

Valero Energy	
Sector	Oil & Gas
Latest full assessment published	July 2021
CDP Responder	Yes

3.2E-*
ACT Score (2021)

#40_{/100}
Sector Rank (2021)



Company recommendations:

Targets: The company requires targets which are comprehensive enough to hold management to account for short, medium and long-term action to reduce emissions.

Emissions reductions and reporting: The company's emissions contrast with its 1.5°C pathway which requires it to make substantial decreases in its emissions intensity.

Low-carbon CapEx: The company's CapEx reporting does not provide sufficient detail to show its financial commitment to climate mitigation. Improved disclosure will allow for this assessment.

Transition plan: The company can improve the elements of its transition plan by ensuring it includes medium and long-term targets, verifiable and quantifiable key performance indicators and financial commitments. The plan should be informed by scenario analysis to ensure that the plan's ambition is sufficient for a 1.5°C pathway.

For the last full ACT assessment and more information visit: [Oil and Gas Benchmark \(worldbenchmarkingalliance.org\)](https://www.worldbenchmarkingalliance.org)

Module	Last Assessment Performance (2021)	Current Performance (2023)		Module summary	Change in performance since last full assessment
Targets		Net zero target (all scopes)?	No	Valero has set a more ambitious target to reduce scope 1 and 2 emissions by 100% by 2035 with an interim 2025 target of 63% reduction. This includes the refining segment only. It is not fully disclosed what part offsetting will play in its achievement. There is no target for scope 3 emissions.	 Improves
		Interim target(s)?	Yes		
		Targets cover all scopes?	No		
Emissions reductions and reporting		Scope 1 and 2 emissions intensity disclosed?	Yes	Valero now discloses the scope 3 intensity per barrel. The absolute values of scope 1 and 2 emissions are disclosed for its refining segment. The company's absolute scope 1 and 2 emissions have increased in 2021 compared to 2020, although they have decreased when compared to years prior to 2020.	 Remains the same
		Scope 1, 2 and 3 emissions intensity disclosed?	Yes		
Low-carbon capital expenditure		Reports low-carbon CapEx?	No	Capital investments in Ethanol and Renewable Diesel, excluding investments attributed to the other joint venture members make up 11% of the total capital investments figure. However, first generation ethanol is not considered as a low carbon technology, and more transparency is needed on the renewable diesel feedstocks.	 Remains the same
Transition Plan		Public transition plan?	Yes	The company has set a 2035 target to reduce or displace 100% of scope 1 and 2 emissions from the refining segment. Executive compensation is linked to the company's goals for the energy transition. There are no targets for scope 3 emission reduction. The results of scenario analysis are not clearly implemented in the company strategy.	 Improves
		Relevant expertise on the board?	No		
		Incentives linked to emissions reductions?	Yes		
		Financial content in plan?	No		
		Plan informed by scenario analysis?	No		

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*ACT scores are constructed of three parts. The performance score out of 20, narrative score A – E and trend score + / = / -