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State Treasurers Announce Votes Against Board Directors at Duke Energy for Climate Oversight Failures

SPRINGFIELD, IL; HARTFORD, CT; BURLINGTON, VT — Illinois State Treasurer Michael Frerichs, Connecticut State Treasurer Shawn Wooden, and Vermont State Treasurer Beth Pearce today voted against two directors at Duke Energy (NYSE:DUK) in advance of the company's upcoming annual general meeting on May 6, 2021. The treasurers voted against Duke Lead Independent Director Michael Browning, and Chair and CEO Lynn Good, for corporate governance failures related to climate change.

Vermont Treasurer Beth Pearce said, "CEO and Chair Lynn Good has failed to align Duke's decarbonization plans and policy influence with its net-zero commitment, and Lead Independent Director Michael Browning—after 31 years on the board of Duke and its predecessors—has failed to provide robust independent oversight of these risks. Duke's board must be held accountable—there is no time for delay."

"We will not support directors that fail to execute the board's oversight responsibilities," said **Illinois Treasurer Michael Frerichs**. "When companies fail to demonstrate an adequate response to systemic risks that may have a material impact on performance, including climate change, it is our fiduciary duty to hold directors accountable and advocate for better governance."

As the largest generator of electricity and second largest carbon dioxide emitter among U.S. power producers, Duke's failure to align capital expenditures with its stated goal of achieving net-zero carbon emissions by 2050 [creates significant systemic climate risks for investors](#). On the company level, Duke's failure to manage material ESG risks led to a \$1.6 billion write-down in 2020 associated with the Atlantic Coast Pipeline project, which was vigorously and successfully opposed by Black and Indigenous communities in its proposed pathway.

The Duke effort is part of the state treasurers' [Proxy Voting for 1.5°C World](#) initiative, which holds board directors accountable for failures to address systemic risks associated with climate change. Duke is chief among a list of systemically important companies in the energy generation, oil and gas, and banking sectors that have not set emissions targets aligned to limiting warming to 1.5°C or aligned business plans and policy influence to those targets.

Past investor efforts have shown the effectiveness of holding directors accountable. In 2020, a coalition spearheaded by Majority Action successfully led to the departure of

[Lee Raymond](#), the chief architect of ExxonMobil's climate denial strategy, from the helm of the JPMorgan Chase board of directors, the largest fossil fuel financier in the world.

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility.

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