WHITE & CASE

March 11, 2021

VIA E-MAIL (shareholderproposals@sec.gov)

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

White & Case LLP
1221 Avenue of the Americas
New York, NY 10020-1095
T +1 212 819 8200

whitecase.com

Re: *Hess Corporation*
Withdrawal of No-Action Request, Dated February 8, 2021, Regarding Shareholder Proposal Submitted by The Vermont Pension Investment Committee and the Minnesota State Board of Investment
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

We refer to our letter, dated February 8, 2021 (the "No-Action Request"), pursuant to which we requested that the Staff of the Division of Corporation Finance (the "Staff") concur with Hess Corporation's view that it may exclude the shareholder proposal and related supporting statement (the "Proposal") submitted by the Vermont Pension Investment Committee and the Minnesota State Board of Investment, as proponents (the "Proponents"), from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders.

Attached hereto as Exhibit A is correspondence, dated March 9, 2021 (the "Proponents' Withdrawal Correspondence"), from the Vermont Pension Investment Committee on behalf of the Proponents withdrawing the Proposal. In reliance on the Proponents' Withdrawal Correspondence, we hereby withdraw the No-Action Request.

Please do not hesitate to contact me at (212) 819-8509 or djohansen@whitecase.com if you have any questions or require any additional information.

Very truly yours,

David Johansen

David Johansen

Enclosures

cc: Barry Schachter, Hess Corporation
Elizabeth A. Pearce, Vermont State Treasurer's Office (c/o Katie Green)
Mansco Perry III, Minnesota State Board of Investment (c/o John Mulé)

Exhibit A

See Attached

From: Schachter, Barry <bschachter@hess.com>
Sent: Tuesday, March 9, 2021 6:19 PM
To: Green, Katie <Katie.Green@vermont.gov>; Mills, Myriam <mmills@hess.com>; Sagebien, Alex <asagebien@hess.com>; Webster, Tony <AWebster@hess.com>; Cauley, Jess <jcauley@hess.com>
Cc: Blumenshine, Nate (SBI) <nate.blumenshine@state.mn.us>; Laetitia Pirson <lpirson@ceres.org>; O'Brien, Maureen <mobrien@segalmarco.com>; Henry, Eric <Eric.Henry@vermont.gov>; Mule, John (SBI) <john.mule@state.mn.us>; Andrew Logan <logan@ceres.org>; TRE.Investments@vermont.gov
Subject: RE: VPIC Proposal - Hess Corp.

Katie, John and Nate:

Thank you for agreeing to withdraw the shareholder proposal filed by the VPIC and Minnesota SBI. We will notify the SEC of the withdrawal and, on that basis, will withdraw our request for no-action relief.

We appreciate your engagement with us on this topic and look forward to continuing our dialogue. Alex Sagebien and his team will reach out with some times for a follow-up call.

Regards,
Barry

From: Green, Katie <Katie.Green@vermont.gov>
Sent: Tuesday, March 9, 2021 9:31 AM
To: Schachter, Barry <bschachter@hess.com>; Mills, Myriam <mmills@hess.com>; Sagebien, Alex <asagebien@hess.com>; Webster, Tony <AWebster@hess.com>; Cauley, Jess <jcauley@hess.com>
Cc: Blumenshine, Nate (SBI) <nate.blumenshine@state.mn.us>; Laetitia Pirson <lpirson@ceres.org>; O'Brien, Maureen <mobrien@segalmarco.com>; Henry, Eric <Eric.Henry@vermont.gov>; Mule, John (SBI) <john.mule@state.mn.us>; Andrew Logan <logan@ceres.org>
Subject: VPIC Proposal - Hess Corp.

Dear Barry,

Please find attached a response from Treasurer Pearce outlining a conditional withdrawal of the VPIC shareholder resolution. Please notify the Treasurer's Office by email TRE.Investments@vermont.gov to confirm receipt of this letter. We expect Hess will notify the SEC to withdraw the no action letter. We appreciate the Company's willingness to engage with us on this important issue and we would like to arrange a call with you to continue this dialogue. Could you please provide a few times in the coming weeks?

Sincerely,

Katie Green
Deputy Chief Investment Officer
Vermont State Treasurer's Office
109 State Street - 4th Floor
Montpelier, VT 05609-6200

(c) 802-249-3335
(f) 802-828-2772
Katie.Green@vermont.gov

ELIZABETH A. PEARCE
STATE TREASURER

RETIREMENT DIVISION
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ACCOUNTING DIVISION
TEL: (802) 828-2301
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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

March 8, 2021

Via email: bschachter@hess.com; mmills@hess.com; asagebien@hess.com; AWebster@hess.com; jcauley@hess.com

Hess Corporation
1185 Avenue of the Americas
New York, NY 10036

RE: Vermont Pension Investment Committee Shareholder Proposal

Dear Barry,

In my capacity as Treasurer of the State of Vermont, on behalf of the Vermont Pension Investment Committee ("VPIC"), I write to give notice that the Fund is withdrawing its shareholder proposal that it had intended to present at the 2021 annual meeting of shareholders (the "Annual Meeting") conditioned upon the Compensation and Management Development Committee of the Board of Directors' approved inclusion of a Bakken flare target incorporated into the annual incentive targets under the Company's Annual incentive plan for all the Company's full-time employees worldwide as copied from your email of March 4, 2021:

> *"We are pleased to let you and your colleagues know that our Board of Directors adopted a Bakken flaring reduction metric as part of our 2021 annual incentive plan, further tying executive compensation to our company's EHS and climate change goals. The target for this metric is substantially lower than the flaring rate permitted by North Dakota regulations and is in addition to the aggressive 2025 greenhouse gas and methane emissions reduction targets we discussed on our call several weeks ago. The Form 8-K can be found here: https://www.sec.gov/ix?doc=/Archives/edgar/data/4447/000119312521069571/d140935d8k.htm*
>
> *Hess has had a longstanding commitment to sustainability, which is an integral part of our operations and fundamental to our long-term strategy. As you acknowledged on our call, Hess has a strong track record of setting aggressive climate targets and achieving reductions in greenhouse gas emissions and flaring intensity. We expect to provide additional details about our updated climate change strategy and targets, and our plans for achieving those goals, in our 2020 Sustainability Report later this year."*

The VPIC appreciates the steps the Company is taking on this important issue.

Sincerely,

Beth Pearce

Elizabeth A. Pearce
Vermont State Treasurer

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WHITE & CASE

February 8, 2021

VIA E-MAIL (shareholderproposals@sec.gov)

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

White & Case LLP
1221 Avenue of the Americas
New York, NY 10020-1095
T +1 212 819 8200

whitecase.com

Re: *Hess Corporation*
Omission of Shareholder Proposal Submitted by The Vermont Pension Investment Committee and the Minnesota State Board of Investment
Securities Exchange Act of 1934 – Rule 14a-8

On behalf of our client, Hess Corporation, a Delaware Corporation (the "**Company**"), we are writing this letter to inform you that the Company intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders (collectively, the "**2021 Proxy Materials**") a shareholder proposal and related supporting statement (together, the "**Proposal**") received from the Vermont Pension Investment Committee, and the Minnesota State Board of Investment, as proponents (the "**Proponents**"), for inclusion in the 2021 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("**SLB 14D**"), we are submitting this letter and its attachments to the Staff of the Division of Corporation Finance (the "**Staff**") via e-mail at shareholderproposals@sec.gov and the undersigned has included his name and telephone number both in this letter and the cover email accompanying this letter. In accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), we are submitting this letter to the U.S. Securities and Exchange Commission (the "**Commission**") no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials, and a copy of this submission is being sent simultaneously to the Proponents, as notification of the Company's intention to omit the Proposal from its 2021 Proxy Materials. We hereby request confirmation from the Staff that it will not recommend any enforcement action if the Company omits the Proposal in reliance on Rule 14a-8 from the 2021 Proxy Materials. This letter includes the Company's statement of the reasons it deems the omission of the Proposal to be proper.

We take this opportunity to inform the Proponents that if they elect to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company in accordance with Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

> **Resolved**, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be

made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

A copy of the Proposal and related correspondence is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur with our view that the Proposal may be excluded from the 2021 Proxy Materials pursuant to:

- Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal; and
- Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations.

ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because The Company Has Substantially Implemented The Proposal.

A. Introduction

We believe the Company has substantially implemented the Proposal via its existing public disclosures. We respectfully request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(10). The Company has published, and continues to publish, information regarding its efforts to curtail its impact on climate change from routine flaring and venting that address the primary goals of the report requested by the Proposal. Furthermore, as stated in the Company's prior disclosures, the Company's board of directors will adopt new emissions reduction goals and targets driven by significant planned reductions in routine flaring that will be disclosed in the Company's upcoming 2020 Sustainability Report that will be published in the summer of 2021, further addressing the essential objective of the Proposal. The Proposal is therefore excludable because its underlying concerns and "essential objective" have been substantially addressed by the Company's policies, practices, and procedures, which, as detailed in the Company's public disclosures, compare favorably with the guidelines of the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (Jul. 7, 1976). When a company can demonstrate that it has taken actions to address the elements of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented" and may be excluded. *See, e.g.*, *Dominion Resources, Inc.* (Feb. 9, 2016); *Exxon Mobil Corp.* (Mar. 17, 2015); *Deere & Company* (Nov. 13, 2012); *Exxon Mobil Corp.* (Mar. 23, 2009); *Exxon Mobil Corp.* (Jan. 24, 2001); *The Gap, Inc.* (Mar. 8, 1996). The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc*. (Mar. 28, 1991); *Walgreen Co*. (Sept. 26, 2013).

The Staff has repeatedly stated that a company need not implement a proposal in the exact manner set forth by the proponent. Rather, the company must adequately address the proposal's essential objective. *See* Exchange Act Release No. 40018 (May 21, 1998) (the "**1998 Release**"). Here, the core of the Proposal, or its "essential objective," seeks for the Company to produce a report on if, and how, it plans to curtail its climate change impact from routine flaring and venting. The Company has substantially addressed the essential objectives of the Proposal as described in: (i) its most recent Sustainability Report (the "**2019 Sustainability Report**"),[1] (ii) its response to the 2020 CDP Climate Change Questionnaire (the "**CDP Questionnaire**" or "**CDP**"),[2] and (iii) its prior sustainability reports, press releases, and investor presentations on the Company's website (the "**Other Disclosures**" and, together with the 2019 Sustainability Report and CDP Questionnaire, the "**Public Disclosures**").[3]

The practices of flaring and venting, as explained by the U.S. Department of Energy, have been described as follows: "[n]atural gas flaring is the controlled combustion of volatile hydrocarbons and venting is the direct release of natural gas into the atmosphere, typically in small amounts."[4] In other words, the direct release of methane into the atmosphere is referred to "venting," whereas the burning off of gases at the well site is referred to as "flaring." The practice of flaring has been determined by the U.S. Department of Energy to be sounder with respect to its overall environmental impact than venting[5] and consequently the latter activity has become increasingly subject to enhanced state regulation, including being prohibited in the State of North Dakota[6] and restricted in the State of Texas.[7]

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[1] Hess Corp., *Hess Sustainability Report 2019* (June 2020) *available at* https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf

[2] Hess Corp., *CDP Investor Response* (July 31, 2020) *available at* https://www.hess.com/docs/default-source/sustainability/hess-cdp-finalbaea1812a20e6c24bc8aff0000a61a5d.pdf?sfvrsn=e9e4746b_2.

[3] *See, e.g.*, Hess Corp., *Investor Relations Presentation* (Feb. 2020) *available at* https://investors.hess.com/static-files/3cb6293d-24b6-48b8-983b-a82f85c19b10; Hess Corp., *News Room*, *available at* https://www.hess.com/newsroom; Hess Corp., Sustainability *available at* https://www.hess.com/sustainability.

[4] *Natural Gas Flaring and Venting: State and Federal Regulatory Overview, Trends, and Impact*, U.S. DEPARTMENT OF ENERGY (July 2019), at i ("While flaring is more common than venting, both of these activities routinely occur during oil and natural gas development as part of drilling, production, gathering, processing, and transportation operations. The reasons behind both flaring and venting may be related to safety, economics, operational expediency, or a combination of all three.").

[5] *See generally id.*, at 6 ("From an environmental standpoint, flaring is better than venting since CO2 is 25 times less impactful as a greenhouse gas than methane over a 100-year timespan. However, depending on the constituents of the gas being flared (e.g., combustion of gas containing hydrogen sulfide produces sulfur dioxide emissions) and the efficiency of the flare equipment (e.g., some methane may escape unburned), there is no net negative impact from flaring versus sales in terms of environmental impact, assuming the flared gas, if captured, would be sold and then burned elsewhere under the same conditions." (citations omitted)); *see also generally Natural Gas Explained*, U.S. ENERGY INFORMATION ADMINISTRATION (Dec. 9, 2020), at 3 ("In places where natural gas pipelines are not available to take away associated natural gas produced from oil wells, the natural gas may be reinjected into the oil-bearing formation, or it may be vented or burned (flared).")

[6] *North Dakota Natural Gas Flaring and Venting Regulations*, U.S. DEP'T OF ENERGY (June 2020), at 1 ("[T]he State of North Dakota bans the practice of venting of natural gas . . . .") (citing N.D. Admin. Code 43-02-03-45: Vented Casinghead Gas) (mandating that "all vented casinghead gas shall be burned.").

[7] Tex. Title. 16, Part 1, Chapter 3 Rule § 3.32(e)(3) Gas Releases to be Burned in a Flare ("An exception to the requirements of this subsection may be granted . . . to allow the venting of gas to the air for releases of greater than 24 hours' duration if the operator presents information that shows the gas cannot be both safely and continuously burned in a flare, and the gas can be safely vented.").

B. The Company's Public Disclosures Satisfy the "Essential Objective" of the Proposal

In applying Rule 14a-8(i)(10), the Staff has permitted companies to exclude proposals from their proxy materials pursuant to Rule 14a-8(i)(10) where a company satisfied the "essential objective" of the proposal, even if the company did not take the exact action requested by the proponent or did not implement the proposal in every detail.

The "essential objective" of the Proposal is for the Company to issue a report regarding its plans to reduce its impact on climate change from routine flaring and venting—information, which the Company respectfully submits, has been the subject of continued Company action and detailed public disclosure as part of the Company's climate change strategy updated every five years, which contemplates anticipated "large scale reductions in flaring" and ambitious plans to "significantly reduce flaring over the next several years."[8] The Company has substantially delivered on its 2020 flaring reduction commitment by decreasing flaring intensity by 35% since 2014 as of 2019 and reported in February 2020 that it was "on track" to achieve its 50% reduction target.[9] This commitment was strengthened by the Company's investment of over $3 billion since 2012 to build out new processing facilities and overhaul existing facilities to effectuate the Company's ambitious flare reduction plans.[10] It also extends to the Company's ongoing plans to "aggressively" seek favorable capital expenditure opportunities to continue reducing flaring emissions to "10% or less (21 MMSCFD) by the mid-2020s."[11] The Company's commitment is also illustrated by its voluntary participation in ONE Future, a coalition of 36 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1% (or less) by 2025, which would be achieved in large measure through its planned reductions to flaring and phase out of high-bleed pneumatic controllers.[12] The Company recently estimated it will eliminate 680,000 tonnes of CO2 emissions each year as a result of its flaring reduction initiatives.[13] As the Public Disclosures clearly outline, "flare reduction is a key component of Hess's climate change strategy."[14] As stated in the Company's prior disclosures, the Company's board of directors will also adopt new emissions reduction goals and targets driven in large measure by significant planned reductions in routine flaring, including through continued infrastructure buildout, that will be disclosed in the Company's

[8] *See, e.g.*, 2015 Hess Sustainability Report, at 47 (outlining five-year plan for expanding midstream gas gathering infrastructure, including gas compression and natural gas liquids and gas gathering lines for several midstream infrastructure projects, leaving Hess "*well positioned to significantly reduce flaring over the next several years*" and anticipating that "*large-scale reductions* in flaring will be addressed through *our long-term* 2020 flare intensity reduction target." (emphasis added)); 2012 Hess Sustainability Report, at 3 ("We continued to implement <u>our five year</u> climate change strategy based on a 2008 baseline . . . "); 2019 Sustainability Report, at 6-7 (discussing Company's plans for post-2020 refresh of its sustainability goals and targets).

[9] 2019 Sustainability Report, at 11, 49; Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5 (stating that the Company is "[o]n [t]rack to meet [its] 2020 targets to reduce flaring intensity by 50% . . . .").

[10] 2019 Sustainability Report, at 49.

[11] CDP C2.4a.

[12] CDP C-054.7a.

[13] CDP C2.2a (explaining that the Company's flaring reduction initiative is "a win-win for Hess because it reduces costs, generates additional revenue and supports efforts to transition to lower carbon emitting products, since natural gas is less carbon intensive then other fossil fuels [and that] [b]y reducing wellhead flaring from 27% in 2012 to 10% post 2020, we will eliminate 680,000 tonnes of annual CO2e emissions.").

[14] CDP C12.1d.

upcoming 2020 Sustainability Report that will be published in the summer of 2021, further addressing the essential objective of the Proposal.[15]

The Company has substantially implemented the primary objective of the Proposal by committing to reduce routine flaring and venting through concrete plans with specific numerical targets and time-bound goals, by taking decisive action in investing significant capital to effectuate those goals, and delivering transparency and accountability by "routinely track[ing] the flaring rate, flared volumes, and progress toward our flaring target" and "regularly report[ing]" such information through the Company's Sustainability Report and CDP Questionnaire disclosures, which are made publicly available on the Company's website.[16]

As demonstrated in the table below, the Public Disclosures substantially implement the requests contained in the Proposal, including its "essential objective," which address the Company's efforts to reduce its impact on climate change from routine flaring and venting.

Hess' Initiatives Aligned with the Essential Objective of the Proposal	**Relevant Public Disclosures**
Importance of Routine Flaring Reduction To Company's Climate Change Strategy	• "[F]lare reduction is a key component of Hess's climate change strategy."[17] • "[R]educing flaring across our operations is a major component of Hess's emissions reduction strategy . . . ."[18] • "In North Dakota, our most strategic decision <u>influenced</u> by <u>climate</u> related risks was to <u>invest over $3 billion</u> in a substantive business decision to develop infrastructure to <u>reduce flaring</u>. This allows us to increase revenue by capturing and selling gas that was previously flared. <u>This infrastructure investment</u> will result in <u>substantial climate-related benefits</u> associated with <u>flare reduction</u> in the <u>medium and long term</u>."[19]
Disclosure of Flaring and Venting Data For Transparency and Accountability Purposes	• Flaring intensity disclosed publicly every year;[20] • Flaring/venting percentage of operated direct emissions disclosed publicly every year.[21] • Progress against 2020 flaring reduction goal charted every year along with description of yearly flaring reduction successes and areas for improvement.[22]

[15] *See* 2019 Sustainability Report, at 6-7.

[16] CDP C2.4a; *Hess Sustainability Reports*, *available at* https://www.hess.com/sustainability/sustainability-reports.

[17] CDP C12.1d.

[18] CDP C-054.7a.

[19] CDP C3.1d.

[20] 2019 Sustainability Report, at 61.

[21] 2019 Sustainability Report, at 61.

Commitment To Continued Routine Flaring Reduction	• "We are taking multiple steps, which are described below . . . to drive significant flaring reductions in the next few years."[23] • "On an intensity basis, we continue to make progress towards our 50% reduction target by reducing our cumulative flaring intensity by 35% through 2019, compared to our 2014 baseline . . . ."[24] • "Between 2008 and 2019, [the Company] reduced [] Scope 1 and 2 equity GHG emissions by approximately 60%."[25] • "[W]e are committed to and are aggressively executing significant capital projects to increase gas capture rates and reduce flaring . . . ."[26] • The Company "set a target to reduce the flaring intensity of [its] operated assets by 50% in 2020 versus [its] 2014 baseline," has "invested over $3 billion in infrastructure to reduce flaring,"[27] and reported it was "on track" to achieve its goal in its most recent investor presentation.[28] • "With Hess's planned reductions to flaring and phase out of high-bleed pneumatic controllers in North Dakota," the Company anticipates that it "will achieve the ONE Future target by 2025" to achieve 1% methane emissions across the value chain.[29] • In June 2019, the EHS subcommittee previously established in 2013 was "elevated to a fourth standalone committee of the Board," reinforcing the significance of the Company's climate change commitment. In addition, in 2019 Hess "established a new team, led by the Senior VP Production to further identify, assess and make recommendations with respect to climate change mitigation strategies, and emissions reduction technologies and opportunities. The team will focus on: flare reduction, energy efficiency, carbon capture, utilization and storage, low carbon technology investments . . . and methane monitoring. This team *is* evaluating additional emissions reduction opportunities and will make recommendations to . . . the EHS Board Committee for consideration and implementation in 2020."[30]
Recognition For Excellence	• CDP Climate Change leadership status for the 12th consecutive year.[31] • Dow Jones Sustainability Index North America for the 11th consecutive year.[32]

[22] *See, e.g.*, 2019 Sustainability Report, at 49-51, 2018 Sustainability Report, at 48-50; 2017 Sustainability Report, at 41-43.

[23] 2019 Sustainability Report, at 49.

[24] CDP C2.4a.

[25] 2019 Sustainability Report, at 3, 47, 49.

[26] 2019 Sustainability Report, at 49.

[27] CDP C2.2.

[28] Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5.

[29] CDP C-054.7a.

[30] 2019 Sustainability Report, at 13; CDP 2.4.

[31] Press Release, *Hess Achieves Leadership Status in CDP's Global Climate Change Report* (Dec. 9, 2020) https://www.hess.com/newsroom/news-article/2020-12-09-hess-achieves-leadership-status-in-cdp-s-global-climate-change-report.

	• Transition Pathway Initiative 2020 Report recognition as "the only U.S. oil and gas company to achieve a Level 4-star rating."[33] • Corporate Responsibility Magazine's 100 Best Corporate Citizens for 12th consecutive year, including number one ranked oil and gas company.[34]

The Company has disclosed its strategy for measuring, and implementing a comprehensive plan to curtail, its impact on climate change from routine flaring and venting.[35] The Public Disclosures provide detailed, substantive information regarding these plans, including the following:

- *Measuring, Monitoring and Disclosing Key Data on Flaring Reduction; Investing in Continued Progress*. Since 2014, the Company has been actively focused on reducing flaring to achieve its 50% reduction target through 2020 and has made publicly available the data relating to its progress toward those goals each year.[36] The Company has invested substantial resources to reduce flaring, recently reported it was "on track" to achieve its 2020 flaring reduction goal, and has reported an overall 60% reduction in Scope 1 and 2 GHG emissions since 2008.[37] Moving forward, the Company's plans to continue to reduce flaring and venting to meet its 2025 ONE Future targets.[38]

- *Routine Flaring Reduction Successes*.
  - *Infrastructure Investment*. The Company's substantial investment of over $3 billion in infrastructure to increase gas capture and reduce routine flaring.
  - *Guyana.* The Company's developments offshore Guyana are designed to minimize routine operational flaring by reinjecting associated gas back into the underground reservoirs.
  - *McKenzie County, ND.* The Company's subsidiary and its joint venture partner constructed a gas plant, the Little Missouri Four, which became operational in August 2019 and can now process up to 200 MMSCFD of natural gas that was previously flared due to processing capacity limitations.[39]

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[32] Press Release, *Hess Named to Dow Jones Sustainability Index (DJSI) North America for Eleventh Consecutive Year* (Nov. 18, 2020) *available at* https://www.hess.com/newsroom/news-article/2020-11-18-hess-named-to-dow-jones-sustainability-index-(djsi)-north-america-for-eleventh-consecutive-year.

[33] *Id*. ("The Transition Pathway Initiative or TPI recently published its 2020 report on the progress of 163 energy companies in transitioning to a low carbon economy and supporting efforts to mitigate climate change . . . In TPI's 2020 report, Hess is the only U.S. oil and gas company to achieve a Level 4-star rating, which is awarded to companies that demonstrably manage climate-related risks and opportunities from a governance, operational and strategic perspective and satisfy all TPI Management Quality criteria.").

[34] 2019 Sustainability Report, at 63.

[35] *See* CDP C-054.7a ("*[R]educing flaring across our operations is a major component of Hess's emissions reduction strategy* . . . [w]ith Hess's *planned reductions to flaring* and phase out of high-bleed pneumatic controllers in North Dakota, *we anticipate that we will achieve the ONE Future target by 2025*." (emphasis added))

[36] *See* 2019 Sustainability Report, at 61 (flaring intensity SCF/BOE units listed by year since 2014; flaring/venting percentage of operated direct emissions (Scope 1) listed by year since 2014).

[37] 2019 Sustainability Report, at 3; Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5.

[38] 2019 Sustainability Report, at 49-51.

[39] 2019 Sustainability Report, at 49.

- *Tioga Gas Plant, ND*. In 2020, the Company completed a $150 million expansion, which when tied in during 2021 will increase plant processing capacity from 250 MMSCFD to 400 MMSCFD to enable the Company to reduce flaring resulting from prior capacity limitations.[40]
- *Blue Buttes, East Nesson, and Other ND Locations* - Over the last 18 months, the Company has added 140 MMSCFD of additional gas compression capacity in various locations in North Dakota to reduce the need for routine flaring in the region.[41]
- *South Arne, Denmark*. In 2012, the Company commissioned a flare recovery system to reroute gas from the flare to a compressor to be utilized as lift gas or fuel gas. Through the use of this system, flaring at the site has been reduced by 80% from 2015 to 2019.[42]

- *Pursuing Innovative Technological Solutions*: *ElectraTherm Power+ Generator, GTUIT Partnership, & LDAR.* In 2013, the Company began employing GTUIT's innovative and award-winning mobile and modular flare gas capture technology.[43] Recently, this equipment led to the capture of 7.2 million gallons of NGLs resulting in avoidance of 513 MMSCF of gas flaring in 2019 alone – "sav[ing] 45,000 tons of carbon dioxide (CO2) from entering the atmosphere" or the equivalent of planting 100,000 trees.[44] In 2015, the Company partnered with ElectraTherm to "capture[] [] natural gas to generate electricity and reduce or eliminate[] onsite flaring . . . The pilot system operated with an estimated on-stream reliability of greater than 98 percent and showed average estimated reductions in carbon monoxide of 98%, VOC of 93%, and nitrogen oxides of 48%, compared to flaring."[45] The Company also implemented its LDAR program in 2019, which resulted in approximately "39,544 MCF of recovered gas to reduce flaring."[46]

- *Pioneering Industry Leadership in Flaring Reduction.* Hess is a member of the North Dakota Petroleum Council's Flaring Task Force and a founding member of the ONE Future Coalition.[47]

- *Climate Change Strategy Refresh*. Importantly, as previously disclosed, the Company is currently undertaking a strategy refresh to update its post-2020 emissions reduction targets, which account

[40] 2019 Sustainability Report, at 49.

[41] 2019 Sustainability Report, at 49.

[42] 2019 Sustainability Report, at 50.

[43] 2015 Hess Sustainability Report, at 48 ("In 2013 in North Dakota we partnered with GTUIT, a designer, manufacturer and operator of well site gas capture and NGL extraction equipment, to recover high-BTU (British thermal unit) gas from locations that were producing NGLs and flaring. This project provided dual economic and environmental benefits by converting gas into marketable products as well as reducing the amount of gas flared and the associated air emissions.").

[44] 2015 Hess Sustainability Report, at 48; Press Release, Hess-GTUIT, *Recognizing Excellence in Gas Flaring Reduction Award* (2015) ("In 2013, Hess partnered with GTUIT . . . to provide mobile and modular flare gas processing equipment . . . To put [the partnership's] savings into perspective, the average tree in North America sequesters 911 pounds of CO2 over its life. Hess and GTUIT efforts resulted in saving 45,000 tons of CO2 from entering the atmosphere which is the equivalent of planting nearly 100,000 trees . . . Hess' commitment to the environment with this project diverted over 13,500 tons of VOCs from escaping with the flare gases into the atmosphere.").

[45] 2015 Sustainability Report, at 49.

[46] CDP C3.1d.

[47] CDP C2.3a, CDP C2.4a.

for reductions in routine flaring and venting, and will be disclosed in the Company's upcoming 2020 Sustainability Report that will be published in the summer of 2021.[48]

Taken together, the Company's progress in reducing flaring reflects the Company's firm commitment to sustainability and flaring reduction in particular. The Company's 2020 flaring reduction initiative required a commitment of substantial resources and earned the recognition of leading domestic and international institutions. The initiative has leveraged cutting-edge technology and helped ensure that operations with limited processing capacity, especially in North Dakota, obtained new processing facilities or substantially improved and expanded processing facilities to better manage increased demand. Moreover, it has continued to push the Company forward to explore and aggressively pursue ambitious flaring reduction opportunities, when economically and technically feasible to do so, each succeeding year. As such, the Proposal simply seeks a report including information which has already been substantially implemented as is clearly established by the Company's disclosures and consistent and concerted actions.

In applying Rule 14a-8(i)(10), the Staff has consistently concurred with the exclusion of shareholder proposal that, like the Proposal, request a report containing information that the company has already publicly disclosed. *See Dominion Resources* (Feb. 9, 2016) (Staff concurred in the exclusion of a proposal that requested a report on "how Dominion Resources is measuring, mitigating, setting reduction targets, and disclosing *methane* emissions," when the company had already made numerous public disclosures on that particular climate change topic). In *Dominion Res.*, the company's extensive public disclosures addressed both climate change in general and methane emissions in particular and therefore the SEC Staff concurred with the company's assessment that it did not require additional reporting on the basis of its existing public disclosures. The Proposal is similar insofar as it is also seeking a report on a specific climate-change topic that the Company has already extensively addressed in detail in its existing disclosures as a key component of its climate change emissions reductions strategy. *See also Dominion Energy* (Mar. 6, 2020) (permitting the company to exclude a proposed report on "stranded assets" as climate change intensified when the company already provided extensive disclosures on reducing "the risk of obsolescence" of its assets and provided the company's investors with more than "sufficient information to understand" its general approach to the issue and its plans for mitigating those risks moving forward); *Exelon Corp*. (Feb. 26, 2010) (concurring in the exclusion of a proposal requesting a report on specific details relating to the company's political contributions when the company had already adopted and disclosed its own set of corporate political contribution guidelines, which provided "an up-to-date view of the [c]ompany's policies and procedures" with respect to the requested subject matter).

In *Entergy* (Feb. 14, 2014), the proponent sought a report addressing the near-term action the company was taking to "reduce its greenhouse gas emissions consistent with the national goal of 80% reduction in greenhouse emission by 2050." The company sought to exclude the proposal on the grounds that its existing disclosures satisfied the "essential objective" of the proposal (issuing a report concerning the policies it could adopt to reduce its greenhouse gas emissions, including, *inter alia,* adopting "innovative technologies and strategies for energy generation and the advanced practices of [its] utility company peers"). The company successfully argued, however, "*[n]umerous public disclosures do precisely this, describing the policies the Company currently employs and could adopt in the near future* to reduce its greenhouse gas emissions as part of the proposed goal to reduce the nation's overall emissions." (emphasis added). The Proposal raises the same substantive issue as in *Entergy*, as numerous public disclosures describe the Company's plans to reduce its climate change impact to align with the Paris

[48] *See* 2019 Sustainability Report, at 6-7 (disclosing Company's plans for setting new "post 2020" "goals and targets," beyond existing efforts "in next year's sustainability report").

Agreement targets and to reduce routine flaring and venting as a major component of that overall plan. *See* Hess (Apr. 9, 2020) (concurring with the Company's view that Hess had already substantially implemented the essential objective of the proposal to report on if and how it plans to reduce its total contribution to climate change and align with the Paris Agreement targets); *Hess* (Apr. 11, 2019) (concurring with the Company's view that Hess had already substantially implemented the essential objective of the proposal to issue a report on how the Company could reduce its carbon footprint to align with the Paris Agreement's targets).

Additionally, the Company's founding membership and commitment to the ONE Future plan also substantively addresses the essential objective of the Proposal, namely by aiming to reduce the Company's emissions from methane to less than 1% across the value chain by 2025. *Compare* Proposal, Whereas Preamble ("Flaring is a major source of methane pollution . . . .") *with* CDP C-054.7a ("*With Hess's planned reductions to flaring* and phase out of high-bleed pneumatic controllers in North Dakota, *we anticipate that we will achieve the ONE Future target* [of 1% methane emissions across the value chain] *by 2025*." (emphasis added)); *see also Exxon Mobil* (Mar. 20, 2020) (successfully arguing in its reply letter that the proponent's response letter's narrow focus on the proposal's "if, and how" language ignores the proposal's main objective, which "in reviewing both the resolution and the supporting statement . . . clearly reflects that the essential objective" relates to climate change mitigation, which the "Company has already provided in its existing reports."); *Dunkin Donuts* (Mar. 6, 2019) (successfully arguing that the "[t]he Company [already] addressed . . . the *underlying concern* and *essential objective* of the Proposal" in its existing disclosures on substantially the same subject rendering additional reports unnecessary (emphasis added)).

We respectfully submit that because the Company regularly discloses relevant metrics of progress toward achieving time-bound and specific targets to reduce routine flaring and reduction from its operations, has invested substantial capital to develop infrastructure allowing further reductions in routine flaring, received domestic and international recognition for excellence in its early adoption and employment of innovative flaring reduction technology, and announced clear plans to ensure accountability to continue to make marked progress towards those stated goals, the essential objective of the Proposal, its disclosures compare favorably to the Proposal and do not require additional reporting on substantially the same subject.

In summary, the analysis underlying the Public Disclosures demonstrates that the Company has substantially implemented the Proposal by satisfying its underlying concerns and essential objective. Specifically, the Company, through its Public Disclosures, has provided, and intends to continue to provide, in particular in its Sustainability Report, which has been updated on an annual basis, in part to address certain specific concerns communicated to the Company by its shareholders, analysis of its efforts to continue to reduce its climate change impact from routine flaring and venting. Accordingly, we believe that the Company has substantially implemented the Proposal, and we request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(10).

C. Supplemental Notification Following Board Action

The Company submits this no-action request now in order to address the timing requirements of Rule 14a-8(j). We intend to notify the Staff and the Proponents supplementally after the upcoming March 2021 meeting of the Company's board of directors following adoption of the Company's new "post-2020" "goals and targets."[49] For all the reasons stated herein, however, we believe the proposal is excludable on the basis of 14a-8(i)(10) and 14a-8(i)(7) without the need for additional disclosures; however, to the extent such information becomes available prior to the Staff's decision, we respectfully request the opportunity to supplement the record with such information. The Staff has consistently granted no-action relief under Rule 14a-8(i)(10) where a company has notified the Staff of expected action that will be taken by the company that would substantially implement the proposal and then supplemented its request for no-action relief by notifying the Staff of such action. *See, e.g.*, *United Continental Holdings, Inc*. (Apr. 13, 2018); *United Technologies Co.* (Feb. 14, 2018); *The Southern Co*. (Feb. 24, 2017); *Windstream Holdings*, *Inc*. (Feb. 14, 2017); *Mattel, Inc.* (Feb. 3, 2017); *The Wendy's Co.* (Mar. 2, 2016); *The Southern Co*. (Feb. 26, 2016); *NETGEAR, Inc*. (Mar. 31, 2015); *Medivation, Inc.,* (Mar. 13, 2015); *Windstream Holdings, Inc*. (Mar. 5, 2015); *Visa Inc.* (Nov. 14, 2014); *Hewlett-Packard Co*. (Dec. 19, 2013); *Starbucks Corp*. (Nov. 27, 2012); *DIRECTV* (Feb. 22, 2011); *General Dynamics Corp*. (Feb. 6, 2009); *NiSource Inc*. (Mar. 10, 2008); *Johnson & Johnson* (Feb. 19, 2008); *Hewlett-Packard Co.* (Steiner) (Dec. 11, 2007); *Chevon Corp*. (Feb. 15, 2007) (each granting no-action relief where the company notified the Staff of its intention to omit a shareholder proposal under Rule 14a-8(i)(10) because the board of directors was expected to take action that would substantially implement the proposal, and the company supplementally notified the Staff of such board action).

II. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Relates To The Company's Ordinary Business Operations.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the 1998 Release, which accompanied the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations."

In the 1998 Release, the Commission stated that the underlying policy of 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," and identified two "central considerations" for ordinary business exclusion. The first is that certain 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." The second consideration relates to "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." *Id*. (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). This consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific timeframes or methods for implementing complex policies. More recently, in Staff Legal Bulletin No. 14K (Oct. 16, 2019), the Staff noted that micromanagement may also depend, in part, on the level of prescriptiveness of a proposal. The Proposal is properly excludable from the 2020 Proxy Materials, as the Proposal's underlying subject matter relates to the Company's ordinary business operations and the Proposal attempts to micro-manage the Company by probing too deeply into matter of

[49] *See* 2019 Sustainability Report, at 6-7 ("[I]n 2019 we engaged a third-party consultant to help us refresh our materiality assessment and update our EHS & SR strategy . . . We are currently working to validate the results of the materiality assessment through benchmarking and additional internal workshops. That process will aid in developing an updated EHS & SR strategy, including <u>setting goals and targets</u> for our material topics. <u>We plan to share our plan forward (for post 2020) in next year's sustainability report</u>." (emphasis added)).

a complex nature that are the appropriate responsibility of the Company's management as supervised by the Company's board of directors. As described below, this is supported by the Corporate Governance and Nominating Committee (the **"Committee**") and past no action letters of the Commission.

In light of Staff Legal Bulletin 14I (Nov. 1, 2017) and Staff Legal Bulletin 14J (Oct. 23, 2018) ("**SLB 14J**"), the Company considered and analyzed the Proposal's significance in relation to the Company and determined that the Proposal touches on matters squarely within the realm of ordinary business operations best overseen by Company management. In a meeting held on February 2, 2021, and over the course of its prior discussions, the members of the Committee considered with management the matters identified by SLB 14J. The Company concluded, and the Committee supported such determination, that, while the Company is committed to curtailing its impact on climate change from routine flaring and venting beyond existing efforts, the Proposal micro-manages the Company in an area of ordinary business operations where shareholders, as a group, would be ill-suited to make an informed decision.

In SLB 14J, the Staff explained that the exclusion based on micromanagement "also applies to proposal that call for a study or report" and further stated that it "would, consistent with Commission guidance, consider the underlying substance of the matters addressed by the study or report" to determine whether a proposal involves intricate detail, or seeks to impose specific timeframes or methods for implementing complex policies. For example, the Staff noted that "a proposal calling for a report may be excludable if the substance of the report related to the imposition or assumption of specific timeframes or methods of implementing complex policies." A proposal being framed in the form of a request for a "report" does not change the essential character of the proposal. The Staff has long held the view that a proposal requesting the dissemination of a report may be properly excluded under Rule 14a-8(i)(7) if the substance of the report falls within the ordinary business of the company. *See* Exchange Act Release No. 20091 (Aug. 16, 1983) (reversing the Staff's prior standard that held that requesting a report would not be excludable under Rule14a-8(i)(7) as mistakenly "rais[ing] form over substance and render[ing] the [ordinary business exclusion] largely a nullity" and "henceforth" adopting an "interpretive change" to substantively scrutinize the subject matter of the requested report, not merely the form of the proposal itself).

Hess is a global exploration and production company that focuses on developing and producing crude oil and natural gas from a wide range of assets. An integral part of the Company's business is choosing the assets to explore and develop, allocating capital to higher return assets and determining when and how to most efficiently develop its assets. Such determinations often require balancing a number of difficult competing interests and navigating an intricate web of environmental, economic, geo-political, regulatory, and scientific developments in the course of managing and operating its ordinary business.

When the Proposal is read as a whole, particularly in light of the Supporting Statement, we submit that it seeks to impose specific timeframes and methods for implementing complex policies in intricate detail in place of the ongoing judgments of management as overseen by the Company's board of directors. The Supporting Statement states, in relevant part, that the proposed report should address the feasibility of the following:

> *Setting time-bound goals* to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;
>
> *Committing to the World Bank's "Zero Routine Flaring by 2030" initiative*, as 40 oil companies have done;

Validating flaring and venting data through a qualified and *third-party audit*.[50]

Such statements fall squarely within the established parameters of the Staff's "central considerations" for the ordinary business exclusion insofar as it seeks to impose specific timeframes and intricate methods for implementing complex policies.

Given the complex business tradeoffs associated with eliminating flaring across all the Company's global operations (e.g., compared with investing in other projects, including *other* significant and impactful climate change related efforts), the Proposal probes too deeply into the core affairs of management and in so doing impermissibly seeks to micromanage the Company concerning a subject matter which, shareholders as a whole, would not be in a position to make an informed judgment.

In Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("**SLB 14E**"), the Staff stated that a proposal may be excluded if it seeks to micro-manage the company by specifying in detail the manner in which the company should address a policy issue. For example, in *MGE Energy* (Mar. 13, 2019), the proposal sought to request that the company prepare a report describing how they could secure a low cost energy future for customers by "eliminating coal and mov[e] to 100% renewable energy by 2050 or sooner." The company argued that the "Proposal calls upon the Company to eliminate coal and achieve 100% renewable energy by a specific date (2050 or sooner) . . . [as such] it pertains to the fundamental management function . . . [insofar as it] would replace the careful balancing of the factors that that are uniquely within the purview of management . . . [and] at the core of the Company's ordinary business . . . ." The company also contended that "[t]he fact that the Proposal relates to a long-term goal does not change the fact that the implementation of the Proposal necessarily interferes with day-to-day management decisions." The Staff agreed and found that "the Proposal seeks to micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors." So too here, the Supporting Statement seeks for the Company to "commit[] to the World Bank's 'Zero Routine Flaring by 2030' initiative" and "set[] time-bound goals" – similar to the proposal to report on the elimination of coal by 2050 in *MGE Energy*. In other words, the Proposal seeks to impose specific methods (e.g., time bound goals, zero flaring, third party audits, etc.) for implementing complex policies (i.e., addressing intricate cost, safety, and operational issues) in place of the ongoing judgments of management.

Likewise, in *Apple Inc*. (Dec. 21, 2017), the Staff concurred in the exclusion of a proposal under Rule 14a-8(i)(7) grounds when it requested "a report [] evaluat[ing] 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." Notably, the company characterized 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" and that the "implementation of the

---

[50] *Id*. (emphasis added). We note with respect to the request for a "qualified and third-party audit" that Hess's sustainability metrics are *already* certified by an independent, third-party audit. *See* 2019 Sustainability Report, at 62 ("Independent Assurance Statement. ERM Certification and Verification Services [] was engaged by Hess Corporation [] to provide assurance on the 2019 Sustainability Report . . . A multi-disciplinary team of sustainability and assurance specialists performed [the audit] . . . The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff who have undertaken this engagement work have provided no consultancy-related services to Hess in any respect." (emphasis added)).

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." Additionally, the company pointed out that the practical impact of the report was nothing more than a vote to replace the management's core business judgment on fundamental business matters for that of shareholders – i.e., the very issues shareholders delegate and entrust to management to carry out – explaining "[s]hareholders would [] be asked to vote upon a Proposal that would displace the Company's judgments on business, product and operations strategy, and replace it with a hypothetical plan which the Company would then 'evaluate' to determine whether it is achievable." The same reasoning applies with respect to the Proposal.

Similarly, in *Amazon* (Mar. 6, 2018), the proposal sought a report on "the feasibility of the Company achieving by 2030 'net-zero' emissions of greenhouse gases from all aspects of the business directly owned and operated by the Company." In response, the company argued that "[f]raming the shareholder proposal in the form of a request for a report does not change the nature of the proposal" where the proposal was "attempting to micro-manage [the] company by providing specific details for implementing a proposal as a substitute for the judgment of management" and "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, the company argued that "[t]he Proposal thus falls squarely within the scope of the 1998 Release by addressing intricate details, imposing specific timeframes, and specifying a specific method for implementing complex policies." Ultimately, the Staff concurred and found that the proposal was excludable on ordinary business grounds because "in our view, the proposals 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 flaring and venting curtailment Proposal similarly seeks to impose upon the Company specific timeframes for addressing complex organizational issues. Moreover, it attempts to substantively alter intricate details relating to the Company's allocation of capital resources and modify the means by which the Company's officers manage the operational safety, efficiency, and effectiveness of core operations of the business. In so doing, it probes 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, e.g., Verizon Communications Inc*. (Mar. 6, 2018) (permitting exclusion of a proposal for a report evaluating the feasibility of achieving net-zero emissions targets by 2030 on grounds it sought to "micromanage the affairs of 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 Company's board of directors and the Committee believe that the Company has adopted comprehensive climate change strategies addressing flaring and venting reduction plans and has disclosed key aspects of such strategies, and the level of attainment thereof, in the Public Disclosures as described above. As a result, adopting the Proposals' request to issue a report including specific actions required by the Proponents in the Proposal would not materially add to the Company's existing flaring and venting initiatives and thus does not present a sufficiently significant policy issue that transcends the ordinary business of the Company. The Company therefore believes that the issue raised is not a sufficiently significant policy issue on which shareholders should vote.

The Company's board of directors actively engages in overseeing the Company's sustainability practices and consider sustainability risks and global scenarios when making strategic decision, which are based on the Company's board of directors' comprehensive knowledge and understanding of the various factors that affect the management of the Company's operations. For example, the Company put the above-mentioned flaring and venting reduction projects and programs into effect in a targeted way, by assessing its applicability to the Company's assets and operations. Moreover, the use of committees, including the

Environmental, Health, and Safety Committee of the Company's board of directors, allows the Company to have a structured decision-making process, in which the Company's board of directors can appropriately assess the recommendations and conclusively make an informed decision. The Company continually plans and determines the scope and nature of any objectives for reducing routine flaring and venting and the overall environmental sustainability of its E&P operations based on operational realities and scenario analysis, which are all part of the ordinary course of the Company's business.

For the foregoing reasons, we respectfully request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(7), as dealing with matters related to the Company's ordinary business operations.

CONCLUSION

Based upon the foregoing analysis, we hereby respectfully request that the Staff concur with our view that the Company may properly omit the Proposal from its 2021 Proxy Materials in reliance on Rule 14a-8. Should the Staff disagree with this conclusion, we would appreciate the opportunity to confer with the Staff prior to the issuance of the Staff's response.

Please do not hesitate to contact me at (212) 819-8509 or djohansen@whitecase.com if you have any questions or require any additional information.

Very truly yours,

David Johansen

Attachments
cc: Barry Schachter, Hess Corporation
Elizabeth A. Pearce, Vermont State Treasurer's Office (c/o Katie Green)
Mansco Perry III, Minnesota State Board of Investment (c/o John Mulé)

Exhibit A

See Attached

ELIZABETH A. PEARCE
STATE TREASURER

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182

UNCLAIMED PROPERTY DIVISION
TEL: (802) 828-2407

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

December 22, 2020

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Dear Mr. Goodell,

The Vermont Pension Investment Committee ("VPIC") considers financial, social, environmental, and governance factors in its investment decisions. The VPIC has a long-term investment strategy consistent with the duration of Retirement System liabilities. It strives to be a thoughtful, analytical, and patient investor that believes portfolio risk management is a central fiduciary responsibility. The VPIC is filing this resolution with Hess Corporation ("the Company") because investors need data on potential environmental liabilities to assess risk and the company's ability to provide sustainable value for shareholders over the long-term.

VPIC is the owner of over $2,000 of Company stock held continuously for over one year. VPIC intends to continue to hold this stock until after the upcoming Annual Meeting. I hereby notify the Company of VPIC's intention to file this shareholder proposal as the "primary filer" for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Additional shareholders may co-file this resolution as well.

A proof of ownership from a DTC participant is attached. We look forward to discussing the issues surrounding the requested report at your earliest convenience.

Sincerely,

Beth Pearce

Elizabeth A. Pearce
Vermont State Treasurer

Whereas, over the last 15 years, the United States (US) shale oil boom and lax regulation have made the country the world's third highest flaring nation (in 2019), with flaring volumes increasing each year since 2016.[1]

Flaring and venting waste a valuable resource, contribute 6% of global greenhouse gas emissions, and disperse a range of pollutants that harm human health and local environments.[2]

Flaring is a major source of methane pollution, with one in ten flares in the Permian basin malfunctioning or unlit.[3]

Routine flaring is utilized when gas is produced during oil (or gas condensates) production operations and companies do not reinject, utilize or move it to the gas market.[4,5]

Companies which do not manage venting and flaring activity risk their reputation and license to operate, as investors, regulators and civil society are setting expectations to address this issue.

In 2020, investors managing more than $2 trillion called on the Texas Railroad Commission to support policies to achieve zero routine flaring by 2025.[6] Corporate, city, state and national entities who have committed to net-zero emissions goals will be placing more scrutiny on the sources of emissions throughout the value chain, similarly to Europe.[7] For example, in October 2020 the French government blocked an LNG supply deal between the utility Engie and project developer NextDecade because of concerns about flaring and methane emissions among US gas producers.[8]

While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces.[9] This is significantly higher than many of its peers. Producers such as Chevron, Pioneer, EOG and Occidental have implemented infrastructure planning and operational changes that significantly reduced flaring intensities. These firms report achieving flaring intensities of 1% or lower in the Permian.[10] Pioneer, ConocoPhillips and ExxonMobil have all recently committed to a target of zero routine flaring by 2030 at the latest.[11] ExxonMobil stated in 2020 that “zero routine flaring is within everyone’s reach”.[12]

Resolved, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

Supporting Statement:
At management’s discretion, we recommend consideration of the feasibility of the following in the report:

- Setting time-bound goals to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;

- Committing to the World Bank's "Zero Routine Flaring by 2030" initiative, as 40 oil companies have done;[13]
- Validating flaring and venting data through a qualified and third-party audit.

[1] http://pubdocs.worldbank.org/en/503141595343850009/WB-GGFR-Report-July2020.pdf
[2] https://www.pnas.org/content/pnas/early/2020/05/12/2006774117.full.pdf?versioned=true
[3] https://data.permianmap.org/pages/flaring
[4] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030
[5] http://blogs.edf.org/energyexchange/2020/10/07/simplifying-the-debate-about-routine-flaring/
[6] https://www.bloomberg.com/news/articles/2020-09-04/investment-giants-urge-texas-to-end-most-flaring-of-natural-gas
[7] https://ec.europa.eu/energy/sites/ener/files/eu_methane_strategy.pdf
[8] https://www.bloomberg.com/professional/blog/gas-flaring-catches-up-with-u-s-lng/
[9] https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf
[10] https://www.gaffneycline.com/sites/g/files/cozyhq681/files/2020-06/Tackling%20Flaring_Final.pdf
[11] https://investors.pxd.com/news-releases/news-release-details/pioneer-natural-resources-releases-2020-sustainability-report
[12] https://energyfactor.exxonmobil.com/perspectives/reducing-natural-gas-flaring/
[13] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030#4

BlackRock

December 22, 2020

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Hess Corporation
Re: State of Vermont Pension and Investment Committee

To whom it may concern:

As custodian of The State of Vermont, Vermont Pension Investment Committee (the "Fund"), we are writing to report that as of the close of business December 22, 2020 the Fund held 7,974 shares of Hess Corporation ("Company") stock in our account at Depository Trust Company (account #3622). The Fund has held in excess of $2,000 worth of shares in your Company continuously from December 22, 2019 – December 22, 2020.

If there are any other questions or concerns regarding this matter, please feel free to contact me at 617-357-1219.

Sincerely,

BlackRock Institutional Trust Company, N.A.

By: Donald Perault

Date: December 22, 2020

Name: Don Perault
Title: Managing Director

MINNESOTA STATE BOARD OF INVESTMENT

Executive Director & Chief Investment Officer

Mansco Perry

60 Empire Drive
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December 23, 2020

Via regular mail and email tgoodell@hess.com, cc. bschachter@hess.com.

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Dear Mr. Goodell,

I am the Executive Director and Chief Investment Officer of the Minnesota State Board of Investment ("MSBI"). The MSBI is entrusted with managing $102.4 billion (as of June 30, 2020) on behalf of state pension plans, state government funds, non-retirement programs, and state-sponsored savings plans. The MSBI maintains a set of core investment beliefs, one of which recognizes that "[u]tilizing engagement initiatives to address environmental, social, and governance-related (ESG) issues can lead to positive portfolio and governance outcomes."

One important ESG issue is methane and flaring management. MSBI believes that companies which do not manage venting and flaring activity risk their reputation and license to operate. While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces, which is significantly higher than many of its peers. Besides, Hess' flaring reduction target expires in 2020.

Therefore, MSBI is co-filing the enclosed shareholder proposal requesting that the Board of Directors report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. We request that the company endorse this Proposal.

We are co-filing the shareholder proposal for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The primary filer of this resolution is the Vermont Pension Investment Committee, who is authorized to act on our behalf in all aspects of the resolution, including negotiation and withdrawal of the resolution.

A letter from the MSBI's custodian documenting the MSBI's continuous ownership of at least $2,000 worth of the Company's stock for at least one year prior to the date of this letter is attached hereto. The MSBI also intends to continue its ownership of at least the minimum number of shares required by the SEC regulations through the date of the 2021 annual meeting of shareholders. A representative of the primary filer will attend the stockholders' meeting to move the resolution as required by SEC rules. I declare the MSBI has no "material interest" other than that believed to be shared by stockholders of the Company generally.

We look forward to discussing the issues surrounding the requested report at your earliest convenience. If you have questions, please contact John Mulé, Director of Legal, Legislative Policy, and Shareholder Services via telephone at 651-296-3912, or email at john.mule@state.mn.us.

Thank you for your time and attention to this request.

Sincerely,

Mansco Perry III

Mansco Perry III
Executive Director and Chief Investment Officer
Minnesota State Board of Investment

Copy: Katie Green, Vermont State Treasurer's Office

Whereas, over the last 15 years, the United States (US) shale oil boom and lax regulation have made the country the world's third highest flaring nation (in 2019), with flaring volumes increasing each year since 2016.[1]

Flaring and venting waste a valuable resource, contribute 6% of global greenhouse gas emissions, and disperse a range of pollutants that harm human health and local environments.[2]

Flaring is a major source of methane pollution, with one in ten flares in the Permian basin malfunctioning or unlit.[3]

Routine flaring is utilized when gas is produced during oil (or gas condensates) production operations and companies do not reinject, utilize or move it to the gas market.[4,5]

Companies which do not manage venting and flaring activity risk their reputation and license to operate, as investors, regulators and civil society are setting expectations to address this issue.

In 2020, investors managing more than $2 trillion called on the Texas Railroad Commission to support policies to achieve zero routine flaring by 2025.[6] Corporate, city, state and national entities who have committed to net-zero emissions goals will be placing more scrutiny on the sources of emissions throughout the value chain, similarly to Europe.[7] For example, in October 2020 the French government blocked an LNG supply deal between the utility Engie and project developer NextDecade because of concerns about flaring and methane emissions among US gas producers.[8]

While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces.[9] This is significantly higher than many of its peers. Producers such as Chevron, Pioneer, EOG and Occidental have implemented infrastructure planning and operational changes that significantly reduced flaring intensities. These firms report achieving flaring intensities of 1% or lower in the Permian.[10] Pioneer, ConocoPhillips and ExxonMobil have all recently committed to a target of zero routine flaring by 2030 at the latest.[11] ExxonMobil stated in 2020 that .zero routine flaring is within everyone's reach".[12]

Resolved, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

Supporting Statement:
At management's discretion, we recommend consideration of the feasibility of the following in the report:

- Setting time-bound goals to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;

- Committing to the World Bank's "Zero Routine Flaring by 2030" initiative, as 40 oil companies have done;[13]
- Validating flaring and venting data through a qualified and third-party audit.

[1] http://pubdocs.worldbank.org/en/503141595343850009/WB-GGFR-Report-July2020.pdf
[2] https://www.pnas.org/content/pnas/early/2020/05/12/2006774117.full.pdf?versioned=true
[3] https://data.permianmap.org/pages/flaring
[4] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030
[5] http://blogs.edf.org/energyexchange/2020/10/07/simplifying-the-debate-about-routine-flaring/
[6] https://www.bloomberg.com/news/articles/2020-09-04/investment-giants-urge-texas-to-end-most-flaring-of-natural-gas
[7] https://ec.europa.eu/energy/sites/ener/files/eu_methane_strategy.pdf
[8] https://www.bloomberg.com/professional/blog/gas-flaring-catches-up-with-u-s-lng/
[9] https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf
[10] https://www.gaffneycline.com/sites/g/files/cozyhq681/files/2020-06/Tackling%20Flaring_Final.pdf
[11] https://investors.pxd.com/news-releases/news-release-details/pioneer-natural-resources-releases-2020-sustainability-report
[12] https://energyfactor.exxonmobil.com/perspectives/reducing-natural-gas-flaring/
[13] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030#4

State Street Bank and Trust Company
One Heritage Drive, Floor 3
Quincy, MA 02171

December 23rd, 2020

Re: Confirmation of Holdings and Transactions Data for Minnesota State Board of Investment - Hess Corp

To Whom it May Concern:

I confirm that State Street Bank and Trust was the record owner in common stock of HESS CORP (ISIN: US42809H1077, Sedol: 2023748) which State Street Bank and Trust held on behalf of Minnesota State Board of Investment. The common stock was held by State Street Bank and Trust in its participant account at the Depository Trust Company. Per State Street Bank and Trusts records, to the best of its knowledge, Minnesota State Board of Investment held in excess of $2,000.00 worth of common stock in HESS CORP (ISIN: US42809H1077, Sedol: 2023748) from December 1st , 2019 until December 23rd , 2020.

Please contact the undersigned, if you have any questions.

Yours sincerely,

Han N Bui, Officer
617-662-6613
hnbui@statestreet.com
For and on behalf of
State Street Bank and Trust Company

WHITE & CASE

February 8, 2021

VIA E-MAIL (shareholderproposals@sec.gov)

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

White & Case LLP
1221 Avenue of the Americas
New York, NY 10020-1095
T +1 212 819 8200

whitecase.com

Re: *Hess Corporation*
Omission of Shareholder Proposal Submitted by The Vermont Pension Investment Committee and the Minnesota State Board of Investment
Securities Exchange Act of 1934 – Rule 14a-8

On behalf of our client, Hess Corporation, a Delaware Corporation (the "**Company**"), we are writing this letter to inform you that the Company intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders (collectively, the "**2021 Proxy Materials**") a shareholder proposal and related supporting statement (together, the "**Proposal**") received from the Vermont Pension Investment Committee, and the Minnesota State Board of Investment, as proponents (the "**Proponents**"), for inclusion in the 2021 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("**SLB 14D**"), we are submitting this letter and its attachments to the Staff of the Division of Corporation Finance (the "**Staff**") via e-mail at shareholderproposals@sec.gov and the undersigned has included his name and telephone number both in this letter and the cover email accompanying this letter. In accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), we are submitting this letter to the U.S. Securities and Exchange Commission (the "**Commission**") no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials, and a copy of this submission is being sent simultaneously to the Proponents, as notification of the Company's intention to omit the Proposal from its 2021 Proxy Materials. We hereby request confirmation from the Staff that it will not recommend any enforcement action if the Company omits the Proposal in reliance on Rule 14a-8 from the 2021 Proxy Materials. This letter includes the Company's statement of the reasons it deems the omission of the Proposal to be proper.

We take this opportunity to inform the Proponents that if they elect to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company in accordance with Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

> **Resolved**, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be

made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

A copy of the Proposal and related correspondence is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur with our view that the Proposal may be excluded from the 2021 Proxy Materials pursuant to:

- Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal; and
- Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations.

ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because The Company Has Substantially Implemented The Proposal.

A. Introduction

We believe the Company has substantially implemented the Proposal via its existing public disclosures. We respectfully request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(10). The Company has published, and continues to publish, information regarding its efforts to curtail its impact on climate change from routine flaring and venting that address the primary goals of the report requested by the Proposal. Furthermore, as stated in the Company's prior disclosures, the Company's board of directors will adopt new emissions reduction goals and targets driven by significant planned reductions in routine flaring that will be disclosed in the Company's upcoming 2020 Sustainability Report that will be published in the summer of 2021, further addressing the essential objective of the Proposal. The Proposal is therefore excludable because its underlying concerns and "essential objective" have been substantially addressed by the Company's policies, practices, and procedures, which, as detailed in the Company's public disclosures, compare favorably with the guidelines of the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (Jul. 7, 1976). When a company can demonstrate that it has taken actions to address the elements of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented" and may be excluded. *See, e.g.*, *Dominion Resources, Inc.* (Feb. 9, 2016); *Exxon Mobil Corp.* (Mar. 17, 2015); *Deere & Company* (Nov. 13, 2012); *Exxon Mobil Corp.* (Mar. 23, 2009); *Exxon Mobil Corp.* (Jan. 24, 2001); *The Gap, Inc.* (Mar. 8, 1996). The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc*. (Mar. 28, 1991); *Walgreen Co*. (Sept. 26, 2013).

The Staff has repeatedly stated that a company need not implement a proposal in the exact manner set forth by the proponent. Rather, the company must adequately address the proposal's essential objective. *See* Exchange Act Release No. 40018 (May 21, 1998) (the "**1998 Release**"). Here, the core of the Proposal, or its "essential objective," seeks for the Company to produce a report on if, and how, it plans to curtail its climate change impact from routine flaring and venting. The Company has substantially addressed the essential objectives of the Proposal as described in: (i) its most recent Sustainability Report (the "**2019 Sustainability Report**"),[1] (ii) its response to the 2020 CDP Climate Change Questionnaire (the "**CDP Questionnaire**" or "**CDP**"),[2] and (iii) its prior sustainability reports, press releases, and investor presentations on the Company's website (the "**Other Disclosures**" and, together with the 2019 Sustainability Report and CDP Questionnaire, the "**Public Disclosures**").[3]

The practices of flaring and venting, as explained by the U.S. Department of Energy, have been described as follows: "[n]atural gas flaring is the controlled combustion of volatile hydrocarbons and venting is the direct release of natural gas into the atmosphere, typically in small amounts."[4] In other words, the direct release of methane into the atmosphere is referred to "venting," whereas the burning off of gases at the well site is referred to as "flaring." The practice of flaring has been determined by the U.S. Department of Energy to be sounder with respect to its overall environmental impact than venting[5] and consequently the latter activity has become increasingly subject to enhanced state regulation, including being prohibited in the State of North Dakota[6] and restricted in the State of Texas.[7]

[1] Hess Corp., *Hess Sustainability Report 2019* (June 2020) *available at* https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf

[2] Hess Corp., *CDP Investor Response* (July 31, 2020) *available at* https://www.hess.com/docs/default-source/sustainability/hess-cdp-finalbaea1812a20e6c24bc8aff0000a61a5d.pdf?sfvrsn=e9e4746b_2.

[3] *See, e.g.*, Hess Corp., *Investor Relations Presentation* (Feb. 2020) *available at* https://investors.hess.com/static-files/3cb6293d-24b6-48b8-983b-a82f85c19b10; Hess Corp., *News Room*, *available at* https://www.hess.com/newsroom; Hess Corp., Sustainability *available at* https://www.hess.com/sustainability.

[4] *Natural Gas Flaring and Venting: State and Federal Regulatory Overview, Trends, and Impact*, U.S. DEPARTMENT OF ENERGY (July 2019), at i ("While flaring is more common than venting, both of these activities routinely occur during oil and natural gas development as part of drilling, production, gathering, processing, and transportation operations. The reasons behind both flaring and venting may be related to safety, economics, operational expediency, or a combination of all three.").

[5] *See generally id.*, at 6 ("From an environmental standpoint, flaring is better than venting since CO2 is 25 times less impactful as a greenhouse gas than methane over a 100-year timespan. However, depending on the constituents of the gas being flared (e.g., combustion of gas containing hydrogen sulfide produces sulfur dioxide emissions) and the efficiency of the flare equipment (e.g., some methane may escape unburned), there is no net negative impact from flaring versus sales in terms of environmental impact, assuming the flared gas, if captured, would be sold and then burned elsewhere under the same conditions." (citations omitted)); *see also generally Natural Gas Explained*, U.S. ENERGY INFORMATION ADMINISTRATION (Dec. 9, 2020), at 3 ("In places where natural gas pipelines are not available to take away associated natural gas produced from oil wells, the natural gas may be reinjected into the oil-bearing formation, or it may be vented or burned (flared).")

[6] *North Dakota Natural Gas Flaring and Venting Regulations*, U.S. DEP'T OF ENERGY (June 2020), at 1 ("[T]he State of North Dakota bans the practice of venting of natural gas . . . .") (citing N.D. Admin. Code 43-02-03-45: Vented Casinghead Gas) (mandating that "all vented casinghead gas shall be burned.").

[7] Tex. Title. 16, Part 1, Chapter 3 Rule § 3.32(e)(3) Gas Releases to be Burned in a Flare ("An exception to the requirements of this subsection may be granted . . . to allow the venting of gas to the air for releases of greater than 24 hours' duration if the operator presents information that shows the gas cannot be both safely and continuously burned in a flare, and the gas can be safely vented.").

B. The Company's Public Disclosures Satisfy the "Essential Objective" of the Proposal

In applying Rule 14a-8(i)(10), the Staff has permitted companies to exclude proposals from their proxy materials pursuant to Rule 14a-8(i)(10) where a company satisfied the "essential objective" of the proposal, even if the company did not take the exact action requested by the proponent or did not implement the proposal in every detail.

The "essential objective" of the Proposal is for the Company to issue a report regarding its plans to reduce its impact on climate change from routine flaring and venting—information, which the Company respectfully submits, has been the subject of continued Company action and detailed public disclosure as part of the Company's climate change strategy updated every five years, which contemplates anticipated "large scale reductions in flaring" and ambitious plans to "significantly reduce flaring over the next several years."[8] The Company has substantially delivered on its 2020 flaring reduction commitment by decreasing flaring intensity by 35% since 2014 as of 2019 and reported in February 2020 that it was "on track" to achieve its 50% reduction target.[9] This commitment was strengthened by the Company's investment of over $3 billion since 2012 to build out new processing facilities and overhaul existing facilities to effectuate the Company's ambitious flare reduction plans.[10] It also extends to the Company's ongoing plans to "aggressively" seek favorable capital expenditure opportunities to continue reducing flaring emissions to "10% or less (21 MMSCFD) by the mid-2020s."[11] The Company's commitment is also illustrated by its voluntary participation in ONE Future, a coalition of 36 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1% (or less) by 2025, which would be achieved in large measure through its planned reductions to flaring and phase out of high-bleed pneumatic controllers.[12] The Company recently estimated it will eliminate 680,000 tonnes of CO2 emissions each year as a result of its flaring reduction initiatives.[13] As the Public Disclosures clearly outline, "flare reduction is a key component of Hess's climate change strategy."[14] As stated in the Company's prior disclosures, the Company's board of directors will also adopt new emissions reduction goals and targets driven in large measure by significant planned reductions in routine flaring, including through continued infrastructure buildout, that will be disclosed in the Company's

[8] *See, e.g.*, 2015 Hess Sustainability Report, at 47 (outlining five-year plan for expanding midstream gas gathering infrastructure, including gas compression and natural gas liquids and gas gathering lines for several midstream infrastructure projects, leaving Hess "*well positioned to significantly reduce flaring over the next several years*" and anticipating that "*large-scale reductions* in flaring will be addressed through *our long-term* 2020 flare intensity reduction target." (emphasis added)); 2012 Hess Sustainability Report, at 3 ("We continued to implement our five year climate change strategy based on a 2008 baseline . . . "); 2019 Sustainability Report, at 6-7 (discussing Company's plans for post-2020 refresh of its sustainability goals and targets).

[9] 2019 Sustainability Report, at 11, 49; Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5 (stating that the Company is "[o]n [t]rack to meet [its] 2020 targets to reduce flaring intensity by 50% . . . .").

[10] 2019 Sustainability Report, at 49.

[11] CDP C2.4a.

[12] CDP C-054.7a.

[13] CDP C2.2a (explaining that the Company's flaring reduction initiative is "a win-win for Hess because it reduces costs, generates additional revenue and supports efforts to transition to lower carbon emitting products, since natural gas is less carbon intensive then other fossil fuels [and that] [b]y reducing wellhead flaring from 27% in 2012 to 10% post 2020, we will eliminate 680,000 tonnes of annual CO2e emissions.").

[14] CDP C12.1d.

upcoming 2020 Sustainability Report that will be published in the summer of 2021, further addressing the essential objective of the Proposal.[15]

The Company has substantially implemented the primary objective of the Proposal by committing to reduce routine flaring and venting through concrete plans with specific numerical targets and time-bound goals, by taking decisive action in investing significant capital to effectuate those goals, and delivering transparency and accountability by "routinely track[ing] the flaring rate, flared volumes, and progress toward our flaring target" and "regularly report[ing]" such information through the Company's Sustainability Report and CDP Questionnaire disclosures, which are made publicly available on the Company's website.[16]

As demonstrated in the table below, the Public Disclosures substantially implement the requests contained in the Proposal, including its "essential objective," which address the Company's efforts to reduce its impact on climate change from routine flaring and venting.

Hess' Initiatives Aligned with the Essential Objective of the Proposal	**Relevant Public Disclosures**
Importance of Routine Flaring Reduction To Company's Climate Change Strategy	• "[F]lare reduction is a key component of Hess's climate change strategy."[17] • "[R]educing flaring across our operations is a major component of Hess's emissions reduction strategy . . . ."[18] • "In North Dakota, our most strategic decision <u>influenced</u> by <u>climate</u> related risks was to <u>invest over $3 billion</u> in a substantive business decision to develop infrastructure to <u>reduce flaring</u>. This allows us to increase revenue by capturing and selling gas that was previously flared. <u>This infrastructure investment</u> will result in <u>substantial climate-related benefits</u> associated with <u>flare reduction</u> in the <u>medium and long term</u>."[19]
Disclosure of Flaring and Venting Data For Transparency and Accountability Purposes	• Flaring intensity disclosed publicly every year;[20] • Flaring/venting percentage of operated direct emissions disclosed publicly every year.[21] • Progress against 2020 flaring reduction goal charted every year along with description of yearly flaring reduction successes and areas for improvement.[22]

[15] *See* 2019 Sustainability Report, at 6-7.

[16] CDP C2.4a; *Hess Sustainability Reports*, *available at* https://www.hess.com/sustainability/sustainability-reports.

[17] CDP C12.1d.

[18] CDP C-054.7a.

[19] CDP C3.1d.

[20] 2019 Sustainability Report, at 61.

[21] 2019 Sustainability Report, at 61.

Commitment To Continued Routine Flaring Reduction	• "We are taking multiple steps, which are described below . . . to drive significant flaring reductions in the next few years."[23] • "On an intensity basis, we continue to make progress towards our 50% reduction target by reducing our cumulative flaring intensity by 35% through 2019, compared to our 2014 baseline . . . ."[24] • "Between 2008 and 2019, [the Company] reduced [] Scope 1 and 2 equity GHG emissions by approximately 60%."[25] • "[W]e are committed to and are aggressively executing significant capital projects to increase gas capture rates and reduce flaring . . . ."[26] • The Company "set a target to reduce the flaring intensity of [its] operated assets by 50% in 2020 versus [its] 2014 baseline," has "invested over $3 billion in infrastructure to reduce flaring,"[27] and reported it was "on track" to achieve its goal in its most recent investor presentation.[28] • "With Hess's planned reductions to flaring and phase out of high-bleed pneumatic controllers in North Dakota," the Company anticipates that it "will achieve the ONE Future target by 2025" to achieve 1% methane emissions across the value chain.[29] • In June 2019, the EHS subcommittee previously established in 2013 was "elevated to a fourth standalone committee of the Board," reinforcing the significance of the Company's climate change commitment. In addition, in 2019 Hess "established a new team, led by the Senior VP Production to further identify, assess and make recommendations with respect to climate change mitigation strategies, and emissions reduction technologies and opportunities. The team will focus on: flare reduction, energy efficiency, carbon capture, utilization and storage, low carbon technology investments . . . and methane monitoring. This team *is* evaluating additional emissions reduction opportunities and will make recommendations to . . . the EHS Board Committee for consideration and implementation in 2020."[30]
Recognition For Excellence	• CDP Climate Change leadership status for the 12th consecutive year.[31] • Dow Jones Sustainability Index North America for the 11th consecutive year.[32]

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[22] *See, e.g.*, 2019 Sustainability Report, at 49-51, 2018 Sustainability Report, at 48-50; 2017 Sustainability Report, at 41-43.

[23] 2019 Sustainability Report, at 49.

[24] CDP C2.4a.

[25] 2019 Sustainability Report, at 3, 47, 49.

[26] 2019 Sustainability Report, at 49.

[27] CDP C2.2.

[28] Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5.

[29] CDP C-054.7a.

[30] 2019 Sustainability Report, at 13; CDP 2.4.

[31] Press Release, *Hess Achieves Leadership Status in CDP's Global Climate Change Report* (Dec. 9, 2020) https://www.hess.com/newsroom/news-article/2020-12-09-hess-achieves-leadership-status-in-cdp-s-global-climate-change-report.

	• Transition Pathway Initiative 2020 Report recognition as "the only U.S. oil and gas company to achieve a Level 4-star rating."[33] • Corporate Responsibility Magazine's 100 Best Corporate Citizens for 12th consecutive year, including number one ranked oil and gas company.[34]

The Company has disclosed its strategy for measuring, and implementing a comprehensive plan to curtail, its impact on climate change from routine flaring and venting.[35] The Public Disclosures provide detailed, substantive information regarding these plans, including the following:

- *Measuring, Monitoring and Disclosing Key Data on Flaring Reduction; Investing in Continued Progress*. Since 2014, the Company has been actively focused on reducing flaring to achieve its 50% reduction target through 2020 and has made publicly available the data relating to its progress toward those goals each year.[36] The Company has invested substantial resources to reduce flaring, recently reported it was "on track" to achieve its 2020 flaring reduction goal, and has reported an overall 60% reduction in Scope 1 and 2 GHG emissions since 2008.[37] Moving forward, the Company's plans to continue to reduce flaring and venting to meet its 2025 ONE Future targets.[38]

- *Routine Flaring Reduction Successes*.
  - *Infrastructure Investment*. The Company's substantial investment of over $3 billion in infrastructure to increase gas capture and reduce routine flaring.
  - *Guyana.* The Company's developments offshore Guyana are designed to minimize routine operational flaring by reinjecting associated gas back into the underground reservoirs.
  - *McKenzie County, ND.* The Company's subsidiary and its joint venture partner constructed a gas plant, the Little Missouri Four, which became operational in August 2019 and can now process up to 200 MMSCFD of natural gas that was previously flared due to processing capacity limitations.[39]

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[32] Press Release, *Hess Named to Dow Jones Sustainability Index (DJSI) North America for Eleventh Consecutive Year* (Nov. 18, 2020) *available at* https://www.hess.com/newsroom/news-article/2020-11-18-hess-named-to-dow-jones-sustainability-index-(djsi)-north-america-for-eleventh-consecutive-year.

[33] *Id*. ("The Transition Pathway Initiative or TPI recently published its 2020 report on the progress of 163 energy companies in transitioning to a low carbon economy and supporting efforts to mitigate climate change . . . In TPI's 2020 report, Hess is the only U.S. oil and gas company to achieve a Level 4-star rating, which is awarded to companies that demonstrably manage climate-related risks and opportunities from a governance, operational and strategic perspective and satisfy all TPI Management Quality criteria.").

[34] 2019 Sustainability Report, at 63.

[35] *See* CDP C-054.7a ("[*R]educing flaring across our operations is a major component of Hess's emissions reduction strategy* . . . [w]ith Hess's *planned reductions to flaring* and phase out of high-bleed pneumatic controllers in North Dakota, *we anticipate that we will achieve the ONE Future target by 2025*." (emphasis added))

[36] *See* 2019 Sustainability Report, at 61 (flaring intensity SCF/BOE units listed by year since 2014; flaring/venting percentage of operated direct emissions (Scope 1) listed by year since 2014).

[37] 2019 Sustainability Report, at 3; Hess Corp., *Investors Relations Presentation* (Feb. 2020), at 5.

[38] 2019 Sustainability Report, at 49-51.

[39] 2019 Sustainability Report, at 49.

- *Tioga Gas Plant, ND*. In 2020, the Company completed a $150 million expansion, which when tied in during 2021 will increase plant processing capacity from 250 MMSCFD to 400 MMSCFD to enable the Company to reduce flaring resulting from prior capacity limitations.[40]
- *Blue Buttes, East Nesson, and Other ND Locations* - Over the last 18 months, the Company has added 140 MMSCFD of additional gas compression capacity in various locations in North Dakota to reduce the need for routine flaring in the region.[41]
- *South Arne, Denmark*. In 2012, the Company commissioned a flare recovery system to reroute gas from the flare to a compressor to be utilized as lift gas or fuel gas. Through the use of this system, flaring at the site has been reduced by 80% from 2015 to 2019.[42]

- *Pursuing Innovative Technological Solutions*: *ElectraTherm Power+ Generator, GTUIT Partnership, & LDAR.* In 2013, the Company began employing GTUIT's innovative and award-winning mobile and modular flare gas capture technology.[43] Recently, this equipment led to the capture of 7.2 million gallons of NGLs resulting in avoidance of 513 MMSCF of gas flaring in 2019 alone – "sav[ing] 45,000 tons of carbon dioxide (CO2) from entering the atmosphere" or the equivalent of planting 100,000 trees.[44] In 2015, the Company partnered with ElectraTherm to "capture[] [] natural gas to generate electricity and reduce or eliminate[] onsite flaring . . . The pilot system operated with an estimated on-stream reliability of greater than 98 percent and showed average estimated reductions in carbon monoxide of 98%, VOC of 93%, and nitrogen oxides of 48%, compared to flaring."[45] The Company also implemented its LDAR program in 2019, which resulted in approximately "39,544 MCF of recovered gas to reduce flaring."[46]

- *Pioneering Industry Leadership in Flaring Reduction.* Hess is a member of the North Dakota Petroleum Council's Flaring Task Force and a founding member of the ONE Future Coalition.[47]

- *Climate Change Strategy Refresh*. Importantly, as previously disclosed, the Company is currently undertaking a strategy refresh to update its post-2020 emissions reduction targets, which account

[40] 2019 Sustainability Report, at 49.

[41] 2019 Sustainability Report, at 49.

[42] 2019 Sustainability Report, at 50.

[43] 2015 Hess Sustainability Report, at 48 ("In 2013 in North Dakota we partnered with GTUIT, a designer, manufacturer and operator of well site gas capture and NGL extraction equipment, to recover high-BTU (British thermal unit) gas from locations that were producing NGLs and flaring. This project provided dual economic and environmental benefits by converting gas into marketable products as well as reducing the amount of gas flared and the associated air emissions.").

[44] 2015 Hess Sustainability Report, at 48; Press Release, Hess-GTUIT, *Recognizing Excellence in Gas Flaring Reduction Award* (2015) ("In 2013, Hess partnered with GTUIT . . . to provide mobile and modular flare gas processing equipment . . . To put [the partnership's] savings into perspective, the average tree in North America sequesters 911 pounds of CO2 over its life. Hess and GTUIT efforts resulted in saving 45,000 tons of CO2 from entering the atmosphere which is the equivalent of planting nearly 100,000 trees . . . Hess' commitment to the environment with this project diverted over 13,500 tons of VOCs from escaping with the flare gases into the atmosphere.").

[45] 2015 Sustainability Report, at 49.

[46] CDP C3.1d.

[47] CDP C2.3a, CDP C2.4a.

for reductions in routine flaring and venting, and will be disclosed in the Company's upcoming 2020 Sustainability Report that will be published in the summer of 2021.[48]

Taken together, the Company's progress in reducing flaring reflects the Company's firm commitment to sustainability and flaring reduction in particular. The Company's 2020 flaring reduction initiative required a commitment of substantial resources and earned the recognition of leading domestic and international institutions. The initiative has leveraged cutting-edge technology and helped ensure that operations with limited processing capacity, especially in North Dakota, obtained new processing facilities or substantially improved and expanded processing facilities to better manage increased demand. Moreover, it has continued to push the Company forward to explore and aggressively pursue ambitious flaring reduction opportunities, when economically and technically feasible to do so, each succeeding year. As such, the Proposal simply seeks a report including information which has already been substantially implemented as is clearly established by the Company's disclosures and consistent and concerted actions.

In applying Rule 14a-8(i)(10), the Staff has consistently concurred with the exclusion of shareholder proposal that, like the Proposal, request a report containing information that the company has already publicly disclosed. *See Dominion Resources* (Feb. 9, 2016) (Staff concurred in the exclusion of a proposal that requested a report on "how Dominion Resources is measuring, mitigating, setting reduction targets, and disclosing *methane* emissions," when the company had already made numerous public disclosures on that particular climate change topic). In *Dominion Res.*, the company's extensive public disclosures addressed both climate change in general and methane emissions in particular and therefore the SEC Staff concurred with the company's assessment that it did not require additional reporting on the basis of its existing public disclosures. The Proposal is similar insofar as it is also seeking a report on a specific climate-change topic that the Company has already extensively addressed in detail in its existing disclosures as a key component of its climate change emissions reductions strategy. *See also Dominion Energy* (Mar. 6, 2020) (permitting the company to exclude a proposed report on "stranded assets" as climate change intensified when the company already provided extensive disclosures on reducing "the risk of obsolescence" of its assets and provided the company's investors with more than "sufficient information to understand" its general approach to the issue and its plans for mitigating those risks moving forward); *Exelon Corp*. (Feb. 26, 2010) (concurring in the exclusion of a proposal requesting a report on specific details relating to the company's political contributions when the company had already adopted and disclosed its own set of corporate political contribution guidelines, which provided "an up-to-date view of the [c]ompany's policies and procedures" with respect to the requested subject matter).

In *Entergy* (Feb. 14, 2014), the proponent sought a report addressing the near-term action the company was taking to "reduce its greenhouse gas emissions consistent with the national goal of 80% reduction in greenhouse emission by 2050." The company sought to exclude the proposal on the grounds that its existing disclosures satisfied the "essential objective" of the proposal (issuing a report concerning the policies it could adopt to reduce its greenhouse gas emissions, including, *inter alia,* adopting "innovative technologies and strategies for energy generation and the advanced practices of [its] utility company peers"). The company successfully argued, however, "*[n]umerous public disclosures do precisely this, describing the policies the Company currently employs and could adopt in the near future* to reduce its greenhouse gas emissions as part of the proposed goal to reduce the nation's overall emissions." (emphasis added). The Proposal raises the same substantive issue as in *Entergy*, as numerous public disclosures describe the Company's plans to reduce its climate change impact to align with the Paris

[48] *See* 2019 Sustainability Report, at 6-7 (disclosing Company's plans for setting new "post 2020" "goals and targets," beyond existing efforts "in next year's sustainability report").

Agreement targets and to reduce routine flaring and venting as a major component of that overall plan. *See* Hess (Apr. 9, 2020) (concurring with the Company's view that Hess had already substantially implemented the essential objective of the proposal to report on if and how it plans to reduce its total contribution to climate change and align with the Paris Agreement targets); *Hess* (Apr. 11, 2019) (concurring with the Company's view that Hess had already substantially implemented the essential objective of the proposal to issue a report on how the Company could reduce its carbon footprint to align with the Paris Agreement's targets).

Additionally, the Company's founding membership and commitment to the ONE Future plan also substantively addresses the essential objective of the Proposal, namely by aiming to reduce the Company's emissions from methane to less than 1% across the value chain by 2025. *Compare* Proposal, Whereas Preamble ("Flaring is a major source of methane pollution . . . .") *with* CDP C-054.7a ("*With Hess's planned reductions to flaring* and phase out of high-bleed pneumatic controllers in North Dakota, *we anticipate that we will achieve the ONE Future target* [of 1% methane emissions across the value chain] *by 2025*." (emphasis added)); *see also Exxon Mobil* (Mar. 20, 2020) (successfully arguing in its reply letter that the proponent's response letter's narrow focus on the proposal's "if, and how" language ignores the proposal's main objective, which "in reviewing both the resolution and the supporting statement . . . clearly reflects that the essential objective" relates to climate change mitigation, which the "Company has already provided in its existing reports."); *Dunkin Donuts* (Mar. 6, 2019) (successfully arguing that the "[t]he Company [already] addressed . . . the *underlying concern* and *essential objective* of the Proposal" in its existing disclosures on substantially the same subject rendering additional reports unnecessary (emphasis added)).

We respectfully submit that because the Company regularly discloses relevant metrics of progress toward achieving time-bound and specific targets to reduce routine flaring and reduction from its operations, has invested substantial capital to develop infrastructure allowing further reductions in routine flaring, received domestic and international recognition for excellence in its early adoption and employment of innovative flaring reduction technology, and announced clear plans to ensure accountability to continue to make marked progress towards those stated goals, the essential objective of the Proposal, its disclosures compare favorably to the Proposal and do not require additional reporting on substantially the same subject.

In summary, the analysis underlying the Public Disclosures demonstrates that the Company has substantially implemented the Proposal by satisfying its underlying concerns and essential objective. Specifically, the Company, through its Public Disclosures, has provided, and intends to continue to provide, in particular in its Sustainability Report, which has been updated on an annual basis, in part to address certain specific concerns communicated to the Company by its shareholders, analysis of its efforts to continue to reduce its climate change impact from routine flaring and venting. Accordingly, we believe that the Company has substantially implemented the Proposal, and we request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(10).

C. Supplemental Notification Following Board Action

The Company submits this no-action request now in order to address the timing requirements of Rule 14a-8(j). We intend to notify the Staff and the Proponents supplementally after the upcoming March 2021 meeting of the Company's board of directors following adoption of the Company's new "post-2020" "goals and targets."[49] For all the reasons stated herein, however, we believe the proposal is excludable on the basis of 14a-8(i)(10) and 14a-8(i)(7) without the need for additional disclosures; however, to the extent such information becomes available prior to the Staff's decision, we respectfully request the opportunity to supplement the record with such information. The Staff has consistently granted no-action relief under Rule 14a-8(i)(10) where a company has notified the Staff of expected action that will be taken by the company that would substantially implement the proposal and then supplemented its request for no-action relief by notifying the Staff of such action. *See, e.g.*, *United Continental Holdings, Inc*. (Apr. 13, 2018); *United Technologies Co.* (Feb. 14, 2018); *The Southern Co*. (Feb. 24, 2017); *Windstream Holdings*, *Inc*. (Feb. 14, 2017); *Mattel, Inc.* (Feb. 3, 2017); *The Wendy's Co.* (Mar. 2, 2016); *The Southern Co*. (Feb. 26, 2016); *NETGEAR, Inc*. (Mar. 31, 2015); *Medivation, Inc.,* (Mar. 13, 2015); *Windstream Holdings, Inc*. (Mar. 5, 2015); *Visa Inc.* (Nov. 14, 2014); *Hewlett-Packard Co*. (Dec. 19, 2013); *Starbucks Corp*. (Nov. 27, 2012); *DIRECTV* (Feb. 22, 2011); *General Dynamics Corp*. (Feb. 6, 2009); *NiSource Inc*. (Mar. 10, 2008); *Johnson & Johnson* (Feb. 19, 2008); *Hewlett-Packard Co.* (Steiner) (Dec. 11, 2007); *Chevon Corp*. (Feb. 15, 2007) (each granting no-action relief where the company notified the Staff of its intention to omit a shareholder proposal under Rule 14a-8(i)(10) because the board of directors was expected to take action that would substantially implement the proposal, and the company supplementally notified the Staff of such board action).

II. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Relates To The Company's Ordinary Business Operations.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the 1998 Release, which accompanied the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations."

In the 1998 Release, the Commission stated that the underlying policy of 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," and identified two "central considerations" for ordinary business exclusion. The first is that certain 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." The second consideration relates to "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." *Id*. (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). This consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific timeframes or methods for implementing complex policies. More recently, in Staff Legal Bulletin No. 14K (Oct. 16, 2019), the Staff noted that micromanagement may also depend, in part, on the level of prescriptiveness of a proposal. The Proposal is properly excludable from the 2020 Proxy Materials, as the Proposal's underlying subject matter relates to the Company's ordinary business operations and the Proposal attempts to micro-manage the Company by probing too deeply into matter of

[49] *See* 2019 Sustainability Report, at 6-7 ("[I]n 2019 we engaged a third-party consultant to help us refresh our materiality assessment and update our EHS & SR strategy . . . We are currently working to validate the results of the materiality assessment through benchmarking and additional internal workshops. That process will aid in developing an updated EHS & SR strategy, including <u>setting goals and targets</u> for our material topics. <u>We plan to share our plan forward (for post 2020) in next year's sustainability report</u>." (emphasis added)).

a complex nature that are the appropriate responsibility of the Company's management as supervised by the Company's board of directors. As described below, this is supported by the Corporate Governance and Nominating Committee (the **"Committee"**) and past no action letters of the Commission.

In light of Staff Legal Bulletin 14I (Nov. 1, 2017) and Staff Legal Bulletin 14J (Oct. 23, 2018) ("**SLB 14J**"), the Company considered and analyzed the Proposal's significance in relation to the Company and determined that the Proposal touches on matters squarely within the realm of ordinary business operations best overseen by Company management. In a meeting held on February 2, 2021, and over the course of its prior discussions, the members of the Committee considered with management the matters identified by SLB 14J. The Company concluded, and the Committee supported such determination, that, while the Company is committed to curtailing its impact on climate change from routine flaring and venting beyond existing efforts, the Proposal micro-manages the Company in an area of ordinary business operations where shareholders, as a group, would be ill-suited to make an informed decision.

In SLB 14J, the Staff explained that the exclusion based on micromanagement "also applies to proposal that call for a study or report" and further stated that it "would, consistent with Commission guidance, consider the underlying substance of the matters addressed by the study or report" to determine whether a proposal involves intricate detail, or seeks to impose specific timeframes or methods for implementing complex policies. For example, the Staff noted that "a proposal calling for a report may be excludable if the substance of the report related to the imposition or assumption of specific timeframes or methods of implementing complex policies." A proposal being framed in the form of a request for a "report" does not change the essential character of the proposal. The Staff has long held the view that a proposal requesting the dissemination of a report may be properly excluded under Rule 14a-8(i)(7) if the substance of the report falls within the ordinary business of the company. *See* Exchange Act Release No. 20091 (Aug. 16, 1983) (reversing the Staff's prior standard that held that requesting a report would not be excludable under Rule14a-8(i)(7) as mistakenly "rais[ing] form over substance and render[ing] the [ordinary business exclusion] largely a nullity" and "henceforth" adopting an "interpretive change" to substantively scrutinize the subject matter of the requested report, not merely the form of the proposal itself).

Hess is a global exploration and production company that focuses on developing and producing crude oil and natural gas from a wide range of assets. An integral part of the Company's business is choosing the assets to explore and develop, allocating capital to higher return assets and determining when and how to most efficiently develop its assets. Such determinations often require balancing a number of difficult competing interests and navigating an intricate web of environmental, economic, geo-political, regulatory, and scientific developments in the course of managing and operating its ordinary business.

When the Proposal is read as a whole, particularly in light of the Supporting Statement, we submit that it seeks to impose specific timeframes and methods for implementing complex policies in intricate detail in place of the ongoing judgments of management as overseen by the Company's board of directors. The Supporting Statement states, in relevant part, that the proposed report should address the feasibility of the following:

> *Setting time-bound goals* to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;
>
> *Committing to the World Bank's "Zero Routine Flaring by 2030" initiative*, as 40 oil companies have done;

Validating flaring and venting data through a qualified and *third-party audit*.[50]

Such statements fall squarely within the established parameters of the Staff's "central considerations" for the ordinary business exclusion insofar as it seeks to impose specific timeframes and intricate methods for implementing complex policies.

Given the complex business tradeoffs associated with eliminating flaring across all the Company's global operations (e.g., compared with investing in other projects, including *other* significant and impactful climate change related efforts), the Proposal probes too deeply into the core affairs of management and in so doing impermissibly seeks to micromanage the Company concerning a subject matter which, shareholders as a whole, would not be in a position to make an informed judgment.

In Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("**SLB 14E**"), the Staff stated that a proposal may be excluded if it seeks to micro-manage the company by specifying in detail the manner in which the company should address a policy issue. For example, in *MGE Energy* (Mar. 13, 2019), the proposal sought to request that the company prepare a report describing how they could secure a low cost energy future for customers by "eliminating coal and mov[e] to 100% renewable energy by 2050 or sooner." The company argued that the "Proposal calls upon the Company to eliminate coal and achieve 100% renewable energy by a specific date (2050 or sooner) . . . [as such] it pertains to the fundamental management function . . . [insofar as it] would replace the careful balancing of the factors that that are uniquely within the purview of management . . . [and] at the core of the Company's ordinary business . . . ." The company also contended that "[t]he fact that the Proposal relates to a long-term goal does not change the fact that the implementation of the Proposal necessarily interferes with day-to-day management decisions." The Staff agreed and found that "the Proposal seeks to micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors." So too here, the Supporting Statement seeks for the Company to "commit[] to the World Bank's 'Zero Routine Flaring by 2030' initiative" and "set[] time-bound goals" – similar to the proposal to report on the elimination of coal by 2050 in *MGE Energy*. In other words, the Proposal seeks to impose specific methods (e.g., time bound goals, zero flaring, third party audits, etc.) for implementing complex policies (i.e., addressing intricate cost, safety, and operational issues) in place of the ongoing judgments of management.

Likewise, in *Apple Inc*. (Dec. 21, 2017), the Staff concurred in the exclusion of a proposal under Rule 14a-8(i)(7) grounds when it requested "a report [] evaluat[ing] 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." Notably, the company characterized 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" and that the "implementation of the

---

[50] *Id*. (emphasis added). We note with respect to the request for a "qualified and third-party audit" that Hess's sustainability metrics are *already* certified by an independent, third-party audit. *See* 2019 Sustainability Report, at 62 ("Independent Assurance Statement. ERM Certification and Verification Services [] was engaged by Hess Corporation [] to provide assurance on the 2019 Sustainability Report . . . A multi-disciplinary team of sustainability and assurance specialists performed [the audit] . . . The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff who have undertaken this engagement work have provided no consultancy-related services to Hess in any respect." (emphasis added)).

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." Additionally, the company pointed out that the practical impact of the report was nothing more than a vote to replace the management's core business judgment on fundamental business matters for that of shareholders – i.e., the very issues shareholders delegate and entrust to management to carry out – explaining "[s]hareholders would [] be asked to vote upon a Proposal that would displace the Company's judgments on business, product and operations strategy, and replace it with a hypothetical plan which the Company would then 'evaluate' to determine whether it is achievable." The same reasoning applies with respect to the Proposal.

Similarly, in *Amazon* (Mar. 6, 2018), the proposal sought a report on "the feasibility of the Company achieving by 2030 'net-zero' emissions of greenhouse gases from all aspects of the business directly owned and operated by the Company." In response, the company argued that "[f]raming the shareholder proposal in the form of a request for a report does not change the nature of the proposal" where the proposal was "attempting to micro-manage [the] company by providing specific details for implementing a proposal as a substitute for the judgment of management" and "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, the company argued that "[t]he Proposal thus falls squarely within the scope of the 1998 Release by addressing intricate details, imposing specific timeframes, and specifying a specific method for implementing complex policies." Ultimately, the Staff concurred and found that the proposal was excludable on ordinary business grounds because "in our view, the proposals 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 flaring and venting curtailment Proposal similarly seeks to impose upon the Company specific timeframes for addressing complex organizational issues. Moreover, it attempts to substantively alter intricate details relating to the Company's allocation of capital resources and modify the means by which the Company's officers manage the operational safety, efficiency, and effectiveness of core operations of the business. In so doing, it probes 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, e.g., Verizon Communications Inc*. (Mar. 6, 2018) (permitting exclusion of a proposal for a report evaluating the feasibility of achieving net-zero emissions targets by 2030 on grounds it sought to "micromanage the affairs of 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 Company's board of directors and the Committee believe that the Company has adopted comprehensive climate change strategies addressing flaring and venting reduction plans and has disclosed key aspects of such strategies, and the level of attainment thereof, in the Public Disclosures as described above. As a result, adopting the Proposals' request to issue a report including specific actions required by the Proponents in the Proposal would not materially add to the Company's existing flaring and venting initiatives and thus does not present a sufficiently significant policy issue that transcends the ordinary business of the Company. The Company therefore believes that the issue raised is not a sufficiently significant policy issue on which shareholders should vote.

The Company's board of directors actively engages in overseeing the Company's sustainability practices and consider sustainability risks and global scenarios when making strategic decision, which are based on the Company's board of directors' comprehensive knowledge and understanding of the various factors that affect the management of the Company's operations. For example, the Company put the above-mentioned flaring and venting reduction projects and programs into effect in a targeted way, by assessing its applicability to the Company's assets and operations. Moreover, the use of committees, including the

Environmental, Health, and Safety Committee of the Company's board of directors, allows the Company to have a structured decision-making process, in which the Company's board of directors can appropriately assess the recommendations and conclusively make an informed decision. The Company continually plans and determines the scope and nature of any objectives for reducing routine flaring and venting and the overall environmental sustainability of its E&P operations based on operational realities and scenario analysis, which are all part of the ordinary course of the Company's business.

For the foregoing reasons, we respectfully request that the Staff concur with our view that the Proposal may be excluded pursuant to Rule 14a-8(i)(7), as dealing with matters related to the Company's ordinary business operations.

CONCLUSION

Based upon the foregoing analysis, we hereby respectfully request that the Staff concur with our view that the Company may properly omit the Proposal from its 2021 Proxy Materials in reliance on Rule 14a-8. Should the Staff disagree with this conclusion, we would appreciate the opportunity to confer with the Staff prior to the issuance of the Staff's response.

Please do not hesitate to contact me at (212) 819-8509 or djohansen@whitecase.com if you have any questions or require any additional information.

Very truly yours,

David Johansen

Attachments
cc: Barry Schachter, Hess Corporation
Elizabeth A. Pearce, Vermont State Treasurer's Office (c/o Katie Green)
Mansco Perry III, Minnesota State Board of Investment (c/o John Mulé)

Exhibit A

See Attached

ELIZABETH A. PEARCE
STATE TREASURER

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182

UNCLAIMED PROPERTY DIVISION
TEL: (802) 828-2407

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

December 22, 2020

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Dear Mr. Goodell,

The Vermont Pension Investment Committee ("VPIC") considers financial, social, environmental, and governance factors in its investment decisions. The VPIC has a long-term investment strategy consistent with the duration of Retirement System liabilities. It strives to be a thoughtful, analytical, and patient investor that believes portfolio risk management is a central fiduciary responsibility. The VPIC is filing this resolution with Hess Corporation ("the Company") because investors need data on potential environmental liabilities to assess risk and the company's ability to provide sustainable value for shareholders over the long-term.

VPIC is the owner of over $2,000 of Company stock held continuously for over one year. VPIC intends to continue to hold this stock until after the upcoming Annual Meeting. I hereby notify the Company of VPIC's intention to file this shareholder proposal as the "primary filer" for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Additional shareholders may co-file this resolution as well.

A proof of ownership from a DTC participant is attached. We look forward to discussing the issues surrounding the requested report at your earliest convenience.

Sincerely,

Beth Pearce

Elizabeth A. Pearce
Vermont State Treasurer

Whereas, over the last 15 years, the United States (US) shale oil boom and lax regulation have made the country the world's third highest flaring nation (in 2019), with flaring volumes increasing each year since 2016.[1]

Flaring and venting waste a valuable resource, contribute 6% of global greenhouse gas emissions, and disperse a range of pollutants that harm human health and local environments.[2]

Flaring is a major source of methane pollution, with one in ten flares in the Permian basin malfunctioning or unlit.[3]

Routine flaring is utilized when gas is produced during oil (or gas condensates) production operations and companies do not reinject, utilize or move it to the gas market.[4,5]

Companies which do not manage venting and flaring activity risk their reputation and license to operate, as investors, regulators and civil society are setting expectations to address this issue.

In 2020, investors managing more than $2 trillion called on the Texas Railroad Commission to support policies to achieve zero routine flaring by 2025.[6] Corporate, city, state and national entities who have committed to net-zero emissions goals will be placing more scrutiny on the sources of emissions throughout the value chain, similarly to Europe.[7] For example, in October 2020 the French government blocked an LNG supply deal between the utility Engie and project developer NextDecade because of concerns about flaring and methane emissions among US gas producers.[8]

While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces.[9] This is significantly higher than many of its peers. Producers such as Chevron, Pioneer, EOG and Occidental have implemented infrastructure planning and operational changes that significantly reduced flaring intensities. These firms report achieving flaring intensities of 1% or lower in the Permian.[10] Pioneer, ConocoPhillips and ExxonMobil have all recently committed to a target of zero routine flaring by 2030 at the latest.[11] ExxonMobil stated in 2020 that “zero routine flaring is within everyone’s reach”.[12]

Resolved, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

Supporting Statement:
At management’s discretion, we recommend consideration of the feasibility of the following in the report:

- Setting time-bound goals to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;

- Committing to the World Bank's "Zero Routine Flaring by 2030" initiative, as 40 oil companies have done;[13]
- Validating flaring and venting data through a qualified and third-party audit.

[1] http://pubdocs.worldbank.org/en/503141595343850009/WB-GGFR-Report-July2020.pdf
[2] https://www.pnas.org/content/pnas/early/2020/05/12/2006774117.full.pdf?versioned=true
[3] https://data.permianmap.org/pages/flaring
[4] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030
[5] http://blogs.edf.org/energyexchange/2020/10/07/simplifying-the-debate-about-routine-flaring/
[6] https://www.bloomberg.com/news/articles/2020-09-04/investment-giants-urge-texas-to-end-most-flaring-of-natural-gas
[7] https://ec.europa.eu/energy/sites/ener/files/eu_methane_strategy.pdf
[8] https://www.bloomberg.com/professional/blog/gas-flaring-catches-up-with-u-s-lng/
[9] https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf
[10] https://www.gaffneycline.com/sites/g/files/cozyhq681/files/2020-06/Tackling%20Flaring_Final.pdf
[11] https://investors.pxd.com/news-releases/news-release-details/pioneer-natural-resources-releases-2020-sustainability-report
[12] https://energyfactor.exxonmobil.com/perspectives/reducing-natural-gas-flaring/
[13] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030#4

BlackRock.

December 22, 2020

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Hess Corporation
Re: State of Vermont Pension and Investment Committee

To whom it may concern:

As custodian of The State of Vermont, Vermont Pension Investment Committee (the "Fund"), we are writing to report that as of the close of business December 22, 2020 the Fund held 7,974 shares of Hess Corporation ("Company") stock in our account at Depository Trust Company (account #3622). The Fund has held in excess of $2,000 worth of shares in your Company continuously from December 22, 2019 – December 22, 2020.

If there are any other questions or concerns regarding this matter, please feel free to contact me at 617-357-1219.

Sincerely,

BlackRock Institutional Trust Company, N.A.

By: Donald Perault Date: December 22, 2020
Name: Don Perault
Title: Managing Director

MINNESOTA STATE BOARD OF INVESTMENT

60 Empire Drive
Suite 355
St. Paul, MN 55103
(651) 296-3328

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minn.sbi@state.mn.us

Website:
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December 23, 2020

Via regular mail and email tgoodell@hess.com, cc. bschachter@hess.com.

Hess Corporation
Timothy B. Goodell
General Counsel, Corporate Secretary and Chief Compliance Officer
1185 Avenue of the Americas, 40th Floor
New York, NY 10036

Dear Mr. Goodell,

I am the Executive Director and Chief Investment Officer of the Minnesota State Board of Investment ("MSBI"). The MSBI is entrusted with managing $102.4 billion (as of June 30, 2020) on behalf of state pension plans, state government funds, non-retirement programs, and state-sponsored savings plans. The MSBI maintains a set of core investment beliefs, one of which recognizes that "[u]tilizing engagement initiatives to address environmental, social, and governance-related (ESG) issues can lead to positive portfolio and governance outcomes."

One important ESG issue is methane and flaring management. MSBI believes that companies which do not manage venting and flaring activity risk their reputation and license to operate. While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces, which is significantly higher than many of its peers. Besides, Hess' flaring reduction target expires in 2020.

Therefore, MSBI is co-filing the enclosed shareholder proposal requesting that the Board of Directors report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. We request that the company endorse this Proposal.

We are co-filing the shareholder proposal for inclusion in the 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The primary filer of this resolution is the Vermont Pension Investment Committee, who is authorized to act on our behalf in all aspects of the resolution, including negotiation and withdrawal of the resolution.

A letter from the MSBI's custodian documenting the MSBI's continuous ownership of at least $2,000 worth of the Company's stock for at least one year prior to the date of this letter is attached hereto. The MSBI also intends to continue its ownership of at least the minimum number of shares required by the SEC regulations through the date of the 2021 annual meeting of shareholders. A representative of the primary filer will attend the stockholders' meeting to move the resolution as required by SEC rules. I declare the MSBI has no "material interest" other than that believed to be shared by stockholders of the Company generally.

We look forward to discussing the issues surrounding the requested report at your earliest convenience. If you have questions, please contact John Mulé, Director of Legal, Legislative Policy, and Shareholder Services via telephone at 651-296-3912, or email at john.mule@state.mn.us.

Thank you for your time and attention to this request.

Sincerely,

Mansco Perry III

Mansco Perry III
Executive Director and Chief Investment Officer
Minnesota State Board of Investment

Copy: Katie Green, Vermont State Treasurer's Office

Whereas, over the last 15 years, the United States (US) shale oil boom and lax regulation have made the country the world's third highest flaring nation (in 2019), with flaring volumes increasing each year since 2016.[1]

Flaring and venting waste a valuable resource, contribute 6% of global greenhouse gas emissions, and disperse a range of pollutants that harm human health and local environments.[2]

Flaring is a major source of methane pollution, with one in ten flares in the Permian basin malfunctioning or unlit.[3]

Routine flaring is utilized when gas is produced during oil (or gas condensates) production operations and companies do not reinject, utilize or move it to the gas market.[4,5]

Companies which do not manage venting and flaring activity risk their reputation and license to operate, as investors, regulators and civil society are setting expectations to address this issue.

In 2020, investors managing more than $2 trillion called on the Texas Railroad Commission to support policies to achieve zero routine flaring by 2025.[6] Corporate, city, state and national entities who have committed to net-zero emissions goals will be placing more scrutiny on the sources of emissions throughout the value chain, similarly to Europe.[7] For example, in October 2020 the French government blocked an LNG supply deal between the utility Engie and project developer NextDecade because of concerns about flaring and methane emissions among US gas producers.[8]

While Hess has made progress in reducing flaring intensity, it is still flaring over 11% of the natural gas it produces.[9] This is significantly higher than many of its peers. Producers such as Chevron, Pioneer, EOG and Occidental have implemented infrastructure planning and operational changes that significantly reduced flaring intensities. These firms report achieving flaring intensities of 1% or lower in the Permian.[10] Pioneer, ConocoPhillips and ExxonMobil have all recently committed to a target of zero routine flaring by 2030 at the latest.[11] ExxonMobil stated in 2020 that .. ero routine flaring is within everyone's reach".[12]

Resolved, shareholders request that the Board report on if, and how, Hess will curtail its impact on climate change from routine flaring and venting, beyond existing efforts. The report should be made available to shareholders, omit proprietary information and be prepared at reasonable cost by November 15th, 2021.

Supporting Statement:
At management's discretion, we recommend consideration of the feasibility of the following in the report:

- Setting time-bound goals to significantly reduce routine flaring and venting from operated and non-operated wells, and well completions;

- Committing to the World Bank.s “Zero Routine Flaring by 2030” initiative, as 40 oil companies have done;[13]
- Validating flaring and venting data through a qualified and third-party audit.

[1] http://pubdocs.worldbank.org/en/503141595343850009/WB-GGFR-Report-July2020.pdf
[2] https://www.pnas.org/content/pnas/early/2020/05/12/2006774117.full.pdf?versioned=true
[3] https://data.permianmap.org/pages/flaring
[4] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030
[5] http://blogs.edf.org/energyexchange/2020/10/07/simplifying-the-debate-about-routine-flaring/
[6] https://www.bloomberg.com/news/articles/2020-09-04/investment-giants-urge-texas-to-end-most-flaring-of-natural-gas
[7] https://ec.europa.eu/energy/sites/ener/files/eu_methane_strategy.pdf
[8] https://www.bloomberg.com/professional/blog/gas-flaring-catches-up-with-u-s-lng/
[9] https://www.hess.com/docs/default-source/sustainability/hess-2019-sustainability-report.pdf
[10] https://www.gaffneycline.com/sites/g/files/cozyhq681/files/2020-06/Tackling%20Flaring_Final.pdf
[11] https://investors.pxd.com/news-releases/news-release-details/pioneer-natural-resources-releases-2020-sustainability-report
[12] https://energyfactor.exxonmobil.com/perspectives/reducing-natural-gas-flaring/
[13] https://www.worldbank.org/en/programs/zero-routine-flaring-by-2030#4

State Street Bank and Trust Company
One Heritage Drive, Floor 3
Quincy, MA 02171

December 23rd, 2020

Re: Confirmation of Holdings and Transactions Data for Minnesota State Board of Investment - Hess Corp

To Whom it May Concern:

I confirm that State Street Bank and Trust was the record owner in common stock of HESS CORP (ISIN: US42809H1077, Sedol: 2023748) which State Street Bank and Trust held on behalf of Minnesota State Board of Investment. The common stock was held by State Street Bank and Trust in its participant account at the Depository Trust Company. Per State Street Bank and Trusts records, to the best of its knowledge, Minnesota State Board of Investment held in excess of $2,000.00 worth of common stock in HESS CORP (ISIN: US42809H1077, Sedol: 2023748) from December 1st , 2019 until December 23rd , 2020.

Please contact the undersigned, if you have any questions.

Yours sincerely,

Han N Bui, Officer
617-662-6613
hnbui@statestreet.com
For and on behalf of
State Street Bank and Trust Company