



AS YOU SOW

30 YEARS 1992 – 2022

2023 Shareholder Resolution

Chipotle Mexican Grill Inc | Respect for Freedom of Association and Collective Bargaining

Lead Filer: NYCRS

BE IT RESOLVED: the Board of Directors of Chipotle Mexican Grill, Inc. (“Chipotle”) shall adopt and disclose a Noninterference Policy (the “Policy”) upholding the rights to freedom of association and collective bargaining in its operations as reflected in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work (“Fundamental Principles”). The Policy should contain commitments to the following:

- Non-interference when employees exercise their right to form or join trade union, which includes prohibiting Chipotle from undermining this right or pressuring employees seeking to form or join a trade union;
- Good faith and timely collective bargaining if employees form or join a trade union;
- Where national or local law is silent or differs from international human rights standards, Chipotle will follow the higher standards; and
- Processes to identify, prevent, account for and remedy any practices that violate or are inconsistent with the Policy.

SUPPORTING STATEMENT: Freedom of association and collective bargaining are fundamental human rights under internationally recognized human rights frameworks, including the Fundamental Principles and the United Nations’ Universal Declaration of Human Rights.”

According to the International Labour Organization, “Freedom of association refers to the right of workers ...to create and join organizations of their choice freely *and without fear of reprisal or interference*”¹(emphasis added).

As stated by the United Nations High Commissioner for Human Rights, “...where national laws and regulations offer a level of human rights protection that falls short of internationally recognized human rights standards, enterprises should operate to the higher standard.”²

Chipotle’s Code of Conduct is indeterminant as to which standards will prevail where applicable laws offer human rights protections that fall short of international human rights standards: “[w]e conduct our business in a way that respects fundamental human

¹ https://www.ilo.org/actrav/events/WCMS_315488/lang--en/index.htm

² <https://studylib.net/doc/8645493/the-corporate-responsibility-to-respect-human-rights>

rights for all people and we support and align around the standards set out in U.N. Universal Declaration of Human Rights and other applicable federal, state, provincial and local laws.”

Chipotle has repeatedly interfered with workers’ exercise of fundamental rights in violation of international standards and/or applicable law. Alleged intimidation tactics include retaliatory firings and restaurant closures, anti-union consultants, and captive audience meetings. In October 2022, the National Labor Relations Board (“Board”) was investigating fourteen charges involving allegations of illegal attempts to thwart union activity.³ The Board later determined that Chipotle violated federal labor law by closing a Maine restaurant where workers voted to unionize; it ordered Chipotle to reopen the restaurant and offer all dislocated employees jobs at the restaurant and back pay.⁴

Microsoft recently adopted company-wide noninterference Principles⁵ and announced a “labor neutrality agreement” at Activision Blizzard, which “reflects a fundamental belief ... that enabling workers to freely and fairly make a choice about union representation will benefit Microsoft and its employees...”⁶

³ <https://www.restaurantbusinessonline.com/workforce/chipotle-crew-member-kansas-files-unfair-labor-practice>

⁴ <https://www.wabi.tv/2022/11/04/nlr-issues-complaint-ordering-chipotle-reopen-closed-augusta-store/#%3A%7E%3Atext%3DAmong%20other%20things%2C%20it%20orders%2Cthe%20Augusta%20store%20in%20>
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⁵ <https://blogs.microsoft.com/on-the-issues/2022/06/02/employee-organizing-engagement-labor-economy/>

⁶ <https://news.microsoft.com/2022/06/13/cwa-microsoft-announce-labor-neutrality-agreement/>