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Big Oil's Big History of Blocking Climate Action

An overview of the industry's anti-climate policy lobbying ahead of Thursday's Congressional hearing

Big Oil and its lobbyists have a long track record of trying to obstruct necessary action on climate change.

For years, the fossil fuel industry has sought to sow doubt about the reliability of climate change science. Its tactics have since evolved, with significant effort focused on greenwashing its image while at the same time lobbying to block or delay climate action.

An *analysis* of Big Oil's digital advertising strategy showed that the sector's Facebook ads designed to prolong the use of fossil fuels were viewed at least 431 million times during 2020. Many of these ads contained misleading content or information that was misaligned with the science of climate change.

On Thursday, Congress will have the opportunity to question the CEOs of ExxonMobil, Chevron, BP America, Shell, the American Petroleum Institute and the US Chamber of Commerce about the industry's role in spreading climate disinformation.

All six of these companies and industry groups claim to take climate change seriously. Yet, based on an analysis of their lobbying activities, none of them are fully supportive of Paris-aligned policy. In fact, most have consistently tried to block or water down such policy.

InfluenceMap Program Manager Faye Holder said: *"As the wider community's understanding of climate change has evolved, so too have Big Oil's lobbying tactics.*

"Rather than outright denial of climate change, oil companies and their trade groups now use more subtle messages aimed at delaying action and promoting fossil fuels as part of the solution to the problem they helped create.

"This is most clearly seen in the industry's push for gas, despite scientific evidence that its main component – methane – has a greenhouse gas effect that is much more damaging than CO_2 in the short term.

"Perhaps even more significant is the industry's efforts to greenwash its image.

"This strategy is taking place at the same time as these companies are continuing to develop oil and gas reserves in contradiction of scientific warnings."

A brief summary of each of the six companies and industry groups appearing before Congress follows.

<u>ExxonMobil</u>

ExxonMobil *scores a 'D-'* in InfluenceMap's system of measuring corporate lobbying against Paris Agreement goals. While the company states its support for Net Zero by 2050, it appears unsupportive of many forms of climate regulation. It also retains an extensive network of memberships to industry groups which lobby to block or weaken climate policy globally.

The company is Big Oil's biggest spender on political and social issue ads on Facebook in the US. Many of these ads are aimed at encouraging voters to actively support the fossil fuel industry.

Recent examples of ExxonMobil's Facebook ads includes:

- *Promoting "natural gas" as a solution to reducing CO2 emissions,* despite it being made up mostly of methane which is a significantly worse greenhouse gas.
- *Promoting itself as part of the climate change solution,* through carbon capture and storage.

The company has spent \$4,590,172 on political and social issue ads on Facebook so far this year, which have collectively recorded 114,564,686 impressions.

<u>Chevron</u>

Chevron scores an 'E+' on InfluenceMap's metrics. The company appears to be opposing many forms of climate-motivated regulation, particularly renewable fuel standards, whilst actively pushing a US energy policy agenda that accelerates oil and gas production. It also retains memberships to several industry associations engaged in obstructive climate lobbying.

In the weeks leading up to COP26, Chevron committed to an *'aspiration'* of net zero emissions by 2050 from its operations, though there has been no communication on whether it supports a net zero by 2050 goal for society.

Chevron's CEO has repeatedly stated support for a long-term role for oil and gas and has frequently pinned this continued role for oil and gas on *population growth*.

The company - which promotes itself as "the human energy company" - presents itself as part of the solution to climate change through the *development of biofuels*. It also notably focuses on its role in pursuing a "lower-carbon future" - as opposed to low carbon - in *this Facebook ad*.

<u>BP*</u>

BP *scores a 'D+'* for its climate policy lobbying. The company *states its support* for Net Zero by 2050, and its topline statements on climate appear to have improved in recent years - especially in 2020 with the arrival of the new CEO Bernard Looney.

Its public messaging focuses heavily on its *role in a net zero world*, including its *renewable business* and its *solar energy projects*. However, these messages relate to a relatively small part of the company's overall business model. And the company continues to suggest there will be a *long-term role for hydrocarbons* in some sectors of the economy.

Royal Dutch Shell*

Shell *scores a 'C-'* in InfluenceMap's system of measuring corporate lobbying against Paris Agreement goals.

It *states its support* for Net Zero by 2050 and has become more positive across different areas of climate policy, although it continues to lobby for policies to advance fossil fuel production and consumption, particularly gas. It also retains membership to various trade groups that directly contradict Shell's own position.

Its public messaging focuses strongly on trying to shift perceptions of itself as an oil company to one that is helping the economy *transition* away from fossil fuels and *achieve net zero* - including in the *aviation sector*.

However, Shell has announced it will *appeal a court ruling* in the Netherlands that requires it to cut emissions by 45% by 2030.

The American Petroleum Institute (API)

The API scores an 'F' for its climate policy lobbying.

It appears to be broadly hostile to progressive climate policy. It does not seem to fully support the need to drastically cut emissions to limit global temperature increase to below 2C and appears to be more interested in pushing a deregulatory agenda over ambitious climate action.

The API continues to emphasize the importance of oil and gas to the American economy and opposes measures to limit fossil fuel development. Furthermore, it also appears to not support several other policies intended to cut emissions such as renewable fuel standards and carbon taxation.

The organization's CEO Mike Sommers said this year that 'mandates get us nowhere' and that the surest way to end the COVID-19 economic recovery was with 'more regulations, more taxes, more restrictions on access' to federal lands and waters for oil and gas development.

The API is a significant advertiser on Facebook, spending \$2,304,324 on political and social issue ads so far this year. These ads have resulted in 94,322,259 impressions. It has paid for more than 300 ads targeting individual lawmakers during the Build Back Better negotiations.

Some examples of its ads include:

- Its recent campaign during the Build Back Better negotiations against 'anti-industry legislation'.
- Its promotion of 'natural' gas as the solution to reducing CO2 emissions despite it being made up of mostly methane, which is a far more dangerous greenhouse gas in the short term.

The U.S. Chamber of Commerce

The US Chamber of Commerce *scores an 'E-'* in InfluenceMap's system for measuring climate lobbying.

While the Chamber updated its climate position statement to a nominally more positive stance in 2021, it opposed early policy measures advanced by the Biden administration shortly thereafter. While President Biden prepared to announce a new Nationally Determined Contribution to the Paris Agreement, the Chamber released a paper highlighting the continued importance of coal and fossil gas in the energy mix. It has lobbied in broad opposition to the US Build Back Better Act, the country's "last best chance at climate policy," including criticizing its climate provisions, opposing the measures needed to pay for them, and earlier this summer, advocating to weaken the Clean Energy Standard which was later incorporated into the bill.

*These profiles represent their global activities, which incorporate their American subsidiaries.

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About InfluenceMap

InfluenceMap is a London-based think tank providing data driven analysis to investors, corporations and the media on issues related to energy and climate change. Our metrics for measuring corporate influence over climate policy are used by investors, including the global Climate Action 100+ investor engagement process.