

BP's focuses \$100 million on reducing emissions



HOUSTON – BP has announced that it has established a \$100 million fund for projects that will deliver new greenhouse gas (GHG) emissions reductions in its upstream oil and gas operations. The new Upstream Carbon Fund will provide significant further support to BP's work generating sustainable greenhouse gas emissions reductions in its operations.

In April 2018, BP set clear, near-term and specific targets aimed at reducing its emissions and advancing the energy transition, including achieving 3.5 million tons of sustainable GHG emissions reductions across the BP Group from 2016 to 2025 and targeting a methane intensity of 0.2%.

In the year since, BP's total direct GHG emissions fell by 1.7 MMt CO₂ equivalent, despite a 3% growth in upstream oil and

gas production on the same basis. By the end of 2018, BP had generated 2.5 MMT of sustainable GHG emissions reductions throughout its businesses since 2016. BP's methane intensity for 2018 was 0.2% – in line with the target.

Upstream chief executive Bernard Looney said, "A year ago we challenged everyone at BP to reduce emissions in our operations and they have responded overwhelmingly. This \$100 million investment is designed to build on that momentum. It will fund ideas both big and small because everything counts in our transition to a lower carbon future and everyone at BP has a role to play."

Under the new initiative, funding totaling up to \$100 million will be made available over the next three years to support new projects in the upstream that will generate additional GHG emission reductions. Businesses and employees throughout BP's Upstream operating businesses are being invited to come up with ideas and propose projects for this funding.

The Upstream Carbon Fund will be in addition to the \$500 million that BP invests in low carbon activities each year, including investment in venturing activities and into its significant alternative energy business. BP is also a founding member of the Oil and Gas Climate Initiative, which brings together 13 of the world's largest energy companies and has set up a \$1 billion investment fund to address methane emissions and other issues.

BP's targets for reductions in operational emissions are part of its 'reduce-improve-create,' or RIC, approach to the energy transition, which also aims to improve its products to allow customers to reduce their emissions and to create and grow new low carbon businesses. The projects that are awarded funding will help to deliver the further emissions reductions necessary to achieve the RIC targets.

The announcement of the new fund is a further step in BP's

work to meet its targets and advance the energy transition. In January, BP announced that progress towards the sustainable emissions reductions target has now been incorporated as a factor in the remuneration of 36,000 employees across the Group.