

bp acquires c. 29% stake in major UK provider of biomethane for heavy goods vehicles, Gasrec

2 December 2021

- Gasrec builds, owns and operates biomethane refueling stations for heavy goods vehicles
- bp acquires 28.57% stake in Gasrec and will supply renewable biomethane
- The investment expands bp's global portfolio of renewable gas production and distribution assets.

bp has acquired a 28.57% stake in Gasrec, the UK's largest dual provider of bio-Liquefied Natural Gas (LNG) and bio-Compressed Natural Gas (CNG) to road transport. The company builds, owns and operates biomethane refueling stations, providing renewable solutions to the heavy goods vehicle ("HGV") industry.

bp will supply Gasrec with renewable biomethane produced mainly from organic wastes, such as food and dairy manure. The investment will expand bp's UK footprint in renewable gas production and distribution, adding to its market leading position in the US.

Carol Howle, EVP Trading and Shipping at bp, said: "Bio-LNG and bio-CNG play a crucial role in the energy transition and decarbonization of the heavy-freight industry and is another example of how we're helping decarbonize hard-to-abate sectors. We're excited to work with an industry leader like Gasrec to increase the supply of biomethane for HGV customers. This investment further expands bp's global renewable gas portfolio, an area which we believe will have an increasingly important role on the path to net zero."

Founded in 2003, Gasrec was the UK's first supplier of biomethane to the road transport sector. Its customers include some of the UK's biggest retailers, parcel delivery companies and hauliers -- Asda, Ocado, Gregory Distribution and Reed Boardall. By offering lower carbon solutions for HGVs, Gasrec lowers the carbon emissions associated with the road transport supply chain and the customers who transport goods.

Gasrec's network of ten biomethane refueling stations across the UK is capable of refueling approximately 1,250 vehicles per day and includes one of Europe's largest gas refueling stations, at Daventry International Rail Freight Terminal (DIRFT). With a strong market position, refueling around 40% of the UK's gas-powered HGVs, Gasrec is seeking to expand its network of refueling stations at logistics parks.

In the UK, road transport is reported as being responsible for 27% of total greenhouse gas emissions in 2019. HGVs represent just 5% of vehicle miles travelled, yet their associated emissions are disproportionately greater, producing around 16% of road transport emissions.¹

Renewable gas is an important part of the energy transition for the HGV sector, providing a commercially viable option for fleet owners to reduce their carbon footprint by up to 85% in comparison to diesel.² From producing and supplying biomethane through to building and operating the fueling stations, bp and Gasrec are well positioned to meet the increasing demand for reliable, renewable gas solutions.

Rob Wood, CEO of Gasrec, said: “This agreement is an important milestone for our company as we look to continue increasing our impact on the UK’s heavy goods vehicle industry. Building on our eighteen years’ experience and leading position in the HGV gas supply industry, we are excited to be working with bp to help expand our reach.”

¹ UK Government, Department of Transport, Transport and Environment Statistics 2021 Annual report

² Low Carbon Vehicle Partnership, Innovate UK and Office for Low Emission Vehicles, Low Emission Freight & Logistics Trial (LEFT), Key Findings, November 2020

About bp

bp’s purpose is to reimagine energy for people and our planet. It has set out an ambition to be a net zero company by 2050, or sooner and help the world get to net zero, and a strategy for delivering on that ambition. For more information visit bp.com.

About Gasrec

Gasrec was founded in 2003 and is a major fuel provider for gas-powered commercial vehicles on UK roads. It supplies, builds and operates Bio-LNG and Bio-CNG refuelling stations, enabling fleets to take advantage of a fuel that has lower lifecycle greenhouse gas emissions than diesel. Demand for biomethane in the road transport sector has soared in recent years, as heavy truck operators continue to look for more alternatives to diesel in order to meet the government’s increasingly stringent targets aimed at reducing carbon emissions.

Further information

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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.