

The A-List of Climate Policy Engagement

Global Climate Leadership through Paris-Aligned Strategic Advocacy

September 2021

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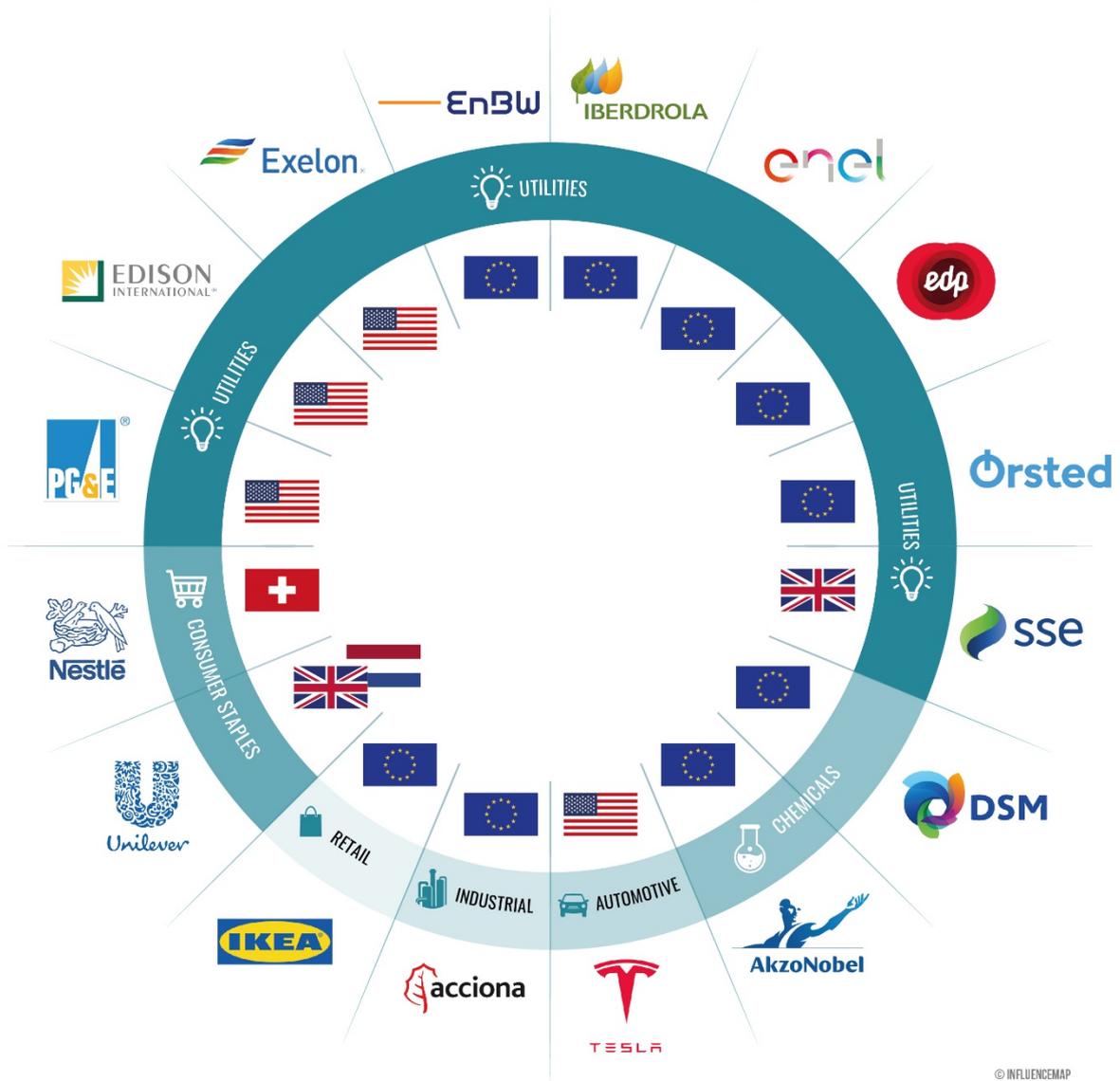
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Executive Summary

- **InfluenceMap's 2021 A-List of Climate Policy Engagement identifies corporate leaders advocating for ambitious climate policy across a range of sectors and regions.** To qualify, a company must exhibit sufficient support for ambitious climate policy, strategic levels of engagement with climate policy, and leadership in its sector. Links to industry associations egregiously opposing climate policy can disqualify a company from the list.
- **Many of the 2021 leaders are legacies from InfluenceMap's 2018 A-List of Climate Policy report:** Unilever, Iberdrola, Nestlé, Enel, Tesla, IKEA, Royal DSM, EnBW, SSE, and AkzoNobel have all continued to advocate for ambitious climate policy in their respective jurisdictions. This year's A-List also adds utilities Exelon, E.ON, Ørsted A/S, Pacific Gas and Electric, and Edison International, as well as industrial company Acciona.
- **In addition to the A-List of corporate leaders, this report offers 17 'Potential Leaders' which appear to be on the right track.** These are held back for reasons such as low engagement or extreme misalignment with their industry associations. Two Japan-based corporates – Aeon and Takeda Pharmaceutical – make this list. While neither appears sufficiently active on climate, their existing support for ambitious climate policy in Japan suggests the potential for future leadership.
- **The Utilities sector appears to be the most active and positive on climate policy overall, particularly in Europe, whereas only one company from the Automotive sector – Tesla – makes the A-List.** This report also highlights a handful of companies such as Maersk in the shipping sector which do not meet all criteria for A-List or 'Potential Leader' status, but which stand out in their sector for relatively positive climate advocacy.
- **Industry association misalignment is a common factor eliminating companies from the A-List, particularly in the US.** For example, US companies Microsoft and Salesforce along with European companies Siemens AG and Schneider Electric appear to remain members of US groups like the National Association of Manufacturers and/or US Chamber of Commerce without disclosing any real efforts to align these groups with their positions on climate policy.

- European companies make up the majority of the A-List, having consistently and actively supported Paris-aligned climate policy in the EU. Conversely, companies from regions such as the US, Japan, Australia, and Canada are largely missing from the list, which could be a major reason for the lack of binding, progressive climate policy in these regions. Active support from the European corporate sector has likely amplified the leadership of the EU on climate since the Paris Agreement, while insufficient or obstructive activity from the corporate sector and its industry groups has held back climate policy in much of the rest of the world.

The Global A List of Climate Policy Engagement



Glossary

- **Climate Policy Engagement** – In 2013 the UN issued the *Guide for Responsible Corporate Engagement in Climate Policy* which describes a range of corporate activities which can be defined as engagement. These range from advertising and social media to public relations, sponsoring research, direct contact with elected officials, and participation in policy advisory committees.
- **Data Sources** – InfluenceMap's *methodology* looks for evidence of engagement with climate policy from various data sources: D1 - Organizational websites; D2 - Social media; D3 - CDP disclosures; D4 - Regulatory consultations; D5- Media; D6 - CEO messaging; and D7 - Financial disclosures.
- **Investor Expectations on Corporate Climate Policy Engagement** – Various investor representatives (UN PRI, IIGCC) have set out expectations regarding how companies should manage their climate policy engagement processes, focused on broader governance and disclosure processes. *InfluenceMap* relies on the structure of these to assess corporate policy engagement processes and disclosures.
- **Influencer** – Refers to entities funded by the corporate sector whose whole or partial function is to influence government policy & regulations. These consist of industry associations, federations, Chambers of Commerce, corporate advocacy groups and think tanks.
- **Organization Score** – Within InfluenceMap's *scoring system* this is a measure of an organization's engagement against Climate Policy benchmarks such as the IPCC. Above 75 indicates support, below 50 increasing opposition. Applies to all organizations, both corporations and influencers.
- **Relationship Score (0-100)** – Within InfluenceMap's scoring system this is a measure of the aggregate of a corporation's climate policy engagement via industry associations it has links to. Applies only to corporations. This incorporates a relationship link metric which tempers the impact on the overall score depending on the nature of the relationship between the corporation and that specific industry association.
- **Performance Band (A+ through F)** – Within InfluenceMap's scoring system this is a measure of a corporation's climate policy engagement accounting for its own and its industry associations' activity on a scale of A through F scale (A = support, F = opposition). Applies only to corporations.
- **Engagement Intensity (EI)** – Within InfluenceMap's scoring system this is a measure of the level of policy engagement (positive or negative). Above 12% indicates active engagement, while above 25% indicates highly active or strategic engagement. Below 12% indicates relatively limited engagement.

Introduction

Climate Change and Corporate Influence

The IPCC's October 2018 *Special Report on Global Warming of 1.5°C* laid out the urgency to act on climate change and the impacts associated with global warming in excess of 1.5C. In May 2021, the International Energy Agency (IEA) reiterated these findings in its '*Net Zero by 2050*' report. Strikingly, the IEA recommended no new coal, oil, or fossil gas fields beyond those already committed to from 2021. Several months later, in August 2021, the IPCC published its Sixth Assessment Report underscoring the world's trajectory toward warming greater than 1.5C. Both the IEA and IPCC have stressed the need for decisive policy interventions by governments around the world to drive the energy transition and lower greenhouse gas emissions. Despite this urgent, science-based guidance, the policy plans of the world's governments remain misaligned from global climate goals. According to the *International Energy Agency's* Net Zero by 2050 report, under current policies globally, we are on track for +2.7C of warming by 2100 (with 50% probability).

A key reason for this gap in ambition is both historical and ongoing opposition on a global scale by corporate vested interests. Details of this narrative are contained within InfluenceMap's *corporate policy engagement* online report. In 2015, InfluenceMap developed the world's leading platform analyzing corporate engagement on climate policy to bring clarity to the issue of corporate influence. InfluenceMap's analysis and metrics inform the global institutional investor community including the *Climate Action 100+* (CA100+) investor engagement process, representing 540 investors with over \$52 trillion in assets collectively under management.

InfluenceMap's Approach

To define policy engagement, InfluenceMap relies on the 2013 *UN Guide for Responsible Corporate Engagement in Climate Policy*, which defines a list of activities that constitute corporate climate engagement. These range from advertising, social media, public relations, sponsoring research, direct contact with regulators and elected officials, funding of campaigns and political parties, and

participation in policy advisory committees. Given that corporate lobbying disclosures generally exclude most of the activities covered in the UN Guide, providing a narrow view of a company's influence, InfluenceMap's *methodology* uses a range of data sources to capture the policy outcomes sought by companies. While InfluenceMap's system is unable to capture **all** information on corporate lobbying due to disclosure/data limitations, there is sufficient data to generate behavioral metrics on climate policy positions and the intensity of the lobbying efforts. It is accepted that there are also a range of "unknown" lobbying activities underway and assumed that these are motivated by the same policy outcomes associated with the known activities, as in the "tip of the iceberg."



InfluenceMap's platform also covers over 150 industry associations engaged on climate-related policy. It assesses their climate lobbying activities, as well as the links between them and the 350 corporate entities likewise assessed under the platform, providing a direct point of comparison between what companies are communicating on climate policy (their Organization Score) and the detailed lobbying activities of their industry associations (their Relationship Score).

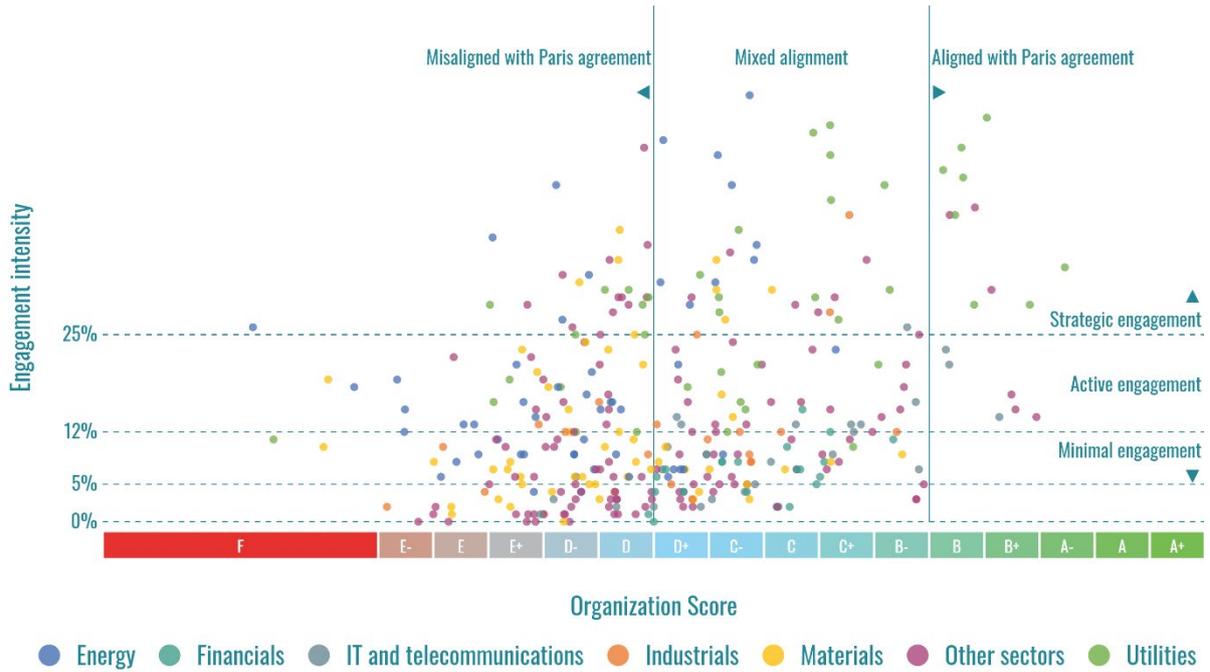
In 2017, InfluenceMap introduced the concept of a corporation's **Carbon Policy Footprint** (or **Scope 4 Emissions**), a metric to be considered alongside its physical scope 1, 2 and 3 emissions (direct, supply chain, and product emissions, respectively). The methodology for scoring and ranking companies and industry associations based on their Carbon Policy Footprint is available [here](#). It produces three metrics:

- The **Organization Score** (0 to 100) indicates how supportive or opposed a company is towards climate policy aligned with the Paris Agreement.
- The **Engagement Intensity** (0 to 100) indicates the intensity of this engagement activity, whether supportive or oppositional to climate policy.
- The **Relationship Score** (0 to 100) measures how supportive or opposed the aggregate of a company's industry associations are toward climate policy aligned with the Paris Agreement.

The Organization Score and Relationship Score combine to form the **Performance Band (A to F)**, which represents the full measure of a company's direct and indirect engagement with climate policy.

The Global Climate Lobbying Landscape

The metrics explained above can be plotted on a quadrant chart to compare different companies' influence over climate policy. The graph chart below shows a range of the world's largest corporations, coded by sector, and their climate policy engagement behavior. The data behind this chart is based on corporate climate policy engagement in major global economies including the US, Canada, Europe, Japan, Australia, and Asia.



A key reason for the continued lack of meaningful climate policy globally is the strategic opposition from the companies on the upper left-hand side of this plot, which continue to "outgun" the strategic support of the smaller number of companies on the right-hand side. The vast majority of companies are concentrated in the lower half of the chart, representing minimal engagement. In addition, the majority of companies appearing on the uppermost corner on the right are from the utilities sector. The movement of the currently silent firms from other sectors, particularly those with considerable economic or political clout, could go a long way to redressing this imbalance and clearing the way for decisive action on the climate emergency.

Background and Methodology

Corporate Climate Policy Leadership

Widespread acceptance of the urgent need for climate policy progress combined with growing understanding of the lobbying issue has triggered pressure on the corporate sector to reform its climate policy engagement. Tracking by InfluenceMap has found over 5,000 articles either partially or wholly focused on the topic since the start of 2019 alone. This pressure is primarily directed at companies in the fossil fuel value chain, many of which are targets of the *Climate Action 100+* investor engagement process which has prioritized corporate lobbying. While analyzing negative engagement is crucial, key stakeholders such as investors, civil society groups, the media and even the corporate sector itself are also working to define what constitutes positive corporate climate policy advocacy.

Toward this aim, InfluenceMap's *A-List of Climate Policy Engagement* was released in 2018, choosing 20 global companies from a variety of sectors which exhibit elements of best practice in climate policy engagement (see Appendix B for the full 2018 list). The report was cited by Environmental Defense Fund in its *Blind Spot* report from 2019 as the only corporate rating system to account for policy advocacy on climate, stating "the most powerful tool companies have to fight climate change is their political influence."

Since 2018, many new initiatives have launched around the issue of corporate influence. In 2019, 11 NGOs including Environmental Defense Fund (EDF), Ceres, Union of Concerned Scientists, and others jointly launched the *AAA Framework for Climate Policy Leadership*. According to the AAA framework, companies should:

- **Advocate:** Advocate for Paris-aligned climate policy.
- **Align:** Align the lobbying of their industry associations with the goal of net-zero emissions by 2050.
- **Allocate:** Allocate political giving and funding of third-party organizations with Paris-aligned advocacy.¹

In addition, CERES released its *Blueprint for Responsible Policy Engagement on Climate Change* in 2020, while *Climate Voice* launched a campaign to "mobilize the voice of the workforce to urge companies to go "all in' on climate, both in business practices and policy advocacy." In 2020, The B Team published

¹ The third "A" of the AAA framework – **Allocating** political spending to third party groups such as think tanks and policymakers – is recognized as a crucial area of climate policy advocacy. However, InfluenceMap's research currently does not track this area of influence due to almost universally poor disclosure by the corporate sector on political spending. For the purposes of this report, InfluenceMap focuses on the first two "A"s of the AAA framework: **Advocating** positively and actively and **Aligning** indirect influence.

a *toolkit* of suggested actions to address industry association misalignment on climate policy, which has been used by more than 10 companies. Each of these initiatives build on the expectations formalized by investor-representative groups such as *UN PRI* and the *IIGCC*, offering further guidance on best practice in climate policy engagement.

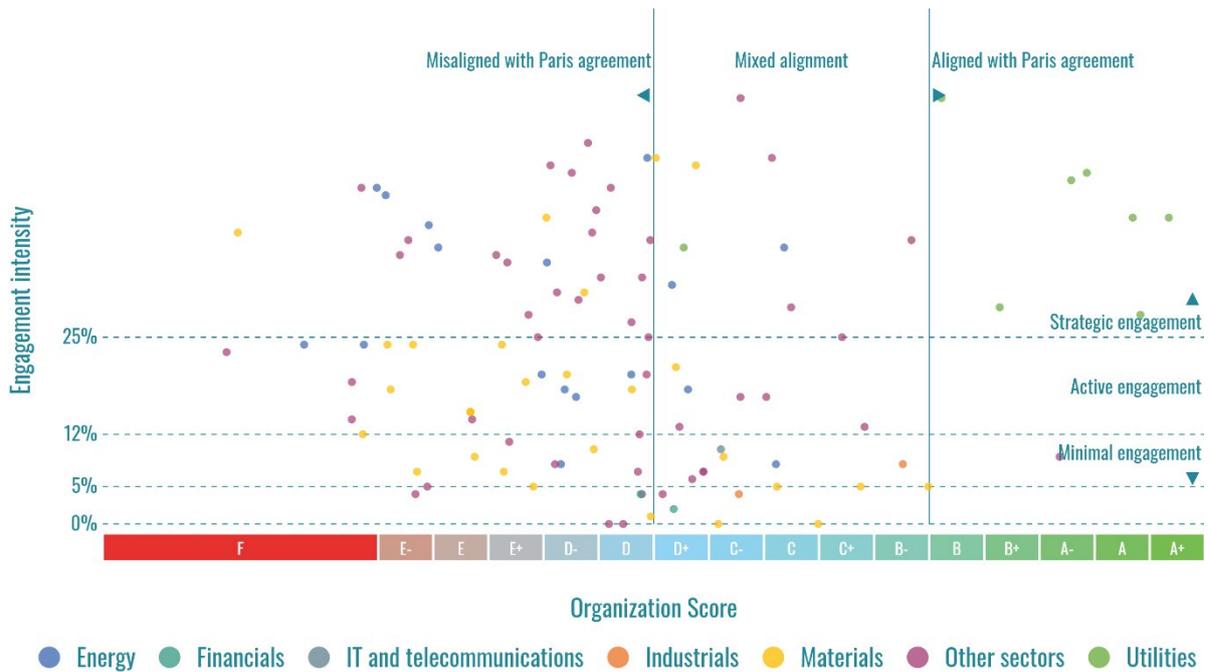
Industry Associations and Indirect Influence

Industry associations and federations around the world have a clear function to influence policy in the interests of their corporate members. The most powerful lobbying groups in Washington, Brussels, and Tokyo are instrumental in shaping climate and energy policy in their regions. The *UN Guide for Responsible Corporate Engagement in Climate Policy* clearly outlines the important role they play.

Cross-sector industry associations, in particular, tend to adopt highly negative climate positions, indicating strong misalignment between them and their more positive members. InfluenceMap's *2019 Industry Association Carbon Policy Footprint* ranked the US Chamber of Commerce, Japan Business Federation, and BusinessEurope as the 2nd, 7th, and 12th most influential groups on climate globally from a list of 30. These groups claim to represent all sectors of the economy, which increases their political-economic clout among decision-makers:

- **The US Chamber of Commerce** states that members "count on the Chamber to be their voice in Washington, D.C." and claims to be the "world's largest business organization representing the interests of more than 3 million businesses of all sizes, sectors, and regions."
- **BusinessEurope** states that it is the "leading advocate for growth and competitiveness at European level" and that its mission is to "work on behalf of member federations to ensure that the voice of business is heard in European policy-making."
- **The Japan Business Federation** states that it "establishes consensus in the business community on a variety of important domestic and international issues for their steady and prompt resolution."

In the plot below, the majority of industry associations assessed by InfluenceMap appear to the left of the chart, representing climate policy engagement that is misaligned from the Paris Agreement. A much smaller number of industry associations are engaging positively and actively on climate policy. These groups mostly represent utilities and renewable energy companies. While the same dynamic exists in the corporate sector, with fossil fuel value chain companies "outgunning" positively engaging companies, it appears even more evident among industry groups. The prevalence of highly strategic,



negative industry associations suggests that engagement from equally active, positive groups are important for tipping the scales of climate action globally.

This report highlights several leading industry groups such as Advanced Energy Economy in the US, Confederation of British Industry and Corporate Leaders Group in the UK and EU, and Japan Climate Leaders Partnership in Japan. Additional regional leaders include the Carbon Market Institute, a highly active cross-sector association in Australia. These groups represent many of the 2021 A-List companies identified in this report. On the other hand, strong links to highly negative groups disqualified some companies from the list. For more details, see the *methodology* section below.

The 2021 A-List Methodology

To determine the 2021 A List in Climate Policy, InfluenceMap relied upon its established system for assessing corporations and industry associations. InfluenceMap selected the potential A-Listers from a universe of 350 of the world's largest industrial companies² as determined by the Forbes 2000 list (based on a blend of economic size indicators). For the purposes of the 2021 report, InfluenceMap worked with a group of key civil society groups: World Resources Institute, Environmental Defense Fund, Climate Voice, The B Team, Cambridge Institute for Sustainability Leadership, UN Principles for Responsible Investment, World Wildlife Fund, Korea Sustainable Investing Forum, Institute for Global Environmental Strategies (IGES), and Asia Investor Group on Climate Change (AIGCC). Each group

² The scoring universe for the 2021 A-List excludes finance and insurance companies as well as companies based in China, based on InfluenceMap's current ability to access and assess evidence of corporate influence in the region.

was invited to nominate several companies from the Forbes 2000 they deemed to have A-List potential, which were then added to the population of 350 and likewise evaluated. It is recognized that due to the relatively small number of companies in the scoring universe, InfluenceMap's system may not be able to determine climate policy advocacy leadership in all sectors of the economy.

Based on this data and in consultation with partners, InfluenceMap has devised criteria to identify corporate leaders. The following criteria were used to determine 2021 A-List status, with reference to InfluenceMap's scoring metrics noted above.

- **Positive engagement:** A company must achieve an *Organization Score* of 75% or above, indicating direct policy engagement activities that are aligned with the goals of the Paris agreement.
- **Strategic engagement:** InfluenceMap's *Engagement Intensity* measures a company's level of lobbying activity, whether positive or negative. Combined with a positive score, an EI of 25% or above is required to qualify for the A-List.
- **Sector Leadership:** InfluenceMap categorizes companies based on the Global Industry Classification Standard – MSCI system (GICS) sectors. To qualify for A-List status, a company must be in the top 25% of companies in its GICS sector and region based on its *Organization Score*.

In addition, a company could be excluded from the A-List based on its membership in industry associations. A company's *Relationship Score* represents an aggregate of its industry association lobbying. Like companies, industry associations assessed by InfluenceMap receive an *Organization Score*. A company could be disqualified from the A List should it have:

- An overall *Relationship Score* under 45% *or* membership in 2+ industry associations with *Organization Scores* between 0–33%. In addition, the company must have failed to make a clear, public disclosure of its efforts to align its associations with its positioning on climate.³

³ See [here](#) for InfluenceMap's analysis and methodology for assessing corporate industry association reviews. Companies that meet the exclusionary criteria may still make the A-List should they have weak links to a small number of groups. To determine whether a company can still qualify, Influence calculates the extent to which a company's *Total Score* is due to its relationships. If under 30% of a company's *Total Score* is due to its relationships, it still qualifies for the A-List.

The A-List and Potential Future Leaders

The 2021 A-List of Climate Policy Engagement

This year's A-list report identifies 8 companies which display all elements of best practice in climate policy engagement. Due in part to more stringent qualification criteria, including an increase in the required Engagement Intensity from 15% to 25%, the 2021 report arrives at a smaller number of corporate leaders than the 2018 A-List of Climate Policy. The 2021 findings also identify several companies which have fallen from the A-List since 2018, for reasons explained below.

A shorter 2021 A-List underscores the need for leaders in climate policy engagement to display consistently positive and active engagement.

Company	Sector	Country	Organization Score	Engagement Intensity
Unilever	Consumer Staples	United Kingdom	88%	42%
Iberdrola	Utilities	Spain	87%	54%
Nestlé	Consumer Staples	Switzerland	85%	26%
Enel	Utilities	Italy	82%	50%
Exelon ⁴	Utilities	United States	82%	42%
Tesla	Automotive	United States	80%	31%
Royal DSM	Chemicals	Netherlands	77%	35%
IKEA	Retailing	Netherlands	75%	41%

It is also worth noting that globally, some of the most active and positive climate policy engagement comes from smaller companies. While the A-List identifies large-cap entities, the table below

⁴ While Exelon's Relationship Score falls below 45%, its Relationship score forms less than 30% of its Total Score, which means it is still eligible for the A-List. See footnote 2.

identifies an additional eight leaders in climate policy engagement which do not fall within the top 300 of the Forbes 2000, but nevertheless meet most of the criteria for best practice.

Company	Sector	Country	Organization Score	Engagement Intensity
EDP	Utilities	Portugal	87%	34%
Ørsted A/S	Utilities	Denmark	85%	31%
EnBW	Utilities	Germany	84%	29%
SSE	Utilities	United Kingdom	82%	41%
Acciona	Industrials	Spain	82%	22%
Pacific Gas and Electric Corp	Utilities	United States	78%	53%
Edison International	Utilities	United States	77%	31%
AkzoNobel	Chemicals	Netherlands	76%	28%

- Continued leaders in climate policy engagement:** Unilever, Iberdrola, Nestlé, Enel, Tesla, IKEA, Royal DSM, EnBW, SSE, and AkzoNobel all made the 2018 A-List of Climate Policy and remain leaders in climate policy engagement.
- Companies that have moved from the A-List:** Coca Cola, Apple, GlaxoSmithKline, and Deutsche Telekom were all named on the 2018 A-List, but currently have an Engagement Intensity below 25%. ABB and National Grid, while featured in the 2018 A-List, have Organization Scores falling below the 2021 cut-off of 75%. Siemens AG (distinct from *Siemens Energy AG*) holds memberships to multiple obstructive groups such as the US Chamber of Commerce and National Association of Manufacturers. These companies do not meet the criteria for the 2021 A-List.
- New arrivals:** US utility Edison International rose from InfluenceMap’s 2018 Potential Leaders list to make the 2021 A-list. In addition, this year’s A-List adds utilities Exelon, E.ON, Ørsted A/S, Pacific Gas and Electric, and Edison International, as well as industrial company Acciona.

Potential Future Leaders

A further list of 17 companies seem likely to be on the path to climate policy engagement leadership but are held back for a variety of reasons.

- Some companies retain links to industry groups strongly opposing climate policy, and have yet to take clear, public action to address misalignment – this holds back Microsoft and Salesforce.
- While some companies may be positive on climate, their advocacy is not strategic, as evidenced by a low Engagement Intensity (EI) – this holds back Apple, GlaxoSmithKline, Deutsche Telekom, Danone, Johnson and Johnson, and Takeda Pharmaceutical.
- Some companies may perform well in their sectors and are on the right path, but their climate advocacy is not sufficiently ambitious for inclusion, as evidenced by a low Organization Score – this holds back Møller-Maersk (Maersk) and ABB.
- Additional companies, while engaging actively and positively with climate policy, fall below the top 25% of companies competing in their sector and region – this holds back European utilities Verbund, E.ON, and EDF.

Company	Sector	Country	Organization Score	Engagement Intensity	Comment
Microsoft	Information Technology	United States	89%	26%	Holds memberships to the US Chamber and National Association of Manufacturers (NAM), where it serves on the board.
GlaxoSmith-Kline	Healthcare	United Kingdom	89%	14%	Not strategically engaged with climate policy.
Apple	Information Technology	United States	87%	23%	Not strategically engaged with climate policy.
Salesforce	Information Technology	United States	85%	25%	Holds memberships in the US Chamber, California Chamber of Commerce, and NAM where it serves on the board.
Takeda Pharmaceutical	Healthcare	Japan	83%	11%	Not strategically engaged with climate policy.

Siemens AG	Industrials	Germany	83%	41%	<p>Holds memberships in the US Chamber, California Chamber of Commerce, National Mining Association, and NAM.* (*See the 'Sector Leadership' section for further analysis of Siemens AG.)</p>
EDF	Utilities	France	82%	46%	<p>Competing in a sector and region with higher-performing peers.</p>
PepsiCo	Consumer Staples	United States	80%	15%	<p>Holds memberships in the US Chamber, California Chamber of Commerce, and NAM. Low EI suggests not strategically engaged with climate policy.</p>
Verbund	Utilities	Germany	80%	29%	<p>Competing in a sector and region with higher-performing peers.</p>
Schneider Electric	Industrials	France	76%	46%	<p>Holds memberships in the NAM and National Mining Association.</p>
Aeon	Retailing	Japan	76%	14%	<p>Not strategically engaged with climate policy.</p>
E.ON	Utilities	Germany	76%	47%	<p>Competing in a sector and region with higher-performing peers.</p>
Danone	Consumer Staples	France	75%	14%	<p>Not strategically engaged with climate policy.</p>
Johnson and Johnson	Healthcare	United States	74%	16%	<p>Not strategically engaged with climate policy.</p>
Maersk	Airlines and Logistics	Denmark	73%	30%	<p>OS suggests not consistently positive on climate policy.</p>
National Grid	Utilities	United Kingdom	73%	21%	<p>OS and EI suggest not consistently positive on and not sufficiently engaged with climate policy.</p>
ABB	Industrials	Switzerland	71%	28%	<p>OS suggests not consistently positive on climate policy.</p>

Analysis and Implications for Climate Policy

Sector Leadership

Some companies stand out in their sector for positive engagement with climate policy, though they may not display the elements of best practice needed to qualify for the A-List or Potential Leaders list. These companies are nevertheless notable for leading their sector.*

**All companies listed below rank within the Global Forbes 2000. Companies with an Engagement Intensity below 12% were excluded from this comparison, as this would suggest insufficient evidence of engagement for their Organization Score to be considered meaningful or representative.*

Transportation: This covers the GICS Automotive and Airlines and Logistics sectors.

- Maersk stands out as a leading company from the Airlines and Shipping sectors, with increasingly positive climate policy engagement at a global level, while taking more mixed positions at an EU level. Maersk appears on the Potential Leaders list above.
- Tesla is the only company from the Automotive sector to make the 2021 A-List or Potential Leaders list. The company clearly seeks strong low-emission and electric vehicle policy.
- Tesla is followed by Volvo Group (OS 66%, EI 24%), Volkswagen (OS 65%, EI 36%), Volvo Cars (OS 62%, EI 12%), and Honda Motor (OS 62%, EI 30%), which each show more mixed positions on transport-related climate policy.

Heavy Industry: This covers the GICS Chemicals, Cement, Materials, and Steel sectors. Several active players are distinguished in this sector, while their peers show more negative or low-level engagement with climate policy globally.

- Large companies Schneider Electric (OS 76%, EI 45%) and Siemens AG (OS 83%, EI 41%) both appear on the Potential Leaders list. The companies show mostly positive and detailed engagement with climate policy in the EU. However, they continue to support powerful US industry associations such as the NAM, which remain highly opposed to climate policy in the US. In addition, Siemens AG formerly held controlling stake in Siemens Gamesa Renewable Energy SA, which increases its score.
- Additional active and positive engagement in the Industrials sector comes from smaller companies. Acciona (OS 82%, EI 22%) stands out as an emerging leader in the sector. In addition, AkzoNobel (OS 76%, EI 28%) shows highly positive engagement with climate policy.

Both companies have supported specific measures such as the removal of fossil fuel subsidies; AkzoNobel has also advocated for measures to drive low carbon *investment* in shipping.

Energy: The GICS Energy sector is made entirely of oil, gas, and coal value chain companies, ranging from oilfield services, exploration and production, and transport to the integrated oil/gas majors.

- Royal Dutch Shell (Shell) (OS 69%, EI 57%) appears to engage more positively on climate policy than the other oil majors. Shell has supported policies such as the implementation of the '*Green Deal*' in the EU, the *10 Point Plan* for Green Industrial Revolution in the UK, and a more ambitious EU Emissions Trading System.
- Despite some positive engagement, Shell continues to promote oil and gas in the energy mix. In its response to the EU's 2030 Climate Target Plan in June 2020, Shell appeared to promote a *weaker* GHG emissions target (50-55%) than that originally proposed by the Commission. In addition, any positive impact achieved by Shell's direct advocacy is likely undermined by the company's significant network of highly oppositional industry associations.

Utilities: While European utilities (EDF, Iberdrola, EnBW, EDP, Enel, SSE, Verbund, and E.ON) show high levels of positive engagement with climate policy in the EU, additional companies from this sector are engaging positively and actively with climate policy in their respective regions.

- In the US, electric power companies Pacific Gas and Electric Corp, Edison International, and Exelon Corp (OS 78%, 77%, and 77% respectively) lead the sector for engagement with climate policy, largely at the state level. All three companies have also supported policies such as a federal Clean Energy Standard as discussed in the 2021 infrastructure negotiations.
- While less positive than its global peers in this sector, AGL Australia (OS 66%, EI of 29%) appears broadly supportive of progressive climate policy at the national and state and level. However, the company has shown mixed support for specific policy measures to facilitate the energy transition. Its position on the long-term role for fossil fuels in the energy mix appears not to be aligned with IPCC guidelines.

Impact on Climate Policy

European companies dominate the 2021 A-List of climate policy, forming 5 of the 8 corporates, accompanied by 2 US and 1 UK-based company. The additional list of smaller climate policy leaders shows the same results, with 5 Europe-based, 2 US, and 1 UK-based company. US companies appear held back by their continued membership in obstructive industry groups and/or their relatively low engagement with US climate policy. The Potential Leaders list adds two companies from Japan – Aeon and Takeda Pharmaceutical – which display positive but insufficient activity on climate policy.

In the EU, many utilities are active and positive on climate policy. This contrasts with the power sector in both the US and Japan, where few utilities display elements of climate policy leadership. In the US, Information Technology (IT) companies such as Apple (EI of 23%) appear positive on climate policy, although their level of engagement does not meet that of European leaders such as Unilever (EI of 42%) and IKEA (EI of 41%). In addition, US-based IT companies such as Microsoft and Salesforce retain links to highly obstructive industry groups such as the US Chamber of Commerce and National Association of Manufacturers, which share an Organization Score of 27% and which both lobby on climate policy far more actively than the Tech companies.

The dominance of European companies in this report likely corresponds with the leadership of the EU on climate. The relative support for ambitious climate policy by the corporate sector in the EU and U.K. goes a long way to explain the policy gap since the Paris Agreement between European countries and regions such as the US, Japan, Australia, and Canada.

Given that the majority of 2021 A-List and ‘Potential Leaders’ companies host their headquarters in the EU, US, and Japan, the following summarizes the state of play in climate policy in each of these three regions:⁵

- **European Policymakers** are attempting to increase the ambition of EU climate policy after setting the target of climate neutrality by 2050 through the Climate Law in 2020. In April 2021, the EU raised its 2030 GHG reduction target from 40% to a net target of at least 55%. To achieve this increased short-term goal, in July 2021 policymakers released the “Fit for 55” package, which proposes a raft of legislative initiatives including reforms to the EU’s flagship carbon pricing policy – the EU Emissions Trading System – as well as new measures such as the Carbon Border Adjustment Mechanism. Policymakers will shape the “Fit for 55” package over the next two years.

⁵ This report focuses on the US, EU, and Japan given the evolution of InfluenceMap’s scoring universe and partner network. However, the next A-List Report will consider companies from additional regions. Should any civil society groups – particularly those representing regions not featured in this report – have an interest in collaboration, InfluenceMap invites them to reach out.

- United States** President Joe Biden announced a new Nationally Determined Contribution (NDC) for the US under the Paris Agreement in April 2021, proposing a 50-52% reduction from 2005 levels of economy-wide net GHG pollution by 2030. To help achieve this goal, policymakers are currently negotiating a range of climate provisions, such as a national Clean Energy Standard (CES) and methane fee, within a wider infrastructure package. In addition, Biden signed an executive order on August 5th setting a non-binding target for 50% of all new vehicle sales to be zero-emissions by 2030. On the same day, the US EPA proposed that from 2023, new cars will be required to emit 10% less GHGs compared to the previous year, followed by a 5% efficiency increase each year from 2024 through 2026. This follows the Trump administration's fuel economy requirements of only 1.5% annual increases through 2026.
- Japan** announced its updated NDC in April 2021, aiming for a 46% reduction in GHG emissions by 2030 from 2013 levels, up from its earlier goal of 26%. It added that Japan would continue trying for a higher cut of 50%. This follows Japan's announcement in October 2020 setting a target for carbon neutrality by 2050, a shift in position under the new Prime Minister Yoshihide Suga. Japan is currently finalizing its basic energy plan (revised every 3-4 years). The draft published in July 2021 indicates that renewables should account for 36-38% of power supplies in 2030, an increase from the previous target of 22-24%. The use of coal is reduced to 19% from 26%, while Liquefied National Gas (LNG) is set at 41%, down from 56%, and the nuclear target remains unchanged at 20-22%.

The table below offers recent examples of A-List companies' engagement with climate policy, as described above, in the country/region where they primarily operate:

EU & UK	US	Japan
<p>In 2020, all EU-based A-List companies supported raising the EU 2030 GHG reduction target to 55%. In addition, A-List utilities Iberdrola & Enel advocated for reforms to increase the ambition of the EU ETS.</p> <p>From 2018-2021. Unilever, IKEA, and Acciona advocated for energy transition measures such as the removal of fossil fuel subsidies.</p>	<p>US-based A-Listers Tesla & Exelon have supported various strands of climate policy, including a national CES in 2021.</p> <p>In recent years, both have supported carbon pricing mechanisms such as a federal carbon fee or tax, as well as measures to electrify transport. In March 2021, Tesla supported litigation that would reinstate Obama-era penalties for breaching fuel economy standards.</p>	<p>While Aeon and Takeda Pharmaceutical did not qualify for the A-List due to relatively low engagement, the companies show highly positive support for Japanese climate policy. Aeon's senior executives have repeatedly requested the Japanese Prime Minister and other government officials to set ambitious national 2030 targets for renewable energy and emissions reductions.</p>

The Role of Industry Groups

Powerful industrial associations are instrumental in shaping climate and energy policy. InfluenceMap analysis has found that industry groups, more than individual companies, conduct most of the effective lobbying in their respective regions. In fact, in regions like Japan & Korea, they dominate climate policy engagement, explaining the poor engagement intensity of companies in these regions and their absence from the A-list.

In the US, cross-sector industry groups like the US Chamber of Commerce and National Association of Manufacturers remain largely opposed to climate policy. These companies played a central role rolling back climate regulations between 2016-2020. Evidence suggests there are making continued efforts to weaken or water down climate policy under negotiation in the country. This trend explains the absence of many US companies from the A-List, and critically, the lack of progress in US policy over the last decade.

The investor agenda is now firmly focused on getting companies to manage their climate policy engagement in line with the Paris Agreement and their own climate goals, with a clear emphasis on industry association misalignment. In 2021, investors are filing record numbers of resolutions specifically calling for 'Paris-aligned' policy engagement, which includes indirect engagement through industry associations.

Despite the global trend of industry group opposition to binding climate policy, InfluenceMap's research has identified several industry associations representing clear exceptions. The following high-scoring industry associations represent positive and active engagement with climate policy and are chosen from InfluenceMap's scoring system of 150 associations:

Industry Group	Region	OS	EI	A-List Corporate Members
<p>The Corporate Leaders Group (CLG Europe and UK) engages actively and positively on climate-related regulations in the EU and UK. The CLG supported the EU's 2030 55% GHG emissions reduction target and advocated in favor of the UK's 2030 68% GHG emissions reduction target. The CLG has also supported reforms to the EU ETS to increase its effectiveness and strongly supported the transition of the energy mix, including advocating for the decarbonization of heavy industry in 2021.</p>	UK, EU	93%	45%	<p>Corporate leader members: EDF, IKEA, Iberdrola, and Unilever</p>
<p>Eurelectric's engagement with climate policy in the EU has shifted considerably since 2017, showing increasingly positive advocacy on regulatory strands such as the Climate Law, Renewable Energy Directive, and Energy Taxation Directive. In 2021, Eurelectric submitted comments to the EU commission supporting the EU Carbon Border Adjustment Mechanism and a more ambitious EU Emissions Trading Scheme.</p>	EU	76%	56%	<p>Corporate leader members: EnBW, E.ON, EDF, EDP, Enel, Iberdrola, SSE, Tesla, Verbund</p>
<p>The Confederation of British Industry (CBI), like Eurelectric, has become increasingly positive in its positioning on climate policy. While it appears to maintain somewhat cautious positions toward carbon taxes and emissions trading, CBI's 2021 Green Recovery Roadmap supported a raft of policies to decarbonize the economy, including support for a delivery plan for the phase out of internal combustion engines by 2030 and a ban on new fossil gas boilers by 2035.</p>	UK	73%	37%	<p>Corporate leader members: AkzoNobel, EDF, Unilever, SSE, Ørsted A/S</p>

Advanced Energy Economy (AEE) lobbies actively at the US federal level and across the states for numerous strands of climate and energy transition policy, such as renewable portfolio standards and clean technology incentives. It has strongly supported the need to include stringent climate policy measures in the 2021 federal infrastructure package.

US

97%

41%

Corporate leader members:
EDF, Enel, E.ON, and Tesla

The Carbon Market Institute (CMI) supports a range of specific climate-related regulations in Australia and consistently emphasizes the need for increased ambition in Australia's climate policy. In a June 2021 strategy paper, CMI advocated for Australia to strengthen its 2030 NDC target.

Australia

76%

39%

Corporate leader members: None

Japan Climate Leaders Partnership (JCLP) has lobbied positively on numerous climate change policies in Japan in 2021. For example, it has called for setting a domestic GHG emissions reduction target of 50% and above by 2030, increasing the target share of renewable energy in Japan's energy mix from 24% to 50% via the Strategic Energy Plan, and establishing specific national carbon pricing measures.

Japan

87%

30%

Corporate members from the Potential Leaders list:
Aeon (with a Senior Executive serving as Co-Chair) and Takeda Pharmaceutical