



DIVISION OF
CORPORATION FINANCE

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

March 6, 2018

Mary Louise Weber
Verizon Communications Inc.
mary.l.weber@verizon.com

Re: Verizon Communications Inc.
Incoming letter dated December 28, 2017

Dear Ms. Weber:

This letter is in response to your correspondence dated December 28, 2017 and February 4, 2018 concerning the shareholder proposal (the "Proposal") submitted to Verizon Communications Inc. (the "Company") by the Portfolio 21 Global Equity Fund et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence on the Proponents' behalf dated January 22, 2018. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Cornish F. Hitchcock
Hitchcock Law Firm PLLC
conh@hitchlaw.com

March 6, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Verizon Communications Inc.
Incoming letter dated December 28, 2017

The Proposal asks the board to prepare a report that evaluates the feasibility of the Company achieving by 2030 “net-zero” emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7), as relating to the Company’s ordinary business operations. In our view, the Proposal seeks to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. 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.

Sincerely,

M. Hughes Bates
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.



Mary Louise Weber
Associate General Counsel

One Verizon Way
Room 54S440
Basking Ridge, NJ 07920
Office: 908-559-5636
Fax: 908-696-2068
mary.l.weber@verizon.com

February 4, 2018

By email to shareholderproposals@sec.gov

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. 2018 Annual Meeting
Shareholder Proposal of the Portfolio 21 Global Equity Fund,
LongView LargeCap 500 Index Fund, Appleseed Fund, and
Green Century Equity Fund

Ladies and Gentlemen:

I refer to my letter dated December 28, 2017, on behalf of Verizon Communications Inc. ("Verizon"), pursuant to which Verizon requested that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with Verizon's view that the shareholder proposal and supporting statement (the "Proposal") submitted by Trillium Asset Management, on behalf of the Portfolio 21 Global Equity Fund, Amalgamated Bank, on behalf of its LongView LargeCap 500 Index Fund, Appleseed Capital, on behalf of the Appleseed Fund, and the Green Century Equity Fund (collectively, the "Proponents"), may be properly omitted from the proxy materials to be distributed by Verizon in connection with its 2018 annual meeting of shareholders (the "2018 proxy materials") pursuant to Rule 14a-8(i)(3) and Rule 14a-8(i)(7) (the "No Action Request"). Verizon received a copy of the letter to the Staff dated January 22, 2018, submitted by the Proponents' counsel in response to the No Action Request ("Proponents' Letter").

This letter is in response to the Proponents' Letter and supplements the No Action Request. In accordance with Rule 14a-8(j), a copy of this letter is being sent simultaneously to Counsel and the Proponents' representatives.

- I. **The Proponent's Letter fails to refute Verizon's exposition of the numerous defects in the Proposal that render it excludable under Rule 14a-8(i)(3)**

The Proposal would have Verizon conduct a study, at significant expense to shareholders, of “the feasibility of achieving by 2030 ‘net zero’ emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities.” In Staff Legal Bulletin No. 14B (September 15, 2004) (“SLB 14B”), the Staff states that reliance on Rule 14a-8(i)(3) to exclude a proposal may be appropriate when “the resolution contained in the proposal is so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires,” further noting that “*this objection also may be appropriate where the proposal and the supporting statement, when read together, have the same result.*” (emphasis added) (Section B, Paragraph 4 of SLB 14B). Consistent with this guidance¹, Verizon’s No Action Request demonstrates how numerous vague and indefinite terms and phrases that are critical to understanding the intended scope and implementation of the Proposal render the Proposal false and misleading, including:

- The Proposal’s unconventional equation for measuring “net zero” emissions, which requires that annual emissions be reduced to a level equal to the “*renewable energy created by an individual*” (emphasis added), without any explanation of what the latter half of the equation means (see p. 4 of the No Action Request);
- The Proposal’s puzzling “suggestion” that Verizon consider using *The Greenhouse Gas Protocol* in implementing the Proposal, when, in fact, Verizon has been measuring and reporting its emissions in accordance with the *Protocol* for years, thus raising numerous questions about which emissions should be included in the feasibility study, differing answers to which would lead to vastly different studies with materially different outcomes (see pp. 5-6 of the No Action Request); and
- The Proposal’s confusing discussion of “offsets” without any explanation of what an “offset” is and how it fits into the equation for achievement of “net zero” emissions, especially since an offset would not appear to constitute “renewable energy created by an individual”² (see pp.6-7 of the No Action Request).

¹ Contrary to the allegation in the Proponent’s Letter, Verizon did not raise any of the four types of objections that SLB 14B indicates do not support exclusion under Rule 14a-8(i)(3).

² The Proponents’ Letter takes Verizon to task (at p. 6) for posing the question of whether planting a tree would constitute an “offset.” The definition of “offset” in the Merriam-Webster dictionary (which Verizon consulted due to the absence of any practicable definition in the Proposal) listed the planting of a tree as an example of a commonly used “offset.” The Proponents’ Letter, in suggesting that this view is not consistent with what the Proposal contemplates, highlights the confusion engendered by the Proposal in regard of “offsets” and what constitutes “renewable energy created by an individual.”

The Proponent's Letter attempts to navigate around these numerous defects by asserting that Verizon obviously understands the parameters of the Proposal and the "details" are not "material" to investors. According to the Proponents' Letter, it doesn't matter whether or not Verizon and its shareholders have a mutual understanding of the intended scope of the requested feasibility study – how the prescribed emissions reduction target is to be calculated, what kinds of emissions are covered, and what "offsets" are and whether and how they may be taken into account -- because the Proposal merely "seeks to operate at a policy level," and "the details are left to Verizon." (Proponents' Letter at p. 5). The proposal described in the Proponent's Letter – perhaps the product of wishful thinking – is belied by the plain language of the Proposal itself. In fact, the Proposal does not ask Verizon to weigh in on the policy debates surrounding climate change and the most effective way to address the issue. Rather, the Proposal requests that Verizon evaluate the feasibility of taking a specific approach to the issue by setting a specific target to be achieved by a specific date. Nowhere does the Proposal say that the "details are left to Verizon."

Verizon believes that it has demonstrated objectively that the Proposal is false and misleading because the resolution and supporting statement contained in the Proposal, when read together, are so inherently vague or indefinite that "any action ultimately taken by the company upon implementation of the proposal could be significantly different from the actions envisioned by the shareholders voting on the proposal." *Fuqua Industries, Inc.* (March 12, 1991). Presumably to reinforce its position that Verizon and its shareholders obviously understand what actions or measures the Proposal requires, the Proponent's Letter points out that the shareholders of PayPal Holdings, Inc. approved a substantially similar proposal last year by a 23% affirmative vote. *PayPal Holdings, Inc.* (April 13, 2017). It is not clear why the Proponents' counsel thinks that the level of the vote at PayPal has any relevance to the question of whether the proposal is vague and indefinite for purposes of exclusion under Rule 14a-8(i)(3). Moreover, PayPal did not submit a no action request to exclude the proposal under Rule 14a-8(i)(3), so the Staff did not evaluate the proposal for vagueness. However, there are a number of differences in wording between the *PayPal* proposal and the Proposal that are noteworthy. While the *PayPal* proposal contains the same unusual description of what it means to achieve "net zero" emissions and the same confusing discussion of offsets, it does a better job than the Proposal of conveying what types of emissions should be included in the "net zero" feasibility study. It clearly indicates that emissions identified as Type 1 and Type 2 by the *Protocol* should be included in the "net-zero" equation. For a comparison of the pertinent provisions of the two proposals, see Exhibit A. Clearly, as demonstrated by the *PayPal* proposal, the Proposal could have been made less confusing within the 500 word limit.

III. The Proponents' Letter fails to refute Verizon's argument that the Proposal impermissibly seeks to micro-manage Verizon

For the reasons described more fully in the No Action Request, Verizon believes that the Proposal impermissibly seeks to micro-manage Verizon, and that the Proposal is not materially different from the proposal in *Apple Inc.* (December 21, 2017) (“*Apple 2017*”) in this respect. The Proponents’ Letter attempts to distinguish the No Action Request from *Apple 2017*, by pointing out that No Action Request does not include a board analysis while *Apple 2017* did. According to the Proponent’s Letter, “[t]he Apple determination rested on the fact that Apple offered a detailed explanation as to how its board of directors had considered the topic, in an effort to utilize the guidance provided in” Staff Legal Bulletin No. 14I” (November 1, 2017) (“SLB 14I”). Verizon respectfully submits that the type of board analysis contemplated by SLB 14I is not relevant to a determination that a proposal “seeks to micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” In this regard, the Staff recently permitted Deere & Company to exclude a proposal similar to the *Apple 2017* proposal, noting that the proposal impermissibly sought to micro-manage the company, even though Deere did not include a board analysis of the issue in its no action request. *Deere & Company* (December 27, 2017) (“*Deere 2017*”)

To distinguish the Proposal from the *Apple 17* proposal, the Proponents’ Letter spends several pages parsing the wording of the proposals in *PayPal Holdings, Inc.* (March 13, 2017) and *The TJX Companies, Inc.*, (March 13, 2017), in which the Staff denied exclusion under Rule 14a-8(i)(7), and the proposals in *Apple 16*, *Apple 17* and *Deere & Co.* (December 5, 2016) (“*Deere 16*”), in which the Staff agreed to exclusion. To summarize:

- The *PayPal* proposal, like the Proposal, requests a report that evaluates the feasibility of achieving net zero emissions by 2030.
- The *TJX* proposal requests a report evaluating the potential for the company to achieve net zero emissions by a fixed date;
- The *Apple 16* and *Deere 16* proposals request that the company generate a feasible plan to reach net zero emissions by 2030;and
- The *Apple 17* and *Deere 17* proposals request a report that evaluates the potential for the company to achieve net zero emissions by a fixed date.

In *Apple 17* and *Deere 17*, the companies argued that there is not a substantive difference between a proposal that asks the company to generate a feasible plan to achieve net zero emissions and one that asks the company to issue a report evaluating the potential for the company to achieve the same goal. In either case, the company would need to develop a sufficiently detailed plan that could achieve the specified quantitative goal before assessing its feasibility in terms of cost and impact on resource

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allocation and so forth. So why did the Staff reach different conclusions with respect to these very similar proposals? A determination of whether a proposal “seeks to micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgement” necessitates consideration of the nature and complexity of the company’s business operations. As discussed in the No Action letter (at pp 9-11), due to the nature of its business operations, Verizon’s carbon footprint is extraordinarily complex. Measuring and reducing the greenhouse gases resulting from Verizon’s worldwide business operations are likely to require more technology choices and inventive solutions than those required for TJX’s or PayPal’s business operations and, as a result, the same or similar proposal seeks to micro-manage it to a far greater degree. Accordingly, consistent with the *Apple 17* and *Deere 17* precedents, Verizon believes that the Proposal should be excludable under Rule 14a-8(i)(7).

For the foregoing reasons, Verizon believes that the Proposal may be properly excluded from its 2018 proxy material in reliance on Rule 14a-8(i)(3) and Rule 14a-8(i)(7). Verizon respectfully requests the concurrence of the Staff that it will not recommend enforcement action against Verizon if Verizon omits the Proposal from its 2018 proxy materials.

Verizon requests that the Staff send a copy of its determination of this matter by email to the Proponents’ representatives and counsel at bmurphy@trilliuminvest.com, deborahsilodor@amalgamatedbank.com, matt@appleseedcapital.com, mlafave@greencentury.com and conh@hitchlaw.com and to the undersigned at mary.l.weber@verizon.com.

If you have any questions with respect to this matter, please telephone me at (908) 559-5636.

Very truly yours,



Mary Louise Weber
Associate General Counsel

Cc: Brianna Murphy, Trillium Asset Management LLC
Deborah Silodor, Amalgamated Bank
Matthew Blume, Appleseed Capital
Marissa LaFave, The Green Century Funds
Cornish F. Hitchcock, Hitchcock Law Firm

THE PROPOSAL

RESOLVED: The shareholders ask the Board of Directors of Verizon Communications, Inc. (the "Company") to prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 "net-zero" emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities. The report should be done at reasonable expense and may exclude confidential information.

THE PAYPAL PROPOSAL

RESOLVED: The shareholders ask the Board of Directors of PayPal Holdings, Inc. (the "Company") to prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 "net-zero" emissions of greenhouse gases from parts of the business directly owned and operated by the Company, including any executive and administrative offices, data centers, product development offices, fulfillment centers and customer service offices, as well as the feasibility of reducing other emissions associated with Company activities. The report should be done at reasonable expense and may exclude confidential information.

In implementing this proposal, Verizon may wish to consider *The Greenhouse Gas Protocol*, prepared by World Business Council for Sustainable Development and the World Resources Institute, which provides a useful guide for quantifying and reporting corporate GHG emissions. That *Protocol* identifies three types of emissions for a company's consideration:

- *Direct emissions* from sources owned or controlled by the company; and
- *Electricity indirect emissions* from electricity purchased and consumed by the company.
- *Other emissions* that otherwise result from a company's activities.

In implementing this proposal, the Company may wish to consider *The Greenhouse Gas Protocol*, prepared by World Business Council for Sustainable Development and the World Resources Institute, which provides a useful guide for quantifying and reporting corporate GHG emissions. That *Protocol* identifies two types of emissions, which are covered by this proposal:

- *Direct Emissions*, which occur from sources owned or controlled by the company; e.g., company-owned building or facilities; and
- *Electricity Indirect Emissions* which are emissions from electricity purchased and consumed by the company.

The *Protocol* identifies a third category of other emissions, also covered by this proposal, namely, emissions that are a consequence of a company's activities, but that stem from sources not owned or controlled by the company, e.g., employee business travel, commuting, product end-of-life disposal.

HITCHCOCK LAW FIRM PLLC
5614 CONNECTICUT AVENUE, N.W. • No. 304
WASHINGTON, D.C. 20015-2604
(202) 489-4813 • FAX: (202) 315-3552

CORNISH F. HITCHCOCK
E-MAIL: CONH@HITCHLAW.COM

22 January 2018

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

By electronic mail: shareholderproposals@sec.gov

Re: Shareholder proposal to Verizon Communications Inc. from
Amalgamated Bank's LongView LargeCap 500 Index Fund, Portfolio 21
Global Equity Fund, Appleseed Fund and Green Century Equity Fund

Dear Counsel:

I write on behalf of Amalgamated Bank's LongView LargeCap 500 Index Fund, Portfolio 21 Global Equity Fund, Appleseed Fund and Green Century Equity Fund (collectively the "Funds"), in response to the letter from counsel for Verizon Communications Inc. ("Verizon" or the "Company") dated 28 December 2017 ("Verizon Letter") in which Verizon advises that its intends to omit from its 2018 proxy materials a proposal submitted by the Funds. For the reasons set forth below, we respectfully ask the Division to deny the requested no-action relief.

The Resolution and Verizon's Objections

Citing the Paris Agreement on climate change signed by 196 parties in 2015, the resolution asks Verizon's board of directors to—

prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 "net-zero" emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities.

The resolution includes the standard conditions that the report should be prepared at reasonable expense and may exclude confidential information.

The supporting statement explains that the parties to the Paris Agreement, including the United States, agreed to limit climate change to an average global warming of 2° Celsius above pre-industrial temperatures, with a goal of limiting it to 1.5° Celsius. The Intergovernmental Panel on Climate Change states that to reach this goal, CO₂ emissions must fall to zero by 2040 to 2070, and scientists agree that reaching the Paris Agreement's 1.5° goal means that the world must reach “net-zero” greenhouse gas emissions by 2030-2050. This is sooner than is currently planned by most corporations and nations.

What are “net-zero” greenhouse gas emissions? The concept refers to reducing the level of greenhouse gases emitted on an annual basis to a level roughly equal to the amount of renewable energy created by an individual entity. The proposal states the belief that achieving that goal is important for companies generally to achieve long-term shareholder value and that Verizon should be a leader in this area, given its prominent role in the new technology economy.

The supporting statement suggests – but does not seek to require – that Verizon consider the feasibility of a net-zero future by using THE GREENHOUSE GAS PROTOCOL, prepared by World Business Council for Sustainable Development and the World Resources Institute, which provides a guide for quantifying and reporting corporate greenhouse gas emissions. The supporting statement also cites certain criteria to be considered to assure that the offsets are permanent and validly counted and assessed.

Verizon seeks no-action relief on two grounds:

- (1) The proposal is so “vague and indefinite” that it is “materially misleading” within the meaning of Rule 14a-9 and may thus be excluded from Verizon’s proxy under Rule 14a-8(i)(3); and
- (2) the proposal implicates the “ordinary business” of the Company and may thus be excluded under Rule 14a-8(i)(7).

As we now explain, neither objection has merit.

Discussion

A. The proposal is not so “vague and indefinite” as to be “materially misleading.”

Section 3.B of STAFF LEGAL BULLETIN 14B (2004) stated that “many companies have begun to assert deficiencies in virtually every line of a proposal's supporting statement as a means to justify exclusion of the proposal in its entirety.” Going forward, the Division observed, a company should not rely on the (i)(3) exclusion to launch the type of broadside that Verizon launches here. Nonetheless, Verizon purports to find fault with four phrases and portions of the final paragraph of the supporting statement, so much so that “neither the shareholders nor Verizon

would know with any reasonable certainty what actions or measures the Proposal requires.” Verizon letter at pp. 3-4.¹ Verizon’s criticisms are vastly overblown. Indeed, the opening to Verizon’s letter and the “ordinary business” argument in that letter demonstrate a clear understanding of what the Funds are proposing. We address in turn each of Verizon’s linguistic objections.

- “net-zero emissions,” “essentially,” “roughly” and “the amount of renewable energy created by the individual entity”:

Verizon’s letter asks (at p. 4) “What are ‘net-zero emissions?’” and then faults the definition provided in the supporting statement, which states:

Achieving net-zero emissions essentially means reducing the level of greenhouse gases emitted on an annual basis to a level roughly equal to the amount of renewable energy created by an individual entity.

From this straight-forward statement, Verizon purports to conjure up vagueness based on the words “essentially” and “roughly.” The concept of “individual entity” is also said to be beyond Verizon’s comprehension, but the three rhetorical questions Verizon poses in its letter indicates that Verizon does understand the obvious meaning of this sentence. “Essentially” obviously means an attempt to encapsulate the concept in a single sentence. As for “roughly,” the proposal seeks a study of the feasibility of certain actions 12 years into the future; given the uncertainties inherent in such a projection, the proposal recognizes that approximations are inevitable. Indeed, if “roughly” (or “approximately” or something similar) had been omitted, Verizon would doubtless have objected that trying to achieve an “equal” match was micromanagement under the (i)(7) exclusion or impossible under the (i)(6) exclusion.

Any distinction between renewable energy “created by” an “individual entity” (such as Verizon) as opposed to, say, a vendor providing “renewable energy” under contract with that “individual entity” is at best a subtle distinction that is irrelevant. If Verizon were to prepare the requested report, it would presumably want to add renewable energy generated by a contractor to the total of renewable energy generated from its own sources in calculating the overall level of renewable energy that is offsetting the Company’s remaining emission of greenhouse gases.

- “emissions . . . from parts of the business directly owned and operated by the Company” and “other emissions associated with Company activities.”

¹ We note that a virtually identical proposal was voted in 2017 at PayPal Holdings and received 23.8% of the yes/no vote. Definitive Proxy Statement, PayPal Holdings, Inc. (13 April 2017), at p. 70, available at <https://www.sec.gov/Archives/edgar/data/1633917/000119312517123296/d243695ddef14a.htm>; Form 8-K, PayPal Holdings, Inc. (25 May 2017), available at <https://www.sec.gov/Archives/edgar/data/1633917/000163391717000090/a8-k2017annualmeetingofsto.htm>.

Here again, Verizon trots out a series of rhetorical questions and hairsplitting distinctions that one seriously doubts would be considered “material” to investors. And here again, if a 500-word proposal sought to provide the level of detail that is said to be material to understand the proposal (e.g., what about joint ventures?), Verizon would be crying “micromanagement.”

The fact of the matter is that Verizon badly mischaracterizes the Funds’ proposal. Specifically Verizon claims that the “resolved” clause focuses on “two” categories of emissions, i.e., “emissions from parts of the business directly owned and operated by the Company” and a separate category of “emissions associated with Company activities.” But wait, says Verizon: The supporting statement identifies three categories of emissions – the proposal is thus internally inconsistent and is materially misleading such that shareholders cannot help but be misled and will have no idea what they are voting on.

This is a distortion of the proposal. The “resolved” clause attempts to provide a broad description of the requested report. In explaining the scope of the proposal, the supporting statement indicates that Verizon may wish to utilize a document entitled THE GREENHOUSE GAS PROTOCOL as a guide in calculating emissions.

The PROTOCOL, which is available at <http://www.ghgprotocol.org/>, identifies three categories:

- “Scope 1” direct emissions;
- “Scope 2” indirect emissions from electricity a company purchases; and
- “Scope 3” other emissions associated with Company activities.

Because the Funds’ proposal does not seek to mandate use of the PROTOCOL for measuring emissions, the “resolved” clause refers generically to “emissions of greenhouse gases from parts of the business directly owned and operated by the Company.” This reference is obviously intended to pick up what the PROTOCOL terms “Scope 1” and “Scope 2” emissions.

The PROTOCOL’s “Scope 3” category of “other emissions” plainly covers what the “resolved” clause identifies as “other emissions that are a consequence of a company’s activities, but do not stem from sources owned or controlled by the company,” e.g., employee business travel, commuting, product disposal.

Verizon’s argument thus rests on a false dichotomy, namely, a notion that “The ‘resolved’ clause identifies two specific categories of emissions, while the supporting statement identifies three categories.” Wrong. The “resolved” clause defines the scope of the emissions broadly, and the supporting statement provides a more detailed explanation of how a leading study breaks down the various types of emissions that should be measured.

Verizon surely cannot claim a lack of understanding. Indeed, its letter states (at p. 5) that “Verizon defines its Scope 1 (direct), Scope 2 (indirect) and Scope 3 (other) emissions in accordance with PROTOCOL standards.” Given that fact, it is implausible for Verizon to say that if the proposal were to be adopted, “Verizon would not know what would be required in order to implement it.” *Id.* at p. 6.

It is equally implausible that investors would be misled because the proposal does not go into more detail about how to count such items as emissions “generated by the operation of real estate, vehicles, and other assets that are leased, as opposed to owned.” Verizon Letter at p. 5. Verizon offers no explanation why an investor would deem these details “material” to a decision about how to vote one’s shares.

The Funds’ proposal seeks to operate at a policy level – Do investors think that the Company should consider and report on the feasibility of reducing greenhouse gas emissions to a certain threshold by 2030? The details are left to Verizon. The comments in the supporting statement aim to provide particulars to help investors decide the broader policy question; Verizon is free to provide a contrary viewpoint in its statement in opposition.

- “offsets.”

The first sentences of the final paragraph of the supporting statement state:

We believe that offsets should be permanent and represent emission reductions not likely to have occurred otherwise. Also, offsets should represent carbon abatement that is not being counted by another party and should account for leakage, i.e., deducting material increases in emissions elsewhere that nullify or reduce the abatement.

Verizon charges that the Funds are injecting a new and undefined concept – “offsets” – into the conversation, and further that the word “offsets” is so vague and undefined that it renders the proposal and supporting statement “materially misleading.” When read in context, however, the concept is clear.

The final paragraph of the supporting statement is explicit that the word “offsets” refers to “emission reductions” and “carbon abatement” measures that should be “permanent and represent emission reductions not likely to have occurred otherwise.” Read in context, this all makes perfect sense.

The second paragraph of the supporting statement indicates that there are, metaphorically speaking, two sides of the ledger, and the goal of the proposal is the reduction of (a) “the level of greenhouse gases emitted on an annual basis” to (b) “a level roughly equal to the amount of renewal energy.” Determining the degree to which these two categories “net out” will thus inevitably require deciding which

emission reductions should be counted.

The concept is simple, and Verizon understands the point even if it claims not to do so. Its letter states (at p. 6): “Even assuming that ‘offsets’ refers to ‘carbon offsets’ as defined by the Merriam-Webster dictionary, it is not clear what would be considered to make such a carbon offset ‘permanent’ and ‘not likely to have occurred otherwise.’” Would planting a tree count, Verizon asks, presumably in all seriousness. What if that tree were to be destroyed by fire? It is difficult to imagine that investors will be unable to decide how to vote because such details are lacking.

B. The issues here transcend Verizon’s “ordinary business” operations.

Verizon’s letter recites the familiar criteria for excluding a proposal under Rule 14a-8(i)(7), and the letter focuses on alleged efforts at “micro-management.” As a general response to the charge of “micro-management,” we note the Division’s comments in STAFF LEGAL BULLETIN 14H (2015), part C of which made it clear that “a proposal may transcend a company’s ordinary business operations even if the significant policy issue relates to the ‘nitty-gritty of its core business’” (internal citation omitted). That is the situation here. The issue of climate change presents a significant policy issue for Verizon’s shareholders, even if the resolution deals with what Verizon regards as the “nitty-gritty” of its business.

Verizon’s letter is notable in several respects.

First, it repeats the same micro-management arguments that the Division rejected last year in PayPay Holdings, Inc. (13 March 2017) and The TJX Companies, Inc. (13 March 2017) which involved the same proposal that the Funds have filed here, with only minor wording changes.

Second, Verizon relies on two 2016 letters – Apple Inc. (5 December 2016) (“Apple I”) and Deere & Co. (5 December 2016) – even though those two proposals were more prescriptive than the Funds’ proposal here. Specifically the Apple I and Deere proposals sought the preparation of a plan as to how net-zero parity would, in fact, be achieved by 2030. The PayPal and TJX proposals were revised accordingly to ask simply that the company report on the feasibility of achieving such a goal, but not requiring an actual detailed “plan” for achieving that goal. With that change the Division denied no-action relief.

Third, Verizon cites the recent ruling in Apple Inc. (21 December 2017) (“Apple II”), which we acknowledge granted no-action relief as to the proposal at issue, but with a significant difference. The Apple determination rested on the fact that Apple offered a detailed explanation as to how its board of directors had considered the topic, in an effort to utilize the guidance provided in STAFF LEGAL BULLETIN 14I (2017). Verizon attempts no such showing here.

As we now explain in more detail, Verizon has offered no basis to re-consider and overturn the results reached last year in PayPal and TJX. To start at the beginning, the 2016 proposals in Apple I and Deere stated:

Resolved: Shareholders request that the Board of Directors generate a feasible plan for the Company to reach a net-zero GHG emission status by the year 2030 for all aspects of the business which are directly owned by the Company and major suppliers, including but not limited to manufacturing and distribution, research facilities, corporate offices, and employee travel, and to report the plan to shareholders at reasonable expense, excluding confidential information, by one year from the 2017 annual meeting.

In seeking no-action relief Apple's request letter made a notable concession (Apple I, at PDF p. 36)::

Developing a "feasible" plan to shareholders for the Company to achieve net-zero greenhouse gas emissions by 2030 is a fundamentally different proposal from a report assessing the feasibility and policy options for the Company to reach that goal. Developing and selecting a feasible plan would require the Company to evaluate and prioritize particular courses of actions and changes to its operations and business, and then to replace its own judgments about the best course of action with a course of action directed solely at meeting the specific emissions level selected by the Proponent by the arbitrary date mandated by the Proposal.

The Division did not address this distinction in granting the relief sought in Apple I. Specifically, the Division concluded that the proposal, as submitted, asks the company to develop a plan that will work by the specified deadline and "seeks to micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

The proponents in PayPal and TJX took this distinction to heart. In 2017 the proposal to PayPal asked the board to prepare a report that "evaluates the feasibility of the Company achieving by 2030 "net-zero" emissions of greenhouse gases from parts of the business directly owned and operated by the Company . . . as well as the feasibility of reducing other emissions associated with the Company's activities." Similarly the TJX proposal asked the board for a report that "evaluates the potential for the Company to achieve by a fixed date "net-zero" emissions of greenhouse gases from parts of the business owned and operated by the Company."

This distinction – between a request to "generate a feasible plan" for reaching a goal versus a request to "evaluate the feasibility" or the "potential" of achieving that goal – was sufficient to persuade the Division that the proposals, as reframed, did not "seek to micromanage the company to such a degree that exclusion of the

proposal would be appropriate.” The proposals were voted at both companies and received 23.8% of the yes/no vote at PayPal and 8% of the yes/no vote at TJX.

The issuance of STAFF LEGAL BULLETIN 14I in November 2017 prompted Apple to try again, this time with respect to an “evaluate the potential” resolution. It worked. The Division reversed its position in PayPal and TJX, the Division concluding in Apple II that the proposal sought to “micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment,” the same reasoning that the Division used in Apple I.

What was different this time?

The company in Apple II sought to re-litigate the same micro-management points raised in the prior letters, arguing that even considering the feasibility of achieving the net-zero target involved a congeries of complex technological decisions that were beyond the capability of shareholders to understand and weigh in on.

Apple went a step beyond this, however, invoking STAFF LEGAL BULLETIN 14I to offer an explanation that “reflects the analysis of the Company’s board of directors (the “Board”) as well as management’s and includes a description of the Board’s processes in conducting its analysis.” Apple II, at PDF pp. 25-26 (emphasis in original). Apple explained its commitment to environmental stewardship and steps it had taken in furtherance of that goal (at PDF p. 26), concluding:

The Board and management are committed to minimizing the environmental impact of the Company’s business, as evidenced by the Company’s deep and longstanding commitment to safeguarding the environment. The Company’s policies, practices and deliberations regarding all aspects of the Company’s business incorporate an in-depth review of the environmental impact of the Company’s policies, practices and operations. Therefore, the Proposal’s request that the Company develop and report on the achievability of a plan for the Company and its major suppliers to achieve net-zero greenhouse gas emissions is merely a variant of what the Company’s management and the Board already do.

The Division found the description of the Board’s analysis and procedures to be determinative, writing: “Based on our review of your submission, including the description of how your board of directors has analyzed this matter, there appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7).” Apple II, at PDF p. 2 (emphasis added).

Verizon offers none of this. Verizon mimics arguments that Apple made in Apple II about the complexity of the task, particularly with a target date of 2030. Unlike Apple, however, Verizon does not invoke STAFF LEGAL BULLETIN 14I or make

any effort to establish how the Verizon board has dealt with the issues presented by the Funds' proposal. Of course, Verizon is under no obligation to do so, as a company is free to eschew the sort of showing set out in that BULLETIN and to rely on prior BULLETINS and no-action precedents.²

Moreover, Verizon argues that the Funds' proposal is more complex and seeks to micro-manage operations at a level far exceeding the proposal in TJX in two respects: (1) the proposal there did not have a specific deadline, but asked TJX to pick a "fixed date" for achieving the goal, and (2) the proposal to TJX did not include "other emissions." Verizon Letter, at p. 9.

What Verizon fails to note, however, is that both of these elements – a specific deadline (2030) and coverage of "other emissions" – were included in the companion proposal to PayPal, where the Division rejected micro-management arguments even with those two elements included.

Moreover, in an effort to shoehorn the Funds' proposal into Apple I and Deere, Verizon mischaracterizes the proposal as asking the Company "to develop a hypothetical plan which could feasibly achieve" net-zero emissions. Verizon Letter, at p. 9. The Funds' proposal does not seek the preparation of a "plan." A request to "evaluate" the "feasibility" of reaching a goal gives a company significant flexibility in deciding how to respond. In theory, the question "Is X feasible by deadline Y?" can generate multiple answers, e.g., "Yes, but only if we spent \$500 billion," or "No, but we can get 75% of the way there," or "Yes, the goal is feasible at reasonable cost and will require little change from current policies" – there are many possible answers.

Verizon also argues that the inquiry is "complex" for a company such as Verizon. Verizon Letter, at p. 9. Perhaps so, but so too is building, operating, maintaining and expanding a national and international telecommunications system in an era of rapid technological change. "Complexity" cannot be a complete answer, and indeed the Division rejected similar generalized objections in PayPal. Verizon may be a large company, so it should not be surprising that an evaluation would be more complex than might be the case for a smaller company. Indeed, Verizon acknowledges (at p. 2) that it is already using the PROTOCOL mentioned in the proposal, so the Company would certainly not be starting from scratch in conducting the requested evaluation.

There is a separate reason why complexity is not a complete response. The focus of the proposal is a very straight-forward policy issue that is framed to allow shareholders to easily provide guidance to the board. If one acknowledges, as

² Indeed, at least one company has made that choice so far this year in seeking no-action relief under Rule 14a-8(i)(7). See incoming letter from Express Scripts Holding Company (dated 21 December 2017) (New York State Common Retirement Fund proposal).

Verizon does, that climate change is an important issue, shouldn't the Company be examining the "big picture" question of where the Company will be in 2030 and whether a "net-zero" goal is feasible by then?

There are reasons by the question is particularly pertinent at Verizon. The Company's letter cites (at p. 2) a number of steps that Verizon has taken to reduce its carbon intensity. Those actions are certainly commendable, but the question remains: Is Verizon acting on a piecemeal basis, or is there a broader plan or goal?

Verizon's letter (and its 2016 Corporate Responsibility Report, available at <http://www.verizon.com/about/responsibility/corporate-responsibility-report-archive>) tout the fact that Verizon set a goal of reducing its carbon intensity by 50% by 2020 and then exceeded that goal by reducing carbon intensity by 54 percent through the first quarter of 2016, nearly four years ahead of schedule. Passing the fact that this achievement illustrates Verizon's ability to plan and execute a carbon reduction strategy on a deadline, the significance of this example is what Verizon does not say. This achievement, though commendable, happened two years ago. Is the Company resting on its laurels? Have new carbon reduction goals been established? Are the Company's actions pursuant to an overall strategy set by the board?

To be sure, and as the Funds' proposal acknowledges, Verizon reports that it has used 24 MW of green energy "to power our operations over the past five years" and has a goal of "adding 24 MW of green energy in our operations by 2025." 2016 Corporate Responsibility Report , at PDF p. 20. The Report provides no context for this 24 MW figure, and it does not appear that the Verizon board has adopted a long-term policy goal in line with the goals of the Paris Agreement.

Why does this matter to shareholders?

At a basic level, climate change poses several types of risk to investors. The first is physical, e.g., risks from rising sea levels and the like on a company's operations. The second is regulatory or legislative: The time may come between now and 2030 or 2040 when regulators or legislators decide to take more aggressive action on climate change issues. If that happens, will publicly traded companies be prepared? If not, what will be the cost to shareholders?

For these reasons, Verizon cannot plausibly assert that the Funds' proposal involves merely "ordinary business" concerns and or that the proposal seeks to micro-manage the Company's handling of the issue.

The no-action letters cited by Verizon do not advance the Company's argument because the proposals there involved highly prescriptive recommendations and sought the implementation of specific policies or levels of improvement. See Marriott International Inc. (17 March 2010) (request that a hotel

company install and test low-flow shower heads deemed micro-management by seeking to require the use of certain technologies); *Ford Motor Co.* (2 March 2004) (excluding a proposal seeking a report on global warming that specified a number of details to be included, *e.g.*, the measured temperature at various locations and the method of measurement).

If anything, the Funds' proposal is closer in character to proposals that Verizon cites that denied no-action relief.

- In *First Energy Corp.* (4 March 2015) the Division denied relief sought by a utility from a request to "create specific, quantitative, time bound carbon dioxide reduction goals to decrease the company's corporate carbon dioxide emissions. The Division explained that the proposal did not involve "ordinary business" because it focused on "greenhouse gas emissions and does not seek to micromanage the company to such a degree that exclusion of the proposal would be appropriate."

- In *Exxon Mobil Corp.* (12 March 2007), relief was denied as to a proposal that sought adoption of a policy to increase use of renewable energy with a goal of achieving between 15% and 25% of its energy sourcing between 2015 and 2025.

Oddly enough, the Verizon Letter claims (at p. 10) that *Exxon Mobil* is helpful to its argument because the Funds' proposal supposedly is calling for a "plan" – but that is a mischaracterization that we answered earlier. If anything, a proposal seeking an evaluation of whether a certain goal can be achieved by a fixed date is less prescriptive than a proposal asking the company to adopt a policy that the company will achieve a certain goal by a fixed date.

Conclusion.

Verizon has thus failed to carry its burden of showing that the Funds' resolution may be excluded under either Rule 14a-8(i)(3) or (i)(7). Accordingly, we respectfully ask you to advise Verizon that the Division cannot concur with the Company's objections.

Thank you for your consideration of these points. Please feel free to contact me if any additional information would be helpful.

Very truly yours,



Cornish F. Hitchcock

cc: Mary Louise Weber, Esq.
(Via e-mail at mary.l.weber@verizon.com)



Mary Louise Weber
Associate General Counsel

One Verizon Way
Room 54S440
Basking Ridge, NJ 07920
Office: 908-559-5636
Fax: 908-696-2068
mary.l.weber@verizon.com

December 28, 2017

By email to shareholderproposals@sec.gov

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. 2018 Annual Meeting
Shareholder Proposal of the Portfolio 21 Global Equity Fund,
LongView LargeCap 500 Index Fund, Appleseed Fund, and
Green Century Equity Fund

Ladies and Gentlemen:

I am writing on behalf of Verizon Communications Inc., a Delaware corporation ("Verizon" or the "Company"), 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 Trillium Asset Management, on behalf of the Portfolio 21 Global Equity Fund, Amalgamated Bank, on behalf of its LongView LargeCap 500 Index Fund, Appleseed Capital, on behalf of the Appleseed Fund, and the Green Century Equity Fund (collectively, the "Proponents"), from the proxy materials to be distributed by Verizon in connection with its 2018 annual meeting of shareholders (the "2018 proxy materials"). All of the Proponents submitted the exact same Proposal in a timely fashion and demonstrated their eligibility to submit the Proposal. Accordingly, a single copy of the Proposal is attached as Exhibit A hereto, and copies of the cover letters from each of the Proponents are attached as Exhibit B hereto.

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 2018 proxy materials with the Commission and have concurrently sent a copy of this correspondence to the designated representatives of each of the Proponents.

The Proposal

The Proposal states:

Resolved: The shareholders ask the Board of Directors of Verizon Communications Inc. (the “Company”) to prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 “net-zero” emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities. The report should be done at reasonable expense and may exclude confidential information.”

The supporting statement stipulates that “[a]chieving net-zero emissions essentially means reducing the level of greenhouse gases emitted on an annual basis to a level roughly equal to the amount of renewable energy created by an individual entity.” The supporting statement suggests that, in implementing the proposal, Verizon use *The Greenhouse Gas Protocol*, prepared by World Business Council for Sustainable Development and the World Resources Institute, for quantifying and reporting GHG emissions. The supporting statement further specifies that “offsets should be permanent and represent emission reductions not likely to have occurred otherwise. Also, offsets should represent carbon abatement that is not being counted by another party and should account for leakage, *i.e.*, deducting material increases in emissions elsewhere that nullify or reduce the abatement.”

Background

Verizon is committed to reducing the environmental impact of its operations and empowering its customers to reduce their carbon footprint. To minimize its impact, Verizon set a goal in 2009 to reduce its carbon intensity—the carbon its business emits divided by the terabytes of data transported over Verizon’s network—by 50% by 2020, even as Verizon grew its business. Verizon exceeded this goal, reducing carbon intensity by 54% through the first quarter of 2016 nearly four years ahead of target, and continues to make further reductions. In addition, by using connected solutions to displace energy-intensive technologies, Verizon helps its customers save energy and reduce their carbon emissions. Verizon works with the Carbon Trust, a respected nonprofit, to measure the yearly reduction in CO₂e emissions its customers are achieving through the use of its products and services. Verizon enabled total gross CO₂e avoidance of 5.9-8.6 million metric tons in 2016; this is equivalent to removing 1.2-1.8 million cars from the road for one year and represents an 18-22% improvement over 2015. In addition, 98-144% of Verizon’s 2015 operational emissions were offset by CO₂e reductions enabled by Verizon’s products and services in 2016. See Verizon’s 2016 Corporate Responsibility Report, available at <http://www.verizon.com/about/corporate-responsibility-report>. Verizon uses generally accepted accounting standards for tracking and reporting its greenhouse gas inventory. Verizon defines its Scope 1 and Scope 2 emissions reporting in accordance with *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*. For Scope 3 emissions, Verizon uses *The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. Verizon’s carbon intensity results are independently assured by Ernst & Young LLP. Verizon received an A- on the Carbon Disclosure Project’s 2016 evaluation and is now ranked in CDP’s Leadership scoring band.

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 2018 proxy materials for the following, separately sufficient, reasons:

1. The Proposal may be excluded pursuant to Rule 14a-8(i)(3) because it is vague and indefinite and, thus, materially false and misleading in violation of Rule 14a-9; 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 and impermissibly seeks to micro-manage the Company by imposing a specific timeframe to implement complex policies to satisfy quantitative targets.

Analysis

I. The Proposal may be excluded pursuant to Rule 14a-8(i)(3), because it is vague and indefinite and, thus, materially false and misleading in violation of Rule 14a-9

Verizon believes that the Proposal may be properly excluded under Rule 14a-8(i)(3). Rule 14a-8(i)(3) permits a company to omit a shareholder proposal and the related supporting statement from its proxy materials if such "proposal or supporting statement is contrary to any of the Commission's proxy rules, including [Rule] 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials." The Staff has stated that a proposal will violate Rule 14a-8(i)(3) when "the resolution contained in the proposal is so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." Staff Legal Bulletin No. 14B (September 15, 2004) ("SLB 14B").

The Staff has determined that a proposal is vague and indefinite if the company and its shareholders might interpret the proposal differently, such that "any action ultimately taken by the company upon implementation of the proposal could be significantly different from the actions envisioned by the shareholders voting on the proposal." *Fuqua Industries, Inc.* (March 12, 1991). That is precisely the case here. The Proposal is vague and indefinite in its use of several terms and phrases that are critical to understanding the scope of the Proposal and the actions it requires. These key terms and phrases include "net-zero emissions," "the amount of renewable energy created by an individual entity," "emissions . . . from parts of the business directly owned and operated by the Company," and "reducing other emissions associated with Company activities." In addition, the final paragraph of the supporting statement purports to provide guidance on how the Proposal should be implemented, but it actually raises multiple ambiguities and questions by introducing a new concept of "offsets" into the equation without any explanation of what "offsets" are or how they relate to achieving "net-zero emissions" as defined by the Proposal. The above-referenced terms and phrases and final paragraph are subject to multiple interpretations that could involve significantly different outcomes and effects for Verizon and its shareholders. As described in greater detail below, neither the shareholders

nor Verizon would know with any reasonable certainty what actions or measures the Proposal requires.

A. The target mandated by the Proposal is vague and indefinite.

At its core, the Proposal asks Verizon's Board of Directors to evaluate "the feasibility of the Company achieving by 2030 'net-zero' emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities." In evaluating the Proposal, the first and most important question a shareholder is likely to have is: What are "net-zero emissions"? Shareholders cannot evaluate, and Verizon cannot implement, the Proposal without a clear understanding of what is contemplated by this central concept. However the Proposal fails to provide a reasonably clear and unambiguous explanation. According to the supporting statement, "[a]chieving net-zero emissions essentially means reducing the level of greenhouse gases emitted on an annual basis to a level roughly equal to the amount of renewable energy created by an individual entity." This explanation of the central concept of the Proposal is confusing on its face and raises several questions and alternative interpretations that would prevent shareholders from being able to evaluate the Proposal and Verizon from being able to implement it without making numerous and significant assumptions. These include:

1. Does the inclusion of the word "essentially" indicate that there is more complexity to what is meant by "net-zero emissions" than is presented in the supporting statement?
2. Does the inclusion of the word "roughly" mean that the reduction in greenhouse gas emissions is not required to be exactly "equal to the amount of renewable energy created by an individual entity"? If not, how much of a disparity would be permitted to qualify as "net-zero emissions"?
3. What does "the amount of renewable energy created by an individual entity" include? Does "individual entity" refer only to Verizon, such that only renewable energy that Verizon actually produces or "creates" itself, such as renewable energy generated by Verizon's own on-site solar panels or wind turbines, goes into the equation? Or does "individual entity" also refer to another entity that creates renewable energy purchased and consumed by Verizon?

A key definition couched in such vague and indefinite terms cannot allow the shareholders voting on the Proposal or Verizon were it to implement the Proposal to "determine with any reasonable certainty exactly what actions or measures the [P]roposal requires." SLB 14B.

B. The scope of emissions covered by the Proposal is vague and indefinite.

In evaluating the Proposal, the next question that a shareholder is likely to have is: What kinds of emissions are covered by the Proposal? Again, the Proposal does not provide a reasonably clear and unambiguous answer to this key question. The Proposal requests a feasibility analysis with respect to reducing two categories of emissions:

- emissions “from parts of the business directly owned and operated by the Company,” and
- emissions “associated with Company activities.”

The descriptions of these two categories of emissions are so vague and indefinite that it is virtually impossible “to determine with any reasonable certainty exactly what actions or measures the proposal requires.” SLB 14B. For example, does the first category intend to exclude emissions from businesses that Verizon conducts through joint ventures and partnerships with third parties? Does it intend to exclude the emissions generated by the suppliers of electricity that Verizon requires to operate its networks and facilities? Technically these emissions are not “from parts of the business directly owned and operated by the Company,” but it is unclear whether the Proposal intends for them to be included or not.

The second category of emissions covered by the Proposal is even more vague and indefinite. There are any number of activities that could be included under the umbrella of “other emissions associated with Company activities,” depending on the context. For example, does this category intend to include emissions generated by Verizon’s suppliers in producing and transporting the equipment Verizon uses in its operations? How about the emissions generated by Verizon’s employees in commuting to work, whether in personal vehicles or by public transportation? Should emissions generated by the operation of real estate, vehicles, and other assets that are leased, as opposed to owned, be included in this category or the first? Because there is a further ambiguity, discussed in greater detail below, as to the amount of reduction the Proposal contemplates for each category, different answers to questions about what activities are intended to be included in each category could lead to vastly different outcomes not only with respect to the scope of activities covered by the Proposal, but also with respect to the amount of reduction targeted for each activity.

The supporting statement attempts to provide some guidance as to the implementation of the Proposal by suggesting that Verizon follow *The Greenhouse Gas Protocol*. The supporting statement then briefly describes the three categories of emissions that the *Protocol* identifies:

- *Direct emissions* from sources owned or controlled by the company; and
- *Electricity indirect emissions* from electricity purchased and consumed by the company.
- *Other emissions* that otherwise result from a company’s activities.

It is far from clear how these three categories of emissions relate to the two categories of emissions that the Proposal specifically mandates be included in the feasibility analysis. Moreover, this brief description of the *Protocol* standards does not provide any further clarification as to the meaning of “emissions associated with Company activities.” As mentioned above, Verizon defines its Scope 1 (direct), Scope 2 (indirect) and Scope 3 (other) emissions in accordance with *Protocol* standards. However, for Scope 3 (other) emissions, Verizon only reports emissions from corporate business travel (air and rail). Is that sufficient for purposes of the analysis requested by the Proposal, or does the Proposal also expect Verizon to include in the analysis emissions resulting from any or all of the activities mentioned in the paragraph above, which may or may not be included within the second category outlined in the Proposal?

The Proposal is so ambiguous and open to interpretation that the actions ultimately taken by Verizon to implement the Proposal could be significantly different from the actions envisioned by shareholders voting on the Proposal.

The Proposal's reference to an evaluation of "the feasibility of reducing other emissions associated with Company activities" is also vague and indefinite not only with respect to the types of emissions the analysis should cover, but also with respect to the amount of reductions the analysis should target. It is unclear whether the Proposal calls for an analysis of the feasibility of merely reducing such emissions from current levels, or alternatively, whether the Proposal's concept of "net-zero emissions" applies to these other emissions as well as to emissions from directly owned and operated parts of the business. In practice, there would be a significant difference between merely reducing these emissions and reducing them to a "net-zero" level. Also, to the extent the Proposal calls for a mere reduction of these emissions as opposed to a "net-zero" reduction, there is a significant difference in the analysis if the goal is to reduce these other emissions (whatever they are) by 5% versus by 95%. Because of these ambiguities, shareholders would not be able to properly evaluate and make an informed decision on the Proposal, and Verizon would not know what would be required in order to implement it.

C. The supporting statement provides vague and conflicting guidance on what the Proposal entails.

The final paragraph of the supporting statement purports to provide guidance on how the Proposal should be implemented, but it actually raises multiple ambiguities and questions by introducing a new concept of "offsets" into the equation without any explanation of what "offsets" are and how they relate to achieving "net-zero emissions" as defined by the Proposal. The term "offsets" appears to be a technical term that is not defined in the Proposal. It is likely that the supporting statement is referring to "carbon offsets," which the Merriam-Webster dictionary defines as (i) "an action or activity (such as the planting of trees or carbon sequestration) that compensates for the emission of carbon dioxide or other greenhouse gases to the atmosphere," or (ii) "a quantifiable amount of such an activity that may be bought, sold, or traded especially as part of a system to reduce pollutants in the atmosphere." If the supporting statement does intend to refer to such "carbon offsets," it does so in a vague and indefinite way, without providing a definition or any context or guidance that would allow shareholders to understand this complex technical concept or how it relates to the achievement of "net-zero emissions." The Proposal states that "offsets should be permanent and represent emission reductions not likely to have occurred otherwise." Even assuming that "offsets" refers to "carbon offsets" as defined by the Merriam-Webster dictionary, it is not clear what would be required to make such a carbon offset "permanent" and "not likely to have occurred otherwise." For example, would planting a tree be considered a "permanent" offset "not likely to have occurred otherwise"? If the tree burned down in a wildfire, would it have to be replanted in order to remain a "permanent" offset (therefore also requiring Verizon to monitor wildfires)? Alternatively, if Verizon were to purchase a carbon offset from a company that then files for bankruptcy or is liquidated, would that be a "permanent" offset "not likely to have occurred otherwise"? These questions require clear and unambiguous answers in order for shareholders to be able to make an informed decision on the Proposal, and for Verizon to implement it if adopted. Because the Proposal does not provide guidance on them, numerous and significant assumptions would

need to be made regarding what the Proposal actually contemplates, and shareholders and Verizon could arrive at significantly different interpretations of these terms.

In addition, the overall purpose and effect of the final paragraph itself is unclear and makes the Proposal vague and indefinite. The final paragraph consists of three sentences marked by the word “should,” which suggests that it is intended to provide guidance on how to implement the Proposal. However, it is unclear how this paragraph relates to the Proposal, since “offsets” are the focus of the paragraph, but nowhere does the Proposal state that “offsets” may be taken into account when measuring the level of Verizon’s greenhouse gas emissions. In fact, the concept of an “offset” seems to conflict with the Proposal’s description of achieving “net-zero emissions,” as discussed above. As a result of these ambiguities, shareholders voting on the Proposal and Verizon in implementing the Proposal would be left to come to their own, potentially differing conclusions, as to whether “offsets” may be taken into account when determining achievement of “net-zero emissions.”

As a result of the deficiencies described above, Verizon believes that the Proposal may be excluded under Rule 14a-8(i)(3) because neither the shareholders voting on the proposal, nor Verizon in implementing the Proposal (if adopted) would be able to determine with any reasonable certainty exactly what actions or measures the Proposal requires.

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

Rule 14a-8(i)(7) permits a company to omit a shareholder proposal from its proxy materials if it deals with a matter relating to the company’s ordinary business operations. When adopting amendments to Rule 14a-8 in 1998, the Commission explained that the general policy underlying 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.” Exchange Act Release No. 34-40018 (May 21, 1998) (the “1998 Release”). As explained in the 1998 Release, this general policy reflects two central considerations: (i) “[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;” and (ii) the “degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” The Commission indicates that this second consideration “may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.”

The Staff has permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals similar to the Proposal that attempt to micro-manage a company by providing specific details for implementing the proposal. In *Apple Inc.* (December 21, 2017) (“*Apple 2017*”), the Staff concurred in the exclusion of a proposal that requested that the company’s board “prepare a report that evaluates the potential for the Company to achieve, by a fixed date, ‘net-zero’ emissions of greenhouse gases relative to operations directly owned by the Company and major suppliers” because the proposal sought to “micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a

position to make an informed judgment.” In *Apple 2017*, the company characterized the proponent as “seek[ing] to have the Company develop a plan for achieving net-zero greenhouse gas emissions, which is a necessary pre-condition to evaluating the potential for implementing such a plan,” and the Proposal as “requir[ing] management to take a number of specific actions and make a number of calculations, including an evaluation and prioritization of competing business and strategic interests, in order to develop and then evaluate a plan for achieving the Proponent’s specific target of ‘net-zero’ greenhouse gas emissions.” This undertaking is substantially similar to the undertaking that the Proposal would require. The company in *Apple 2017* argued that “implementation of the Proposal would involve replacing management’s judgments on complex operational and business decisions and strategies with those favored by the Proponent and would fundamentally interfere with management’s ability to operate the Company’s global business.” That is also precisely the case with the Proposal at issue here, as described in greater detail below.

Similarly, in *Apple Inc.* (December 5, 2016) (“*Apple 2016*”), the Staff concurred in the exclusion of a proposal that requested that the company “generate a feasible plan for the company to reach a net-zero GHG emission status by the year 2030 . . . and report the plan to shareholders” because the proposal sought to “micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” See also *Deere & Co.* (December 5, 2016) (same). In *Apple 2017*, *Apple 2016*, and *Deere & Co.*, the companies argued that the proposals sought to micro-manage the companies by replacing the judgment of management with specific quantitative measures and timelines provided by shareholders, who, as a group, would not be in a position to make an informed judgment. See also *Marriott International Inc.* (March 17, 2010) (exclusion of a proposal to install and test low-flow shower heads in some of the company’s hotels amounted to micro-managing the company by requiring the use of specific technologies); *Ford Motor Company* (March 2, 2004) (Staff concurred with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details such as the measured temperature at certain locations and the method of measurement, the effect on temperature of increases or decreases in certain atmospheric gases, the effects of radiation from the sun on global warming/cooling, carbon dioxide production and absorption, and a discussion of certain costs and benefits). The Staff’s response in *Ford Motor Company* makes clear that a proposal may be excludable under Rule 14a-8(i)(7) because it seeks to micro-manage a company even if the proposal, like the Proposal at issue here, requests that the company publish a report, as opposed to requesting that the company take a specific action.

A. The Proposal seeks to micro-manage Verizon by imposing a specific time frame to implement complex policies to satisfy quantitative targets

The Proposal seeks to micro-manage Verizon to a similar degree as the proposals in the *Apple 2017*, *Apple 2016*, and *Deere* precedents discussed above, even though the wording of the resolution is slightly different. The proposal in *Apple 2017* requested that the company’s board “prepare a report that evaluates the potential for the Company to achieve, by a fixed date, ‘net-zero’ emissions of greenhouse gases relative to operations directly owned by the Company and major suppliers.” The proposals in *Apple 2016* and *Deere* requested that each company “generate a feasible plan to reach net-zero GHG emission status by the year 2030 for all

aspects of the business which are directly owned by the Company and major suppliers.” The Proposal requests that Verizon prepare a report that “evaluates the feasibility of the Company achieving by 2030 ‘net-zero’ emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with company activities.” Like the *Apple 2017*, *Apple 2016*, and *Deere* proposals, the Proposal would require management to develop a hypothetical plan which could feasibly achieve “net-zero” greenhouse gas emissions by a certain date from its directly owned businesses and, potentially, from its suppliers, customers and employees (to the extent that they produce emissions associated with Verizon’s activities). Setting particular greenhouse gas emissions targets involves complex operational decisions made by engineering, legal, financial and management experts based on analyses, projections and assumptions regarding, among other things, the Company’s operations and long-term strategy, anticipated technological developments both in the Company’s industry and the energy sector, as well as projected cash flows, capital expenditure requirements and energy requirements.

Verizon’s carbon footprint is complex by nature, and measuring and reducing this footprint requires inventive solutions. This complexity is illustrated by the diversity and widely dispersed nature of different properties owned and/or operated by Verizon, which number in the tens of thousands and include central office buildings and other buildings that house network equipment, buildings that are used for administrative and other purposes, customer care centers, retail sales locations, garage work centers, switching centers, cell sites, and data centers. Each of these different kinds of properties raises particular considerations regarding the reduction of greenhouse gas emissions. For example, some of Verizon’s retail stores are located in shopping malls where Verizon has limited control over actions and activities that result in greenhouse gas emissions. To implement the Proposal, management would have to replace its own judgments as to how to best allocate Verizon’s resources to achieve its long-term growth strategy and instead prioritize particular courses of action directed solely at meeting the particular emission level selected by the Proponents by the arbitrary date mandated by the Proposal. By substituting the Proponents’ business judgment for management’s business judgment, the Proposal fundamentally interferes with management’s ability to exercise its judgment to run the Company and operate its business on a day-to-day basis.

To the extent that the Proposal intends “other emissions associated with Company activities” to mean emissions generated by its suppliers the Proposal would require Verizon to analyze (i) each supplier’s business to determine what changes would need to be made to their choices of processes, technologies and energy sources so that they could contribute to the reduction in emissions related to Verizon, (ii) the impact such changes would have on each supplier’s business to determine the feasibility of those changes, and (iii) the impact such changes would have on Verizon because additional costs borne by a supplier would likely be passed on to Verizon. For this reason, among others, the Proposal seeks to micro-manage Verizon to a far greater extent than a similar proposal submitted to The TJX Companies (“TJX”). In *TJX Companies, Inc.* (March 3, 2017), the proposal called for the company to prepare a report evaluating the potential for the company to achieve “net-zero” greenhouse gas emissions from parts of the business owned and operated by the Company. Unlike the Proposal, the TJX proposal did not require the company to investigate and address “other emissions associated with company activities” in its plan to reduce greenhouse gas emissions. In addition, as a provider of communications services and solutions, including wireline and wireless voice, data

and video services and internet of things solutions, both in the U.S. and internationally, Verizon is continually building and upgrading its networks to meet customer demand, and as a result, its business operations involve far more significant processes and related technology choices than TJX's business operations (which largely consist of retail stores offering apparel and home accessories manufactured by others). Moreover, Verizon's operations are subject to regulation on a federal, state and local level relating the operation of its networks, the terms and conditions of the services it provides and, in some cases, the prices that it can charge; the Proposal does not necessarily take these and other considerations into account, and its efforts to impose specific time-frames or methods for implementing complex policies curtails the ability of Verizon's management to do so.

Evaluating, and making decisions relating to, Verizon's choices regarding the processes, technologies, energy sources and suppliers that it uses, combined with evaluating the impact of those choices on the pricing of its products and services, are the types of day-to-day operational decisions that the 1998 Release indicated are too impractical and complex to subject to direct shareholder oversight. The Staff has previously concurred that a proposal seeking a report relating to the company's choice of processes and technologies used in the production of its products and services is excludable as relating to the company's ordinary business operations. See *FirstEnergy Corp.* (March 8, 2013) (allowing exclusion of a proposal calling for a report on the effect of increasing the company's use of renewable energy resources because it concerned the company's "choice of technologies" for its operations). As in *FirstEnergy*, decisions relating to the mix of resources used to source the electricity needed to power the Company's networks, nationwide retail stores and other facilities necessarily implicate Verizon's choice of processes, technologies and energy sources for use in its operations.

The degree to which the Proposal seeks to micro-manage the Company's greenhouse gas emissions program is demonstrated by the number of specific actions and calculations that implementation of the Proposal would entail, requiring compilation and analysis of numerous data points and areas of operations. By setting a particular level of acceptable greenhouse gas emissions ("net-zero") by a certain date (2030), the Proposal differs significantly from proposals that seek to establish "goals" for achieving an environmental objective or a range of acceptable levels of compliance. A proposal that seeks to establish goals for, or ranges of, compliance allows the company flexibility to determine an achievable level of compliance and an acceptable timetable for implementation and therefore, unlike the Proposal, does not micro-manage the company for purposes of Rule 14a-8(i)(7). See, e.g., *FirstEnergy Corp.* (March 4, 2015) (declining to concur in exclusion of proposal that called for preparation of a plan to address carbon dioxide emissions but did not "mandate what quantitative goals should be adopted, or how the quantitative targets should be set"); *Exxon Mobil Corporation* (March 12, 2007) (declining to concur in exclusion of proposal requesting adoption of a policy (as opposed to a plan) to significantly increase renewable energy sourcing, with a "recommended goal" in the range of 15%-25% of all energy sourcing by 2015-2025). The Proposal, in contrast, sets a specific goal of "net-zero" emissions and a specific deadline of 2030, attempts to provide a specific and detailed framework for defining and measuring "net-zero greenhouse gas emissions" and requires the development and evaluation of a feasibility plan rather than adoption of a policy.

The business decisions associated with Verizon's investment in, sourcing for, and operation of its networks, retail stores, and other facilities, and which environmental efforts to

prioritize, require complex engineering, financial, and legal analyses that are beyond the ability of shareholders to determine by means of a shareholder proposal. The Proposal invokes the type of micro-management of complex issues involving the ordinary course of a company's business that the 1998 Release was meant to address. The Proposal supplants the Company's judgments on business strategy with an arbitrary level of acceptable emissions and its insistence on an arbitrary deadline for achieving it. By subjecting to direct shareholder oversight the Company's choices regarding processes, technologies and energy sourcing and the terms of the Company's relationships with its suppliers and customers, the Proposal fundamentally interferes with management's ability to run the Company and operate its business on a day-to-day basis. For those reasons, the Proposal is excludable pursuant to Rule 14a-8(i)(7).

B. The Proposal focuses on ordinary business matters regardless of whether it touches upon a significant policy issue

The Commission stated in the 1998 Release that “proposals relating to [ordinary business] matters but focusing on sufficiently significant policy issues . . . generally would not be considered to be excludable.” The Staff elaborated on this “significant policy” exception in Staff Legal Bulletin No. 14E (October 27, 2009) noting 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) as long as a sufficient nexus exists between the nature of the proposal and the company.” However, as discussed above, even if a proposal involves a significant policy issue, the Staff has found that the proposal may nevertheless be excluded under Rule 14a-8(i)(7) if it seeks to micro-manage the company by specifying in detail the manner in which the company should address the policy issue.

While reduction of greenhouse gas emissions is a significant policy issue, the environmental goals of the Proposal are secondary to the Proposal's effort to micro-manage the Company's processes and operations to achieve specific objectives. As discussed above, the Staff has concurred in the exclusion of proposals addressing greenhouse gas emissions where the proposals sought to micro-manage the companies' ordinary business operations by imposing a specific time frame to implement complex policies to satisfy quantitative targets. The Proposal does just that and, therefore, consistent with the precedents, should be excludable under Rule 14a-8(i)(7).

Conclusion

For the foregoing reasons, Verizon believes that the Proposal may be properly excluded from its 2018 proxy materials in reliance on Rule 14a-8(i)(3) and Rule 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 2018 proxy materials.

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Division of Corporation Finance
Office of Chief Counsel
December 28, 2017
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Verizon requests that the Staff send a copy of its determination of this matter by email to the proponent's representatives at bmurphy@trilliuminvest.com, deborahsilodor@amalgamatedbank.com, matt@appleseedcapital.com and mlafave@greencentury.com and to the undersigned at mary.l.weber@verizon.com.

If you have any questions with respect to this matter, please telephone me at (908) 559-5636.

Very truly yours,



Mary Louise Weber
Associate General Counsel

Enclosures

Cc: Brianna Murphy, Trillium Asset Management LLC
Deborah Silodor, Amalgamated Bank
Matthew Blume, Appleseed Capital
Marissa LaFave, The Green Century Funds

Exhibit A

The Proposal

RESOLVED: The shareholders ask the Board of Directors of Verizon Communications, Inc. (the “Company”) to prepare a report to shareholders that evaluates the feasibility of the Company achieving by 2030 “net-zero” emissions of greenhouse gases from parts of the business directly owned and operated by the Company, as well as the feasibility of reducing other emissions associated with Company activities. The report should be done at reasonable expense and may exclude confidential information.

SUPPORTING STATEMENT

In 2015, 196 parties at the U.N. Climate Change Conference agreed to limit climate change to an average global warming of 2 degrees Celsius above pre-industrial temperatures, with a goal of limiting it to 1.5 degrees Celsius. The Intergovernmental Panel on Climate Change states that to reach this goal, CO₂ emissions must fall to zero by 2040 to 2070, and scientists agree that reaching the Paris Agreement’s 1.5 degrees goal means that the world must reach net-zero greenhouse gas (“GHG”) emissions by 2030 to 2050, sooner than is currently planned by most corporations and nations.

Achieving net-zero emissions essentially means reducing the level of greenhouse gases emitted on an annual basis to a level roughly equal to the amount of renewable energy created by an individual entity. We believe that achieving this goal is important for companies generally to achieve long-term shareholder value.

Although Verizon has taken some steps, more needs to be done. For example, Verizon recently achieved its goal of reducing its carbon intensity by 50%, but there is no current goal for further reductions. Although Verizon has also committed to adding 24 MW of green energy into its operations by 2025, that would generate under one percent of the 10.8 million MWh of electricity that Verizon reports it consumed in 2016. Thus, it does not appear that the Verizon board has adopted an overall longer-term policy in line with the goals of the Paris Agreement.

Industry peer BT Group has committed to sourcing 100% of electricity from renewable sources by 2020. BT achieved an 80% reduction in absolute carbon emissions 3 years early.

In implementing this proposal, Verizon may wish to consider *The Greenhouse Gas Protocol*, prepared by World Business Council for Sustainable Development and the World Resources Institute, which provides a useful guide for quantifying and reporting corporate GHG emissions. That *Protocol* identifies three types of

emissions for a company's consideration:

- *Direct emissions* from sources owned or controlled by the company; and
- *Electricity indirect emissions* from electricity purchased and consumed by the company.
- *Other emissions* that otherwise result from a company's activities.,

We believe that offsets should be permanent and represent emission reductions not likely to have occurred otherwise. Also, offsets should represent carbon abatement that is not being counted by another party and should account for leakage, *i.e.*, deducting material increases in emissions elsewhere that nullify or reduce the abatement. Finally, we believe that independently audited information about offsets should be available to interested parties.

We urge you to vote **FOR** this proposal.

Exhibit B

Proponents' Cover Letters



November 14, 2017

Assistant Corporate Secretary
Verizon Communications
1095 Avenue of the Americas
New York, NY 10036

Dear Assistant Corporate Secretary:

Trillium Asset Management LLC ("Trillium") is an investment firm based in Boston specializing in socially responsible asset management. We currently manage approximately \$2.2 billion for institutional and individual clients.

On behalf of the Portfolio 21 Global Equity Fund, Trillium Asset Management, as its investment advisor, hereby submits the enclosed shareholder proposal with Verizon Communications for inclusion in the 2018 proxy statement and in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8). Per Rule 14a-8, Portfolio 21 Global Equity Fund holds more than \$2,000 of Verizon Communications common stock, acquired more than one year prior to today's date and held continuously for that time. As evidenced in the attached letter, our client will remain invested in this position continuously through the date of the 2018 annual meeting. We will forward verification of the position separately. We will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

We would welcome discussion with Verizon Communications about the contents of our proposal.

As co-lead filer of this proposal with Amalgamated Bank please include me on any communications. I can be reached at (617) 532-6662 or via email at bmurphy@trilliuminvest.com.

We would appreciate receiving a confirmation of receipt of this letter via email.

Sincerely,

A handwritten signature in black ink, appearing to read 'B Murphy', written in a cursive style.

Brianna Murphy
Vice President, Shareholder Advocacy & Corporate Engagement
Trillium Asset Management, LLC

Cc: Lowell C. McAdam, Chief Executive Officer

Enclosures



DEBORAH A. SILODOR
Executive Vice President
General Counsel

TEL (212) 895 4428
FAX (212) 895-4726
deborahsilodor@amalgamatedbank.com

November 15, 2017

Mr. William L. Horton, Jr.
Senior Vice President, Deputy General Counsel
and Corporate Secretary
Verizon Communications Inc.
1095 Avenue of the Americas, 8th Floor
New York, NY 10036

Re: Shareholder proposal for 2018 annual meeting

Dear Mr. Horton:

On behalf of the Amalgamated Bank's LongView LargeCap 500 Index Fund (the "Fund"), I am submitting the enclosed shareholder proposal for inclusion in the proxy materials that Verizon Communications, Inc. (the "Company") plans to circulate to shareholders in anticipation of the 2018 annual meeting. The proposal relates to the Company's environmental policies.

The Fund is located at 275 Seventh Avenue, New York, N.Y. 10001. The Fund beneficially owns more than \$2000 worth of the Company's common stock and has held those shares for over a year. A letter from the Bank as record owner confirming ownership is being submitted under separate cover. The Fund plans to continue ownership through the date of the 2018 annual meeting, which a representative is prepared to attend.

The Fund uses shareholder resolutions as a means to open a dialogue with portfolio companies, and we would be pleased to have a dialogue with you on the issues raised by the resolution. If you believe that such a discussion would be useful, please let me know.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. Silodor", is written below the closing text.



November 15, 2017

Assistant Corporate Secretary
Verizon Communications, Inc.
1095 Avenue of the Americas
New York, NY 10036

Dear Assistant Corporate Secretary:

Please find enclosed a shareholder resolution submitted on behalf of Appleseed Capital, Advisor to the Appleseed Fund. Along with the fundamentals, we analyze the environmental, social, and governance (ESG) performance of companies in which we invest for our clients, including Verizon. We request that this resolution be included in the proxy statement for the 2018 Verizon Communications shareholders' meeting. We are submitting the resolution in accordance with Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934. Appleseed Capital has held more than \$2,000 worth of Verizon Communications shares for more than one year as of and including today, and verification of our ownership position will follow this submission.

Appleseed Capital, which has authorized me to file this proposal, currently owns more than 119,000 shares of Verizon Communications common stock, and intends to maintain ownership to meet the thresholds of Rule 14a-8 at least through the annual meeting.

In submitting this proposal, we are authorized to enter into dialogue with your company and discuss terms for satisfaction of the proposal and potential withdrawal of the resolution. We can be reached at 312-948-4973 or at matt@appleseedcapital.com. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads 'Matthew R. Blume'.

Matthew R. Blume, CFA
Director of ESG Research & Shareholder Advocacy
Appleseed Capital



November 16, 2017

Assistant Corporate Secretary
Verizon Communications
1095 Avenue of the Americas
New York, NY 10036

Dear Assistant Corporate Secretary,

The Green Century Equity Fund hereby submits the enclosed shareholder proposal with Verizon Communications (VZ) for inclusion in the Company's 2018 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

Per Rule 14a-8, the Green Century Equity Fund is the beneficial owner of at least \$2,000 worth of Verizon Communications' stock. We have held the requisite number of shares for over one year, and will continue to hold sufficient shares in the Company through the date of the annual shareholders' meeting. Verification of ownership from a DTC participating bank will be sent separately.

Due to the importance of the issue and our need to protect our rights as shareholders, we are filing the enclosed proposal for inclusion in the proxy statement for a vote at the next shareholder's meeting. **Green Century is the co-filer of this proposal and Amalgamated Bank and Trillium Asset Management will act as the lead filers.**

We look forward to discussing the subject of the enclosed proposal with Company representatives. Please include Marissa LaFave, Shareholder Advocate at Green Century Capital Management on any communications. She may be reached at (617) 482-0800 or mlafave@greencentury.com.

We would appreciate receiving a confirmation of receipt of this letter via email.

Sincerely,

Kristina Curtis
President
The Green Century Funds

Enclosures: Resolution Text

GREEN CENTURY CAPITAL MANAGEMENT, INC.
114 STATE STREET, SUITE 200 BOSTON, MA 02109
tel 617-482-0800
www.greencentury.com

