

**Resolved:** Shareholders request that AGL Resources Inc. adopt quantitative company-wide goals for reducing GHG emissions from operations and products and report on its plans to achieve these goals by June 2015.

**Supporting Statement:** In 2013, the Intergovernmental Panel on Climate Change (IPCC), the world's leading scientific authority on climate change, released its fifth assessment report concluding that human-caused "warming of the climate system is unequivocal," with many of the impacts of warming already "unprecedented over decades to millennia."

PWC states that to mitigate climate change the G20 needs to reduce its carbon intensity 6 percent per year and the global economy needs to decarbonize 6 percent per dollar GDP.

In 2012, the US experienced 11 such events resulting in an estimated \$110 billion dollars in total damages and 377 fatalities. Drought in the U.S. Midwest in 2012 affected 80 percent of agricultural land, particularly corn and soybean production, costing approximately \$30 billion dollars.

Analysis by McKinsey & Co., Deloitte Consulting, and Point380 found that U.S. companies could reduce emissions 3 percent annually between now and 2020 and realize savings up to \$780 billion dollars.

Further analysis by Calvert, Ceres, WWF, and David Gardiner and Associates demonstrated that 53 Fortune 100 companies in 2012 alone reported that they are conservatively saving \$1.1 billion dollars annually by decreasing their GHG emissions.

In Climate Action and Profitability: CDP S&P 500 Climate Change Report 2014, industry leaders in the S&P 500 that are actively managing and planning for climate change report:

- 18 percent higher return-on-equity than peers and 67 percent higher return-on-equity than companies who do not disclose on climate change.
- 50 percent lower earnings volatility over past decade than low-ranking peers.
- 21 percent stronger dividend growth than low-ranking peers.

While over 500 businesses, including General Motors, Microsoft, and Nike signed the Climate Declaration that states, "Tackling climate change is one of America's greatest economic opportunities of the 21<sup>st</sup> century," AGL Resources Inc. is largely silent on emissions reductions.

The economic, business and societal impacts of climate change are of paramount importance to investors. 767 institutional investors with \$92 trillion dollars in assets under management have supported CDP's request to over 6,000 companies for disclosure of carbon emissions, reduction goals, and climate change strategies to address these risks.

We recommend AGL Resources Inc. take into consideration the IPCC analysis and identified emission reduction targets as it sets its own scientific-based goal. We also recommend that AGL Resources Inc. consider renewable energy procurement as a strategy to achieve its emission reduction goals.