# The Climate Accountability Scorecard

Ranking Major Fossil Fuel Companies on Climate Deception, Disclosure, and Action www.ucsusa.org/climatescorecard

Appendix: Renouncing Disinformation on Climate Science and Policy

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# **Scoring Guide**

# TABLE 1. Renouncing Disinformation on Climate Science and Policy Scoring Guide

Climate Statements: Direct		
Accuracy and consistency of public statements on climate science and the consequent need for swift and deep reductions in emissions from the burning of fossil fuels		
Advanced (+2)	Company meets all of the criteria for "good" and also highlights the urgency and importance of achieving global net-zero CO2 emissions in order to keep temperature rise well below 2°C and limit risks to society and ecosystems.	
Good (+1)	Company meets all of the criteria for "fair" and also affirms the consequent need for swift and deep reductions in emissions from the burning of fossil fuels.	
Fair (0)	Company consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives).	
Poor (-1)	Company does not address climate science on company website in a prominent, easily accessible page (e.g., a page designated specifically to address climate change) or has downplayed the need to reduce greenhouse gas emissions in at least one platform.	
Egregious (-2)	Company has misrepresented climate science in at least one platform (e.g., on company webpage or in public statements). Such misrepresentation might take the form of denying the reality of the problem of climate change or disparaging the scientific evidence of climate change.	
Climate Statements: I	ndirect	
block climate action, Clean Coal Electricity ( National Association o	e associations and other industry groups that spread climate science disinformation and/or as relevant. Trade associations and industry groups analyzed were the American Coalition for ACCCE), American Legislative Exchange Council (ALEC), American Petroleum Institute (API), f Manufacturers (NAM), National Mining Association (NMA), U.S. Chamber of Commerce, and eum Association (WSPA).	
Advanced (+2)	Company meets the criteria in "good" and in leaving, publicly distancing itself from, or never joining the association or group, the company stated explicitly that it was because the group's position on climate science is inaccurate and inconsistent with company's position.	
Good (+1)	Company has left or publicly distanced itself from the association or group there is clear, incontrovertible evidence that the company has never been affiliated with it.	
Fair (0)	Information is unavailable to determine company's affiliation with the association or group.	
Poor (-1)	Company is a recent member of the association or group and has not taken any steps to distance itself	

	from the group's climate deception.
Egregious (-2)	Company is a recent member with a leadership role in the association or group and has not taken any
	steps to distance itself from the group's climate deception.
Policy, Governance, ar	nd Oversight
Policy, governance sys	stems, and oversight mechanisms to prevent climate disinformation
Good (+1)	Company has made a public commitment to reject climate science disinformation and established a company-wide policy to avoid direct or indirect involvement in disinformation (i.e., through trade associations and other industry-affiliated groups), with clearly delineated responsibilities for board and senior management to ensure accountability.
Fair (0)	Company has made a public commitment to reject climate science disinformation, but does not have clear accountability or systems for implementing a company-wide policy.
Poor (-1)	Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.
Support for climate-re	lated shareholder resolutions
Advanced (+2)	Company has recommended support for one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A) and is taking action to resolve issues brought forth in these resolutions.
Good (+1)	Company has recommended support for one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A), but has not yet taken action to resolve issues raised in these resolutions.
Fair (0)	Company has not faced any climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).
Poor (-1)	Company has recommended against one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).
Egregious (-2)	Company has attempted to block one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).

DATA SOURCES: COMPANY WEBSITES, PROXY STATEMENTS, PUBLIC STATEMENTS BY COMPANY REPRESENTATIVES, TRADE ASSOCIATION AND INDUSTRY GROUP WEBSITES, AND THIRD PARTY WATCHDOG GROUP WEBSITES IN THE PERIOD JANUARY 1, 2015, TO MAY 31, 2016, AND TRADE ASSOCIATION FEDERAL FILINGS FROM 2014.

# TABLE 2. Renouncing Disinformation on Climate Science and Policy Scoring Bands

Area Aggregate Score	Definition	Point range
Advanced	Company is demonstrating best practices in the area	+10 - +15
Good	Company is meeting emerging societal expectations in this area	+4 - +9
Fair	Company's performance in this area is neither positive nor negative	(-3) - +3
Poor	Company is falling short of emerging societal expectations in this area	(-9) - (-4)
Egregious	Company is acting very irresponsibly in this area	(-15) - (-10)

### Arch Coal

#### ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Fair (0): Company consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives).

#### **RATIONALE:**

Arch Coal consistently acknowledges the scientific evidence of climate change in all public platforms, such as company websites and statements by company executives (see, for example, Arch Coal 2016), but does not affirm the consequent need for swift and deep reductions in emissions from the burning of fossil fuels.

#### SOURCE DATA

"Global warming, including the role and impact of man-made greenhouse gas emissions, is an issue of significant focus among domestic and international policymakers. On the policy side, Arch advocates an aggressive timeline for technology research and development that will reduce greenhouse gases from man-made sources, including the use of coal. On the operations side, Arch is continually evaluating how to reduce our own greenhouse gas emissions and increase the efficiency of our fuel use, while also assessing the most effective approaches for managing our business in a carbon-constrained economy." (Arch Coal, Inc. 2016)

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

#### TABLE 3. Arch Coal's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Coalition for Clean Coal Electricity (ACCCE)	Good (+1)	The company left the ACCCE in 2016 but made no public announcement regarding the reasons for its departure (ACCCE 2016, Sheppard 2016).
American Legislative Exchange Council (ALEC)	Poor (-1)	Arch Coal was a member of ALEC as of 2015 (Surgey 2016) and it has not taken any steps to distance itself from ALEC's climate deception.
National Association of Manufacturers (NAM)	Egregious (-2)	Chairman and CEO John W. Eaves is on the NAM board of directors as of 2016 (NAM 2016), and the company has not taken any steps to distance itself from the group's climate deception.
National Mining Association (NMA)	Poor (-1)	Arch Coal is a member of NMA as of 2016 (NMA 2016), and the company has not taken any steps to distance itself from the

		group's climate disinformation.
US Chamber of Commerce	Fair (0)	No evidence of membership.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### **RATIONALE:**

No policy on record.

### SOURCE DATA

No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Fair (0): Company has not faced any climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow).

#### RATIONALE:

Arch Coal did not face any climate-related shareholder resolutions during the study period.

#### SOURCE DATA:

Arch Coal did not face any climate-related shareholder resolutions during the study period.

#### **RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-4) POOR**

# ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Good (+1): Company consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives) and also highlights the urgency and importance of achieving global net-zero CO2 emissions in order to keep temperature rise well below 2°C and limit risks to society and ecosystems.

#### **RATIONALE:**

BP consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives), and also affirms the consequent need for swift and deep reductions in emissions from the burning of fossil fuels. (See, for example, BP PLC 2016b and; BP PLC 2015a)

#### SOURCE DATA:

- "BP recognizes that the existing trend of increasing greenhouse gas emissions worldwide is not consistent with limiting the global average temperature rise to 2°C or lower. The Intergovernmental Panel on Climate Change states that warming of the climate system is unequivocal, and is in large part due to an increase in greenhouse gas (GHG) emissions from human activities. It makes clear that substantial and sustained reductions of GHG emissions are needed to limit warming to 2°C, the threshold recognized by governments as limiting the worst impacts of climate change. BP believes global action on climate change is needed. It's a complex issue and all aspects of the debate should be considered in their totality. Carbon dioxide (CO<sub>2</sub>) emissions from energy make up around two thirds of all global man-made global greenhouse gas emissions. This energy supplies many staples in today's world: heat, light, industrial power and transportation. Agriculture and land-use changes, such as deforestation and clearing land for crops, account for about a quarter of the emissions. BP's Energy Outlook projects that global CO<sub>2</sub> emissions from fossil fuels may be 20% higher in 2035 than they were in 2014, partly as a consequence of coal use in rapidly growing economies. This is not what BP wants to see, but what we currently think is likely. About 60% of potential CO2 emissions from known fossil fuel reserves are from coal, the most carbon-intensive fossil fuel. By comparison, gas would account for around 15% of potential CO<sub>2</sub> emissions and is the least carbon-intensive fossil fuel. Around 80-90% of CO<sub>2</sub> emissions from oil and gas products are from their use by consumers, with the remainder generated during their extraction and development" (BP PLC 2016c)
- "Oil and natural gas companies generate greenhouse gases (GHGs) in almost every aspect of their work, from the finding, extracting and processing of hydrocarbon resources, to the transforming and delivery of these resources to customers. During these processes, the most significant GHG emissions, including carbon dioxide (CO<sub>2</sub>) and methane, come from the combustion of fossil fuels for energy, the flaring and venting of gas, and losses from equipment. We recognize the role GHGs play in climate change and aim to manage our GHG emissions through operational energy efficiency, reductions in flaring and venting, and by factoring a carbon cost into our investment appraisals and the engineering design of new projects. We also participate in global GHG reduction initiatives. We review our emissions and assess possible mitigation measures at a company-wide level, and provide guidance to our businesses to manage emissions in line with applicable local requirements." (BP PLC 2016a)
- "The Intergovernmental Panel on Climate Change (IPCC) states that warming of the climate system is unequivocal, and is
  in large part due to an increase in greenhouse gas (GHG) emissions from human activities. The IPCC believes that
  warming of the climate will probably lead to extreme weather events becoming more frequent and unpredictable. It makes
  clear that limiting climate change will require substantial and sustained reductions of GHG emissions. BP believes
  it is for governments to set goals, targets and timetables for limiting GHG emissions and to identify how best to achieve
  them. We encourage governments to base their discussions on sound science and consideration of all relevant factors,
  including energy security, affordability and international competitiveness." (BP PLC 2015a)

#### AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE

# BP

### TABLE 4. BP's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Legislative Exchange Council (ALEC)	Good (+1)	The company left ALEC in 2015 but did not specifically cite climate change as its reason for leaving (Westervelt 2015).
American Petroleum Institute (API)	Egregious (-2)	Chairman and President of BP America John Mingé was on the API board of directors as of 2014 (API 2015), and the company has not taken any steps to distance itself from the group's climate deception.
National Association of Manufacturers (NAM)	Egregious (-2)	Chairman and President of BP America John Mingé is on the NAM board of directors as of 2016 (NAM 2016), and the company has not taken any steps to distance itself from the group's climate deception.
US Chamber of Commerce	Fair (0)	No evidence of membership.
Western States Petroleum Association (WSPA)	Egregious (-2)	BP is a member as of 2016 (WSPA 2016). Northwest Fuels Value Chain President Jeff Pitzer, now retired, was a member of the WSPA board of directors as of 2014 (Ballotpedia 2015). In response to a question about WSPA's tactics in California at BP's 2016 annual meeting, CEO Bob Dudley said, "of course we did not support that particular campaign" (Rouse 2016), but BP has not taken concrete steps to distance itself from WSPA's climate deception.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

### RATIONALE:

No policy on record.

#### SOURCE DATA:

• No policy on record.

### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Good (+1): Company has recommended support for one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g. Ceres, ICCR, As You Sow), but has yet not taken action to resolve issues raised in these resolutions.

#### RATIONALE:

The company recommended support for a climate-related resolution in 2015 directing it to improve reporting on climate risk, emissions management, and portfolio resilience (BP PLC 2015b).

#### SOURCE DATA:

Recommended support for a resolution brought by the Aiming for A coalition: "That in order to address our interest in the longer term success of the Company, given the recognised risks and opportunities associated with climate change, we as shareholders of the Company direct that routine annual reporting from 2016 includes further information about: ongoing operational emissions management; asset portfolio resilience to the International Energy Agency's (IEA's) scenarios; low-carbon energy research and development (R&D) and investment strategies; relevant strategic key performance indicators (KPIs) and executive incentives; and public policy positions relating to climate change. This additional ongoing annual reporting could build on the disclosures already made to CDP (formerly the Carbon Disclosure Project) and/or those already made within the Company's Energy Outlook, Sustainability Review and Annual Report." (BP PLC 2015b)

#### **RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-4)**

### Chevron

# ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Poor (-1): Has downplayed the need to reduce greenhouse gas emissions in at least one platform.

#### **RATIONALE:**

Chevron downplays the need to reduce greenhouse gas emissions on its company website (Chevron Corporation 2016c, Chevron Corporation 2016d).

#### SOURCE DATA:

- "Chevron shares the concerns of governments and the public about climate change risks and recognizes that the use of fossil fuels to meet the world's energy needs is a contributor to rising greenhouse gases (GHGs) in the earth's atmosphere. We believe that taking prudent, practical and cost effective action to address climate change risks is the right thing to do. Mitigation of GHG emissions, adaptation to climate change and continuation of scientific and technological research should all be considered. GHGs come from a variety of sources power generation, transportation, agriculture, land use, manufacturing, and other activities. Fossil fuels coal, oil and natural gas release carbon dioxide during production and consumption. Fossil fuels are also the primary source of energy for the global economy and a contributor to a rising quality of life in many parts of the world. Based on current projections of population and economic growth, the world's demand for energy will increase substantially over the next 25 years. The majority of that energy will be provided by fossil fuels, even as lower-carbon alternatives continue to emerge." (Chevron Corporation 2016c)
- "Reducing greenhouse gas (GHG) emissions is a global issue that requires global engagement and action. GHGs do not recognize sovereign borders. Climate change risks stem from the cumulative effect of GHG emissions from all nations. By 2025, about one-third of global energy-related GHG emissions are projected to come from OECD [Organisation for Economic Co-operation and Development] nations and two-thirds from non-OECD nations the single largest being China accounting for nearly 30 percent of projected global energy-related GHG emissions. With emissions rising fastest in the broader developing world, climate change risks cannot be addressed by actions taken in the developed world alone. Global engagement is required. Unilateral action by any country or jurisdiction could result in unintended consequences that could distort markets, reduce competitiveness of trade-exposed industries and undermine intended environmental objectives without reducing climate change risks to that country or jurisdiction." (Chevron Corporation 2016d)

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

### TABLE 5. Chevron's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Legislative Exchange Council (ALEC)	Egregious (-2)	Chevron is a member of ALEC's Energy, Environment and Agriculture Task Force and sponsored the ALEC conference in 2015 (CMD 2016). It has not taken any steps to distance itself

		from ALEC's climate deception.
American Petroleum Institute (API)	Egregious (-2)	CEO John Watson was on the board of directors of the API as of 2014 (API 2015), and the company has not taken any steps to distance itself from the API's climate deception.
National Association of Manufacturers (NAM)	Fair (0)	No evidence of membership.
US Chamber of Commerce	Poor (-1)	The company reported contributing \$500,000 in 2015 and \$1,000,000 in 2014 (Chevron Corporation 2016a), and has not taken any steps to distance itself from the group's climate deception.
Western States Petroleum Association (WSPA)	Egregious (-2)	The company was a member as of 2016 (WSPA 2016), and President of Global Manufacturing Gary Yesavage was a member of the WSPA board of directors as of 2014 (Ballotpedia 2015). Chevron has not taken any steps to distance itself from WSPA's climate deception.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### RATIONALE:

No policy on record.

#### SOURCE DATA:

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Egregious (-2): Company has attempted to block one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow).

#### RATIONALE:

Chevron attempted to block climate-related shareholder resolutions in 2015 and 2016 (Ising 2016a; Lewis 2015).

#### SOURCE DATA:

• Chevron filed a No Action letter with the SEC in 2016 concerning a shareholder resolution submitted by Wespath Investment Management with Ceres requesting that "the company publish an annual assessment of long-term portfolio impacts to 2035 of possible public climate change policies" (Ising 2016a).

- Chevron filed a No Action letter with the SEC in 2015 concerning a shareholder resolution submitted by As You Sow requesting that "the board adopt and issue a dividend policy increasing the amount authorized for capital distribution to shareholders in light of the growing potential for stranded assets and decreasing profitability associated with capital expenditures on high cost, unconventional projects" (Lewis 2015).
- In 2016, Chevron recommended a vote against climate-related shareholder resolutions, including a request that the board of directors "adopt long-term, quantitative, company-wide targets for reducing greenhouse gas emissions in products and operations that take into consideration the global commitment (as embodied in the Cancun Agreement) to limit warming to 2°C and issue a report by November 30, 2016;" a request that "by the Annual Meeting of Stockholders in 2017, Chevron Corporation (Chevron), with board oversight publishes an annual assessment of long-term portfolio impacts to 2035 of possible public climate change policies;" a request that "by February 2017 and annually thereafter in a publication such as the annual or CSR report, Chevron quantify and report to shareholders its reserve replacements in BTUs, by resource category, to assist the Company in responding appropriately to climate-change induced market changes;" and a request that "Chevron commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital in light of the climate change related risks of stranded carbon assets" (Chevron Corporation 2016b).
- In 2015, Chevron recommended a vote against climate-related shareholder resolutions, including a request that the board of directors "adopt and issue a dividend policy increasing the amount authorized for capital distribution to shareholders in light of the growing potential for stranded assets and decreasing profitability associated with capital expenditures on high cost, unconventional projects," and a request that the board of directors "adopt long-term, quantitative, company-wide targets for reducing greenhouse gas emissions in products and operations that take into consideration the global commitment (as embodied in the Copenhagen Accord) to limit warming to 2 degrees C and issue a report by November 30, 2015" (Chevron Corporation 2015).

#### RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-11) EGREGIOUS

### **ConocoPhillips**

#### ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

SCORE:

Fair (0): Company consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives).

#### RATIONALE:

ConocoPhillips consistently acknowledges the scientific evidence of climate change in all public platforms, such as company websites and statements by company executives (see, for example, ConocoPhillips 2016a), but does not affirm the consequent need for swift and deep reductions in emissions from the burning of fossil fuels.

#### SOURCE DATA:

- **"We recognize that human activity, including the burning of fossil fuels, is contributing to increased concentrations of greenhouse gases (GHG) in the atmosphere that can lead to adverse changes in global climate.** While uncertainties remain, we continue to **manage GHG emissions** in our operations and to integrate climate change-related activities and goals into our business planning." (ConocoPhillips 2016a)
- "We believe that effective climate change policy must be aligned with the following principles:
  - Recognize that climate change is a global issue which requires global solutions economy-wide governmental GHG management frameworks should be linked to binding international agreements comprising the major GHG contributors
  - Result in the stabilization of global GHG atmospheric concentrations at safe levels" (ConocoPhillips 2016b)

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

#### TABLE 6. ConocoPhillips's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Legislative Exchange Council (ALEC)		The company confirmed in 2013 that it was no longer a member of ALEC, but did not specifically cite climate change as its reason for leaving (CMD 2016).
American Petroleum Institute (API)	Egregious (-2)	CEO Ryan Lance is chairman of the API board of directors as of 2016 (ConocoPhillips 2016d; Carroll 2015), and the company has not taken any steps to distance itself from the group's climate disinformation.
National Association of Manufacturers (NAM)	Egregious (-2)	Senior Vice President of Government Affairs Andrew Lundquist is on the NAM board of directors as of 2016 (NAM 2016), and the company has not taken any steps to distance

		itself from the group's climate disinformation.
US Chamber of Commerce	Egregious (-2)	Senior Vice President Andrew D. Lundquist is on the US Chamber of Commerce board of directors as of 2016 (US Chamber of Commerce n.d.), and the company has not taken any steps to distance itself from the group's climate disinformation.
Western States Petroleum Association (WSPA)	Poor (-1)	ConocoPhillips is a member of WSPA as of 2016 (WSPA 2016), and the company has not taken any steps to distance itself from the group's climate disinformation.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### **RATIONALE:**

No policy on record.

#### SOURCE DATA:

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Egregious (-2): Company has attempted to block one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).

#### RATIONALE:

• The company filed no-action letters with the SEC challenging shareholder resolutions on delinking executive compensation from fossil fuel reserves in 2015 and 2016, and recommended that shareholders vote against all climate-related shareholder resolutions in 2015 and 2016 (Townsend 2016).

#### SOURCE DATA:

- ConocoPhillips filed a No Action letter with the SEC in 2016 concerning a shareholder resolution submitted by Unitarian Universalist Association of Congregations with Ceres requesting "the Human Resources and Compensation Committee of ConocoPhillips' board to change the application of the Variable Cash Incentive Program, or any successor annual incentive program, to provide for deferral of a portion of bonuses awarded to senior executives" (Townsend 2016).
- In 2016, ConocoPhillips recommended a vote against climate-related shareholder resolutions, including a request that the board "prepare a report, updated annually disclosing: (1) Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications; (2) Payments by ConocoPhillips used for (a) direct or indirect lobbying or (b) grassroots lobbying communications in each case including the amount of the payment and the recipient; (3) description of the decision making process and oversight by management and the Board for making payments described in section 2 above," and a request that the board of directors "take the necessary steps (excluding any steps that must be taken by stockholders) to change the application of Variable Cash Inventive Program ("VCIP"), or any successor

annual inventive program, to senior executives, as follows: (1) An award under the VCIP (a "Bonus") that is based ona metric derived from any measure of ConocoPhillips reserves (a "Reserve Metric") shall not be paid in full for a period of five years ("Deferral Period"); and (2) The Human Resources and Compensation Committee (the "Committee") shall develop a methodology for (a) determining what proportion of a Bonus should be paid immediately, taking into account the proportion of the Bonus based on the Reserve Metric; (b) adjusting the remainder of the Bonus over the Deferral Period, to reflect performance on the Reserve Metric(s) during the Deferral Period, including whether ConocoPhillips wrote down the value of reserves underlying the Reserve Metric(s); and (c) paying out the remainder of the Bonus during and at the end of the Deferral Period" (ConocoPhillips 2016c).

#### RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-9) POOR

# **CONSOL Energy**

#### ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Poor (-1): Company does not address climate science on company website in a prominent, easily accessible page (e.g., a page designated specifically to address climate change).

#### **RATIONALE:**

CONSOL Energy does not address climate science on the company website in a prominent, easily accessible page (for example, a page designated specifically to address climate change).

#### SOURCE DATA:

• No discussion of climate change on website.

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

### TABLE 7. CONSOL Energy's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Coalition for Clean Coal Electricity (ACCCE)	Good (+1)	The company left the ACCCE in 2016 but made no public announcement regarding the reasons for its departure (ACCCE 2016, Sheppard 2016).
American Legislative Exchange Council (ALEC)	Fair (O)	No evidence of membership (CMD 2016).
National Association of Manufacturers (NAM)	Fair (0)	No evidence of membership during study period (NAM 2016).
National Mining Association (NMA)	Egregious (-2)	CONSOL Energy COO – Coal James A. Brock was on the NMA board of directors (CONSOL Energy Inc. 2015) and CONSOL Energy was a member of the NMA (NMA 2016) as of May 2016. The company has not taken clear steps to distance itself from the group's climate disinformation. <sup>1</sup>
US Chamber of Commerce	Egregious (-2)	President and CEO Nicholas J. Deluliis is on the US Chamber of Commerce board of directors as of 2016 (US Chamber of Commerce n.d.), and the company has not taken any steps to distance itself from the group's climate disinformation.

1 As of July 2016, CONSOL Energy shed its last West Virginia coal mines, pursuing its increased focus on natural gas (Levesque 2016). As of September 2016, CONSOL Energy was no longer listed as a member of NMA. According to a CONSOL Energy Spokesperson, its affiliate CNX Coal Resources handles all relationships with coal trade associations (Sheppard 2016).

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### **RATIONALE:**

No policy on record.

#### SOURCE DATA

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Poor (-1): Company has recommended against one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).

#### **RATIONALE:**

CONSOL Energy recommended against shareholder resolutions in 2016 calling on the company to report on goals and plans to address carbon risk and to disclose direct and indirect lobbying annually (CONSOL Energy Inc. 2016).

#### SOURCE DATA:

In 2016, CONSOL Energy recommended a vote against climate-related shareholder resolution brought by the Nation Cummings Foundation with Ceres requesting "the preparation of a report, updated annually, disclosing: (1) Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications. CONSOL Energy 2016 Proxy Statement (2) Payments by CONSOL used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient. (3) CONSOL's membership in and payments to any tax-exempt organization that writes and endorses model legislation. (4) Description of management's and the Board's decision making process and oversight for making payments described in sections 2 and 3 above" (CONSOL Energy Inc. 2016).

#### **RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-6) POOR**

### ExxonMobil

# ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Egregious (-2): Company has misrepresented climate science in at least one platform (e.g., on company webpage or in public statements). Such misrepresentation might take the form of denying the reality of the problem of climate change or disparaging the scientific evidence of climate change

#### **RATIONALE:**

CEO Rex Tillerson has misrepresented climate science in at least one platform by discrediting and disparaging the accuracy of climate models (ExxonMobil Corporation 2016a; ExxonMobil Corporation 2015a).

#### SOURCE DATA:

- CEO Rex Tillerson speaking in response to a question about a "Plan B" for climate change at 2015 Corporate Annual Meeting (statements from this meeting also reported widely in the news media):
  - "[Y]ou also have to start with a conversation around plan B with how competent and how reliable are the current predictive climate models regarding what the future impacts will be." [...]
  - "[O]ne of the things we look carefully at every year is what level of progress has been made in the competency of those models to predict the future. And if you look at those reports what you see is an extraordinarily broad range of predicted outcomes. Now our energy outlook actually, not necessarily takes into those models, but just by our own work, that would indicate that we are somewhere in the middle of where those models are. The policy choices of controlling the temperature raise to 2°C, tend for you to operate on the lower boundary of those models, which is extremely challenging to achieve, which is why we said, we need to be thinking about Plan B.
  - [W]e don't really know what the climate effects of 600ppm vs. 450 ppm will be because **the models are simply not that good**.
  - "I don't want to suggest that we know at 650 you get Xcm rise in sea level vs 450 just because the models aren't that good. But it is a risk management problem, which we have always described it, and in risk management you have to consider the range of possible consequences and be prepared for those. So that is why we have always posed this question of what if everything do, it turns out our models were really lousy and we achieved all our objectives and it turned out the planet behaved differently because the models just weren't good enough to predict it."
  - "What's Plan B? Our plan B has always been grounded in our beliefs around the continued evolution of technology and engineered solutions to address and react to whatever the climate system and its outcomes may be to us. Whether that be in the form of rises in sea level, which we think you can address through different engineering accommodations along coastal areas, to changing agricultural production due to changes in weather patterns that may or may not be induced by climate change."
  - "[M]ankind has this enormous capacity to deal with adversity and that those solutions will present themselves as the realities become clear either through improved modeling and hard confidence in the predictive models or as they are evidenced to us." (ExxonMobil Corporation 2016a)
- CEO Rex Tillerson speaking in response to a question from Dr. Mike MacCracken at 2016 Corporate Annual Meeting (statements from this meeting also reported widely in the news media):
  - o "Well, as you and I have spoken before, my view on the competencies of the models has really not changed."
  - o "There is no space between us and the IPCC, we see the science the same way. Our difference is on policy choices are, I think, are one that is grounded in reality, and the reality is that there is no alternative energy source known on the planet or available to us today to replace the pervasiveness of fossil fuels in our global economy and our on very quality of life and I would go beyond that and say our very survival. So it is a judgment of balance between future climatic events, which could prove to be catastrophic but are unknown, by the IPCC's

own acknowledgement, and more immediate needs of humanity today to address poverty: starvation, broad based disease control, and the quality of life that billions of people are still living in today that is unacceptable to many of us. And the only way out of that is to provide them the energy sources we have today, and that's why we continue to believe fossil fuels will have a significant and important role to play for as far as we can see." (ExxonMobil Corporation 2015a)

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

### TABLE 8. ExxonMobil's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Legislative Exchange Council (ALEC)	Egregious (-2)	US Government Affairs Manager Cynthia Bergman is a member of ALEC's Private Enterprise Council as of 2016 (ALEC 2016), and the company has not taken any steps to distance itself from the group's climate deception.
American Petroleum Institute (API)	Egregious (-2)	CEO Rex Tillerson was on the API board of directors as of 2014 (API 2015), and the company has not taken any steps to distance itself from the group's climate deception.
National Association of Manufacturers (NAM)	Egregious (-2)	Vice President Neil A. Chapman is on the NAM board of directors as of 2016 (NAM 2016), and the company has not taken any steps to distance itself from the group's climate deception.
US Chamber of Commerce	Poor (-1)	ExxonMobil reported contributing \$1,000,000 to the US Chamber of Commerce in both 2014 and 2015 (ExxonMobil Corporation 2016c; ExxonMobil Corporation 2015b) and has not taken any steps to distance itself from the group's climate deception.
Western States Petroleum Association (WSPA)	Egregious (-2)	The company was a member of WSPA as of 2016 (WSPA 2016). Refinery manager Max Ocansey was a member of the WSPA board of directors as of 2014 (Ballotpedia 2015). The company has not taken any steps to distance itself from WSPA's climate deception.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### RATIONALE:

No policy on record.

#### SOURCE DATA

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Egregious (-2): Company has attempted to block one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).

#### RATIONALE:

ExxonMobil attempted to block climate-related shareholder resolutions in 2016 (see, for example, Goldberg 2016a).

#### SOURCE DATA:

- ExxonMobil filed a No Action letter with the SEC in 2016 concerning a shareholder resolution submitted by As You Sow requesting "by February 2017 and annually thereafter in a publication such as its annual or Corporate Social Responsibility report, Exxon quantify and report to shareholders its reserve replacements in British Thermal Units, by resource category, to assist the Company in responding appropriately to climate change induced market changes" (Goldberg 2016a).
- ExxonMobil filed a No Action letter with the SEC in 2016 concerning a shareholder resolution submitted by the New York State Common Retirement Fund; the Church Commissioners for England; Zevin Asset Management, LLC on behalf of Ellen Sarkisian; The Regents of the University of California; the Vermont Pension Investment Committee; and The Brainerd Foundation requesting that "by 2017 ExxonMobil publish an annual assessment of long term portfolio impacts of public climate change policies, at reasonable cost and omitting proprietary information. The assessment can be incorporated into existing reporting and should analyze the impacts on ExxonMobil's oil and gas reserves and resources under a scenario in which reduction in demand results from carbon restrictions and related rules or commitments adopted by governments consistent with the globally agreed upon 2 degree target. The reporting should assess the resilience of the company's full portfolio of reserves and resources through 2040 and beyond and address the financial risks associated with such a scenario." (Goldberg 2016b).
- ExxonMobil filed a No Action letter with the SEC in 2016 concerning a shareholder resolution submitted by Arjuna Capital requesting that the company "commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital in light of the climate change related risks of stranded carbon assets" (Ising 2016b).
- In 2016, ExxonMobil recommended a vote against climate-related shareholder resolutions, including a request that "as elected board directors' terms of office expire, the Exxon Mobil Corporation's Board's Nominating Committee nominate for Board election at least one candidate who: has a high level of climate change expertise and experience in environmental matters relevant to hydrocarbon exploration and production, related risks, and alternative, renewable energy sources and is widely recognized in the business and environmental communities as such, as reasonably determined by ExxonMobil's Board, and will qualify, subject to exceptions in extraordinary circumstances explicitly specified by the board, as an independent director," a request for "the preparation of a report, updated annually, disclosing: 1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications. 2. Payments by ExxonMobil used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient. 3. ExxonMobil's membership in and payments to any tax-exempt organization that writes and endorses model legislation. 4. Description of management's and the Board's decision making process and oversight for making payments described in sections 2 and 3 above," a request "ExxonMobil commit to

increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital in light of the climate change related risks of stranded carbon assets," a request that the board of directors "adopt a policy acknowledging the imperative to limit global average temperature increases to 2°C above pre-industrial levels, which includes committing the Company to support the goal of limiting warming to less than 2°C," a request that "by 2017 ExxonMobil publish an annual assessment of long term portfolio impacts of public climate change policies, at reasonable cost and omitting proprietary information. The assessment can be incorporated into existing reporting and should analyze the impacts on ExxonMobil's oil and gas reserves and resources under a scenario in which reduction in demand results from carbon restrictions and related rules or commitments adopted by governments consistent with the globally agreed upon 2 degree target. The reporting should assess the resilience of the company's full portfolio of reserves and resources through 2040 and beyond and address the financial risks associated with such a scenario," and a request that "by February 2017 and annually thereafter in a publication such as its annual or Corporate Social Responsibility report, Exxon quantify and report to shareholders its reserve replacements in British Thermal Units, by resource category, to assist the Company in responding appropriately to climate change induced market changes. Such reporting shall be in addition to reserve reporting required by the Securities and Exchange Commission, and should encompass all energy resources produced by the company" (ExxonMobil Corporation 2016b).

#### RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-14) EGREGIOUS

### **Peabody Energy**

# ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Fair (0): Company consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives).

#### RATIONALE:

Peabody consistently acknowledges the scientific evidence of climate change in all public platforms, such as company websites and statements by company executives (see, for example, Peabody Energy Corporation 2014), but does not affirm the consequent need for swift and deep reductions from the burning of fossil fuels.

#### SOURCE DATA:

• "Peabody Energy believes that coal is a key contributor to affordable, reliable energy and fossil fuels will continue to play a significant role in the global energy mix. The company also recognizes that **these fuels contribute to greenhouse gas** emissions, and concern regarding these emissions has become part of the global political, societal and regulatory landscape in which we operate.

Energy is foundational for individuals and economies, and must be abundant, reliable and inexpensive to meet society's growing demand. Access to such energy is critical to meet basic needs, improve living standards, reduce poverty, enable urbanization and strengthen economies. In addition, access to low-cost energy is correlated with human development indicators such as increased life expectancy, education and economic development.

Within the energy mix, fossil fuels are essential, and satisfy approximately 80 percent of the world's primary energy demand. Coal plays a fundamental role in generating electricity and is a required component in new steel production.

Our approach to using the world's coal resources is grounded in the need to achieve the three-part goals of energy security, economic progress and environmental solutions through the application of advanced technologies.

The world needs to embrace a true "all of the above" energy strategy that recognizes the benefits and limitations for each fuel. Coal's advantages include a track record of reliability and scalability, affordability and security of supply.

Regarding emissions progress for coal, this begins with deployment of high efficiency, low emissions (HELE) power stations using technology that is available today. Longer-term investments in next generation carbon capture, use and storage (CCUS) technologies are necessary to transition to the ultimate goal of near-zero emissions from coal-fueled power.

HELE and CCUS technologies must be part of the solution to achieve goals of substantial reductions in greenhouse gas emissions. As such, they should be eligible to receive public funding from national and international sources. In addition, CCUS must receive policy parity with all low emission sources of energy and further public investments in research and development are necessary.

Peabody Energy will continue to reduce our carbon footprint and promote the development and deployment of low-carbon technologies by:

• Conserving energy and reducing greenhouse gas intensity at our operations whenever possible through energy efficiency and other best practices;

- Funding research and key initiatives in low-emissions projects and partnerships such as those already advancing in the United States, Australia and China;
- Playing a leadership role in the development of public policies related to energy and the environment;
- Engaging with governments, academia, communities and other stakeholders to support constructive and informed dialogue;
- Building awareness and support to eliminate energy poverty, increase access to low-cost electricity and improve emissions through advanced clean coal technologies." (Peabody Energy Corporation 2014).

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

#### TABLE 9. Peabody Energy's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Coalition for Clean Coal Electricity (ACCCE)	Poor (-1)	Peabody Energy is a member of ACCCE as of 2016 (ACCCE 2016), and the company has not taken any steps to distance itself from the group's climate disinformation.
American Legislative Exchange Council (ALEC)	Egregious (-2)	Director of State Government Relations Michael Blank is a member of ALEC's Private Enterprise Council as of 2016 (ALEC 2016), and the company has not taken any steps to distance itself from the group's climate deception.
National Association of Manufacturers (NAM)	Fair (0)	No evidence of membership during study period (NAM 2016).
National Mining Association (NMA)	Poor (-1)	Peabody Energy is a member of NMA as of 2016 (NMA 2016), and the company has not taken any steps to distance itself from the group's climate disinformation.
US Chamber of Commerce	Poor (-1)	Peabody Energy is a member of the US Chamber of Commerce as of 2015 <sup>1</sup> (Peabody EnergyCorporation 2016) and has not taken any steps to distance itself from the group's climate deception

1 The company was not represented on the US Chamber's Board during the study period, but a Peabody Energy executive is on the Board as of July 2016 (US Chamber of Commerce n.d.).

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### RATIONALE:

No policy on record.

#### SOURCE DATA

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Fair (0): Company has not faced any climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A).

#### RATIONALE:

Peabody Energy did not face any climate-related shareholder resolutions during the study period.

#### SOURCE DATA:

• Peabody Energy did not face any climate-related shareholder resolutions during the study period.

#### RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-6) POOR

### **Royal Dutch Shell**

# ACCURACY AND CONSISTENCY OF PUBLIC STATEMENTS ON CLIMATE SCIENCE AND THE CONSEQUENT NEED FOR SWIFT AND DEEP REDUCTIONS IN EMISSIONS FROM THE BURNING OF FOSSIL FUELS

#### SCORE:

Advanced (+2): Company meets all of the criteria for "good" and also highlights the urgency and importance of achieving global net-zero CO2 emissions in order to keep temperature rise well below 2°C and limit risks to society and ecosystems.

#### RATIONALE:

Shell consistently acknowledges the scientific evidence of climate change in all public platforms (such as company websites and statements by company executives), affirms the consequent need for swift and deep reductions in emissions from the burning of fossil fuels, and highlights the urgency and importance of achieving global net-zero CO2 emissions in order to keep temperature rise well below 2°C and limit risks to society and ecosystems (see, for example, Royal Dutch Shell PLC 2016b).

#### SOURCE DATA:

- "We recognise the significance of climate change, along with the role energy plays in helping people achieve and maintain a good quality of life. A key role for society and for Shell is to find ways to provide much more energy with less carbon dioxide." (Royal Dutch Shell PLC 2016b).
- "As the world experiences more extreme weather conditions linked to climate change such as flooding and water shortages caused by droughts governments, businesses and local communities need to think seriously about their adaptation strategies. Adaptation reduces the vulnerability of assets, infrastructure, environmental systems and communities to extreme variability in weather due to climate change. Within our operations we take steps at our facilities around the world so that we are more resilient to climate change" (Royal Dutch Shell PLC 2016a)
- "The world continues to face the critical challenge of how to meet the increasing demand for energy while reducing carbon dioxide (CO2) emissions the greenhouse gas (GHG) that is the main cause of climate change. International efforts agreed under the United Nations Framework Convention on Climate Change (UNFCCC) aim to limit the average rise in global temperature to below 2 °C compared to pre-industrial levels" (Royal Dutch Shell PLC 2013).
- "Both the Shell Oceans and Mountains New Lens Scenarios illustrate how a net zero emissions world can potentially evolve, with extensive use of CCS making room for continued use of fossil fuels in various applications." (Hone 2015).

# AFFLIATIONS WITH TRADE ASSOCIATIONS AND OTHER INDUSTRY GROUPS THAT SPREAD CLIMATE SCIENCE DISINFORMATION AND/OR BLOCK CLIMATE ACTION

#### TABLE 10. Shell's Trade Association and Industry Group Affiliations

Trade Association or Industry Group	Score	Rationale
American Legislative Exchange Council (ALEC)	Advanced (+2)	The company left ALEC and stated explicitly that it was leaving because ALEC's position on climate science is inaccurate and inconsistent with the company's position (Mathiesen and Pilkington 2015).

American Petroleum Institute (API)	Egregious (-2)	Shell Oil CEO Marvin Odum was on API's board of directors as of 2014 (API 2015), and the company has not taken any steps to distance itself from the group's climate deception.
National Association of Manufacturers (NAM)	Egregious (-2)	The company is a member of NAM as of 2016. Executive Vice President of Global Manufacturing of Shell Downstream Lori Ryerkerk is on NAM's board of directors (NAM 2016), and the company has not taken any steps to distance itself from the group's climate deception.
US Chamber of Commerce	Fair (0)	No evidence of membership.
Western States Petroleum Association (WSPA)	Egregious (-2)	Shell Oil Vice President of Manufacturing Aamir Farid was on the WSPA board of directors as of 2014 (Ballotpedia 2015). The company has not taken any steps to distance itself from WSPA's climate deception.

#### POLICY, GOVERNANCE SYSTEMS, AND OVERSIGHT MECHANISMS TO PREVENT DISINFORMATION

#### SCORE:

Poor (-1): Company has no policy or commitment on record to avoid direct or indirect involvement in spreading climate science disinformation.

#### RATIONALE:

No policy on record.

#### SOURCE DATA

• No policy on record.

#### SUPPORT FOR CLIMATE-RELATED SHAREHOLDER RESOLUTIONS

#### SCORE:

Good (+1): Company has recommended support for one or more climate-related shareholder resolutions put forward by established networks of socially responsible investors (e.g., Ceres, the Interfaith Center on Corporate Responsibility, As You Sow, Aiming for A), but has not yet taken action to resolve issues raised in these resolutions.

#### RATIONALE:

Shell recommended support for a climate-related resolution in 2015 directing the company to improve reporting on climate risk, emissions management, and portfolio resilience (Royal Dutch Shell PLC 2015).

#### SOURCE DATA:

 Recommended support for a resolution brought by the Aiming for A coalition: "Strategic resilience for 2035 and beyond That in order to address our interest in the longer term success of the Company, given the recognised risks and opportunities associated with climate change, we as shareholders of the Company direct that routine annual reporting from 2016 includes further information about: ongoing operational emissions management; asset portfolio resilience to the International Energy Agency's (IEA's) scenarios; low-carbon energy research and development (R&D) and investment strategies; relevant strategic key performance indicators (KPIs) and executive incentives; and public policy positions relating to climate change. This additional ongoing annual reporting could build on the disclosures already made to CDP (formerly the Carbon Disclosure Project) and/or those already made within the Company's Scenarios, Sustainability Report and Annual Report." (Royal Dutch Shell PLC 2015).

#### RENOUNCING DISINFORMATION ON CLIMATE SCIENCE AND POLICY TOTAL SCORE: (-2) FAIR

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