

## Shareholder Resolution at Oil Giant BP Receives Near Unanimous Support, Sending Clearest Signal Yet That Oil Companies Are Out of Time to Act on Risk from Climate Change

*Resolution Filed by CBIS and Investors with 9.6% of Shares Highlights Growing Concern That Fossil Fuel Leaders Not Moving Quickly Enough to Align with Paris Agreement*

Aberdeen, Scotland, May 21, 2019 - Global Catholic asset manager Christian Brothers Investment Services (CBIS) addressed the board and senior management at BP plc's annual shareholder meeting to raise concerns over its actions on climate change. Filed by 58 investors representing nearly 10% of all shares outstanding, the resolution received 99% in favor, the highest ever for a CBIS resolution. This had a near record-breaking level of support—including from BP's own Board of Directors.

In the UK, unlike in the US, such resolutions are binding on the Company when they pass. BP is now obliged to begin reporting on how it is meeting the ambitions of the Paris (climate) Agreement for the year ending 2019.<sup>1</sup>

Speaking from the floor, CBIS Director of Catholic Responsible Investments<sup>SM</sup> Tracey Rember asked BP's Chairman Helge Lund, "will the company commit today to deliver on the resolution request to report on the estimated carbon intensity of [BP's] energy products over time, and work throughout 2019 to identify short-term and medium-term targets to significantly lower [BP's] product emissions?"

CBIS focused its comments on the impacts of the company's key products, and Rember noted that CBIS had been raising climate concerns with the company for 17 years, and that it was past time for the company to act on those concerns. "Both science and Pope Francis are telling us we are clearly running out of time to avoid the most catastrophic consequences of a steadily warming planet, and most of us in this room know what some of those consequences look like. It is therefore critical that BP does what it can now to reduce emissions across its entire enterprise, and that includes the very difficult work of long-term cuts to Scope 3 greenhouse gas emissions—those emissions stemming from the use of BP's fossil fuel products."

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<sup>1</sup> The Paris Agreement aims to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.



“As global energy consumption increases, so do emissions risks. To be well positioned on the path for a low-carbon future, BP must revamp its business model and transition from an oil company to “energy company”. As a long-term holder of BP shares and debt, the company must get the strategy right and accelerate the pace to address its most significant climate impacts,” adds John Geissinger, Chief Investment Officer at CBIS.

The resolution was filed by CBIS and investors representing 9.6% of BP’s voting shares—equal to about \$14 billion of investment. CBIS and many of the filers are members of Climate Action 100+, a coalition of over 300 investors from around the world with \$33 trillion in assets.

The resolution asked BP to report how its business strategy is consistent with the goals of the Paris Agreement, including:

- How the company evaluates new capital expenditures to be aligned with the Paris Agreement
- What metrics and targets have been set to be consistent with those goals for reducing emissions to below 2°Celsius, below pre-industrial levels
- Reporting on the estimated carbon intensity of BP’s energy products
- Linking its climate targets with executive pay.

Said Rembert, “Our requests of BP are in line with the goals of Pope Francis’ historic encyclical *Laudato Si’*, which called for Catholic action to address the climate crisis. As we approach the four-year anniversary (June 18, 2015) we are reminded of the disproportionate impact of climate change on low income communities and the need to transition to renewable energy.”

For more information on CBIS’ engagement efforts on climate risk, visit our literature page on CBIS’ [website](#).

### **About Christian Brothers Investment Services**

CBIS is an investment manager serving a global institutional client base. With more than \$7 B assets under management (AUM), the firm offers a range of sophisticated investment strategies to help clients and their consultants reach their investment objectives. The firm is a Catholic, socially responsible investment management firm and Registered Investment Advisor. The investment team is dedicated to a culture of commitment to providing clients access to institutional strategies while also integrating socially responsible and ESG factors that help their clients align their investments with their overall mission.

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