No oil and gas majors aligned with climate targets: Report

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The oil and gas industry has made it clear it plans on sticking around as long as possible.

All major oil and gas companies plan fossil fuel expansion incompatible with limiting warming to 1.5 degrees Celsius, a new report said

Wednesday.

The assessment of the 25 largest listed fossil fuel firms by the think-tank Carbon Tracker is designed to enable investors to judge whether the firms are in line with internationally agreed climate goals.

None are, the report found.

"Companies worldwide are publicly stating they are supportive of the goals of the Paris-Agreement, and claim to be part of the solution in accelerating the energy transition," said Maeve O'Connor, Carbon Tracker Oil and Gas Analyst and report author.

"Unfortunately, however, we see that none are currently aligned with the goals of the Paris Agreement, albeit there are clear differences between companies."

The report scores firms on a scale from A to H, using criteria including investments, production plans and emission targets.

An A grade would be potentially aligned with the goals of the 2015 Paris Agreement to limit temperature rise to "well below" 2C and if possible the safer curb of 1.5C.

An H grade, according to Carbon Tracker, is the furthest from the Paris goal, with activities and strategy more consistent with catastrophic warming of 2.4C or worse.

The report found that the company with the highest score was Britain's BP, rated D.

At the bottom of the Carbon Tracker list were Saudi Aramco, Brazil's Petrobras, and the US's ExxonMobil, all rated G. The US firm Conoco

Phillips was given an H.

'Orderly transition'

Almost all the firms assessed plan new developments and production increases in the near-term.

Only BP plans a decline in the longer term, while Repsol, Equinor, and Shell envisage keeping levels roughly the same.

However, BP last year said its carbon emissions would not fall as quickly as anticipated, as it posted record annual profit thanks to soaring oil and gas prices.

The company said carbon emissions from oil and gas production would fall by between 20-30 percent in 2030 compared to 2019, compared with its prior forecast for a drop of 25-40 percent.

Meanwhile, TotalEnergies announced late Wednesday that it had reduced its carbon footprint in 2023 and since 2020 decreased methane emissions by nearly half.

Combustion of oil, which makes up the bulk of its emissions, was down 35 percent since 2015, the French firm said in its annual climate report.

But gas, which has been a priority for the company, has increased sharply since 2015.

UK oil and gas giant Shell last week also watered down its targets on cutting carbon emissions, although it insisted it sought a "balanced and orderly transition away from fossil fuels to low-carbon energy".

With 1.2C of warming so far, people across the planet are already facing deadly and economically devastating climate impacts, with global temperatures last year reaching their hottest on record, amplifying wildfires, storms and crop-withering drought.

At the COP28 UN climate conference in December, almost 200 countries agreed to a call for a transition away from fossil fuels and a tripling of renewable energy capacity this decade.

But the oil and gas industry has made it clear it plans on sticking around as long as possible.

Saudi Aramco Chief Executive Amin Nasser said this week that the world should "abandon the fantasy of phasing out oil and gas and instead invest in them adequately reflecting realistic demand assumptions."

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