Upstream communication campaign framework:
Gas and methane
2 March 2018
# 2018 C&EA campaign framework

## Theme 1: Advancing the energy transition (low carbon strategy)

The transition to a lower-carbon economy is the challenge of our time and BP is taking action:

- **Reducing** emissions in our operations
- **Improving** our products
- **Creating** low carbon businesses

## Theme 2: Resilience & competitive growth (business strategy)

BP is building a strong track record of delivering on our plans and growing across our businesses:

- Growing gas and advantaged oil in the Upstream
- Market-led growth in the Downstream
- Venturing and low carbon across multiple fronts

### Upstream messages: Gas & methane

- Advantages of gas over coal – cleaner burning, complements renewables, transition and a destination fuel
- But methane must be tackled industry-wide
- BP is growing in gas and taking a lead on methane

### Downstream messages: Future of mobility

- Electric vehicles are rapidly growing but will not have a major impact on oil demand or carbon emissions by 2040
- Policy needs to support the entire mobility ecosystem – from technology to infrastructure to consumer behaviour
- With advanced fuels and lubricants, new partnerships and ventures, and a retail offer that meets evolving consumer preferences – BP is helping to advance the mobility revolution
The challenge

In the public arena, there is ongoing commentary that aims to **discredit gas as part of the future energy mix** in three ways:

1. **Gas might be lower carbon than coal but it’s still a fossil fuel.**

2. **We don’t need gas, we should switch to an all-renewable future right now.**

3. **Gas doesn’t support climate goals when you take methane emissions into account.**
"Gas might be lower carbon than coal but it's still a fossil fuel."

Because natural gas is less carbon intensive than coal, it could serve as a near-term bridge as we scale-up other clean energy sources and transition to a low-carbon future; however, if the objective is to meet the emission reduction targets, natural gas is not a likely long-term solution.

World Bank to cease financing upstream oil and gas after 2019. The World Bank will no longer finance upstream oil and gas projects after 2019, apart from certain gas projects in the poorest countries in exceptional circumstances.

Natural Gas Golden Age Turns To Bubble. Gas was supposed to be the irresistible fuel of the future... Safe, reliable fuel and it was cleaner than coal. Where gas can compete it will play a significant role in the energy mix. But prices and margins will not be high. Those who dreamed of ever-rising volumes and prices will be disappointed.
"We don’t need gas; we should switch to an all-renewable future right now."

A world powered by renewable energy

The Big Green Bang: how renewable energy became unstoppable

Clean Energy: The Future is Here

By 2030, renewables will account for half of the world’s energy mix

Roadmaps for an All-Renewable Energy World

Africa might leapfrog straight to cheap renewable electricity and minigrids
"Gas doesn’t support climate goals when you take methane emissions into account."
Why methane matters

- Methane (CH₄) accounts for 20% of GHGs
- Oil and gas accounts for nearly a quarter of this 20%
- Methane is more potent than CO₂ because it is more effective at trapping heat
- It only lasts in the atmosphere for 10 years before being broken down so it’s impact is short lived, therefore any reduction in the rate of emissions has an immediate effect
- But…. there is incomplete understanding of how methane behaves in the atmosphere

“A mystery about global methane trends just got more muddled... High degrees of uncertainties remain and future work is required to reduce those uncertainties.” (2017)
### Current methane initiatives – industry participation

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Summary of initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; Gas Climate Initiative (OGCI)</td>
<td>2017 announcement to move towards ‘near zero’ methane emissions.</td>
</tr>
<tr>
<td>Reducing methane emissions across the natural gas value chain</td>
<td>Launched November 2017. The Guiding Principles are to reduce methane emissions; improve accuracy of methane emissions data; advocate sound policies and regulations on methane emissions; and increase transparency.</td>
</tr>
<tr>
<td>Climate and Clean Air Coalition (CCAC) O&amp;G Methane Partnership</td>
<td>Launched September 2014. Aim is for oil and gas companies to identify and reduce methane emissions cost effectively.</td>
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<tr>
<td>API Environmental Partnership</td>
<td>Launched December 2017. Environmental partnership to accelerate reductions in methane.</td>
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<table>
<thead>
<tr>
<th>Initiative</th>
<th>bp</th>
<th>Shell</th>
<th>TOTAL</th>
<th>Statoil</th>
<th>ExxonMobil</th>
<th>Chevron</th>
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</thead>
<tbody>
<tr>
<td>OGCI</td>
<td>Member</td>
<td>Member</td>
<td>Member</td>
<td>Member</td>
<td>Not joined</td>
<td>Not joined</td>
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<tr>
<td>Reducing methane emissions across the natural gas value chain</td>
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<td>Signatory</td>
<td>Have not signed</td>
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<tr>
<td>World Bank “Zero routine flaring by 2030”</td>
<td>Endorsed</td>
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<td>Not endorsed</td>
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<tr>
<td>Global Gas Flaring Reduction Partnership</td>
<td>Member</td>
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The opportunity for BP

Launch a communications campaign to:

- **Explain the benefits of gas as a transition and destination fuel** – lower carbon; partner to renewables; vital to meet Paris goals

- **Address the weakness of gas** – demonstrating leadership on methane challenge

- **Position BP as strong gas player** – key part of BP’s low carbon strategy

Advance and protect the role of gas – and BP – in the energy transition
Target audiences

- Target opinion leaders
- Focus on key geographies that matter to our business
- Set context for successful local policy dialogue
Campaign strategy

Respond to those discrediting gas in three distinct ways:

- **Educate** on role of gas in meeting Paris goals
- **Harness excitement** around renewables by positioning gas as the perfect partner
- **Demonstrate leadership** in understanding and tackling methane

Underpin with BP’s own gas story
Core messages

The world is demanding more energy to fuel its rapid growth but also calling for fewer emissions – in BP we will help meet that dual challenge

Gas has a crucial role to play
- Abundant, affordable and half the carbon intensity of coal when burned for power generation
- A safe, clean, reliable partner to renewables [better than a coal-renewables partnership]
- A resilient, flexible fuel to power clean, low carbon mobility
- Vital to meeting the Paria climate goals

A bigger role for gas means there is a need to understand and tackle the challenge of methane emissions – BP wants to play a leading role
- More potent than carbon; a rapid and effective way to mitigate global warming
- BP is working with partners to contribute new data to aid the world’s understanding of methane and the ability to act
- BP is actively reducing methane emissions in its own operations

BP is growing in gas
- Deep experience of gas exploration and production - greatest projected growth in gas production of all super majors
- Developing some of the world’s biggest gas resources including L48 (US), Khazzan (Oman) and Shah Deniz 2 (AGT)
- Advantaged positions in global gas trading and supply
Bringing the campaign to life

How we’ll engage

Join the ongoing conversation

Find common ground on commitment to low carbon future

Demonstrate credibility by showing understanding of pros and cons of gas

Build trust by:
- Working in partnership
- Acknowledging what we don’t know
- “Learning out loud”

What we’ll do

Create content to drive campaign + Proactively engage stakeholders + Show action in the business + Provide a drumbeat of news
## Campaign activity – summary

<table>
<thead>
<tr>
<th>Create content to drive campaign</th>
<th>Proactively engage stakeholders</th>
<th>Show action in the business</th>
<th>Provide a drumbeat of news</th>
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</thead>
<tbody>
<tr>
<td>1. Publish independent data on methane with Princeton (science cycle) and tech partner (monitoring)</td>
<td>1. Host global stakeholder events</td>
<td>1. Elevate key actions from Upstream Methane Leadership Plan</td>
<td>1. Use hero projects as live proof points on the case for gas</td>
</tr>
</tbody>
</table>
| 2. Create agenda-setting content:  
   - White paper on gas as partner to renewables  
   - Make the movie on methane  
   - Deep-dive features on methane management | 2. Develop open innovation challenge | 2. Share publicly what is happening in the business from targets to reporting methodologies and standards | 2. Build bank of stories to support the campaign |
| 3. White paper on gas as partner to renewables | 3. Deploy senior leaders to tell the gas story | 3. Instil culture of methane leadership across Upstream | 3. Feature credible external voices on BP platforms |
| 4. Make the movie on methane | 4. Establish network of methane ambassadors | 4. Establish network of methane ambassadors | 4. Leverage BP set pieces e.g. Tech Outlook |
1. Publish new independent data on methane challenge

Science partner

PRINCETON UNIVERSITY

Global research view:
Science cycle of methane

- Explain scope and purpose of new research, then findings as they emerge in 2019
- Basis for stakeholder engagement (see slide 14)
- Package as digital/media content

Monitoring partner

Tech partner TBC in conversation with Morag Watson...

Operational view:
Satellite/hyperspectral monitoring

- Promote findings from pilots on high tech methane monitoring and quantification
- Share with industry to enhance wider knowledgebase
- Package as digital/media content
2. Generate agenda-setting content

- **White paper on gas as partner to renewables**
  - Publish BP-funded Imperial College research on intermittency and integration costs, highlighting role of gas as a friend to renewables.

- **Make the movie on methane**
  - Short film explaining the methane challenge to reinforce leadership on the issue; springboard for setting out BP’s ambition and approach.

- **Deep-dive features on methane management**
  - Tell success stories and highlight learning in face of complex challenges
    - Reducing flaring – Angola
    - New technologies – Oman
    - Mapping and tackling the challenge – Lower 48

**Imperial College London**
1. Host global stakeholder events

**Expert roundtables**
- In partnership with Princeton
- Build relationships with ~100 experts and influencers globally: academia/energy specialists/public policy/NGOs/media
- Explain scope of Princeton research and what BP is doing to grow in gas and understand and tackle methane

**Keynote speech**
- Exec speech at Princeton or Washington
- Publish insights from roundtable series
- Announce plans for BP’s future action e.g. deployment of methane reducing technologies
- Amplify with external comms, e.g. op-ed

<table>
<thead>
<tr>
<th>April</th>
<th>June</th>
<th>Sept</th>
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<tbody>
<tr>
<td>London</td>
<td>Washington DC</td>
<td>Middle East/Asia</td>
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<th>Autumn / Winter</th>
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<tr>
<td>US</td>
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</table>
2. Develop open innovation challenge

- Work with Upstream and Group Technology to identify a relevant methane issue on which to open source ideas e.g. how methane is broken down
- Partner with digital crowdsourcing firm to offer grants to academics, entrepreneurs, NGOs, young engineers to pursue their idea/project
- Judged by BP Science & Engineering Council (chaired by Angela Strank)
- Amplify with media partner
3. Deploy senior leaders to tell the gas story

Amplify executive appearances with wider comms activity:

- Op eds, print and broadcast media interviews
- Facebook live/LinkedIn Q&As
- Third party endorsements

Bob Dudley
- CERAWeek
- World Gas Conference
- Oil & Money

Bernard Looney
- World Gas Conference
- Chatham House
- UNGA side event
- DC think tank event

Lamar McKay
- CERAWeek
- ADIPEC

David Eyton/Ahmed Hashmi
- Technology Outlook
- Economist Energy Summit

Spencer Dale
- Energy Outlook
- BRITISHAM International Energy Summit

Brian Gilvary
- Bloomberg New Energy Finance Summit
- FT Energy Transition Summit
4. Instil a culture of methane leadership across Upstream

**Briefing programme for leadership**

- Develop deep-dive briefing pack to ensure leadership is fluent on methane challenge
- Workshops for Group Leaders to prepare them to engage with a wide range of stakeholders

**Embedding across Upstream**

- Promote culture of methane leadership across Upstream
- High profile recognition e.g. via Helios
- Internal events with external speakers
- Articles on BP channels: One BP, Upstream intranet, Yammer
5. Establish network of methane ambassadors

**Internal ambassadors**

Use a team of senior experts and/or young leaders to communicate internally – showcasing the spirit of enterprise and ingenuity.

**External advocates**

Leverage as ambassadors for external communications – illustrating BP’s leadership in the face of the challenge.

**Target universities for recruitment**

**Next generation leadership platforms**
1. Elevate key Upstream Methane Leadership Plan actions

**BP operational emissions**
- Deliver RSRs of 3 Mte (gross) from Upstream by 2025
- Eliminate routine flaring by 2030
- Commit to maintaining methane intensity at or below 0.2% (TBC) based on the current metric and disclose our progress against this

**Industry**
- Develop *Methane Saving Rules*, and support industry adoption across the gas value chain.
- Develop and implement a multi-year plan detailing how Upstream will demonstrate leadership in tackling the methane challenge

**Science & Technology**
- Implement cost-effective continuous methane monitoring and measurement at our sites.
- Ensure strong BP voice in all partner activity on methane e.g. OGCI, CCAC, IPIECA, IOGP

*Indicative elements – TBC as plan is agreed*
1. Highlight hero projects as live proof points

<table>
<thead>
<tr>
<th>Southern Gas Corridor</th>
<th>Lower 48</th>
<th>Khazzan Phase 1, Oman</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Media engagement opportunities:</strong></td>
<td><strong>Media/stakeholder trip:</strong></td>
<td><strong>Media/stakeholder trip:</strong></td>
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</tbody>
</table>
| **Data on switch from coal**  
Show how SGC gas is helping  
Europe/specific EU countries shift from coal | **Demonstrate how BP is understanding and tackling the methane challenge in one of its biggest onshore operations.** | **Showcase state of the art methane management in action – a facility built with methane in mind.** |

**Delivering on Europe’s climate goals**  
- based on lower carbon fuel mix and drawing on modelling by Oxford University
2. Build bank of stories to support all aspects of the campaign

Target stories to different journalists:
1. Energy
2. Environment
3. Science & Technology
4. Transport
5. Foreign correspondents in target geographies

Use as basis for:
- One-on-one journalist briefings
- Journalist roundtables
- Content on BP channels
3. Feature external voices on BP platforms

Increase visibility and credibility of BP through a series of thought-pieces from high profile, respected voices

- **Gas - partner to renewables**
  - Goren Strbac, Professor of Energy Systems, Imperial College London

- **Tackling methane**
  - Stephen Pacala, Professor, Princeton Environmental Institute

- **The role of CCUS in gas growth**
  - Steven Hazeldine, Professor of Geosciences, Edinburgh University
4. Leverage BP set pieces

Re-package gas insights as stand alone content for BP channels, media and engagement

<table>
<thead>
<tr>
<th>February</th>
<th>March</th>
<th>April</th>
<th>June</th>
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</thead>
<tbody>
<tr>
<td>BP Energy Outlook</td>
<td>BP Technology Outlook</td>
<td>Sustainability Report</td>
<td>BP Statistical Review of World Energy</td>
</tr>
<tr>
<td>Cross-sector methane summit</td>
<td>Centre of excellence on methane</td>
<td>Internal challenge</td>
<td>Sponsorship of World Future Energy Summit</td>
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<tr>
<td>Host a global summit reaching beyond oil and gas – convening across sectors on the methane challenge e.g. agriculture, construction. Work with media partner to extend reach.</td>
<td>Establish a new research centre / project with partner – responding to an opportunity from 2018 programme.</td>
<td>Establish an employee challenge – internal prize for helping to crack the methane challenge.</td>
<td>Increase BP visibility on gas by sponsoring a key global platform.</td>
</tr>
</tbody>
</table>
# Budget – initial 12 months

<table>
<thead>
<tr>
<th>Description</th>
<th>Indicative cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content creation (white papers, methane film and publishing new research)</td>
<td>$180,000</td>
</tr>
<tr>
<td>Stakeholder roundtables (3-4 events in UK, US, Asia)</td>
<td>$85,000</td>
</tr>
<tr>
<td>Open innovation challenge crowd sourcing partner and digital marketing</td>
<td>$250,000</td>
</tr>
<tr>
<td>Media/stakeholder trips x 2 (dependent on location and number of participants)</td>
<td>$78,000</td>
</tr>
<tr>
<td>External experts on BP platforms – 3 short films (minimal cost if just written word not film)</td>
<td>$50,000</td>
</tr>
<tr>
<td>Internal network of employee ambassadors implementation</td>
<td>$45,000</td>
</tr>
<tr>
<td>Benchmarking reputation research in UK, US and China</td>
<td>$100,000</td>
</tr>
<tr>
<td>Consultancy support – strategic development and content creation (Brunswick)</td>
<td>$350,000</td>
</tr>
<tr>
<td><strong>Indicative total for first 12 months</strong></td>
<td><strong>$1,138,000</strong></td>
</tr>
</tbody>
</table>
Measuring success

Message awareness and audience engagement
- Quality coverage in top tier international media
- Senior stakeholders reached via events
- Engagement with content on BP-owned channels
- Pride and confidence among employees (measured via Pulse)

Stakeholder understanding (measured via reputation research)
- Gas seen as vital to meeting Paris goals and as a potential partner to renewables
- BP seen as leading on tackling the methane challenge
- BP seen as a strong gas player

Stakeholder recognition
- BP recognised as a leading player in advancing the energy transition
- BP recognised as a global centre of excellence on the methane challenge