



Do Shareholder Proposals Affect Corporate Climate Change Reporting and Policies?

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Abstract: This study examines the effect of shareholder proxy proposals on climate change issues, using a sample of climate change resolutions submitted to U.S. corporations during 2007 to 2009. We test the hypothesis that shareholder climate-change proposals are effective in getting firms to engage in future actions. We examine differences in future actions based on company responses including: (1) SEC exclusion; (2) negotiation and withdrawal; and (3) proxy proposals voted on, and the percentage of vote received on proposal measures. We find evidence of future actions taken for climate change in response to resolutions, although actions can be relatively minor compared to proposal requests. Future actions occur more often for proposals with negotiated withdrawals. For proposals taken to vote, action occurs more often with a shareholder vote of 20 percent or higher. Extractive industry firms are also shown to be more reluctant to engage in climate change actions versus firms in non-extractive industries.

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