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September 17, 2020

Jamie Dimon
Immediate Past Chairman of the Board of Directors
Business Roundtable
383 Madison Avenue
New York, NY 10179

Doug McMillon
Chairman of the Board of Directors
Business Roundtable
702 SW 8th Street
Bentonville, AR 72716

Dear Mr. Dimon and Mr. McMillon,

I am writing to follow up on a series of inquiries I sent to members of the Business Roundtable (BRT), in the wake of their commitment to implement BRT's new *Statement on the Purpose of a Corporation*, which Mr. Dimon, who at the time was the President of the BRT, announced with great fanfare just over one year ago.¹ The new *Statement* reversed the BRT's 23-year-old position that "corporations exist principally to serve shareholders,"² instead acknowledging "each of [a corporation's] stakeholders is essential" to its success and committing to "deliver value to all of them, for the future success of our companies, our communities and our country."³ One year later, it is clear that the signers of the *Statement* have not kept these commitments and that the BRT, which "exclusively represents chief executive officers (CEOs) of America's leading companies,"⁴ has been lobbying for these CEO's narrow, short-term interests rather than the broad group of stakeholders espoused in the *Statement*.

¹ Business Roundtable, "Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans,'" August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>; Office of Senator Warren, "Senator Warren Asks CEOs to Honor Their Commitments to 'Promote an Economy that Serves all Americans,'" October 4, 2019, <https://www.warren.senate.gov/oversight/letters/senator-warren-asks-ceos-to-honor-their-commitments-to-promote-an-economy-that-serves-all-americans>.

² Business Roundtable, "Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans,'" August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>; Business Roundtable, "Statement on Corporate Governance," September 1997, <http://www.ralphgomory.com/wp-content/uploads/2018/05/Business-Roundtable-1997.pdf>.

³ Business Roundtable, "Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans,'" August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

⁴ Business Roundtable, "About Us," Accessed August 13, 2020, <https://www.businessroundtable.org/about-us>.

Changing longstanding corporate culture to deliver value to employees, customers and the community, instead of only shareholders, requires fundamental changes to corporate governance and decision-making. To understand these changes, I wrote to ten of your members representing a cross-section of industries—including you as CEOs of JPMorgan Chase and Walmart, respectively—to inquire about the changes to corporate governance you were making to implement your commitments.⁵ The responses I received, as well as other public evidence of corporate behavior,⁶ appear to reveal that BRT’s *Statement of Principles* was simply a public relations stunt, rather than an earnest attempt to address some of the most destructive trends in our economy. In fact, further investigation of the BRT *Statement* and its signers found that “[t]he evidence is clear: Notwithstanding statements to the contrary, corporate leaders are generally still focused on shareholder value” and that “all should be clear-eyed about what corporate leaders are focused on and what they intend to deliver.”⁷

I write to urge you to fully commit to the principles of the BRT, operationalize them, and report to on their progress in changing corporate decision making so that as your member companies succeed, their workers, customers, and communities also prosper.

Background: BRT’s Updated *Statement on the Purpose of a Corporation*

In the early 1980s, less than half of the corporate profits from America’s biggest companies went to shareholders, but now, as a result of decisions to boost share prices at the expense of workers, consumers, and other stakeholders, more than 90 percent of profits go to shareholders, representing a shift of trillions of dollars.⁸ In 2015 alone, American companies paid about \$1 trillion back to investors in the form of stock buybacks and dividends, even as wages and other investments stayed flat or decreased.⁹

BRT is “an association of chief executive officers of America’s leading companies,” so, unsurprisingly, this shift in corporate outlook has been reflected in the evolution of BRT’s *Statement of Purpose* over the decades. In 1981, BRT’s position was that corporations “have a responsibility, first of all, to make available to the public quality goods and services at fair prices, thereby earning a profit that attracts investment to continue and enhance the enterprise,

⁵ Office of Senator Warren, “Senator Warren Asks CEOs to Honor Their Commitments to ‘Promote an Economy that Serves all Americans,’” October 4, 2019, <https://www.warren.senate.gov/oversight/letters/senator-warren-asks-ceos-to-honor-their-commitments-to-promote-an-economy-that-serves-all-americans>.

⁶ Oxfam America, “Who profits from COVID-19, and how can we use that money to help us get a vaccine?,” report, July 22, 2020, <https://www.oxfamamerica.org/explore/stories/who-profits-covid-19-and-how-can-we-use-money-help-us-get-vaccine/>; American Prospect, “How Banks Are Exploiting the Coronavirus Crisis for Profit,” Terri Friedline, June 4, 2020, <https://prospect.org/coronavirus/how-banks-are-exploiting-the-crisis-for-profit/>.

⁷ Wall Street Journal, “‘Stakeholder’ Capitalism Seems Mostly for Show,” opinion, Lucian Bebchuk and Roberto Tallarita, August 6, 2020, <https://www.wsj.com/articles/stakeholder-capitalism-seems-mostly-for-show-11596755220>.

⁸ Brookings Institute, “Stock buybacks: From retain-and-reinvest to downsize-and-distribute,” William Lazonick, April 2015, <https://www.brookings.edu/wp-content/uploads/2016/06/lazonick.pdf>; The Hill, “Congress can turn the Republican tax cuts into new middle-class jobs,” Opinion, William Lazonick, February 7, 2018, <https://thehill.com/opinion/finance/372760-congress-can-turn-the-republican-tax-cuts-into-new-middle-class-jobs>.

⁹ “Makers and Takers”, Rana Foroohar, Crown Business, New York, 2017, p. 71.

provide jobs and build the economy.”¹⁰ Many years later, after Milton Friedman’s shareholder maximizing approach had fully taken hold among top company executives,¹¹ the BRT’s principals changed, dramatically, declaring that “corporations exist principally to serve shareholders.”¹²

But in August 2019, in response to stated concerns that “[t]he American dream is alive, but fraying,”¹³ BRT issued a new *Statement of Principles*, signed by 181 CEOs. This new statement marked a dramatic change in tone, declaring that “each of [y]our stakeholders is essential” and committing to (1) “delivering value to [their] customers;” (2) “[i]nvesting in [their] employees,” including through wages, training and education and fostering “diversity and inclusion, dignity and respect;” (3) “[d]ealing fairly and ethically with [their] suppliers;” (4) “[s]upporting the communities in which [they] work,” including “protect[ing] the environment by embracing sustainable practices,” and (5) “[g]enerating long-term value for shareholders.”¹⁴

Over a year after this promising change, it is difficult to identify how any of these commitments were widely operationalized, and corporate actions instead indicate that there may have been no intention to do so.¹⁵ This is particularly troubling, given the BRT’s new commitments to address the climate crisis, in which you state “corporations should lead by example, support sound public policies and drive the innovation needed to address climate change.”¹⁶ While bold, urgent action to combat the climate crisis and protect our communities and economies is certainly necessary, in order for the public to trust that you will meet these commitments, you must show that your members operationalize commitments that they make. Thus far, as it pertains to your *Statement of Principles*, you have unfortunately failed to do so.

Little Evidence BRT Members Are Putting These New Principles into Place in America’s Largest Corporations

To better understand how the 181 companies that made these commitments planned to adopt the new BRT principles and implement relevant changes, I wrote to ten signatories representing a cross-cut of industries in the BRT, seeking information from the CEOs of

¹⁰ New York Times, “Reader Comment: Roundtable Reply,” Andrew Sigler, December 27, 1981, <https://timesmachine.nytimes.com/timesmachine/1981/12/27/156986.html?pageNumber=143>.

¹¹ New York Times, “A Friedman doctrine—The Social Responsibility Of Business Is to Increase Its Profits,” Milton Friedman, September 13, 1970, <https://timesmachine.nytimes.com/timesmachine/1970/09/13/223535702.html?pageNumber=379>.

¹² Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>; Business Roundtable, “Statement on Corporate Governance,” September 1997, <http://www.ralphgomory.com/wp-content/uploads/2018/05/Business-Roundtable-1997.pdf>.

¹³ Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

¹⁴ *Id.*

¹⁵ Wall Street Journal, “‘Stakeholder’ Capitalism Seems Mostly for Show,” opinion, Lucian Bebchuk and Roberto Tallarita, August 6, 2020, <https://www.wsj.com/articles/stakeholder-capitalism-seems-mostly-for-show-11596755220>.

¹⁶ Business Roundtable, “Addressing Climate Change: Principles and Policies,” September 16, 2020, <https://s3.amazonaws.com/brt.org/Business-RoundtableAddressingClimateChangeReport.September2020.pdf>.

Amazon, Walmart, United Airlines, General Motors Company, JPMorgan Chase, BP, AT&T, Comcast, Cigna, and Union Pacific about the tangible actions they intended to take to operationalize the principles.¹⁷ I also asked them to review and consider endorsing the *Accountable Capitalism Act*, which I reintroduced in October 2019,¹⁸ to achieve corporate governance reforms aligned with the BRT Statement, and enable decision-making that accounts for the needs of stakeholders. I also asked the companies to compare the requirements of that legislation with reforms they were undertaking.

The *Accountable Capitalism Act* requires that very large companies, like those that constitute the BRT, obtain a new federal charter obligating the company to consider the interests of all corporate stakeholders. The legislation would also (1) require that directors elected by workers comprise 40 percent of a chartered company's board of directors so that they have a meaningful say in the actions of the corporation, (2) restrict the sales of stock by directors and officers so that they are forced to act in the long-term interests of the company, and (3) require that the board and shareholders approve all political expenditures to put a check on political spending and ensure that political spending by a corporation advances the interests of all its stakeholders.¹⁹ In short, it provides the mechanism to make good on the new BRT statement these companies support, while preserving incentives for companies to grow and prosper.

Unfortunately, despite making splashy public commitments, you, along with the chief executives of United Airlines, General Motors, AT&T, Comcast, Cigna, and Union Pacific were not willing to explain or demonstrate how you are implementing these commitments; instead, you refused to answer to my letter, asking the BRT to respond instead.²⁰

The companies that did respond offered little evidence they had thought about, much less implemented, changes consistent with the BRT Statement. Mr. Dimon notably refused to answer the inquiry and explain what he was doing to implement the reforms he touted his capacity as head of BRT at JPMorgan Chase, despite multiple conversations between my staff and JPMorgan Chase's representatives.²¹

Mr. McMillion, Walmart's CEO did not answer at all. Only two companies responded to my inquiries: BP and Amazon. BP's one-page response addressed the number of employees it has in the United States, its philanthropy dating back to 2014—before its commitment to the *BRT Statement of Principles*—and enclosed its reports on sustainability and economic impact.²²

¹⁷ Office of Senator Warren, "Senator Warren Asks CEOs to Honor Their Commitments to 'Promote an Economy that Serves all Americans,'" October 4, 2019, <https://www.warren.senate.gov/oversight/letters/senator-warren-asks-ceos-to-honor-their-commitments-to-promote-an-economy-that-serves-all-americans>.

¹⁸ Accountable Capitalism Act, S. 3215 (116th Congress), <https://www.congress.gov/bill/116th-congress/senate-bill/3215>.

¹⁹ Accountable Capitalism Act, S. 3215 (116th Congress), <https://www.congress.gov/bill/116th-congress/senate-bill/3215>.

²⁰ Letter from Business Roundtable President & CEO Joshua Bolton to Senator Elizabeth Warren, October 21, 2019.

²¹ Call with Michaelen Crowell, Principal, S-3 Public Affairs, October 16, 2019; Calls with Jason Rosenberg, Managing Director, Head of U.S. Government Relations, JPMorgan Chase, December 2, 2019, and December 5, 2019.

²² Letter from BP Senior Vice President, US Communications & External Affairs, Mary Streett to Senator Elizabeth Warren, November 1, 2019; BP, "BP Sustainability Report 2018: Reporting to the dual challenge," 2018, <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp->

It, however, contained no indication that the company intended to make the meaningful changes required to implement the new BRT principles. Amazon’s response did not discuss any changes in corporate governance and concluded, “[a]s we outlined in our first shareholder letter in 1997, we believe that a fundamental measure of our success will be the shareholder value we create over the long term.” This statement appearing to indicate that Amazon was reneging on the commitments it had made by signing BRT’s *Statement of Principles*.²³

The insufficient BRT response provided inadequate boilerplate assertions that their members have “have launched concrete efforts to expand worker training, raise wages, support new employee health and wellness benefits and promote more sustainable businesses.”²⁴ The letter points to a website where BRT has compiled anecdotes of BRT members’ employee support initiatives, community investments, and philanthropy.²⁵ These anecdotes revealed little; the fact that they were one of the few examples BRT was willing to provide that appears to indicate that there have been no holistic changes to corporate governance in response to the new BRT statement.

In fact, recent research has found that, relative to company peers, the companies whose CEOs signed the *Statement* “commit environmental and labor-related compliance violations more often (and pay more in compliance penalties)” and “spend more on lobbying policymakers.”²⁶ A new review by Roosevelt Institute scholars also concluded that:

[T]he strong focus on manipulating stock prices through stock buybacks and racking up long-term debt continued through the 2010s, and stayed steady even as BRT leaders professed a change in course. These figures suggest that relying on public statements and a change of heart by America’s CEOs will not be enough to reorient corporate decision-making away from shareholder primacy. Instead, public policy reforms will be required to rebalance power inside America’s largest businesses and ensure that all corporate stakeholders truly benefit from the value they create.²⁷

In addition to failing to provide any evidence of a change in behavior by BRT members, the, the BRT response demonstrated fundamental misunderstandings of what a true commitment to stakeholders would look like. Notably, the response presents a false dichotomy between what

[sustainability-report-2018.pdf](#); BP, “2019 U.S. Economic Impact Report,” 2019, https://www.bp.com/content/dam/bp/country-sites/en_us/united-states/home/documents/eir-2019/bp-2019-us-economic-impact-report.pdf.

²³ Letter from Business Roundtable President & CEO Joshua Bolton to Senator Elizabeth Warren, October 21, 2019.

²⁴ *Id.*

²⁵ Business Roundtable, “Leadership in Action: Our Commitment to Our Employees and Communities,” Accessed February 26, 2020, <https://opportunity.businessroundtable.org/>.

²⁶ JD Supra, “Were the BRT Signatories Virtue Signaling Without Virtue?,” Keith Bishop and Allen Matkins, July 17, 2020, <https://www.jdsupra.com/legalnews/were-the-brt-signatories-virtue-17769/>.

²⁷ Roosevelt Institute, “Shareholders First: What Hasn’t Changed since the Business Roundtable’s 2019 Statement,” blog post, Chirag Lala and Lenore Palladino, August 19, 2020, <https://rooseveltinstitute.org/2020/08/19/shareholders-first-what-hasnt-changed-since-the-business-roundtables-2019-statement/>.

it describes as “preserving America’s free market system” and the real reforms proposed in my *Accountable Capitalism Act*.²⁸

As I have said many times, I believe in markets with rules, which is why the *Accountable Capitalism Act* contains reforms that protect stakeholders and are proven to work in companies that thrive in market economies. Thriving large companies like Danone, Allbirds, Ben & Jerry’s, Cabot, and Patagonia have been certified as “B-Corps” which requires them to make binding and enforceable commitments to stakeholders, similar to the requirements of a national charter under the *Accountable Capitalism Act*.²⁹ Germany, which has the largest and strongest economy in Europe, requires that workers hold half of board seats on supervisory boards.³⁰

The political expenditure guardrails in the *Accountable Capitalism Act* are also compatible with and necessary for good corporate governance. My bill would require large corporations to receive the approval of at least 75 percent of their shareholders and 75 percent of their directors, which would include board members chosen by workers, before engaging in political expenditures, thus ensuring that political expenditures benefit all corporate stakeholders, rather than just narrow interests of corporate executives.³¹ Sadly, rather than engaging with my office on operationalizing your commitments, you have chosen to make the baseless scare tactic that real corporate governance reforms are incompatible with a functioning market economy.

Mr. Bolton suggests that “we share the underlying concerns around upward mobility, wage growth, infrastructure investment and skills training that ensure broad opportunity and advancement for all.”³² If that is true, then the BRT and its members need to be honest about what is driving these problems and take concrete steps to fix them. Hiding behind vague assurances and meaningless statements is not going to address the problem in any significant way. Workers and communities, especially amid the pandemic and economic crisis, deserve better than lofty but empty promises to support employees and communities while large corporations do nothing while spend millions of dollars on lobbying and political campaigns to block any initiative that would help these stakeholders.

Corporate Behavior During the COVID-19 Pandemic and Economic Collapse

The coronavirus disease 2019 (COVID-19) pandemic has made it clearer than ever that the reforms included in my *Accountable Capitalism Act* are needed to protect workers, consumers, and communities. Even amid global public health and economic crises, BRT, the signers of the *Statement*, and other corporate executives do not seem to be interested in operationalizing commitments to workers and communities. Recent reports even show that even amid the ongoing COVID-19 pandemic and economic collapse, “the first wave of corporate

²⁸ Letter from Business Roundtable President & CEO Joshua Bolton to Senator Elizabeth Warren, October 21, 2019.

²⁹ B Corps, “About B Corps,” Accessed February 26, 2020, <https://bcorporation.net/about-b-corps>.

³⁰ New York Times, “Workers on Corporate Boards? Germany’s Had Them for Decades,” opinion, Susan Holmberg, January 6, 2019, <https://www.nytimes.com/2019/01/06/opinion/warren-workers-boards.html>.

³¹ Office of Senator Warren, “Senator Warren and House Assistant Speaker Luján Announce Plan to Reintroduce the Accountable Capitalism Act,” press release, October 4, 2019, <https://www.warren.senate.gov/newsroom/press-releases/senator-warren-and-house-assistant-speaker-lujn-announce-plan-to-reintroduce-the-accountable-capitalism-act>.

³² Letter from Business Roundtable President & CEO Joshua Bolton to Senator Elizabeth Warren, October 21, 2019.

responses seems to have dwindled much faster than the disease itself.”³³ These corporate responses sometimes included hazard pay, special customer benefits, and pauses on payments or foreclosures, but reports show that many corporations have rolled back these benefits.³⁴

At a time when our nation is facing a reckoning with systemic racism and a longstanding history of racial inequality and structural harm to communities of color, particularly Black communities,³⁵ it is important to recognize that cuts to benefits for essential workers disproportionately hurts communities of color. Notably, research shows that “[n]ot only are [B]lack workers losing their jobs at an incredible pace, those who aren’t losing their jobs are more likely to be found on the front lines of the economy in essential jobs” and that while Black workers are about one in nine workers in the country, they “make up about one in six of all front-line-industry workers” and are “disproportionately represented in employment... [that] exposes them to greater likelihood of contracting COVID-19 while performing their jobs.”³⁶ The pandemic and its associated economic collapse thus uniquely hurt communities of color, and cutting back on benefits aimed at essential workers exacerbates economic and health inequities.

Additionally, “many women of color are less likely to have the wealth and savings necessary to go for an extended period of time without earnings—something that is now necessary on a massive scale as people lose their jobs due to COVID-19” and “[w]omen of color working in jobs deemed essential may confront higher risks of contracting COVID-19 because of their proximity to infected individuals, infected environments, or the virus itself.”³⁷ Thus, while in recent months, “it has seemed like every major company has publicly condemned racism,” it remains true that “many of the same companies expressing solidarity have contributed to systemic inequality, targeted the [B]lack community with unhealthy products and services, and failed to hire, promote and fairly compensate [B]lack men and women.”³⁸ While some companies have said that they will take steps to fight racism,³⁹ if the *Statement*’s signers truly wanted to operationalize their commitments to company stakeholders and communities, the BRT

³³ Vox, “Corporate America was here for you on coronavirus until about June,” Emily Stewart, July 24, 2020, <https://www.vox.com/covid-19-coronavirus-economy-recession-stock-market/2020/7/24/21334368/pandemic-related-perks-benefits-disappearing-essential-workers-starbucks-covid-19>.

³⁴ Vox, “Corporate America was here for you on coronavirus until about June,” Emily Stewart, July 24, 2020, <https://www.vox.com/covid-19-coronavirus-economy-recession-stock-market/2020/7/24/21334368/pandemic-related-perks-benefits-disappearing-essential-workers-starbucks-covid-19>.

³⁵ Wall Street Journal, “Poll Shows Most Voters Agree Black, Hispanic Americans Face Discrimination,” Sabrina Siddiqui, July 21, 2020, <https://www.wsj.com/articles/majority-of-voters-say-u-s-society-is-racist-as-support-grows-for-black-lives-matter-11595304062>; CNBC, “Hashtags won’t cut it. Corporate America faces a higher bar in a reckoning on racial inequality,” Melissa Repko, Leslie Josephs, Amelia Lucas, Michael Wayland, and Lauren Thomas, June 12, 2020, <https://www.cnbc.com/2020/06/12/action-wanted-corporate-america-faces-a-higher-bar-on-racial-inequality.html>.

³⁶ Economic Policy Institute, “Black workers face two of the most lethal preexisting conditions for coronavirus—racism and economic inequality,” report, Elise Gould and Valerie Wilson, June 1, 2020, <https://www.epi.org/publication/black-workers-covid/>.

³⁷ Center for American Progress, “On the Frontlines at Work and at Home: The Disproportionate Economic Effects of the Coronavirus Pandemic on Women of Color,” Jocelyn Fyre, April 23, 2020, <https://www.americanprogress.org/issues/women/reports/2020/04/23/483846/frontlines-work-home/>.

³⁸ New York Times, “Corporate America Has Failed Black America,” David Gelles, June 6, 2020, <https://www.nytimes.com/2020/06/06/business/corporate-america-has-failed-black-america.html>.

³⁹ New York Times, “Here’s What Companies Are Promising to Do to Fight Racism,” Gillian Friedman, August 23, 2020, <https://www.nytimes.com/article/companies-racism-george-floyd-protests.html>.

should require these corporate executives to document and publicly report how their companies are working to end their contributions to racial inequality and how they are actively working to mitigate these issues.

Meanwhile, reports also show that many reductions in pay for CEOs and other corporate executives are beginning to end, thus increasing pay and benefits for executives while cutting back on programs that have helped workers and consumers, indicating “an economy increasingly cleaving to two tracks: one in which the livelihoods of white-collar professionals in certain industries have remained largely intact, and another for lower-income workers, many of whom work in service jobs in hard-hit industries such as hospitality, travel and retail.”⁴⁰ These practices are hardly consistent with a commitment to “invest[] in [y]our employees” and “support[] the communities in which [you] work.”⁴¹ It appears instead that corporate executives have instead invested in their own wellbeing at the expense of other stakeholders. If you and your fellow *Statement* signatories truly wish to align your words with your actions, the *Statement* signers should continue benefits and pay that benefit workers while resisting the urge to boost executive compensation.

News reports now also show that while some corporate executives announced steps to reduce their own pay as companies cut jobs due to the pandemic and economic collapse, “[o]nly a small percentage of [3,000 surveyed public] companies cut salaries for their senior executives at all” and that “even among businesses that did cut the boss’s pay, two-thirds of the chief executives took reductions that were equivalent to only 10 percent or less of their 2019 compensation.”⁴² Notably, as an example of misaligned actions and rhetoric, as Amazon employees remain at significant risk due to the pandemic, which has prompted “an unprecedented series of internal scandals, employee protests, and public petitions that have united some of Amazon’s corporate and warehouse employees against their employer for the first time,”⁴³ the company announced that it would “[cut] the \$2 per hour wage hike it brought in for staff in mid-March as hazard pay for coming in during the pandemic”⁴⁴ and the “offer of unlimited paid time off... to help warehouse employees handle the pressures of working during the pandemic.”⁴⁵ Meanwhile, Amazon “reported a huge beat across the board for its second quarter earnings... driven by strong COVID-related demand” and “[s]ales for the quarter jumped a whopping 40% from last year, to \$88.9 billion” and “[n]et profit doubled from the year-ago

⁴⁰ Wall Street Journal, “Covid-19 Pay Cuts Are Coming to an End at Some Companies,” Patrick Thomas and Chip Cutter, August 21, 2020, <https://www.wsj.com/articles/covid-19-salary-cuts-are-coming-to-an-end-at-some-companies-11598048667>.

⁴¹ Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

⁴² New York Times, “As the Pandemic Forced Layoffs, C.E.O.s Gave Up Little,” Peter Eavis, July 29, 2020, <https://www.nytimes.com/2020/07/29/business/economy/ceo-pay-pandemic-layoffs.html>.

⁴³ Vox, “The real cost of Amazon,” Shirin Ghaffary and Jason Del Rey, June 29, 2020, <https://www.vox.com/recode/2020/6/29/21303643/amazon-coronavirus-warehouse-workers-protest-jeff-bezos-chris-smalls-boycott-pandemic>.

⁴⁴ Business Insider, “It’s a slap in the face’: Amazon is handing out ‘Thank you’ t-shirts to warehouse workers as it cuts their hazard pay,” Isobel Asher Hamilton, May 16, 2020, <https://www.businessinsider.com/amazon-warehouse-workers-thank-you-t-shirts-as-it-cuts-their-hazard-pay-2020-5>.

⁴⁵ *Id.*

period to a record \$5.2 billion.”⁴⁶ These cuts to hazard pay and benefits also come as Amazon CEO and owner Jeff Bezos has “gained \$74 billion this year,” including \$13 billion in a single day,⁴⁷ leading him to be “the world’s first-ever person to amass a \$200 billion fortune.”⁴⁸

This year, your organization “spent more than \$4.8 million lobbying on unemployment and ‘issues relating to federal response to COVID-19’ in the first quarter,” as well as “another \$800,000 in the second quarter to lobby on ‘COVID-19 Pandemic Liability Protections’ and opposing the HEROES Act, the \$3 trillion bill the House passed in May, which would extend the federal unemployment benefit through January.”⁴⁹

It is difficult, if not impossible, to understand how spending millions of dollars on lobbying for issues including “free[ing] employers from potential liability if they fail to take reasonable steps to protect their workers”⁵⁰ and “sweeping immunity [for businesses] from lawsuits alleging that they helped spread the coronavirus to their workers or customers”⁵¹ is remotely consistent with your commitments, especially as a BRT survey found that a majority of your members “expect the business impact from the coronavirus to linger until at least the end of 2021” and that nearly “a third of them fear it could persist beyond then.”⁵² The *Statement* claimed that the signers commit to “deliver[] value to our customers,” “invest[] in our employees,” “deal[] fairly and ethically with our suppliers,” “support[] the communities in which we work,” and “respect the people in our communities.”⁵³ Its actions, however, clearly demonstrate the opposite.

Rebuilding our economy so that workers, customers, and communities are able to share in prosperity requires real change in the way decisions are made in corporate headquarters and on Wall Street, not just the vague, empty-worded press releases that you have issued thus far. I

⁴⁶ Business Insider, “Amazon reports record quarterly profit and 40% sales growth backed by strong COVID-related demand,” Eugene Kim, July 30, 2020, <https://www.businessinsider.com/amazon-earnings-report-q2-jeff-bezos-2020-7>.

⁴⁷ Business Insider, Jeff Bezos added \$13 billion to his net worth on Monday, his highest one day increase yet,” Sarah Al-Arshani, July 21, 2020, <https://www.businessinsider.com/jeff-bezos-added-13-billion-net-worth-monday-bloomberg-2020-7>.

⁴⁸ Forbes, “Jeff Bezos Becomes The First Person Ever Worth \$200 Billion,” Jonathan Ponciano, August 26, 2020, <https://www.forbes.com/sites/jonathanponciano/2020/08/26/worlds-richest-billionaire-jeff-bezos-first-200-billion/#114d15074db7>.

⁴⁹ Salon, “Right-wing groups took millions in pandemic aid — and spent millions lobbying for unemployment cuts,” Igor Derysh, August 7, 2020, <https://www.salon.com/2020/08/07/right-wing-groups-took-millions-in-pandemic-aid-and-spent-millions-lobbying-for-unemployment-cuts/>.

⁵⁰ Center for American Progress, “Protecting Worker Safety and Economic Security During the COVID-19 Reopening,” Jacob Leibenluft and Ben Olinsky, June 11, 2020, <https://www.americanprogress.org/issues/economy/news/2020/06/11/486146/protecting-worker-safety-economic-security-covid-19-reopening/>.

⁵¹ Vox, “The GOP’s radical plan to shield business from Covid-19 lawsuits, explained,” Ian Millhiser, July 29, 2020, <https://www.vox.com/2020/7/29/21345228/liability-shield-mitch-mcconnell-republican-safe-to-work-act-gross-negligence>.

⁵² CNBC, “Top CEOs see business impact from coronavirus lingering until at least the end of 2021,” Lauren Hirsch, June 29, 2020, <https://www.cnbc.com/2020/06/29/top-ceos-see-impact-from-coronavirus-lingering-until-at-least-end-of-2021.html>.

⁵³ Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

had hoped BRT companies would be excited about the opportunity to share demonstrable progress towards the important principles and commitments in the Statement. If you truly share my commitment to a stronger economy for workers, communities, and shareholders, I hope you will reconsider your inaction on your commitments and your hostility to the common-sense reforms proposed in the *Accountable Capitalism Act*. Instead, you should fully commit to the principles you claim to hold, operationalize them, and publicly report on your progress with measured demonstration of progress in the coming year.

In order to better understand whether you have worked to operationalize your commitments as BRT leaders, I ask that you respond to the following questions by Thursday, October 1, 2020, and commit to publicly reporting your progress on operationalizing the *Statement*.

1. The *Statement on the Purpose of a Corporation* that you signed stated that you share a fundamental commitment to all of your stakeholders and made a number of commitments, stating that you “commit to deliver value to all of them, for the future success of [your] companies, our communities and our country.”⁵⁴ As a signatory to the *Statement* and a BRT leader, your work sets an example for other signatories.
 - a. Will the BRT Statement signatories commit to each produce public annual or quarterly reports on how the companies they represent have operationalized each commitment in the Statement, including their companies’ work on racial justice and equity, both within their companies and among their stakeholders and communities?
 - i. If so, please explain how these reports will include measured demonstrations of progress on each commitment.
 - b. You have committed to “[d]elivering value to [your] customers” and that you “will further the tradition of American companies leading the way in meeting or exceeding customer expectations.”⁵⁵
 - i. Please describe concrete steps that your companies and the companies represented by the BRT are taking to meet these commitments, and any changes in company plans, policies, or procedures that have resulted from these commitments.
 - c. You have committed to “[i]nvesting in [your] employees,” starting with “compensating them fairly and providing important benefits” and “supporting them through training and education that help develop new skills for a rapidly changing world.”⁵⁶

⁵⁴ Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

⁵⁵ *Id.*

⁵⁶ *Id.*

- i. Please describe concrete steps that your company is taking to meet these commitments, and any changes in company plans, policies, or procedures that have resulted from this commitment.
- d. You have committed to “dealing fairly and ethically with [your suppliers]” and “serving as good partners to the other companies, large and small, that help [you] meet [your] missions.”⁵⁷
 - i. Please describe concrete steps that your company is taking to meet these commitments, and any changes in company plans, policies, or procedures that have resulted from this commitment.
- e. You have committed to “supporting the communities in which [you] work” and stated that you “respect the people in [your] communities and protect the environment by embracing sustainable practices across [your] businesses.”⁵⁸
 - i. Please describe concrete steps that your company is taking to meet these commitments, and any changes in company plans, policies, or procedures that have resulted from this commitment.
- f. You have committed to “generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate” and stated that you are “committed to transparency and effective engagement with shareholders.”⁵⁹
 - i. Please describe concrete steps that your company is taking to meet these commitments, and any changes in company plans, policies, or procedures that have resulted from this commitment.

I look forward to your responses.

Sincerely,



Elizabeth Warren
United States Senator

⁵⁷ Business Roundtable, “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” August 19, 2019, <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>.

⁵⁸ *Id.*

⁵⁹ *Id.*