



Investors Take On Corporate Spending, Environmental Dangers

Staff | Mar. 7, 2013

A report by a coalition of pensions, environmental groups and progressive organizations has found that political spending and environmental protection are two topics close to the hearts of investors, at least according to the proxy ballots they are filing this year.

The Proxy Preview 2013 report, released Thursday, found that more than a third of the 365 resolutions filed so far this year ask for more oversight and data on corporate political spending. Lobbying has also become an increasingly hot topic; 51 resolutions deal with the subject, an increase from 40 in 2012. The Center for Political Accountability is coordinating about half the political spending resolutions.

The second largest group of resolutions deals with environmental issues, either asking companies for climate change risk assessments, or more action on energy efficiency and target setting. The resolutions are increasingly looking at supply chains, not just direct operations.

The Proxy Preview is a collaboration by three groups: **As You Sow**, a nonprofit that promotes corporate responsibility; the Sustainable Investments Institute, which conducts impartial research on social and environmental shareholder proposals; and Proxy Impact, a proxy voting service for foundations, endowments and socially responsible investors.

An important new SEC decision, reversing earlier precedent, now allows resolutions to question greenhouse gas emissions in the lending portfolios of banks. Such resolutions are pending at PNC Financial and JPMorgan Chase, the Proxy Preview says.

The energy sector is a target of the environmental resolutions this year as shareholders ask about reducing the health and environmental impacts of hydraulic fracturing. Investors are also concerned about the carbon bubble and the climate chaos that could result if all carbon fossil fuel reserves are burned.

Another group of resolutions demands more diversity on corporations' boards of directors.

Human rights violations in developing countries and at guarded operations in conflict zones are also the subject of resolutions; shareholders are asking corporations to prevent human rights abuses in these areas.