



FOR IMMEDIATE RELEASE

LAPFF Applauds BP's Improved Climate Disclosure But More Must Be Done

Company demonstrates increased recognition of climate impacts on business

London 14.00 (BST) LAPFF is pleased that BP has significantly increased its disclosures on climate assumptions for the business but there is still work to be done.

BP has now built capital maintenance, including an improved capital expenditure analysis, and reduced commodity price assumptions stemming from climate change, into its financial considerations. Additionally, the energy transition is highlighted in several of the key audit matters as elevating business risks.

It is also encouraging to see that BP seems to have responded to climate advertising concerns raised by the climate-oriented law firm, Client Earth.

There is still progress to be made. The Forum would like to see BP's financial reporting on oil price projections better reflect Paris Agreement projections. Also the Forum would like to see BP's investment in renewable sources of energy reported as a separate segment to its fossil fuel activity for both the profit and loss account and balance sheet.

Cllr Doug McMurdo, Chair of Local Authority Pension Fund Forum, said: "The Forum is encouraged to see a number of the oil and gas majors make significant climate commitments and take significant steps on climate despite the challenging conditions they face during the coronavirus pandemic. The improved reporting will allow investors to make educated assessments of BP's prospects not only in respect of climate, but in overall business terms."

At least 43 LAPFF members hold shares in BP Plc directly, with others holding in pooled funds.

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About the Local Authority Pension Fund Forum: The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 82 public sector pension funds and six pools based in the UK with combined assets of approximately £300 billion. It exists to 'promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' www.lapfforum.org. PIRC is the Research and Engagement partner to the Forum.