

Environmental Resolutions 2011 – 2012 interim

We aim to vote on all environmental resolutions in the UK, Europe and North America and, where practical, world-wide. For the 6 months to 30 September 2011 there were 73 environmental shareholder resolutions on which the EAPF has voted. This is a slight decrease (11%) on the same period last year. The decrease is mainly due to fewer proposals requesting sustainability reports, proposals that relate to greenhouse gas emissions and energy/fuel efficiency proposals.

We voted against management on 96% of resolutions (70% for the resolution & 24% abstain = 96% against management, leaving 4% with the management recommendation).

This period, resolutions relating to the Environmental Impact of Operations is at the top of the list of issues with 22%, Security Relating to Nuclear Power is next with 20%, Greenhouse Gas & Climate Change 14% and Sustainability reporting 12%. This period we have had no proposals relating to timber procurement, drilling/mining in sensitive areas or chemicals cost, manufacturing, products and disposal.

The EAPF support corporate efforts to tackle environmental issues, particularly climate change and therefore do not support environmental resolutions which: it believes are being proposed in "bad faith" (e.g. with the aim of undermining the environmental or corporate responsibility actions taken by organisations); are proposed by organisations, entities or individual who are clearly seeking to undermine good corporate environmental governance or which seek to get companies to justify basic environmental science (e.g. reports challenging the validity of climate change). With regard to this we have not supported the resolutions proposed by Free Enterprise Action Fund, National League & Policy Centre and or vexatious individual shareholders.

Environmental Resolutions 2011 – 2012 interim

Date	Company	Resolution	Called By	EA Vote	Reason
04-Apr	AP Moller Maersk	Installation of new energy sources on company HQ building	Jimmy Flindt	Abstain	We abstained, as although we support the investment in renewable energy, its specific use on the company HQ is a management decision. We have supported the more material shareholder resolution to investigate use of renewable energies as part of their operations.
04-Apr	AP Moller Maersk	Have the company HQ EMAS registered	Jimmy Flindt	Abstain	The Company has undertaken a significant number of steps to reduce their environmental impact. We abstained but have instigated an engagement with the company with respect to the EMAS registration and reserve the right to vote in favour of a similar resolution in the future following engagement with the company.
04-Apr	AP Moller Maersk	Allocation of funds for investigation of renewable energies	Jimmy Flindt	For	The use of renewable energy sources in powering its fleet could present significant financial and environmental benefits.
13-Apr	Lennar Corp	Reporting and reducing greenhouse gas emissions	Nathan Cummings Foundation & Central Laborer Pension Fund	For	Establishing quantitative GHG emissions reductions goals may help the company focus its strategic initiatives to meet the challenges ahead while providing shareholders with the means to evaluate the company's performance.
20-Apr	CR Bard	Sustainability report	Walden Asset Management	For	Although climate change disclosure is one of the most financially significant environmental issues facing investors, the company does not report in any detail on its sustainability efforts and does not outline GHG data or reduction plans. The company stands to benefit from understanding the risks and opportunities of various sustainability issues.
20-Apr	Woodside Petroleum	Carbon price assumption report	Climate Advocacy Shareholder Group	Abstain	The company discloses information regarding its GHG emissions and position on future price of carbon' but not the specific information on the future price assumptions requested, which it believes to be commercially sensitive. We support the Australian Government's plan to introduce a carbon price mechanism and that may well facilitate future disclosures.

Environmental Resolutions 2011 – 2012 interim

21-Apr	Ameren Corp	Report on coal combustion waste	Undisclosed Shareholder	For	The production of the proposed report may boost shareholder confidence by demonstrating that the company is responding seriously to coal combustion waste concerns, particularly as one of its facilities has been identified as high hazard by EPA. Also the production of this report could illustrate how the company's approach to the issue safeguards shareholder value.
21-Apr	PPG Industries	Environmental accountability report	Trillium Asset Management	For	Companies have a responsibility to be accountable for their environmental impact, as they require resources that local communities provide, but these communities bear the brunt of corporate activities. The requested report would do much to assure shareholders and other stakeholders that the company takes its ESG responsibilities seriously
26-Apr	Sun Trust Banks Inc	Sustainability report	Unitarian Universalist Association of Congregations	For	There is substantial room for improvement regarding environmental and social issues disclosure at the company. Current and pending climate related public policies present important new business risks and opportunities. The company has not issued a sustainability report or made a plan to reduce direct or indirect GHG emissions
27-Apr	General Electric Company	Report on financial risks of climate change	National Centre for Public Policy Research	Against	It appears this proposal is from a group opposed to any action on climate change and appears to disagree with the numerous scientific assessments of climate change. The company is actively considering and reasonably disclosing the risks related to climate change in the context of a dynamic political climate and with the aim of increasing value for its shareholders.
27-Apr	El du Pont de Nemours & Co	Genetically engineered organisms	Sisters of charity of St Elizabeth & others	For	There are certain safety concerns over the use GE ingredients including studies that suggest that current regulations are not sufficient and that additional testing and assessment are required
27-Apr	Marathon Oil	Safety report	American Federation of Labor & Congress of Industrial Organisations Reserve Fund	For	A report on the steps that the company has taken to reduce the risk of accidents will provide transparency and increase investor confidence.
28-Apr	Valero Energy Corp	Safety report	AFL-CIO Reserve Fund	For	A report on the steps that the company has taken to reduce the risk of accidents will provide transparency and increase investor confidence.
30-Apr	Berkshire Hathaway	Reporting and reducing greenhouse gas emissions	Emily S Coward	For	The company has provided an insight into its evaluation of future energy demand and its policies and initiatives to address climate change, however the policies do not appear to establish goals

Environmental Resolutions 2011 – 2012 interim

					and/or metrics related to the reduction of GHG emissions.
30-Apr	Aviva	Receive and consider Corporate Responsibility Report	AVIVA Management	For	Aviva's responsible investment team is very active, particularly in its listed equities. As part of this commitment Aviva have been campaigning for greater transparency on "SRI" by companies. In order to practice what it preaches, it was the first UK listed company to put its Corporate Responsibility report to the vote.
05-May	Duke Energy Corp	Report on coal risk	Undisclosed Shareholder	For	Company's continued reliance on coal is problematic in the face of declining reserves of high quality coal, price increases and coal price volatility along with the high cost of carbon capture and storage for coal plants.
05-May	Great-West Lifeco Inc	Report on climate change	Northwest & Ethical Investments	For	While the company states that it is monitoring climate change, further disclosure is necessary to assure shareholders that they understand climate change and its impact on the insurance business, Increasing climate change disclosure by participating in the Carbon Disclosure Project is a first step in assuring shareholders that the company is addressing climate change risks and opportunities.
06-May	Goldman Sachs Group	Report on Climate Change Risk	National Centre for Public Policy Research	Against	The company is actively considering and reasonably disclosing the risks related to climate change in the context of a dynamic political climate and with the aim of increasing value for its shareholders. The proponent is questioning the impact of climate change.
11-May	Conoco Phillips	Safety report	Undisclosed Shareholder	For	A report on the steps that the company has taken to reduce the risk of accidents will provide transparency and increase investor confidence.
11-May	Conoco Phillips	Louisiana Wetlands report	Undisclosed Shareholder	For	Oil & gas related activities have had a major impact on Louisiana's coastal environment and are responsible for 40-60% of documented wetland loss. The company represents itself as a socially and environmentally responsible company and has an obligation to prevent future damage.
11-May	Conoco Phillips	Reporting and reducing greenhouse gas emissions	Undisclosed Shareholder	For	The company has provided an insight into its evaluation of future energy demand and its policies and initiatives to address climate change, however the policies do not appear to establish goals and/or metrics related to the reduction of GHG emissions.
12-May	Dominion Resources Inc	Mountain top removal coal mining	Undisclosed Shareholder	For	the company purchases a large fraction of the coal used in its energy related operations from companies that practice mountain top removal coal mining, a highly controversial practice that has adverse impacts on communities, the environment and public health. The forests that are destroyed by this method of mining

Environmental Resolutions 2011 – 2012 interim

					contributes extensively to increased greenhouse gas emissions.
12-May	Dominion Resources Inc	Establishment of 20% renewable energy goal.	Undisclosed Shareholder	For	It will benefit the company to be leading wind and renewable development when a federal renewable generation minimum or carbon cap legislation is introduced and by shifting to electricity generation that is free of the environmental, health and financial handicaps of coal, the company will position itself for future financial success.
12-May	Dominion Resources Inc	Report on coal risk	Undisclosed Shareholder	For	Company's continued reliance on coal is problematic in the face of declining reserves of high quality coal, price increases and coal price volatility along with the high cost of carbon capture and storage for coal plants.
12-May	Dominion Resources Inc	Nuclear power plant construction.	Undisclosed Shareholder	For	We believe that it is prudent for companies involved in the nuclear power industry to evaluate their exposure to regulatory, legal and reputational risk resulting from the production of nuclear energy. Many new reactor projects have suffered construction delays and price overruns that would impact the economics of the project and the company.
12-May	Gentex Corp	Sustainability report	Walden Asset Management	For	Although climate change disclosure is one of the most financially significant environmental issues facing investors, the company does not report in any detail on its sustainability efforts and does not outline GHG data or reduction plans. The company stands to benefit from understanding the risks and opportunities of various sustainability issues.
13-May	Sempra Energy	Linking executive pay to sustainability	Hermes EOS & an Undisclosed Shareholder	For	The long term interests of shareholders are best served by companies that operate their businesses in a sustainable manner that is focused on long term value creation. The best means of demonstrating the company's commitment to the concept of sustainability is through incorporating it as a performance measure in the company's annual and/or long term incentive plans.
17-May	FirstEnergy Corp	Report on coal combustion waste	Green Century Capital Management & Camilla Madden Charitable Trust	For	The production of the proposed report may boost shareholder confidence by demonstrating that the company is responding seriously to coal combustion waste concerns, particularly as one of its facilities has been identified as high hazard by EPA. Also the production of this report could illustrate how the company's approach to the issue safeguards shareholder value.
17-May	FirstEnergy Corp	Report on coal risk	Undisclosed Shareholder	For	Company's continued reliance on coal is problematic in the face of declining reserves of high quality coal, price increases and coal price volatility along with the high cost of carbon capture and

Environmental Resolutions 2011 – 2012 interim

					storage for coal plants.
17-May	Boston Properties Inc	Sustainability report	Office of the Comptroller of New York City	For	Disclosure of comprehensive environmental and social sustainability related policies initiatives, metrics, and goals in addition to the information the company currently discloses would allow management and shareholders to better assess the companies performance. There are also potential benefits that could be derived from increased reporting on a broader array of environmental and social issues.
19-May	McDonalds Corp	Proposal regarding beverage containers	Ruth Valere Adar	For	The company does not provide a comprehensive container recycling strategy, including recycled content and container recovery goals, or relative environmental impacts of different types of beverage containers. Leadership in this area would protect the company's brand and enhance its reputation.
19-May	R.R.Donnellely & sons	Report on sustainable procurement	Domini Social Investments	For	The company has not established any baseline standards in making purchasing decisions and therefore may be purchasing paper from unsustainably harvested forests. The company could protect its reputation by developing and implementing a sustainable paper purchasing policy and reporting on its progress.
19-May	Alpha Natural Resources	Pollution Report	Unitarian Universalist Association of Congregations	For	As coal fired plants lose their competitive advantage to more stringent regulations many will be forced into the red and early retirement while others will be encouraged to switch to more emission efficient natural gas.
19-May	Statoil	Withdrawal from tar sands activities in Canada	Undisclosed Shareholder	For	Disclosure could be beneficial for the company by demonstrating the company's active commitment to mitigate financial, reputational, environmental and regulatory risk relating to its current and future oil sands operations.
25-May	Exxon Mobil Corp	Human right to water	NorthStar Asset Management	For	Global corporations operating without strong human rights and environmental policies face serious risks to their reputation and share value if they are seen to be responsible for or complicit in human rights violations, specifically the violation or erosion of the human right to water. Commercial advantages may accrue to the company by adopting a comprehensive human right to water policy.
25-May	Exxon Mobil Corp	Report on oil sands operations	Green Century Capital Management	For	Disclosure could be beneficial for the company by demonstrating the company's active commitment to mitigate financial, reputational, environmental and regulatory risk relating to its current and future oil sands operations.

Environmental Resolutions 2011 – 2012 interim

25-May	Exxon Mobil Corp	Report on hydraulic fracturing	Park Foundation	For	An industry study estimates that 60 - 80% of natural gas wells drilled in the next decade will require hydraulic fracturing, there is virtually no public disclosure of chemicals used at fracturing locations. Operations can have significant impacts on surrounding communities including the potential for increased toxic spills from waste water ponds. Emerging technologies to track "chemical signatures" from drilling activities increase the potential for reputational damage and vulnerability to litigation
25-May	Exxon Mobil Corp	Report on technology and products to become environmentally sustainable	Province of St Joseph of the Capuchin Order	For	The company should look for opportunities where its expertise could help make new energy technologies viable on a large scale, we therefore agree with the production of this report.
25-May	Exxon Mobil Corp	Greenhouse gas emissions goals	Sisters of St Dominic of Caldwell New Jersey	For	The company has not explained to shareholders why setting carbon reduction goals for its products and operations would be negative for the company, given that it does set specific targets for both financial and non-financial performance.
25-May	Chevron Corp	Environmental expertise on the board		For	A company's inability to demonstrate that its environmental policies and practices are in line with accepted standards can lead to difficulties in raising new capital and obtaining the necessary licenses from regulators. Appointing a director who is an environmental expert would strengthen the company's ability to demonstrate the seriousness with which it is addressing environmental issues.
25-May	Chevron Corp	Linking executive pay to sustainability	Undisclosed Shareholder	For	The long term interests of shareholders are best served by companies that operate their businesses in a sustainable manner that is focused on long term value creation. The best means of demonstrating the company's commitment to the concept of sustainability is through incorporating it as a performance measure in the company's annual and/or long term incentive plans.
25-May	Chevron Corp	Financial risks of climate change	Undisclosed Shareholder	For	Climate change will have a profound negative effect on global economies and will confront business leaders with many challenges. It is important for the company to carefully study the impacts, risks and opportunities posed by climate change to enable management to respond effectively to protect shareholder value.
25-May	Chevron Corp	Report on hydraulic fracturing	The Sisters of St Francis	For	An industry study estimates that 60 - 80% of natural gas wells drilled in the next decade will require hydraulic fracturing, there is virtually no public disclosure of chemicals used at fracturing locations. Operations can have significant impacts on surrounding

Environmental Resolutions 2011 – 2012 interim

					communities including the potential for increased toxic spills from waste water ponds. Emerging technologies to track "chemical signatures" from drilling activities increase the potential for reputational damage and vulnerability to litigation.
25-May	Chevron Corp	Report on offshore drilling	Undisclosed Shareholder	For	Offshore oil wells are an important source of oil that require exceptional drilling technologies. Litigation, reclamation and restitution expenses following an out of control offshore oil well can be unpredictable and detrimental to a company's stock value.
25-May	Southern Company	Report on coal combustion waste	Green Century Capital Management	For	The increased likelihood of future regulation of coal combustion waste (CCW) and increased attention with its potential for damage to the Company's reputation could impact on shareholder value. Increased disclosure regarding how the company's efforts to reduce hazards associated with CCW will benefit shareholders and reduce risks to the company's finances and operations.
25-May	Ultra Petroleum	Report on hydraulic fracturing	As You Sow Foundation	For	An industry study estimates that 60 - 80% of natural gas wells drilled in the next decade will require hydraulic fracturing, there is virtually no public disclosure of chemicals used at fracturing locations. Operations can have significant impacts on surrounding communities including the potential for increased toxic spills from waste water ponds. Emerging technologies to track "chemical signatures" from drilling activities increase the potential for reputational damage and vulnerability to litigation.
02-Jun	Google Inc	Formation of sustainability committee	Harrington Investments	For	Companies should actively evaluate risks to shareholder value stemming from environmental impacts and firm activities along entire supply chains. The formation of the stated committee would help to assess the above risks.
03-Jun	Wal-Mart Stores	Supplier sustainability reports	Undisclosed Shareholder	For	An annual sustainability reporting requirement of its suppliers would strengthen the company's ability to assess their performance, to hold the suppliers accountable, help drive performance improvements and enable investors to better understand and assess potential reputational and/or operational risk.
03-Jun	Wal-Mart Stores	Climate change risk report	Undisclosed Shareholder	Against	It appears this proposal is from a group opposed to any action on climate change and appears to disagree with the numerous scientific assessments of climate change. The proponent is essentially calling for the company to cease addressing sustainability.
07-Jun	Amazon.com	Report on climate change	Calvert Asset	For	There is substantial room for improvement regarding

Environmental Resolutions 2011 – 2012 interim

			Management		
08-Jun	Target Corporation	Report on electronic waste	As You Sow, Peter Klasky	For	environmental and social issues disclosure at the company. The company's corporate responsibility report of 2008 states that it takes responsibility for its social, environmental and economic impact, yet it lacks a policy to ensure safe disposal of its products and does not disclose substantive information about the disposition of the electronics it collects.
14-Jun	MGM Resorts International	Sustainability report	Office of the Comptroller of New York City	For	We believe that companies that are good environmental stewards and corporate citizens are more likely to generate stronger financial returns and better respond to emerging issues and enjoy long-term business success.
28-Jun	Chubu Electric Power	Proposal regarding elimination of nuclear power	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to suspend the operation of all its nuclear reactors. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal is not in the interests of the shareholders.
28-Jun	Chubu Electric Power	Proposal regarding decommissioning of nuclear power plants	Undisclosed Shareholder	Abstain	We do not believe it is in the shareholder best interests to insert such a provision into the utility's articles.
28-Jun	Chubu Electric Power	Prohibiting of new nuclear power plant construction	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a prohibiting of new nuclear power plant construction. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal is not in the interests of the shareholders.
28-Jun	Chubu Electric Power	Disposing of spent nuclear material.	Undisclosed Shareholder	Abstain	We do not believe it is in the shareholder best interests to insert such a provision into the utility's articles
28-Jun	Tokyo Electric Power	Withdrawal from nuclear power generation.	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company withdraw from nuclear power generation. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal is not in the interests of the shareholders.
28-Jun	Kyushu Electric Power	Deactivation and decommissioning of nuclear power plants	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to review deactivation and decommissioning of nuclear power plants. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal is not in the interests of the shareholders.
28-Jun	Kyushu Electric Power	Launch of natural energies division	Undisclosed Shareholder	For	We believe that a move to more alternative energy sources would benefit both shareholders and the environment.

Environmental Resolutions 2011 – 2012 interim

28-Jun	Kyushu Electric Power	Formation of natural disasters and nuclear plants committee	Undisclosed Shareholder	Abstain	The proponent has not demonstrated the lack of oversight with the current structure.
28-Jun	Kyushu Electric Power	Freezing plutonium thermal power operation.	Undisclosed Shareholder	Abstain	We do not believe it is in the shareholder best interests to insert such a provision into the utility's articles.
29-Jun	Chugoku Electric Power	Suspension and monitoring of nuclear power plants	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to suspend the operation of all its nuclear reactors. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal are overly restrictive.
29-Jun	Chugoku Electric Power	Suspension of all planned nuclear power plants	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to suspend the operation of all its nuclear reactors. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal are overly restrictive.
29-Jun	Tohoku Electric Power	Proposal regarding decommissioning of nuclear power plants	Undisclosed Shareholder	Abstain	The company faces a variety of risks due to its nuclear operations as a result of the March 2011 earthquake and tsunami. We do not however believe that the most effective way to deal with the issues is in the adoption of a shareholder proposal to close all the company's nuclear power plants.
29-Jun	Tohoku Electric Power	Cessation of investment in nuclear recycling	Undisclosed Shareholder	Abstain	The company faces a variety of risks due to its nuclear operations as a result of the March 2011 earthquake and tsunami. The regulatory environment is likely to determine the future investments in nuclear generation and inserting clauses in the company's articles of incorporation are not desirable at the present time.
29-Jun	Kansai Electric Power	Adoption of International standards of corporate social responsibility	Undisclosed Shareholder	For	We believe that the adoption of international standards of corporate responsibility will be of benefit to both the environment and the shareholders.
29-Jun	Kansai Electric Power	Proposal regarding environmental responsibility	Undisclosed Shareholder	For	We believe that the company could be more aware of environmentally risks and opportunities and this would benefit both shareholders and the environment.
29-Jun	Kansai Electric Power	Proposal regarding ban of nuclear power	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to suspend the operation of all its nuclear reactors. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal are overly restrictive.

Environmental Resolutions 2011 – 2012 interim

29-Jun	Kansai Electric Power	Investment in renewable energy.	Undisclosed Shareholder	For	The company could develop an efficient and environmentally friendly energy distribution network that does not rely upon a single power plant's ability to service a large area.
29-Jun	Kansai Electric Power	Control of radiation output	Undisclosed Shareholder	Abstain	We do not believe it is in the shareholder best interests to insert such a provision into the utility's articles.
29-Jun	Kansai Electric Power	Ban of chemical reprocessing	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to ban chemical reprocessing. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal are overly restrictive.
29-Jun	Kansai Electric Power	Suspension of pluthermal operations.	Undisclosed Shareholder	Abstain	It is noted that the proponent has proposed a resolution that asks the company to suspend of pluthermal operations. We recognise the high risk exposure resulting from operating in the nuclear industry, we believe the terms of this proposal are overly restrictive.
17-Aug	JM Smucker Co	Coffee sustainability report	Trillium AM & Calvert AM	For	Coffee grows only in specific conditions and is highly sensitive to changes in temperature and rainfall patterns. The company identifies climate change as a risk factor, yet it does not provide any discussion of ways the company will mitigate these risks.

