

BMW

Detailed assessment of BMW’s corporate climate policy engagement review

This document outlines a detailed breakdown of InfluenceMap's assessment of the company's disclosure on climate policy engagement. Further detail on the assessment methodology is available in the Appendix, and on InfluenceMap’s CA100+ Investor Hub [here](#).

A summary of BMW’s disclosures on climate policy engagement is shown below. BMW has undertaken two reviews of its climate policy engagement to date. The Review Score represents InfluenceMap’s overall assessment of the quality of the company’s review process, where 100 would indicate that a company has met investor expectations for all criteria related to the review process.

Date of Review	Review Score
May 2022	7 / 100
May 2023	21 / 100

This assessment focuses solely on BMW’s disclosure on climate policy engagement, which can be found [here](#). This assessment does not include an analysis of the company's actual climate policy engagement, which can be found on InfluenceMap's online profile of BMW [here](#).

The table below provides a breakdown of BMW’s performance against each of the seven assessment criteria, using the traffic-light assessment framework summarized below.

Key	Explanation
■	Has broadly met investor expectations in this area.
■	Has made some progress on investor expectations in this area, but with significant deficiencies.
■	Has fallen short of investor expectations in this area.

Disclosure & Transparency	Policy Alignment Process
■ Corporate climate positions	■ Identify & Assess
■ Industry group climate positions	■ Monitor & Review
■ Alignment assessment method	■ Act
■ Framework for misalignment	

BMW's Company Scorecard

The tables below highlight, for each indicator, the criteria for companies to meet investor expectations, BMW's assessment, and examples of better practice by companies to date.

While InfluenceMap did not find an example of best practice across the entire industry association review process, some companies have demonstrated better practice under specific metrics under the 'Disclosure & Transparency' and 'Policy Alignment Process' assessments.

Disclosure & Transparency

Corporate climate policy positions and influencing activities

To meet investor expectations under this indicator: The company has to disclose a detailed and clearly referenced breakdown of its own climate policy positions and influencing activities beyond 'top-line' climate statements. This includes descriptions of the company's positions and policy engagement activities on specific items of regulation and legislation which are material to the company's operations, business sector, and/or the region(s) in which it operates.

<p>BMW</p>	<p>In its '2022 Contribution to Climate Protection in the European Union, the US and China' document, BMW disclosed a breakdown of its own climate policy positions and influencing activities on some items of regulation and legislation in the EU, US, and China. For example, the company disclosed its engagement activities on the EU's goal for emissions-free vehicles by 2035, the EU Alternative Fuel Infrastructure Regulation (AFIR), Energy Performance of Buildings Directive (EPBD), and the Euro7 passenger car emissions standard. It also disclosed broad positions on the US California Clean Cars 2 rule, the Inflation Reduction Act's provisions for electric vehicle (EV) tax incentives, and EPA greenhouse gas (GHG) emissions standards and regulations for model years 2027-2032. In China, BMW disclosed more broadly its engagement on neighbourhood electric vehicle (NEV) incentives, a high-power charging roadmap, and decarbonizing supply chains.</p> <p>However, BMW does not appear to have disclosed a complete and accurate account of its climate policy advocacy in the UK. For example, in May 2022 Politico reported that while France held the EU's rotating Council presidency, BMW's CEO, Oliver Zipse, wrote a letter to French President Macron <i>advocating</i> for the proposed 2035 ICE phase-out in the EU to be delayed until 2040. Further, in a June 2022 ACEA press release, Zipse <i>publicly opposed</i> the European Parliament's plenary vote in favour of a 2035 zero-emissions target for all new light-duty vehicles sold in the EU.</p>
<p>Best Practice</p>	<p>In its lobbying review, <i>BP</i> provides a link to a dedicated webpage titled 'Advocacy activities' which includes clear and detailed advocacy updates on specific government policy consultations in Europe, Australia and the US. These include specific consultations with climate-related policies under 6 topics, and a link to <i>another webpage</i> which discloses further details on the company's advocacy activities in the US. BP also includes links to public submissions via the EU Transparency Register, the Scottish Lobbying Register, and the US Lobbying Disclosure Act.</p>

Industry association climate policy positions and influencing activities

To meet investor expectations under this indicator: The company has to disclose a detailed and accurate account of the climate policy positions and influencing activities of each industry association actively engaged on climate change policy, including descriptions of positions and policy engagement activities on specific items of regulation and legislation beyond ‘top-line’ statements.

BMW	<p>BMW’s disclosure of its industry associations’ climate policy positions is limited. In its ‘Relevant Memberships in Automotive Associations’ document, the company primarily provides an overview of top-line statements, with only limited reference to specific items of regulation and legislation, for four of its industry associations. For example, the company’s disclosure on European Automobile Manufacturers’ Association’s (ACEA) engagement with climate policy is limited to advocacy on the Fit for 55 Package, and its disclosure on German Association of the Automotive Industry (VDA) is limited to top line disclosures on its engagement with drive-train technologies and R&D. BMW also failed to disclose any climate policy positions for the Alliance of Automotive Innovation and China Association of Automobile Manufacturers (CAAM).</p> <p>BMW did not disclose any climate policy positions for the twelve remaining associations included in its review, and therefore overlooked evidence of negative engagement by key industry associations, for example German Association of the Automotive Industry (VDA), European Automobile Manufacturers Association (ACEA) (see Identify & Assess for further details).</p>
Best Practice	<p>No companies have met investor expectations in this area, although BASF and BMW exhibit current leading practice. Both companies have disclosed a detailed account of all key industry associations’ climate policy positions, and a summary of their influencing activities. However, they appear to overlook detailed negative lobbying by a number of industry associations identified by InfluenceMap’s database.</p>

Alignment assessment method

To meet investor expectations under this indicator: The company has to: (1) disclose a clear and detailed framework for assessing alignment with its industry associations across all relevant areas of policy engagement; (2) consistently apply this framework across *all* industry associations; and (3) provide a clear and detailed explanation behind each evaluation.

BMW	<p>BMW has not disclosed a clear and detailed framework for assessing alignment with its industry associations. The company does not specify how alignment is determined, nor does it disclose what will constitute a finding of alignment or misalignment. Additionally, BMW does not provide a clear explanation of how each evaluation has been made, only publishing a list of industry associations that it states are “explicitly in favour of the Paris Agreement”.</p>
Best Practice	<p>Shell has disclosed a clear explanation of its alignment assessment method along with a clear and detailed explanation of how it has been applied to each industry association. The company also provided clear criteria which were used to categorize the degree of alignment of BMW’s climate policy positions with the positions of its industry associations.</p>

Framework for addressing misalignment

To meet investor expectations under this indicator: The company must disclose a clear and detailed framework for addressing misalignments with its industry associations including escalation steps and clear deadlines for industry associations which do not amend misaligned practices.

BMW	BMW has not disclosed a clear and detailed framework for addressing misalignment with its industry associations. BMW only states that it will enter into dialogue with misaligned associations to improve alignment, with no escalation strategy or clear deadlines for industry associations which do not amend their positions on climate-related policies.
Best Practice	<i>Rio Tinto</i> has disclosed clear and detailed steps for addressing potential misalignment, including an escalation strategy and clear timelines attached. The company states that it will clarify its own positions with misaligned industry associations, seek common ground, seek leadership positions to influence associations, and consider suspending membership if differences are not resolved after 12 months.

Policy Alignment Process

Identify & Assess

To meet investor expectations under this indicator: The company has to identify all cases of misalignment with its industry associations and the Paris Agreement in line with InfluenceMap’s *database* on corporate lobbying.

BMW	<p>BMW assessed 16 associations in its review, and identified alignment with all 16 associations (Aluminium Stewardship Initiative, Association des Constructeurs Européens d’Automobiles, Branchenverband der deutschen Informations- und Telekommunikationsbranche, Bundesverband der Deutschen Industrie, Business Europe, DRIVE Sustainability, Econsense Forum für Nachhaltige Entwicklung, Electric Drive Neuseeland, Fraunhofer-Gesellschaft, Global Battery Alliance, Hydrogen Council, Los Angeles Cleantech Incubator, UN Global Compact – The Foundation of the Global Compact, Verband der Automobilindustrie, Vereinigung der Bayerischen Wirtschaft, World Business Council for Sustainable Development).</p> <p>InfluenceMap analysis indicates that BMW has at least 5 memberships to industry associations misaligned with the Paris Agreement (<i>Federation of German Industries (BDI)</i>, <i>German Association of the Automotive Industry (VDA)</i>, <i>BusinessEurope</i>, <i>Society of Indian Automobile Manufacturers (SIAM)</i>, <i>National Association of Manufacturers (NAM)</i>), and at least 10 memberships to industry associations potentially misaligned with the Paris Agreement (<i>European Automobile Manufacturers Association (ACEA)</i>, <i>Confederation of British Industry (CBI)</i>, <i>European Round Table for Industry (ERT)</i>, <i>Alliance for Automotive Innovation</i>, <i>Business Leadership South Africa</i>, <i>Spanish Confederation of Business Organizations (CEOE)</i>, <i>Hydrogen Europe</i>, <i>Society of Motor Manufacturers and Traders (SMMT)</i>, <i>Hydrogen Council</i>, <i>Federal Chamber of Automotive Industries (FAI)</i>).</p> <p>BMW did not include SIAM, NAM, Business Leadership South Africa, CEOE, Hydrogen Europe, SMMT, or FCAI in its 2023 review.</p> <p>InfluenceMap analysis finds that these industry associations have engaged negatively on climate-related policies. For example:</p> <ul style="list-style-type: none"> ■ <i>German Association of the Automotive Industry (VDA)</i>: VDA President Hildegard Muller <i>opposed</i> the EU’s 2035 zero-emission carbon dioxide (CO2) target for light-duty vehicle in an October 2022 Automobilewoche article. Müller also <i>opposed</i> the European Council’s vote on
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	<p>the target, opposing the proposed 2026 review date and calling for a decision on the final zero-emissions mandate to be made in 2028, in a June 2022 press release.</p> <ul style="list-style-type: none"> ■ European Automobile Manufacturers Association (ACEA): In a December 2022 letter to Commission Executive Vice President Frans Timmermans, ACEA Director General Sigrid de Vries <i>opposed</i> a 100% zero-emission CO2 target for heavy-duty vehicles in the EU. In March 2022, former ACEA President, Oliver Zipse, publicly urged policymakers to <i>delay setting</i> the EU's zero-emission 2035 CO2 emissions target until "2040 at the earliest" and called for the decision on a zero-emissions CO2 target to be delayed until later in the 2020s, according to a Politico report. ■ National Association of Manufacturers (NAM): In a <i>detailed comment</i> to the US EPA in January 2022, NAM was highly critical of its proposed methane regulation, stating the need for maximum state flexibility in standard-setting and compliance. In June 2022, the NAM signed a joint letter to President Biden <i>urging</i> the government to adopt the next Five-Year program for offshore oil and gas production. The letter highlights the Ukraine crisis as justification for the expansion of fossil fuel production.
<p>Best Practice</p>	<p><i>Enel</i> is the only company to meet investor expectations in this area, identifying all cases of misalignment with its industry associations and the Paris Agreement in line with InfluenceMap's database, although the company does not disclose additional details of why they are not fully aligned. InfluenceMap analysis indicates that most companies have missed key cases of misalignment with industry associations lobbying counter to the goals of the Paris Agreement.</p>




<p>Monitor & Review</p>	
<p>To meet investor expectations under this indicator: The company has to publish a review of industry associations on an annual basis, commit to do so at least once a year, or commit to disclose regular updates on its review and alignment process. Updates should accurately report on relevant material and on-going lobbying activities of potentially misaligned industry associations, as well as the company's alignment and engagement with the industry association concerning these activities.</p>	
<p>BMW</p>	<p>BMW has published two reviews of its industry associations to date on an annual basis in May 2022 and May 2023.</p>
<p>Best Practice</p>	<p><i>Rio Tinto</i> has published detailed assessments of its industry association memberships every year, with detailed updates on misaligned industry associations each year. Rio Tinto has published six full reviews of its industry associations, annually from 2018 to 2023. The company has committed to continue reviewing its memberships on an annual basis.</p>

Act	
<p>To meet investor expectations under this indicator: The company has to show evidence of action to address all cases of misalignment with its industry associations and the Paris Agreement, in line with InfluenceMap’s <i>database</i> on corporate lobbying. The investor expectations outlined by <i>PRI</i>, <i>IIGCC</i> and <i>Ceres</i> include several steps companies can take to address misalignment. Steps should include terminating memberships or taking specific action to reform the detailed and material lobbying activities undertaken by misaligned organizations.</p>	
BMW	<p>BMW has shown no evidence of action to address specific cases of misalignment with its industry associations. BMW does not appear to have addressed key cases of material and potential misalignment with the Paris Agreement identified by InfluenceMap’s database (see Identify & Assess).</p>
Best Practice	<p>No companies have met investor expectations in this area by showing evidence of action to address all cases of misalignment identified by InfluenceMap’s database, although some companies have made more progress. <i>Rio Tinto</i> terminated its membership to Queensland Resources Council in 2022 following findings of misalignment in past reviews, and also outlined detailed actions to be taken at two "partially aligned" industry associations. <i>Total</i> announced in January 2021 that it had decided not to renew its membership to the American Petroleum Institute due to divergences on climate positions. <i>Fortum</i> has not left any industry associations but has disclosed its engagement on specific climate change policy issues with four industry associations, including details of the results of this engagement in 2022. Similarly, <i>General Motors</i> has disclosed that it has not financially contributed to advocacy campaigns against the Build Back Better Act by the Business Roundtable and US Chamber, and has publicly advocated a supportive position to ensure its stance is differentiated from them.</p>

Appendix: InfluenceMap’s Methodology for Assessing Corporate Climate Policy Engagement Disclosures

Scoring Disclosures and Policy Alignment Process



InfluenceMap assesses corporate performance against seven assessment criteria, using the traffic-light framework summarized below. A ‘Green’ scores 2 points, a ‘Yellow’ scores 1 point, and a ‘Red’ scores 0 points. This total is converted into a percentage from 0 to 100, calculated using the total number of points available (14). As such, only certain scores within the 0 to 100 range are possible under this methodology.

Key	Score Explanation
	Has broadly met investor expectations in this area.
	Has made some progress on investor expectations in this area, but with significant deficiencies.
	Has fallen short of investor expectations in this area.

Assessing Disclosures

Since BHP’s 2017 industry association review, around 60 major global corporates have delivered similar, specific disclosures on their industry association links in response to investor pressure. This positive momentum is undermined, however, if the resulting disclosures are of poor quality.

In its *‘Investor Expectations on Corporate Climate Lobbying’* report, the PRI highlights the need for disclosure on the company’s positions and activities on climate change policy engagement, as well as the positions and activities of the industry groups it supports. The PRI further requests information on the governance processes and actions taken to ensure alignment between these activities and the company’s stated climate goals. *IIGCC* and *Ceres* articulate similar expectations, also requiring companies to disclose a material impact assessment of lobbying by an organization that opposes their public position. InfluenceMap uses the following assessment criteria to test the clarity, accuracy and scope of information provided by companies against four key issues.

Disclosure Item	Score	InfluenceMap’s Assessment Criteria
Corporate climate policy positions and influencing activities		The company has disclosed a detailed and clearly referenced breakdown of its own climate policy positions and influencing activities beyond ‘top-line’ climate statements. This includes descriptions of the company’s positions and policy engagement activities on specific items of regulation and legislation which are material to the company’s operations, business sector, and/or the region(s) in which it operates.
		The company has disclosed a breakdown of its own climate policy positions and influencing activities. However, the company’s description of its positions and policy engagement activities on specific items of regulation and legislation lacks detail, and/or the company has not disclosed its position and engagement activities on key items of

		regulation and legislation which are material to its operations, business sector, and/or the region(s) in which it operates.
		The company has made no attempt to disclose its climate policy positions and influencing activities, or the company's disclosure is limited to a brief overview of its 'top-line' climate statements and operational commitments without reference to specific items of regulation and legislation.
Industry association climate policy positions and influencing activities		The company has disclosed a detailed and accurate account of the climate policy positions and influencing activities of each industry association actively engaged on climate change policy, including descriptions of positions and policy engagement activities on specific items of regulation and legislation beyond 'top-line' statements.
		The company has disclosed an account of the climate policy positions and influencing activities of each industry association actively engaged on climate change policy, beyond 'top-line' statements. However, the disclosure lacks detail on positions and policy engagement activities on specific items of regulation and legislation, and/or does not disclose evidence of negative climate lobbying by one or more of its industry associations.
		The company has not disclosed the climate policy positions and influencing activities of each industry association actively engaged on climate change policy, and/or the company's disclosure is limited to a brief overview of 'top-line' climate statements without reference to specific items of regulation and legislation.
Alignment assessment method		The company has: (1) disclosed a clear and detailed framework for assessing alignment with its industry associations across all relevant areas of policy engagement; (2) consistently applied this framework across <i>all</i> industry associations; and (3) provided a clear and detailed explanation behind each evaluation.
		The company has disclosed a framework for assessing alignment with its industry associations but the disclosure lacks detail regarding <i>one</i> of the above steps (1-3).
		The company has not disclosed a framework for assessing alignment with industry associations, or it has disclosed a framework but the disclosure lacks detail regarding <i>more than one</i> of the above steps (1-3).
Framework for addressing misalignment		The company has disclosed a clear and detailed framework for addressing misalignments with its industry associations including escalation steps and clear deadlines for industry associations which do not amend misaligned practices.
		The company has disclosed a clear and detailed framework for addressing misalignments with its industry associations including escalation steps, but there is no clear deadlines for industry associations which do not amend misaligned practices
		The company has not disclosed a framework for addressing misalignments with its industry associations, or the company has disclosed a framework but the steps are ambiguous and lack sufficient detail.

Assessing Policy Alignment Process

As well as transparent disclosures on industry group links and lobbying activities, the investor expectations communicated by IIGCC, CERES and the UN PRI also set out the need for robust processes to ensure alignment between the company's stated policy positions and the positions and lobbying activities of their industry groups. These processes consist of the following three elements:

Alignment Process	Score	InfluenceMap’s Assessment Criteria
Identify & Assess	Green	The company has identified all cases of misalignment with its industry associations and the Paris Agreement in line with InfluenceMap’s <i>database</i> on corporate lobbying.
	Yellow	The company has not identified key cases of misalignment with the Paris Agreement in line with InfluenceMap’s <i>database</i> on corporate lobbying. Companies are scored in this category if they miss up to three cases of “potential” misalignment (industry associations with Organization Scores 51-75 in InfluenceMap’s database).
	Red	The company has not identified key cases of misalignment with the Paris Agreement in line with InfluenceMap’s <i>database</i> on corporate lobbying. Companies are scored in this category if they miss one case of misalignment (industry associations with Organization Scores 0-50) or more than three cases of “potential” misalignment (industry associations with Organization Scores 51-75 in InfluenceMap’s database).
Monitor & Review	Green	The company has published a review of industry associations on an annual basis, has committed to do so at least once a year, or is/has committed to disclose regular updates on its review and alignment process. Updates should accurately report on relevant material and on-going lobbying activities of potentially misaligned industry associations, as well as the company’s alignment and engagement with the industry association concerning these activities.
	Yellow	The company has committed to publish an update to its review of industry associations but not an annual basis or not specified a timeframe.
	Red	The company has not committed to any follow-up processes as part of its review of industry associations.
Act	Green	The company has shown evidence of action to address all cases of misalignment with its industry associations and the Paris Agreement, in line with InfluenceMap’s <i>database</i> on corporate lobbying. The investor expectations outlined by <i>PRI</i> , <i>IIGCC</i> and <i>Ceres</i> include several steps companies can take to address misalignment. Steps should include terminating memberships or taking specific action to reform the detailed and material lobbying activities undertaken by misaligned organizations.
	Yellow	The company has shown some evidence of action to address cases of misalignment with its industry associations and the Paris Agreement, but has not addressed key cases of misalignment or “potential” misalignment identified by InfluenceMap’s <i>database</i> on corporate lobbying, i.e. industry associations with Organization Scores 0-75 in InfluenceMap’s database. The investor expectations outlined by <i>PRI</i> , <i>IIGCC</i> and <i>Ceres</i> include several steps companies can take to address misalignment. Steps should include terminating memberships or taking specific action to reform the detailed and material lobbying activities undertaken by misaligned organizations.
	Red	The company has shown no or limited evidence of action to address cases of misalignment with its industry associations and the Paris Agreement, missing key cases of misalignment or potential misalignment identified in InfluenceMap’s <i>database</i> on corporate lobbying, i.e. industry associations with Organization Scores 0-75. The investor expectations outlined by <i>PRI</i> , <i>IIGCC</i> and <i>Ceres</i> include several steps companies can take to address misalignment. Action will be scored under this category if it does not include terminating memberships or taking specific action to reform the detailed and material lobbying activities undertaken by misaligned organizations.

To assist this assessment, InfluenceMap will be applying its database on corporate and industry group climate change lobbying. This tracks in real-time the detailed climate policy lobbying of around 500 companies and 250 industry associations globally, allowing like-for-like comparisons of organizations’ positions on climate policy that are compared to a benchmark of Paris-aligned climate policy. This system can track the evolution of corporate and industry group climate lobbying positions over time.