Corporate Disclosures on Climate Policy Engagement- Best Practice Guidance

The *Global Standard on Responsible Climate Lobbying* ('Global Standard') - 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. These assessments are directly integrated into the *Climate Action 100+ Net Zero Company Benchmark* as part of the 'Climate Policy Engagement Alignment' assessment, under two distinct indicators:

- **Accuracy of Climate Policy Engagement Disclosures:** An assessment of the accuracy of a company's reporting on its direct and indirect (via industry associations) climate policy engagement activities.
- **Robustness of Corporate Climate Policy Engagement Review & Misalignment Management Processes:** 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.

These assessments are separate and additional to InfluenceMap's core LobbyMap analysis of each companies' real-world climate policy engagement activities.

InfluenceMap has identified one example of best practice across the entire climate policy engagement disclosure process *(Unilever).* Some companies have also demonstrated best practice under specific assessment criteria under the 'Accuracy of Climate Policy Engagement Disclosure' and 'Climate Policy Engagement Review' assessments.

The tables below highlight, for each indicator, what companies should aim to disclose to meet the assessment criteria and examples of best or leading practice by companies to date. The full methodology can be found *here*.

Accuracy of Climate Policy Engagement Disclosure

Accuracy of Direct Climate Policy Engagement Disclosure

To meet the assessment criteria under this indicator: The company has published an accurate account of its positions and engagement activities on specific climate policies, assessed against InfluenceMap's database on the company's climate policy engagement.

Enel has published a complete and accurate account of its positions and engagement activities on specific climate-related policies, and this is aligned with InfluenceMap's assessment of the company using its LobbyMap database. Enel included its climate advocacy activities, positions, and links to the company's government consultation responses to specific climate-related policies from 2022-2024 in its 2023 Climate Policy Advocacy report, published April 2024. It also covered a range of regions in its disclosure, including Global, Europe, North & South America, Africa, and the Asia Pacific.

BP partially met the assessment criteria under this indicator, as it excluded material evidence of climate policy engagement. However, BP's 'Advocacy Activities' webpage provides a clear and detailed disclosure of the company's climate policy engagement, with filters for jurisdiction; date; and topic, including links to relevant consultation responses. It also contains sorting options for most recent, and most relevant.

Accuracy of Indirect Climate Policy Engagement Disclosure

To meet the assessment criteria under this indicator: The company has published an accurate account of the positions and engagement activities on specific climate policies for each industry association actively engaged on climate policy, assessed against InfluenceMap's database of over 250 industry associations' climate policy engagement.

Unilever has published a complete and accurate account of its industry associations' positions and engagement activities on specific climate-related policies. In its March 2024 industry association review, the company attached LobbyMap profile links to each association's assessment.

Iberdrola published a largely complete and accurate of its industry associations' positions and engagement activities on specific climate-related policies. *Iberdrola* and its North American subsidiary *Avangrid* both disclosed the climate policy engagement activities of their industry associations in their respective industry association climate lobbying reviews.

Corporate Climate Policy Engagement Review – Review Process

Monitor & Review	
To meet the assessment criteria under this indicator: The company has published a review of its climate policy engagement on an annual basis or has committed to do so at least once a year. Alternatively, the company is/has committed to disclose regular updates on its review process including detailed updates on relevant misalignments.	
Rio Tinto Shell	*Rio Tinto* has published detailed assessments of its climate policy engagement on an annual basis from 2018 to 2024, with detailed updates on misaligned industry associations each year. The company has committed to continue reviewing its memberships on an annual basis. Alternatively, *Shell* publishes a detailed review of its climate policy engagement every two years, with a detailed update in the interim year.

Alignment Assessment Method	
To meet the assessment criteria under this indicator: The company has: (1) disclosed a clear and detailed methodology for assessing alignment, including the criteria for a finding of alignment and misalignment; (2) aligned this assessment methodology with delivering the 1.5°C goal of the Paris Agreement; and (3) provided a clear and detailed explanation behind each evaluation.	
Unilever	*Unilever* assessed its industry associations' climate policy engagement against both its own climate policy positions, and against science-based policy, determined by "what the Intergovernmental Panel on Climate Change (IPCC) has said is needed to keep global warming below 1.5°C". Unilever states that this assessment does not mean associations should be expected to support every proposed climate law, but that when an association opposes a specific climate policy, it is incumbent on the association to engage constructively with policymakers to help find alternative, viable policy options that would be (at least) equally effective at reducing emissions. The company also clearly disclosed the criteria for findings of alignment and misalignment with both its own policy positions and science-based policy, and measured the engagement intensity of each association. It also provided clear and detailed explanations behind each evaluation including their detailed policy positions and links to each industry association's LobbyMap profile.

Framework for Addressing Misalignment	
To meet the assessment criteria under this indicator: The company has disclosed a clear framework to address misalignments, including details on: (1) the escalation strategies it will use; and (2) when it will use them. Escalation strategies may include, but are not limited to: making public statements challenging industry associations, withdrawing funding for the industry association, and suspending or ending membership of the industry association.	
IBERDROLA	*Iberdrola* has disclosed a clear and detailed framework to address potential misalignments, including escalation strategies and deadlines for industry associations that do not amend misaligned practices. Iberdrola's escalation strategy includes engagement with the industry association, sending a "notification of dissatisfaction", and formal notification that a termination of membership is being assessed. If the association does not provide a clear and credible action plan to address the misalignment within 12 months, Iberdrola will implement one or more of the following actions: make a clear public statement regarding the misalignment, request the industry association refrains from engaging on misaligned issues, and/or suspension or discontinuation of membership.

Corporate Climate Policy Engagement Review – Review Assessment (Direct – Company)

Identify & Assess (Direct Misalignment)	
To meet the assessment criteria under this indicator: The company has identified all cases of misalignment between its direct climate policy engagement and delivering the 1.5°C goal of the Paris Agreement, or the company has no material evidence of negative climate policy engagement identified by InfluenceMap's database.	
DANONE SASOL	*Danone* assessed 12 of its own climate policy positions and engagement activities across Europe, the US, and globally. It found all 12 to be aligned. According to InfluenceMap's database, Danone does not appear to have any material evidence of negative climate policy engagement during the reporting period. As a result, Danone has assessed its climate policy engagement activities in line with InfluenceMap's findings. It is the only company to have 'broadly met' the criteria for this indicator. *Sasol* published a detailed review of its direct climate policy engagement in August 2023. Sasol assessed the alignment of five of its own climate policy positions, including four in South Africa (Climate Change Bill; Carbon Tax; PCC Just Transition Framework; Upstream Oil and Gas Tax Regime Discussion Document) and one in the EU (European Union Delegated Acts). However, Sasol did not identify any cases of misalignment with its own climate policy engagement. As such, the company has not identified any cases of misalignment between its direct climate policy engagement and delivering the 1.5°C goal of the Paris Agreement identified by InfluenceMap's database. The company has not updated its review in 2024. As a result, no company has shown evidence of identifying cases of misalignment of its direct climate policy engagement and delivering on the 1.5°C goal of the Paris Agreement.

Act (Direct Misalignment)	
To meet the assessment criteria under this indicator: The company has shown evidence of action to address all cases of misalignment between its direct climate policy engagement and delivering the 1.5°C goal of the Paris Agreement, or the company has no material evidence of negative climate policy engagement identified by InfluenceMap's database.	
DANONE Unilever	*Danone* and *Unilever* have 'broadly met' the criteria for this indicator by default. Both companies do not appear to have any material evidence of negative climate policy engagement according to InfluenceMap's database, and therefore have no cases of misalignment to act upon. As a result, no company has actively shown evidence of acting to address cases of misalignment between its own direct climate policy engagement activities and delivering the 1.5°C goal of the Paris Agreement.

Corporate Climate Policy Engagement Review – Review Assessment (Indirect – Industry Associations)

Identify & Assess (Indirect Misalignment)
To meet the assessment criteria under this indicator: The company has identified all cases of misalignment between its industry associations and delivering the 1.5°C goal of the Paris Agreement, or the company does not have any memberships to industry associations with misaligned or partially misaligned climate policy engagement practices in InfluenceMap's database (Organisation Scores of 0-74).
Unilever assessed 27 industry associations in its review and identified all cases of misalignment and partial misalignment with its industry associations and the 1.5°C goal of the Paris Agreement in line with InfluenceMap's database. Unilever has membership to 1 misaligned industry association (Tennessee Chamber of Commerce & Industry), and 10 partially aligned associations.

Act (Indirect Misalignment)
To meet the assessment criteria under this indicator: The company has shown evidence of action to address all cases of misalignment between its industry associations and delivering the 1.5°C goal of the Paris Agreement, or the company does not have any memberships to misaligned or partially misaligned industry associations (i.e. Organization Scores of 0-74 in InfluenceMap's database).
Unilever is the only company to have met investor expectations in this area, showing evidence of action to address all cases of misalignment between its industry associations and delivering the 1.5°C goal of the Paris Agreement, as identified by InfluenceMap's database. In its review, the company included a section for each association titled "Actions (to be) taken" in which it outlined the actions taken or to be taken with the industry association as per its assessment. For example, Unilever stated that it would write to the Tennessee Chamber of Commerce & Industry stating that their positions do not reflect those of Unilever. It also disclosed it would encourage the European Roundtable for Industry to continue to engage constructively on the EU Green Deal and explore how it can revise its position on the EU Emissions Trading System. Additionally, Unilever stated that for the 12 associations that were deemed "passively aligned" (minimal to non-existent policy engagement), the company will aim to push the associations to become more actively engaged in promoting outcomes and policies that aid in decarbonization.