

Oil and Gas Climate Initiative

Semi-Public Workshop, May 22nd 2015

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Safety Moment



Context

- Climate change and a transition to lower carbon energy are key issues in today's world economy
- The oil and gas industry has an important role in providing the adequate and affordable energy that powers global prosperity
- Constructive engagement with stakeholders is a condition for success

Oil and Gas Climate Initiative

- OGCI is a voluntary, industry-driven initiative which aims to catalyse practical action on climate change through best practice sharing and collaboration
- OGCI provides a spectrum on what the industry is currently doing to address climate change, and what it is prepared to do, collectively, going forward
- OGCI was established following discussions held during the January 2014 World Economic Forum Annual Meeting and was officially launched at the September 2014 UN Climate Summit
- The OGCI Steering Committee, comprising the CEOs of OGCI member companies, is the main decision-making body

OGCI members



- Combined, OGCI members produce almost 25 million barrels of oil equivalent a day ~ around one-sixth of the world's total oil and gas production
- Each company defines the scope and parameters of its contribution to the initiative: collaboration, sharing information, joint reporting and common objectives

Member engagement

Collectively, member companies commit to:

- Share best practices to enhance standards and environmental performance
- Develop common methodologies to measure climate-related impacts and solutions
- Design a reporting process that enables the voluntary pooling of efforts and the communication of progress as a group to external stakeholders
- Facilitate and deepen engagement in international multi-stakeholder specific solutions and initiatives, as well as the design of shared roadmaps
- Engage with other industries to identify and build climate related synergies

OGCI will publish its first joint report in late 2015 ahead of the 21st session of the Conference of the Parties to the UNFCCC (COP21).

Active work streams

Long Term Solutions

- Sharing and developing visions of the long term energy mix
- We examine long term solutions to meeting energy demand and addressing climate change, including innovative technology, regulation and change in customer behaviour

Role of Natural Gas

- Exploring the lower carbon role that natural gas can play in the energy mix
- We share best practices on methane emission management, reduction of gas flaring, and energy efficiency to minimize greenhouse gas emissions

Carbon Reduction Instruments & Tools

- Understanding the various ways to incentivise lower carbon activity
- We learn from the breadth of company approaches to carbon instruments and tools which aim to reduce carbon emissions and improve operating and product efficiency

Potential future work stream topics include:

- Energy efficiency
- Renewable energy
- Access to energy
- Carbon capture and storage
- Aggregated greenhouse gas emissions
- Emissions reduction technologies and innovation
- Products efficiency
- Education efforts on energy and carbon footprint

Our objectives today

- Update you on OGCI progress
- Hear your views and understand what you think
- Discuss the issues and OGCI's future direction
- Engage your support

To encourage openness and the sharing of information, today's session is conducted under the Chatham House Rule (1927):

Participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.

Agenda *(see printed hand-out)*

Morning

Plenary session: presentations on OGCI Focus Areas

- Long Term Solutions
- Role of Natural Gas
- Carbon Reduction Instruments & Tools

Three parallel workshops

Lunch: 1200 - 1.00pm with guest speakers

- Janos Pasztor, Assistant Secretary-General on Climate Change, United Nations
- Christiana Figueres, Executive Secretary, United Nations Framework Convention on Climate Change

Afternoon

Continuation of morning's parallel workshops

- Long Term Solutions
- Role of Natural Gas
- Carbon Reduction Instruments & Tools (*internal OGCI working session*)

3.00 - 4.00pm: return to plenary session

- Report Back and Conclusion

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