

# ExxonMobil, Chevron told to allow investor climate votes

March 24 2016

---



The resolutions demand an 'annual assessment of long term portfolio impacts of public climate change policies'

US regulators have told ExxonMobil and Chevron to permit shareholders to vote on resolutions requiring assessments of how climate change policies might affect them, according to documents released Thursday.

The two oil giants had sought to persuade regulators to allow them to drop the resolutions, which are backed by environmentalists and employee retirement programs in California and New York.

The resolutions demand an "annual assessment of long term portfolio impacts of public [climate change policies](#)," including estimating the value of the companies' assets under global [climate](#) policies that could depress demand for oil and gas.

The US Securities and Exchange Commission ruled against the two oil giants, telling ExxonMobil in a March 22 letter that it disagreed with the company's view "that the proposal is so inherently vague or indefinite" that shareholders would be incapable of assessing it.

The SEC decision sets the stage for a shareholder vote on the resolution later this spring. The majority of ExxonMobil shareholders have previously sided with the company in prior climate resolutions.

"Based on the information you have presented, it does not appear that ExxonMobil's public disclosures compare favorably with the guidelines of the proposal," the SEC said. "Accordingly, we do not believe that ExxonMobil may omit the proposal."

The SEC issued a similar letter to Chevron.

New York State Comptroller Thomas DiNapoli, a trustee of the New York State Common Retirement Fund, applauded the SEC decision as "a major victory for investors who are working to address the risks that global warming presents to our portfolios."

"Investors need to know if ExxonMobil is taking necessary steps to prepare for a lower carbon future, particularly now in the wake of the Paris agreement," DiNapoli said.

The SEC also refused to let ExxonMobil and Chevron delete a second climate resolution requiring them to boost capital distributions due to risk to the company's business from "stranded assets" that cannot be

developed because of strict emissions limits.

An ExxonMobil spokesman said it will provide the board's position on the resolutions next month.

© 2016 AFP

Citation: ExxonMobil, Chevron told to allow investor climate votes (2016, March 24) retrieved 25 April 2024 from

<https://phys.org/news/2016-03-exxonmobil-chevron-told-investor-climate.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.