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For immediate release

## **Global investors support BP oil sands resolution**

*Pressure mounts on British investors*

With a week to go before BP's annual general meeting, a growing wave of support from global investors is emerging for a resolution - opposed by BP management - questioning the company's planned oil sands projects [1].

Top U.S. pension funds worth hundreds of billions of dollars, including CalPERS, CalSTRS, the New York State Common Retirement Fund, Connecticut Retirement Plans & Trust Funds (CRPTF), and the Vermont Pension Investment Committee have today declared that they are voting in favour of the BP oil sands resolution [2].

Australian investors including AMP Capital Investors' Responsible Leader Investment Funds, Christian Super, and Local Government Super are also supporting the BP resolution. Swedish investment manager Folksam will also be voting in favour.

"The environmental risks associated with oil sands development comes with long-term financial risk for the CalSTRS portfolio", said Jack Ehnes, CEO of the California State Teachers Retirement Fund (CalSTRS). "We support all resolutions requesting greater disclosure on oil sands-related risks and encourage institutional investors to vote YES in support of these proposals".

Proxy Governance, a US proxy voting agency, has also recommended that its clients support the BP resolution.

The shareholder resolution, coordinated by responsible investment charity FairPensions [3], asks BP to report on the financial, environmental and social risks associated with investments in the Canadian oil sands.

"While most British investors remain undecided or are choosing to stay silent about their voting intentions, international investors are leading the way in pressing BP for continued disclosures", said Duncan Exley, Director of Campaigns for FairPensions.

Although the filing of the resolution has prompted valuable dialogue between investors and the company, investors do not feel that adequate disclosures have yet been made by BP to satisfy their concerns.

Chief Executive: Catherine Howarth | Chair of Trustees: Jeremy Nicholls  
Trustees: Stuart Bell | Sam Clarke | David Davies | Stephen Hine | Jenine Langrish | Jennifer Morgan | Tim Valentine | Paul Watchman

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Investors and independent analysts have raised doubts about the high costs of extracting and converting oil sands, and the risks to future profitability presented by rising carbon emissions costs, uncertainty about future oil demand, and legal and reputational risks arising from environmental damage and impairment of indigenous community livelihoods. Resolution co-filers feel that the companies are risking financial damage in the long term by developing what some investors view to be unsustainable assets.

The resolutions are also backed by environmental and human rights NGOs who point to the extremely high levels of carbon emissions caused by extraction, huge quantities of toxic waste produced local air and water pollution, deforestation, and human rights concerns raised by front-line indigenous communities in Canada.

## Contact for media enquiries/interviews

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## Notes for Editors

### 1. About the resolution

The resolution was filed by individual and institutional investors from around the world including The Co-operative Asset Management, Boston Common Asset Management, the Ecumenical Council for Corporate Responsibility (ECCR), the UNISON Staff Pension Scheme, Rathbone Greenbank, and other fund managers, foundations and faith groups. The resolution asks the company to commission and review reports setting out the assumptions made by the company in deciding to proceed with oil sands projects regarding future carbon prices, oil price volatility, demand for oil, anticipated regulation of greenhouse gas emissions and legal and reputational risks arising from local environmental damage and impairment of traditional livelihoods. The resolution asks that the findings of the report and review should be reported to investors in 2011.

The shareholder resolution and supporting statement is available at:  
<http://www.fairpensions.org.uk/tarsands/resolutions>

### 2. About the US funds

Chief Executive: Catherine Howarth | Chair of Trustees: Jeremy Nicholls  
Trustees: Stuart Bell | Sam Clarke | David Davies | Stephen Hine | Jenine Langrish | Jennifer Morgan | Tim Valentine | Paul Watchman

CalPERS is the California Public Employees' Retirement System. CalPERS manages retirement benefits for more than 1.6 million California public employees and controls assets worth \$209 billion.

CalSTRS is the California State Teachers Retirement System, and controls assets worth \$140 billion.

The Vermont Pension Investment Committee is responsible for the investments of the Vermont State Teachers' Retirement System, the Vermont State Employees' Retirement System, and the Vermont Municipal Employees' Retirement System.

### 3. About FairPensions

FairPensions campaigns for pension funds and fund managers to adopt responsible investment practices, managing environmental, social and governance (ESG) issues which have the potential to be financially relevant.

FairPensions is supported by a number of leading charities and trade unions, including Amnesty, ActionAid, BECTU, CAFOD, Community, CWU, ECCR, EIRiS, GMB, Greenpeace, NUJ, Occupational Pensioners' Alliance, Oxfam, Traidcraft, Unison, Unite and WWF, as well as thousands of individuals.

[www.fairpensions.org.uk](http://www.fairpensions.org.uk)