Shareholders Vote for Greenhouse Gas Reductions at Midwest Utilities

Calling for Climate Action, Shareholders Ask FirstEnergy and Great Plains Energy to Address Coal Pollution by Setting Greenhouse Gas Reduction Targets

OAKLAND, CA – May 22, 2015 – Citing climate change impacts and financial risks of carbon-intense coal assets, shareholders representing billions of dollars of assets voted for carbon reduction targets at FirstEnergy and Great Plains Energy, showing strong support for a pair of shareholder proposals put forth by non-profit As You Sow and investment group Calvert Investments. The proposal at FirstEnergy received support from 19.4% of shares voted, representing $2.2 billion in investments. At Great Plains Energy, one in three shareholders (33.8%) voted for the proposal, representing $872 million in investments voting in favor of carbon reduction goals. In total, $3 billion in shareholder assets demanded climate action from the utilities.

Both FirstEnergy and Great Plains Energy use high levels of coal and release significant levels of carbon, the main pollutant behind climate change. FirstEnergy has the third largest coal fleet in the nation and the sixth largest level of carbon emissions of U.S. power producers. Great Plains Energy's power mix is 85% coal, and has the 20th greatest carbon emissions of U.S. power producers. Neither FirstEnergy nor Great Plains Energy have adopted targets or plans for reducing their carbon emissions, sparking investor concern about the risk this poses for each company's future profitability.

Amelia Timbers, As You Sow's Energy Program Manager, noted that, "Shareholders have spoken – it is time for utilities to proactively manage their carbon pollution and climate risk. The costs associated with operating carbon intense assets like coal plants are expected to increase as climate change worsens; at the same time, renewable energy prices have fallen dramatically and renewable energy has become a cost-effective alternative to coal power."

The shareholders resolutions cited studies demonstrating that when companies reduce carbon emissions, business performance is benefitted. "We are seeing that carbon pollution is a business risk for utilities, while low carbon energy drives value," Timbers added.

Shareholders have shown increasing support for resolutions calling for greenhouse gas reductions in recent years, illustrating escalating investor concern about companies' strategies for addressing climate change. These results indicate strong investor desire for corporate action on climate change, and a need for coal-heavy utilities to quickly shift investments to energy efficiency and renewable energy.

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As You Sow is a nonprofit organization that promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. For more information visit www.asyousow.org.