



FOR IMMEDIATE RELEASE
Friday, October 25th, 2024

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Leading Companies Commit to Following with CPA-Zicklin Model Code Governing Company Political Spending

A group of leading public companies today were the first in the nation to be designated Model Code Companies by the nonprofit Center for Political Accountability in partnership with the Zicklin Center for Governance and Business Ethics at the University of Pennsylvania's Wharton School.

Sempra and FirstEnergy are the first companies publicly committing to follow or exercise practices and adhere to principles consistent with the [CPA-Zicklin Model Code of Conduct for Political Spending](#), CPA and Zicklin Center announced.

The commitments by the companies open a new era for U.S. corporations exercising political spending sunlight and accountability policies and considering the broader impact of their political spending.

“As we arrive at the peak of an historic election year, these companies form a vanguard for inspiring wider action nationally and we applaud them,” said Bruce Freed, CPA president. “Today we predict that more leading corporations will commit to follow the practices and principles found in the Model Code and, in doing so, mitigate the risks associated with election-related spending.”

“Mindful of the limitations of model corporate ethics and conduct codes, CPA and the Zicklin Center took great care in codifying the most powerful and yet basic practices and principles found in the leading Trendsetter companies,” according to William S. Laufer, Co-Director of the Zicklin Center.

“These practices and principles, now finally in model code form, reflect a short list of shared norms of corporate transparency in political spending. Sempra and FirstEnergy’s embrace of the CPA-Zicklin Model Code is a testament to their integrity and commitment to leadership-driven transparency,” Laufer said. “If the CPA-Zicklin Model Code captures best practices today and, over time, inspires new transparency norms, gone are the days of committing precious corporate resources on managing and mitigating the many risks of opaque spending.”

“Sempra has an unwavering commitment to ethical behavior and responsible stakeholder engagement,” said Lisa Larroque Alexander, Senior Vice President of Corporate Affairs at Sempra. “Our strong governance and enterprise practices around transparency, responsibility, and rigorous corporate citizenship are integral to our long-term success and the shared benefit of our stakeholders. It’s an honor to again be included in the CPA-Zicklin Index as a Trendsetter and to help set the standard with the Model Code.”

“FirstEnergy has a responsibility to advocate for public policy issues that impact the company and our stakeholders – especially our customers. **We are proud to be recognized for our dedication to robust oversight and disclosure of our political engagement activities, including a higher degree of involvement from our Board of Directors,**” said Antonio Fernandez, FirstEnergy Vice President and Chief Ethics & Compliance Officer. “As a Model Code Company, we will continue to practice responsible corporate citizenship, exhibit integrity and transparency and drive positive change for our customers and communities.”

The companies recognized today have moved into the next phase of best practices and policies for political spending disclosure and accountability from company treasuries.

They are among Trendsetters scoring in the top 10 percent of S&P 500 companies evaluated by the annual CPA-Zicklin Index. It is a report card benchmarking company practices and policies for political spending disclosure and accountability. In the 2024 Index, Sempra scored 100 and FirstEnergy, 92.9.

It is notable that FirstEnergy, with new top leaders, has committed to following the Model Code among multiple steps it has taken in the wake of a bribery and corruption scandal in Ohio. Since 2020, FirstEnergy has made meaningful improvements, creating a highly effective compliance program and making critical enhancements in policies, procedures and processes that provide transparent reporting to its stakeholders.

The CPA-Zicklin Model Code provides companies a framework for approaching and governing their political spending. Its 12 provisions are based on the 24 indicators of the CPA-Zicklin Index. The Code goes further than the Index, requiring companies to know and publicly disclose where their contributions ultimately end up, and to consider broader factors of societal interests and democracy in their political spending decisions. It is the first action item included in the [Erb Principles for Corporate Political Responsibility](#) developed by the Erb Institute at the University of Michigan.

The three companies will be provided an insignia designating their status.

CPA is a non-profit, non-partisan organization created in November 2003 to bring transparency and accountability to political spending. To learn more about the Center for Political Accountability visit www.politicalaccountability.net.



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