

Media Release

LAPFF Backs Key Climate Resolutions at Chevron Corporation

**London-12:30BST:** The Local Authority Pension Fund Forum (LAPFF) is advocating a Yes Vote on two key climate based resolutions going before the Chevron Corporation (CVX) AGM. In a Voting Alert issued to sixty-four pension funds, the Forum with combined member fund assets of £165 billion is supporting Resolution 7 and Resolution 8 at the company's 27<sup>th</sup> May annual meeting in California.

"Both the resolutions are another pointer that long term institutional investors want Chevron to review its overall business direction and its position as a global carbon based energy player in the face of emerging climate based risks. Asset owners are increasingly responding to requests to demonstrate that such risks are being accounted for in their investment strategies requiring best long term returns for beneficiaries," LAPFF Chair Kieran Quinn said.

"The BP, Shell and Statoil shareholder resolutions are setting a new global standard for climate risk transparency. LAPFF urges the Chevron board to follow the example of these European based energy companies and positively engage with shareholders on the serious climate and carbon based challenges that we all face."

"It is incumbent on all listed global energy companies to address increasing shareholder and community concerns, support international efforts to limit warming at 2 degrees and incorporate the impact of regional, national and international carbon pricing mechanisms and emissions reduction targets into their existing business models and long term asset valuations.

"The Chevron board have the opportunity to set out a strategic direction for the business, to adopt clear carbon emission reduction goals to protect shareholder value and demonstrate effective climate risk management. These resolutions provide a sound basis to establish a new avenue of dialogue with pension funds and other long-term stakeholders. LAPFF would welcome such positive engagement."

[Resolution 7](#) requests the Board adopt a dividend policy increasing the amount authorised for capital distribution to shareholders in light of the growing potential for stranded assets and decreasing profitability associated with capital expenditures on high cost, unconventional projects. It is being sponsored by [Arjuna Capital](#) and [As You Sow](#).

[Resolution 8](#) requests the Board adopt long-term, quantitative, company-wide targets for reducing greenhouse gas emissions in products and operations that take into consideration the global commitment (as embodied in the Copenhagen Accord) to limit warming to 2 degrees Celsius and issue a report by November 30, 2015, at reasonable cost and omitting proprietary information, on its plans to achieve these targets. It is being sponsored by the [Tri-State Coalition](#) and the [ICCR](#).

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**About the Local Authority Pension Fund Forum (LAPFF)**

Founded in 1991, LAPFF is a voluntary association of 64 public sector pension funds based in the UK with combined assets of approximately £165 billion. The Forum exists to "promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest."

PIRC is the Research and Engagement partner to the Forum. [www.lapfforum.org](http://www.lapfforum.org)