

# [***Chevron’s investors call for improved methane disclosures in a near-unanimous vote***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:65JG-RV61-F0YC-N1G1-00000-00&context=1516831)

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**Body**

Boston: Ceres, Inc. (CERE) has issued the following press release:

An overwhelming 98% of Chevron investors today voted in favor of a shareholder proposal from Mercy Investment Services calling on the oil and gas major to issue an analysis on the reliability of its methane disclosures. Chevron had recommended shareholders vote in favor of the resolution, unprecedented as a statement of support for a climate resolution from an oil and gas company. The important vote was also flagged by Climate Action 100+, the world ’ s largest investor initiative on climate change.

“Today ’ s vote on methane disclosures is a crystal-clear statement on the benefits of aggressive action to measure and reduce methane ***emissions***, for the climate, as well as companies ’ and investors ’ bottom lines,” said Andrew Logan, senior director of oil and gas at Ceres. “We commend Chevron for supporting this proposal but also know that this is only a first step. Even more criticalwill be how Chevron follows through on the proposal ’ s request that the company significantly improve its approach to methane measurement, given that science suggests that the industry ’ s current approach underestimates methane ***emissions*** by 60% or more. ”

A key next step will be for the company to join the Oil and Gas Methane Partnership 2.0. In its proxy, Chevron publicly announced an intent to improve its methane detection and direct measurement capabilities. Today, investors signaled their near-unanimous readiness to hold Chevron accountable to those commitments, which have the power to propel critical change throughout the oil and gas industry. ”

'Companies that work to reduce their methane ***emissions*** will benefit their reputation and license to operate, as investors, regulators and civil society are setting expectations to address this issue,' said Mary Minette, director of shareholder advocacy for Mercy Investment Services, in a statement.'We urge the company to continue to look for new partners in the work to measure and reduce methane ***emissions***, such as the Oil and Gas Methane Partnership.'

Methane is more than 80 times more potent than carbon dioxide as a greenhouse gas over the first two decades after it is released, meaning urgently reducing ***emissions*** is essential to efforts to limit the worst impacts of the climate crisis, as highlighted in a recent report from the Intergovernmental Panel on Climate Change. Ceres research shows that oil and gas companies ’ operational practices result in large differences in the quantity of methane emitted per unit of production, even among similarly sized operations, highlighting the importance of improved measurements and rapid action.

“It was, however, disappointing to see that Chevron failed to publicly acknowledge the importance of other climate proposals on the ballot this year,” Logan added. “Chevron dismissed the International Energy Agency ’ s Net Zero by 2050 pathway as hypothetical, yet failed to offer an alternate vision, leaving investors to question the authenticity of the company ’ s own stated ‘net zero ’ aspiration. ”

A shareholder proposal at ExxonMobil also earned majority support, with 52% of votes cast ahead of the company ’ s annual meeting falling in favor of a resolution from Christian Brothers Investment Services, Inc. calling for detailed reports on how applying the assumptions of the International Energy Agency Net Zero by 2050 pathway would impact their financial statements and positions.

The proposal was refiled following an impressive debut last year and passed despite ExxonMobil ’ s assertion that it had disclosed the information requested by the 2021 proposal. In reality, ExxonMobil failed to disclose the prices it used to value assets and assess impairments, as well as how its assets and liabilities might be impacted in a net zero transition — both of which the resolution explicitly called for. A similar proposal today at Chevron, filed by As You Sow, received 39% of the vote. Both were also flagged by Climate Action 100+.

“Climate risks are also very significant financial risks — that ’ s no secret among investors,” said Tracey Cameron, director of corporate climate engagement at Ceres. “While many companies disclose climate impacts in certain places, those disclosures are too often absent, inadequate, or inconsistent in financial statements, fundamentally compromising investors ’ ability to effectively manage and allocate their assets. Despite their claims to the contrary, neither Chevron nor Exxon have delivered on these shareholder requests, and Exxon ’ s investors today were clear — that ’ s not good enough. ”

“With the majority vote on the proposal from CBIS and our 23 co-filers, shareholders have made clear to Exxon ’ s board it can no longer delay serious consideration of the impact on its business of global efforts to address climate change,” said John W. Geissinger, Chief Investment Officer, Christian Brothers Investment Services.“The company must face the reality that nations worldwide are committing to reduce carbon ***emissions*** to net zero by 2050, and quantify for investors the potential effects in its financial statements. This is the second year in a row that shareholders have spoken, after the proposal received a 49% vote in 2021. ”

Also on the ballot at both companies was a resolution from Follow This, flagged by Climate Action 100+, calling on the companies to publish medium- and long-term greenhouse gas ***emissions*** reduction targets across Scopes s1, 2, and 3 that are in line with the goals of the Paris Climate Agreement, to prevent the most devastating impacts of climate change. The proposal had a strong showing, receiving 33% of votes cast ahead of the meeting at Chevron and 28.1% at Exxon.

The annual general meetings come in the wake of a historic 2021 season, in which shareholders ousted three ExxonMobil directors in favor of candidates with climate and clean energy experience.

“Time will tell how the new board continues to respond,” Logan added. “But one thing is for certain — whoever is sitting on the board, investors are showing again and again that the old model of an oil and gas company is not going to work anymore. ”

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