

Moral Money

Your guide to better business and finance



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Welcome to Moral Money. Today we have:

- *Corporate climate concerns return to the fore*
- ***Companies' climate rhetoric does not match their political spending***
- *Consumers still willing to pay up for sustainable products*
- *Japanese banks burnt by US pipeline ruling*

US companies undermine Paris commitments with political spending

After the Trump administration withdrew from the Paris climate accords, hundreds of companies affirmed their commitment to the deal. But [a new report](#) shows that some of those same companies for years funded efforts to thwart clean energy regulations. Alphabet, ExxonMobil and Microsoft gave hundreds of thousands of dollars in 2014 to a group representing Republican attorneys-general [who then successfully stopped](#) the Obama administration's climate plan at the Supreme Court, said the Center for Political Accountability, which tracks corporate spending on politics. The report analysed corporate contributions to Democratic and Republican 527 organisations, which can raise unlimited funds.

“There is a real conflict between the companies’ rhetoric and the impact of their spending,” CPA’s president **Bruce Freed** said to Moral Money. “That is known as hypocrisy.”

Companies are not paying close attention to how 527 groups are spending corporate contributions, Mr Freed said. “They are not doing the due diligence and asking: how will our money be used?”

Microsoft acknowledged that no organisation it gives to fully shares its viewpoint, but said its donations to political organisations are not big enough to swing elections. Other companies did not respond to a request for comment about the report.

Altria, Comcast and other companies also gave millions of dollars to the Republican attorneys-general in 2018 — just before they launched a court fight to further dismantle Obamacare, according to the report.

Democratic 527 groups take corporate cash too, but less than their Republican counterparts. For example, manufacturer 3M [revealed](#) in a 2019 disclosure that it gave \$202,000 to Republican-aligned 527 groups and \$100,000 to Democratic ones.

One of the most successful shareholder advocacy campaigns during the 2020 proxy season was to force companies to disclose more information about their political spending. As more cash flows into ESG funds this year, pressure is growing on companies to detail their efforts to influence government action. (*Patrick Temple-West*)
