Dear friends of Oil Change International,

2022 was a challenging year for the fight against fossil fuels, with Russia’s brutal invasion of Ukraine creating massive disruption globally. The war first and foremost negatively affected – and continues to negatively impact – the lives of millions of people. The war also disrupted oil markets enough for the fossil fuel industry to make record windfall profits and to make a loud case for industry expansion, even though the arguments don’t add up.

Oil Change International responded in real time to the invasion and its aftermath, exposing the role of Western oil companies in enriching Putin’s regime and highlighting the industry’s obscene windfall profits as a result of the war. We also helped resist calls for industry expansion in vulnerable areas, including supporting the call to “Stop Gassing Africa,” responding to threats of gas expansion as a result of the war and industry rhetoric.

In spite of the challenges posed by the industry’s aggressive push, we made progress across our campaigns throughout 2022:

1. We continued using our analysis to challenge industry greenwashing, assessing climate plans from major oil and gas companies against criteria across ambition, integrity, and people-centered transitions, and finding that all eight companies had grossly insufficient climate pledges and plans.
2. We continued work to urge countries to commit to ending fossil fuel licensing, including working with partners in the Pacific, resulting in Fiji, Tuvalu and Vanuatu becoming vocal advocates for the UN climate negotiations to recognize the need to end all fossil fuels and expressing support for the Beyond Oil and Gas Alliance.
3. We worked to ensure countries and institutions that committed to ending fossil fuel finance as part of the Glasgow Statement followed through on those commitments.
4. In the North Sea region, after intense civil society pressure, Norwegian international energy company Equinor ASA announced that it will postpone the investment decision on the Wisting oil field, and that it will not reconsider the project until 2026. The Norwegian government also postponed one of two oil and gas licensing rounds for the next three years.
5. In Asia, we officially launched the Fossil Free Japan coalition to pressure Japanese institutions to stop financing all overseas fossil fuel projects, and we supported partners in Asia in fighting back against gas expansion in the region.
6. In Africa, we supported Indigenous communities fighting against oil exploration in the Okavango Delta region, in addition to supporting activists and fossil fuel fights across the continent.
7. In the United States, we worked with Indigenous and environmental justice partners to stop legislation – multiple times – that would have fast-tracked the Mountain Valley fracked gas pipeline and gutted bedrock environmental laws like the National Environmental Protection Act.

In addition to these significant advancements globally and regionally in fighting back against the fossil fuel industry’s continued production, we focused internally at Oil Change on solidifying our strategic plan for the next 5 years. We recommitted to our objective to phase out fossil fuels in a way that enables a more just and equitable future for communities, workers, and the environment. And we committed to the following program and organizational strategies:

1. Transforming the institutional landscape to enable just phase-out policies
2. Challenging the fossil fuel industry and its enablers
3. Supporting frontline campaigns to stop fossil fuel projects
4. Internally, creating a culture of learning and staff well-being
5. Strengthening organizational systems, leadership, and structures

As we look ahead, we are committed to continuing our work to hasten a just energy transition so that people and the planet can thrive.

In solidarity,
Elizabeth S. Bast

Executive Director
Oil Change International
1. **Responded to the role of the oil and gas industry in Russia’s war on Ukraine.** We beat back calls for more oil and gas development in response to Russia’s war on Ukraine, including curbing an all-out rush for liquified natural gas. We helped to shape media coverage around high gas prices, U.S. President Joe Biden’s State of the Union address, the EU-U.S. announcements on LNG support, and Biden’s release of oil from U.S. petroleum reserves. This work resulted in coverage in outlets such as Bloomberg, Boston Globe, The Hill, National Journal, Wall Street Journal, and more. In Africa, we co-convened an Oilwatch Africa meeting in Ghana to support the “Stop Gassing Africa” campaign, responding to threats of gas expansion resulting from Russia’s invasion of Ukraine.

We also released two original pieces of research in collaboration with Global Witness and Greenpeace USA which contributed timely analysis to inform the policy and political response to Russia’s invasion and the misguided calls for expanded oil and gas production. One analysis detailed the nearly USD 100 billion from Western oil companies that has enriched Putin’s regime over the last seven years, which was featured on CNN’s homepage. The second examined the obscenely high profits U.S. oil and gas companies stand to make through windfall profits on wartime oil prices, and helped boost momentum for a windfall profits tax.

2. **Beat back U.S. Senator Joe Manchin’s dirty ‘permitting reform’ bill.** In a major victory for climate justice organizations, we worked with Indigenous and environmental justice groups to thwart Senator Joe Manchin’s so-called ‘permitting reform’ bill. This bill would have fast-tracked the Mountain Valley fracked gas pipeline and gutted bedrock environmental laws like the National Environmental Protection Act. Over the course of several months, we helped organize a mass civil society sign-on letter from 650 groups, supported opposition letters in the U.S. House and Senate, organized a mass rally and a powerful civil disobedience action in Washington, DC, and published two briefings attracting widespread media attention — one entitled *Everything Manchin Says About the Mountain Valley Pipeline is Wrong* and another entitled *Manchin’s Bill Could Wipe Out Climate Gains by Fast-Tracking Fossil Fuel Projects.*

The bill was successfully blocked three times — a huge win for communities and justice.

3. **Held G7 leaders and Glasgow Statement signatories accountable to ending public finance for fossil fuels this year.** We built on our 2021 success of getting nearly 40 countries and institutions to pledge to end oil and gas finance through the Glasgow Statement on public finance and worked to ensure these commitments result in real change. Our program teams collaborated to pressure G7 countries to end international public finance for fossil fuels — bringing them closer than ever to doing so. In addition to direct advocacy, we released several reports and launched the Public Finance for Energy Database at energyfinance.org to track and expose how much public finance still goes to dirty oil and gas. Ahead of the Glasgow Statement implementation deadline, we held a Day of Action across 8 countries, published an implementation tracker, and coordinated joint CSO letters to key institutions. We continued to coordinate coalition efforts on this commitment, and worked with country CSO partners to pressure individual signatories.
4. Provided critical support to the fight against fossil fuels in the Okavango Delta in Africa. Working with the Indigenous Peoples of Africa Co-ordinating Committee (IPACC), Oilwatch Africa, and others, we have provided strategic, legal, security and funding support to the local resistance against Canadian oil and gas company ReconAfrica’s presence in the Okavango region of Namibia and Botswana. In particular, OCI has focused on community-based legal strategies, policy interventions, security for activists, and protection of environmental defenders. We have also helped facilitate exchanges between those communities resisting in the Okavango and communities resisting oil development in Nigeria and other areas in Africa. We continue to provide support in the form of solidarity visits and strategic advice to partners throughout the region.

5. Launched the Fossil Free Japan coalition and supported partners in Asia in fighting back against gas expansion. Building on our successes in pushing the Japanese government to stop financing overseas coal projects, we expanded the mandate of the No Coal Japan coalition – now the Fossil Free Japan coalition – and worked to pressure Japanese institutions to stop financing all overseas fossil fuel projects. Japan is a key target as the world’s largest public financier for oil, gas, and coal projects and its leading role in expanding gas/LNG consumption and infrastructure projects across Asia and globally.

We also collaborated with partners to organize a series of gas learning sessions around Asia to help support activists. We provided key information on the climate and economic impacts of gas/LNG expansion. The sessions were well-attended and sparked discussion that is leading to further organizing around gas in the region.

See more in our reports section on Japan’s role in fossil fuel finance in OCI’s briefing “Japan’s Dirty Secret”.

6. Supported Pacific countries in calling for a global phase out of fossil fuels: We worked with our civil society partners in the Pacific region, primarily the Pacific Islands Climate Action Network, to center the global call for a phase out of fossil fuels as a key diplomatic priority for these countries going into COP27 in Egypt. This resulted in Fiji, Tuvalu, and Vanuatu becoming vocal advocates for the UN negotiations to recognize the need to end all fossil fuels and expressing support for the Beyond Oil and Gas Alliance. We also supported partners in committing to convene a Pacific ministerial dialogue on fossil fuel phase out in 2023.

See more in our reports section on how OCI’s briefing “The Aggressive Explorer” contributed to these wins.

8. Exposed the fossil fuel industry’s central role in causing climate change and amplified the voices of fossil fuel fighters at COP27 in Egypt. We worked closely with our partners to ensure the demands of African civil society were heard by the world governments gathered for the conference, and that fossil fuels were a prominent part of the conversation. Specifically, we:

Facilitated the participation of partners and community members challenging fossil fuel projects.
We facilitated the participation of African civil society members – including partners working in the Okavango Delta and on the EACOP pipeline – in numerous side events,
panels, and press conferences, providing significant opportunities for delegates to amplify the negative impacts of fossil fuels on their regions and communities. We also worked with Oil Watch Africa to host an Oil Watch International Assembly alongside COP27. We further supported several activists from the frontlines of fossil fuel fights in the United States, including Texas, Louisiana, New York, and California.

- Pulled back the curtain on investments being made to enable new fossil fuel development. We released a major new briefing looking at “final investment decisions” (FIDs) being made by oil and gas companies to support new extraction projects. All of this new fossil fuel production is inconsistent with the 1.5°C limit under the Paris Agreement and will not solve the energy crunch that people across the world currently face.

- Pressured countries to make good on their Glasgow public finance promises. Last year 34 countries and 5 institutions pledged to end direct international public finance for unabated fossil fuels by the end of 2022. But, according to new research we released – and reiterated by our big G20 report – many pledge signers still have a long way to go.

- Pushed back against fossil gas as a solution. Any suggestion that fossil gas can be a part of the energy transition isn’t grounded in scientific reality or climate justice. We’re making sure countries and fossil fuel companies pushing for gas are challenged at every opportunity.

- Spoke out on the right to protest and dissent in Egypt. There are multiple reports in the media and from our allies on the dire human rights situation in Egypt. We believe effective climate action is not possible without open civic space, and called on the Egyptian government to ensure that civil society organizations, activists, and communities can meaningfully participate in all discussions and activities on climate and just-transition policy development and implementation at all levels of decision-making without fear of reprisals.

- Released in November, Investing in Disaster: Recent and anticipated final investment decisions for new oil and gas production beyond the 1.5°C limit reveals the countries and companies responsible for approving the most new oil and gas extraction in 2022, despite the clear evidence that fossil fuel expansion is incompatible with holding global warming to 1.5°C. It also warns that the oil and gas industry is poised for a disastrous surge of new expansion over the next three years – unless governments and communities put a stop to it.

- At a Crossroads: Assessing G20 and MDB international energy finance ahead of Stop Funding Fossils pledge deadline: This report looks at G20 country and multilateral development banks’ traceable international public finance for fossil fuels from 2019-2021 and finds they are still backing at least $55 billion per year in oil, gas, and coal projects. The research highlights that greatly increased international public finance for clean energy is the solution to the energy crisis, not more fossil investments. If all G20 countries and MDBs shift their fossil

9. We provided critical research and analysis to the global movement with the launch of 19 reports and briefings:

- OCI had its first peer-reviewed study published, showing 40% of developed oil, gas, and coal must stay in the ground to stay below 1.5°C. The peer-reviewed journal, Environmental Research Letters, published an OCI-led study that builds on our series of ‘The Sky’s Limit’ reports and further develops the evidence base for policies to phase-out fossil fuel extraction. The study, “Existing fossil fuel extraction would warm the world beyond 1.5°C,” finds that nearly 40% of fossil fuel reserves in the oil and gas fields and coal mines that are already producing or under development need to stay in the ground to keep the 1.5°C target in reach. The bottom line is that, while stopping development of new fields and mines is necessary, it is not sufficient: some existing fields and mines must be decommissioned early. The study’s release was covered by The Guardian and has been downloaded over 21,000 times from the journal website.
In May 2022, we published an updated version of our Big Oil Reality Check analysis. This report assessed climate plans from eight major oil and gas companies (BP, Chevron, Eni, Equinor, ExxonMobil, Repsol, Shell, and TotalEnergies) against ten criteria across ambition, integrity, and people-centered transitions. We found that all eight companies had grossly insufficient climate pledges and plans, and that Chevron and ExxonMobil are flagrantly insufficient on all criteria.

Having secured endorsements from over 45 partner organizations, and gaining notable traction on social media, we timed its launch to coincide with the big oil and gas companies’ Annual General Meetings (AGMs), aiming to disrupt their self-serving narratives. This resulted in positive and impactful media coverage, including in the FT and CNN.

Japan’s Dirty Secret: World’s top fossil fuel financier is fueling climate chaos and undermining energy security: Japan is the world’s largest public financier of fossil fuel projects, providing 10.6 billion USD per year between 2019 and 2021. Despite a G7 commitment to end international public finance for fossil fuels by the end of 2022, the Japanese government has stated it will continue financing upstream oil and gas developments – fossil fuel projects that are inconsistent with the 1.5°C limit under the Paris Agreement. Additionally, the briefing finds that the Japanese government is leaning heavily on false solutions to push its gas expansion, including hydrogen, ammonia co-firing, and carbon capture and storage, which Prime Minister Fumio Kishida admitted as “decarbonizing while still using fossil fuels.” We argue that these false solutions clearly prolong the use of fossil fuels and delay the transition to clean energy. If Japan is serious about demonstrating climate leadership and supporting a regional “zero emissions community,” it should immediately end public finance for fossil fuels, as promised at the 2022 G7 Summit, and support a just transition to renewable energy.

Locked Out of a Just Transition: Fossil Fuel Financing in Africa: Released in March, this report reveals the scale of financial support provided by commercial banks, development finance institutions, and export credit agencies that flowed to the fossil fuel industry in West, Central, East, and Southern Africa between 2016 and June 2021. We identify at least $132 billion in lending and underwriting into 964 gas, oil, and coal projects. The vast majority of this finance came from financial institutions based outside Africa, both commercial banks and public finance institutions like development banks and export credit agencies.

The Aggressive Explorer: How Norway’s Rapid Ramp-up of Oil and Gas Licensing Is Incompatible with Climate Leadership: This briefing revealed that over the last ten years (2012-2022), the Norwegian government awarded as many exploration licenses (700) as in the period from 1965-2012, making Norway Europe’s most aggressive explorer. Additionally, the oil and gas within fields that are already licensed, but not yet developed, could lead to an additional 3 billion tons of CO2 emissions. This is 60 times Norway’s annual domestic emissions. As a result of this briefing and subsequent activism by OCI and our allies, Norwegian company Equinor ASA announced that it is postponing the investment decision on the Wisting oil field in Norway.

10. Expanded the OCI team. We welcomed a number of new staff members in 2022, deepening our capacity and expanding across geographies – we ended the year with staff across 12 countries. We filled leadership roles in global campaigns, regional programs, and development, and we expanded capacity across our program teams and our administrative functions.
FINANCIALS

Statement of Financial Position for the Fiscal Year Ending June 30, 2022

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,396,426</td>
<td>$1,613,197</td>
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<tr>
<td>Contributions receivable</td>
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<td>$2,074,924</td>
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<td>Prepaid expenses and other current assets</td>
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<td>Fixed assets, net depreciation</td>
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<tr>
<td>Security deposit</td>
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<td>$8,400</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$2,022,025</td>
<td>$3,725,119</td>
</tr>
</tbody>
</table>

| **Liabilities**   |        |        |
| Accounts payable  | $58,834 | $54,198 |
| Withholding payable | $5,865  | $6,165  |
| Short-term loan   | -       | -       |
| **Total Liabilities** | $64,699 | $60,364 |

| **Net Assets**    |        |        |
| Unrestricted net assets | $(92,898) | $1,315,935 |
| Temporarily restricted net assets | $2,050,224 | $2,348,821 |
| **Total Net Assets** | $1,957,326 | $3,664,756 |
| **Total Liabilities and Net Assets** | $2,022,025 | $3,725,119 |

Revenues & Expenses for the Fiscal Year Ending June 30, 2022

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>$3,093,817</td>
<td>$5,344,114</td>
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<tr>
<td>Contributions</td>
<td>$204,911</td>
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<td>Sublease income</td>
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<td>Reimbursements</td>
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<td>Special event</td>
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<tr>
<td>Other income</td>
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<td>$5,188</td>
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<tr>
<td>Interest</td>
<td>$156</td>
<td>$158</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$3,347,066</td>
<td>$5,655,295</td>
</tr>
</tbody>
</table>

| **Expenses**      |        |        |
| Program Services  | $2,511,095 | $3,165,829 |
| Administration    | $602,939  | $643,354 |
| Fundraising       | $238,820  | $138,682 |
| **Total Expenses**| $3,352,854* | $3,947,865* |

*OCI uses the accrual method of accounting and, as such, grants received that will be paid over multiple years are recorded as income in the year the grant is first awarded. Subsequent payments of grant installment payments are not shown as income on the Statement of Revenue and Expenses but instead reduce Grants Receivable on the Statement of Financial Position report. This is a timing issue which results in expenses not matching revenues in certain years.
OUR BOARD MEMBERS AND STAFF

STAFF

Elizabeth Bast
Executive Director

Makiko Arima
Japan Finance Campaigner

Rebecca Concepcion Apostol
Chief of Staff

Charlie Furman
Technology and Data Manager

Mariam Kemple Hardy
Global Campaigns Director

Mahir Ilgaz
Regional Programs Director

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Silje Ask Lundberg
Senior Campaigner

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Renato Redentor Constantino
Executive Director, Institute for Climate and Sustainable Cities

Sandra N. Smithey, Board Chair*
Director, Program & Philanthropic Engagement, Shine Campaign

Rebecca Solnit
Writer

* Remembering Sandra Smithey

Sandra Smithey, a long time friend and supporter of Oil Change International, and a champion of global environmental justice causes, passed away unexpectedly in August 2022. Sandra joined OCI’s board in 2020 after retiring from her position as program officer at the Charles Stewart Mott Foundation, where she had funded Oil Change International’s public finance and energy access work since the organization’s founding in 2005. Sandra was elected as OCI’s board chair in June 2022, and served as a sage advisor for OCI’s strategic planning and organizational development processes. Though much of her work was carried out behind the scenes as a funder and a trusted advisor, she was a true connector – she seemed to know just about everyone across the environment and development space, whether in advocacy, academia, international institutions, or politics. She was brilliant, constantly sharing rapid-fire information and supporting strategy development across international development, environment, and finance topics. She served as a mentor and friend to a generation of advocates calling for reform of international financial institutions. She was an exceptionally proactive, intelligent, and caring individual. Her early, sustained, and steadfast belief in Oil Change International has been critical to the organization’s success. We miss you, Sandra.