

# Review of industry associations 2023



## Executive Summary

This is our third detailed trade associations review after the ones of 2019 and 2021. Previously disclosed in the corporate website and in the Sustainability & Climate Progress Reports, the methodology and key findings are now disclosed in this report, for the 2023 review.

For the 2023 review, we have increased the number of associations selected: from 78 in 2021 to 116. We found that 114 associations are aligned and 2 associations are partially aligned with our six key principles on climate-related topics.

Consistent with our aim to enhance the transparency of our reporting, this review includes a list of our selected associations, with range of fees and membership.

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## Introduction

In the energy sector, a clear and coherent position on climate-related issues is crucial for companies. This entails a transparent company stance on climate policy topics and robust internal guidelines for responsible engagement within industry associations.

Since 2019, TotalEnergies published guidelines on our responsible engagement on climate change within industry associations<sup>1</sup>. Our approach and commitment align with the expectations of relevant stakeholders, including investors, and aim to ensure transparency and accountability.

These guidelines encompass key climate-related topics in line with our strategy:

1. Recognizing the link between climate change and human activities.
2. Recognizing the Paris Agreement as a major step forward in the fight against global warming.
3. Supporting the implementation of carbon pricing.
4. Supporting the development of renewable energies and sustainable bioenergies.
5. Promoting the role of natural gas as “transition fuel” and the reduction of methane emissions.
6. Supporting the carbon offset mechanisms and promoting a policy of reducing greenhouse gas emissions.

TotalEnergies is an active participant in both national and international business and industry associations. We collaborate on technical matters and contribute to defining technical standards. Furthermore, we engage in discussions on government regulations and policies related to our industry, recognizing that collective action is often more effective than isolated steps.

TotalEnergies conducts regular assessments of the public positions of the industry associations to which we belong, ensuring continued alignment with our principles on climate-related topics. Proactivity enables us to reaffirm our company's stance and simultaneously advocate for changes if positions are misaligned.

Understanding that an organization's governance may not universally reflect the views of every member, our representatives prioritize promoting, supporting and defending TotalEnergies' positions within these bodies. If there are divergences, our representatives work diligently to shift positions, and in extreme cases, propose withdrawal if the organization's positions durably contradict ours.

Through this pragmatic approach, TotalEnergies ensures that our participation in industry organizations consistently advances our own stated positions. Acknowledging and countering climate change is a priority, and we responsibly support several organizations, contributing to climate change solutions and to a wider recognition of the value of carbon pricing.

Every two years, our entities record memberships in industry associations. The information on memberships, activities, and fees is meticulously consolidated at the corporate level, covering more than 1000 organizations worldwide. Think-tanks and industry partnerships are excluded from the scope. This effort sustains transparency and focus on our stated positions and goals with respect to the Paris Agreement.

The list of industry associations of which TotalEnergies is a member or which TotalEnergies supports can be found on our website<sup>2</sup>.

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<sup>1</sup> Professional Associations the Company Is Member Of | TotalEnergies.com

<sup>2</sup> Professional Associations the Company Is Member Of | TotalEnergies.com. Note that TotalEnergies supports the Middle East program of the USCC only and is not a member of the USCC itself, which is therefore not included in the benchmark.

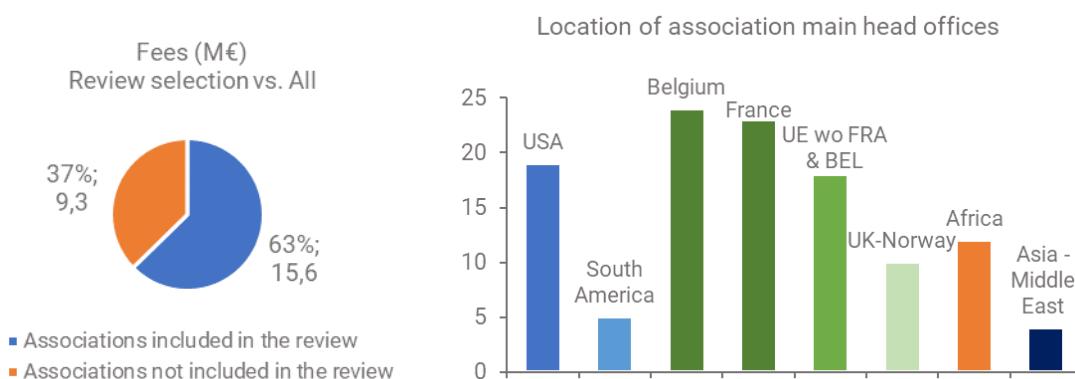
## Assessment methodology

### Selection

In the process of selecting associations which we assess in our trade associations review, our focus lies on organizations that actively engage in climate-related positions, lobbying activities, and which received a large contribution from TotalEnergies. To ensure continuity, we have also included associations that were assessed during the 2021 review.

We also include some associations identified by organizations such as InfluenceMap and conduct a in-depth review for those identified.

Our goal is to cover key organizations, and in the 2023 review, we assessed 116 associations, collectively representing over 63% of the global fees allocated to industry organizations. The selection is consistent with the development strategy of the company as these associations are primarily located in France, Belgium, Europe, the USA and in Africa but also in South America, Asia and Middle East.



### Assessment criteria

For the associations selected for our trade associations review, based on their public stated positions, the Company examines whether they are aligned with its own ones, which are assessed against the following six key principles on climate-related topics from our Advocacy Directive<sup>3</sup>.

**•Scientific position:** TotalEnergies recognizes the link established by science between human activities, in particular the use of fossil fuels, and climate change.

**•The Paris Agreement:** TotalEnergies recognizes the Paris Agreement as a major step forward in the fight against global warming and supports the initiatives of the implementing States to fulfill its aims.

Energy is at the heart of this global climate challenge: greenhouse gas (GHG) emissions linked to the production or use of energy account for over 60% of global emissions in 2021, as the global energy system is still 80% relying on fossil fuels.

There is an urgent need to accelerate the development of a decarbonized energy system, while maintaining the current energy system at a level sufficient to meet global demand and organize a just, orderly and equitable transition of energy systems. TotalEnergies welcomes the agreement reached in Dubai at COP 28, which calls for “transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner”.

<sup>3</sup> [Directive\\_applicable\\_a\\_la\\_representation\\_d\\_interets\\_signee\\_EN.pdf \(totalenergies.com\)](#)

TotalEnergies strives to contribute to global mitigation efforts by specifically pursuing a strategy to achieve net-zero emissions by 2050, together with society, and set interim targets in this path towards Net Zero.

To guide efforts to 2050, TotalEnergies has a 2030 objective of cutting net Scope 1+2 emissions from its operated activities by 40% (compared to 2015) and a target for lowering the lifecycle carbon intensity of energy products sold (a 25% reduction by 2030).

**•Carbon pricing:** TotalEnergies supports the implementation of carbon pricing.

Carbon pricing mechanisms are essential tools for reducing greenhouse gas emissions and driving the transition to a low-carbon economy.

This approach uses market mechanisms to pass the cost of emitting on to emitters. The price signal creates shifts consumption and investment patterns, making economic development compatible with climate protection.

There are several complementary types of carbon pricing, each with its own features and applications: Emissions Trading Schemes, Carbon taxes, Carbon credits, Internal carbon pricing.

Regulators should set carbon pricing mechanisms that are reliable, economically meaningful incorporating cross-border impact, and designed to incentivize consumer behaviors, innovation and investment in low carbon solutions. In particular, these mechanisms collect financial resources that should be used, first, to support the development at scale of low carbon technologies, not mature yet though necessary to progress the decarbonization of the whole economy; but also second to mitigate the cost impact of the energy transition on low-income households.

Consequently, the need for transparent dialogue and active engagement among various stakeholders, including the energy sector, investment community, political leaders, civil society, and consumers, is emphasized to achieve policy changes for effective carbon pricing.

These principles reflect a comprehensive approach to addressing climate change by balancing economic growth, technological innovation, and social equity.

**•The development of renewable energies:** TotalEnergies supports policies, initiatives and technologies aimed at promoting the development of renewable energies and sustainable bioenergies (biofuels, biogas) as well as energies and technologies aimed at decarbonizing industrial processes and transportation, such as hydrogen, carbon capture and electric vehicles.

With respect to renewables electricity, TotalEnergies is building a competitive portfolio of renewable power generation (solar, onshore and offshore wind) and flexible assets (CCGT, storage) to provide its customers with clean firm power, a low carbon-intensive, available 24/7, electricity.

This ambition will raise the Company's installed renewable capacity to 100 GW by 2030, making TotalEnergies one of the world top five producers of renewable energy (excluding China).

With respect to renewable molecules, TotalEnergies supports the growth of Sustainable Aviation Fuel (SAF) as a drop-in replacement to conventional aviation fuel to decarbonize the aviation industry. Biogas will also contribute to the decarbonization of natural gas uses and the Company intends to pursue its development through growth, mainly in Europe and the United States.

Furthermore, TotalEnergies believes that Green Hydrogen will contribute to the decarbonation of industrial activities, notably in refining.

TotalEnergies supports policies, initiatives and technologies aimed at decarbonizing industrial processes and transportation. Our CCS strategy gives priority to decarbonizing our activities in order to reduce Scope 1+2 emissions from our Upstream Oil & Gas assets, refining and LNG plants.

**The role of natural gas:** TotalEnergies promotes the role of natural gas as a transition fuel, in particular as a replacement for coal. TotalEnergies supports policies aimed at measuring and reducing methane emissions to move towards the ambition of zero methane emissions.

Indeed TotalEnergies believes that the growth of renewable electricity, intermittent and seasonal by nature, will require an increase in flexible power generation resources, such as the flexible production of gas-fired power plants.

In addition, natural gas plays an essential role in reducing emissions from power generation as a replacement of coal as they emit half as much greenhouse gas as coal-fired power plants for the same amount of electricity produced.

Our primary responsibility as a producer of fossil fuels is to substantially reduce direct emissions, especially reduce methane emissions. As such, TotalEnergies supports policies aimed at measuring and reducing methane emissions to move towards the ambition of zero methane emissions.

TotalEnergies believes also that it is the industry's responsibility to aim for zero methane emissions by 2030 and wants to set an example for the industry.

**Carbon offsetting:** TotalEnergies promotes a policy of reducing greenhouse gas emissions: avoid; reduce by using the best available technologies; offset the minimized residual emissions.

TotalEnergies supports the carbon offset mechanisms necessary to achieve carbon neutrality, through organized and certified markets ensuring the quality and sustainability of carbon credits.

TotalEnergies is in favor of strengthening a global framework of trust to further reinforce robust and recognized voluntary crediting mechanisms.

Natural areas preservation and restoration can be a lever for achieving net zero emissions worldwide by 2050. TotalEnergies supports the investment in forestry, regenerative agriculture and wetlands protection projects. The Company's strategy aims to combine and balance the value of people's financial revenue from agriculture and forestry and the value of the benefits to soil, biodiversity, the water cycle and the production of carbon credits. The Company pays close attention to the integrity and permanence of the emissions reductions and sequestration achieved by such investments.

Following the assessment, each association has been categorized into one of the three groups based on its alignment with TotalEnergies' positions:

- Aligned: the association's stated positions align with TotalEnergies across all addressed principles.
- Partially aligned: the association has one or more principles with stated positions that are partially aligned with TotalEnergies.
- Not aligned: the association has at least one principle with stated positions that are not aligned with TotalEnergies.

For each principle, public positions taken by industry associations which are contrary to those of TotalEnergies are considered not aligned while ambiguous public positions taken by industry associations are labeled as partially aligned.

In addition, in the case of the first two principles (the scientific position and support for the Paris Agreement), the absence of a public position is interpreted as being partially aligned. For the remaining principles, the absence of a position is not factored into the assessment.

However, it is essential to acknowledge the limitations of this approach. TotalEnergies' principles may not encompass every climate-related issue, and the assessment relies on publicly available information, including reports, websites, public statements from association managers, and legal actions they may have taken.

## Actions taken following the 2021 review

### America Petroleum Institute (API)

In reviews prior to the 2021 review, the positions of the API were assessed as partially aligned with those of TotalEnergies. After sharing our points of disagreement with the API and continuing to promote our positions within the association, we made the decision in January 2021 not to renew our membership due to persistent differences:

- On the role of natural gas, the continued supporting by the API of the loosening of US methane emission regulations, while we opposed such scaling back (end 2019).
- On the decarbonization of transport, with the participation of API in the Transportation Fairness Alliance, opposed to support for electric vehicles,
- On the principle of carbon pricing, the API expressed positions far from those of TotalEnergies.

### Texas Oil and Gas Association (TXOGA)

Our 2021 analysis also found that the Texas Oil & Gas Association (TXOGA) was partially aligned with our positions because it supported the loosening of U.S. methane regulations.

In early 2021, we positively noted the association's announcement of its support for the goal of zero routine flaring by 2030. We maintained however TXOGA as partially aligned, remaining attentive to its positions, especially on the US methane regulations.

## 2023 Review findings and actions

In 2023, we assessed the climate positions of 116 key associations against our six key principles on climate-related topics and we found 114 associations to be aligned and 2 partially aligned.

2023 Survey Results			
Climate positions	Aligned	114	
	Partially Aligned	2	<b>Texas Oil and Gas Association TXOGA</b> <b>International Air Transport Association IATA</b>
	Not Aligned	0	
Total		116	including 15 new associations

### New memberships supporting our transition

TotalEnergies balanced transition strategy aims on the one hand, to contribute to the development of a new, more efficient decarbonized energy system based on electricity and renewables, in which gas plays a useful role as a key transition fuel; and, on the other, to support a just, orderly and equitable transition away from fossil fuels, notably in emerging countries that legitimately aspire to economic and social development for their populations.

This is one reason why TotalEnergies chooses to invest massively in electricity and low-carbon molecules (close to one third of our global investments) and why we seek to be more present in the associations focusing on new energies.

In the 2023 Associations review, TotalEnergies is a new member of 15 associations and 8 of them are involved in renewables and biofuels, such as the American Clean Power Association and the Advanced Biofuels association in the USA and the Offshore Wind Industry Council in UK.

## Updates on partially aligned associations and actions

### [Texas Oil & Gas Association \(TXOGA\)](#)

Texas Oil & Gas Association is a state-wide association which represents members in the oil and gas industry in Texas.

Since our 2021 analysis, we are attentive to the TXOGA policy regarding methane regulation. We positively noted that TXOGA considered reduction of methane emissions as a top priority in the Texas oil and natural gas industry after the EPA agency planned helicopter flyovers for GHG surveying in the Permian Basin in August 2022. We will continue to work with TXOGA and its member companies to support climate-related policies such as zero routine flaring and methane reduction.

However, TXOGA has not mentioned any public statement in favour of the Paris Agreement. As a result, we maintain the assessment of TXOGA as partially aligned and will work closely with them to develop additional climate-related policy positions recognizing the Paris Agreement.

### [International Air Transport Association \(IATA\)](#)

The International Air Transport Association is the trade association for the world's airlines, representing some 320 airlines. They support many areas of aviation activity and help formulate industry policy.

TotalEnergies is not a member of IATA but a strategic partner, like a hundred of other fuel suppliers. For instance, we are part of their strategic program on SAF (Sustainable Aviation Fuel).

Despite the fact that we are not member, we kept IATA in the 2023 review scope as it was assessed in the previous review.

IATA is against carbon tax as a solution for cutting aviation emissions; as a result, we consider IATA as partially aligned. We remain mindful of IATA's position regarding our Climate principles, including carbon pricing.

## Payment and memberships of the industry associations

The list includes memberships held by TotalEnergies on January 1st 2023 with annual fees in 2022.

TotalEnergies's payments in 2022 (range)	Association Name (Acronym)	Member of Board or executive committee
800 k\$ - 2M\$	UFIP Energies et Mobilités (UFIP-EM) CONCAWE / FuelsEurope / EPRA (CONCAWE) Plastics Europe (PE) Oil Producers Trade Section (OPTS) Energia Offshore Energies UK (OEUK) Oil and Gas Climate Initiative (OGCI) Conseil Européen de l'Industrie Chimique (CEFIC)	yes yes yes no yes yes yes yes
200 k\$ - 800 k\$	American Chemistry Council (ACC) Bureau Normalisation du Pétrole (BNPé) The International Association of Oil & Gas Producers (IOGP) Wirtschaftsverband Fuels and Energie (EN2X) Oil & Gas Denmark (OGD) Fédération Chimique Belge (Essencia) Solar Energy Industries Association Union Française de l'Electricité EVOLEN (EVOLEN) France Chimie (FC)	yes yes yes yes yes no yes yes yes yes
80 k\$ - 200 k\$	Global Gas Flaring Reduction Partnership (World Bank - GGFR) California Solar and Storage Association Association française de gaz (AFG) Eurogas World Business Council for Sustainable Development (WBCSD) Offshore Wind Industry Council European Organization for Packaging and the Environment (EUROOPEN) Syndicat des Energies Renouvelables Assorisorse - Risorse Naturali ed Energie Sostenibili (Assorisorse) South African Petroleum Industry Association MEDEF Danish Shipping (DS) Local Solar for All	no no yes yes yes no no yes yes yes no no no yes
40 k\$ - 80 k\$	Vereniging Energie voor Mobiltreit en Industrie (VEMOBIN) Association Française des Entreprises Privées (AFEP) European Manufacturers of Expanded Polystyrene (EUMEPS) Recharge AFNOR (AFNOR) Union Professionnelle des Industries Privées du Gaz Fédération Belge des Entreprises Electriques et Gazières Advanced Biofuels association (ABFA)	yes yes no no no yes yes yes no



	International Gas Union	no
	Energy Council South Africa (ECSA)	yes
	Society for Gas as Marine Fuels	yes
	KazEnergy Association (KEA)	no
	Europäische Metropolregion Mitteldeutschland e.V. (EMMD)	no
	Nigeria Gas Association (NGA)	no
	Syndicat des Professionnels de l'Energie Solaire	no
	France Gaz Maritime (FGM)	yes
	Association des Raffineurs et Distributeurs Africains	no
	Association of European Business (AEB)	no
	Oil Companies International Marine Forum (OCIMF)	yes
	Deutscher Wasserstoff- und Brennstoffzellenverband e. V.	no
	Scottish Council for Development and Industry (SCDI)	no
	China Petrochemical Int'l Federation (CPCIF)	no
	Offshore Petroleum Association of South Africa (OPASA)	yes
	European Turbines Network (ETN)	yes
	Associazione Nazionale Energia del Vento (ANEV)	no
	Nigerian Institute of Public Relations (NIPR)	no
	Consejo Empresario Argentino para el Desarrollo Sostenible (CEADS)	no
	Nigeria Employers Consultative Association (NECA)	no
	Groupement Maritime et Industriel de Fos (GMIF)	yes
	Oman Society for Petroleum Services (OPAL)	no
	Society of Exploration Geophysicists (SEG)	no
	Mozambique Energy Chamber	no
	FRANCE ADDITIVE - FILIERE IMPRESSION	no
	International Air Transport Association (IATA)	
	Clean Energy Partnership	no
	Association des Compagnies de Exploration et Production en Angola (ACEPA)	yes
	Nigerian Mining and Geosciences Society (NMGS)	no