

BP invests in forest carbon offsets leader Finite Resources

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- BP Ventures invests \$5 million into Finite Resources, Inc
- Investment allows Finite Carbon, a subsidiary of Finite Resources, to launch voluntary carbon offsets program for businesses
- Investment aligned with BP's advocacy for a price on carbon

BP Ventures has invested \$5 million in Finite Resources Inc, parent company of Finite Carbon, a US-based forest carbon management company. The investment will enable Finite Carbon to grow a new line of business to incentivize sustainable forest management, financed by businesses seeking to voluntarily offset carbon emissions.

Finite Carbon was founded in 2009 and has since become the largest developer of forest carbon offsets in North America with more than 40 forest projects covering nearly three million acres. The company offers landowners a single-source solution for inventorying, managing, and monetising forest carbon assets.

BP has been a long-term advocate for the establishment of carbon pricing systems and already supports and enables projects that reduce emissions and generate environmental credits, both for voluntary use and compliance purposes. The importance of forests was recognised in the Paris Agreement on climate change, which encouraged governments to support, including through results-based payments, the sustainable management and enhancement of forests as well as activities to reduce emissions from forest degradation and deforestation. Finite Carbon's voluntary forest offsets program, by providing financial rewards for carbon outcomes, supports these climate goals.

Nacho Gimenez, managing director, BP Ventures, said: "The conservation and restoration of forests is vital to combatting climate change. BP has supported Finite Carbon's project developments and purchased many of their offsets for regulatory compliance for a number of years. Now we look forward to supporting the team's expansion into the voluntary carbon market as it connects businesses that are willing to offset their carbon footprint with landowners willing to adopt forest management practices that maintain and increase carbon storage."

Finite Carbon quantifies the carbon benefit of long-term commitments to sustainable forest management practices and connects landowners to businesses that want to incentivize this

improved management by paying a fee per ton of carbon dioxide permanently stored in the forest. These practices can include preserving high conservation value areas on their properties, maintaining no-harvest buffers along streams and rivers, reforestation and rehabilitating understocked areas, and increasing the time period between harvests.

In addition to maintaining and increasing carbon storage, this investment in improved forest management also creates other benefits in the form of cleaner water and air, reduced wildfire risk, abundant wildlife habitat, and increased recreational opportunities in rural communities. Landowners receive free assessments from Finite Carbon and pay no upfront costs to participate.

Sean Carney, chief executive of Finite Carbon, said: “Just as a price on carbon incentivizes the transition to low carbon energy production, it also incentivizes the sustainable management of American forests. When businesses choose to buy forest carbon offsets, it means landowners are being paid to practice good forest management, which isn’t as easy or as profitable as the alternative. These changes aren’t just good for the planet – they’re good for the people who fish in, swim in, and drink the water that flows through these forests.

“With BP’s investment in Finite Resources, we plan to significantly scale the use of voluntary offsets as a mechanism to incentivize forest stewardship. With the help of those businesses committed to supporting good forest management, we expect to deliver more than \$100 million directly to landowners in the next five years.”

To date, Finite Carbon has developed and transacted over 60 million compliance forest offsets valued at nearly \$600 million for a diverse set of landowners including Native American tribes, forestland investors, corporate and private family owners, land trusts, and public agencies.

“Finite Carbon has been an incredible partner,” added Rick Huffines, executive director of the Tennessee River Gorge Trust.

“They worked on our behalf to build a trusting relationship and bring a complex project to fruition and on time. Revenue from our offset project has enabled us to build critical capacity to further our mission of forest land protection, avian research, and environmental education. We are proud to call Finite Carbon friends as well as partners and highly recommend Finite to anyone considering a carbon offset project.”

BP has set out its commitment to a lower carbon future, aiming to reduce greenhouse gas emissions in its operations, improve its products and services to help customers lower their emissions, and create new low carbon businesses.

Notes to editors

About Finite Carbon

- With over 40 forest offset projects under development on nearly three million acres of US forestlands, Finite Carbon is North America's leading developer and supplier of forest carbon offsets.
- Headquartered in Philadelphia, PA and with offices in the US Northeast, Southeast, and Pacific Northwest, Finite's in-house team of forest carbon experts offers a single-source solution for creating and monetizing carbon offsets and the most comprehensive forest carbon project development and commercialization service in the industry.
- For more information, visit www.finitecarbon.com

About BP Ventures

- BP Ventures was set up more than 10 years ago to identify and invest in private, high growth, game-changing technology companies, accelerating innovation across the entire energy spectrum. Since then, BP has invested over \$500 million in technology companies across more than 50 entities with more than 300 co-investors.
- Venturing plays a key role in BP's strategy to tackle the dual challenge of meeting the world's need for more energy, while at the same time reducing carbon emissions.
- BP Ventures focuses on connecting and growing new energy business, focused on our core upstream, downstream and alternative energy businesses. In addition, it makes strategic equity investments in advanced mobility, low carbon, and digital.
- For more information, visit www.bp.com/en/global/bp-ventures.html

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Our most recent Annual Report and Form 20-F and other period filings are available on our website at www.bp.com, or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at www.sec.gov.