

May 4, 2021



## Cheniere and Shell Collaborate to Deliver Carbon-Neutral US LNG to Europe

HOUSTON--(BUSINESS WIRE)-- Cheniere Energy, Inc. (NYSE American: LNG) and Cheniere Energy Partners, L.P. (NYSE American: CQP) (together, "Cheniere") today announced that Sabine Pass Liquefaction, LLC has supplied a carbon neutral cargo<sup>1</sup> of liquefied natural gas ("LNG") to Shell<sup>2</sup> as part of the companies' long-term LNG Sale and Purchase Agreement. Cheniere and Shell worked together to offset the full lifecycle greenhouse gas ("GHG") emissions associated with the LNG cargo by retiring nature-based offsets to account for the estimated CO<sub>2</sub>e emissions produced through the entire value chain, from production through use by the final consumer (all scopes<sup>3</sup>).

The carbon-neutral LNG cargo was supplied from Cheniere's Sabine Pass Liquefaction facility and delivered to Europe in early April. Offsets used were bought from Shell's global portfolio of nature-based projects with Cheniere purchasing the portion attributable to estimated CO<sub>2</sub>e emissions associated with activities upstream of the FOB delivery point, including production and liquefaction. Nature-based projects protect, transform or restore land and enable nature to add oxygen and absorb more CO<sub>2</sub> emissions from the atmosphere. Each carbon offset is subject to a third-party verification process and represents the avoidance or removal of 1 tonne of CO<sub>2</sub>e.

"At Cheniere, we're focused on measuring, reducing and mitigating emissions, and this first carbon neutral cargo for Cheniere highlights our efforts to measure and mitigate emissions throughout the LNG value chain," said Anatol Feygin, Executive Vice President and Chief Commercial Officer of Cheniere. "We are thankful for our collaboration with Shell in this effort and for our mutually beneficial commitments to improving environmental performance and maximizing the climate benefits of Cheniere's LNG."

Steve Hill, Executive Vice President, Shell Energy said, "We are very happy to be collaborating with Cheniere on this opportunity. It is great to see more producers offsetting their GHG emissions to meet the increasing demand for carbon-neutral LNG. Using high quality nature-based offsets to compensate for emissions that cannot be avoided or reduced is an important step as we find more ways to reduce emissions across the LNG value chain."

Earlier this year, Cheniere announced it intends to provide its LNG customers with GHG emissions data associated with each LNG cargo produced at its liquefaction facilities through the company's Cargo Emissions Tags (CE Tags), beginning in the first half of 2022.

<sup>1</sup>The terms “carbon neutral”, “carbon offset” or “carbon offset compensation” indicate that Shell and Cheniere have engaged in a transaction to ensure that an amount of carbon dioxide equivalent to that associated with the production, delivery and usage of the fuel has been removed from the atmosphere through a nature-based process or emissions saved through avoided deforestation.

<sup>2</sup>The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this release “Shell” is sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general.

<sup>3</sup>The CO<sub>2</sub>e emissions were calculated using the DEFRA (UK Department for Environment, Food and Rural Affairs) conversion rates to calculate LNG emissions needed to be offset for Scope 1, 2 and 3. According to the 2020 DEFRA conversion rate, 1 tonne of LNG emits approximately 3.42 tonnes of CO<sub>2</sub>e across the value chain, including end use. End use refers to combustion, which comprises about 2.54 tonnes of the total 3.42 tonnes of well-to-wheel emissions. The remaining emissions of 0.88 tonnes are across the value chain from exploration and production to transportation and regasification.

## **About Cheniere**

Cheniere Energy, Inc. is the leading producer and exporter of liquefied natural gas (LNG) in the United States, reliably providing a clean, secure, and affordable solution to the growing global need for natural gas. Cheniere is a full-service LNG provider, with capabilities that include gas procurement and transportation, liquefaction, vessel chartering, and LNG delivery. Cheniere has one of the largest liquefaction platforms in the world, consisting of the Sabine Pass and Corpus Christi liquefaction facilities on the U.S. Gulf Coast, with expected total production capacity of approximately 45 million tonnes per annum of LNG operating or under construction. Cheniere is also pursuing liquefaction expansion opportunities and other projects along the LNG value chain. Cheniere is headquartered in Houston, Texas, and has additional offices in London, Singapore, Beijing, Tokyo, and Washington, D.C.

For additional information, please refer to the Cheniere website at [www.cheniere.com](http://www.cheniere.com) and Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, filed with the Securities and Exchange Commission.

## **Forward-Looking Statements**

This press release contains certain statements that may include “forward-looking statements” within the meanings of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical or present facts or conditions, included herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things, (i) statements regarding Cheniere’s financial and operational guidance, business strategy, plans and objectives, including the development, construction and operation of liquefaction facilities, (ii) statements regarding expectations regarding regulatory authorizations and approvals, (iii) statements expressing beliefs and expectations regarding the development of Cheniere’s LNG terminal and pipeline businesses, including liquefaction facilities, (iv) statements regarding the business operations and prospects of third parties, (v) statements regarding potential financing arrangements, (vi) statements regarding future discussions and entry into contracts, (vii) statements relating to the amount and timing of share repurchases, and (viii)

statements regarding the COVID-19 pandemic and its impact on our business and operating results. Although Cheniere believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Cheniere's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in Cheniere's periodic reports that are filed with and available from the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required under the securities laws, Cheniere does not assume a duty to update these forward-looking statements.

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