



# TCFD Energy Group Metrics

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# Introduction

This Task Force on Climate-related Financial Disclosures (TCFD) document aims to provide a consolidated overview of bp's reporting against the TCFD Energy Group Metrics<sup>a</sup>.

Metrics and disclosures included in this index cover our activities during the period 1 January to 31 December for the years indicated.

Performance data and disclosures included in this index are discussed further in the bp annual report 2021, bp sustainability report 2021, bp energy outlook 2021 and the Net zero ambition report. An associated basis of reporting document is available on [bp.com/reportingcentre](https://bp.com/reportingcentre). This outlines the approach and scope used for data collection and verification of certain sustainability performance data, as published in the bp annual report 2021, bp sustainability report 2021, Net zero ambition report, ESG datasheet and online at [bp.com/sustainability](https://bp.com/sustainability) and [bp.com/TCFD](https://bp.com/TCFD).

Looking ahead, we will consider the updated TCFD guidance on Metrics & Targets, published in October 2021.

## Reports

-  [Annual report and form 20-F 2021](#)
-  [Sustainability report 2021](#) – to be published
-  [Net zero ambition report](#)
-  [Energy Outlook 2022](#)
-  [ESG datasheet 2021](#) – to be published
-  [Basis of reporting 2021](#) – to be published

<sup>a</sup> From: Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures. Pages 52-55. Energy Group Metrics – illustrative examples. <https://assets.bbhub.io/company/sites/60/2020/10/FINAL-TCFD-Annex-Amended-121517.pdf> accessed 18.03.22.

## Energy Group Metrics – Illustrative Examples<sup>b</sup>

TCFD Financial category	TCFD Climate-related category	TCFD Unit of measure	TCFD Example metric	bp disclosure	2019	2020	2021	More information
Revenues	GHG emissions	MT of CO <sub>2</sub> e	Estimated Scope 3 emissions, including methodologies and emission factors used	Emissions from the carbon in our upstream oil and gas production (aim 2)	360.9	327.6	<b>303.6</b>	<p>Estimated CO<sub>2</sub> emissions from the assumed combustion of upstream production of crude oil, natural gas and natural gas liquids (NGLs) based on bp's net share of production, excluding bp's share of production in Rosneft. On 27 February 2022, following the military action in Ukraine, the bp board announced that bp intends to exit its 19.75% shareholding in Rosneft Oil Company (Rosneft).</p> <p>It is assumed that all produced volumes undergo full stoichiometric combustion to CO<sub>2</sub>. These emissions are broadly equivalent to the GHG Protocol, Scope 3, category 11, with the specific scope of upstream production volumes.</p> <p>The baseline year for our aims 1, 2 and 3 is 2019. Following publication of the ESG Datasheet 2020, we identified minor data reporting corrections and implemented methodological improvements for the 2019 production volumes used in the calculation of the reported 2019 figure for aim 2. We are showing the resulting adjusted figure for 2019 (360.9 MteCO<sub>2</sub>e compared to the 360.6 MteCO<sub>2</sub>e disclosed in the ESG Datasheet 2020). As a result of mathematical rounding, this correction does not impact the 2019 aim 2 emissions published in the bp Annual Report and Form 20-F 2020 or the bp Sustainability Report 2020.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 52  <a href="#">Sustainability report 2021</a> – page 23  <a href="#">ESG datasheet 2021</a> – page 3</p>
Revenues	Risk adaptation & mitigation	Local currency	Revenues/savings from investments in low carbon alternatives (e.g. R&D, equipment, products or services)	Not reported	–	–	–	<p>Annual monetary savings as a result of sustainable emissions reductions (SERs)<sup>c</sup> implemented are disclosed in our submission to the CDP Climate Change Questionnaire 2021.</p> <p><b>Read more:</b>  <a href="#">bp CDP Climate Change Questionnaire 2021</a> – pages 52-55</p>
Expenditure	GHG emissions	Local currency	Describe current carbon price or range of prices used	Our price assumptions are determined for use in our investment appraisal processes and the impairment testing of assets for financial reporting. Carbon price \$50/tCO <sub>2</sub> e in 2022. Where applicable, we also continue to use carbon prices rising to \$100/tCO <sub>2</sub> e in 2030 and \$250/tCO <sub>2</sub> e by 2050 (2020 \$ real) for operational GHG emissions in certain investment cases.				<p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 32</p>
Expenditure	Risk adaptation & mitigation	Local currency	Expenditures (OpEx) for low carbon alternatives (e.g. R&D, equipment, products, or services)	Not reported	–	–	–	<p>As we continue towards our net zero ambition, we target increasing our low carbon investment to \$3-4 billion per year in 2025, and aim to increase it to at least \$5 billion per year in 2030.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 33  <a href="#">Sustainability report 2021</a> – page 26</p>

<sup>b</sup> From: Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures. Pages 52-55. Energy Group Metrics – illustrative examples. <https://assets.bbhub.io/company/sites/60/2020/10/FINAL-TCFD-Annex-Amended-121517.pdf> accessed 18.03.22.

<sup>c</sup> SERs result from actions or interventions that have led to ongoing reductions in Scope 1 (direct) and/or Scope 2 (indirect) greenhouse gas (GHG) emissions (carbon dioxide and methane) such that GHG emissions would have been higher in the reporting year if the intervention had not taken place. SERs must meet three criteria: a specific intervention that has reduced GHG emissions, the reduction must be quantifiable and the reduction is expected to be ongoing. Reductions are reportable for a 12-month period from the start of the intervention/action.

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TCFD Financial category	TCFD Climate-related category	TCFD Unit of measure	TCFD Example metric	bp disclosure	2019	2020	2021	More information
Expenditure	Risk adaptation & mitigation	Percentage	Proportion of capital allocation to long-lived assets versus short-term assets	Not reported	–	–	–	We are focused on the disciplined allocation of capital to deliver on our strategic objectives. In 2021, capital expenditure was \$12.8 billion. We expect capital expenditure to be in a range of \$14-15 billion in 2022 and \$14-16 billion per annum between 2023-25. <b>Read more:</b> <a href="#">Annual report and Form 20-F 2021</a> – pages 20-21
Expenditure	Water	Percentage	Percent water withdrawn in regions with high or extremely high baseline water stress	Total freshwater withdrawal in regions with high or extremely high baseline water stress (%)	4	4	<1%	We have set an aim (aim 17) to be water positive by 2035. <b>Read more:</b> <a href="#">Annual report and Form 20-F 2021</a> – page 68 <a href="#">Sustainability report 2021</a> – page 44
Expenditure	GHG emissions	Mt of CO <sub>2</sub> e	Amount of gross global Scope 1 emissions from: (1) combustion, (2) flared hydrocarbons, (3) process emissions, (4) directly vented releases, and (5) fugitive emissions/leaks	<b>Operational control<sup>d</sup></b>	49.2	41.7	<b>33.2</b>	<b>Read more:</b> <a href="#">Annual report and Form 20-F 2021</a> – pages 26-27 <a href="#">Sustainability report 2021</a> – page 22 <a href="#">ESG datasheet 2021</a> – page 4
				Scope 1 (direct) greenhouse gas emissions (MtCO <sub>2</sub> e) <sup>e</sup>	46.8	39.8	<b>32.0</b>	
				Scope 1 (direct) carbon dioxide emissions (MtCO <sub>2</sub> e)	0.10	0.07	<b>0.05</b>	
				Scope 1 (direct) methane emissions (Mt)	1,395	831	<b>967</b>	
				Flaring (kt) <sup>f</sup>	46.0	41.3	<b>36.5</b>	
				<b>Equity<sup>g</sup></b>				
				Scope 1 (direct) greenhouse gas emissions (MtCO <sub>2</sub> e) <sup>e</sup>	43.0	39.1	<b>34.8</b>	
Scope 1 (direct) carbon dioxide emissions (MtCO <sub>2</sub> e)	0.12	0.09	<b>0.07</b>					
Scope 1 (direct) methane emissions (Mt)								

<sup>d</sup> Operational control data comprises 100% of emissions from activities operated by bp, going beyond the IPIECA guidelines by including emissions from certain other activities such as contracted drilling activities.

<sup>e</sup> We provide data on GHG emissions material to our businesses on a carbon dioxide-equivalent basis. This includes CO<sub>2</sub> and methane for Scope 1 emissions.

<sup>f</sup> We report the total hydrocarbons flared from our upstream operations.

<sup>g</sup> bp equity share data comprises 100% of emissions from subsidiaries and the percentage of emissions equivalent to our share of joint arrangements and associates, other than bp's share of Rosneft. On 27 February 2022, following the military action in Ukraine, the bp board announced that bp intends to exit its 19.75% shareholding in Rosneft Oil Company (Rosneft).

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TCFD Financial category	TCFD Climate-related category	TCFD Unit of measure	TCFD Example metric	bp disclosure	2019	2020	2021	More information
Expenditure	Energy/fuel	Local currency	Indicative costs of supply for current and committed future projects (e.g. through a cost curve or indicative price range). This could be broken down by product, asset, or geography)	Not reported	–	–	–	Not reported.
Assets	Water	Number of assets, value, percentage of total assets	Assets committed in regions with high or extremely high baseline water stress	Not reported	–	–	–	<p>Currently, we actively manage our freshwater demands in areas of stress and scarcity. Based on analysis using the World Resources Institute (WRI) Aqueduct Global Water Risk Atlas, four of our 17 major operating sites were located in regions with medium to extremely high water stress in 2021. Based on anticipated changes in the areas WRI marks as water stressed, this number is set to increase to 12 by 2040, assuming a business-as-usual scenario with no portfolio changes, with seven of the 12 being refineries, which account for a high proportion of our freshwater use.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 68  <a href="#">Sustainability report 2021</a> – page 44</p>
Assets	Risk adaptation & mitigation	Local currency	Investment (CapEx) in low carbon alternatives (e.g., capital equipment or assets)	Invested in low carbon activities (\$m)	>500	750	\$2.2bn <sup>h</sup>	<p>We report the amount invested in low carbon activities in the sustainability report, annual report, ESG datasheet and net zero ambition report. We do not report revenues or savings from investments in low carbon.</p> <p>As we continue towards our net zero ambition, we target increasing our low carbon investment to \$3-4 billion per year in 2025, and aim to increase it to at least \$5 billion per year in 2030.</p> <p>In 2021, low carbon capital expenditure increased from around \$750 million in 2020 to nearly \$2.2 billion. This is due to our continuing acceleration in offshore wind and solar as well as advancing mobility with a bolder ambition in electrification.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 33  <a href="#">Sustainability report 2021</a> – page 26</p>
Assets	GHG emissions	Amount of reserves MT of CO <sub>2</sub> e per unit of reserves	A breakdown of reserves by type and an indication of associated emissions factors to provide insight into potential future emissions	Not reported	–	–	–	<p>We report movements in estimated net proved reserves. We do not report the potential future emissions associated with these reserves.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – pages 261-275</p>

<sup>h</sup> In 2021, capital expenditure against our aim 5 activities has increased from \$750 million in 2020 to nearly \$2.2 billion, the majority of which related to investments in offshore wind, electric vehicle charging infrastructure and solar.

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TCFD Financial category	TCFD Climate-related category	TCFD Unit of measure	TCFD Example metric	bp disclosure	2019	2020	2021	More information
Capital	Risk adaptation & mitigation	Years, percentage return on investment	Capital payback periods or return on capital deployed	Return on average capital employed (%)	8.9	(3.8)	<b>13.3</b>	<p>We report return on average capital deployed.</p> <p>The increase in 2021 performance reflects improved profit due to higher oil and gas prices, refining margins and stronger trading results.</p> <p><b>Read more:</b>  <a href="#">Annual report and Form 20-F 2021</a> – page 25</p>

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bp p.l.c.

1 St James's Square  
London SW1Y 4PD

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