



DIVISION OF  
CORPORATION FINANCE

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

February 21, 2025

Helen Kaminski  
Chipotle Mexican Grill, Inc.

Re: Chipotle Mexican Grill, Inc. (the "Company")  
Incoming letter dated February 21, 2025

Dear Helen Kaminski:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by SOC Investment Group (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its February 3, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Louis Malizia  
SOC Investment Group



CHIPOTLE MEXICAN GRILL, INC.  
610 Newport Center Drive, Suite 1100  
Newport Beach, CA 92660

February 3, 2025

***Via SEC Shareholder Proposal Portal***

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

Re: Chipotle Mexican Grill, Inc. – Shareholder Proposal Submitted by SOC Investment Group – Rule 14a-8

Ladies and Gentlemen:

This letter is to notify you that Chipotle Mexican Grill, Inc. (the “Company”), pursuant to Rule 14a-8 of the Securities Exchange Act of 1934 (the “Exchange Act”), intends to omit from its proxy materials for its 2025 Annual Meeting of Shareholders (the “2025 Proxy Materials”) a shareholder proposal and statement in support thereof (the “Proposal”) submitted by SOC Investment Group (the “Proponent”). Pursuant to Rule 14a-8(j), we are submitting this letter with the Securities and Exchange Commission (the “Commission”) no later than 80 calendar days before the date the Company plans to file its definitive 2025 Proxy Materials with the Commission and we have concurrently sent a copy of this letter and its exhibits to the Proponent.

The Company hereby respectfully requests confirmation that the staff of the Division of Corporation Finance (the “Staff”) will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from its 2025 Proxy Materials for the reasons set forth below.

**THE PROPOSAL**

The Company received the following proposed resolution for consideration at its 2025 annual meeting of shareholders:

**Resolved:** Shareholders request the Board of Directors of Chipotle Mexican Grill, Inc. (“the Company”) commission an independent third-party audit on the impact of the Company’s policies and practices on the safety and well-being of workers throughout all Company-branded operations. A report on the audit, prepared at a reasonable cost and omitting proprietary information, should be made available on the Company’s website.

A copy of the Proposal and the supporting statement, as well as related correspondence with the Proponent, is set forth in Exhibit A.

## **BASIS FOR EXCLUSION OF THE PROPOSAL**

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

This Proposal would require the Company to obtain an independent third-party audit on the impact of the Company's policies and practices on the safety and well-being of workers throughout all Company-branded operations. For the reasons outlined below, we respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and does not focus on any significant social policy issue that transcends the Company's ordinary business operations.

### **1. Background on the ordinary business standard.**

Rule 14a-8(i)(7) permits a company to omit a shareholder proposal from its proxy materials "if the proposal deals with a matter relating to the company's ordinary business operations." The Commission's release accompanying the 1998 amendments to Rule 14a-8 states that 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. 34-40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the "general underlying policy of [the ordinary business] exclusion is consistent with the policy of most state corporate laws: 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 also stated that two central considerations underlie this policy, one of which 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.* The Commission lists as examples of tasks that fall into this category "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 makes a distinction between proposals that relate to ordinary business matters and proposals that raise "sufficiently significant social policy issues (e.g., significant discrimination matters)" that generally would not be excludable because the proposals "transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." 1998 Release. When assessing proposals under Rule 14a-8(i)(7), Staff Legal Bulletin No. 14C states that the Staff will consider the terms of the resolution and its supporting statement as a whole. See Staff Legal Bulletin No. 14C, part D.2 (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.").

The fact that a shareholder proposal is presented in the form of a request for a report does not change the nature of that 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). Similarly, the Commission 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). Similarly, a proposal's request for a review of certain risks also does not preclude exclusion if the underlying subject matter to which the risk pertains or that gives rise to the risk is ordinary business. See Staff Legal Bulletin No. 14E (Oct. 27, 2009).

**2. The Proposal is excludable because it relates to employee safety and well-being, which is an ordinary business matter.**

The Staff has routinely concurred 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 steps the company has taken to “reduce the risk of accidents,” which report “should describe the Board’s oversight process of safety management, staffing levels, inspection and maintenance of facilities and equipment and those of the Company’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.” In *Verizon Communications Inc.* (March 14, 2024) (“Verizon”) and *AT&T Inc.* (March 14, 2024) (“AT&T”), the Staff concurred with the exclusion of identical proposals requesting a third-party assessment of the company’s “due diligence process for preventing health and safety violations,” stating that the proposals relate “to ordinary business matters.”

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 to the Pilgrim’s Pride proposal 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. Pilgrim’s Pride 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 Amazon 2020; The Chemours Co.* (January 17, 2017) (concurring with the exclusion of a proposal requesting a report “on the steps the Company 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 Chemours Company for various safety violations).

The Staff’s determinations in these precedents are consistent with long-standing 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, the Proposal expresses concern for employee safety and well-being and requests an “independent third-party audit on the impact of the Company’s policies and practices on the safety and well-being of workers.” The supporting statement states that the audit should “evaluate management and business practices that may contribute to an unsafe or violent environment, including staffing capacity; provide for meaningful consultation with workers and customers to inform appropriate solutions, including whistle-blower protections for workers reporting health and safety related incidents; and make recommendations for actions and regular reporting with progress on identified actions” and references several safety incidents relating to the Company’s customers. All these actions – staffing our restaurants,

providing opportunities and alternatives for employee and customer communications and feedback – fall squarely within the day-to-day responsibilities of the Company’s management in operating the business.

Our employees are the Company’s most important asset and the safety and well-being of our employees has been and remains critically important to the Company. The Company’s “policies and practices on the safety and well-being of workers” are integrally embedded in the routine elements of the management of the Company’s operations and involve a variety of complex considerations. As with the proposals in Verizon, Amazon 2020 and Pilgrim’s Pride, the Proposal may properly be excluded under Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations.

**3. The Proposal does not focus on any significant social policy issue that transcends the Company’s ordinary business operations.**

In the 1998 Release, the Commission made a distinction between proposals pertaining to ordinary business matters that are excludable under Rule 14a-8(i)(7) and proposals that focus on significant social policy issues. The Commission stated, “proposals relating to [ordinary business] matters but focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable, because the proposals would 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 Staff Legal Bulletin No. 14E (Oct. 27, 2009), the Staff stated that “[i]n those cases in which a proposal’s underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7).”

Although the safety and well-being of employees is a critical area of focus for the Company, the focus of the Proposal neither transcends the day-to-day business matters of the Company nor raises policy issues so significant that it would be appropriate for a shareholder vote. Staff precedent has established that referencing aspects of a topic that might include significant social policy issues, but which do not define the scope of actions addressed in a proposal and do not limit the principal focus of a proposal, does not transform an otherwise ordinary business proposal into one that transcends ordinary business. For example, in *Union Pacific Corp.* (February 25, 2008) the proposal 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.” Union Pacific argued that the proposal was excludable because it 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 may have been by the Department of Homeland Security but really 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 *Amazon.com, Inc.* (Domini Impact Equity Fund and the New York State Common Retirement Fund) (March 28, 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” because the broadly worded proposal did not focus on any single issue that transcended the company’s ordinary business); *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 specified principles and noting that “some of the principles relate to [the company’s] ordinary business operations”).

In this case, the Proposal's broad application to "the safety and well-being of workers" encompasses matters incident to the Company's ordinary business operations, including staffing decisions, employee relations, health and wellness benefits and other matters related to the Company's management of its workforce. Moreover, the "well-being of workers" broadly encompasses a variety of other employee programs and benefits that the Company offers, such as educational assistance (including tuition reimbursement and debt-free degrees), medical, dental and vision plans, retirement planning, mental health assistance for employees and their family members, wellness programs (including physical therapy) and training and professional development programs, all of which are ordinary business matters. The fact that the supporting statement cites several alleged workplace safety incidents does not make workplace safety unique or transcendent, as the supporting statements in both Amazon 2020 and Pilgrim's Pride also cited past workplace incidents. The Company acknowledges that workplace safety issues are important; however, nothing about the Proposal raises the topic beyond the day-to-day safety management issues that are incident to the Company's ordinary business operations.

The Proposal relates to ordinary business matters that do not transcend the day-to-day business matters of the Company, and as such, the Proposal is properly excludable under Rule 14a-8(i)(7).

## CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from the 2025 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this request. If you have any questions or desire additional information, please contact the undersigned at (949) 524-4063 or by email at [hkaminski@chipotle.com](mailto:hkaminski@chipotle.com).

Sincerely,



Helen Kaminski  
Deputy General Counsel, Compliance and Securities

Attachments

cc: Louis Malizia, SOC Investment Group - [lmalizia@socinvestmentgroup.com](mailto:lmalizia@socinvestmentgroup.com)

**Exhibit A**

**Shareholder Proposal and Cover Letter**

*Please see attached.*

**Exhibit A**

to Chipotle Mexican Grill, Inc.  
No-Action Request



December 17, 2024

**Via UPS**

Chipotle Mexican Grill, Inc.  
610 Newport Center Dr., Suite 1100  
Newport Beach, CA 92660 Attn: Corporate Secretary

Re: Shareholder proposal for 2025 Annual Shareholder Meeting

Dear Corporate Secretary,

We are submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of Chipotle Mexican Grill, Inc. (the "Company") for its 2025 annual meeting of shareholders. We have continuously beneficially owned, for at least 3 years as of the date hereof, at least \$2,000 worth of the Company's common stock. Verification of this ownership will be sent under separate cover. The SOC Investment Group intends to continue to hold such shares through the date of the Company's 2025 annual meeting of shareholders.

The Proposal requests that the Company commission an independent third-party audit on the impact of the Company's policies and practices on the safety and well-being of workers. We support this proposal because we believe that Chipotle and its shareholders would benefit from increased transparency on the Company's policies and practices regarding employee safety and well-being.

We are available to meet with the Company in person or via teleconference on Thursday, January 9 between 10:00 a.m. and 12:00 p.m. PT, or on Tuesday, January 14 between 12:00 p.m. and 2:00 p.m. PT.

Please contact my colleague Louis Malizia via phone at (202) 288-9289 or by email at [lmalizia@socinvestmentgroup.com](mailto:lmalizia@socinvestmentgroup.com) to schedule a meeting or with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "T.K. Patel", with a stylized flourish at the end.

Tejal K. Patel  
Executive Director



**Resolved:** Shareholders request the Board of Directors of Chipotle Mexican Grill Inc. ("the Company") commission an independent third-party audit on the impact of the Company's policies and practices on the safety and well-being of workers throughout all Company-branded operations. A report on the audit, prepared at a reasonable cost and omitting proprietary information, should be made available on the Company's website.

### **Supporting Statement:**

Workplace violence is recognized as a national cause for concern. The U.S. Occupational Safety and Health Administration (OSHA) states that acts of violence and other injuries are the third leading cause of fatal occupational injury in the U.S.<sup>1</sup> and that "workplace violence is a major concern for employers and employees nationwide."<sup>2</sup> It is in the best interests of Chipotle, its shareholders and workers to conduct an audit of its policies and practices and take action to limit workers' exposure to health and safety risks. Chipotle's ability to attract and retain workers is particularly important to the Company's long-term success, particularly given the high turnover in this industry.

We recommend that the audit evaluate management and business practices that may contribute to an unsafe or violent environment, including staffing capacity; provide for meaningful consultation with workers and customers to inform appropriate solutions, including whistle-blower protections for workers reporting health and safety related incidents; and make recommendations for actions and regular reporting with progress on identified actions.

Despite our proposal receiving nearly 30% support last year, Chipotle workers continue to be exposed to safety risks from customers. In 2024, Chipotle workers have been physically attacked and shot at by customers in Chipotle restaurants.

In January, a Chipotle worker in South Carolina was attacked by customers who were upset about the cost of extra chicken. In April, a Chipotle worker in Michigan was shot in the leg by a customer who was unsatisfied by the serving of guacamole that he had received. In June, two Chipotle workers in South Carolina were shot at, with one being injured, while taking out the trash. In another incident, workers at a California Chipotle were attacked by customers who climbed over the counter and threw food at workers.

Chipotle commits to "treating our people right." Ensuring that workers' health and safety needs are addressed is vital to that mission, but unfortunately those needs are not currently being met. We urge shareholders to vote FOR this proposal.

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1 <https://www.osha.gov/workplace-violence>

2 Ibid.



CHIPOTLE MEXICAN GRILL, INC.  
610 Newport Center Drive, Suite 1100  
Newport Beach, CA 92660

February 21, 2025

***Via SEC Shareholder Proposal Portal***

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

Re: Chipotle Mexican Grill, Inc. – Shareholder Proposal Submitted by SOC Investment Group –  
Rule 14a-8

Ladies and Gentlemen:

In a letter dated February 3, 2025 (the “No-Action Request”), Chipotle Mexican Grill, Inc. requested that the Staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission concur with Chipotle’s view that it may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by SOC Investment Group from the proxy materials to be distributed by Chipotle in connection with its 2025 annual meeting of shareholders.

On February 20, 2025, Chipotle received from SOC Investment Group a letter withdrawing the Proposal (the “Withdrawal Letter”). In reliance on the Withdrawal Letter, we hereby withdraw the No-Action Request.

If we can be of any further assistance, or if the Staff should have any questions, please do not hesitate to contact me at (949) 524-4063 or by email at [hkaminski@chipotle.com](mailto:hkaminski@chipotle.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Helen Kaminski".

Helen Kaminski  
Deputy General Counsel, Compliance and Securities

cc: Louis Malizia, SOC Investment Group - [lmalizia@socinvestmentgroup.com](mailto:lmalizia@socinvestmentgroup.com)