In this critical decade, the world needs to cut emissions by around 45% by 2030 to limit global warming to 1.5°C. BP could lead and thrive in the energy transition by meeting the demand for energy while reducing emissions to levels consistent with the global intergovernmental consensus specified by the Paris Accord.

However, the most crucial aims – BP’s 2030 aims covering its Scope 3 emissions – are far from being Paris-aligned. Therefore, we support the company to advance these aims.

This fact sheet demonstrates that BP’s aims are insufficient, contrary to BP’s claims; and highlights why your vote in favour of the Follow This climate resolution this season is necessary.

The Follow This climate resolution

Shareholders support the company to align its 2030 emissions reduction aims covering Scope 3 with the goal of the Paris Climate Agreement.

The strategy for how to achieve these aims is entirely up to the board.

This resolution has been co-filed by Degroof Petercam Asset Management

To accommodate investors’ evolving preferences and to create clarity, this year’s proposal focuses on aligning the medium-term (2030) aims covering Scope 3 with ‘Paris’.

BP’s 2030 aims covering Scope 3

Aim 2 (covering Scope 3 from BP’s own production): 20–30% absolute reduction
Aim 3 (covering BP’s total Scope 1, 2, & 3 marketed: 15–20% intensity reduction and traded energy products)

BP has rolled back its Aim 2 which aims to reduce Scope 3 emissions from upstream oil and gas production from 35–40% to 20–30% by 2030. Even prior to its roll back, BP’s aims were insufficient as total Scope 3 emissions are approximately three times as high as the Scope 5 emissions covered under Aim 2; Aim 2 does not cover the sales of third-party fossil fuels.

BP “anticipated” absolute Scope 3 emissions associated with marketed products, more than half of BP’s total emissions, to increase by 2030.

BP does not disclose if the total Scope 3 emissions associated with BP’s traded products will increase or decrease by 2030.

Therefore, it is unclear whether BP’s absolute total Scope 3 emissions will increase or decrease by 2030.

CA100+ benchmark main conclusions

BP’s medium-term aims [2026–2035] are not aligned with the goal of limiting global warming to 1.5°C. (3.3)

The company is not working to decarbonize its capital expenditures. (6.1)

Voting this AGM season

The harsh reality is that no oil major is Paris-aligned - their targets and investments fall short of a robust strategy to limit warming to 1.5 degrees. A global integrated energy company like BP can decrease emissions without ultimately shrinking business; and the record profits made in 2022 present a unique opportunity to do so.

Without ample investor support, BP has shown reluctance to sufficiently advance their targets and will not hesitate to roll back its climate commitments, even with a shareholder approved (inadequate) climate plan. This raises clear corporate governance concerns; it is clear management views approval for their in-house climate resolution as the most it has to do and that it feels comfortable backtracking on climate commitments presented to shareholders.

Clear investor support for the Follow This resolution at the BP 2023 AGM will create clarity on which investors prioritize Paris alignment, challenge the management’s backrack and will provide the company with a clear mandate to align its climate aims accordingly. With investor support for this resolution the company can no longer claim investor backing for insufficient climate strategies. A vote in favour of the Follow This climate resolution will safeguard the long-term viability of shareholders’ assets and allow BP to fulfill its intended role as a leader in the energy transition.