

Policy

Climate and Energy

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Aker BP acknowledges the conclusions from the Intergovernmental Panel on Climate Change (IPCC) and supports the Paris Agreement's goal to limit the Earth temperature increase to 1.5°C above pre-industrial level. We recognize that there is a climate change and Aker BP will reduce emissions in line with national and international expectations.

Ownership

Board of Directors have overall ownership of climate related objectives and expectations in Aker BP's climate strategy, and review and guide the major plans of action when it comes to investment decisions for climate initiatives.

- Executive management team (EMT) has commitment and accountability to support the Paris Agreement and reduce our emissions in line with the national expectations.
- All personnel working for Aker BP are expected to follow our climate-related objectives and expectations and develop a climate-management mindset.

Aker BP shall provide annual transparent reporting on our sustainability approach and strategy, governance, and climate risks and opportunities, to investors and other shareholders. We shall align our ESG-related disclosures with industrial best practices and existing reporting requirements. Climate change performance is part of remuneration for Aker BP's senior executives, and climate KPI's are part of the bonus program for all employees.

1.1 Commitment to reduce energy consumption and related emissions to air

We shall continuously manage and reduce our energy consumption and related emissions, by implementing energy improvement opportunities and low carbon innovation. All contracted parties contributing to significant energy consumption and emissions, shall implement an emission reporting and reduction regime in line with Aker BP's policies, as well as implementing energy management in accordance with the principles described in ISO 50 001. We shall promote energy efficient solutions throughout the entire lifecycle of a field, from exploration to abandonment and including onshore construction sites.

1.2 Commitment to reduce GHG emissions in line with Paris agreement and Parliament expectations

We commit to continuously reduce and minimize our greenhouse gas (GHG) emissions, by choosing energy-efficient solutions utilizing the principles of Best Available Technique (BAT). We shall set short- and long-term GHG emission reduction targets for Scope 1 and 2 and monitor performance. We acknowledge that we have indirect emissions related to our value chain, and we shall work in cooperation with suppliers and contractors, to establish a GHG footprint and set reduction targets for our upstream Scope 3 emissions. Our GHG emissions shall be independently verified by competent third-parties, to ensure reliable reporting.

1.3 Commitment to manage climate-related risks and opportunities

We shall evaluate and manage risks and opportunities related to climate change, and disclose these based on short-, medium- and long-term perspectives. We shall use scenario analyses, sensitivity testing and an internal carbon price to assess potential impacts of the climate change and energy transition on our business, financial performance, and the long-term strategy. Climate-related considerations shall be embedded in our decision making and we shall use a set of strict financial criteria, including the internal carbon price, for all our investment decisions. The enterprise-level threats and opportunities posed by market change, regulatory, reputational, and physical risks, shall be managed through an enterprise risk management process across the business units.

1.4 Commitment to evaluate low-carbon innovation solutions to reduce emissions

We shall prepare for future challenges and opportunities through industry collaboration and leadership. A significant portion of the research and development projects shall be allocated to focus on both emission reduction technologies relevant for oil and gas (2030 focus) and on sustainable transformation of the oil and gas industry towards a low carbon society (2050 focus).