

bp to deliver its first carbon offset LNG cargo to Sempra's Energía Costa Azul receiving terminal in Mexico

16 July 2021

- This is the first delivery under bp's new offer and Sempra LNG's first carbon offset LNG cargo import to Mexico.
- bp estimated the GHG emissions associated with the LNG cargo, using its own quantification methodology.
- The estimated GHG emissions will be offset by bp Gas Marketing Limited ("bpGM") retiring carbon credits sourced from its carbon trading portfolio on behalf of Sempra LNG.

bpGM, Sempra LNG and Infraestructura Energética Nova, S.A.B. de C.V. ("IEnova"), today announced that they have entered into a contract for the delivery and receipt of the companies' first carbon offset Liquefied Natural Gas ("LNG") cargo. The cargo is expected to be delivered to the Energía Costa Azul (ECA) terminal in Mexico on July 16, 2021 and it will be sourced from bp's global LNG portfolio.

Global demand for natural gas and LNG is expected to continue to grow. IEnova and Sempra LNG each intend to continue supporting this growth by diversifying their offerings, including developing bundled carbon offset LNG products to help meet customers' demand.

Justin Bird, CEO of Sempra LNG said: "We are excited to advance our goal to lower GHG emission intensity at our LNG facilities. Sempra LNG continues to build a strong business portfolio focused on sustainability and the global energy transition."

Carbon dioxide (CO₂) and methane (CH₄) emissions associated with the LNG cargo, from wellhead to discharge terminal, will be estimated using bp's GHG quantification methodology for LNG. The methodology has been developed following relevant international standards and may be updated from time to time.

These estimated emissions will be offset by retiring a corresponding amount of carbon credits, sourced from a Mexican afforestation project from bp's vetted portfolio of offsets on behalf of Sempra LNG.

Carol Howle, EVP of trading & shipping at bp said: "Natural gas has a key role to play in getting the world to net zero. This new offer further demonstrates our determination to remain one of the world's leading and most innovative LNG suppliers. The development and continuous improvement of a clear and reliable methodology for quantifying the carbon intensity of our LNG supply chain is an important step in helping our customers deliver their sustainability goals and supports our ambition to help the world get to net zero."

Sharon Weintraub, SVP, gas and power trading international at bp said: “Delivering carbon offset LNG is an important part of meeting growing global energy demand. For bp, this is part of continuing to meet growing customer demands for new energy solutions that will amplify value for our business. For customers, this means access to exciting initiatives that can help them in pursuing their sustainability strategies by quantifying the carbon intensity associated with the LNG supply from bp’s diverse portfolio of LNG sources and then offsetting those emissions.”

More widely, bp has set out specific GHG reductions and other aims for 2030 in support of its ambition to be a net zero company by 2050 or sooner and to help the world get to net zero. bp does not intend to rely on carbon credits to meet its 2030 aims.

Tania Ortiz, CEO of IEnova added: “We are pleased to work with Sempra LNG to help deliver the much-needed natural gas to customers in Mexico in a sustainable manner. We are always looking for new ways we can create value not only through the safe and responsible operation of our facilities, but also by contributing toward the energy transition.”

Sempra LNG and IEnova are currently constructing liquefaction facilities that will be located adjacent to ECA. Although this carbon off-set LNG cargo is from bp’s global LNG portfolio, ECA will continue to serve the needs of its existing customers, including from the receipt of multiple LNG cargoes each year pursuant to a long-term sales and purchase agreement between bp and its partners in Tangguh LNG and Sempra LNG.

Sempra LNG has established a goal to operate its existing LNG infrastructure at a GHG emissions intensity 20% less than its 2020 baseline and expects to establish additional goals by 2025, as the company continues to grow and bring more projects online.

Notes to editors

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. bpGM is a wholly owned subsidiary of bp p.l.c. Its main business activities include the trading of gas, power, LNG, emissions and other energy products in the UK and overseas.

For more information visit [bp.com](https://www.bp.com).

About Sempra LNG

Sempra LNG’s mission is being North America’s premier LNG infrastructure company by providing sustainable, safe and reliable access to U.S. natural gas for global markets. Sempra LNG owns interests in Cameron LNG, a 12 Mtpa export facility operating in Hackberry, Louisiana and Energía Costa Azul (ECA) LNG, a 3 Mtpa export facility under construction in Baja California, Mexico. Sempra LNG is developing additional LNG export facilities on the Gulf and Pacific Coasts of North America

including Port Arthur LNG in Texas, expansions of Cameron LNG and ECA LNG, as well as supporting pipelines and storage projects. Through disciplined and innovative processes, Sempra LNG is facilitating the global energy transition by leading the responsible development of lower-carbon energy infrastructure investments along the LNG value chain. For more information about Sempra LNG, please visit www.SempraLNG.com.

About IEnova

IEnova develops, builds and operates energy infrastructure in Mexico. As of the end of 2020, the company has more than 1,400 employees and approximately \$10.5 billion in total assets, making it one of the largest private energy companies in the country.

Further information

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Cautionary statement

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA'), bp is providing the following cautionary statement. This press release contains certain forward-looking statements – that is, statements related to future, not past events and circumstances – which may relate to one or more of the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements are generally, but not always, identified by the use of words such as 'will', 'expects', 'is expected to', 'aims', 'should', 'may', 'objective', 'is likely to', 'intends', 'believes', 'anticipates', 'plans', 'we see' or similar expressions. Actual results may differ from those expressed in such statements, depending on a variety of factors including the risk factors set forth in our most recent Annual Report and Form 20-F under "Risk factors" and in any of our more recent public reports.

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.