

Contact: Peyton Fleming, Ceres (617-247-0700 x 20)
Leslie Lowe, ICCR
Sara Lang, North Carolina State Treasurer's office (919-508-5154)

For Immediate Release: February 13, 2007

TXU, CHUBB, WELLS FARGO AMONG 10 'CLIMATE WATCH' COMPANIES TARGETED BY INVESTORS

US Companies Face Record Number of Global Warming Resolutions

A group of leading US investors today announced the formation of a Climate Watch List, a list of 10 companies that have been identified as lagging behind their industry peers in their responses to climate change. As part of this effort, investors have filed shareholder resolutions with the 10 companies – and 26 other US businesses – aimed at improving their focus and attention to the business risks and opportunities from climate change.

The Climate Watch companies include influential electric power companies, oil producers, insurers, banks and retailers who are not adequately dealing with potential climate-related business impacts, whether from physical changes, emerging climate regulations, or growing global demand for climate-friendly technologies and services.

The resolutions are among a record 42 global warming resolutions filed with U.S. companies as part of the 2007 proxy season – more than double the number of climate-related resolutions filed just three years ago. The resolutions, seeking greater disclosure from companies on their responses and strategies to climate-related business trends, were filed by state and city pension funds and labor, foundation, religious and other institutional shareholders. The filers collectively manage more than \$200 billion in assets.

The Climate Watch companies include:

Banking & Financial: Wells Fargo
Electric Power: TXU and Dominion Resources
Coal: Massey Energy and Consol Energy
Insurance: Chubb and ACE
Oil & Gas: ExxonMobil and ConocoPhillips
Retail: Bed Bath and Beyond

"Many US companies are confronting the risks and opportunities from climate change, but others are putting their competitiveness and shareholder value at potential risk by not responding," said Mindy S. Lubber, president of Ceres, a leading coalition of investors and environmental groups that helped coordinate the shareholder filings.

Leslie Lowe quote

“Those companies that are ignoring the serious risks posed by climate change do so at their own peril,” said Richard Moore, North Carolina State Treasurer who manages more than \$70 billion in pension funds. “Acknowledging the business risks posed by climate change is just good business, and shareholders demand it.”

The Climate Watch companies:

Dominion Resources Inc.: Dominion has balked at shareholder requests the past three years to disclose its potential financial exposure from foreseeable climate regulations. This year's resolution, filed by the New York City Comptroller's Office, requests that Dominion prepare a climate risk report, just as a dozen other US power companies already have done. The VA-based company emitted – million tons of CO₂ from its power plants in 2004.

TXU Corp: TXU, which is proposing to build 11 coal-fired plants in Texas, has been targeted with three resolutions requesting reports on how the company is responding to growing regulatory pressure to reduce CO₂ emissions and how enhanced energy efficiency programs in Texas could impacts its ability to sell new power. The resolutions were filed by the: New York City Pension Funds, Connecticut State Treasurer's Office and Benedictine Sisters of Texas.

Chubb Group: Unlike AIG and other industry peers, insurance giant Chubb has refused various investor requests to disclose its strategies, policies and potential exposure from climate change. The resolution filed by the American Federation of State, County and Municipal Employees (AFSME) requests that Chubb's board of directors provide a report on these topics by July 2007.

ConocoPhillips: Unlike BP, Chevron and other major oil producers, ConocoPhillips has made no significant investments in wind, solar and other renewable energy technologies that will be in increasing demand in the years ahead. The resolution filed by the North Carolina State Treasurer and Trillium Asset Management requests that the board of directors prepare a report on how it is responding to rising competitive and regulatory pressure to significantly develop renewable energy sources.

Wells Fargo: Unlike Bank of America and JP Morgan which have set specific goals to reduce GHG emissions from their lending activities, Wells Fargo has been unresponsive to shareholder requests for comprehensive emission reduction goals relating to its business. The resolution filed by the Service Employees International Union requests that the CA-based company develop specific GHG reduction goals regarding its operations, lending activities and project financing.

Bed, Bath and Beyond: Unlike Lowe's, the Home Depot and other major retailers, Bed Bath and Beyond has been unresponsive to shareholder requests that it disclose its strategies and performance on energy efficiency and other climate related issues. Last year's resolution requesting a report on its energy efficiency efforts received more than 27 percent shareholder support. This year's resolution was filed by the Nathan Cummings Foundation and Trillium.

Massey Energy: Given that coal combustion accounts for about 35 percent of all GHG emissions in the US and given the growing regulatory momentum to reduce emissions from power plants, the New York City Pension Funds have filed a resolution with the VA-based company requesting a report on how the company is responding to growing regulatory and competitive pressure to significantly reduce GHG emissions. Massey is the nation's 4th largest coal producer.

Consol Energy: Given that coal combustion accounts for about 35 percent of all GHG emissions

in the US and given the growing regulatory momentum to reduce emissions from power plants, the New York City Pension Funds have filed a resolution with the PA-based company requesting a report on how the company is responding to growing regulatory and competitive pressure to significantly reduce GHG emissions. Consol is the nation's largest bituminous coal producer.

ExxonMobil: Investors are dissatisfied with the company's climate risk disclosure and general lack of response to climate issues. Unlike other major oil firms, which are making tangible investments in low-carbon technologies, ExxonMobil has been unresponsive to investor requests for strategies intended to meet growing demand for diversified energy sources. The five resolutions request that the board develop comprehensive GHG emission reduction goals and disclose its plans for responding to climate legislation. The resolutions were filed by the CT State Treasurer, the Tri-State Coalition for Responsible Investment and the Midwest Capuchin Order.

ACE Limited: Unlike AIG and other industry peers, insurer ACE Limited has refused various investor requests to disclose its strategies, policies and potential exposure from climate change. The resolution filed by the Calvert Group requests that ACE's board of directors provide a report describing the company's strategy and actions relative to climate change, including the effects that climate change may have on the company.

In addition to the Climate Watch companies, investors filed resolutions with the following other 26 businesses:

Auto: General Motors, Ford

Building Companies: Boston Properties, Centex, *D.R. Horton, Kroger, Pulte Homes, Toll Brothers

Retailers: *Costco, CVC, Whole Foods

Coal: Arch, Allegheny Energy, *Ameren

Electric Power: Sempra, Southern

Insurance: Hartford, Prudential

Oil & Gas: Anadarko, Chevron, EOG, Ultra Petroleum

S&P 500: *Bemis, *Teradyne, Starwood Hotels

*Resolution withdrawn after company agrees to comply with shareholder resolution request.