

## DESPITE PRESSURE, FOSSIL FUEL COMPANIES DISMISS STRANDED ASSET RISKS

Even after a warning from the UN, major fossil fuel companies remain confident that oil and coal businesses will not lose value as demand is projected to increase.

The executive secretary of the UN Framework Convention on Climate Change, Christiana Figueres, issued a [stern warning](#) to oil companies this week that they must consider stranded fossil fuel assets given the realities of global climate change.

However, several companies did not appear to heed her advice. Mining and petroleum company, BHP Billiton [reported this week](#) confidence in the outlook for its coal business, forecasting increases in demand. Similarly, Exxon Mobil said that [global climate policies](#) are "highly unlikely" to pressure the company to stop producing and selling fossil fuels in the near future, though it does not dispute that global warming is happening.

The fossil fuel company claimed that its oil and gas reserves will not lose value as the world adapts to rising temperatures.

However, given pressure from SRI investors, including the NYC Comptroller, [Exxon will disclose](#) more information on its hydraulic fracturing (fracking) risks. As a result, 17 investors will withdraw a proposal from the company's annual general meeting next month. [Read More](#)

Another major oil company, Chevron, also ignored investor pressure this week by dodging a [shareholder resolution](#), filed by As You Sow, on fossil fuel risk.

## WORLD HEALTH ORGANIZATION (WHO) REPORTS THAT 1 IN 8 GLOBAL DEATHS LINKED TO AIR POLLUTION

London has worst pollution day in years shortly after WHO releases report on severe consequences of indoor and outdoor air pollution.

The World Health Organization (WHO) [reported](#) this week that approximately seven million people died – one in eight of total global deaths – as a result of air pollution exposure in 2012.

Newly released data reveal a stronger link between indoor and outdoor air pollution exposure and cardiovascular diseases and different cancers. WHO estimates that outdoor pollution from urban and rural sources contributed to 3.7 million deaths in 2012 worldwide.

High levels of air pollution have gotten a lot of attention in China recently, but it appears that London is experiencing its own bout of poor air quality. [Pollution in Southeast England](#) hit the top of the ten point scale used to measure air quality.

Experts say that the increase in pollution is in part the result of strong winds over the Sahara which brought dust over Europe as well as human activities. This happened just a few weeks after Paris experienced [above average pollution](#).

## UPDATE: 700 SHAREHOLDER PROPOSALS FILED; OVER 50% CONCERN ENVIRONMENTAL AND SOCIAL ISSUES

Number of shareholder proposals filed in 2014 higher than previously estimated; political spending still biggest issue.

We reported three weeks ago in [Sustainable Insights Edition 33](#) that according to Proxy Preview 2014, the report compiled by As You Sow, 417 resolutions had already been filed and environmental, social and governance issues accounted for approximately 39% of the total. That number has since increased.

This week accounting firm Ernst & Young reported that [56% of shareholder proposals](#) addressed environmental and social issues, up 40% in the last two years.

Thomas DiNapoli, the New York comptroller who oversees the USD 160B NY State Common Retirement Fund, noted that "profitability that is at a sustainable and responsible level is very, very important to us." He filed 65 resolutions last year.

Both reports agree that disclosure regarding political spending and lobbying is still the most important issue, according to shareholders.

## ONCE CONSIDERED LAGGARDS, FACEBOOK AND APPLE NOW PRAISED FOR CLEAN ENERGY USE

Greenpeace commends energy efficiency and transparency measures by top internet service companies.

In a report issued by Greenpeace this week, Facebook and Apple [received their highest grades](#) yet across several sustainability measures. While Facebook received high marks for transparency and energy efficiency, Apple was praised directly by Gary Cook, Greenpeace's legislative director, for "making good on its commitment" to switch to fully renewable energy sources to meet their operating needs.

Greenpeace awarded each internet service company [a grade](#) A-F based on its performance in four areas: Efficiency, Transparency, Policy & Advocacy. The leaders included Facebook, Apple and Google, while Amazon Web Services and Digital Realty (parent company of LinkedIn) performed the worst.

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## POST FUKUSHIMA, JAPAN MAY TURN TO COAL AS MANY NUCLEAR PLANTS TOO EXPENSIVE TO RETROFIT

Japan looks to state-owned lenders to finance coal plants after relying on costly fossil fuel imports since 2011.

The Fukushima disaster of 2011 forced the closing of all of Japan's nuclear reactors. Recent reports note that as [few as one-third](#) of reactors will pass the safety checks mandated by the government. The reactors are very expensive to retrofit to meet these standards.

Japan's regional utilities [currently import](#) fossil fuels, such as coal and oil, resulting in trade deficits for the resource-poor nation.

In light of this, Japan is considering spending billions of dollars to increase its coal-fired power generation. The plan would increase the country's coal-fired power capacity to 47 gigawatts, up 21% from its capacity pre-Fukushima disaster.

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### \*Believe it or not\*

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