

American Express: Climate Policy Engagement Overview

An investor briefing on American Express' climate policy engagement to aid shareholder voting decisions at its 2024 Annual General Meeting (AGM)

Executive Summary

- **Context:** On April 30th, American Express investors will vote on a [shareholder resolution](#) requesting the company “annually analyze and report to shareholders [...] on whether and how American Express (“Amex” or “Company”) is aligning its lobbying and policy influence activities and positions, both direct and indirect (through trade associations, coalitions, and other organizations) with its net-zero emissions by 2035 target, including the activities and positions analyzed, the criteria used to assess alignment, and involvement of stakeholders, if any, in the analytical process.” This briefing provides a summary of InfluenceMap's assessment of American Express' climate policy engagement and related disclosures.
- **Direct Climate Policy Engagement:** InfluenceMap analysis suggests that American Express' direct climate policy engagement is partially aligned with science-based pathways for achieving the goal of the Paris Agreement to limit warming to 1.5°C. However, the company does not appear to be actively engaged on climate policy from 2022-2024. The company appears to have limited its transparent engagement on specific climate policies to directly advocating in support of the proposed Clean Fuel Standard in the New York draft climate plan in June 2022 [comments](#). American Express also supported the increased use of sustainable aviation fuels (SAFs) with unclear positions on production methods in June 2022 [comments](#) on the New York Climate Action Council Draft Scoping Plan, and February 2022 [comments](#) to UK Parliament.
- **Indirect Climate Policy Engagement via Industry Associations:** InfluenceMap analysis indicates that American Express likely holds memberships to 2 industry associations with climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked as a D or below by InfluenceMap's system), and 3 industry associations with partially aligned climate policy engagement (ranked B- to D+). American Express is a member of the [US Chamber of Commerce](#) (E) and [Business Roundtable](#) (E+), two associations that have advocated negatively on multiple forms of US-based climate policy. For example, in October 2023 [regulatory comments](#), the US Chamber advocated to delay the proposed Corporate Average Fuel Economy (CAFE) standards, while Business Roundtable contested the Environmental Protection Agency's legal authority to regulate methane emissions from existing sources in February 2023 [comments](#).

- **Accuracy of Climate Policy Engagement Disclosure:** InfluenceMap analysis suggests that American Express has published a partial account of its climate policy engagement on specific policies, both directly and via industry associations. The company limited its disclosure on its own climate policy engagement activities to top-line positions on climate change, without reference to specific policy. As a result, the company excluded key instances of engagement, such as its June 2022 [comments](#) on the proposed Clean Fuel Standard for New York. Additionally, while American Express disclosed a list of its industry associations, it did not include any positions or references to climate policies. Further, in its 2023 [CDP Climate Change Information Request](#) American Express did not disclose any direct engagement on climate policies, and excluded its membership to three associations.
- **Climate Policy Engagement Review:** American Express has not published a review of its climate policy engagement activities in line with standards put forward by institutional investors as part of the 2022 [Global Standard on Responsible Climate Lobbying](#). The Global Standard highlights the need for companies to publish a detailed annual review to ensure that its climate policy engagement (direct and indirect via industry associations) is consistent with the 1.5°C goal of the Paris Agreement.

Context: Shareholder Resolution on Climate Policy Engagement

Engagement with companies over their climate policy engagement is now firmly on the investor agenda on climate change. It is an integral part of the [Climate Action 100+](#) (CA100+) investor-engagement process, which now has over 700 investor signatories with a total of \$68 trillion in assets under management.

As a research partner to CA100+, InfluenceMap maintains a global system for tracking, assessing, and scoring companies on their engagement with climate change policy against Paris-aligned benchmarks. This system currently covers around 500 companies along with 250 of their key industry associations.

InfluenceMap refers to the UN's [Guide for Responsible Corporate Engagement in Climate Policy](#) as a guide for what constitutes engagement. This can include 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.

This briefing provides an overview of American Express' direct and indirect climate policy engagement, along with its related disclosure and review processes, in advance of the shareholder resolution at its Annual General Meeting (AGM) on April 30th, summarized in Table 1 below.

Table 1: Key information for shareholder resolution at American Express' 2024 AGM

Resolution: Annual report on how American Express is aligning its direct and indirect climate policy engagement with its net-zero by 2035 target.			
Lead Filer:	Individual filer: James McRitchie	AGM Date:	April 30 th
<p>Proposal Summary:</p> <p>The full resolution text is available here.</p>	<p><i>"Shareholders request that the Board of Directors annually analyze and report to shareholders (at reasonable cost, omitting proprietary information) on whether and how American Express ("Amex" or "Company") is aligning its lobbying and policy influence activities and positions, both direct and indirect (through trade associations, coalitions, and other organizations) with its net-zero emissions by 2035 target, including the activities and positions analyzed, the criteria used to assess alignment, and involvement of stakeholders, if any, in the analytical process."</i></p>		

Summary of American Express' Climate Policy Engagement

Analysis of corporate climate policy engagement is a strong indicator of corporate governance and management-level thinking on the transition to a net-zero economy. Therefore, if a company's climate policy engagement is inconsistent with the Paris Agreement's 1.5°C goal, this suggests that the company's business model is not prepared for a low-carbon transition.

InfluenceMap's methodology, available [on our website](#), uses seven publicly available data sources to gather evidence of company and industry association engagement on a range of climate-related policy streams. Each item of evidence is scored against benchmarks based on the advice of [IPCC science](#) or the stated intentions of governments looking to implement the Paris Agreement. This process can result in hundreds of scored evidence items, providing a robust basis to assess the extent to which a company's climate policy engagement, and that of its industry associations, is Paris-aligned.

InfluenceMap's online profile of American Express, including access to the underlying data which forms this assessment, can be found [here](#). The analysis of American Express' industry association relationships, including detailed profiles for each association, can be explored via the "Details of Relationship Score" tab. An overview of this assessment is provided in Table 2 below.

Table 2: Overview of InfluenceMap's assessment of American Express

American Express		
Performance Band	C-	Performance Band (A+ to F) is a full measure of a company's climate policy engagement, accounting for both its own engagement and that of its industry associations. A+ indicates full support for Paris-aligned climate policy, with grades from D to F indicating increasingly obstructive climate policy engagement.
Organization Score	64%	Organization Score (0 to 100) expresses how supportive or obstructive the company is towards climate policy aligned with the Paris Agreement is, with scores under 50 indicating misalignment with the Paris Agreement
Relationship Score	48%	Relationship Score (0 to 100) expresses how supportive or obstructive the company's industry associations are towards climate policy aligned with the Paris Agreement, with scores under 50 indicating misalignment, while scores between 50 and 74 indicate mixed alignment with the Paris Agreement.
Engagement Intensity	7%	Engagement Intensity (0 to 100) is a measure of the level of policy engagement by the company, with scores above 12 indicating active engagement, and scores above 25 indicating highly active or strategic engagement.

Summary of American Express' Direct Climate Policy Engagement

InfluenceMap's analysis of American Express' direct climate policy engagement is based on 58 independent datapoints, with 40 logged since 2022. Under InfluenceMap's system, recent evidence is heavily weighted in the calculation of metrics, as explained in the [methodology](#).

American Express' stance on climate change regulation and the Paris Agreement is limited and remains unclear.

- According to [written evidence](#) submitted to UK Parliament in February 2022, American Express supported achieving net zero greenhouse gas emissions by 2050 .
- According to its [2023 CDP Climate Change Information Request](#), American Express is currently using the Paris Agreement as a benchmark for its own emissions reductions targets, but has not clearly advocated in support of the climate deal and stated that does not plan to establish a public commitment to align its advocacy with the deal in the next two years.

American Express has limited transparent engagement on specific climate-related regulations from 2022-2024.

- In June 2022 [comments](#) on the New York Climate Action Council Draft Scoping Plan, American Express directly advocate to policymakers to support the proposed Clean Fuel Standard for New York, which would aid the state in decreasing dependence on fossil fuels for transportation.

American Express supports the transition to sustainable aviation fuels, however it is unclear if this is in line with IPCC recommendations for the energy type. Its position on broader energy transition strategies is unclear due to its lack transparent disclosure on climate policies.

- In February 2022 [written evidence](#) submitted to the UK Parliament's Transport Committee, American Express supported increased use of Sustainable Aviation Fuels (SAF) and the development of new emission-reducing technologies for aviation through the Jet Zero Council. However, the company was unclear on which technologies it supported, and whether they were aligned with IPCC guidance on decarbonizing aviation.
- The [IPCC's April 2022 report](#) acknowledges that bio-based SAFs are necessary for decarbonization of aviation in the short-term, but recognizes limitations to their mitigation potential due to land-use change. The IPCC also identifies a need to transition to other alternative fuels in the decarbonization of aviation in the medium to long term, including synthetic fuels, electric-power and hydrogen-power, however they are currently limited by technological constraints.

Summary of Indirect Climate Policy Engagement via Industry Associations

InfluenceMap's LobbyMap platform tracks and analyzes the climate policy engagement of over 250 industry associations, using the same benchmarks and scoring process applied to companies. This assesses each association's engagement against Paris-aligned benchmarks.

This section details InfluenceMap's analysis of some of American Express' key industry associations. A full ranking table of American Express' industry associations, including links to each association's online profile, is available in Appendix A.

- InfluenceMap analysis indicates that American Express likely holds memberships to 2 industry associations with climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked as a D or below by InfluenceMap's system), and 2 industry associations with climate policy engagement partially aligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+)
- American Express is a member of several industry associations ([Business Roundtable](#) (D+), [US Chamber of Commerce](#) (E)) that have actively opposed US climate policies. In October 2023 [regulatory comments](#), the US Chamber advocated to delay the proposed Corporate Average Fuel Economy (CAFE) standards, while Business Roundtable contested the Environmental Protection Agency's legal authority to regulate methane emissions from existing sources in February 2023 [comments](#). Similarly, the International Air Transport Association (IATA) opposed the extension of the EU Emissions Trading System to all international flights in the EU in a June 2023 [Reuters article](#), and the Japan Business Federation (Keidanren) [directly advocated](#) for investments in the renewal of liquified natural gas-fired thermal power facilities.
- Table 3 gives an overview of these 4 key industry associations with examples of recent climate policy engagement. Detailed profiles for all of American Express' industry associations can be explored via the links in the table, Appendix A, or the "Details of Relationship Score" tab on American Express' [online profile](#).

Table 3: Evidence of recent climate policy engagement by American Express' key industry associations

Industry Association	Performance Band	Type of Membership	Examples of recent climate policy engagement
<i>US Chamber of Commerce</i>	E	Member	<ul style="list-style-type: none"> January 2024: <i>Opposed</i> the Biden administration's decision to pause liquified natural gas (LNG) export permits until the Department of Energy updates its public interest approval process for pending LNG export applications. October 2023: <i>Advocated</i> to reduce the stringency of National Highway Traffic Safety Administration's proposed Corporate Average Fuel Economy (CAFE) Standards, refuting NHTSA's ability to consider compliance with Advanced Clean Cars II in setting a baseline for standards February 2023: <i>Joined</i> in criticism of the Federal Acquisition Regulatory Council for overstepping its legal authority with a proposed rule mandating federal contractors to establish science-based targets for reducing greenhouse gas emissions.
<i>International Air Transport Association</i>	D	Member	<ul style="list-style-type: none"> June 2023: <i>Consistently</i> opposed the incorporation of aviation into the EU Emissions Trading System (EU ETS) and advocated for its substitution with Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). November 2023: <i>Supported</i> policies incentivizing sustainable aviation fuels (SAFs), including tax credits and targeted incentives, but only supporting SAF mandates if introduced with accompanying measures. September 2022: <i>Advocated</i> for the maintenance of a relaxed baseline for CORSIA, suggested keeping it at 2019 emissions levels until 2035 instead of using the original baseline.

<i>Business Roundtable</i>	D+	CEO is Chair of Corporate Governance Committee	<ul style="list-style-type: none"> ■ August 2023: <i>Not supporting</i> the ambition of the US Environmental Protection Agency's proposed standards for power plant greenhouse gas emissions and advocating for the compliance timelines to be extended. ■ May 2023: <i>Advocated</i> for reforms to increase fossil fuel production to reduce US reliance on foreign energy. ■ February 2023: <i>Unsupportive of</i> the EPA's Methane Regulation Supplemental Proposal by contesting the legality of the EPA to enforce third-party monitoring and advocating for extended timelines.
<i>Japan Business Federation (Keidanren)</i>	C-	Member	<ul style="list-style-type: none"> ■ November 2022: <i>Endorsed</i> "growth-oriented carbon pricing," emphasizing that the system should not impose additional financial burdens on other resources. ■ October 2022: <i>Recommended</i> investment in liquefied natural gas power infrastructure alongside advancements in hydrogen and ammonia thermal power technologies. ■ October 2022: Keidanren Chair Tokura appeared to <i>lean</i> towards supporting a continued role for nuclear power in the energy mix, but it appeared as if this support was more of an alternative to transitioning to renewable energy sources.

Disclosure and Review of Climate Policy Engagement

The [Global Standard on Responsible Climate Lobbying](#) - instigated by investors and launched in March 2022 - is the leading best practice framework for climate policy engagement disclosure. The Global Standard sets out 14 indicators covering disclosure, governance and oversight processes to ensure alignment between a company's climate policy engagement and delivering the 1.5°C goal of the Paris Agreement.

In September 2023, InfluenceMap's methodology to assess corporate disclosures on climate policy engagement was formally updated in line with the Global Standard and stakeholder input. InfluenceMap has two distinct assessments of disclosures:

Accuracy of Climate Policy Engagement Disclosure: An assessment of the accuracy of a company's reporting on its direct and indirect (via industry associations) climate policy engagement activities.

- InfluenceMap analysis suggests that American Express has not published an account of its own climate policy engagement on specific policies. American Express' climate policy engagement is not transparent and limited to top-line statements, lacking [specific disclosures](#) about its positions and engagement activities on specific climate policies. For instance, the company did not disclose its June 2022 [comments](#) on the proposed Clean Fuel Standard for New York.
- InfluenceMap analysis suggests that American Express has not published an account of its industry associations' climate policy engagement on specific policies. American Express shows limited transparency regarding its indirect influence through industry associations. While it [discloses](#) memberships and general activities, their climate policy engagement remains unclear. Additionally, in its 2023 [CDP response](#), American Express listed its membership with the Business Roundtable but does not disclose its affiliation with the US Chamber of Commerce, International Air Transport Association (IATA), or the Japan Business Federation (Keidanren).

Corporate Climate Policy Engagement Review: An assessment of the quality and robustness of a company's process to identify, report on, and address specific cases of misalignment between its climate policy engagement activities and delivering the 1.5°C goal of the Paris Agreement.

- American Express does not appear to have published a review of its climate policy engagement. The Global Standard on Responsible Climate Lobbying highlights the need for companies to publish a detailed annual review to ensure that its climate policy engagement (direct and indirect via industry associations) is consistent with the 1.5°C goal of the Paris Agreement. To date, at least 50 North American companies have [published](#) such a review.

Appendix A: Ranking of American Express' Industry Association Memberships

The table below provides a ranking of American Express' industry associations currently covered by InfluenceMap's database by Performance Band, i.e. a full measure of a company's climate policy engagement, accounting for both its own engagement and that of its industry associations. Detailed profiles for all industry associations can be explored via the links in the table.

Industry associations are categorized by InfluenceMap as having climate policy engagement that is aligned, partially misaligned or misaligned with delivering the 1.5°C goal of the Paris Agreement by Performance Band:

- Aligned = Performance Band A+ to B
- Partially Misaligned = Performance Band B- to D+
- Misaligned = Performance Band D to F
- Low Engagement = Performance Band N/A

Industry Association	IM Performance Band	IM Assessment
Japan Business Federation (Keidanren)	C-	Partially Aligned
Business Roundtable	D+	Partially Aligned
International Air Transport Association	D	Misaligned
US Chamber of Commerce	E	Misaligned
Japan Department Stores Association	N/A	N/A