



Bringing our *strategy* to life

I am pleased to see how much progress we have made, despite a year of stark challenges for the world. We are embedding sustainability in the way we do business. We are in action on the aims we set ourselves for net zero, people and planet – with some tangible results.

To all our teams, partners and suppliers – everyone we have worked with in 2022, thank you. We are building momentum as we pursue our 20 aims.

In action on our net zero aims

Focusing on our aims for getting bp to net zero★:

- On aim 1 (net zero operations★) – by the end of 2022 we achieved a 41% cut in Scope 1 and 2 absolute emissions compared to 2019.
- On aim 2 (net zero production★) the absolute emissions from the carbon in our upstream oil and gas production were 15% lower, compared to 2019. Following our update on strategic progress in February 2023, we made an adjustment to our aim 2 (net zero production). Compared to 2019 we are now targeting a 10-15% reduction by 2025 (previously 20%) and are aiming for 20-30% reduction by 2030 (previously 35-40%). We also expect to produce around 2 million barrels of oil equivalent a day by 2030 – around 25% lower than 2019.
- On aim 3 (net zero sales★) our target for 2025 is a 5% reduction in carbon intensity and we have now reached 2%, compared to 2019.
- On aim 4 (reducing methane) – our methane intensity★ (based on existing reporting methodologies) decreased from 0.14% in 2019 to 0.05% in 2022; and we are on track to deliver enhanced methane measurement technology and solutions at all our existing major oil and gas sites by the end of 2023.

- Aim 5 now covers our transition growth investment★. As Bernard said, in just three years, the proportion of our annual investment in these transition growth engines has grown tenfold.

We also made progress in our aims 6-10 to help the world get to net zero, including advocating for policies that support net zero. We actively supported many of the climate and energy related provisions in the US Inflation Reduction act, which has now passed into law.

In action on our people aims

We have five aims to improve people's lives and throughout 2022 have taken steps to further embed social sustainability, including assessing conformance with the bp human rights policy (aim 12) and launching a social mobility framework for action (aim 14).

We became the first major energy, mobility and convenience employer to be accredited as a living wage employer in the UK (aim 13: sustainable livelihoods). A fair wage is one that meets an employee's basic needs. In our global review of our businesses in 2022 we confirmed that all our employees were being paid a fair wage.

Outside bp, our approach is socially inclusive and seeks to benefit the communities we work with (aim 12: just transition). We want to build stronger relationships, encourage mutual trust and help the local workforce to develop skills for the future energy system. In Scotland, we have invested over £1 million with our partner EnBW to support training and reskilling in the offshore wind industry.

In action on our planet aims

We have made progress across all our planet aims in 2022, including site-based water assessments at our Castellón refinery in Spain (aim 17) and we launched our new circularity framework and waste metrics, to help guide bp businesses to identify opportunities for circularity (aim 19).

We are also working to restore, maintain and enhance biodiversity where we operate (aim 16). In 2022 we introduced our net positive impact methodology and are putting it into practice in several new projects, including a pipeline replacement in an area of high biodiversity in Trinidad. Our restoration projects include seagrass and coral reefs in Tobago, ecosystems in Türkiye and biodiversity in the Ajameti Managed Reserve in Georgia.

More to do

I am proud to be part of a remarkable team at bp and of what they have achieved so far. We know there is much more to do, but we have plans in place, a distinctive framework to support them and growing confidence in bp's transformation into an integrated energy company – with sustainability at its core.

Giulia Chierchia

EVP, strategy, sustainability & ventures
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For terms with ★ refer to the glossary on [pages 59-60](#).

