



Shareholders Set to File Record Number of ESG-Related Proposals in 2015

Adam Brown | Mar. 12, 2015

Environmental and corporate political activity proposals take lead, says **As You Sow**

Investors have filed a record number of shareholder proposals on ESG issues this year, with a focus on climate change and corporate political activity, according to the **As You Sow** shareholder advocacy group.

Shareholders had filed 433 resolutions related to ESG issues by the middle of February, compared with 417 in the same period last year, **As You Sow** says in its annual Proxy Preview report. The number represents a record for that time of year and the organization says the proxy season is on track to meet an overall annual record.

‘This year once again breaks the previous record for the number of resolutions filed, and companies are having less success than ever in knocking out proposals under SEC rules,’ says Andrew Behar, CEO of **As You Sow**, in the preface to the report. ‘We hope this signals a change in the pattern of automatic corporate legal challenges that will evolve into meaningful engagement with shareholders about truly sustainable long-term value and success.’

Environmental and energy-related resolutions, mainly concerning climate change, have been the most common so far this proxy season, accounting for 27 percent of all ESG resolutions, up from 19 percent as of mid-February last year. The main subjects in the category this year include disclosure of greenhouse gas emissions, risk management disclosure related to energy production and carbon accounting.

Corporate political activity accounts for 26 percent of all ESG resolutions, with slightly more than half of them focusing on pressuring companies to increase disclosure of how companies lobby elected officials and regulators and insight into the reasons behind the lobbying. More than a third of the proposals call for greater oversight of corporate political campaign spending.

The report authors also say they have seen significant new activity by political conservatives seeking to protect political free speech by companies, among other issues. The proposals, filed under the category ‘conservatives’, account for about 5 percent of all ESG-related shareholder proposals this year as of mid-February.