



February 7, 2020

VIA email: shareholderproposals@sec.gov

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

Re: J.B. Hunt Transport Services, Inc. no-action request to shareholder proposal submitted by Trillium Asset Management.

Dear Sir/Madam:

This letter is submitted by Trillium Asset Management on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, the Community Environmental Council, and the Threshold Foundation (hereinafter referred to as “Proponents”), who have submitted a shareholder proposal (hereinafter referred to as “the 2020 Proposal”) to J.B. Hunt Transport Services, Inc. (hereinafter referred to as “J.B. Hunt” or the “Company”). This letter is in response to the letter dated January 27, 2020 sent to the Office of Chief Counsel by Courtney C. Crouch of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., in which it contends that the Proposal may be excluded from the Company's 2020 proxy statement under Rule 14a-8(i)(7).

I have reviewed the Proposal and the Company's supplemental letter, and based upon the foregoing, as well as a review of Rule 14a-8, it is my opinion that the Proposal must be included in J.B. Hunt's 2020 proxy statement because the Company has not met the exclusion requirements of the Rule. Therefore, we respectfully request that the Staff not issue the no-action letter sought by the Company.

Pursuant to Staff Legal Bulletin 14D (November 7, 2008) we are filing our response via e-mail in lieu of paper copies and are providing a copy to Douglas Buford at dbuford@mwlaw.com; Courtney Crouch at ccrouch@mwlaw.com; and David Mee, Chief Financial Officer of J.B. Hunt at David_Mee@jbhunt.com.

Summary

The 2020 Proposal focuses on whether J.B. Hunt is planning to reduce its total contribution to climate change and align its operations with the Paris Climate Agreement's goal of maintaining

global temperature increases well below 2 degrees Celsius. Climate change presents numerous risks to a transportation company like J.B. Hunt, especially as states are increasingly pursuing ways to regulate carbon emissions from the transportation sector. The 2020 Proposal, therefore, reads like an evaluation of the Company's risk management preparedness. It does not, as the Company claims, ultimately intend to prescribe specific actions the Company must take to reduce its emissions. There are many ways the Company could satisfy the reporting requirement of the 2020 Proposal, many of which are listed in the Supporting Statement. By focusing only on one aspect of the Supporting Statement, the Company is ignoring the full scope of the 2020 Proposal.

Not only is the 2020 Proposal focused on this significant policy issue, but it has also been carefully crafted following guidance issued in Staff Legal Bulletin (SLB) 14K to not micromanage the Company. Thus Proponents believe it should not be excludable under 14a-8(i)(7) and request the Staff inform the Company it must include the 2020 Proposal in its 2020 proxy statement.

Analysis

A. J.B. Hunt doubles down on its mischaracterization of the 2020 Proposal. The 2020 Proposal transcends ordinary business without micro-managing and focuses on an area of keen interest to investors.

In its supplemental letter, J.B. Hunt cites SLB 14K in explaining how the Staff looks to the proposal in its entirety, not only the resolved clause, to determine the central purpose of a proposal. In the case of the 2020 Proposal, J.B. Hunt mistakenly focuses on only one aspect of the Supporting Statement, to ascertain what it believes is the "true intent" of the Proposal. J.B. Hunt states, "viewing the Proposal as a whole – the resolved clause in addition to the supporting statement – provides more insight as to the Proposal's true intent, which is to ultimately seek that the Company adopt and report on specific plans and initiatives to further reduce its GHG emissions. Certainly, the Proponent would not be satisfied if the Proposal was adopted and the Company issued a report stating that it does not plan to reduce its GHG emissions."

Unfortunately, the Company's analysis falls flat for several reasons. First, the Company's conclusions are based on a very narrow reading of the supporting statement, not the 2020 Proposal as a whole. Looking at the 2020 Proposal in its entirety shows a broader picture that is ignored by the Company. The whereas clauses include several statements explaining why climate change is a significant policy issue and why it's important for the transportation sector to increase its efforts to address the issue. The 2020 Proposal also provides examples of peer companies taking various pathways to align their operations with the goals of the Paris Climate Agreement and the business reasons for doing so. The Resolved Clause does not prescribe the Company set emissions reduction targets or compel any specific action, rather it just asks, if, and how, the Company plans to reduce its total contribution to climate change and align its operations with the Paris Agreement's goal of maintaining global temperature increases well below 2 degrees Celsius. Lastly, looking at the Supporting Statement, other actions are suggested

alongside emissions reduction targets. Developing a low-carbon transition plan, increasing the scale, pace, and rigor of existing initiatives, and investing in renewable energy are all ignored in the Company's evaluation of the Proposal's "true intent." Therefore, J.B. Hunt is doing the exact opposite of what it points to in SLB 14K. It is reading the 2020 Proposal in a very narrow light by focusing on a specific bullet of the Supporting Statement, not looking at the 2020 Proposal as a whole. If it did, it would see there are many things the Company can do to satisfy the report requested by the 2020 Proposal without even mentioning emissions reduction targets.

To the Company's point about Proponent's not being satisfied if J.B. Hunt issued a report stating it does not plan to reduce its GHG emissions – this is just plain wrong. This would be very valuable information. Knowing the Company does not plan to align its operations and prepare for a reality where the Paris Agreement goals are realized would be incredibly valuable information to Proponents and other investors as it is a major indication of its risk management preparedness. Other major investors are publicly seeking this information. Just last month, BlackRock's CEO Larry Fink stated:

This year we are asking companies that we invest in ... to disclose climate-related risks in line with the TCFD's recommendations, if you have not already done so. This should include your plan for operating under a scenario where the Paris Agreement's goal of limiting global warming to less than two degrees is fully realized, as expressed by the TCFD guidelines. We will use these disclosures and our engagements to ascertain whether companies are properly managing and overseeing these risks within their business and adequately planning for the future. In the absence of robust disclosures, investors, including BlackRock, will increasingly conclude that companies are not adequately managing risk.

Mr. Fink's language here further shows there is investor demand for companies to disclose their plan for operating under a scenario where the Paris Agreement's goal is realized, which is the crux of the 2020 Proposal and its true intent. Given the full context of the Proposal, shareholders should be given the opportunity to vote on whether J.B. Hunt should report on its plans to reduce its total contribution to climate change and align with a Paris realized future. As noted in Proponents previous letter, dated January 6th, 2020, the content of such a report is entirely up to management's discretion. Inclusion of emissions reduction targets is merely one suggestion; Proponents made this suggestion based on the fact that hundreds of other companies, including many of J.B. Hunt's transportation sector peers, have adopted this approach as part of their broader risk management strategies.

Mr. Fink's statement is also evidence that shareholders reading the 2020 Proposal would be able to see it for what it actually is, a well-reasoned request for reporting on an issue that relates to whether a company is adequately planning for the future.

Lastly, J.B. Hunt makes reference to a proposal filed at Goldman Sachs in 2017 related to corporate restructurings. In doing so, the Company claims, again, that only one of four aspects of the Supporting Statement is what the proposal is really asking for – "The Proponent notes that the Proposal is not requesting the Company adopt company-wide, quantitative target to reduce GHG emissions, but instead, it is asking the Company to discuss the relative benefits and

drawbacks of doing so.” Again, it is ignoring everything else the Proposal is suggesting. Despite this oversimplified mischaracterization, the Company claims the Goldman example is relevant because that proposal was deemed excludable despite asking for a study on the relative benefits and drawbacks of the company’s current structure. The reason this proposal was excludable was because it related to ordinary business operations (a corporate restructuring), not because of the language related to “a study of the relative benefits and drawbacks of” the requested action. Thus this line of reasoning does not establish J.B. Hunt’s premise that the 2020 Proposal is overly prescriptive.

B. The 2020 Proposal focuses on a significant policy issue for J.B. Hunt that transcends ordinary business operations and does not micromanage.

J.B. Hunt’s analysis under Section B of its supplemental letter is off target. It points to the *Ross Stores, Inc.* example in claiming that Ross Stores operates under a different business model, therefore the same conclusion does not apply to J.B. Hunt and the 2020 Proposal. In the *Ross Stores* example, the Staff found a shareholder proposal was not excludable because it transcended ordinary business and did not micromanage the Company. J.B. Hunt reasserts that a 2019 Proposal submitted by many of the same Proponents and was found to be micro-managing, is the same as the 2020 Proposal. Again this is not accurate as Proponents argue throughout this letter and the previous letter of January 6, 2020.

Also missing from the Company’s explanation of micromanagement is a complete ignoring of the example of *Anadarko Petroleum* and the language in SLB 14K that Proponents presented in their January 6 letter. Just to take one example from SLB 14K (full explanation was provided under part D of the letter Proponents submitted on January 6th):

In our view, the proposal did not seek to micromanage the company because it deferred to management’s discretion to consider if and how the company plans to reduce its carbon footprint and asked the company to consider the relative benefits and drawbacks of several actions.

This is the exact language of the 2020 Proposal. The contrast J.B. Hunt tries to strike between its business model and that of Ross Stores, even if Proponents were to concede that point, does not hold true when compared with Anadarko Petroleum. Anadarko would be faced with many of the same operational decisions that J.B. Hunt would and that proposal was not excludable under the Rule. The same analysis should apply here. Climate change continues to be an issue that transcends ordinary business and the 2020 Proposal is distinct from the 2019 Proposal in such a way as to not micromanage the Company.

C. The Company fails to provide a board analysis.

Proponents believe the analysis provided in the January 6th letter is sufficient to explain why the Company has not provided a board analysis, so won’t restate that here. What the Company

doesn't acknowledge is although the 2019 Proposal was deemed excludable, the provision of a board analysis (or lack thereof) was not presented as a factor for why 2019 Proposal could be excluded. Therefore, as noted in the January 6th letter, the Company has still not published a board analysis sufficient to address the proposal.

D. The 2020 Proposal does not micromanage the Company following clear guidance in SLB 14K and past proposals

In this letter as well as the Proponents first letter dated January 6, 2020, Proponents have focused on the differentiation between this 2020 Proposal and the 2019 Proposal that was determined to be micromanaging. As noted above, it's clear that this Proposal is not micromanaging the Company based on the clear guidance in SLB 14K and the precedent established in *Anadarko Petroleum*.

Beyond this straightforward logic, in section D of the company's letter, it attempts in an incredibly convoluted way, to import a Rule 14a-8(i)(11) analysis into a Rule 14a-8(i)(7) analysis. Not only is this argument farcical on its face, but if it were allowed to stand would signal a complete abdication of any analytical integrity to the exclusions provided for in Rule 14a-8. The standards and policy goals of (i)(11) are completely different than (i)(7). Rule 14a-8(i)(11) is intended to remove the chance of shareholder confusion created by the existence of two substantially identical proposals – “The purpose of the provision is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” (Exchange Act Release No. 12,598 (1976)). In contrast, the ordinary business exclusion is to exclude proposals that inappropriately tread on the board authority to manage the company's business and affairs. A substantially duplicative analysis cannot be used to short circuit an analysis which is based on whether the proposal focuses on a significant policy issue and does so without micromanaging the company. As explained at length above and in Proponent's previous letter, it is clear that the 2020 Proposal is permissible under Rule 14a-8(i)(7).

Conclusion

In conclusion, we respectfully request the Staff to inform the Company that Rule 14a-8 requires a denial of the Company's no-action request. As demonstrated above, the 2020 Proposal is not excludable under Rule 14a-8.

Please contact me at (503) 953-8345 or apearce@trilliuminvest.com with any questions related to this matter or if the Staff wishes any further information.

Sincerely,

Allan C Peene

Allan Pearce
Shareholder Advocate
Trillium Asset Management

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January 27, 2020

BY ELECTRONIC MAIL (shareholderproposals@sec.gov)

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

**RE: J.B. Hunt Transport Services, Inc.
Exclusion of Shareholder Proposal of Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8**

Ladies and Gentlemen:

This letter is submitted by J.B. Hunt Transport Services, Inc., an Arkansas corporation (the “Company” or “J.B. Hunt”), to respond to the letter from Trillium Asset Management, LLC on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, the Community Environmental Council, and the Threshold Foundation (together, the “Proponent” or “Trillium”) to the Staff of the Division of Corporation Finance (the “Staff”) of the U.S Securities and Exchange Commission (the “Commission”), dated January 6, 2019 (the “Proponent Letter”), objecting to the Company’s intention to exclude from its 2020 proxy materials (the “Proxy Materials”) the shareholder proposal submitted by the Proponent (the “Proposal”). The Proposal requests the Company issue a report describing if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement’s goal of maintaining global temperature increases well below 2 degrees Celsius. The Company’s substantive bases for exclusion of the Proposal are set forth in our initial letter (the “Initial Letter”) to the Staff dated December 23, 2019.

The Company is now supplementing the Initial Letter to respond to the assertions made in the Proponent Letter. The Company also renews its request for confirmation that the Staff will not recommend enforcement action to the Commission if the Company omits the Proposal from its 2020 Proxy Materials in reliance on Rule 14a-8.

In accordance with Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008), this letter is being e-mailed to shareholderproposals@sec.gov and a copy of this letter is also being e-mailed to the Proponent.

I. The Proposal

On or after November 6, 2019, the Company received a letter from the Proponent containing the Proposal for inclusion in the Company's 2020 Proxy Materials. We provided the letter and Proposal as attachments to the Initial Letter. As discussed in the Initial Letter, the Company believes that it may properly omit the Proposal from its 2020 Proxy Materials in reliance on Rule 14a-8(i)(7).

II. Response to the Proponent Letter

The Proponent letter expresses the view that the Proposal may not be excluded from the Company's 2020 Proxy Materials under Rule 14a-8 because: (i) "[the Company] mischaracterizes the 2020 Proposal and casts it as something it isn't;" (ii) "[t]he 2020 Proposal focuses on a significant policy issue for [the Company] that transcends ordinary business operations;" (iii) "[t]he Company fails to provide a board analysis;" and (iv) "[t]he 2020 Proposal does not micromanage the Company following clear guidance in SLB 14K and past proposals."

A. The Company has not mischaracterized the 2020 Proposal.

The Proponent claims that the Company mischaracterizes the 2020 Proposal by comparing it to a similar proposal submitted by Trillium Asset Management, LLC to the Company for the Company's 2019 Annual Meeting of Stockholders (the "2019 Proposal"). *See* J.B. Hunt Transport Services, Inc. (February 14, 2019). The 2019 Proposal requested the Company adopt company-wide, quantitative targets to reduce greenhouse gas (GHG) emissions. The Proponent claims that such a comparison "ignores the Resolved Clause and frames the entire 2020 Proposal as an inaccurate representation of one of four suggestions made in the Supporting Statement." However, as stated by the SEC in Staff Legal Bulletin No. 14K, "When analyzing a proposal to determine the underlying concern or central purpose of any proposal, we look not only to the resolved clause but to the proposal in its entirety. Thus, if a supporting statement modifies or re-focuses the intent of the resolved clause, or effectively requires some action in order to achieve the proposal's central purpose as set forth in the resolved clause, we take that into account in determining whether the proposal seeks to micromanage the company." The Company agrees that, viewing the Proposal as a whole—the resolved clause in addition to the supporting statement—provides more insight as to the Proposal's true intent, which is to ultimately seek that the Company adopt and report on specific plans and initiatives to further reduce its GHG emissions. Certainly, the Proponent would not be satisfied if the Proposal was adopted and the Company issued a report stating that it does not plan to reduce its GHG emissions.

The Proponent attempts to classify the Proposal as a “significantly different proposal than what was filed in preceding years” by broadening the terms of the Proposal in an effort to prevent the Proposal from being excluded from the Company’s 2020 Proxy Materials. However, while shifting certain significant details of the proposal from the resolved clause to the supporting statement, the Proposal in essence seeks the same result as the 2019 Proposal. In light of (i) past proposals submitted to the Company by Trillium Asset Management, Inc., which have proposed the Company adopt company-wide quantitative targets to reduce total GHG emissions, taking into account the goals of the Paris Climate Agreement, and (ii) the Staff agreeing that the Company may exclude such a proposal in 2019, it is clear that the intent behind the Proposal is not to simply have the Company discuss the benefits and drawbacks of integrating the actions set forth in the supporting statement. Rather, the intent of the Proposal is to prompt the Company to actually integrate such actions.

The Proponent notes that the Proposal is not requesting the Company adopt company-wide, quantitative targets to reduce GHG emissions, but instead, it is asking the Company to discuss the relative benefits and drawbacks of doing so. In *The Goldman Sachs Group, Inc.* (January 26, 2017), the SEC allowed a proposal relating to a study of the benefits and drawbacks to be excluded under Rule 14a-8(i)(7). There, the SEC noted that the proposal related to a study of the benefits and drawbacks of the company’s current structure. The Goldman Sachs Group asserted that the proposal was excludable because it micromanaged the company by focusing on basic decisions about corporate structure and the company noted that the SEC has concurred in omission of proposals relating to general corporate restructurings. Although the Proposal does not relate to general corporate restructurings, it does relate to matters that, when overly prescriptive, have been excludable under Rule 14a8(i)(7). Thus, because the supporting statement is overly prescriptive, the Proposal should be excluded like the proposal from *The Goldman Sachs Group, Inc.*

B. The Proposal may be excluded because it does not focus on a significant policy issue for the Company that transcends ordinary business operations.

To support the Proponent’s view that the Proposal focuses on a significant social policy issue confronting the Company, the Proponent Letter cites to *Ross Stores, Inc.* While similar to the Proposal, the proposal in *Ross Stores, Inc.* has different implications for a retail clothing sales company like Ross Stores than the Proposal does for a transportation and logistics company like J.B. Hunt. Efforts to address climate change, or to evaluate the benefits and drawbacks of specific climate change initiatives, inherently involve decisions that are central to the Company’s ordinary business operations – to provide efficient and reliable transportation and supply chain solutions for its customers; therefore, the same conclusion from *Ross Stores, Inc.* does not apply simply because the Proposal is similar to the proposal at issue in *Ross Stores, Inc.*

Even assuming that the Proposal focuses on a significant policy issue for the Company that transcends ordinary business operations, the next step in the analysis, as set forth in *Ross*

Stores, Inc., is whether the Proposal micromanages the Company. In *Ross Stores, Inc.*, the SEC found the proposal at issue transcended ordinary business matters *and* did not seek to micromanage the Company, and thus, that proposal was not excludable. As we have asserted in our Initial Letter, and in our no-action request letter related to the 2019 Proposal with which the SEC agreed, the Proposal does micromanage the Company, and thus, whether the Proposal focuses on a significant policy issue for the Company that transcends ordinary business operations is not dispositive.

C. The Company provides a board analysis.

In response to the Proponent's statement that the Company fails to provide a board analysis, the Company asserts that it in fact does provide a board analysis sufficient to exclude the Proposal from the Proxy Materials. The analysis provided by the Company is sufficiently similar to the analysis provided by the Company in its request for no-action submitted in response to the 2019 Proposal with which the Staff agreed that the 2019 Proposal was excludable under Rule 14a-8(i)(7).

D. The Proposal may be excluded because it seeks to micro-manage the Company.

The Proponent Letter expresses the view that the Proposal does not seek to micro-manage the Company. Viewing the Proposal in the context of Trillium's past proposals to the Company, by requesting a report that addresses the benefits and drawbacks of certain specific climate change initiatives set forth in the Proposal's supporting statement, including the adoption of GHG reduction targets, the Proposal indirectly seeks the Company's adoption of specific climate change measures, which is the same result sought by the 2019 Proposal. Further, as previously stated, assessing and reporting on the benefits and drawbacks of such specific climate change initiatives would necessitate management to evaluate specific ordinary day-to-day business considerations in how it provides transportation and logistics services to its customers for the sake of preparing the requested report. Thus, regardless of whether the specific conditions of the Proposal are stated in its resolved clause or in the supporting statement, the Company would inevitably be required, in implementing the Proposal, to evaluate and establish specific methods related to how it manages its ordinary business. The Proposal therefore is overly prescriptive and should be excluded.

The Proponent notes that it has worded the Proposal in accordance with SLB 14K, again implying that the Proposal is substantially different from the 2019 Proposal. However, the Staff has recently found that two proposals similar to the 2019 Proposal and the Proposal, although in a different context, are duplicative. In *Chevron Corporation* (March 28, 2019), the SEC allowed a particular proposal to be excluded because it was substantially duplicative of another previously submitted proposal that the company already planned to include in its proxy materials. The two proposals that the SEC found to be substantially duplicative were: (i) that Chevron's board of Directors:

. . . in annual reporting from 2020, include disclosure of short-, medium-and long-term greenhouse gas targets aligned with the greenhouse gas (GHG) reduction goals established by the Paris Climate Agreement to keep the increase in global average temperature to well below 2°C and to pursue efforts to limit the increase to 1.5°C. This reporting should cover both the corporation's operations and products, omit proprietary information, and be prepared at reasonable cost.

and (ii) that Chevron issue a report (at reasonable cost, omitting proprietary information) on how it can reduce its carbon footprint in alignment with greenhouse gas reductions necessary to achieve the Paris Agreement's goal of maintaining global warming well below 2 degrees Celsius. This previous proposal's supporting statement noted that shareholders seek information, among other issues at board and management discretion, on:

. . . the relative benefits and drawbacks of transitioning its operations and investments through investing in low carbon energy resources, reducing capital investments in oil and/or gas resource development that is inconsistent with a below 2 degree pathway, and otherwise diversifying its operations to reduce the company's carbon footprint (from exploration, extraction, operations, and product sales).

Thus, the Staff has found that a proposal requesting a report on short-, medium-and long-term greenhouse gas targets and a report on *how* a company *can* reduce its carbon footprint (similar to if and how a company can do so) and the drawbacks and benefits of taking particular actions were substantially duplicative.

Here, although the facts are different from *Chevron* in that the two proposals are not submitted for inclusion in the same proxy materials, the principal remains that the SEC found a proposal similar to the 2019 Proposal and a proposal similar to the Proposal to be duplicative. As stated by Chevron in its request for no action, which the Staff granted, "Although phrased differently, the principal thrust and focus of the Proposal and the Prior Proposal are the same: aligning the Company's GHG emissions with the GHG reduction goals set forth in the Paris Climate Agreement." Similarly, we submit that the principal thrust and focus of the 2019 Proposal and the Proposal, although phrased differently, are substantially the same. Thus, the Proposal, like the 2019 Proposal, is excludable.

III. Conclusion

For the reasons discussed in the Initial Letter and further discussed above, the Company believes that it may properly omit the Proposal and supporting statement from its 2019 Proxy Materials in reliance on Rule 14a-8. Accordingly, we respectfully request the Staff's concurrence in our view set forth herein and in the Initial Letter or, alternatively, confirmation that the Staff

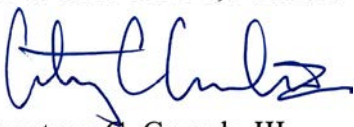
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will not recommend any enforcement action to the Commission if the Company so excludes the Proposal from its 2019 proxy materials.

We appreciate the Staff's consideration of this request. Please contact me at ccrouch@mwlaw.com, or (501) 688-8822, if you require additional information or clarification prior to formally replying to our request.

Very truly yours,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By 
Courtney C. Crouch, III

cc: Mr. David G. Mee, Chief Financial Officer
J.B. Hunt Transport Services, Inc.

Mr. Allan Pearce
Trillium Asset Management, LLC



January 6, 2020

VIA email: shareholderproposals@sec.gov

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

Re: J.B. Hunt Transport Services, Inc. no-action request to shareholder proposal submitted by Trillium Asset Management.

Dear Sir/Madam:

This letter is submitted by Trillium Asset Management on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, the Community Environmental Council, and the Threshold Foundation (hereinafter referred to as “Proponents”), who have submitted a shareholder proposal (hereinafter referred to as “the 2020 Proposal”) to J.B. Hunt Transport Services, Inc. (hereinafter referred to as “J.B. Hunt” or the “Company”). This letter is in response to the letter dated December 23, 2019 sent to the Office of Chief Counsel by Courtney C. Crouch of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., in which it contends that the Proposal may be excluded from the Company's 2020 proxy statement under Rule 14a-8(i)(7).

I have reviewed the Proposal and the Company's letter, and based upon the foregoing, as well as a review of Rule 14a-8, it is my opinion that the Proposal must be included in J.B. Hunt's 2020 proxy statement because the Company has not met the exclusion requirements of the Rule. Therefore, we respectfully request that the Staff not issue the no-action letter sought by the Company.

Pursuant to Staff Legal Bulletin 14D (November 7, 2008) we are filing our response via e-mail in lieu of paper copies and are providing a copy to Douglas Buford at dbuford@mwlaw.com; Courtney Crouch at ccrouch@mwlaw.com; and David Mee, Chief Financial Officer of J.B. Hunt at David_Mee@jbhunt.com.

Summary

The 2020 Proposal focuses on whether J.B. Hunt is planning to reduce its total contribution to climate change and align its operations with the Paris Agreement's goal of maintaining global

temperature increases well below 2 degrees Celsius. Limiting global warming to mitigate climate change remains a significant policy issue that transcends ordinary business; it actually continues to grow in importance for a transportation company like J.B. Hunt. Not only is the 2020 Proposal focused on this significant policy issue, but it has also been carefully crafted following guidance issued in Staff Legal Bulletin (SLB) 14K to not micromanage the Company. Thus Proponents believe it should not be excludable under 14a-8(i)(7) and request the Staff inform the Company it must include the 2020 Proposal in its 2020 proxy statement.

The 2020 Proposal

Proponents have submitted the 2020 Proposal that makes the following request:

Resolved: Shareholders request J.B. Hunt Transport Services issue a report, at reasonable cost and omitting proprietary information, describing if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement's goal of maintaining global temperature increases well below 2 degrees Celsius.

The Supporting Statement lists out a few different pieces of information Proponents believe would be useful to include in such a report, but makes clear that what could ultimately be reported on is at the discretion of J.B. Hunt's Board and Management. It suggests the Company include information on the relative benefits and drawbacks of integrating the following actions:

- Developing a low-carbon transition plan;
- Adopting short- and long-term greenhouse gas emissions reduction targets for the Company's full carbon footprint aligned with the Paris Agreement;
- Increasing the scale, pace, and rigor of existing initiatives aimed at reducing the carbon intensity of J.B. Hunt's services and operations;
- Investing in renewable energy resources.

Analysis

A. J.B. Hunt mischaracterizes the 2020 Proposal and casts it as something it isn't.

Proponents believe J.B. Hunt's assertion that the 2020 Proposal can be excluded based on 14a-8(i)(7) is based on a mischaracterization of the 2020 Proposal. J.B. Hunt's no-action request compares the 2020 Proposal with a different one filed last year (the 2019 Proposal):

In addition to the 2019 Proposal [referring to what Proponents are calling the 2020 Proposal], the Company has previously received two similar shareholder proposals requesting that the Company adopt company-wide, quantitative targets for reducing GHG emissions and report on its plans toward achieving those targets...

The 2020 Proposal is clearly not requesting J.B. Hunt adopt company-wide, quantitative targets to reduce GHG emissions. J.B. Hunt’s characterization of the 2020 Proposal completely ignores the Resolved Clause and frames the entire 2020 Proposal as an inaccurate representation of one of four suggestions made in the Supporting Statement. The aspect of the Supporting Statement the Company focuses on doesn’t even suggest the adoption of targets, it asks for the Company to discuss the relative benefits and drawbacks of doing so.

Proponents recognize the Staff found the 2019 Proposal to be micro-managing. While Proponents did not agree with the Staff’s conclusion last year, nevertheless the decision was made to write a different proposal this year, with the operative clause focused on if, and how, J.B. Hunt plans to reduce its total contribution to climate change and align its operations with the goals of the Paris Agreement. It does not prescribe a method whereby J.B. Hunt would have to reduce its emissions, it just asks whether or not the Company plans to do so. (Further discussion of micro-management is included in section D, below).

For consideration of the 2020 Proposal, the important thing to keep in mind is this is a significantly different proposal than what was filed in preceding years. Accordingly, many of the Company’s related claims should be dismissed as well. For example, the Company claims shareholders have voted on this resolution in the past, which given the differences between the proposals, is not a fair or accurate assertion.

B. The 2020 Proposal focuses on a significant policy issue for J.B. Hunt that transcends ordinary business operations.

Climate change and how companies respond to it is well-established as a significant policy issue that transcends ordinary business. *Ross Stores, Inc.* (March 29, 2019), provides a very relevant and recent example. That proposal requested Ross Stores “prepare a climate change report to shareholders by November 1, 2019 that describes how the Company is aligning its long-term business strategy with the projected long-term constraints posed by climate change, and describing medium- and long-term goals for GHG reduction.” In this case, Staff stated “In our view, the Proposal transcends ordinary business matters and does not seek to micromanage the Company to such a degree that exclusion of the Proposal would be appropriate.”

There are notable similarities between the proposal in *Ross Stores* and the 2020 Proposal. Given the conclusion in *Ross Stores* was that the proposal transcends ordinary business, Proponents believe the same analysis should apply to the 2020 Proposal.

Similarly, the Staff has long recognized climate change and carbon reduction strategies as addressing a significant policy issue that transcends ordinary business matters. See SEC Release 34-40,018 (May 21, 1998); *Devon Energy Corporation* (March 19, 2014) proposal not excludable because it “focused on significant policy issue of climate change”; *Goldman Sachs* (February 7, 2011) proposal focusing on “the significant policy issue of climate change” not excludable as ordinary business.

The Staff has also concluded on numerous occasions that climate change proposals at transportation companies are permissible. See *General Motors Company* (April 18, 2018) proposal seeking report describing whether the Company's fleet GHG emissions through 2025 will increase, given the industry's proposed weakening of CAFE standards or, conversely, how the Company plans to retain emissions consistent with current CAFE standards, to ensure its products are sustainable in a rapidly decarbonizing vehicle market was not excludable under 14(i)(7). See also, *J.B. Hunt Transport Services, Inc.* (January 12, 2015) proposal requesting that the company adopt quantitative company-wide goals for reducing GHG emissions from operations and products and report on its plans to achieve these goals not excludable under 14(i)(7).

Beyond these example, the whereas clauses of the 2020 Proposal explain why this issue transcends ordinary business for J.B. Hunt. That portion of the Proposal describes the global imperative to reduce greenhouse gas emissions to mitigate the most severe societal impacts of climate change, which will most likely disrupt J.B. Hunt's operations.

While J.B. Hunt has implemented various initiatives to reduce fuel consumption, it explicitly states in its CDP response, they are not part of an overarching initiative. Moreover, J.B. Hunt states it does not have a low-carbon transition plan and it does not use climate-related scenario analysis to inform its business strategy. This is despite **the Company's acknowledgment in its no-action request last year (December 17, 2018): "that reducing GHG emissions is important to shareholders, customers, the communities the Company serves, the global environment, and ultimately the Company's future success."** Clearly the Company acknowledges that GHG emission reduction is a significant issue – one that is existential to the J.B. Hunt's future.

Given the disruptive nature of climate change, companies in every industry are developing climate change strategies to address economic, competitive, and regulatory developments. This is a prudent course of action undertaken by hundreds, if not thousands, of other companies, including some of J.B. Hunt's peers.

Due to the long-established track record of climate change transcending ordinary business and the Company's self-acknowledged nexus between emissions reductions and the Company's future success, the 2020 Proposal is focused on an issue that clearly transcends ordinary business for J.B. Hunt and should be considered by shareholders.

C. The Company fails to provide a board analysis.

In Section C. of the company's no-action request, J.B. Hunt attempts to provide a board analysis without actually doing so. While it includes material that may speak to the board analysis (factors of a delta analysis and prior votes) it does not actually provide any analysis from the board. As the Division explained in Staff Legal Bulletin 14K:

If a request where significance is at issue does not include a robust analysis substantiating the board's determination that the policy issue raised by the proposal is not significant to

the company, our analysis and ability to state a view regarding exclusion may be impacted. While we do not necessarily expect the board, or a board committee, to prepare the significance analysis that is included in the company's no-action request, we do believe it is important that the appropriate body with fiduciary duties to shareholders give due consideration as to whether the policy issue presented by a proposal is of significance to the company.

See also, *Verizon Communications Inc.* (March 7 and 8, 2018) and *General Motors Company* (April 18, 2018).

There is nothing in Section C. that evidences the appropriate body gave due consideration to whether the policy issue presented in the Proposal is of significance to the company. And as explained and demonstrated above and in the text of the 2020 Proposal itself, the 2020 Proposal is focused on a significant policy issue facing the company, and is accordingly appropriate for shareholder consideration. The Company's failure to provide a board analysis, let alone a robust board analysis, renders Section C immaterial to the Staff's consideration of the Company's no-action request.

D. The 2020 Proposal does not micromanage the Company following clear guidance in SLB 14K and past proposals

What has changed in terms of micromanagement between the 2019 and 2020 Proposals is the guidance provided in SLB 14K and the decision in *Anadarko Petroleum Corporation* (March 4, 2019). In SLB 14K, the two Proposals at question are directly discussed:

For example, this past season we agreed that a proposal seeking annual reporting on “short-, medium- and long-term greenhouse gas targets aligned with the greenhouse gas reduction goals established by the Paris Climate Agreement to keep the increase in global average temperature to well below 2 degrees Celsius and to pursue efforts to limit the increase to 1.5 degrees Celsius” was excludable on the basis of micromanagement.[12] In our view, the proposal micromanaged the company by prescribing the method for addressing reduction of greenhouse gas emissions. We viewed the proposal as effectively requiring the adoption of time-bound targets (short, medium and long) that the company would measure itself against and changes in operations to meet those goals, thereby imposing a specific method for implementing a complex policy.¹

In contrast, we did not concur with the excludability of a proposal seeking a report “describing if, and how, [a company] plans to reduce its total contribution to climate change and align its operations and investments with the Paris [Climate] Agreement’s goal of maintaining global temperatures well below 2 degrees Celsius.” The proposal was not excludable because the proposal transcended ordinary business matters and did not

¹ By definition, a shareholder proposal under rule 14a-8 is a request that “the company and/or its board of directors take action,” and proponents are exhorted to “state as clearly as possible the course of action that [they] believe the company should follow.” Rule 14a-8(a). In this regard, it is not clear to us how the Division’s micromanagement guidance provided in SLB 14K(B)(4) is consistent with section (a) of rule 14a-8 as promulgated by the Commission.

seek to micromanage the company to such a degree that exclusion would be appropriate.[13] In our view, the proposal did not seek to micromanage the company because it deferred to management's discretion to consider if and how the company plans to reduce its carbon footprint and asked the company to consider the relative benefits and drawbacks of several actions.

Proponents wrote the 2020 Proposal based explicitly on this guidance and the resolved clause is identical to the example in second paragraph above that the staff found not excludable on the basis of micromanagement or ordinary business. The 2020 Proposal has been carefully crafted to allow management the discretion to consider if, and how, it plans to reduce its carbon footprint in line with the global goals of the Paris Agreement considering the relative benefits and drawbacks of various actions.

In addition the Division also provided the following guidance in SLB 14K:

This past season, where we concurred with a company's micromanagement argument, it was not because we viewed the proposal as presenting issues that are too complex for shareholders to understand. Rather, it was based on our assessment of the level of prescriptiveness of the proposal. When a proposal prescribes specific actions that the company's management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.

Again, the 2020 Proposal was specifically written with this guidance in mind – it does not prescribe the method for addressing the reduction of greenhouse gas emissions, nor does it require adoption of company-wide, quantitative targets. Therefore J.B. Hunt's arguments that this Proposal would be too complex for shareholders to understand is not relevant to consideration of the 2020 Proposal. As a result, Proponents believe Staff should compare the 2020 Proposal with the guidance provided in SLB 14K and inform the Company the 2020 Proposal must not be excluded from its 2020 proxy.

Conclusion

In conclusion, we respectfully request the Staff to inform the Company that Rule 14a-8 requires a denial of the Company's no-action request. As demonstrated above, the 2020 Proposal is not excludable under Rule 14a-8.

Please contact me at (503) 953-8345 or apearce@trilliuminvest.com with any questions related to this matter or if the Staff wishes any further information.

Sincerely,

Allen C Pearce

Allan Pearce
Shareholder Advocate
Trillium Asset Management

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December 23, 2019

BY ELECTRONIC MAIL (shareholderproposals@sec.gov)

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

**RE: J.B. Hunt Transport Services, Inc.
Exclusion of Shareholder Proposal of Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8**

Ladies and Gentlemen:

We are counsel to J.B. Hunt Transport Services, Inc., an Arkansas Corporation (the “Company” or “J.B. Hunt”). The Company has authorized us to submit this letter on its behalf pursuant to Rule 14a-8(j) 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 a shareholder proposal and supporting statement (collectively, the “Proposal”) from the proxy materials for the Company’s 2019 Annual Meeting of Stockholders (the “Proxy Materials”).

The Proposal was submitted through letters dated November 6, 2019 and November 7, 2019 by Trillium Asset Management, LLC on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, the Community Environmental Council and the Threshold Foundation (together, the “Proponent” or “Trillium”) for inclusion in the Company’s Proxy Materials for the Company’s 2020 Annual Meeting.

The Company requests confirmation that the Staff of the Division of Corporation Finance (the “Staff”) will not recommend to the Commission that any enforcement action be taken if the Company excludes the Proposal from its Proxy Materials in reliance on Rule 14a-8(i)(7).

In accordance with Section C of the Staff Legal Bulletin No. 14D (Nov. 7, 2008), this letter and its attachments are being emailed to the Staff. Also, in accordance with Rule 14a-8(j), a copy of this letter and its attachments are being delivered simultaneously to the Proponent and the Proponent’s representative, informing them of the Company’s intention to omit the Proposal from its Proxy Materials.

The Company currently intends to file its definitive 2020 Proxy Materials with the Commission on or about March 12, 2020. Therefore, in accordance with Rule 14a-8(j), this letter is being filed with the Commission at least 80 calendar days before the date upon which the Company expects to file its definitive 2020 Proxy Materials.

The Proposal

The Proponent requests the inclusion of the following resolution in the Company's 2019 proxy statement:

Resolved: Shareholders request J.B. Hunt Transport Services issue a report, at reasonable cost and omitting proprietary information, describing if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement's goal of maintaining global temperature increases well below 2 degrees Celsius.

The Proponent's Supporting Statement specifies that the report should address particular information on the benefits and drawbacks of integrating the following actions: (i) developing a low-carbon transition plan; (ii) adopting short and long-term greenhouse gas emissions reduction targets for the Company's full carbon footprint aligned with the Paris Agreement; (iii) increasing the scale, pace, and rigor of existing initiatives aimed at reducing the carbon intensity of the Company's services and operations; and (iv) investing in renewable energy sources.

A copy of the Proposal, as well as related correspondence from Proponents, is attached to this letter as Exhibit A.

Basis for Exclusion

The Proposal may be excluded from J.B. Hunt's 2020 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters directly relating to the Company's ordinary business operations.

A. Background.

Under Rule 14a-8(i)(7), a proposal is excludable if it "deals with a matter relating to the company's ordinary business operations." The Commission has explained that there are two central considerations that determine whether a proposal is excludable under Rule 14a-8(i)(7). *See* Staff Legal Bulletin No. 14I (November 1, 2017). The first consideration relates to the proposal's subject matter, while the second consideration relates to the degree to which the proposal seeks to "micro-manage" the company. *Id.*

Regarding the first consideration, the Staff explained that proposals may be excluded if they raise matters that 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.” However, such a proposal may not be excluded if it “focuses on policy issues that are sufficiently significant because they transcend ordinary business and would be appropriate for a shareholder vote.” The Staff further explained that a company’s board of directors is “well situated to analyze, determine and explain whether a particular issue” meets this threshold. Whether this significant policy exception applies also partly depends on the connection between the policy issue and the company’s business operations.

Regarding the second consideration, a proposal seeks to “micro-manage” a company if 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. According to Securities Exchange Act Release No. 40018 (May 21, 1998), a proposal may do this if it “involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” The Staff also noted in Staff Legal Bulletin 14J (October 23, 2018) that this framework is applicable to proposals that call for a study or a report. In that case, the Staff considers the underlying substance of the matters addressed by the study or report. As an example, the Staff noted that “a proposal calling for a report may be excludable if the substance of the report relates to the imposition or assumption of specific timeframes or methods for implementing complex policies.”

B. The Proposal may be excluded based on its subject matter.

J.B. Hunt is a transportation and logistics company. The decisions management makes regarding GHG emissions are invariably ordinary business matters. The types of transportation equipment, cost and analysis of fuel, and system logistics directly impact GHG emissions. It is not possible for the Company to singularly focus on reducing GHG emissions without affecting a myriad of the Company’s ordinary business decisions. Such decisions necessarily involve day-to-day operations that are best executed by the Company’s management. Thus, the Proposal is excludable pursuant to Rule 14a-8(i)(7).

The Staff has long found that Proposals that provide shareholders the opportunity to second-guess management’s decisions regarding operations constitute an attempt to interfere with the day-to-day conduct of ordinary business operations. Additionally, the Staff has consistently taken the position that shareholder proposals relating to business decisions affecting a company’s operations and products, including the quality and design of operations and products, may be omitted from the issues proxy material pursuant to paragraph 14a-8(i)(7).

In February 2019, the Staff agreed that the Company had a basis under rule 14a-8(i)(7) to exclude a similar proposal submitted by Trillium Asset Management, LLC to the Company for Company’s 2019 Annual Meeting of Stockholders (the “2019 Proposal”). See J.B. Hunt Transport Services, Inc. (February 14, 2019). The 2019 Proposal requested the inclusion of the following resolution in the Company’s 2019 proxy statement:

Resolved: Shareholders request J.B. Hunt Transport Services (JBHT) adopt company-wide, quantitative targets to reduce total greenhouse gas (GHG) emissions, taking into account the goals of the Paris Climate Agreement, and issue a report, prepared at reasonable cost and omitting proprietary information, discussing its plan and progress towards achieving these targets.

In the Staff's view, the 2019 Proposal "[sought] to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

The subject matter of the current Proposal is the same as the 2019 Proposal—namely, the Company's efforts to address climate change. While written in broader terms, the Proposal in essence seeks the same result as the 2019 Proposal—to require the Company to adopt and report on specific plans and initiatives to further reduce its greenhouse gas (GHG) emissions. Accordingly, we submit that the Proposal similarly 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.

In *The Chubb Corporation* (January 25, 2004), the Staff agreed that a proposal requesting the board of directors to prepare a report providing a comprehensive assessment of Chubb's strategies to address the impacts of climate change on its business was excludable under Rule 14a-8 as it related to ordinary business operations. Additionally, in *Hewlett-Packard Co.*, (December 12, 2006), the Staff found a basis to agree with the Hewlett-Packard's view that a proposal that requested the board of directors to report on the development of the Company's policy concerning greenhouse gases was excludable under Rule 14a-8 as it related to HP's ordinary business operations.

Given the degree of complexity of the Company's operations, it is nearly impossible to isolate one environmental concern (e.g., GHG emissions) from the multitude of considerations that management must consider when determining how to most effectively and efficiently operate the Company's business and provide competitive services. The evaluation of its core operations and services requires the Company's management to evaluate a broad spectrum of legal, internal and external business considerations and various other risks, none of which can be isolated from other factors. The impact of an environmental concern, such as GHG emissions, is merely one factor that is considered in evaluating the Company's existing loss exposures and potential opportunities for profit as it relates to its core business model. As a provider of extensive and expansive transportation services, the Company's GHG emissions are directly linked to the fuel efficiency of the Company's transportation equipment. Fuel efficiency is a significant economic factor in the Company's operational decision making, in terms of both fuel costs, as well as equipment costs, utilization and replacement. Thus, GHG emissions are inherently taken into account in the ordinary day-to-day operational management of the Company. Moreover, fuel efficiency, and thus GHG emissions, can be significantly impacted by factors beyond management's control, such as harsh weather, regulations, supply-chain

disruptions and rapidly fluctuating fuel prices, all of which requires continuous monitoring and the ability of management to adjust its operations and business strategies accordingly. The ability to make such decisions requires extensive and nuanced business judgments relating to the Company's operations and services and is fundamental to management's ability to control the day-to-day operations of the Company. It would be impractical for the shareholders to oversee such specific decision-making.

C. The Proposal does not focus on an issue that is sufficiently significant to transcend the Company's ordinary business and thus be practically subject to direct shareholder oversight.

We acknowledge that the Proposal touches upon the significant social issue of environmental sustainability and climate change. However, the issue of GHG emission reduction is not so significantly related to the business of providing integrated, multimodal supply chain solutions to meet customers' transportation and logistics needs as to transcend the Company's ordinary business decisions or be subject to direct shareholder oversight. In Staff Legal Bulletin No. 14(J), the Staff provided various factors that should be analyzed by a company's board of directors when determining whether an issue is sufficiently significant in relation to the company. Those factors include:

- The extent to which the proposal relates to the company's core business activities;
- The extent of shareholder engagement on the issue and the level of shareholder interest expressed through that engagement;
- Whether the company's shareholders have previously voted on the matter and the board's views as to the related voting results; and
- Whether the company has already addressed the issue in some manner, including the differences – or the delta – between the proposal's specific request and the actions the company has already taken, and an analysis of whether the delta presents a significant policy issue for the company.

J.B. Hunt is one of the largest transportation logistics companies in North America. J.B. Hunt's core business is to provide safe and reliable transportation services to a diverse group of customers throughout the continental United States, Canada and Mexico. Effectively and efficiently running a vast and expansive transportation and supply chain solutions company involves highly complicated and careful cost analysis, especially as it relates to fuel efficiency and carbon emissions. Environmental considerations, such as those identified in the Proposal, are already built into the Company's core modeling as it relates to its mission to provide customized freight movement, revenue equipment, labor and systems services tailored to meet the customer's specific requirements.

In addition to the 2019 Proposal, the Company has previously received two similar shareholder proposals requesting that the Company adopt company-wide, quantitative targets for reducing GHG emissions and report on its plans toward achieving those targets, including a

proposal submitted by the Proponent for the Company's 2017 Annual Meeting of Stockholders and a proposal submitted by a separate shareholder proponent for the Company's 2015 Annual Meeting of Stockholders. Each of these proposals was voted on by the Company's shareholders and received approximately 21.4% and 16.8%, respectively, of the votes cast on such proposals. The Company to date has not received further engagement by its shareholders requesting that the Company expand its efforts toward GHG emissions reductions. Therefore, based on the results of these votes and the lack of further shareholder engagement, the Company believes a substantial majority of its shareholders agree that analysis of specific GHG emissions reduction initiatives, such as adopting company-wide, quantitative targets, is not a matter appropriately subject to direct shareholder oversight.

As articulated by the Company's board of directors in its statements of opposition to such proposals as published in the Company's proxy statements for the respective Annual Meetings,¹ the Company recognizes that reducing GHG emissions is important to shareholders, customers, the communities the Company serves, the global environment and ultimately the Company's future success. The Company strives to offer transportation solutions that help reduce both costs and carbon emissions while meeting or exceeding its customers' operational needs. The board of directors believes the Company has been and continues to be an industry leader in offering environmentally-friendly transportation services and has undertaken a variety of green initiatives throughout the business. The board of directors has noted the following examples²:

- The Company's Intermodal segment, which accounted for approximately 57% of its total revenue in 2017, owns and operates the world's largest fleet of 53-foot stackable containers, through which freight that would ordinarily be transported by truck can be carried largely by rail. During 2017, the Company moved approximately 2.0 million intermodal loads, effectively preventing nearly 3.4 million tons of carbon dioxide equivalent from entering the atmosphere, which is equivalent to removing over 700,000 passenger vehicles off the road for a year. The Company estimates that converting over-the-road shipments to intermodal shipments is 50% more fuel efficient.
- The Company engineers and designs customer solutions with an emphasis on energy efficiency, including following a five-step customer solution that (1) measures baseline energy use/carbon emissions, (2) minimizes total miles traveled, (3) maximizes payload, (4) optimizes mode of transport, and (5) selects the most efficient carriers.
- The Company deploys sophisticated optimization-based planning tools to minimize daily energy consumption when transporting customer shipments.

¹ J.B. Hunt Definitive Proxy Statements on Schedule 14A filed with the Commission on March 12, 2015 (pages 40–41) and March 13, 2018 (pages 43–44), respectively, available at <https://www.sec.gov/>.

² J.B. Hunt Definitive Proxy Statement on Schedule 14A filed with the Commission on March 13, 2018 (pages 43–44), available at <https://www.sec.gov/>.

- The Company continually searches for and evaluates opportunities to utilize emerging technologies in the area of exhaust-free vehicles and currently has two electric vehicle pilot programs in place within its Dedicated Contract Services segment.
- In each of the past ten years, the Company has received a SmartWay® Excellence Award in recognition of the Company's dedication to energy efficiency and decreased overall carbon dioxide emissions. The SmartWay Program is a public-private initiative between the U.S. Environmental Protection Agency ("EPA"), the freight transportation industry, and other federal and state agencies which seeks to reduce transportation-related emissions by improving supply-chain efficiency. The Company has been a partner in the SmartWay Program every year since 2008 and was named a High Performer on a list the EPA created this past year.
- Since 2010, the Company has offered our customers a proprietary CLEAN Transport™ carbon calculator that allows customers to measure and track their carbon footprints and identify opportunities for intermodal conversion to reduce emissions.
- The Company regularly participates in industry working groups focused on reducing GHG emissions and improving environmental impacts, including the Sustainability Consortium, the Sustainability Accounting Standards Board, the Global Logistics Emissions Council and the Environmental Defense Fund.
- The Company provides information on a number of its environmental initiatives on its corporate website and since 2010 has reported on these efforts to customers and investors in an industry standard format through the Carbon Disclosure Project.
- The Company also regularly works with government agencies, including the U.S. Department of Energy and the EPA, as those agencies engage in a process that will determine the applicable rules, regulations and guidelines that govern the transportation industry.
- The Company has a strong record of ensuring that its revenue equipment complies with required emission standards. For instance, as an integral component of the Company's operations, the Company undergoes ongoing evaluation to monitor the efficacy of new technologies to reduce energy use and carbon emissions.
- The Company has pursued a number of other sustainability innovations, such as reducing tractor engine idling through driver incentive programs, installing on-board equipment such as direct-fired heaters and auxiliary power units, burning biodiesel fuels when available, governing top speeds on company-owned equipment to maximize fuel efficiency and safety, and using proprietary algorithms to determine the least cost method of shipping, which ultimately decreases carbon dioxide emissions, as well as the number of trucks and drivers on the road.

The Company further noted the following efforts in its most recent proxy statement³ as evidence of the Company's dedication to creating a more sustainable supply chain for its customers:

- **Intermodal Conversion:** J.B. Hunt leads the industry in converting over-the-road (OTR) shipments to intermodal. Intermodal doubles the efficiency of truckload with reduced carbon emissions and lowered cost.
- **Energy-Efficient Trucks and Equipment:** J.B. Hunt strives to keep its fleet energy efficient by continuously improving equipment with after-market updates and routine maintenance.
- **Renewable Technology:** J.B. Hunt invests in renewable technology solutions. Company asset vehicles are equipped with solar-powered tracking units that optimize the location and availability of containers for efficiency. This technology allows J.B. Hunt to increase efficiency and gain better control over its operations.
- **Fuel Technology:** Fuel is one of the largest sources of carbon emissions within the supply chain. J.B. Hunt strives to find advanced fuel solutions for customers, including the use of biofuels and ensuring the fuel efficiency of our fleets.
- **Engineering Solutions:** J.B. Hunt has a dedicated engineering team that helps customers optimize their shipping strategy to minimize total miles, maximize payload, and reduce carbon emissions per shipment.
- **Customer Carbon Footprint:** J.B. Hunt's propriety tool calculates a customer's carbon footprint. J.B. Hunt then offers solutions, such as decreasing carbon emissions, to reduce their current environmental impact.
- **Carbon Diet:** J.B. Hunt provides support to customers with a company-developed sustainability practice called the "Carbon Diet." J.B. Hunt educates customers on best practices in supply chain sustainability and supply the resources needed to be successful.
- **Electric Vehicles:** J.B. Hunt continually searches for and evaluates opportunities to utilize emerging technologies in the area of exhaust-free vehicles. J.B. Hunt added its first ever all-electric, medium-duty box trucks to its private fleet. The trucks have zero tailpipe emissions, eliminating the noise and carbon footprint of similar trucks.

³ J.B. Hunt Definitive Proxy Statement on Schedule 14A filed with the Commission on March 15, 2019 (page 7), available at <https://www.sec.gov/>.

Based on these current and continued initiatives to reduce the Company's impact on the environment, the Company has concluded that adopting the Proposal's specific request to report on the Company's specific analysis of expanded GHG emissions reduction initiatives, such as adopting company-wide, quantitative targets, would not materially add to the Company's existing GHG emissions reduction efforts and thus does not present a sufficiently significant policy issue that transcends the ordinary business of the Company.

D. The Proposal may be excluded because it seeks to micro-manage the Company.

Even if the Commission believes that the Proposal focuses on an issue that is sufficiently significant to the Company, the Commission has repeatedly allowed exclusion of proposals touching on significant policy issues where the proposals seek to micro-manage the company by specifying in detail the manner in which the company should address the policy issue. *See e.g.* Ford Motor Company (March 2, 2004) (allowing exclusion of a proposal requesting the preparation and publication of a highly detailed report regarding the existence of global warming or cooling); Marriott International Inc. (March 17, 2010) (allowing exclusion of a proposal limiting showerhead flow to no more than 1.6 gallons per minute and requiring mechanical switches to control the level of water flow); and Apple, Inc. (December 5, 2016) (allowing exclusion of a proposal that the company reach a net-zero greenhouse gas emission status by 2030 for all aspects of its business, including major suppliers).

As noted above, the analysis of whether a proposal probes too deeply into matters of a complex nature by involving intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies is also applicable to proposals that call for a report. The Commission has allowed exclusion of a proposal calling for a report where the substance of the report relates to the imposition or assumption of specific timeframes or methods for implementing complex policies. *See JPMorgan Chase & Co.* (March 30, 2018) (allowing exclusion of a proposal calling for the establishment of a human and indigenous peoples' rights committee).

Further, the Commission has allowed exclusion of proposals concerning the sale of particular products and services or choice of operational technologies, even if they touch on a significant policy issue, because deciding which products and services to offer and how to do so is particularly within the management function of a company and requires complex analysis beyond the ability of shareholders as a group. *See e.g.* Dominion Resources, Inc. (February 22, 2011) (allowing exclusion of a proposal requesting that Dominion provide customers with the option to purchase electricity from 100% renewable sources by a certain date) and FirstEnergy Corp. (March 8, 2013) (allowing exclusion of a proposal calling for a report on the effect of increasing the electricity provider's use of renewable energy sources because it concerned the company's choice of technologies for its operations).

- 1. The Proposal seeks to micro-manage the Company because it delves too deeply into complex matters upon which shareholders as a group would not be in a position to make an informed judgment.*

As mentioned above, earlier this year, the Staff agreed that the Company may exclude the “2019 Proposal under rule 14a-8(i)(7) because the 2019 Proposal “[sought] to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.”

On April 2, 2019, the Staff allowed Exxon Mobile Corporation (“Exxon”) to exclude from its proxy materials a proposal requesting that Exxon’s board of directors “include disclosure of short-, medium- and long-term greenhouse gas targets aligned with the greenhouse gas reduction goals established by the Paris Climate Agreement to keep the increase in global average temperature to well below 2 degrees Celsius and to pursue efforts to limit the increase to 1.5 degrees Celsius.” In the Staff’s view, the proposal would require the Company to adopt targets aligned with the goals established by the Paris Climate Agreement and by imposing this requirement, the proposal would micromanage Exxon 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.

Here, the Proponent’s resolution requests the Company issue a report describing “if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement’s goal of maintaining global temperature increases well below 2 degrees Celsius.” The Proponent may argue that it does not necessarily seek to require the Company to adopt the Paris Agreement’s goal as evidenced by the Proposal’s use of the word “if.” However, the Proposal’s Supporting Statement elaborates that the report sought by the Proponent would include information regarding integrating the adoption of short- and long-term GHG emissions reduction targets aligned with the Paris Agreement. Thus, the Proposal indirectly seeks the adoption of targets similar to the Exxon proposal, as well as other measures, thereby seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors.

In the Staff’s March 12, 2019 response to a no-action request from The Goldman Sachs Group, Inc. (“Goldman Sachs”), the Staff allowed Goldman Sachs to exclude a similar proposal under Rule 14a-8(i)(7). There, the proposal requested that Goldman Sachs “adopt a policy to reduce the carbon footprint of its loan and investment portfolios in alignment with the 2015 Paris goal of maintaining global warming well below 2 degrees, and issue annual reports describing targets, plans and progress under this policy.” The Staff stated in its response that “[b]y imposing this overarching requirement, the Proposal would 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.” Here, the Proposal similarly seeks specific information intended to elicit the Company’s adoption of goals to reduce the Company’s full carbon footprint in alignment with the Paris Agreement. Just as the Staff viewed the Goldman

Sachs proposal, the Proposal would 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.

In a no-action letter granted to Apple, Inc. (“Apple”) on December 5, 2016, the Commission allowed exclusion of a proposal (the “Apple Proposal”) requesting that Apple generate a feasible plan for reaching net-zero greenhouse gas emissions by the year 2030 for all aspects of its business, including major suppliers. Apple acknowledged the social issue inherent in the proposal, noting that Apple devoted significant time and resources to its approach toward climate change and related disclosures, but argued that the Apple Proposal went too far. Specifically, Apple argued that the Apple Proposal would require Apple management to replace its own judgments on all aspects of Apple’s business with a course of action directed solely at meeting an arbitrary target. The Commission allowed exclusion of the Apple Proposal because it delved too deeply into complex matters upon which shareholders as a group would not be in a position to make an informed judgment.

On February 26, 2018, the Staff allowed an oil and natural gas exploration and production company, EOG Resources, Inc. (“EOG”) to exclude a proposal (the “EOG Proposal”) submitted by Trillium requesting that EOG adopt company-wide, quantitative, time-bound targets for reducing greenhouse gas emissions and issue a report discussing its plans and progress towards achieving these targets. EOG explained that its management balanced numerous factors on a day-to-day basis that enabled EOG to quickly change operational strategies in response to internal and external developments. EOG further explained that the operational strategies could not be separated from emissions management because the two were so closely intertwined. The Staff cited micro-management as the basis in granting the no-action request.

Similar to the Exxon, Goldman Sachs, Apple and EOG proposals, the Proposal seeks to indirectly impose specific measures, such as company-wide, quantitative targets, that would require J.B. Hunt management to subjugate its real-time operational decisions to such measures. With respect to the adoption of GHG emissions reduction targets, factors that are largely beyond the Company’s control would impact whether the Company would be able to satisfy arbitrary emissions targets, such as the demand for different types of transportation services provided by the Company, customer needs, certain geographical considerations, availability and economic efficiency of certain modes of transportation, including rail services, availability of qualified drivers, and availability and cost of diesel fuel and revenue equipment. Management could be forced to focus on and prioritize arbitrary emissions targets to the exclusion or at the expense of any one or more of the multitude of other factors that would otherwise influence their decisions. The Proposal thus would replace the careful balancing of such factors that direct management’s decisions on how to offer its services and manage its operations—complex decisions that are uniquely within the purview of J.B. Hunt management and upon which shareholders as a group are not in a position to make an informed decision.

The Company has acted and continues to act on the important policy issue touched on by the Proposal through policies and procedures and the disclosure of quantitative metrics and narrative information; however, the Proposal's specific directive as to how the Company should respond to climate change is not compatible with J.B. Hunt's operations. To present the Proposal to shareholders would be to override the complex analysis undertaken by the Company's management in making operational decisions—an analysis that even a highly sophisticated stockholder would not be equipped to undertake.

2. *The Proposal seeks to micro-manage the Company because it calls for a report that relates to the imposition or assumption of specific methods for implementing complex policies.*

In Staff Legal Bulletin 14J (October 23, 2018), the Staff stated that, with regard to proposals that call for a study or report, it would “consider the underlying substance of the matters addressed by the study or report.” To support this statement, the Staff quoted the following language from Release No. 34-20091 (August 16, 1983) (the “1983 Release”): “In the past, the staff has taken the position that proposals requesting issuers to prepare reports on specific aspects of their business or to form special committees to study a segment of their business would not be excludable under Rule 14a-8(c)(7). Because this interpretation raises form over substance and renders the provisions of paragraph (c)(7) largely a nullity . . . , the staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7).”

On March 30, 2018, the Commission granted a no-action request submitted by JPMorgan Chase & Co. (“JPMorgan”) and allowed exclusion of a proposal (the “JPMorgan Proposal”) requesting that JPMorgan establish a human and indigenous peoples' rights committee, which would also establish certain policies and procedures related to the rights of indigenous peoples. JPMorgan argued that the JPMorgan Proposal would, through the establishment of a committee and subsequent policies and procedures, involve a matter of ordinary business and would thus micro-manage the company. The Commission allowed exclusion of the JPMorgan Proposal because it micro-managed JPMorgan by seeking to impose specific methods for implementing complex policies.

Like the JPMorgan Proposal, the Proposal seeks to micromanage the company because it seeks to impose specific methods for implementing complex policies. Although the JPMorgan Proposal called for the establishment of a committee, rather than a report, the same analysis applies to the Proposal per the 1983 Release. Establishment and integration of actions to reduce the Company's total contribution to climate change, such as setting specific company-wide, quantitative GHG emissions targets, involves complex operational decisions made by management personnel at various levels across the Company's multiple business segments and functional divisions based on analyses, projections and assumptions regarding, among other things, the Company's operations and long-term strategy, anticipated technological development, projected cash flows, capital expenditure requirements and anticipated fuel and energy

requirements. Business judgments must then be made about the strategic allocation of resources among these different strategies. Therefore, implementing the Proposal would require management to replace its own judgments as to how to best allocate the Company's resources to achieve its long-term growth strategy, and instead prioritize the integration of specific courses of action directed solely at reducing the Company's total carbon emissions. These aspects of the Company's business are simply too complex for shareholders to exercise direct oversight. Additionally, developing and analyzing the requested information and implementing specific measures such as GHG emissions reduction targets would require the allocation of significant resources and entail considerable expense without commensurate material benefits to the Company's shareholders. By substituting the Proponent's business judgment for management's business judgment, the Proposal fundamentally interferes with management's ability to exercise its judgment to run the Company and operate its business on a day-to-day basis. The Company also believes that the preparation of the report would have no material effect on its commitment to conducting its business in an environmentally responsible manner.

Further, as previously discussed, the Company already recognizes the importance of environmental stewardship and is committed to conducting its business in an environmentally responsible manner. Management has taken steps, in its discretion, to mitigate the environmental impact of the Company's operations, including the initiatives outlined in Section C above. All of those initiatives are examples of how management has adopted practices consistent with environmental goals in the context of the Company's business, and not according to an arbitrary standard thrust upon management from the perspective of Proponent.

3. *The Proposal seeks to micro-manage the Company because it relates to operational technologies and the sale of particular services in the ordinary course of the Company's business.*

The Staff has consistently taken the position that proposals seeking to dictate management's decisions regarding the selection of products or services a company offers for sale implicate the company's ordinary business operations and are thus excludable under Rule 14a-8(i)(7). *See, e.g., Amazon.com, Inc.* (March 11, 2016) (concurring in the exclusion of a shareholder proposal requesting that the company "issue a report addressing animal cruelty in the supply chain," since "the proposal relates to the products and services offered for sale by the company" and noting that "[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)"); *Amazon.com, Inc.* (March 27, 2015) (permitting the exclusion of a shareholder proposal requesting the disclosure of any reputational and financial risks the company may face as a result of negative public opinion pertaining to the treatment of animals used to produce products it sells and noting that "[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)"); *Papa John's International, Inc.* (February 13, 2015)(granting no-action relief under Rule 14a-8(i)(7) because the proposal related to the choice of products offered for sale); *Lowe's Companies, Inc.* (March 18, 2010) (granting no-action relief under Rule 14a-8(i)(7) with regard to a proposal encouraging the company to place warning labels on the glue traps sold in its stores, explicitly

noting that “the proposal relates to the manner in which [the company] sells particular products” and that “[p]roposals concerning the sale of particular products are generally excludable under rule 14a-8(i)(7)”; The Home Depot, Inc. (March 12, 2010) (same); PetSmart, Inc. (April 8, 2009) (concurring that a proposal requesting that the board of directors “produce a report on the feasibility of [the company] phasing out its sale of live animals by 2014” may be excluded under Rule 14a-8(i)(7), as it relates to the “sale of particular goods”); Lowe’s Companies, Inc. (February 1, 2008) (permitting the exclusion of a proposal encouraging the company end its sale of glue traps, as it relates to “the sale of a particular product”); The Home Depot, Inc. (January 24, 2008) (same).

The Staff has made clear that proposals relating to the sale of services are equally excludable under Rule 14a-8(i)(7) as those relating to the sale of goods. *See, e.g.*, JPMorgan Chase & Co. (March 7, 2013) (concurring in the exclusion of a proposal requesting that the board “adopt public policy principles for national and international reforms to prevent illicit financial flows. . .” based upon principles specified in the proposal, expressly noting that “the proposal relates to principles regarding the products and services that the company offers”); Wells Fargo & Co. (January 28, 2013, recon. denied March 4, 2013) (granting no-action relief under Rule 14a-8(i)(7) where the proposal requested that the company prepare a report discussing the adequacy of the company’s policies in addressing the social and financial impacts of the company’s direct deposit advance lending service, noting in particular that “the proposal relates to the products and services offered for sale by the company” and that “[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)”; General Electric Co. (January 7, 2011) (permitting the exclusion of a proposal focused on the scope of the financial services offered by the company, explicitly stating that “the proposal appears to relate to the emphasis that the company places on the various products and services it offers for sale” and that “[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)”).

In a no-action letter granted to FirstEnergy Corp. (“FirstEnergy”) on March 8, 2013, the Staff allowed exclusion of a proposal requesting a report on the effect of increasing FirstEnergy’s use of renewable energy sources because it concerned the company’s choice of technologies for its operations. The Staff concurred with FirstEnergy that electricity generation is a complex process that requires management to make complex ‘choice of technologies’ decisions about the appropriate mix of electricity generating units (coal-fired, nuclear, hydroelectric, oil and natural gas and wind capacity) and that such decisions are beyond the realm of a shareholder vote.

The primary services sold by the Company involve the transportation of freight via truck and/or rail within the continental United States, Canada and Mexico and other logistics services designed to help customers optimize the efficiency of their supply chain. The methods and equipment used to transport freight vary according to a multitude of factors, including the type of freight, customer preferences, geographical considerations, and the availability and economic efficiency of certain modes of transportation. Reducing GHG emissions requires technological advances, capital investments and operational modifications among the various modes through

which the Company transports freight for its customers, all of which relates directly to the services offered by the Company. Similarly, decisions regarding the optimal mode(s) of transportation for shipments of freight (e.g., the use of electric trucks) are complex “choice of technology” decisions that are beyond the realm of a shareholder vote.

Because the Proposal constrains the ability of J.B. Hunt’s management to determine matters regarding operational technologies and how to provide services to its customers, the Proposal is similarly excludable under Rule 14a-8(i)(7).

Conclusion

Based upon the foregoing analysis, we respectfully request that the Staff take no action if J.B. Hunt excludes the Proposal from its Proxy Materials.

Your prompt response to this letter is respectfully requested. If the Staff believes that it will not be able to take the no-action position requested above, we would appreciate the opportunity to confer with the Staff prior to the issuance of a negative response. Please contact me at ccrouch@mwlaw.com, or (501) 688-8822, if you require additional information or wish to discuss this submission.

Very truly yours,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By


Courtney C. Crouch, III

cc: Mr. David G. Mee, Chief Financial Officer
J.B. Hunt Transport Services, Inc.

Mr. Allan Pearce
Trillium Asset Management, LLC

Attachment

Exhibit A

Shareholder Proposal of Trillium Asset Management, LLC



November 6, 2019

David G. Mee
Corporate Secretary
J.B. Hunt Transport Services, Inc.
615 J.B. Hunt Corporate Drive
Lowell, Arkansas 72745

Dear Secretary,

Trillium Asset Management LLC ("Trillium") hereby submits the enclosed shareholder proposal with J.B. Hunt Transport Services, Inc. (JBHT) on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, and the Community Environmental Council for inclusion in the Company's 2020 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

Per Rule 14a-8, the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, and the Community Environmental Council each hold more than \$2,000 of JBHT common stock, acquired more than one year prior to today's date and held continuously for that time. As evidenced in the attached letters, the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, and the Community Environmental Council will remain invested in this position continuously through the date of the 2020 annual meeting. We will forward verification of each position separately and will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

We welcome the opportunity to discuss the subject of the enclosed proposal with company representatives.

Please direct any communications to me at (503) 953-8345, or via email at apearce@trilliuminvest.com.

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

Sincerely,

A handwritten signature in black ink that reads 'Allan C Pearce'.

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC

Climate Change

Whereas: In 2018, the Intergovernmental Panel on Climate Change advised that net carbon emissions must fall 45 percent by 2030 and reach net zero by 2050 to limit warming below 1.5°C thereby preventing the worst consequences of climate change.

The Fourth National Climate Assessment (2018) reports that with continued growth in emissions, “annual losses in some U.S. economic sectors are projected to reach hundreds of billions of dollars by 2100.”

Climate change impacts present systemic portfolio risks to investors. A warming climate is associated with supply chain dislocations, reduced resource availability, lost productivity, commodity price volatility, infrastructure damage, and an increase in severe weather systems that disrupt operations, among others.

The U.S. Energy Information Administration identifies the transportation sector as the largest producer of greenhouse gas emissions and its emissions are steadily increasing.

While J.B. Hunt has adopted various ad-hoc initiatives to reduce fuel consumption, the Company states these initiatives are not part of an overarching strategy, it does not have a low-carbon transition plan, and it does not use climate-related scenario analysis to inform its business strategy.

Ramping up the scale, pace, and rigor of its climate-related initiatives may help unlock important opportunities for growth as major business customers are increasingly demanding environmental accountability from suppliers. It may also help prepare the Company for future carbon-related regulations.

J.B. Hunt peers Republic Services, Waste Management, and CSX Corporation are among the over 690 Companies intending to reduce their emissions in line with the aims of the 2015 Paris Climate Agreement – the landmark global agreement to limit global temperature increases to well below 2°C above pre-industrial levels, ideally striving for 1.5°C. Amazon.com, Inc. plans to purchase 100,000 electric delivery vehicles by 2030 as part of its ambition to achieve the Paris goals ten years early.

Given the impact of climate change on the economy, the environment, and human systems, and the short amount of time in which to address it, proponents believe J.B. Hunt has a clear responsibility to its investors and other stakeholders to account for whether, and how, it plans to reduce its ongoing climate contributions.

Resolved: Shareholders request J.B. Hunt Transport Services issue a report, at reasonable cost and omitting proprietary information, describing if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement’s goal of maintaining global temperature increases well below 2 degrees Celsius.

Supporting Statement: In the report shareholders seek information, among other issues at board and management discretion, on the relative benefits and drawbacks of integrating the following actions:

- Developing a low-carbon transition plan;
- Adopting short- and long-term greenhouse gas emissions reduction targets for the Company’s full carbon footprint aligned with the Paris Agreement;

- Increasing the scale, pace, and rigor of existing initiatives aimed at reducing the carbon intensity of J.B. Hunt's services and operations;
- Investing in renewable energy resources.

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC
721 NW Ninth Ave
Suite 250
Portland, OR
97209

Fax: 617-482-6179

Dear Mr. Pearce:

I hereby request Trillium Asset Management, LLC file a shareholder proposal on behalf of the Trillium Small/Mid Cap Fund at J.B. Hunt Transport Services, Inc. on the subject of Climate Change.

The Trillium Small/Mid Cap Fund is the beneficial owner of more than \$2,000 of J.B. Hunt common stock that it has held continuously for more than one year. The Trillium Small/Mid Cap Fund intends to hold the aforementioned shares of stock continuously through the date of the company's 2020 annual meeting.

I specifically give Trillium Asset Management, LLC full authority to deal on behalf of the Trillium Small/Mid Cap Fund, with any and all aspects of the aforementioned shareholder proposal. This authorization will terminate upon the conclusion of the Company's 2020 Annual Meeting. I intend for all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. I understand that The Trillium Small/Mid Cap Fund's name may appear on the corporation's proxy statement as the filer of the aforementioned resolution.

Sincerely,



Michelle McDonough
Partner
Trillium Asset Management, LLC, Investment Advisor to the Trillium Small/Mid Cap Fund

October 1, 2019

Date

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC
721 NW Ninth Ave
Suite 250
Portland, OR
97209

Fax: 617-482-6179

Dear Mr. Pearce:

I hereby request Trillium Asset Management, LLC file a shareholder proposal on behalf of the Timken Matthews Family Foundation at J.B. Hunt Transport Services, Inc. on the subject of Climate Change.

The Timken Matthews Family Foundation is the beneficial owner of more than \$2,000 of J.B. Hunt common stock that it has held continuously for more than one year. The Timken Matthews Family Foundation intends to hold the aforementioned shares of stock continuously through the date of the company's 2020 annual meeting.

I specifically give Trillium Asset Management, LLC full authority to deal on behalf of the Timken Matthews Family Foundation, with any and all aspects of the aforementioned shareholder proposal. This authorization will terminate upon the conclusion of the Company's 2020 Annual Meeting. I intend for all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. I understand that the Timken Matthews Family Foundation's name may appear on the corporation's proxy statement as the filer of the aforementioned resolution.

Sincerely,



Tom Matthews, The Timken Matthews Family Foundation

10/4/2019

Date

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC
721 NW Ninth Ave
Suite 250
Portland, OR
97209

Fax: 617-482-6179

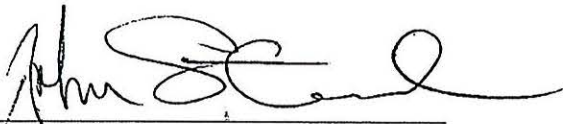
Dear Mr. Pearce:

I hereby request Trillium Asset Management, LLC file a shareholder proposal on behalf of the Community Environmental Council at J.B. Hunt Transport Services, Inc. on the subject of Climate Change.

The Community Environmental Council is the beneficial owner of more than \$2,000 of J.B. Hunt common stock that has been held continuously for more than one year. The Community Environmental Council intends to hold the aforementioned shares of stock continuously through the date of the company's 2020 annual meeting.

The Community Environmental Council specifically gives Trillium Asset Management, LLC full authority to deal on its behalf, with any and all aspects of the aforementioned shareholder proposal. This authorization will terminate upon the conclusion of the Company's 2020 Annual Meeting. The Community Environmental Council intends for all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. The Community Environmental Council understands that its name may appear on the corporation's proxy statement as the filer of the aforementioned resolution.

Sincerely,



John Steed
Secretary of the Board, Community Environmental Council

President

Oct. 1, 2019
Date

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC
Two Financial Center
60 South Street, Suite 1100
Boston, MA 02111

Fax: 617-482-6179

Dear Mr. Pearce:

I hereby request Trillium Asset Management, LLC to file a shareholder proposal on behalf of Episcopal City Mission at J.B. Hunt Transportation Services, Inc. on the subject of climate change.

Episcopal City Mission is the beneficial owner of more than \$2,000 of J.B. Hunt Transportation Services, Inc. common stock that they have continuously held for more than one year. Episcopal City Mission intends to hold the aforementioned shares of stock continuously through the date of the company's annual meeting in 2020.

I specifically give Trillium Asset Management, LLC authority to deal, on behalf of Episcopal City Mission, with any and all aspects of this specific shareholder proposal. This authorization will terminate upon the conclusion of the company's 2020 annual meeting. Episcopal City Mission intends all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. I understand that Episcopal City Mission's name may appear on the corporation's proxy statement as the filer of the aforementioned shareholder proposal.

Sincerely,

Episcopal City Mission



Andree Saulnier

11/15/2019 DATE



November 7, 2019

David G. Mee
Corporate Secretary
J.B. Hunt Transport Services, Inc.
615 J.B. Hunt Corporate Drive
Lowell, Arkansas 72745

Dear Secretary,

Trillium hereby submits the enclosed documentation to correctly add the Threshold Foundation to the shareholder proposal filed on November 6, 2019 with J.B. Hunt Transport Services, Inc. for inclusion in the Company's 2020 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

This is the same proposal that was filed on behalf of the Trillium Small/Mid Cap Fund, the Timken Matthews Family Foundation, Episcopal City Mission, and the Community Environmental Council on November 6, 2019.

Per Rule 14a-8, the Threshold Foundation holds more than \$2,000 worth of J.B. Hunt common stock, acquired one year prior to today's date and held continuously for that time. As evidenced in the attached letter, the Threshold Foundation will remain invested in this position continuously through the date of the 2020 annual meeting. We will forward verification of that position separately.

We welcome the opportunity to discuss the subject of the enclosed proposal with company representatives.

Please direct any communications to me at (503) 953-8345, or via email at apearce@trilliuminvest.com.

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

Sincerely,

A handwritten signature in cursive script that reads 'Allan C Pearce'.

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC

Climate Change

Whereas: In 2018, the Intergovernmental Panel on Climate Change advised that net carbon emissions must fall 45 percent by 2030 and reach net zero by 2050 to limit warming below 1.5°C thereby preventing the worst consequences of climate change.

The Fourth National Climate Assessment (2018) reports that with continued growth in emissions, “annual losses in some U.S. economic sectors are projected to reach hundreds of billions of dollars by 2100.”

Climate change impacts present systemic portfolio risks to investors. A warming climate is associated with supply chain dislocations, reduced resource availability, lost productivity, commodity price volatility, infrastructure damage, and an increase in severe weather systems that disrupt operations, among others.

The U.S. Energy Information Administration identifies the transportation sector as the largest producer of greenhouse gas emissions and its emissions are steadily increasing.

While J.B. Hunt has adopted various ad-hoc initiatives to reduce fuel consumption, the Company states these initiatives are not part of an overarching strategy, it does not have a low-carbon transition plan, and it does not use climate-related scenario analysis to inform its business strategy.

Ramping up the scale, pace, and rigor of its climate-related initiatives may help unlock important opportunities for growth as major business customers are increasingly demanding environmental accountability from suppliers. It may also help prepare the Company for future carbon-related regulations.

J.B. Hunt peers Republic Services, Waste Management, and CSX Corporation are among the over 690 Companies intending to reduce their emissions in line with the aims of the 2015 Paris Climate Agreement – the landmark global agreement to limit global temperature increases to well below 2°C above pre-industrial levels, ideally striving for 1.5°C. Amazon.com, Inc. plans to purchase 100,000 electric delivery vehicles by 2030 as part of its ambition to achieve the Paris goals ten years early.

Given the impact of climate change on the economy, the environment, and human systems, and the short amount of time in which to address it, proponents believe J.B. Hunt has a clear responsibility to its investors and other stakeholders to account for whether, and how, it plans to reduce its ongoing climate contributions.

Resolved: Shareholders request J.B. Hunt Transport Services issue a report, at reasonable cost and omitting proprietary information, describing if, and how, it plans to reduce its total contribution to climate change and align its operations with the Paris Agreement’s goal of maintaining global temperature increases well below 2 degrees Celsius.

Supporting Statement: In the report shareholders seek information, among other issues at board and management discretion, on the relative benefits and drawbacks of integrating the following actions:

- Developing a low-carbon transition plan;
- Adopting short- and long-term greenhouse gas emissions reduction targets for the Company’s full carbon footprint aligned with the Paris Agreement;

- Increasing the scale, pace, and rigor of existing initiatives aimed at reducing the carbon intensity of J.B. Hunt's services and operations;
- Investing in renewable energy resources.

Allan Pearce
Shareholder Advocate
Trillium Asset Management, LLC
721 NW Ninth Ave
Suite 250
Portland, OR
97209

Fax: 617-482-6179

Dear Mr. Pearce:

I hereby request Trillium Asset Management, LLC file a shareholder proposal on behalf of the Threshold Foundation at J.B. Hunt Transport Services, Inc. on the subject of Climate Change.

The Threshold Foundation is the beneficial owner of more than \$2,000 of J.B. Hunt common stock that it has held continuously for more than one year. The Threshold Foundation intends to hold the aforementioned shares of stock continuously through the date of the company's 2020 annual meeting.

I specifically give Trillium Asset Management, LLC full authority to deal on behalf of the Threshold Foundation, with any and all aspects of the aforementioned shareholder proposal. This authorization will terminate upon the conclusion of the Company's 2020 Annual Meeting. I intend for all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. I understand that The Threshold Foundation's name may appear on the corporation's proxy statement as the filer of the aforementioned resolution.

Sincerely,



Joan Briggs, The Threshold Foundation

11/7/2019

Date