Carbon Accounting & Environmental Strategy

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"In subsequent decades hydrocarbon demand will fall. Technological innovation and increased consumer mindfulness will make sustainable alternatives to hydrocarbon-intensive products more and more attractive. Oil and gas companies will need effective governance to steer themselves through the existential disruption that the next three or four decades will bring. The balancing act necessary for companies to meet net-zero objectives while retaining scale demands deft leadership: companies must sustain sufficient cash flows to handle demand volatility, overhaul their asset portfolios, make astute investments, and satisfy sustainability-minded stakeholders, all while providing stable dividends. As millennials come to dominate the consumer base and workforce and begin to assert their preferences, companies that fail to maintain good social practices will struggle to attract and retain customers and employees.

Many corporates have set climate-neutrality / net-zero targets and will have to decide a pathway towards net-zero. In practice, corporates will need to make step-by-step decisions on the breadth and depth of their greenhouse gas emission reductions (direct, and indirect). They will also need to decide on the role of emissions monitoring in their transition period, and in their steady state (i.e. offsetting non-abatable emissions in the long-run). Carbon accounting has been the new norm for three main reasons:

- Large integrated oil majors under tremendous pressure to disclose their material ESG topics, including supply chain impacts
- Project tender evaluation criteria now carry additional weightages for ESG performance
- Stakeholders are more interested in metrics, targets and overall ESG strategy

We are aiming to present the carbon accounting methodology and the basic steps of an environmental strategy for a sustainable business."