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January 20, 2025

Via Online Submission Form

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

Re: United Airlines Holdings, Inc. – Shareholder Proposal submitted by Physicians Committee on Responsible Medicine

Ladies and Gentlemen:

This letter is submitted on behalf of United Airlines Holdings, Inc. (the "Company"), pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to notify the Securities and Exchange Commission (the "Commission") of the Company's intention to exclude from its proxy materials for its 2025 Annual Meeting of Stockholders (the "2025 Annual Meeting" and such materials, the "Proxy Materials") a shareholder proposal and statement in support thereof (collectively, the "Proposal") submitted by the Physicians Committee on Responsible Medicine (the "Proponent").

The Company intends to omit the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7) on the basis that the Proposal relates to, and does not transcend, the Company's ordinary business operations, and respectfully requests confirmation that the Staff of the Division of Corporation Finance (the "Staff") will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from its Proxy Materials for the reasons set forth below.

Pursuant to Rule 14a-8(j) of the Exchange Act, the Company is submitting this letter, together with the Proposal and related attachments, to the Commission electronically, with copies of this letter and the attachments provided concurrently to the Proponent. This submission is occurring no later than 80 calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

Rule 14a-8(k) and *Staff Legal Bulletin No. 14D* (Nov. 7, 2008) ("SLB 14D") provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects 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 pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal sets forth the following resolution to be voted on by the Company's shareholders at the 2025 Annual Meeting:

> ***RESOLVED***:
>
> *United Airlines Holdings, Inc. announced a "goal to be net zero by 2050 by reducing our greenhouse gas emissions by 100% without relying on the use of voluntary carbon offsets." The Company acknowledges it "must reach across industries to develop coordinated efforts to accomplish what must be our collective goal of carbon neutrality." We urge the board to commission a report on the feasibility of, and the benefits that will result from, ensuring that all in-flight special meals are entirely plant-based.*

A full copy of the Proposal and statements in support thereof is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

The Company respectfully requests that the Staff concur in its view that the Proposal may be properly excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal relates to, and does not transcend, the Company's ordinary business operations, as further described below.

BACKGROUND

The Proponent submitted a proposal for inclusion in the Company's 2024 proxy materials, which the Staff allowed the Company to exclude pursuant to Rule 14a-8(i)(7) on April 1, 2024 (the "2024 Proposal"). The 2024 Proposal requested that "all in-flight special meals are free of common allergens and meet the needs of people seeking gluten-free, vegan, lactose-free, and other diet options." The Staff concurred with the Company's view that the 2024 Proposal related to ordinary business operations (the "2024 No-Action Request").

The Proponent has now modified the 2024 Proposal to request that the Company's Board of Directors (the "Board") "commission a report on the feasibility of, and the benefits that will result from, ensuring that all in-flight special meals are entirely plant-based." Despite the slight modification in language, the core subject matter in the Proposal remains unchanged. Like the 2024 Proposal, the Proposal aims to dictate the Company's in-flight meal offerings. Like the 2024 Proposal, the Proposal also attempts to link meal choices to environmental benefits, though these claims do not alter the fundamental nature of the proposals. The Proponent seeks to mandate the specific in-flight products being provided by the Company to its customers, which is a matter of ordinary business operations and was the basis for the Staff's concurrence with the exclusion of the 2024 Proposal. The minor modifications in wording do not change the essential character of the Proposal, which continues to relate to the Company's day-to-day operational decisions regarding in-flight meal options.

Given the Staff's prior determination that the 2024 Proposal was excludable under Rule 14a-8(i)(7), and the substantive similarity between the two proposals, the Company believes the Proposal is excludable on the same grounds as the 2024 Proposal.

<u>The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Relates to, and Does Not Transcend, the Company's Ordinary Business Operations.</u>

A. Background of Rule 14a-8(i)(7)

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a stockholder proposal that relates to the company's ordinary business operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" does not "refer[] to matters that are . . . 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." *Securities Exchange Act Release No. 34-40018* (May 21, 1998) (the "<u>1998 Release</u>"). 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."

The 1998 Release identified two central considerations that underlie this policy. *Id*. The first of those considerations is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." *Id*. The 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).

Notwithstanding these considerations, the Staff explained in the 1998 Release that a proposal relating to a company's ordinary business operations is nonetheless generally not excludable if the proposal focuses on "sufficiently significant social policy issues (e.g., significant discrimination matters)" that "transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." In determining whether a proposal presents a policy issue that transcends the ordinary business of the company, the Staff noted in *Staff Legal Bulletin No. 14L* that it will focus on "whether the proposal raises issues with a broad societal impact" and on the related "social policy significance," regardless of whether a nexus exists between the policy issue and the company.

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report is within the ordinary business of the issuer. See *Exchange Act Release No. 20091* (Aug. 16, 1983); *Johnson Controls, Inc.* (Oct. 26, 1999) ("Where the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7).").

As discussed below, the Proposal implicates each of the central considerations underlying the ordinary business exclusion: the subject matter of the Proposal deals with issues that are "fundamental to management's ability to run the company on a day-to-day basis" and seeks to micromanage the Company by limiting its discretion with respect to day-to-day operations. Furthermore, the Proposal does not focus on a sufficiently significant social policy issue that transcends day-to-day business matters. Accordingly, the Proposal relates to, and does not transcend, the Company's ordinary business operations and therefore may be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7).

B. The Subject Matter of the Proposal Relates to the Company's Ordinary Business Operations

The Proposal attempts to direct the Company to provide particular products to its customers and therefore involves the Company's "ordinary business." The Staff has consistently concurred that proposals seeking to influence management's decisions regarding menu items and food options are excludable as relating to ordinary business operations. In the airline industry, the Staff allowed exclusion of nearly identical proposals from the Proponent in 2024 across multiple major airlines, including the 2024 Proposal, which the Proponent also submitted to *American Airlines Group Inc*. (Apr. 1, 2024) ("2024 American Airlines Proposal") and *Delta Air Lines, Inc*. (Apr. 22, 2024) (the "2024 Delta Air Lines Proposal," and together with the 2024 Proposal and the 2024 American Airlines Proposal, "Proponent's 2024 Airline Industry Proposals"), affirming that such proposals relate to companies' ordinary business operations.

This pattern of exclusion extends to the healthcare industry, where the Staff permitted exclusion of the Proponent's similar proposals in 2024 at *Universal Health Services, Inc*. (Mar. 22, 2024), *Tenet Healthcare Corporation* (Mar. 22, 2024), *Encompass Health Corporation* (Mar. 21, 2024), *HCA Healthcare, Inc*. (February 21, 2024), and *Select Medical Holdings Corporation* (Feb. 20, 2024) (collectively, "Proponent's 2024 Healthcare Industry Proposals"). These proposals focused on implementing food programs in healthcare facilities, often referencing the American Medical Association policy for healthful foods or the NYC Health + Hospitals system's program. In all these cases, the Staff allowed exclusion under Rule 14a-8(i)(7), reinforcing the view that Proponent's proposals regarding food options and meal policies fall squarely within a company's ordinary business. In 2023, three healthcare companies relied on Rule 14a-8(i)(7) in seeking to exclude proposals requesting that the companies' boards "require their hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors," and the Staff concurred with the companies in each case. See *UnitedHealth Group Incorporated* (Mar. 16, 2023), *HCA Healthcare, Inc*. (Mar. 6, 2023) and *Elevance Health, Inc*. (Mar. 6, 2023).

The Staff has also permitted exclusion of proposals at retailers seeking to influence product offerings, such as in *The TJX Companies* (Apr. 16, 2018) regarding an animal welfare policy applying to merchandise, *The Home Depot, Inc*. (Mar. 21, 2018) regarding ending sales of glue traps, *Wal-Mart Stores, Inc*. (Mar. 24, 2008) regarding a cage-free egg policy, *PetSmart, Inc.* (Apr. 14, 2006) regarding ending bird sales, *Marriott International, Inc*. (Feb. 13, 2004) regarding prohibiting sale of sexually explicit material, and *Albertson's, Inc*. (Mar. 18, 1999) regarding the prohibition of selling tobacco products. Similarly, the Staff allowed exclusion in reliance on Rule 14a-8(i)(7) in *Papa John's International, Inc*. (Feb. 13, 2015) regarding expanding menu offerings to include vegan cheeses and vegan meats, in *McDonald's Corp*. (Mar. 24, 1992) regarding offering a "[low-fat] burger, switch to an all-vegetable cooking oil and offer salads," and *McDonald's Corp*. (Mar. 9, 1990) regarding introducing "a vegetarian entree whose means of production neither degrades the environment nor exploits other species."

Like these precedents, the Proposal attempts to direct the Company's product offerings to customers and therefore involves the Company's "ordinary business" excludable pursuant to Rule 14a-8(i)(7).

C. The Proposal Would Permit Shareholders to Micromanage the Company's Ordinary Business Operations

The Proposal seeks to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. The meal choices offered on the Company's flights involve complex operational, business and financial considerations. Measured by available seat miles and traffic, the Company operates the largest airline in the world, bringing 175 million customers to more than 360 destinations across six continents each year. Given this scope, it would not be practical to allow stockholders to oversee meal decisions. The Company aims to offer a well-rounded and satisfying dining experience to its passengers. In doing so, management considers the diverse dietary preferences and restrictions to accommodate various cultural, religious and health-related dietary needs of passengers, which accommodations may not always be practicable. Management takes into account many operational factors, including flight duration, time of flight, departure and destination locations, practicality of meal preparation and service at cruising altitude, limitations of onboard kitchen facilities, and the need to maintain food quality and safety inflight. The Company also has to weigh cost and other logistical considerations such as sourcing, stocking and delivering the menu items to ensure efficient and sustainable inflight catering operations.

Unlike Company management, stockholders do not have the necessary knowledge, information, and resources to make informed decisions on such business and operational matters. The Staff has consistently allowed exclusion of proposals that seek to micromanage a company's ordinary business operations. For example, in permitting the exclusion of the Proponent's proposal in *Encompass Health Corporation* (Mar. 21, 2024) regarding making healthful, plant-based meals the default option in all food service settings, other than for patients with special dietary exclusions, the Staff noted that the proposal sought to micromanage the company.

Allowing shareholders to dictate which products the Company makes available and serves to its customers would inappropriately delegate management functions to shareholders. Thus, consistent with the proposals cited above, the Proposal is excludable pursuant to Rule 14a-8(i)(7).

D. The Proposal Does Not Focus on a Sufficiently Significant Social Policy Issue that Transcends the Company's Ordinary Business Operations

While the Proposal attempts to introduce environmental considerations, it does not present any sufficiently significant policy implications that transcend the day-to-day nature of the Company's business operations. Like in the case of the 2024 Proposal, the Proposal is primarily concerned with the Company's product offerings and meal choices, which are ordinary business matters. The Staff has consistently held that proposals with passing references to topics that might raise significant social policy issues, but which do not focus on or have only tangential implications for such issues, are not transformed from ordinary business proposals into ones that transcend ordinary business.

The Staff has broadly concurred with the exclusion of shareholder proposals pursuant to Rule 14a-8(i)(7) as matters that deal with the company's ordinary business when proposals relating to particular products, services or practices raised health and/or sustainability considerations related to the company but nevertheless did not transcend day-to-day business matters. Thus, despite attempts to tie the Proponent's 2024 Airline Industry Proposals and Proponent's 2024 Healthcare Industry Proposals to environmental and/or health-related considerations, the Staff nevertheless found them to be excludable under Rule 14a-8(i)(7), establishing clear precedent that the Proposal may be excluded as being directly related to, and not transcending, the Company's ordinary business. In permitting exclusion in reliance on Rule 14a-8(i)(7) in *Universal Health Services, Inc*. (Mar. 22, 2024), *Tenet Healthcare Corporation* (Mar. 22, 2024), *HCA Healthcare, Inc*. (February 21, 2024), *Select Medical Holdings Corporation* (Feb. 20, 2024), *UnitedHealth Group Incorporated* (Mar. 16, 2023), *HCA Healthcare, Inc*. (Mar. 6, 2023) and *Elevance Health, Inc*. (Mar. 6, 2023), the Staff specifically stated that the proposal did not transcend ordinary business.

For the above reasons, the Proposal relates to, and does not transcend, the Company's ordinary business operations and may be excluded from the Proxy Materials in reliance on Rule 14a-8(i)(7).

CONCLUSION

Based on the foregoing analysis, the Company intends to exclude the Proposal from its Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you have regarding this subject. If you have any questions regarding this request or desire additional information, please contact the undersigned by phone at (312) 853-7881 or by email at andrea.reed@sidley.com.

Very truly yours,

Andrea L. Reed

Attachments

cc: Mark Kennedy, Physicians Committee for Responsible Medicine
E. Anna Ha, Assistant General Counsel and Corporate Secretary, United Airlines Holdings, Inc.

Exhibit A

Copy of the Proposal

RESOLVED
United Airlines Holdings, Inc. announced a “goal to be net zero by 2050 by reducing our greenhouse gas emissions by 100% without relying on the use of voluntary carbon offsets.” The Company acknowledges it “must reach across industries to develop coordinated efforts to accomplish what must be our collective goal of carbon neutrality.” We urge the board to commission a report on the feasibility of, and the benefits that will result from, ensuring that all in-flight special meals are entirely plant-based.

SUPPORTING STATEMENT
The airline industry is responsible for nearly 3% of global carbon dioxide emissions. Although fuel accounts for most carbon production associated with flight, the environmental benefits of plant-based meals are well-established.

Researchers in a 2019 report published in *The Lancet* concluded after reviewing the effects of food production that a dietary shift toward plant foods and away from animal products is vital for promoting the planet’s health. The researchers found that food production is responsible for up to 30% of total greenhouse gas emissions, with animal products accounting for the vast majority—about three-quarters—of these effects. The report stated that projections for the future show that “vegan and vegetarian diets were associated with the greatest reductions in greenhouse-gas emissions.”

Research published in the *Proceedings of the National Academy of Sciences of the United States of America* found that an immediate shift to a plant-based diet could, by 2050, reduce greenhouse gases caused by food production by 70%. A study in the *American Journal of Clinical Nutrition* found that even modest reductions of animal product consumption could provide significant environmental benefits: a vegetarian diet reduced emissions by 29%, while a semi- vegetarian diet reduced emissions by 22%, compared with nonvegetarian diets.

A report from the United Nations Environment Programme states that “animal products, both meat and dairy, in general require more resources and cause higher emissions than plant-based alternatives.” The World Health Organization says, “Studies show that cutting back on red meat production reduces the nitrous oxide released into the atmosphere by fertilizers and animal manure. Nitrous oxide is the third most important man-made greenhouse gas and the most important anthropogenic contributor to stratospheric ozone destruction. Reducing livestock herds would also reduce emissions of methane, which is the second largest contributor to global warming after carbon dioxide.”

Leading culinary and nutrition experts developed meals that are free of all common allergens and comply with vegan, gluten-free, lactose-free, and other dietary requirements. Often marketed as “allergen free,” “allergen-friendly” or “school-safe,” these meals meet the needs of every passenger submitting special requests and, as plant-based meals, offer substantial environmental benefits.

United committed to “reach[ing] across industries to develop coordinated efforts to accomplish what must be our collective goal of carbon neutrality.” We urge shareholders to support this resolution for a feasibility report on serving plant-based meals to all passengers who request special meals.