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SHAREHOLDERS CALL ON OIL AND GAS COMPANIES TO CURB METHANE LEAKS, AND COMPANIES RESPOND

High shareholder votes and corporate agreements to set reduction targets signal that large energy producers acknowledge the climate dangers posed by methane leaks in oil and gas production.

NEW YORK, NY, MONDAY, JUNE 11TH, 2018 – Members of the Interfaith Center on Corporate Responsibility and shareholders in large national energy producers are encouraged by the results of a targeted campaign this proxy season to curb dangerous methane emissions that occur during oil and gas production.

A series of successfully negotiated withdrawals and strong shareholder votes this proxy season signal that methane emissions management is a topic of increasing concern to investors and energy companies.

Given that methane is one of the most intense greenhouse gases (GHG) – 84 times more powerful than CO2 in a 20-year period and responsible for one-quarter of today's global warming – the International Energy Agency has identified minimizing methane emissions from upstream oil and gas production as one of four key global greenhouse gas mitigation opportunities to keep the world below a 2° Celsius temperature increase.

According to the Environmental Protection Agency (EPA), the oil and gas sector in the U.S. is the largest industrial source of methane emissions, contributing to 31% of total U.S. methane emissions.

Miller/Howard Investments was able to withdraw its resolutions at Anadarko Petroleum, Devon Energy, EQT Corporation, and Energen Corporation as a result of commitments by all four companies to improve disclosures around methane mitigation measures. At Kinder Morgan, 38% of shareholders voted in favor of greater disclosure of methane management, underscoring the message that investors increasingly see this as a material issue, one which executives may find difficult to ignore.

"The extensive commitments made by so many energy companies this year are an encouraging sign that companies understand the real risks methane emissions and uncontrolled leaks represent to their businesses, the environment, and by extension, continued profitability," said Patricia Karr Seabrook of

Miller/Howard. ***"We asked companies to disclose what they are doing – beyond regulatory requirements – to monitor and minimize methane emissions, particularly leakage, from their operations. The responses overall have been very positive."***

At Range Resources a similar proposal garnered a majority (50.25%) of votes cast for or against the resolution; this high level of shareholder support indicates a yes vote from several large public funds.

Said ICCR Program Director for Climate Change Christina Herman, ***"The reduction of methane emissions is a relatively low-cost and quick way for an oil and gas company to reduce its overall GHG footprint. We hope these energy companies correctly see this as an opportunity to address a key climate risk, and investors look forward to working with them to enhance emissions disclosure and management systems."***

A similar vote at Chevron Corp. earned a vote of 45%, further testament to how climate and emissions management has become a core concern for the mainstream investment community. Just ahead of its annual meeting, Chevron, one of the top methane emitters in the world, signed on to voluntary Guiding Principles from the Climate and Clean Air Coalition to reduce methane emissions across its natural gas value chain.

Danielle Fugere of As You Sow which filed the Chevron resolution said, ***"We see this proxy season as an inflection point on methane: as more companies adopt ever more rigorous methane management policies in response to shareholder requests, we hope to see a meaningful downtick in methane emissions that moves us closer to the 2° C warming goal."***

One example of an immediate and meaningful response to shareholders' concerns is EQT's updating of its website to provide more details on its methane emissions and leak detection and report programs. EQT, now the largest natural gas producer in the U.S., also joined ONE Future, a voluntary industry initiative that has set a target of reducing methane emissions to no more than 1% across the value chain, from well-head to burner tip.

Investors see improved disclosure as a critical first step to assess and mitigate methane emissions. According to E&Y, 48% of institutional investors polled said enhanced reporting "needs to be a priority" to address climate-change risks. Further, low-cost solutions to methane emissions reduction including leak detection and repair technologies (LDAR) are readily available and the World Energy Outlook 2017 analysis finds immediate reduction potentials globally of 75%, with 40-50% of the reduction available at net-zero costs.

ICCR members say that earlier commitments on methane from peer oil and gas majors, including ExxonMobil, BP and Eni helped to spur action across the sector this proxy season.

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