



Border to Coast Joint Committee – 9 July 2025

Public Questions

Question 1 – Lesley Mountain (BCPP Fossil Free)

BCPP's 2025 Climate Change policy explicitly supports the scientific consensus around 1.5°C and the "rapid and far-reaching" transitions in energy needed to maintain this temperature level. In the light of South Yorkshire's policy change and your recent vote against the Chair of BP, what further escalation and "red lines" are you considering against BP, in order to comply with BCPP's commitment to 1.5°C?

Response

Thank you for your question and acknowledgement of our recent engagement with BP.

Border to Coast recognises that climate change is a systemic risk and that this presents a variety of material investment risks which we need to manage across our investment portfolios over the short, medium and long-term.

We have a commitment to achieve Net Zero carbon emissions by 2050 or sooner, and part of our strategy to achieve this is to use our influence as an active steward of capital.

Border to Coast believes that engagement and constructive dialogue with the companies we invest in is more effective than divestment, and that by remaining engaged we can effect change at those companies.

Our Responsible Investment Policy, which is available on our website, sets out the escalation process if our engagements do not lead to the desired results, which we are following with BP.

We escalated our engagement with BP following reports in late 2024 that it was to weaken its climate targets and transition plans, as part of a strategy reset. We made public statements and co-signed a public letter with 48 other shareholder signatories. Following confirmation of the strategy reset in Q1 2025, we met with BP to raise our concerns and advise BP of our voting and escalation policies, and the implications.

At BP's AGM in April 2025, we voted against management on an unprecedented number of agenda items, including the re-election of the Chair of the Board and three other directors. We voted against acceptance of the annual report and against approval of the remuneration report. As part of our engagement escalation, we publicly pre-declared these votes ahead of the AGM to encourage other shareholders, attracting media attention.

Following an exceptional 24% of shareholders voting against the re-election of the Chair, which was described in the specialist press as "historic" and requires a formal Board response, we are exploring possibilities for further engagement escalation. We are not at a stage to make further disclosure.

Border to Coast does not have 'red lines' but does expect oil and gas companies to meet independent benchmarks on net zero commitments, short, medium, and long-term emission reduction targets and decarbonisation strategy. Failure to meet these benchmarks results in robust engagement, including Board accountability.