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

DIVISION OF
CORPORATION FINANCE

April 15, 2024

Edward J. Durkin
United Brotherhood of Carpenters and Joiners of America

Re: Verizon Communications Inc. (the "Company")
Incoming letter dated March 27, 2024

Dear Edward J. Durkin:

This letter is in response to your correspondence concerning the shareholder proposal submitted to the Company by the New York City Carpenters Pension Fund. In response to a January 4, 2024 request from the Company, on March 15, 2024 we issued a letter expressing our informal views on the matter. You have asked us to reconsider our position or present the matter to the Commission.

We have reviewed the information contained in your correspondence and find no basis to reconsider our position. In addition, we have applied the standard set forth in Part 202.1(d) of Section 17 of the Code of Federal Regulations and have determined not to present this matter to the Commission.

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/2022-2023-shareholder-proposals-no-action.

Sincerely,

Erik Gerding
Director
Division of Corporation Finance

cc: Sanjay M. Shirodkar
DLA Piper LLP

March 15, 2024

VIA ONLINE SUBMISSION

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

Email: shareholderproposals@sec.gov

Re: Request for Staff Reconsideration, and Presentation to Commission for Review, of February 29, 2024 Staff Decision Concurring in Bank of America Corporation's Exclusion of Shareholder Proposal of Warren Wilson College

Ladies and Gentlemen:

By letter dated February 29, 2024, the Staff stated that it would not recommend enforcement action to the Commission if Bank of America Corporation (the "Company" or "BofA") were to omit from its 2024 proxy materials a shareholder proposal requesting information concerning its climate transition planning (the "Proposal"), submitted by Warren Wilson College (the "Proponent"). Proponent respectfully requests that the Staff reconsider the no-action decision and/or present it to the Commission for review. As described herein, the decision is inconsistent with the Commission's subsequently released Final Rule for "The Enhancement and Standardization of Climate-Related Disclosures for Investors."[1]

As explained in the Proposal and in Proponent's no-action response letter, BofA has adopted certain climate goals and commitments, including a commitment to achieve net zero greenhouse gas emissions before 2050 in its financing activities. To meet that commitment, the Company has implemented a transition plan involving sectoral 2030 interim targets. The Proposal requests basic information concerning the Company's likelihood of meeting those targets, based on the Company's own disclosures that it gathers such data. The requested information seeks a basic statement of the proportion of financed emissions associated with clients aligned with a 1.5^{o} pathway, *i.e.*, based on client transition progress, is it likely that BofA can meet its 2030 goals? The Staff concurred with the Company's argument that this simple disclosure request constitutes micromanagement.

However, on March 6, 2024, the Commission adopted the Climate Disclosure Rule. That Rule recognized the necessity of full and complete disclosure by issuers concerning any climate transition plans they adopt:

> As noted in the Proposing Release, registrants may adopt transition plans to mitigate or adapt to climate-related risks as an important part of their climate-related risk management strategy, particularly if the registrant has made

[1] *See* Final Rule, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, Securities and Exchange Commission (Mar. 6, 2024), https://www.sec.gov/files/rules/final/2024/33-11275.pdf (hereinafter the "Climate Disclosure Rule").

> commitments, or operates in a jurisdiction that has made commitments, to reduce its GHG emissions. We recognize that not every registrant has a transition plan and, as noted above, this rulemaking does not seek to prescribe any particular tools, strategies, or practices with respect to climate-related risks. If, however, a registrant has adopted such a plan, information regarding the plan is important to help investors evaluate a registrant's management of its identified climate-related risks and assess the potential impacts of a registrant's strategy to achieve its short- or long-term climate-related targets or goals on its business, results of operations, and/or its financial condition. Moreover, a registrant's transition plan may have a significant impact on its overall business strategy, for example, where companies operate in jurisdictions with laws or regulations in place designed to move them away from high emissions products and services. Because the steps a registrant plans to take pursuant to its transition plan may have a material impact on its business, results of operations, or financial condition, investors have sought more detailed disclosure about transition plans.[2]

As such, the Commission adopted a rule requiring the disclosure of information about issuers' climate transition plans, specifically noting that "many registrants are not providing decision-useful information about their transition plans."[3] *Compare with* Proponent's No-Action Response Letter at p. 7, 11 (noting necessity of requested information for investors' decision-making).

The final rule defines a "transition plan" as "a registrant's strategy and implementation plan to reduce climate-related risks, which may include a plan to reduce its GHG emissions in line with its own commitments."[4] It then makes, as relevant here, two essential disclosure requirements:

- First, "[i]f a registrant has adopted a transition plan to manage a material transition risk, describe the plan." The registrant must further "update its annual report disclosure about the transition plan each fiscal year by describing any actions taken during the year under the plan, including how such actions have impacted the registrant's business, results of operations, or financial condition." And the registrant must include "quantitative and qualitative disclosure of material expenditures incurred and material impacts on financial estimates and assumptions as a direct result of the transition plan disclosed."[5]

- Second, registrants "must disclose any climate-related target or goal if such target or goal has materially affected or is reasonably likely to materially affect the registrant's business, results of operations, or financial condition." Moreover, critically, the "registrant **must provide any additional information or explanation necessary to an understanding of the material impact or reasonably likely material impact of the target or goal**," including "but not limited to" (a) "qualitative description of how the registrant intends to meet its climate-related targets or goals," (b) **"any progress made**

[2] Climate Disclosure Rule at 132 (emphasis added).
[3] *Id.* at 133 (emphasis added).
[4] *Id.* at 852.
[5] *Id.* at 855.

> **toward meeting the target or goal and how any such progress has been achieved," to be updated annually,** including a qualitative discussion of impacts to the registrant's business.[6]

For the reasons described in Proponent's No-Action Response Letter, the disclosures sought by the Proposal fall directly within the scope of the Climate Disclosure Rule. Thus, it is impossible to argue that the Proposal "micromanages" the Company, either by seeking information that is "too granular" or, as the Company argued, by limiting the Company's discretion not to disclose the requested information. The Climate Disclosure Rule firmly establishes that the information sought in the Proposal is properly of interest to investors, that the information is *less granular* than much of the information required to be disclosed by the Climate Disclosure Rule, and the Climate Disclosure Rule puts to rest any argument that the Company has unfettered discretion to decide the nature of its climate disclosures.

The Company is collecting this data, the data is critical to investor understanding of the likelihood of success of the Company's data, and the Company is refusing to disclose this dispositive information, even in a broad and undifferentiated manner. As the Proponent's No-Action Response Letter explained, the information sought in the Proposal is *necessary* for investors to understand the progress the Company is making towards its overall 2050 Net Zero financed emissions goal, as well as in the implementation of its 2030 interim target transition plan. The Company's current disclosures concede as much by acknowledging that "progress toward [its] sectoral targets [is] a milestone to reaching Net Zero,"[7] and that the essential element of that progress is client transition success.[8]

In light of acknowledgment from the Company of the importance of "fully evaluat[ing] the client's trajectory toward Net Zero and "understanding [its] clients' transition plans and Net Zero strategies,"[9] and its acknowledgment that it may "experience credit losses or lost market share and/or revenue . . . if [its] current or future clients do not successfully transition to a lower emissions economy,"[10] there can be no question that its clients' transition progress is a material component of the Company's climate transition planning and its climate-related goals — and that its transition planning and its climate-related goals are material to the Company's business. The Proposal simply asks the Company to disclose aggregate information about its clients' transition progress. The information requested by the Proposal is therefore arguably *required* by the Climate Disclosure Rule, as that Rule is intended, as the Commission states, to help investors "evaluate a registrant's management of its identified climate-related risks and assess the potential impacts of a registrant's strategy to achieve its short- or long-term climate-related targets or goals on its business, results of operations, and/or its financial condition."[11]

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[6] *Id.* at 858 (emphasis added).
[7] *See* Bank of America, *Managing Our Transition to a Sustainable Future*, 2023 Task Force on Climate-related Financial Disclosures (TCFD) Report ("2023 TCFD Report") at 51 (Nov. 16, 2023), https://about.bankofamerica.com/content/dam/about/report-center/esg/2023/2023_TCFD_Report.pdf.
[8] *See* Proponent No-Action Response Letter at 4-5 (collecting quotations from the Company to this effect).
[9] 2023 TCFD Report at 32.
[10] *Id.* at 46.
[11] *See* Climate Disclosure Rule at 132.

Finally, as Proponent noted in its initial response, the information requested by the Proposal, when compared to the Company's existing disclosures, is necessary to evaluate the potential "significant impact" that the Company's "transition plan may have . . . on its overall business strategy."[12] This is true in part because if the Company's clients' transition progress is not in-line with its goals, the Company "may need to adopt additional measures to meet its emission reduction goals."[13] For example, if BofA's clients in a certain sector are not transitioning at the pace required for the Company to meet its 2030 or 2050 goals, it follows logically that the Company will have to consider additional actions. The information provided by the Proposal — which the Company is already collecting — can provide investors with full disclosure as to this fact.

As such, while Proponent disagrees strongly with the Staff's initial no-action decision, if there was any question whether the Proposal fell into either the "granularity" or "company discretion" prongs of the micromanagement standard, the Climate Disclosure Rule puts it firmly to rest and arguably compels the disclosure of the information requested in the Proposal.[14]

Based on the foregoing, Proponent believes that the no-action decision bears revisiting and respectfully requests that the Staff reconsider it. Failing that, Proponent requests that the Division of Corporation Finance forward to the Commission this petition for review.

Sincerely,

Luke Morgan
Staff Attorney, *As You Sow*

cc:

Ross Jeffries, Bank of America Corporation
Ronald Mueller, Gibson, Dunn & Crutcher LLP
Natasha Lamb, Arjuna Capital
Dan Chu, Sierra Club Foundation
Mary Minette, Mercy Investment Services, Inc.

[12] *See id.*
[13] Proponent No-Action Response at 1.
[14] It goes without saying that agencies are required, first and foremost, to follow their own rules. To contravene the Commission's Climate Disclosure Rule therefore would constitute arbitrary and capricious agency action. *See Achernar Broadcasting Co. v. FCC*, 62 F.3d 1441 (D.C. Cir. 1995) (acknowledging "rudimentary principle that agencies are bound to adhere to their own rules and procedures").

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April 3, 2024

ELECTRONIC SUBMISSION VIA SHAREHOLDER PROPOSAL PORTAL

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

Re: Verizon Communications Inc.
Exclusion of Shareholder Proposal Submitted by the New York City Carpenters Pension Fund

Ladies and Gentlemen:

By letter dated March 27, 2024, the New York City Carpenters Pension Fund (the "***Proponent***") requested (i) that the staff of the Division of Corporation Finance (the "***Staff***") of the U.S. Securities and Exchange Commission (the "***Commission***") reconsider its decision, dated March 15, 2024, concurring that Verizon Communications Inc. (the "***Company***") could omit a shareholder proposal submitted by the Proponent (the "***Proposal***") from the Company's proxy statement and form of proxy for its 2024 Annual Meeting of Shareholders (the "***2024 Proxy Materials***") under Rule 14a-8(i)(2) and (ii) Commission review of the same (the "***Request for Reconsideration***"). As discussed further below, we believe the Request for Reconsideration should be denied because it is untimely and without merit.

By way of background, the Proponent first submitted the Proposal to the Company on November 20, 2023. The Company then submitted a no-action request (the "***No-Action Request***"), with a copy to the Proponent on January 4, 2024, more than 80 days prior to the date that the Company intended to file its definitive 2024 Proxy Materials with the Commission. The Proponent subsequently submitted to the Staff a letter, dated February 14, 2024 (the "***Response Letter***"), setting forth a number of arguments to support its request that the Staff deny the No-Action Request. The Staff responded to the No-Action Request on March 15, 2024, concurring that the Company could exclude the Proposal under Rule 14a-8(i)(2) because in the opinion of the Company's Delaware counsel, implementation of the Proposal would cause the Company to violate Delaware law.

Thereafter, in reliance on the Staff's response to the No-Action Request, the Company began printing its 2024 Proxy Materials and, on March 25, 2024, the Company filed the 2024 Proxy Materials (which do not include the Proposal) with the Commission via EDGAR. Subsequently, the Company commenced mailing and distributing the 2024 Proxy Materials and has incurred substantial time and expense in preparing and printing the 2024 Proxy Materials for shareholders in accordance with its previously established schedule and process for the 2024 Annual Meeting of Shareholders. Therefore, granting the Request for Reconsideration would impose significant burdens and expense on the Company. Likewise, if required,

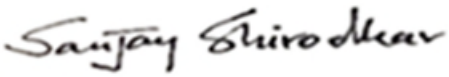
mailing supplemental proxy materials and soliciting revised proxies for the 2024 Annual Meeting of Shareholders would impose substantial time and expense burdens on the Company, create potential confusion among shareholders, and could potentially delay the timing of the 2024 Annual Meeting of Shareholders. As such, it would be unfair and unduly burdensome for the Staff to consider the Request for Reconsideration at this time. *See Amazon.com, Inc.* (recon. denied Apr. 20, 2023); *Blackrock, Inc.* (recon. denied May 2, 2022); *The Goldman Sachs Group, Inc.* (recon. denied March 21, 2022); *Apple Inc.* (recon. denied January 17, 2020); *Exxon Mobil Corporation* (recon. denied April 11, 2018) (noting, in each case, that the request for reconsideration was submitted after the company had begun printing its definitive proxy materials); *see also* Statement of Informal Procedures for the Rendering of Staff Advice with Respect to Shareholder Proposals, Exchange Act Release No. 34-12599 (July 7, 1976) (noting that the Staff's action on requests for reconsideration "giv[e] due consideration to the demands of the management's schedule for printing its proxy materials" and that requests for Commission review should be "received sufficiently far in advance of the scheduled printing date for management's definitive proxy materials to avoid a delay in the printing process").

Moreover, the Request for Reconsideration fails to satisfy the requisite standards for reconsideration or provide any basis for further review by the Commission. Under 17 C.F.R. § 202.1(d), the Staff may, in its discretion, present a request for Commission review of a Rule 14a-8 no-action response if the request "involve[s] matters of substantial importance and where the issues are novel or highly complex." The Request for Reconsideration does not raise any novel or highly complex issues. In fact, the Request for Reconsideration concedes this issue by acknowledging "[t]he Staff's deferral to the opinion of Delaware counsel on issues of DGCL law is understood to be standard practice under the Staff's no-action letter review process." The Request for Reconsideration does not raise any new facts or arguments. In fact, the Proponent merely reiterates the same arguments as those made in the Response Letter and asserts that the Staff's "deference to the Company's Delaware corporate attorney's legal opinion effectively precludes shareholder use of the Rule 14a-8 shareholder proposal process. . ." The Proponent's contention that the Staff's decision precludes shareholder use of the Rule 14a-8 process is patently erroneous. A review of other no-action requests related to the Proponent's very own proposals demonstrates this—for example, the Staff recently denied a no-action request submitted on the basis of Rule 14a-8(i)(2) by another company that received an identical director resignation proposal from the Proponent. *See Altria Group, Inc.* (avail. March 25, 2024) (denying a no-action request submitted to the Staff by Altria Group, Inc., a Virginia corporation, where despite the company's inclusion of an opinion of its Virginia counsel, the Staff determined that the company failed to demonstrate that the proposal, if implemented, would cause the company to violate Virginia state law).

For the foregoing reasons, the Request for Reconsideration fails to demonstrate that the Proposal presents novel or complex issues of substantial importance to the administration of Rule 14a-8. Accordingly, if the Staff considers the Request for Reconsideration, the Company respectfully submits that the Staff should reaffirm its prior determination and deny the Proponents' request for Commission review.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. If you have any questions or need additional information, please do not hesitate to contact me at sanjay.shirodkar@us.dlapiper.com or (202) 799-4184.

Sincerely,



Sanjay M. Shirodkar

cc: Brandon N. Egren, Verizon Communications Inc.
Michael Piccirillo, New York City Carpenters Pension Fund
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