

Risky Influence:

The legal implications of misaligned climate-related lobbying by Australian companies

May 2024



Acknowledgements

InfluenceMap

Climate Integrity drew on InfluenceMap's [LobbyMap](#) database and metrics to analyse the climate policy engagement activities of the companies included in the report.

Environmental Defenders Office

Kirsty Ruddock provided the expert legal opinion for this report. Kirsty is a member of [Climate Integrity's Expert Network](#) and Managing Lawyer – Safe Climate (Corporate and Commercial) of the Environmental Defenders Office.

UTS Institute for Sustainable Futures

We acknowledge the work of the team at the UTS Institute for Sustainable Futures whose analysis in the report [Net Zero Integrity: Assessment of the Net Zero Pledges of Australian Companies](#) informed some of the foundation of this work.

Climate Integrity acknowledges we live and work on Aboriginal land. Land that always was and always will be Aboriginal land because sovereignty has never been ceded. We pay our respect to Elders past and present and acknowledge the Traditional Owners who have long cared for this country. We acknowledge First Nations climate leadership and that the impacts of climate change disproportionately impact all Indigenous peoples.

There can be no climate justice without First Nations justice.

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Key Findings

1. Leading **Australian companies are obstructing and delaying Australia's transition to net zero by directly and indirectly lobbying** against the policies required to meet our obligations under the Paris Agreement and reach net zero by 2050 or sooner.
2. **Companies are lobbying against climate action despite having made repeated public declarations** in support of limiting global warming to 1.5C and the goals of the Paris Agreement.
3. **All companies included in this analysis are exposed to legal risk of misleading consumers and investors** where there is misalignment between their top-line claims of support for climate action and their direct and indirect lobbying activities and engagement.
4. **Indirect lobbying via industry associations** was identified as the greatest source of misalignment. All companies hold membership to industry associations with climate policy engagement misaligned or partially misaligned with delivering the 1.5°C goal of the Paris Agreement, while several companies advocated opposing positions to their industry associations on specific climate-related policies
5. **Board directors in the majority of companies do not have clear oversight** of direct and indirect climate lobbying, exposing company directors to legal risk.
6. **Half of the companies are making inadequate or incorrect disclosures** about their direct lobbying and none are making adequate or accurate disclosures about their indirect lobbying via industry associations
7. **Two-thirds of companies publish no review of their climate policy engagement** or misalignment management processes, with the remaining third only partially meeting best practice.
8. Pathways to improvement for almost all of the companies require **increasing positive engagement on specific climate policies, publishing a commitment to aligning direct and indirect lobbying with public statements supporting climate action**, as well as board-level oversight, adequate review processes and disclosure of policy engagement.

Introduction

Companies that have publicly stated net zero commitments and support for the Paris Agreement are exposed to significant legal risk when their lobbying activities are misaligned - including via their industry association memberships.

Aligning lobbying and engagement with corporate climate commitments is a best practice global standard, outlined in the criteria of both the UN High-Level [Expert Group on the Net-Zero Emissions Commitments of Non-State Entities](#) (HLEG), and the UNFCCC's [Race to Zero](#). Separately, an [analysis](#) of 33 net zero standards and voluntary initiatives by Oxford Net Zero found that more than half provide guidance on aligning lobbying and pledges.

In light of this and amidst rapid growth of climate pledges and plans by companies, this report builds on Climate Integrity's landmark Net Zero Integrity report, which assessed lobbying disclosures of major Australian companies as part of a broader net zero integrity assessment. This report uses InfluenceMap data to assess 'words versus action' of 9 companies – AGL Energy, Origin Energy, Rio Tinto, BlueScope Steel, South32, Qantas Airways, Woolworths Group, Coles Group and Telstra Corporation – diving deep into their lobbying to assess how they stack up against their stated net zero commitments.

Presented alongside the assessments are the legal risks that corporations may face if they engage in misaligned lobbying relating to misleading or deceptive conduct, shareholder advocacy, and tort-based claims. These risks are based on a legal opinion prepared by corporate accountability experts at the Environmental Defenders Office.

Importantly, this report scrutinises the influential role of industry associations in undermining climate action in Australia and outlines the legal risks to members whose public climate commitments are misaligned with the activities, actions and public statements of the industry associations.

This report serves as a wakeup call to Directors on the potential legal risks of misaligned lobbying directly and via industry associations, and as a tool for investors and customers to assess the lobbying activity and credibility of companies' claims and commitments to real and tangible climate action.

“ So-called ‘net-zero pledges’ that exclude core products and activities are poisoning our planet... Management must be accountable for delivering on these pledges. This means publicly advocating for decisive climate action and **disclosing all lobbying activity**.

Summary of Company Results

Metrics drawn from InfluenceMap's [LobbyMap database](#) as of April 2024.

INDICATOR	CRITERIA / SCORING	AGL Energy	Origin Energy	Rio Tinto	Bluescope	South32	Qantas	Woolworths	Coles	Telstra
Publicly Stated Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Highly active engagement (41%)	Highly active engagement (47%)	Highly active engagement (41%)	Highly active engagement (40%)	Active engagement (21%)	Active engagement (24%)	Low engagement (10%)	Low engagement (6%)	Low engagement (12%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C+)	Partially aligned (C)	Partially aligned (D+)	Partially aligned (C)	Partially aligned (D+)	Partially aligned (C)	Partially aligned (C)	Partially aligned (D+)	Partially aligned (C+)
3 Organisation Score	≥75 = company's direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (65%)	Partially aligned (58%)	Partially aligned (56%)	Partially aligned (63%)	Partially aligned (51%)	Partially aligned (65%)	Partially aligned (59%)	Partially aligned (53%)	Partially aligned (67%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with the Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (72%)	Partially aligned (61%)	Partially aligned (52%)	Partially aligned (55%)	Partially aligned (58%)	Partially aligned (58%)	Partially aligned (67%)	Partially aligned (60%)	Partially aligned (67%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions and engagement activities on specific climate policies, or excluded 1 item of material evidence. PARTIAL = has published account of positions and engagement activities, but excludes more than 1 item of material evidence of direct policy engagement. NO = has not published account of positions and engagement activities, or disclosure limited to 'top-line' climate statements.	Yes, meets criteria	Yes, meets criteria	Yes, meets criteria	Partial, meets some criteria	No, does not meet criteria	Partial, meets some criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations' (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs' positions & engagement activities, or disclosure limited to 'top-line' climate statements without specific policy reference	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meets criteria (review, method, framework, identification & action) of both direct and indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria or has not published a review within the last two years.	No review published	Partial, meets some criteria	Partial, meets some criteria	No review published	Partial, meets some criteria	No review published	No review published	No review published	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate change lobbying approach and activities; NO = has not assigned responsibility	No, does not meet criteria	No, does not meet criteria	Yes, meets criteria	Yes, meets criteria	Yes, meets criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria	No, does not meet criteria

Methodology

Company Selection

This report builds on Climate Integrity's recent [Net Zero Integrity report](#), which used the following selection criteria to analyse ten of Australia's largest companies:

- Top Australian emitters of Scope 1 and 2 greenhouse gases, based on 2022 National Greenhouse and Energy Reporting (NGER) data (ranked by volume of emissions)¹
- Listed on ASX (eligibility criteria)
- Not a pure fossil fuel company (exclusion criteria) as transition options are limited
- No more than two companies in the same sector, to provide sectoral coverage

Based on these criteria, the nine companies selected for inclusion of this report, ordered by volume of Scope 1 and 2 emissions are:

- AGL Energy Ltd
- Origin Energy Ltd
- Rio Tinto Ltd
- BlueScope Steel Ltd
- South32 Ltd
- Qantas Airways Ltd
- Woolworths Group Ltd
- Coles Group Ltd
- Telstra Corporation Ltd

Cleanaway Waste Management Ltd. was not included in this report as they had no reportable lobbying activities.

Metrics Used

This report draws on InfluenceMap's LobbyMap database and metrics to assess Climate Policy Engagement Alignment through the following indicators. Full details of InfluenceMap's methodology are available [here](#). InfluenceMap is not a co-author of this report and has not been asked to endorse the report's content.

Indicator: Publicly Stated Support for the Paris Agreement

An assessment of whether a company has stated its support for the goals of the Paris Agreement, based on a broad range of data sources including: company reporting, social media channels, regulatory consultation comments, reliable media reporting, statements from senior management, financial disclosures and investor communications.

Indicator 1: Climate Policy Engagement Intensity

A measure of the level of policy engagement by the company, whether positive or negative. Scores above 12 indicate active engagement with climate policy, and scores above 25 indicate highly active or strategic engagement with climate policy. Scores below 5 indicate low-level engagement with climate policy. Entities with scores below 5 are not attributed an Organisation Score.

¹ Selection was based on scope 1 and 2 emissions only because NGER provides a reliable and comparable inventory of scope 1 and 2 emissions. There is no equivalent source that comprehensively covers total company emissions, including scope 3 and many company scope 3 emissions inventories are still in development.

Indicator 2: Performance Band

A comprehensive assessment of a company's climate policy engagement, accounting for both its own engagement and that of its industry associations. Companies receive an overall 'Performance Band' score of A+ to F, as a full measure combining direct (Indicator 3: Organisation Score) and indirect climate policy engagement (Indicator 4: Relationship Score).

There are 16 Performance Bands from A+ (representing a total score from 95-100%) through to E- (a score of 25-30%), with scores below 25% falling in the red "F" band. Grades from A+ to B (i.e. above 75%) indicate broad support for Paris-aligned climate policy, with grades from D to F (i.e. below 50%) indicating increasingly obstructive climate policy engagement. If limited evidence has been collected either on a company's direct policy engagement (Organisation Score) or industry association links (Relationship Score), the Performance Band is signified with an 'n/a' (not available).

Indicator 3: Organisation Score

A measure of how supportive or obstructive a company's direct engagement is towards climate policy aligned with the Paris Agreement, with 0 being fully opposed and 100 being fully supportive. Scores below 50 indicate increasingly significant misalignment between the Paris Agreement and the company's detailed climate policy engagement, with scores below 25 indicating material and significant opposition. Scores between 50 and 75 indicate mixed engagement with Paris-aligned policy. Scores above 75 indicate broad alignment with, and support for, Paris-aligned policy. If limited evidence has been collected on a company's direct policy engagement, the Organisation Score is signified with an 'n/a' (not available).

Indicator 4: Relationship Score

A measure of how supportive or obstructive the company's industry associations are towards climate policy aligned with the Paris Agreement, with 0 being fully opposed and 100 being fully supportive. The Relationship Score is an aggregate assessment of the climate policy engagement of a company's industry associations and measures the extent to which this is in line with the goals of the Paris Agreement. This calculation accommodates an assessment of the strength of the relationship between a company and an industry association, for example a stronger weighting will be attributed where a company has a representative on the board of an industry association.

Scores under 50 indicate increasingly significant misalignment between the Paris Agreement and the detailed climate policy engagement of the company's industry associations, with scores below 25 indicating material and significant opposition. Scores between 50 and 74 indicate mixed engagement with Paris-aligned policy. Scores above 75 indicate broad alignment with, and support for, Paris-aligned policy by the company's industry associations. If limited evidence has been collected on a company's industry association links, the Relationship Score is signified with an 'n/a' (not available).

Indicator 5: Accuracy of Direct Policy Engagement Disclosure

An assessment of the accuracy of a company's reporting on its direct climate policy engagement activities. InfluenceMap utilises its proprietary database to assess how corporate disclosures on climate policy positions and engagement activities compare to InfluenceMap's independent assessment of the companies' and industry associations' real-world climate policy engagement. In short, it assesses the extent to which the company has disclosed on its climate policy engagement identified by InfluenceMap's database. InfluenceMap's independent assessments of companies are based on a broad range of data sources including: company reporting, social media channels, CDP responses, regulatory consultation comments, reliable media reporting, statements from senior management, financial disclosures and investor communications.

Indicator 6: Accuracy of Indirect Policy Engagement Disclosure

This is an assessment of the accuracy of a company's reporting on its indirect (via industry associations) climate policy engagement activities. And uses the same methodology, approach and sources as Indicator 5.

Indicator 7: Robustness of Corporate Climate Policy Engagement Review & Misalignment Management Processes

An assessment of the quality and robustness of a company's processes to identify, report on, and address specific cases of misalignment between its climate policy engagement activities (direct and indirect via industry associations) and the Paris Agreement.

- i. InfluenceMap assesses corporate reviews of climate policy engagement against seven assessment criteria, benchmarked against standards put forward by investors under the Global Standard on Responsible Climate Lobbying and additional statements by PRI, IIGCC, and Ceres. Further information on the assessment criteria can be found [here](#).

Indicator 8: Board-level Oversight of Climate Lobbying

An assessment of whether the company has assigned responsibility at the board-level for oversight of its direct and indirect climate change lobbying approach and activities.

Sourcing of Legal Opinion

The legal opinion included in this analysis was provided upon request by Kirsty Ruddock, Managing Lawyer - Safe Climate (Corporate and Commercial) of Environmental Defenders Office (EDO) on 10th April 2024. EDO is not a co-author of this report and has not been asked to endorse the report's content.

The EDO is an Australian NGO that provides legal representation and legal support for litigation, law reform, and community engagement on climate change and environmental issues. See the [EDO website](#) for more information.

Case Study

The case study included in this report is based on a review of company and industry association submissions to The Australian Treasury consultations on climate related financial disclosures². A scoring system was developed to assess a company's support or opposition to the proposals, with companies advocating for delay, and/or for a limited liability period scoring negatively in the assessment.

² Submissions sourced through [Climate related financial disclosure consultation](#), [Climate-related financial disclosure: Second consultation](#), [Climate-related financial disclosure: exposure draft legislation](#)

Legal Opinion: Corporate Risks of Misaligned Lobbying

The expert legal team at the Environmental Defender's Office has produced a legal opinion on the potential legal risks for companies that make net zero commitments and then undertake lobbying – whether directly, or indirectly via industry associations – that is misaligned with those commitments.

Companies included in this analysis are exposed to legal risk of misleading consumers and investors when there is misalignment between their top-line claims of support for climate action. This includes both direct and indirect lobbying activities and engagement.

Legal opinion summary

There are several risks associated with a company making a net zero commitment and then undertaking lobbying that is misaligned with that commitment, including the following.

- There are risks of actions against the company for **misleading or deceptive conduct** under the *Corporations Act 2001* (Cth) (**Corporations Act**), *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**) or *Australian Consumer Law* (**ACL**) (Schedule 2 of the *Competition and Consumer Act 2010* (Cth));
- Risks associated with increased **shareholder advocacy** using provisions in the *Corporations Act*; and
- Overseas there have also been **tort-based claims** against companies involved in serious climate misinformation.

This advice provides some high-level guidance on these risks and is not intended to provide advice on any particular case or representations. Any individual case will turn on its specific circumstances.

Misleading or deceptive conduct

Conduct is considered misleading or deceptive or likely to mislead or deceive if “the impugned conduct viewed as a whole has a tendency to lead a person into error”.³ Courts have taken a broad approach to what is misleading and have also looked at the general impression created by the representations. What is misleading or deceptive is an objective test requiring consideration of how the behaviour affects the target audience's impression of a good or service.

According to a report produced by the United Nations High-Level Expert Group on the Net Zero Commitments of Non-State Entities there are certain requirements for net zero claims to be legitimate. The “net zero by 2050” target is based upon the need to limit warming below 1.5°C to prevent further tipping points from being reached and then maintaining that temperature.⁴ Any net zero pledge that undermines this 1.5°C limit is self-contradictory and could in certain circumstances be viewed as misleading.⁵ Recommendation six of The United Nations

³ *Campbell v Backoffice Investments Pty Ltd* (2009) 238 CLR 304, 319 [25] (French CJ).

⁴ United Nations High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities, *Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions* (Report 2022) accessed online [here](#) pg. 12.

⁵ *Ibid* pg. 15.

High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities highlights the need for non-state actors to align their external policy and engagement efforts to science-based goals in both the short and long term, in order to have a credible net zero plan.⁶

If a company undertakes direct or indirect lobbying that undermines its own net zero commitments in relation to financial products, it could be subject to actions by the Australian Securities and Investments Commission (ASIC) in relation to misleading or deceptive conduct, under section 12DA of ASIC Act and/or section 1041H of the /or the Corporations Act. Section 12DB of the Corporations Act also contains provisions relating to making false or misleading representations about financial services. In 2023, ASIC took action against three superannuation funds under this provision, with the first judgement handed down by the Court in the Vanguard matter in April 2024, and a penalty hearing judgement reserved, where ASIC has argued the Court should fine Mercer \$11.3million dollars.⁷

If a net zero commitment is promoted directly to consumers, it could also be the subject of proceedings by the Australian Competition and Consumer Commission (ACCC) under ss 18, 29 and 33 of the ACL. Non-Government organisations have brought actions seeking declarations and injunctions under the ACL in the Federal Court, but those cases are yet to be determined.⁸ Any actions brought by regulators and third parties pose financial and reputational risks to companies (and their investors). Claims brought by other shareholders (which could be assisted by class action lawyers) could also have financial implications for investors, due to the costs of defending such claims and the potential for damages if the company is found to have engaged in misleading conduct.

Shareholder advocacy

As outlined above, it is possible for shareholders to bring claims against a company for damages if they are engaged in misleading or deceptive conduct. There has been significant growth in shareholder class actions in Australia which commonly use misleading or deceptive conduct provisions in the Corporations Act, or failure to disclose or correct certain information provisions.⁹ These shareholder claims (which could be assisted by class action lawyers) could also have financial implications for investors, due to the costs of defending such claims and potential for orders to pay large damages claims if the company is found to have engaged in such conduct.

There has also been increased scrutiny by shareholders of companies at Annual General Meetings, including the alignment of a company's net zero targets and any industry groups to which they belong. Section 249N of the Corporations Act enables shareholders to, at the discretion of the company, propose ordinary resolutions at AGMs on matters within the board's power of management, or special resolutions to change a company's Constitution. NGOs have also campaigned around the power of lobby groups like the Minerals Council of Australia. For example in late 2019, 350.org commenced a campaign against the influence of the Minerals Council in opposing action on climate change. In 2019 and 2021, the Australasian Centre for Corporate Responsibility lodged shareholder resolutions that called on BHP to review its membership of the Minerals Council to ensure the association was consistent with the commitments of the Paris Agreement.¹⁰ In 2021, the Board of BHP agreed to a review of its memberships to organisations that openly advocated for increased coal and gas extraction and opposed government policies to reduce emissions.¹¹

⁶ Ibid pg. 25.

⁷ [Mercer Super agrees to pay \\$11.3M penalty in ASIC's first greenwashing case - Lawyerly](#)

⁸ Greenpeace Australia Pacific Limited v Woodside Energy Group Ltd (NSD1520/2023); Australasian Centre for Corporate Responsibility v Santos Limited (NSD858/2021)

⁹ Allens Linklaters, '[Shareholder class actions in Australia](#)' (February 2017)

¹⁰ Sydney Morning Herald, '[Mining lobby defends green goals amid push for BHP to quit](#)' (10 August 2021)

¹¹ Renew Economy, '[BHP board backs shareholder call to review membership of pro-coal industry groups](#)' (14 Sep 2021)

Tort-based claims

Companies who are involved in direct or indirect lobbying efforts that do not align with the need to limit warming below 1.5°C may also be subject to litigation risks should their lobbying lead to disinformation on the scale seen in the United States. As of 2022, there have been over 24 lawsuits filed in the United States against fossil fuel companies seeking abatement orders and compensation for climate damages based on actions of public nuisance, negligence and failure to warn.¹² These cases allege that the energy companies violated state consumer protection and tort laws by deceiving the public about the dangers of fossil fuels and climate change in order to maximise the sale of their products. The litigation was sparked by research that revealed that major fossil fuel companies like ExxonMobil had a sophisticated understanding of global warming from the 1970s¹³ and provided an evidentiary basis to hold them accountable for the climate crises for their false and deceptive practices since that time. We note that no such cases have yet been brought in Australia.

¹² See for example: *City of New York v Exxon Mobil Corp* [2021] , No. 1:21, CV-04807 (2 Cir Oct 5, 2021); *City & County of Honolulu v. Sunoco No. 1*, CCV-20-0000380 (Haw. Cir. Ct. Mar. 9, 2020); *City of San Francisco v BP*, 3:17-cv06012-WHA (N.D. Cal. Apr. 3, 2018); *City of Oakland v. BP*, No. 3:17-cv-06011-WHA (N.D. Cal. Apr. 3, 2018); *County of San Mateo v. Chevron Corp.*, No. 3:17-cv-04929 (N.D. Cal. July 17, 2017); *City of Annapolis v. BP*, No. C-02-CV-21-000250 (Md. Cir. Ct. Feb. 22, 2021)

¹³ Columbia Magazine, [‘What Exxon Knew’](#) (Winter 2016-16); Los Angeles Times, [‘Exxon Mobil publicly denied global warming for years but quietly predicted it’](#) (12 January 2023)

Case Study: How Misaligned Lobbying Weakens New Climate Disclosures

Close scrutiny of lobbying activity from the companies assessed in this report and their trade associations exposes an increasingly common and harmful trend. Whereby companies express public, positive support for climate action while simultaneously lobbying, both directly and indirectly via industry associations, for carve outs and changes that weaken and delay proposed climate laws and ultimately reduce their effectiveness as tools to reduce emissions.

The High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities calls on corporations to align their external policy and engagement efforts, including membership in trade associations, to the goal of reducing global emissions by at least 50% by 2030 and reaching net zero by 2050. This means lobbying for positive climate action and not lobbying against it.

In 2022, the Australian Government announced its commitment to standardised, internationally-aligned requirements for disclosure of climate-related financial risks and opportunities in Australia. The Treasury undertook three rounds of consultation on improving the quality of climate-related financial disclosures through mandatory requirements for large businesses and financial institutions.

Qantas and AGL made their own direct submissions to all three rounds of consultation, the remaining companies were represented by submissions by one or more of their industry associations.

- Business Council of Australia representing all companies assessed in this report.
- Minerals Council of Australia representing Rio Tinto and South32 (full members)
- Australian Industry Group representing AGL, Telstra, Woolworths and Bluescope Steel.

Initially, companies and industry associations unanimously welcomed the proposed reforms for bringing Australia inline with international markets and improving information available to investors. This was followed by wide ranging and detailed feedback on the proposed new laws.

However, by the second round of the consultation, two consistent demands emerged that would weaken the impact of the new laws and allow greenwashing to continue – a 12 month delay to the start date of the legislation, and a period of “safe harbour” or immunity from third party legal action based on the new disclosures.

Delay, the new form of denial

Policy delay today has significant knock-on effects into the future. Urgent climate action is needed now to meet the global goal of reducing emissions by 50% by 2030. Actively working to delay the introduction of improved climate laws is a tactic employed by large corporations to ensure they can continue to contribute to the climate crisis without increased scrutiny.

The legislation put to Parliament in April 2024 included a 6-month delay from the original proposed start date. While a 6-month delay may seem insignificant, when the UN Chief Simon Stiell announces we have only two years to turn around our response to climate change,¹⁴ it brings perspective to the urgency of the challenge and the significant negative impact even short delays can have.

¹⁴ Reuters, [‘U.N. climate chief says two years to save the planet’](#), 10 April 2024

“ Delay has become the new form of denial.

MICHAEL E MANN
PRESIDENTIAL DISTINGUISHED PROFESSOR IN THE DEPARTMENT OF EARTH AND ENVIRONMENTAL
SCIENCE AT THE UNIVERSITY OF PENNSYLVANIA

Lobbying for loopholes to continue greenwashing

Third parties currently have the right to hold companies to account for making misleading climate statements, commonly known as “greenwashing”. This right is crucial to the proper functioning of markets and increases corporate accountability. Investors require accurate information about how the ongoing energy transition will impact companies’ future financial prospects so they can make informed investment decisions, but greenwashing distorts that information, preventing investors from properly assessing the extent of their exposure to financial risk.

Corporate lobbying was successful in achieving limited immunity from third party legal action relating to scope 3 and scenario analysis disclosures included the exposure draft legislation in 2023. Following the final round of public consultation and continued lobbying for business immunity, the Federal Government significantly broadened the scope of the immunity provisions, through the inclusion of transition plans and any forward-looking statement made in a sustainability report during the first year of the regime. In doing so, the government has strengthened entities’ protection against liability for greenwashing which will ultimately reduce the level of accountability of businesses under the new rules.

This legal immunity loophole is bad news for consumers, investors and our climate.

Reasoning that didn’t stack up

Much of the lobbying effort has centred around the need for delay and increased corporate immunity to ensure that corporations and financial institutions are prepared for when the new disclosure regime comes into effect.

Australian businesses have had an exceptionally long lead time to prepare for these changes. The International Taskforce on Climate-related Financial Disclosures (TCFD) released its recommendations in 2017, which was followed by Australian financial regulators issuing guidance that climate-related financial risks must be disclosed and recommended the TCFD framework. In 2021, Australia had the 4th largest number of TCFD-supporting organisations by jurisdiction and majority companies covered by the proposed modified liability arrangements already voluntarily report on climate related risk. The Federal Treasury has been conducting consultations on specific changes to domestic climate-related financial disclosures since 2022.

The request for a delay and broadened immunity are a thinly veiled attempt by corporations to slow climate action. Considering the multiplier effect of policy changes like these - with this influence exerted on every consultation and proposed bill - it slams the brakes on Australia’s climate response.

Company Results

This section outlines the key results of each company's net zero alignment with its lobbying activities - both direct, and indirect via industry associations. Where relevant, the company profiles include specific examples of demonstrated misalignment, as well as recommended pathways for improving alignment where necessary.

1. [AGL Energy Ltd](#)
2. [Origin Energy Ltd](#)
3. [Rio Tinto Ltd](#)
4. [BlueScope Steel Ltd](#)
5. [South32 Ltd](#)
6. [Qantas Airways Ltd](#)
7. [Woolworths Group Ltd](#)
8. [Coles Group Ltd](#)
9. [Telstra Corporation Ltd](#)



Key Findings

- Climate Integrity’s analysis finds AGL is likely exposed to legal risk as a result of its direct and indirect climate policy engagement activities. While AGL maintains broadly positive positions on many federal-level climate-related policies through its high policy engagement, the company and some of its industry associations also continually advocate in opposition to a number of key policies.
- Examples include policies that could bring forward the likely necessary closure of thermal coal assets, as well as some critical state-level climate related policies.
- The company has not disclosed an account of its industry associations' climate-related positions and engagement activities and has not undertaken a review of its direct or indirect lobbying since 2020. As a result, AGL does not appear to have established clear frameworks for identifying and addressing misalignments between its climate policy engagement activities (direct or indirect) and the 1.5°C goal of the Paris Agreement. While the company’s board-level [Safety & Sustainability Committee](#) has responsibility for “AGL’s relationships with external stakeholders and how those stakeholders view AGL, including in relation to AGL’s social licence, sustainability and climate policies”, there is no direct board level responsibility assigned for AGL’s climate change lobbying approach.

AGL summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	AGL
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Highly active (41%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C+)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (65%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (72%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	Yes, meets criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	NO, does not meet criteria

Direct Climate Policy Engagement

AGL is broadly supportive of climate policy in its direct engagement. The company recognises the need to act on climate change and supports the transition to renewables, but does not appear to support the early closure of coal assets. In AGL's Climate Transition Action Plan published in September 2022, the company [stated that it supported](#) policy action from governments to achieve the goals of the Paris Agreement. The table below outlines some of the Specific examples of AGL's direct policy engagement that appear to be misaligned with its stated support of the Paris Agreement include:



NSW EPA Climate Change Policy & Action Plan (2022): AGL was unresponsive to NSW Environmental Protection Agency's proposed sector-wide GHG emissions targets in November 2022 [consultation submission](#), stressing risk of unintended consequences of GHG targets for thermal generators - citing the likelihood of their early closure.

Australia's Capacity Investment Scheme: supported with major exceptions in August 2023 [consultation submission](#) on the Scheme, emphasising need for the Scheme to be designed in a way that does not "inadvertently" bring forward thermal coal asset closures and noting that policies of this nature are typically technology neutral.

Victoria's 2035 Emissions Reduction Target: Supported GHG emissions reduction targets with major exceptions in June 2022 [consultation submission](#), emphasising economic impacts and suggesting that state-level policy is less efficient and more costly than national targets.

Indirect Climate Policy Engagement: Industry Associations

Although AGL disclosed 43 of its contributions and memberships to various industry associations during FY22 on its corporate website, the company does not provide an account of its industry associations' climate-related positions and engagement activities. While many of these relationships are non-climate related, there are at least four with climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (Performance Band B- to D+ on InfluenceMap's database). They include:

Industry Association	InfluenceMap Performance Band (alignment with Paris Agreement)
Australian Pipelines & Gas Association	Partially Aligned (D+)
Energy Users Association of Australia	Partially Aligned (D+)
Business Council of Australia	Partially Aligned (C)
Australian Energy Council	Partially Aligned (C)

There are a number of specific examples of misalignment between the positions and lobbying activities of AGL and its industry associations:

Australian Energy Council: In 2023, AGL supported proposed legislative changes on (i) incorporating an emissions' reduction objective into the National Energy Objectives [consultation](#), and (ii) incorporating energy efficiency standards/targets in the National Energy Performance Strategy [consultation](#), while the the Australian Energy Council simultaneously

advocated against the changes in their [submission](#). AGL's CEO, Damien Nicks sits on the Board of the Australian Energy Council; and in FY22 the company contributed \$425,000 in membership fees.

Business Council of Australia: Through the consultations on Australia's Safeguard Mechanism Reforms, AGL supported the reforms in its [Sept 2022](#) and [Feb 2023](#) consultation submissions; while the BCA, despite issuing supportive positions on previous consultation rounds, advocated for several provisions that risk undermining the climate ambition of the policy in its Feb 2023 submission. AGL is one of over 100 direct members of BCA, and contributed \$93,500 in member fees in FY22.

Pathways to Alignment

Climate Integrity's analysis highlights AGL's likely exposure to legal and reputational risk as a result of its direct and indirect climate policy engagement. In line with best practice, there are a number of recommended actions AGL should undertake to ensure alignment between its stated commitments and the company's lobbying activities.

1. AGL should publish a commitment to align its direct and indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. AGL should ensure its policy positions on the role of fossil gas in the energy mix are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. AGL should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. AGL should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. AGL should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Key Findings

- Climate Integrity’s analysis finds Origin Energy is likely exposed to legal risk as a result of its direct and indirect climate policy engagement activities. The company’s direct lobbying activities on certain climate policies, such as its unsupportive engagement with Australia’s Safeguard Mechanism reforms, as well as its continued advocacy for fossil fuels, appears inconsistent with its stated support for the Paris Agreement
- Similarly, the company is further exposed to legal risk from misalignment with the positions of its Industry Association memberships, at least three of which are engaged in lobbying activities misaligned with the company’s stated commitments to the Paris Agreement and Australia’s net-zero by 2050 target.
- Origin’s Board does not have oversight of the company’s climate lobbying approach, despite having a Board-level ‘Safety and Sustainability Committee’, as stated in its [2023 Sustainability Report](#), which has oversight of the company’s broad approach to climate change only.

Origin summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	ORIGIN
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Highly active or strategic engagement (47%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (58%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (61%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	Yes, meets criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	Partial, meets some criteria (36%)
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	No, does not meet criteria

Direct Climate Policy Engagement

Origin Energy appears to accept the transition towards renewables as the primary energy source in the energy mix, but also advocates for the continued role of fossil gas. In Origin's [Climate Transition Plan](#), published in August 2022, it supported increased electrification and growth in renewables, while simultaneously stressing that gas will play a long-term role in the energy mix. In Victoria, the company responded to the consultation on the state's 2035 emissions target in June 2022, in which it [advocated](#) for the state to follow the most ambitious decarbonisation scenarios produced by the Australian Energy Market Operator (AEMO).

In Origin's 2022 industry association review, the company [stated](#) that "gas will remain important to the wider energy system for the foreseeable future". It reiterated this position on its corporate website, accessed in 2022, [stating](#) that "we believe gas will also play an important role in the energy mix for some time". In the company's Q2 2023 earnings call, CEO Frank Calabria [stated that](#) policies were needed to promote investment in new fossil gas supply. In a July 2022 [consultation response](#) on the Energy Security Board's Capacity Mechanism, Origin Energy [appeared to oppose](#) the inclusion of coal in the policy and appeared to support the fuels phase out. However, Calabria was reported by AFR in June 2022 to have [stated that](#) the Capacity Mechanism needed to include gas, again citing the need to increase firming capacity. It also [promoted the role](#) of fossil gas in a consultation response to Victoria's Gas Substitution Roadmap.

Examples of Origin's direct lobbying activities and engagement that are misaligned with its stated commitment to the Paris Agreement:



Future Gas Strategy (2023): Origin Energy advocated for the Capacity Investment Scheme to be extended to include fossil gas and called for decarbonisation policies that are technology neutral, in a Nov 2023 [consultation submission](#).

VIC Renewable Gas Consultation (2023): Origin Energy did not support the introduction of renewable gas standards and targets in Oct 2023 [comments](#) made on Victoria's Renewable Gas Consultation Paper.

Capacity Investment Scheme (2023): Origin Energy supported the Scheme's role in driving investment in the energy transition, but also advocated for the inclusion of fossil gas in the Scheme, in their Aug 2023 [consultation submission](#).

National Energy Performance Strategy (2023): Supported voluntary energy efficiency measures but was unresponsive of mandatory targets in Feb 2023 [consultation submission](#).

Safeguard Mechanism Reforms (2022-23): Advocated for a number of provisions that risk undermining the climate ambition of the policy in [Sep 2022](#); and [Feb 2023](#) consultation submissions, including calling for no quantitative restriction on the use of ACCUs.

Indirect Climate Policy Engagement: Industry Associations

In August 2023, Origin [published](#) a fifth review of its industry associations, including an assessment of alignment on climate change positions. However, Origin's review does not identify and report on the existence of all misalignments between the climate policy engagement activities of its industry associations and the goals of the Paris Agreement.

Despite these misalignments, the company retained memberships to all of its industry associations, although in 2020 Origin did briefly suspend its membership of [the Queensland Resources Council](#) in response to a suspended anti-Greens advertising campaign in the lead-up to the state election.¹⁵ The company reinstated its membership in FY2021 stating that the company was "satisfied that the QRC had made key changes to its policies on political lobbying". Origin remains a 'full member' as of publication.

Origin holds at least three memberships to industry associations ([Australian Energy Producers \(formerly APPEA\)](#) and [the Queensland Resources Council](#)), with climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked D or below on InfluenceMap's database), and at least four industry associations with climate policy engagement partially misaligned (ranked B- to D+).

Industry Association	InfluenceMap Performance Band (alignment with Paris Agreement)
Australian Energy Producers (formerly APPEA)	Misaligned (E+)
Australian Industry Greenhouse Network	Misaligned (D)
Queensland Resources Council (QRC)	Misaligned (E+)
Australian Pipelines and Gas Association	Partially aligned (D+)
Australian Energy Council	Partially aligned (C)
Gas Energy Australia	Partially aligned (C-)
Business Council of Australia	Partially aligned (C)

This analysis uncovered two examples of specific misalignment between the positions and lobbying activities of Origin and its industry associations:

Australian Pipelines and Gas Association (APGA): Through the 2022 consultations on the National Electric Vehicle Strategy, Origin supported electrification of transportation in the company's October [submission](#), while the Australian Pipelines and Gas Association advocated for a longer-term role for renewable natural gas over the rapid electrification of transportation in its own [submission](#). Origin is a direct member of APGA, though stated partial misalignment in the company's latest industry association review.

Australian Energy Producers (formerly APPEA): Origin stated support for the proposed National Reconstruction Fund in its February 2023 consultation submission on the Fund; while Australian Energy Producers advocated for the scope of the fund to include carbon, capture, utilisation and storage technologies and technologies associated with low carbon hydrogen pathways. Origin CEO Frank Calabria sits on the board of Australian Energy Producers.

Origin Energy Pathways to Alignment

This analysis highlights Origin's likely exposure to legal and reputational risk as a result of its direct and indirect climate policy engagement. In line with best practice, there are a number of recommended actions Origin should undertake to ensure alignment between its stated

¹⁵ The Guardian, ['BHP and Origin suspend membership of Queensland Resources Council over 'vote Greens last' campaign'](#) 7 October 2020

commitments and the company's lobbying activities:

1. Origin should publish a commitment to align its direct and indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Origin should ensure its policy positions on the role of fossil gas in the energy mix are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. Origin should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. Origin should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. Origin should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Key Findings

- Climate Integrity’s analysis finds that Rio Tinto is likely exposed to legal risk as a result of its direct and indirect climate policy engagement activities.
- The company’s direct engagement with climate-related regulations and the energy transition is often inconsistent with its publicly stated support of the Paris Agreement.
- The company has the lowest overall performance band score of all the companies assessed in this report, and maintains membership to at least 19 industry associations with climate policy engagement misaligned or partially misaligned with the Paris Agreement (this includes five associations in Australia).

Origin summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	RIO TINTO
0 Publicly Stated Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Highly active or strategic engagement (41%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (D+)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (56%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (52%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	Yes, meets criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	Partial, meets some criteria (43%)
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	Yes, meets criteria

Direct Policy Engagement

In 2022-23 Rio Tinto appeared to display both positive and negative positions on climate-related regulations, supporting some policies like greenhouse gas emissions targets, while at the same time advocating in opposition to others. There is also inconsistency between the company's engagement with certain climate policies and statements made by the company's global and Australia leadership. As reported in July 2022, Rio Tinto CEO Jakob Stausholm supported Australia's greenhouse gas emissions reduction target of 43% by 2030¹⁶. Additionally, as reported in August 2022, Rio Tinto Australia CEO, Kellie Parker, likewise articulated support for the target, stating that it is "aligned" with Rio Tinto's strategy.¹⁷

In contrast, Rio Tinto appears to have engaged in inconsistent ways with Australia's Safeguard Mechanism Reforms in 2022-23 - stating top-line support while also advocating to weaken it. The company [supported](#) the role of the Safeguard Mechanism reforms as part of a suite of measures to incentivise industrial abatement in its 2023 Climate Change Report. While also [advocating](#) for a range of provisions that risk undermining the efficacy and ambition of the Safeguard Mechanism reforms in its February 2023 consultation submission on the proposed design of the reforms. Some specific examples of where the company's direct lobbying positions are misaligned with its stated support of the Paris Agreement:



Safeguard Mechanism Reforms (2023): Advocated for a range of provisions that risk undermining the climate ambition of the Safeguard Mechanism reforms in [Sept 2022](#) and [February 2023](#) consultation submissions on the reforms.

Indirect Climate Policy Engagement: Industry Associations

Globally, Rio Tinto has at least nine memberships to industry associations with climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked D or below on InfluenceMap's database), and ten industry associations with climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+). In Australia, Rio Tinto holds membership with at least three associations that are misaligned with the Paris Agreement, and at least two that are only partially aligned.

Industry Association	InfluenceMap Performance Band (alignment with Paris Agreement)
Minerals Council of Australia (MCA)	Misaligned (D-)
Australian Industry Greenhouse Network	Misaligned (D)
Chamber of Minerals and Energy of Western Australia (CME)	Misaligned (D)
Business Council of Australia	Partially aligned (C)
Australian Aluminium Council	Partially aligned (C)

¹⁶ Sydney Morning Herald, '[Labor's climate target will help drive business' green power shift: Rio Tinto](#)' 29 July 2022

¹⁷ Australian Financial Review, '[Rio Tinto boss on Albanese, clean smelting and low-carbon beer](#)', 4 August 2022

Since 2018, Rio Tinto has published annual industry association reviews, which included one specific example of misalignment with the Minerals Council of Australia in 2023. The company has subsequently stated that this misalignment has been resolved:

Minerals Council of Australia (MCA): This analysis uncovered one example of inconsistent advocacy between Rio Tinto's stated policy position and that of its industry association memberships: Through consultation in 2023 on Australia's Guarantee of Origin Scheme, the company supported the proposal with some exceptions in its February [consultation submission](#), while the Minerals Council of Australia advocated in opposition to the scheme in its [submission](#) in the same month. Rio Tinto's CEO, Simon Trott, is on the Board of Directors of the MCA. In its 2022 Industry Association Review, Rio Tinto found partial misalignment with the MCA related to its coal advocacy (updated as of April 2023).

Rio Tinto Pathways to Alignment

This analysis highlights Rio Tinto's likely exposure to legal and reputational risk as a result of its direct and indirect climate policy engagement. In line with best practice, there are a number of recommended actions the company should undertake to ensure alignment between its stated commitments and its lobbying activities.

1. Rio Tinto should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Rio Tinto should ensure its policy positions on the role of coal in the energy mix are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. Rio Tinto should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. Rio Tinto should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. Rio Tinto should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Key Findings

- Climate Integrity’s analysis finds Bluescope is likely exposed to legal risk as a result of its direct and indirect climate policy engagement activities. The company displays a mix of positive and negative positions on a range of climate-related policies and although it has stated support for the decarbonisation of the steel industry and the increase of renewables, Bluescope also advocates for a continued role for fossil gas and coal in the energy mix.
- The company is further exposed to legal risk through its ongoing support and engagement with industry associations that lobby for policy positions misaligned to the company’s stated support of the Paris Agreement.
- Bluescope has not disclosed the climate-related positions and activities of its industry associations, nor does it have quality and robust processes to identify, report and address misalignment of direct and indirect policy activities with the Paris Agreement.

Bluescope summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	BLUESCOPE
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Highly active or strategic engagement (40%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (63%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (55%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	Partial, meets some criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	Yes, meets criteria

Direct Climate Policy Engagement

Bluescope's top-line communications on climate change from 2021-2023 broadly indicate positive support for [limiting global warming](#) to 1.5°C and the [goals of the Paris Agreement](#). However, Bluescope also appears to have engaged with oppositional positions on a number of specific climate-related regulations in both Australia and Zealand during the same period.

In [September 2022](#) and [February 2023](#) consultations submissions, Bluescope appeared to advocate a number of positions which risk weakening the climate ambition of Australia's Safeguard Mechanism, including calling for Trade Exposed Baseline Adjusted Facilities' baselines to be less than the proposed 2% per year. This inconsistency between Bluescope's support for the Paris Agreement and its policy-specific engagement can also be seen in the company's direct lobbying activity in New Zealand where the company also appeared to [advocate for the free allocation of emissions allowances](#) in the Emissions Trading Scheme, which would undermine the policy's effectiveness and ambition.

While Bluescope issues various statements in support of decarbonising the steel industry and increasing the adoption of renewables, the company also advocates for the continued role for fossil gas and coal in the energy mix. The company's top-line messaging is often supportive of Paris-aligned climate policy. For example, Bluescope's CEO, Mark Vassella, [expressed support for the NSW Government's Renewable Manufacturing Fund in](#) March 2022, while the company also supported the transition to a low-carbon economy and the decarbonisation of the steel industry in its [2021/22 Sustainability Report](#). However, Bluescope inconsistently appeared to support the continued role for coal in the steel making process, suggesting that the commercial production of green steel is "still decades away"¹⁸. Further evidence of misalignment between top-line communications and its policy activities was present in its July 2022 [submission](#) on the Capacity Mechanism Project High-Level Design Paper where the company advocated that an orderly transition of the energy mix will require the retention of coal and gas generation assets "until such time as equivalent firm baseload capacity is online".

Bluescope has published a partial account of its positions and engagement activities on specific climate-related policies, but excluded at least two cases of material evidence of direct climate policy engagement. The company does not appear to disclose its July 2022 submission to the Capacity Mechanism Project High-Level Design Paper, or its February 2023 submission to the National Reconstruction Fund. These omissions demonstrate the challenge for investors in relying solely on disclosures of climate-related policy engagement by the company

Bluescope has a Board-level Risk and Sustainability Committee (RSC) that reviews the alignment of the company's positions with the climate advocacy of their industry associations, but does not explicitly specify responsibility or oversight for Bluescope's own climate lobbying. The below examples demonstrate where such oversight could potentially enable the company to address misalignment and limit its legal liability:



Safeguard Mechanism Reforms (2022-23): Advocated for provisions that risk undermining climate ambition of reforms in [Sept 2022](#) and [Feb 2023](#) consultation submissions.

Australia's Future Gas Strategy (2022): Advocated for removal of state moratoriums on gas exploration and production in November 2022 [consultation submission](#)

¹⁸ ABC News, [BlueScope Steel boss warns safeguard mechanism changes could impact sovereign manufacturing](#) 20 February 2023

Energy Transition: Bluescope appears to adopt inconsistent positioning on the energy transition:

- **March 2022** - Bluescope's CEO, Mark Vassella, expressed support for the Renewable Manufacturing Fund initiated by the NSW Government to increase the manufacture of renewable energy infrastructure via a [press release](#)
- **September 2022** - In its [2021/22 Sustainability Report](#), Bluescope appeared to support the transition to a low-carbon economy and the decarbonisation of the steel industry.
- **July 2022** - In the [company's submission](#) on the Capacity Mechanism Project High-Level Design Paper Bluescope appeared to suggest that an orderly transition of the energy mix will require the retention of coal and gas generation assets "until such time as equivalent firm baseload capacity is online"
- **February 2023** - Bluescope appeared to support the continued role for coal in the steel making process, suggesting that the commercial production of green steel is "still decades away".¹⁹

Indirect Climate Policy Engagement: Industry Associations

Bluescope has not published a transparent disclosure of its alignment with its industry associations' positions on climate, though the company has disclosed a partial list of its industry association memberships in its [FY2023 sustainability report](#). In which it states:

"BlueScope belongs to various industry associations in many countries where we operate. Most are professional or technical associations, such as those that support employee career development, or the development of industry standards. Several memberships allow BlueScope to take positions on and participate in consultation on developing public policy, including in relation to climate change and energy, environment, trade and industry policy. [...] Our Industry Associations Governance Standard details the principles which guide our membership, and how we assess alignment between the public policy positions of the industry association and BlueScope's position as stated in public documents. An annual summary of these assessments is reported to the Board's RSC."

Despite this, the company has at least two memberships to industry associations with climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked D or below on InfluenceMap's database), and membership with at least six industry associations with climate policy engagement only partially aligned (ranked B- to D+).

Industry Association	InfluenceMap Performance Band (alignment with Paris Agreement)
Manufacturing Australia	Misaligned (D-)
Australian Industry Greenhouse Network	Misaligned (D)
Australian Steel Institute	Partially Aligned (D+)

¹⁹ ABC News, ['BlueScope Steel boss warns safeguard mechanism changes could impact sovereign manufacturing'](#) 20 Feb 2023

Energy Users Association of Australia	Partially Aligned (D+)
Australian Industry Group (Ai Group)	Partially Aligned (C)
World Steel Association	Partially Aligned (C)
Australian Aluminium Council	Partially Aligned (C)
Business Council of Australia	Partially Aligned (C)

Bluescope fails to disclose key instances of engagement with specific climate-related policies by its industry associations. For example, both the [Energy Users Association of Australia](#) and the [Business Council of Australia](#) appeared to advocate for provisions that risk undermining Australia's Safeguard Mechanism Reforms in September 2022 and February consultation submissions. In addition, Bluescope's disclosure also appears to exclude its membership to [Manufacturing Australia](#) and the [World Steel Association](#), both of which display largely negative climate policy engagement

Bluescope Pathways to Alignment

This analysis highlights Bluescope's likely exposure to considerable legal and reputational risk as a result of its direct and indirect climate policy engagement. In line with best practice, there are a number of recommended actions Bluescope should undertake to ensure alignment between its stated commitments and the company's lobbying activities.

1. Bluescope should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Bluescope should ensure its policy positions on the role of fossil gas and coal in the energy mix are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. Bluescope should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. Bluescope should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. Bluescope should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Key Findings

- Climate Integrity’s analysis finds South32 is likely exposed to significant legal risk as a result of its direct and indirect climate policy engagement activities. The company’s review of its industry associations found no evidence of misalignment, despite maintaining membership to at least six associations with climate policy engagement either misaligned or partially misaligned with the Paris Agreement.
- The company’s engagement on climate change is largely focused on top-line messaging on climate action and the energy mix, with limited transparent engagement on specific climate-related regulations. Its relatively low direct engagement with climate policy, alongside its considerable membership of misaligned industry associations, suggests that the company relies on indirect lobbying to achieve much of its policy influence.
- This analysis, generously assumes the company’s [stated board-level oversight](#) of its “overall climate change approach [and] policy positions” includes their climate-related lobbying, though it is not explicitly stated the scope of ‘policy positions’ in this case.

South 32 summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	SOUTH32
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Active engagement (21%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (D+)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (51%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (58%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	No, does not meet criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	Partial, meets some criteria (29%)
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	Yes, meets criteria

Direct Climate Policy Engagement

While South32 displays active overall engagement on climate change, this is largely confined to top-line messaging on climate action and the energy mix, with limited transparent engagement on specific climate-related regulations. Despite South32 historically providing limited transparency on its engagement with specific climate-related regulations, the company did engage with Australia's Safeguard Mechanism Reforms supporting the reforms with major exceptions that risk undermining the effectiveness and ambition of the policy. While South32 stated support for the reforms, the company also appeared to call for the retention of headroom at some facilities and advocated for the extension of banking and borrowing and cost containment measures beyond 2030.

South32 engages with largely negative positions on the energy transition, with some supportive top-line messaging. As reported in Dec 2022, CEO, Graham Kerr, issued support for the transition to a low-carbon economy, stating that it is "important for government and industry to work in partnership to address challenges and opportunities that are common to both, including decarbonisation".²⁰ In its [2022 Sustainable Development Report](#), South32 also communicated support for the decarbonisation of the steel industry, yet appeared to qualify this support by stating that metallurgical coal will be required in the steelmaking process for "at least the next two decades". In addition, Kerr reportedly advocated for the continued role for coal in the energy mix in February 2023.²¹

Specific examples of South32's direct policy engagement that is misaligned with their stated support of the Paris Agreement include:



WA Domestic Gas Policy:

- In an August 2023 [consultation submission](#) to the Inquiry into the WA Domestic Gas Policy, South32 supported a major role of fossil gas in the energy mix and advocated for "use it or lose it" policies to promote increased fossil gas supply. The company supported the transition away from coal in a way that appears to favour fossil gas over other zero carbon options, emphasising that the supply of fossil gas is critical to the transition towards a low carbon economy in Western Australia. However, South32 appeared to support the eventual displacement of fossil gas through renewables.
- In a supplementary December 2023 [consultation submission](#) to the Inquiry into the WA Domestic Gas Policy, South32 emphasised the need for new gas developments in the absence of an unprecedented scale-up of renewables.

Safeguard Mechanism Reforms (2023): Advocated for provisions that risk undermining climate ambition of Safeguard in [Feb 2023](#) consultation submissions on reforms. Assumed more mixed position in Sept 2022 [submission](#).

Indirect Climate Policy Engagement: Industry Associations

As part of its [2022 Sustainability Databook](#), South32 published a review of its alignment with its industry associations, finding no material misalignments with any of its associations.

²⁰ Australian Financial Review, '[Australia's top CEOs rate the Albanese government](#)' 19 December 2022

²¹ Illawarra Mercury, '[Illawarra metallurgical coal 'performing well' in South32 results](#)' 16 February 2023

However, the company retains membership to at least four industry associations with negative climate policy engagement misaligned to its stated support of the Paris Agreement (ranked D or below on InfluenceMap's database). And at least two industry associations with active climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+).

Industry Association	InfluenceMap Performance Band <i>(alignment with Paris Agreement)</i>
Queensland Resources Council (QRC)	Misaligned (E+)
NSW Minerals Council	Misaligned (E)
Minerals Council of Australia (MCA)	Misaligned (D-)
Chamber of Minerals and Energy of Western Australia (CME)	Misaligned (D)
Business Council of Australia	Partially aligned (C)
Australian Aluminium Council	Partially aligned (C)

South32 Pathways to Alignment

This analysis highlights South32's likely exposure to considerable legal and reputational risk as a result of its direct and indirect climate policy engagement. In line with best practice, there are a number of recommended actions the company should undertake to ensure alignment between its stated commitments and the company's lobbying activities.

1. South32 should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. South32 should ensure its policy positions on the role of coal in the energy mix are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. South32 should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. South32 should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. South32 should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Key Findings

- Climate Integrity’s analysis finds that despite its increasingly positive support of Australian climate policy from 2021-23, Qantas is exposed to significant legal risk through its membership to several industry associations with lobbying activity misaligned with the company’s stated support of the Paris Agreement.
- In its [public disclosure](#) of direct lobbying positions and engagement, the company failed to disclose at least two cases of material evidence of misalignment in relation to advocacy on sustainable aviation fuels policies: including consultation submissions to the [22-23 Commonwealth Budget](#) and [23-24 Pre-Budget submission](#).
- Qantas has not published an industry association review, and maintains membership of the [International Air Transport Association \(IATA\)](#) and the [Chamber of Minerals and Energy of Western Australia \(CME\)](#), both of which have negative engagement with global climate policy for aviation.
- The company does not specify Board-level oversight of its climate-related lobbying activities and engagement, though its Safety, Health, Environment and Security Committee has oversight of the company’s broad approach to climate-related issues.

Qantas summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	QANTAS
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Active engagement (24%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (65%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (58%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	Partial, meets some criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	No, does not meet criteria

Direct Climate Policy Engagement

Qantas maintains strong top-line support for emissions reductions in line with 1.5 degrees, including Australia's [2050 net-zero emissions target](#), and policies on the implementation of an Australian low-carbon fuel standard ([Jan 2023](#) & [Feb 2022](#) consultation responses), as well as that incentivise sustainable aviation fuels (SAFs) in Australia, including a [SAF mandate](#). Though it is unclear if its support for a global increase in the use of SAFs supports a future energy mix in line with IPCC guidelines.

While Qantas has [published a partial account](#) of its direct lobbying positions and engagement, the company has excluded at least two cases of material evidence in relation to its advocacy for policies promoting SAFs, including a SAF mandate and tax incentives. Qantas failed to disclose its advocacy for a low-carbon fuel standard in its submission to the 2022-2023 [Commonwealth Budget](#) and in its [2023-24 Pre-Budget submission](#). This omission is further evidence of the challenge investors face in relying on the company's own disclosures in assessing legal and financial risks

Indirect Climate Policy Engagement: Industry Associations

Qantas has disclosed a list of its industry association memberships on its [website](#), but the company has not published an industry association review. Qantas is a member of at least two industry associations ([International Air Transport Association \(IATA\)](#) and the [Chamber of Minerals and Energy of Western Australia](#)) which both have climate policy engagement misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked D or below). Qantas also holds membership with at least two other industry associations with active climate policy engagement partially misaligned to the Paris Agreement (ranked B- to D+ on InfluenceMap's database).

Industry Association	InfluenceMap Performance Band <i>(alignment with Paris Agreement)</i>
International Air Transport Association (IATA)	Misaligned (D)
Chamber of Minerals and Energy of Western Australia (CME)	Misaligned (D)
Airlines for Australia & New Zealand (A4ANZ)	Partially aligned (C-)
Business Council of Australia	Partially aligned (C)

Qantas Pathways to Alignment

Qantas has exposure to considerable legal and reputational risk through its engagement and support of industry associations that lobby for policies misaligned to both the Paris Agreement. In line with best practice, there are a number of recommended actions the company should undertake to ensure alignment between its stated commitments and the company's lobbying activities.

1. Qantas should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.

2. Qantas should ensure its policy positions on the role of fossil fuels in aviation are consistent with the [latest IPCC science on 1.5°C pathways](#).
3. Qantas should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
4. Qantas should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
5. Qantas should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).



Woolworths Group Ltd

Sector: Consumer Staples
Headquarters: Australia
[InfluenceMap Profile](#)

Key Findings

- Climate Integrity's analysis finds Woolworths has limited direct policy engagement with climate-related policy in Australia, despite maintaining top-line support for climate action and membership to industry associations that advocate in opposition to Paris-aligned policy proposals.
- The company seemingly lacks the necessary plans and processes to make its top-line support of net zero and the Paris Agreement credible, and the lack of engagement with climate-related policy engagement raises the question of whether the company is exposed to legal risk.
- Woolworths does not have board-level oversight of the company's climate lobbying engagement or approach, though the company's Group Board Sustainability Committee does oversee sustainability risks, opportunities and performance.

Woolworths summary results (metrics from InfluenceMap's [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	WOOLWORTHS
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Low engagement (10%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C)
3 Organisation Score	≥75 = company's direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (59%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (67%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	No, does not meet criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations' (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs' positions & engagement activities, or disclosure limited to 'top-line' climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	No, does not meet criteria

Direct Climate Policy Engagement

While Woolworths maintains top-line messaging in support of emissions reductions in line with 1.5°C and the goals of the Paris Agreement - evidenced in its [2025 Sustainability Plan](#) (Mar 2023), its [Corporate Governance Statement](#) (Aug 2022) and on its website, these statements are inconsistent with the company's own practices and policy engagement.

Generally, the company's engagement on climate action tends to focus on its own operations, with only limited evidence of engagement with specific climate policies. In its [2022 Sustainability Report](#) (Sep 2022), the company indicated support for improvements to agricultural practices within its own operations, but does not engage with policy relating to sustainable agriculture or the production of protein - and has only partially acknowledged the links between climate change and the negative impacts of the intensive farming practices related to its core business. While the company did broadly support the electrification of light-duty vehicles in Australia, it also stressed the need to balance environmental, technical, and economic objectives, highlighting global vehicle supply and infrastructure constraints in its [comments on the National EV strategy](#) in October 2022.

Brad Banducci, the CEO of Woolworths Group, appeared broadly supportive of the transition to low carbon energy in a [June 2023 media release](#), stating that "the case for a low carbon future has never been clearer". However, there is a lack of adequate transparency or disclosure to determine if this position is aligned with IPCC advice on limiting warming to 1.5°C.

Indirect Climate Policy Engagement: Industry Associations

In its [2022 Sustainability Report](#), Woolworths disclosed only limited information on its trade associations, without reference to their engagement with specific climate policies. The company retains membership to at least three industry associations with climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+):

Industry Association	InfluenceMap Performance Band <i>(alignment with Paris Agreement)</i>
Energy Users Association of Australia	Partially Aligned (D+)
Australian Industry Group (Ai Group)	Partially Aligned (C)
Business Council of Australia	Partially aligned (C)

Woolworths Pathways to Alignment

Through the misalignment between its consistent top-line support of the Paris Agreement and the company's engagement and support of industry associations that lobby for policies misaligned to those statements, Woolworths is exposed to considerable legal risk. In line with best practice, there are a number of recommended actions Woolworths should undertake to ensure alignment between its stated commitments and the company's lobbying activities.

1. Woolworths should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Woolworths should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian

climate policies - including the Climate Change Authority's Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.

3. Woolworths should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
4. Woolworths should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap's [best practice guidance](#).

Key Findings

- Climate Integrity’s analysis finds Coles Group (Coles) has limited direct policy engagement with climate-related policy in Australia, displaying the lowest engagement intensity of all companies in this analysis.
- The company provides limited transparency on its engagement with specific climate-related regulations, it maintains top-line support for climate action and membership to industry associations that advocate in opposition to Paris-aligned policy proposals.
- The Coles’ board does not have oversight of the company’s climate lobbying approach or engagement, though does have oversight of sustainability and governance policies and practices, as stated in its [2023 Sustainability Report](#).

Coles summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	COLES GROUP
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Low engagement (6%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (D+)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (53%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (60%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	No, does not meet criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	No, does not meet criteria

Direct Climate Policy Engagement

Coles’ engagement with, and support of, the energy transition is largely confined to top-line statements recognising the need to “accelerate the transition to a net zero economy” in its [2023 Sustainability Report](#), and previous CEO, Steve Cain reportedly issuing broad support for

a “smooth and resilient” energy transition in Dec 2022.²² However, it is unclear if this position is aligned with IPCC timelines and advice on delivering 1.5°C. The company broadly supported Australia’s Guarantee of Origin Scheme in its February 2023 [consultation submission](#), as well as Australia’s proposed Renewable Electricity Certification scheme in a separate February 2023 [consultation submission](#), noting that the company backed “the proposal to allow aggregation from multiple small-scale systems”.

Indirect Climate Policy Engagement: Industry Associations

In its [2023 Sustainability Report](#), Coles published a list of its industry association memberships however it did not disclose an account of the climate-related positions and engagement activities of those associations. Coles is a member of at least 3 industry associations with climate policy engagement partially misaligned with the Paris Agreement (ranked B- to D+ on InfluenceMap’s database). Two of these groups continue to promote a prolonged role for fossil gas in the energy mix.

Industry Association	InfluenceMap Performance Band <i>(alignment with Paris Agreement)</i>
Energy Users Association of Australia	Partially Aligned (D+)
Business Council of Australia	Partially Aligned (C)
Electric Vehicle Council	Partially Aligned (B-)

Coles Group Pathways to Alignment

In line with best practice, there are a number of recommended actions Coles should undertake to ensure alignment between its stated commitments and lobbying activities.

1. Coles should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Coles should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority’s Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
3. Coles should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
4. Coles should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap’s [best practice guidance](#).

²² Australian Financial Review, [‘Australia’s top CEOs on the energy crisis’](#) 16 December 2022



Key Findings

- Climate Integrity’s analysis finds Telstra provides limited transparency on its engagement with specific climate-related regulations, appearing to have a low level of engagement overall. Despite this, Telstra maintains top-line support for climate action.
- The company holds membership to at least two industry associations with climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+ on InfluenceMap’s database), and does not publish a review of misalignment with climate-related policy positions.
- Telstra states no specific board-level oversight of the company’s climate lobbying engagement or approach, though its [Audit & Risk Committee](#) does hold responsibility for managing climate-related risks and environmental disclosures.

Telstra summary results (metrics from InfluenceMap’s [LobbyMap database](#) at April 2024)

INDICATOR	CRITERIA / SCORING	TELSTRA
0 Public Support for Paris Agreement	Has made public statement in support of the goals of the Paris Agreement via direct company communications (report, marketing, policy consultation)	Yes
1 Climate Policy Engagement Intensity	How engaged company is on climate policy, positively or negatively. 12-25 = active engagement; ≥25 = increasingly strategic engagement	Low engagement (12%)
2 Performance Band	Full measure of direct & indirect climate policy engagement alignment with the Paris Agreement. A+ to B = broad support for Paris-aligned climate policy; C to D+ = mixed climate policy engagement alignment; D to F = increasingly obstructive climate policy engagement	Partially aligned (C+)
3 Organisation Score	≥75 = company’s direct policy engagement broadly Paris-aligned; 50-74 = policy engagement has mixed alignment with Paris Agreement; 25-50 = increasingly significant misalignment; 0-25 = material, significant opposition	Partially aligned (67%)
4 Relationship Score	Indirect policy engagement of industry associations (IAs) alignment with Paris Agreement. ≥75 = broad alignment with, & support for, Paris-aligned policy; 50-74 = mixed Paris-alignment; 25-50 = increasingly significant misalignment	Partially aligned (67%)
5 Accuracy of DIRECT Policy Engagement Disclosure	YES = has published accurate account of positions & engagement on specific climate policies, or excluded 1 item of material evidence.	No, does not meet criteria
6 Accuracy of INDIRECT Policy Engagement Disclosure	YES = published accurate account of industry associations’ (IA) climate policy positions & engagement activities, or excluded 1 active IA or 1 item of material evidence of indirect engagement. NO = has not published account of IAs’ positions & engagement activities, or disclosure limited to ‘top-line’ climate statements without specific policy reference	No, does not meet criteria
7 Corporate Climate Policy Engagement Review	YES = has quality processes that broadly meet criteria (review, method, framework, identification & action) of both direct & indirect policy engagement. PARTIAL = meets some criteria. NO = does not meet criteria	No review published
8 Board-level Oversight of Climate Lobbying	YES = has assigned board-level responsibility for oversight of climate lobbying approach & activities; NO = has not assigned responsibility	No, does not meet criteria

Direct Climate Policy Engagement

Telstra maintains broadly supportive top-line positions in support of the energy transition, as evidenced through the company’s CEO, Vicki Brady issuing support for the transition to renewable electricity in December 2023, stating “we need increased investment in renewable energy projects and storage as well as the deployment of technology and innovation to drive

decarbonisation across different sectors”.²³ Telstra also [supported](#) the electrification of light-duty vehicles in Australia and the [phase out of coal power](#) in a July 2022 consultation submission to Australia’s Energy Security Board, and welcomed the introduction of Australia’s National Reconstruction Fund in a February 2023 [consultation submission](#), although without providing a clear position on the Fund’s renewable and low emissions technology funding areas.

Beyond its engagement with policies relating to the energy transition, the only specific climate-related policy Telstra appears to have engaged with between 2022–2024 is Australia’s Independent Review of Australian Carbon Credit Units via its [2023 CDP consultation response](#).

Indirect Climate Policy Engagement: Industry Associations

In the company’s [2023 Sustainability Report](#), Telstra published a partial list of its industry association memberships, however it did not disclose an account of its industry associations’ climate-related positions and engagement activities. Telstra holds at least two memberships to industry associations with climate policy engagement partially misaligned with delivering the 1.5°C goal of the Paris Agreement (ranked B- to D+ on InfluenceMap’s database).

Industry Association	InfluenceMap Performance Band (alignment with Paris Agreement)
Australian Industry Group (Ai Group)	Partially Aligned (C)
Business Council of Australia	Partially Aligned (C)

Telstra Pathways to Alignment

In line with best practice, there are a number of recommended actions Telstra should undertake to ensure alignment between its stated commitments and lobbying activities.

1. Telstra should publish a commitment to align its indirect lobbying activity with its commitment to the goals of the Paris agreement.
2. Telstra should eliminate advocacy that seeks to weaken or undermine climate policy and increase transparent and positive advocacy on key upcoming Australian climate policies - including the Climate Change Authority’s Issues Paper on 2035 GHG target, remaining sectoral decarbonisation plans, and EPBC Act reforms.
3. Telstra should commit to publishing an annual review of its direct and indirect (via industry associations) climate policy engagement with the 1.5°C goal of the Paris Agreement.
4. Telstra should disclose clear and robust governance processes to: (i) assess alignment between the climate policy engagement of its industry associations and the 1.5°C goal of the Paris Agreement, including an explanation of how this methodology has been applied to each industry association; (ii) address potential cases of misalignment, including an escalation strategy and clear deadlines for the more regressive industry associations that have shown limited progress in reforming their detailed climate policy engagement.

For more detail see InfluenceMap’s [best practice guidance](#).

²³ The Australian, [‘CEO Survey 2024 part 4: Safety Culture, Santos to Zip Co’](#), 15 December 2023

