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HYDRAULIC FRACTURING REPORT CARD: INDUSTRY SCORES "F" ON RISK DISCLOSURES TO INVESTORS

Shareholder analysis of 24 companies finds energy producers – with BP, Exxon Mobil and Occidental at the bottom -- failing to adequately report efforts to reduce environmental and community impacts.

BOSTON, MA – November 7, 2013 -- The oil & gas production industry is consistently failing to report measurable reductions of its impacts on communities and the environment from hydraulic fracturing operations, according to a scorecard report released today by As You Sow, Boston Common Asset Management, Green Century Capital Management (Green Century), and the Investor Environmental Health Network (IEHN).

Available online at disclosingthefacts.org, the report, *Disclosing the Facts: Transparency and Risk in Hydraulic Fracturing Operations*, benchmarks 24 companies engaged in hydraulic fracturing against investor needs for disclosure of operational impacts and mitigation efforts. (See full company list below)

While scores varied, no firm succeeded in disclosing information on even half of the selected 32 indicators related to management of toxic chemicals, water and waste, air emissions, community impacts, and governance. Even the highest scoring company, Encana Corporation (ECA) provided sufficient disclosure on just 14 of the 32 indicators. The lowest scoring companies were: BHP Billiton Ltd. (BHP) (2 of out 32 indicators); BP plc (BP) (2 out of 32 indicators); Exxon Mobil Corporation (XOM) (2 out of 32 indicators); Occidental Petroleum Corporation (OXY) (2 out of 32 indicators); Southwestern Energy Co. (SWN) (2 out of 32 indicators); and, in last place, QEP Resources, Inc. (QEP) (1 out of 32 indicators). (See full rankings below.)

The report notes that measurement and disclosure of best management practices and impacts is the primary means by which investors can assess how companies are managing the impacts of their hydraulic fracturing operations on communities and the environment.

"The results of this scorecard show that companies are failing to rigorously disclose the impacts of their hydraulic fracturing operations on communities and the environment", said Richard Liroff, executive director of IEHN. "Data on key metrics remain largely absent, making it difficult for investors and the public to assess and compare companies' performance."

"Leaks, spills, and explosions continue to make headlines and demonstrate the risks of hydraulic fracturing," noted Lucia von Reusner, shareholder advocate for Green Century Capital Management. "Unfortunately companies are failing to provide enough evidence to assure shareholders and the public regarding steps being taken to protect communities and the environment from the adverse impacts of hydraulic fracturing."

Institutional investors have been pressing oil and gas companies since 2009 for greater disclosure of their risk management practices. Investors have engaged over two dozen companies, filing nearly 40 shareholder proposals on these issues to date. The shareholder proposals have led to improved disclosures at many of the companies, but the scorecard report notes that much of this disclosure is narrative and qualitative in form, while quantifiable data are lacking.

"The oil and gas industry's hydraulic fracturing operations are under intense scrutiny for potential harm to neighboring communities and the environment -- from air and water pollution to increased noise, traffic, and crime," said Danielle Fugere, president of As You Sow. "If companies are not tracking these potential problems, it is difficult to demonstrate to investors, regulators, or the public that the problems are being avoided or resolved."

Of the 32 indicators against which companies were scored, companies performed best on questions regarding disclosures on broader qualitative policies but worst on those questions about quantitative goals and progress metrics. The authors point to reports urging greater quantitative disclosure from authoritative voices such as the International Energy Agency and the Natural Gas Subcommittee of the U.S. Secretary of Energy's Advisory Board as evidence of the need for more rigorous reporting.

"We believe there is a great deal of good work being done in the industry to improve environmental performance of hydraulic fracturing operations and also lower their costs," said Steven Heim, a managing director of Boston Common Asset Management. "Absent disclosure however, investors have no way of knowing and crediting those companies making meaningful efforts to adopt best practices and mitigate their impacts on communities and the environment."

The industry most commonly reported on three metrics: whether executive compensation is linked to health, environment, and safety performance (71 percent); use of pipelines to transport water in lieu of diesel trucks to lower air emissions (62 percent); and company policies on use of non-potable water for hydraulic fracturing (46 percent). The report notes that companies are least transparent on their process for systematically identifying and addressing operational impacts on local communities, even though unaddressed community concerns are among the leading drivers of bans and moratoria.

COMPANY	**SCORE (OUT OF POSSIBLE 32 POINTS)**
• Encana Corp. (ECA)	14
• Apache Corp. (APA)	10
• Ultra Petroleum Corp. (UPL)*	10
• Hess Corp. (HES)	8
• Noble Energy, Inc. (NBL)	7
• Royal Dutch Shell plc (RDS)	7
• EOG Resources, Inc. (EOG)	6
• Cabot Oil & Gas Corp. (COG)	5
• Chesapeake Energy Corp. (CHK)	5
• ConocoPhillips Corp. (COP)	5
• CONSOL Energy, Inc. (CNX)	5
• EQT Corp. (EQT)	5
• Anadarko Petroleum Corp. (APC)	4
• Devon Energy Corp. (DVN)	4
• Chevron Corp. (CVX)	3
• Range Resources Corp. (RRC)	3
• Talisman Energy, Inc. (TLM)	3
• WPX Energy, Inc. (WPX)	3
• BHP Billiton Ltd. (BHP)	2
• BP plc (BP)	2
• Exxon Mobil Corp. (XOM)	2
• Occidental Petroleum Corp. (OXY)	2
• Southwestern Energy Co. (SWN)	2
• QEP Resources, Inc. (QEP)	1

*"Many of the questions in the scorecard seek play-by-play disclosure. Ultra Petroleum reports that it has active completion operations in only one play in 2012 and 2013"

The report also highlights noteworthy practices disclosed by 13 companies. These include: Apache Corp.'s review of its chemical use with the goal of relying solely on safer alternatives designated under US EPA's "Design for the

Environment" Program; Anadarko Petroleum Corp.'s use of "green completions" at wells to reduce methane emissions by 2 billion cubic feet annually; Encana's use of treated industrial effluent for fracturing in the Haynesville Shale; and Devon Energy Corp.'s replacing 700 "high-bleed" valves with valves reducing methane emissions by about 50 metric tons of CO_2 equivalent per valve. Devon plans to replace 3,000 additional valves, recouping the cost of each within two months.

ABOUT THE GROUPS

Founded in 1992, **As You Sow** promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. Its efforts create large-scale systemic change by establishing sustainable and equitable corporate practices.

Boston Common Asset Management, LLC is an investment manager and a leader in global sustainability initiatives. It specializes in long-only equity and balanced strategies and pursues long-term capital appreciation by seeking to invest in diversified portfolios of high quality, socially responsible stocks. Through rigorous analysis of financial,& environmental, social, and governance (ESG) factors, it identifies what it believes are attractively valued companies for investment. As shareholders, Boston Common urges portfolio companies to improve transparency, accountability, and attention to ESG issues.

Green Century Capital Management is a financial advisory firm that manages a family of environmentally responsible mutual funds. Founded in 1991 by a network of non-profit organizations, the state Public Interest Research Groups (PIRGs), Green Century leads an effective shareholder advocacy program to convince companies to establish and implement environmental policies that protect our land, water and air.

The Investor Environmental Health Network (IEHN) is a collaborative partnership of investment managers and advisors concerned about the impact of corporate practices on environmental health.

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EDITOR'S NOTE: A streaming audio replay of this news event will be available at as of 5 p.m. EST on November 7, 2013 at **disclosingthefacts.org**.