

<http://www.ceres.org/>

Investors challenge 18 oil and gas companies on climate change, hydraulic fracturing, and sustainability risks

Investors act on climate and energy challenges while Washington waits

For more information, contact

- [Meg Wilcox](#) — Ceres | wilcox@ceres.org | phone: 617-247-0700 ext 148 | cell: 617-319-6457
- [Cortney Piper](#) — Cater Communications | | phone: 865-789-2669 | cell: 865-789-2669

BOSTON, MA Feb 08, 2012

Leading U.S. investors today announced they have filed shareholder resolutions with **Exxon-Mobil, Chevron, Chesapeake Energy, ConocoPhillips** and 14 other oil and gas companies, pressing them to disclose their plans for managing environmental and workplace challenges such as hydraulic fracturing, greenhouse gas emissions and worker safety.

“The common thread of these resolutions is stronger management focus on environmental and social challenges that will have real bottom line impacts,” said **Mindy Lubber, director of the Investor Network on Climate Risk (INCR) and president of Ceres**, which helps coordinate the filings. “These investors are telling companies they expect to see real progress on climate change, clean energy and other sustainability fronts, despite the policy paralysis in Washington.”

Most of the resolutions with oil & gas firms are associated with financial risks from hydraulic fracturing—called “fracking”—for natural gas. Resolutions filed with **EOG Resources, Chevron, Penn Virginia, Anadarko Petroleum, Range Resources, Chesapeake Energy, Noble Energy, Ultra Petroleum, Exxon Mobil, and Stone Energy** seek detailed financial accountings of how the companies are addressing the risks associated with community concerns, regulatory changes and drilling moratoriums.

“As community opposition and regulatory risks for fracking operations grow, investors are likewise concerned about how businesses are managing their exposure to these risks,” said **Larisa Ruoff, Green Century Capital Management**, which filed resolutions with Chesapeake Energy, Chevron, EOG Resources, Noble Energy and Ultra Petroleum, and coordinates efforts to press companies on fracking risks along with the [Investor Environmental Health Network](#).

The resolutions come as public opposition to the controversial extraction technology continues to grow. They follow other resolutions filed in recent years that have achieved significant improvements in the homebuilding, electric power and other industries, as detailed in [Proxy Power: Shareholder Successes on Climate, Energy & Sustainability](#).

“Shareholder resolutions that promote transparency and disclosure are potent weapons to ensure that companies are operating safely and in the long-term interest of investors,” said **New York State Comptroller Thomas P. DiNapoli**, whose office manages the \$146.9 billion Common Retirement Fund. “Oil and gas companies that are held by the Common Retirement Fund must operate in a manner that promotes long-term sustainability, especially when dealing with natural gas, a critical part of our nation’s energy supply.”

Other resolutions filed this year with oil & gas firms request that they:

- **Set greenhouse gas reduction goals or report on climate change risks to the company (ConocoPhillips, Exxon-Mobil).** The Exxon-Mobil resolution builds on similar a resolution filed last year that received 26.5% shareholder support. Companies that voluntarily disclose their greenhouse gas emissions and carbon reduction strategies have been found to have higher stock value, according to a [recent study](#) from the UC Davis Graduate School of Management.
- **Link executive compensation packages to company environment, social and governance performance.** They also request that companies add board members with specific environmental expertise. Resolutions were filed with Cabot Oil and Gas, Chevron, Range Resources, Southwestern Energy Company, Occidental Petroleum. Linking executive pay to company performance on accident risk mitigation or greenhouse gas emissions reductions helps to ensure that management gives these issues the attention they deserve, and reduces incentives for excessive risk taking.
- **Report on business and environmental risks from oil sands extraction in Canada (filed with Exxon-Mobil).** Investors want the company to report on possible long-term risks to the company’s finances and operations posed by the environmental, social and economic challenges associated with the oil sands, including environmental regulations, lawsuits and growing public opposition to oil sands development.

The resolutions filed with oil and gas companies are part of a broader investor initiative challenging companies to address climate and sustainability risks. Thus far in the 2012 proxy season, investors coordinating with Ceres have filed 86 resolutions with 69 companies, including businesses with direct exposure to climate-related business trends such as electric power and coal, and companies with less direct though still significant exposure through their supply chains or products, such as food, clothing and telecommunications firms. For the complete list, see: <http://www.ceres.org/files/press-files/shareholder-resolutions-tracked-by-ceres/>.

Ceres is an advocate for sustainability leadership. It leads a national coalition of investors and public interest groups working with companies to address sustainability challenges such as global climate change and water scarcity.

###

<http://www.ceres.org/press/press-releases/investors-challenge-18-oil-and-gas-companies-on-climate-change-hydraulic-fracturing-and-sustainability-risks-1>