy of this correspondence by email and overnight courier to the Representative as notice of Verizon's intent to omit the Proposal from Verizon's 2024 proxy materials. Rule 14a-8(k) and Staff Legal Bulletin No. 14D (November 7, 2008) provide that a shareholder proponent is required to send the company a copy of any correspondence relating to the Proposal which the proponent submits to the Commission or the Staff. Accordingly, we hereby inform the Representative that, if the Representative elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Representative should concurrently furnish a copy of that correspondence to the undersigned.

[1] Exhibit A omits correspondence between Verizon and the Representative that is irrelevant to this request. *See* the Staff's "Announcement Regarding Personally Identifiable and Other Sensitive Information in Rule 14a-8 Submissions and Related Materials" (December 17, 2021), available at https://www.sec.gov/corpfin/announcement/announcement-14a-8-submissions-pii-20211217.

The Proposal

The Proposal states:

> RESOLVED, that shareholders of Verizon Communications, Inc. [*sic*] ("Verizon") urge the Board of Directors to take the steps necessary to conduct an independent third-party assessment of Verizon's due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services. The results of the assessment, prepared at reasonable cost and omitting legally privileged, confidential, or propriety information, should be publicly disclosed on Verizon's website.

Bases for Exclusion

In accordance with Rule 14a-8, Verizon respectfully requests that the Staff confirm that no enforcement action will be recommended against Verizon if the Proposal is omitted from Verizon's 2024 proxy materials for the following, separately sufficient, reasons:

1. The Proposal may be excluded pursuant to Rule 14a-8(i)(10) because Verizon has already substantially implemented the Proposal; and

2. The Proposal may be excluded pursuant to Rule 14a-8(i)(7) because it deals with matters relating to Verizon's ordinary business operations.

Analysis

I. The Proposal may be excluded pursuant to Rule 14a-8(i)(10) because Verizon has already substantially implemented the Proposal.

Rule 14a-8(i)(10) permits a company to omit a proposal from its proxy materials if the company has substantially implemented the proposal. This exclusion is "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by management." Exchange Act Release No. 34-12598 (July 7, 1976) (regarding the predecessor to Rule 14a-8(i)(10)). The Staff consistently concurs in excluding proposals when it determines the company's policies, practices, and procedures compare favorably with the proposal guidelines. *See, for example, Verizon Communications Inc.* (February 5, 2021); *Verizon Communications Inc.* (February 19, 2019); *The Goldman Sachs Group, Inc.* (March 12, 2018); *Wal-Mart Stores, Inc.* (March 16, 2017); *Apple Inc.* (December 12, 2017); and *Walgreen Co.* (September 26, 2013).

In addition, the Staff has permitted exclusion under Rule 14a-8(i)(10) where a company can demonstrate that it already has taken actions to address the underlying concerns and satisfied the essential objectives of the proposal. *See, for example, The Wendy's Co.* (April 10, 2019) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report assessing human rights risks of the company's operations, including the principles and methodology used to make the assessment, the frequency of assessment and how the company would use the assessment's

results, where the company had a code of ethics and a code of conduct for suppliers and disclosed on its website the frequency and methodology of its human rights risk assessments).

A. Verizon has already substantially implemented the Proposal by implementing policies and procedures to address safety concerns associated with suppliers and subcontractors engaged in tower climbing and other high-risk activities described in the supporting statement.

Safety is a paramount concern at Verizon, extending to the company's employees and the individuals who perform work for Verizon, including suppliers and subcontractors engaged in tower climbing described in the supporting statement. Verizon's approach to suppliers and subcontractors engaged in high-risk activities includes incorporating policy requirements on safety in our Supplier Code of Conduct, conducting due diligence by screening suppliers, monitoring suppliers' safety records, engaging suppliers to address safety concerns, and discontinuing working with suppliers that do not meet Verizon's safety requirements.

Policy Requirements. The Verizon Supplier Code of Conduct ("Supplier Code") clearly sets forth Verizon's commitment to health and safety and requires that its suppliers share this commitment. All suppliers and their subcontractors, including those engaged in tower climbing, are subject to the Supplier Code (https://www.verizon.com/about/our-company/supplier-diversity/supplier-code-of-conduct). The Supplier Code contains specific requirements related to safety that include complying with all applicable laws and regulations, and with industry codes; following the principles described in Verizon's Environmental, Heath, and Safety ("EHS") Policy; enforcing safety requirements, including related to safety training, and monitoring compliance; adopting procedures and systems to prevent, manage, track, and report occupational injuries, violations, and fines from the Occupational Safety and Health Administration ("OSHA") or other regulators; and adopting systems to encourage worker reporting, investigating incidents, and implementing corrective actions.

Supplier Screening. Verizon conducts safety-specific due diligence on suppliers engaged in tower climbing and other high-risk activities. Suppliers and their subcontractors undergo an EHS assessment. This includes an evaluation of supplier and subcontractor safety rates, incidents, and violations.

Monitoring. When suppliers engage in high-risk activities, including climbing towers, Verizon takes steps to monitor safety records. These steps include requiring suppliers and subcontractors to inform us of any OSHA-reportable incidents and annually reviewing suppliers' and subcontractors' safety records.

Responding to Safety Concerns. Verizon requires the reporting of all incidents, injuries, and near misses at Verizon sites in our Supplier Incident Reporting Portal. Other avenues for individuals to raise concerns about supplier safety include Verizon's Ask EHS mailbox (askEHS@one.verizon.com) and the Verizon Ethics portal (https://www.verizon.com/about/verizon-ethics), which allows for anonymous reporting. Verizon investigates reported safety concerns and engages with employees or suppliers to address those concerns. Verizon has discontinued using suppliers, including suppliers engaged in tower climbing, that do not satisfy our safety requirements.

Governance and Oversight. Verizon's commitment to worker health and safety is overseen by the Board of Directors. At least annually, the Board receives a briefing on health and safety that includes incidents involving employees and suppliers and actions that management is taking to limit these risks. Senior leaders receive regular briefings on health and safety from Verizon's EHS team. The EHS team is responsible for conducting due diligence by screening suppliers, monitoring suppliers' safety records, and responding to safety concerns related to suppliers and their subcontractors.

Verizon's policies and practices are designed to support the company in working with suppliers who share our commitment to safety and follow through on that commitment in their day-to-day operations. Verizon also supports OSHA's desire to make tower work safer as well as government and industry collaborative efforts, such as the Telecom Industry Foundation and the Communications Infrastructure Contractors Association, intended to develop safety initiatives and standards for tower worker training, development, and certification.

B. Verizon has already substantially implemented the Proposal because it already undergoes an annual third-party assessment that covers the company's health and safety policies and practices.

On an annual basis, Verizon submits a response to a questionnaire distributed by EcoVadis, a leading third-party assessment platform that evaluates responsible business performance in a number of areas, including labor and human rights. As part of this process, Verizon provides EcoVadis with evidence of its policies and practices, which EcoVadis then assesses based on criteria such as whether the company's health and safety policy covers subcontractors working on company premises, whether internal and external audits on health and safety issues are carried out, and whether an employee health and safety risk assessment has been conducted. EcoVadis then produces a scorecard and identifies strengths, improvement areas, and watch findings. This assessment is widely accepted and respected among enterprise business customers.

It is not necessary that the proposal has been implemented in full or precisely as presented for the Staff to determine that a matter presented by a proposal has been acted upon favorably by management. Exchange Act Release No. 20091 (August 16, 1983). Rather, the company's actions need to address the essential objectives of the proposal. *See, for example, McKesson Corp.* (April 8, 2011); *Texaco, Inc.* (March 3, 1991). Accordingly, Verizon believes that the objectives of the Proposal have been substantially implemented through the actions described above to address safety concerns associated with suppliers and subcontractors engaged in tower climbing and other high-risk activities described in the supporting statement.

II. The Proposal may be excluded under Rule 14a-8(i)(7) because it deals with matters relating to Verizon's ordinary business operations.

This Proposal seeks a third-party assessment of Verizon's procedures regarding health and safety, specifically addressing Verizon's "due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services." As discussed below, the Proposal may be omitted under Rule 14a-8(i)(7) as it relates to workplace safety and safety

management, and the retention of suppliers, and it does not focus on any significant social policy issue that transcends Verizon's ordinary business operations.

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.* As relevant here, one of these 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." *Id.* Examples of the tasks cited by the Commission include "management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers." *Id.*

The 1998 Release further distinguishes proposals pertaining to ordinary business matters from those focusing on "significant social policy issues," the latter of which are not excludable under Rule 14a-8(i)(7) because they "transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." 1998 Release. In this regard, when "determining whether the focus of these proposals is a significant social policy issue, [the Staff] consider[s] both the proposal and the supporting statement as a whole." *See* Staff Legal Bulletin No. 14C, part D.2. (June 28, 2005).

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (August 16, 1983). In addition, the Staff has indicated that "[w]here the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (October 26, 1999).

B. The Proposal is excludable because it relates to workplace safety.

The Staff has routinely recognized that proposals relating to workplace safety are a matter of ordinary business and excludable under Rule 14a-8(i)(7). For example, in *Amazon.com, Inc. (International Brotherhood of Teamsters General Fund)* (April 1, 2020, *recon. denied* April 9, 2020 ("*Amazon 2020*"), the proposal requested a report on the company's efforts to "reduce the risk of accidents" that "describe[s] the [b]oard's oversight process of safety management, staffing levels, inspection and maintenance of facilities and equipment and those of the [c]ompany's dedicated third-party contractors." In concurring with exclusion under Rule 14a-8(i)(7), the Staff noted that

"the [p]roposal focuses on workplace accident prevention, an ordinary business matter, and does not transcend the [c]ompany's ordinary business operations." Similarly, in *Pilgrim's Pride Corp.* (February 25, 2016) ("*Pilgrim's Pride*"), the proposal requested that the company publish a report describing the company's policies, practices, performance, and improvement targets related to occupational health and safety. The supporting statement also referred to alleged occupational health and safety violations and stated that workers in that company's industry suffer injury and illness at five times the national average. The supporting statement further claimed that the company "was recently named to OSHA's Severe Violator Enforcement Program for repeated or willful occupational health and safety ('OHS') violations, and has been fined more than $300,000 in the last four years for OHS violations." The company argued that workplace safety is at the core of its business operations, and that the broad report requested by the proposal "implicates every aspect of the [c]ompany's workplace safety efforts" and therefore related to the company's ordinary business operations. The Staff concurred with the exclusion of the proposal, noting that the proposal "relates to workplace safety." *See also TJX Companies Inc. (NorthStar Asset Management, Inc. Funded Pension Plan*) (April 9, 2021) (concurring with the exclusion of a proposal requesting a report on the company's use of prison labor with the supporting statement citing to unsafe or unhealthy working conditions and worker mistreatment when the company argued, among other things, that the proposal was excludable as relating to overall workplace safety, workplace conditions, and general worker compensation issues); *The GEO Group Inc.* (February 2, 2017) (concurring with the exclusion of a proposal requesting implementation of provisions relating to operational audits of its facilities examining issues such as workplace violence rates and disciplinary and grievance systems, as relating to the company's ordinary business operations); *The Chemours Co.* (January 17, 2017) (concurring with the exclusion of a proposal requesting a report "on the steps the [c]ompany has taken to reduce the risk of accidents" with the supporting statement citing to a number of industrial accidents at the company's facilities and significant regulatory fines that had been assessed against the company for various safety violations).

The Staff's determinations in the foregoing recent precedent are consistent with decades-old precedent concurring with the exclusion of proposals addressing workplace safety issues as implicating a company's ordinary business operations. *See CNF Transportation, Inc.* (January 26, 1998) (concurring with the exclusion of a proposal requesting that the board of directors develop and publish a safety policy accompanied by a report analyzing the long-term impact of the policy on the company's competitiveness and shareholder value because "disclosing safety data and claims history" was a matter of the company's ordinary business); *Chevron Corp.* (February 22, 1988) (concurring with the exclusion of a proposal as ordinary business because it related to the protection and safety of company employees).

Here, as in *Amazon 2020, Pilgrim's Pride* and the other above-cited precedent, the Proposal is concerned with safety management and the prevention of safety-related incidents and seeks an "independent third-party assessment of Verizon's due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services." This is reiterated in the supporting statement, which references "a safe and healthy workplace" multiple times and raises concerns about "the potential violation" of safety standards and "safety concerns due to the hazardous nature of the work." The supporting statement approvingly cites to OSHA's and to the Federal Communications Commission's recommendations that "carriers adopt various

best practices for contractor selection and vetting, reporting, auditing, training, recordkeeping and communication."

As with the proposals in *Amazon 2020* and *Pilgrim's Pride*, the Proposal seeks information on a broad array of workplace safety matters. Verizon's "due diligence process for preventing health and safety violations" involves a number of complex considerations, which may include processes related to receiving reports of compliance with various laws and regulations governing tower climber safety, the review and selection of training programs and certifications, collaboration with industry organizations, relationships with suppliers and contract negotiations. Processes for contractor safety are integrally related to the management of Verizon's operations and are routine elements of Verizon's business. Thus, as in the precedent discussed above, the Proposal may properly be excluded under Rule 14a-8(i)(7) as relating to Verizon's ordinary business operations.

C. The Proposal is excludable because it relates to Verizon's retention of suppliers.

The 1998 Release expressly lists "the retention of suppliers" as an ordinary business consideration, and the Staff has permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals that relate to a company's relationships with its suppliers. *See, for example, Walmart Inc.* (March 8, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report outlining the requirements suppliers must follow regarding engineering ownership and liability); *Foot Locker, Inc.* (March 3, 2017) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report outlining the steps the company was taking, or could take, to monitor the use of subcontractors by the company's overseas apparel suppliers, noting that "the proposal relates broadly to the manner in which the company monitors the conduct of its suppliers and their subcontractors"); *Kraft Foods Inc.* (February 23, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report detailing the ways in which the company would assess risk to its supply chain and mitigate the impact of such risk, noting that the proposal concerned "decisions relating to supplier relationships [which] are generally excludable under rule 14a-8(i)(7)"); *Dean Foods Co.* (March 9, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested an independent committee review the company's standards for organic dairy product suppliers, noting that the proposal related to the company's "decisions relating to supplier relationships").

The Proposal's request for a third-party assessment of Verizon's due diligence process for preventing health and safety violations is focused on "Verizon's supply chain for wireless communication services," and thus, as in the precedent discussed above, the Proposal may properly be excluded under Rule 14a-8(i)(7) as relating to Verizon's ordinary business operations.

D. The Proposal does not focus on any significant social policy issue that transcends Verizon's ordinary business operations.

The well-established precedent set forth above demonstrates that the Proposal squarely addresses ordinary business matters and, therefore, is excludable under Rule 14a-8(i)(7). While the 1998 Release indicated that proposals that "focus on" significant social policy issues may not be excludable under Rule 14a-8(i)(7), in contrast, proposals with passing references touching upon topics that might raise significant social policy issues—but that do not focus on or have only tangential implications for such issues—are not transformed from

an otherwise ordinary business proposal into one that transcends ordinary business, and as such, remain excludable under Rule 14a-8(i)(7).

The Proposal does not raise issues that transcend Verizon's ordinary business. The fact that the supporting statement cites "safety concerns due to the hazardous nature of the work" performed by tower climber contractors does not make workplace safety unique or transcendent to Verizon, as the supporting statements in both *The Chemours Co.* and *Pilgrim's Pride* cited unfortunate workplace incidents that occurred at those companies. To the contrary, the supporting statement merely recognizes the inherently dangerous nature of the job at issue, and nothing in the Proposal or its supporting statement suggests that Verizon has failed to put in place proper due diligence processes or otherwise raises specific allegations against Verizon. Moreover, references to the "human right to a safe and healthy workplace" and "human rights due diligence process" do not change the nature of the Proposal, which relates only to Verizon's policies and practices governing contractors' compliance with health and safety requirements. Verizon acknowledges that workplace accidents can be very serious and agrees that workplace safety issues are important. However, nothing about the Proposal, which refers broadly to "preventing health and safety violations" and addresses safety concerns with Verizon's contractors, raises it beyond the day-to-day safety management issues that are incident to Verizon's ordinary business operations.

Consistent with long-established Staff precedent, merely referencing topics in passing that might raise significant social policy issues, but which have only tangential implications for the issues that constitute the central focus of a proposal, do not transform an otherwise ordinary business proposal into one that transcends ordinary business. To this end, the Staff has frequently concurred that a proposal that touches, or may touch, upon significant social policy issues is nonetheless excludable if the proposal does not focus on such issues. For example, the proposal in *Union Pacific Corp.* (February 25, 2008) addressed safety concerns in the course of the company's operations and requested disclosures of the company's efforts to safeguard the company's operations from terrorist attacks and "other homeland security incidents." The company argued that the proposal was excludable because the proposal related to the company's day-to-day efforts to safeguard its operations—including not only terrorist attacks, but also earthquakes, floods, and other routine operating risks that were overseen by the Department of Homeland Security but were incident to the company's ordinary business operations. The Staff's response noted that the proposal was excludable because it "include[d] matters relating to [the company's] ordinary business operations," despite the fact that safeguarding against terrorist attacks might be viewed as not part of the company's ordinary business. See also *Walmart Inc.* (April 8, 2019) ("*Walmart 2019*") (concurring with the exclusion of a proposal requesting that the board prepare a report evaluating the risk of discrimination that may result from the company's policies and practices for hourly workers taking absences from work for personal or family illness because it related to the company's ordinary business operations, i.e., the company's management of its workforce, and "[did] not focus on an issue that transcends ordinary business matters"); *Amazon.com, Inc. (Domini Impact Equity Fund and the New York State Common Retirement Fund)* (March 28, 2019) ("*Amazon 2019*") (concurring with the exclusion of a proposal requesting a report on the company's "analysis of the community impacts of [the company's] operations" where although the proposal might have touched on significant inequality concerns, the proposal was so broadly worded that the Staff concurred that the proposal did not focus on any single issue that transcended the company's ordinary business); *Wells Fargo & Co. (Harrington Investments, Inc.)*

(February 27, 2019) (concurring with the exclusion of a proposal requesting "enhance[d] fiduciary oversight of matters relating to customer service and satisfaction" where the proponent argued that it implicated significant policy issues related to board oversight and accountability and mismanagement of consumer relations and the supporting statement contained references to "insurance abuse," "social harm[s]," and "disregard for lawful conduct"); *Amazon.com, Inc.* (March 1, 2017) ("*Amazon 2017*") (concurring with the exclusion of a proposal that requested adoption and publication of principles for minimum wage reform); *PetSmart, Inc.* (March 24, 2011) (concurring with the exclusion of a proposal requesting that the board require suppliers to certify that they had not violated animal cruelty-related laws, finding that while animal cruelty is a significant social policy issue, the scope of laws covered by the proposals was too broad); *Apache Corp.* (March 5, 2008) (concurring with the exclusion of a proposal requesting the implementation of equal employment opportunity policies based on certain principles and noting that "some of the principles relate to [the company's] ordinary business operations").

Here, the Proposal's broad application to the "due diligence process for preventing health and safety violations" in Verizon's supply chain encompasses matters incident to Verizon's (and many other businesses') ordinary business operations, ranging from injury and illness (including matters of simple first-aid) to processes to hire, vet, negotiate with, and terminate contracts with suppliers and compliance with various laws, regulations, and industry standards. Thus, the Proposal's broad scope renders the Proposal excludable because the report requested by the Proposal implicates Verizon's ordinary business. As with the proposal in *Union Pacific Corp.*, even if certain aspects of Verizon's workplace safety program or retention of suppliers were deemed to implicate significant policy issues (which Verizon does not believe is the case), the Proposal's broad request does not transcend the day-to-day safety management issues that are incident to Verizon's ordinary business operations, and as such, the Proposal is properly excludable under Rule 14a-8(i)(7).

Verizon is aware that the Staff has been unable to concur with the exclusion of workforce safety proposals under Rule 14a-8(i)(7) where the proposal related to the company's role in creating unsafe working conditions. For example, in *Amazon.com Inc.* (April 6, 2022) ("*Amazon 2022*"), the proposal requested that the company commission an audit and report on "working conditions and treatment that [company] warehouse workers face, including the impact of its policies, management, performance metrics, and targets" and in *Dollar General Corp.* (March 31, 2023) ("*Dollar General 2023*"), the proposal requested that the company commission an audit on "the impact of the company's policies and practices on the safety and well-being of workers." In *Dollar General 2023*, the Staff noted that the proposal "transcend[ed] ordinary business matters because it raises human capital management issues with a broad societal impact." In both *Amazon 2022* and *Dollar General 2023*, the applicable proposal raised concerns about the company's role in creating unsafe working conditions and specific company practices that led to violations of OSHA standards. Specifically, in *Amazon 2022* the proposal raised concerns about company injury rates higher than those in the company's industry and specific policies and practices that prioritized quotas and led to safety violations, and the proposal in *Dollar General 2023* raised concerns about a violent environment plagued by gun violence and company practices that prioritized profit over employee safety. Here, the Proposal is distinguishable from these precedents because the Proposal focuses on Verizon's "due diligence process for *preventing* health and safety violations in Verizon's supply chain" (emphasis added), and the Proposal does not contain any allegations that

Verizon has violated any laws or regulations or otherwise taken (or omitted to take) any actions that have led to safety violations or created an unsafe environment.

In Staff Legal Bulletin No. 14L (November 3, 2021), the Staff stated that it "will realign its approach for determining whether a proposal relates to 'ordinary business' with the standard the Commission initially articulated in [the 1976 Release] . . . and which the Commission subsequently reaffirmed in the 1998 Release." As such, the Staff stated that it will focus on the issue that is the subject of the shareholder proposal and determine whether it has "a broad societal impact, such that [it] transcend[s] the ordinary business of the company." The Staff noted further that "proposals squarely raising human capital management issues with a broad societal impact would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company" (citing to the 1998 Release and *Dollar General Corp.* (March 6, 2020) ("*Dollar General 2020*") and providing "significant discrimination matters" as an example of an issue that transcends ordinary business matters). This guidance does not affect the excludability of the Proposal because, unlike *Dollar General 2020*, the Proposal does not raise significant discrimination matters or board oversight of human capital issues, and does not focus on any other issue "with a broad societal impact" such that it transcends ordinary business matters. Instead, as discussed above, the Proposal focuses on general workforce and supplier concerns that the Staff has consistently determined over the years do not transcend ordinary business.

Accordingly, consistent with the precedent cited above, because the Proposal relates to ordinary business matters—workplace safety and the retention of suppliers—and does not focus on a significant social policy issue, the Proposal may be excluded under Rule 14a-8(i)(7).

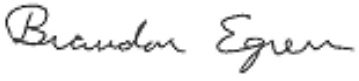
Conclusion

For the foregoing reasons, Verizon believes that the Proposal may be properly excluded from its 2024 proxy materials in reliance on Rules 14a-8(i)(10) and 14a-8(i)(7). Verizon respectfully requests that the Staff confirm that it will not recommend enforcement action to the Commission if Verizon omits the Proposal from its 2024 proxy materials.

Verizon requests that the Staff send a copy of its determination of this matter by email to the undersigned at brandon.egren@verizon.com and to the Representative.

If you have any questions with respect to this matter, please telephone me at (908) 559-2726.

Very truly yours,



Brandon N. Egren
Managing Associate General Counsel &
Assistant Corporate Secretary

Enclosure

Cc: Maureen O'Brien, Segal Marco Advisors

Exhibit A

The Submission

November 27, 2023

Via UPS Air and E-Mail to [redacted]

Attention: Assistant Corporate Secretary

William L. Horton, Jr.
Senior Vice President, Deputy General Counsel and Corporate Secretary
Verizon Communications Inc.
1095 Avenue of the Americas
New York, New York 10036

Re: Shareholder proposal for 2024 Annual Shareholder Meeting

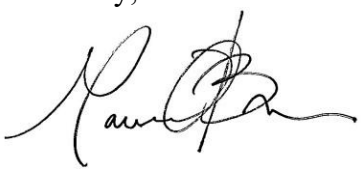
Dear Mr. Horton:

Segal Marco Advisors is filing a shareholder proposal on behalf of the AFL-CIO Equity Index Funds (the "Proponent"), a shareholder of Verizon Communications Inc. (the "Company"), for action at the next annual meeting of the Company. The Proponent submits the enclosed shareholder proposal for inclusion in the Company's 2024 proxy statement, for consideration by shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

The Proponent has continuously beneficially owned, for at least one year as of the date hereof, at least $25,000 worth of the Company's common stock. The Proponent intends to continue to hold the requisite amount of securities through the date of the 2024 shareholders' meeting. A letter from the Bank of New York Mellon verifying the Proponent's share ownership and the Proponent's submission of the shareholder proposal is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

Segal Marco Advisors and the Proponent is available to meet with the Company via teleconference from 2pm to 4pm on Dec 19th or Dec 20th, 2023. We are also available to discuss this issue at a mutually agreeable day and time. We appreciate the opportunity to engage and seek to resolve the Proponent's concerns. I can be contacted [redacted] to schedule a meeting and to address any questions. Please address any future correspondence regarding the proposal to me at this address.

Sincerely,



Maureen O'Brien
SVP of Corporate Governance, Engagement and Proxy Voting

BNY MELLON

November 27, 2023

William L. Horton, Jr.
Senior Vice President, Deputy General Counsel and Corporate Secretary
Verizon Communications Inc.
1095 Avenue of the Americas
New York, New York 10036

Re: Shareholder proposal submitted by the AFL-CIO Equity Index Funds

Dear Mr. Horton:

I write concerning a shareholder proposal (the "Proposal") submitted to Verizon Communications Inc. (the "Company") by the AFL-CIO Equity Index Funds as the proponent of the Proposal. The Bank of New York Mellon acts as trustee and discretionary investment manager for the AFL-CIO Equity Index Funds, and has appointed Segal Marco Advisors as its agent to act on behalf of the AFL-CIO Equity Index Funds for all matters related to the submission of the Proposal in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

The Bank of New York Mellon, as trustee and discretionary investment manager for the AFL-CIO Equity Index Funds, hereby confirms that the AFL-CIO Equity Index Funds supports the Proposal that Segal Marco Advisors is submitting on behalf of the AFL-CIO Equity Index Funds for the Company's 2024 annual meeting of shareholders. The Proposal urges the Board of Directors to take the steps necessary to conduct an independent third-party assessment of Verizon's due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services.

As of the date of this letter, the AFL-CIO Equity Index Funds beneficially own **1,386,577** of the Company's common stock. The AFL-CIO Equity Index Funds have beneficially owned continuously for at least one year, shares of the Company's common stock worth at least $25,000 and intend to continue to hold the requisite amount of shares through the date of the 2024 shareholders' meeting. The Bank of New York Mellon has acted as record holder of the shares and is a DTC participant.

While we request that you send all future correspondence regarding the Proposal to Segal Marco Advisors, the address of the AFL-CIO Equity Index Funds is c/o The Bank of New York Mellon, [redacted]. If you require any additional information, please do not hesitate to contact me at [redacted] or [redacted].

Very truly yours,

Sarah Reed
Senior Vice President

RESOLVED, that shareholders of Verizon Communications, Inc. ("Verizon") urge the Board of Directors to take the steps necessary to conduct an independent third-party assessment of Verizon's due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services. The results of the assessment, prepared at reasonable cost and omitting legally privileged, confidential, or proprietary information, should be publicly disclosed on Verizon's website.

SUPPORTING STATEMENT

The International Labour Organization's Declaration on Fundamental Principles and Rights at Work recognizes the following international human rights: "1) freedom of association and the effective recognition of the right to collective bargaining; 2) the elimination of all forms of forced or compulsory labour; 3) the effective abolition of child labour; 4) the elimination of discrimination in respect of employment and occupation; and 5) a safe and healthy working environment."[1] Verizon's Supplier Code of Conduct recognizes these human rights.[2]

While we commend Verizon for recognizing the human right to a safe and healthy workplace in its policies, we believe that conducting an independent third-party assessment of Verizon's due diligence process for preventing health and safety violations is appropriate. The United Nations' Guiding Principles on Business and Human Rights urge companies to "know and show" that they respect human rights by adopting "a human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights."[3]

We are concerned about the potential violation of the human right to a safe and healthy workplace by Verizon's contractors that climb towers for wireless communication services. The climbing of communication towers to install and maintain wireless infrastructure equipment has raised safety concerns due to the hazardous nature of the work.[4] The Occupational Safety and Health Administration has called tower climbing the most dangerous job in America.[5]

According to a report by the Occupational Safety and Health Administration and the Federal Communications Commission, "responsibility for employee safety is fractured into many layers" between wireless carriers, communications tower owners, and tower climber contractors. These regulatory agencies have recommended that carriers adopt various best practices for contractor selection and vetting, reporting, auditing, training, recordkeeping and communication. [6]

A May 2023 survey of tower climbers by the Communications Workers of America found that 59 percent of respondents know someone who has been seriously injured on the job and 17 percent have known someone who was fatally injured on the job. Moreover, 35 percent of respondents report pressure to work unsafely to meet deadlines and 60 percent of respondents state that safety incidents are only investigated, "some of the time," "rarely," or "never.[7]

For these reasons, we urge you to vote FOR this shareholder resolution.

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[1] https://www.ilo.org/declaration/lang--en/index.htm
[2] https://www.verizon.com/about/our-company/supplier-diversity/supplier-code-of-conduct
[3] https://www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf
[4] https://www.propublica.org/article/cell-tower-fatalities
[5] https://www.osha.gov/news/speeches/02132008
[6] https://www.osha.gov/sites/default/files/publications/OSHA3877.pdf
[7] https://cwa-union.org/sites/default/files/2023-05/TCUCWASafetyReport.pdf

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Via https://www.sec.gov/forms/shareholder-proposal

January 23, 2024

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

Re: Verizon Communications Inc.'s Request to Exclude a Shareholder Proposal Submitted by the AFL-CIO Equity Index Funds

Dear Sir or Madam:

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, the AFL-CIO Equity Index Funds (the "Proponent") submitted a shareholder proposal (the "Proposal") to Verizon Communications Inc. (the "Company") for a vote at the Company's 2024 annual meeting of shareholders. In a letter to the staff of the Division of Corporation Finance (the "Division Staff") dated January 5, 2024 (the "No Action Request"), the Company's representative stated that the Company intends to omit the Proposal from its proxy materials to be distributed to shareholders. The resolved clause of the Proposal states:

> *RESOLVED, that shareholders of Verizon Communications, Inc. ("Verizon") urge the Board of Directors to take the steps necessary to conduct an independent third-party assessment of Verizon's due diligence process for preventing health and safety violations in Verizon's supply chain for wireless communication services. The results of the assessment, prepared at reasonable cost and omitting legally privileged, confidential, or propriety information, should be publicly disclosed on Verizon's website.*

The No Action Request asks the Division Staff to concur that it will not recommend enforcement action if the Company excludes the Proposal. The No Action Request asserts that the Proposal may be excluded under Rule 14a-8(i)(10) on the basis that the Company has substantially implemented the Proposal. In addition, the No Action Request asserts that the Proposal may be excluded under Rule 14a-8(i)(7) because the Proposal purportedly deals with matters related to the Company's ordinary business operations. For the reasons set forth below, the Division Staff should not concur that the Proposal may be excluded under Rule 14a-8(i)(10) because the Company's actions do not address the essential objectives of the Proposal, and may not be

excluded under Rule 14a-8(i)(7) because the Proposal addresses a social policy issue that transcends the Company's day-to-day business matters.

The No Action Request argues that the Proposal may be excluded under Rule 14a-8(i)(10) because the Company has adopted health and safety requirements for its suppliers and participates in an annual third-party assessment of the Company's policies and practices. Specifically, the Company asserts that its existing Supplier Code of Conduct, supplier screening, monitoring, Supplier Incident Reporting Portal, and Board of Directors' oversight of health and safety compare favorably with the Proposal. While these steps to address health and safety risks are commendable, these actions do not satisfy the essential objective of the Proposal whose resolved clause requests that the Board of Directors take the steps necessary to conduct an independent third-party assessment of the Company's due diligence process for preventing health and safety violations in Company's supply chain for wireless communication services.

The No Action Request next asserts that the Proposal has been substantially implemented because the Company submits a response to an annual questionnaire from EcoVadis, a business sustainability ratings vendor. Based on No Action Request's brief description of the EcoVadis assessment, it does not satisfy the essential objectives of the Proposal. For example, the No Action Request states that EcoVadis assesses whether the Company's policies apply to "subcontractors working on company premises," which does not include Company vendors who install equipment on wireless communication towers owned by third parties (the subject matter of the Proposal). [1] Assuming for the sake of argument that EcoVadis does in fact assesses the Company's health and safety due diligence process for the Company's vendors, the No Action Request ignores Proposal's request that the Company make the results of this third-party assessment publicly available on the Company's website. This request for a report on the results of the safety assessment is integral to the Proposal's resolved clause. The No Action Request states that after EcoVadis reviews the Company's policies and practices, "EcoVadis then produces a scorecard and identifies strengths, improvement areas, and watch findings."[2] But the results of this assessment of the Company's supplier health and safety due diligence have not been disclosed publicly as requested by the Proposal's resolved clause.

The Company's current disclosures regarding the EcoVadis assessment of the Company's supplier health and safety due diligence do not compare favorably with the information that the Proposal is requesting. The Proposal's supporting statement makes clear that the Proposal's essential objective is to encourage the Company to be more transparent regarding its supplier due diligence to addresses health and safety concerns for wireless tower climbers. However, the Company's most recent Environmental, Social and Governance (ESG) Report (the "2022 ESG Report") only provides a high level description of the Company's partnership with EcoVadis.[3]

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[1] No Action Request at p. 4.

[2] *Id*.

[3] Verizon Communications Inc., "Environmental, Social and Governance (ESG) Report 2022," 2022, p. 54-55, https://www.verizon.com/about/sites/default/files/Verizon-2022-ESG-Report.pdf ("We continued our partnership with EcoVadis throughout 2022, using the EcoVadis assessment tool to evaluate our suppliers' responsible performance. We monitor and assess supplier performance in four areas: Environment, Labor and human rights, Ethics, Sustainable procurement. Since 2013, we have assessed 623 key suppliers through our partnership with EcoVadis. EcoVadis validates suppliers' responses to their detailed questionnaire and researches information from

The Company's 2022 ESG Report does not include any discussion of wireless tower climber safety concerns. Nor does the 2022 ESG Report include any data on EcoVadis' assessment of the Company's policies or how many (if any) of its suppliers received a passing score from EcoVadis, a goal that the Company had disclosed in its 2018 Corporate Responsibility Report.[4]

Next, the No Action Request argues that the Proposal may be excluded under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations because it involves matters related to the Company's management of its workforce. As explained below, this argument does not have merit because the Proposal addresses a significant social policy issue. Specifically, the Proposal addresses the internationally recognized human right to a safe and healthy workplace, a subject matter the Division Staff have recognized in recent years as a significant social policy issue that transcends ordinary business.

The human right to a safe and healthy workplace has been recognized in various international conventions dating back to the United Nations' Universal Declaration on Human Rights in 1948.[5] For example, the International Labour Organization adopted an Occupational Safety and Health Convention in 1981 and a Promotional Framework for Occupational Safety and Health Convention in 2006.[6] In 2022, these two occupational safety and health conventions were incorporated into the International Labour Organization's Fundamental Principles and Rights at Work (the "ILO Core Conventions").[7] The other ILO Core Conventions include the freedom of association and collective bargaining; the elimination of forced or compulsory labor; the abolition of child labor; and the elimination of employment discrimination.[8] The ILO Core Conventions define international human rights that all member countries are obligated to protect notwithstanding whether they have ratified the individual conventions in question.[9]

The Division Staff have long recognized that shareholder proposals addressing human rights as defined by the ILO Core Conventions are significant social policy issues that transcend ordinary business. For decades, Division Staff have refused to concur with the exclusion of shareholder proposals under Rule 14a-8(i)(7) that expressly address the ILO Core Conventions or otherwise reference human rights that have been recognized by the ILO Core Conventions on employment

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other public sources to benchmark suppliers on their performance. When weaknesses are identified, we work with the supplier to create a corrective action plan to improve their current activities. Both Verizon and our suppliers benefit from this partnership.").

[4] Verizon Communications Inc., "Positive Change Through Innovation: 2018 Corporate Responsibility Report," 2018, p. 51, https://www.verizon.com/about/sites/default/files/2018-Corporate-Responsibility-Report.pdf ("Verizon's minimum goal is that 80 percent of the assessed suppliers will complete the EcoVadis assessment by 2020 and receive a passing score.").

[5] "Health And Life At Work: A Basic Human Right," International Labour Organization, 2009, p. 5, https://www.ilo.org/static/english/protection/safework/worldday/products09/booklet_09-en.pdf.

[6] International Labour Organization, "International Labour Conference Adds Safety and Health to Fundamental Principles and Rights at Work," June 10, 2022, https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_848132/lang--en/index.htm.

[7] *Id*.

[8] *Id*.

[9] "Fundamental Principles and Rights at Work Fact Sheet," International Labour Organization, 2020, https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/publication/wcms_741333.pdf.

discrimination, forced labor, child labor, and freedom of association: Dillard Department Stores (March 13, 1997); Kohl's Corporation (March 23, 1998 and March 31, 2000), The Warnaco Group, Inc. (March 14, 2000); PPG Industries (January 22, 2001); Kmart Corporation (March 16, 2001); 3M Co. (March 2, 2005 and March 7, 2006); Abercrombie & Fitch Co. (April 12, 2010); Northrop Grumman Corp. (March 19, 2019). Like the current Proposal, nearly all of these shareholder proposals addressed human rights concerns in the company's vendor supply chains.

Following the adoption of occupational health and safety as an ILO Core Convention, the Division Staff recognized that shareholder proposals on occupational health and safety also address significant social policy issues that transcend ordinary business. For example, in Amazon.com, Inc. (April 6, 2022) and Dollar General Corp. (March 31, 2023), the Division Staff declined to concur with the exclusion of a shareholder proposal on Rule 14a-8(i)(7) grounds that sought an independent audit of workplace safety. The Company attempts to distinguish these decisions on the grounds that the current Proposal addresses the Company's supply chain and is not limited to the Company's direct operations. However, as explained in the preceding paragraph, the vast majority of human rights shareholder proposals that the Division Staff has refused to concur with exclusion under Rule 14a-8(i)(7) have addressed human rights concerns in the companies' respective vendor supply chains, not their direct operations.

The Company fails to distinguish Amazon.com, Inc. (April 6, 2022) and Dollar General Corp. (March 31, 2023) by asserting that the current Proposal does not contain allegations that the Company has violated any laws or regulations. This argument is without merit because the Proposal addresses health and safety as a human rights concern, not as a legal or regulatory compliance issue. The supporting statement makes clear that the Proposal seeks to address human rights by referencing the ILO Core Conventions and the United Nations' Guiding Principles on Business and Human Rights. Staff Legal Bulletin No. 14L (Nov. 3, 2021) explains that "proposals squarely raising human capital management issues with a broad societal impact would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company." Moreover, there were tower climber fatalities involving the Company's vendors in 2021[10] and 2022.[11]

In conclusion, the Division Staff should not concur with the Company's No Action Request that the Proposal may be excluded. The Proposal may not be excluded under Rule 14a-8(i)(7) because the Proposal addresses significant social policy issues that transcend the Company's day-to-day business matters and does not otherwise seek to micromanage the Company.

[10] "A 1099 Crew's 53-Year-Old Tower Technician Falls To His Death From A Verizon Tower In Texas," Wireless Estimator, December 1, 2021, https://wirelessestimator.com/articles/2021/a-1099-crews-53-year-old-tower-technician-falls-to-his-death-from-a-verizon-tower-in-texas ("Although the three men were most likely not working directly for Verizon, but possibly through a Samsung approved contractor, the fatality exposes a serious flaw in Verizon's vetting and management of its subcontractors who might sub their work out to 1099 crews that do not meet the stringent pass down requirements of the carrier or incur the considerable overhead required to meet those conditions").

[11] "A Secured Cable Grip Failure Appears To Have Caused The Death Of A Texas Tower Technician," Wireless Estimator, December 22, 2022, https://wirelessestimator.com/articles/2022/a-secured-cable-grip-failure-appears-to-have-caused-the-death-of-a-texas-tower-technician ("a 32-year-old tower technician passed away on December 15, 2022, in Weatherford, TX, while engaged in an installation project for Verizon").

Additionally, the Proposal may not be excluded under Rule 14a-8(i)(10) because the Company has not publicly disclosed a third-party assessment of its due diligence process for preventing health and safety violations in the Company's supply chain for wireless communication services. If you have any questions, please contact me at 312-612-8446 or mobrien@segalmarco.com.

Sincerely,

Maureen O'Brien
Senior Vice President
Director of Corporate Governance, Engagement and Proxy Voting