

# Media Release

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## WOODSIDE AND TRAFIGURA COLLABORATE ON FIRST CARBON OFFSET<sup>1</sup> CONDENSATE CARGO FROM PLUTO LNG

Woodside Burrup Pty Ltd (Woodside) and its Pluto LNG joint venture participants Kansai Electric Power Australia Pty Ltd (Kansai Electric) and Tokyo Gas Pluto Pty Ltd (Tokyo Gas) have delivered their first cargo of carbon offset condensate to independent commodity trading company Trafigura Pte Ltd (Trafigura). The cargo was loaded at Pluto LNG in Western Australia.

The carbon dioxide equivalent emissions associated with extraction, storage and shipping of the 650,000-barrel cargo will be offset through a combination of efficiency measures, which reduce emissions, and surrender of high-quality carbon offsets. Trafigura is working with the vessel owner to minimise actual emissions associated with transporting the cargo.

High-quality carbon offsets have been sourced from nature-based projects located in the Asia-Pacific region, independently validated and verified by the Gold Standard or Verified Carbon Standard.

Carbon dioxide equivalent emissions generated by extraction, storage and shipping of the cargo will be calculated jointly by Woodside and Trafigura. Calculation of emissions associated with extraction and storage will be based on data gathered by Woodside, as operator of Pluto LNG. Calculation of carbon emissions associated with shipping will be based on data collated by Trafigura, specific to the cargo voyage.

Woodside Vice President Marketing Trading & Shipping Mark Abbotsford said this could be the first carbon offset condensate cargo traded globally, demonstrating opportunities for carbon offset condensate.

“The transaction brought all the participants in the joint venture responsible for producing the condensate together with the customer, a global trading company, in support of our recently announced emissions reduction targets.

“We are pleased to be partnering with Trafigura, Kansai Electric and Tokyo Gas to deliver our first carbon offset condensate cargo. The transaction provided an opportunity to further develop our carbon offset marketing capability and gain an understanding of the carbon market in its early phases,” he said.

In addition to the transaction, Woodside and Trafigura have signed a non-binding memorandum of understanding (MOU) to explore opportunities for carbon management in the marketing of carbon offset condensate, crude oil and liquefied petroleum gas in the future.

“The MOU is consistent with Woodside’s and Trafigura’s respective objectives to explore a market for carbon offset products over the long term and reduce emissions intensity across the value chain,” Mr Abbotsford said.

Dmitri Croitor, Global Head of Naphtha and Condensates for Trafigura, said: “We are very pleased to be working with Woodside and its Pluto LNG joint venture participants on what we believe to be the first carbon offset condensate cargo, and for Trafigura our first carbon offset shipment. We’ve set ambitious targets to reduce our operational greenhouse gas emissions and by working with Woodside, which has similar ambitions, it is now possible to offset emissions associated with the cargo from wellhead to delivery. We are developing this offering for other oil products for our customers around the world.”

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<sup>1</sup> The term “carbon offset” indicates that the Seller and the Buyer have committed to reduce or offset the amount of carbon dioxide equivalent associated with their respective operated emissions (including the extraction, storage, and shipping of the condensate) through a combination of demonstrated emissions reductions and carbon offsets certified by Verra or Gold Standard.

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#### About Woodside

Woodside led the development of the LNG industry in Australia and is applying this same pioneering spirit to solving future energy challenges. We have a focused portfolio and are recognised for our world-class capabilities as an integrated upstream supplier of energy. We have a robust hydrocarbon business with a focus on LNG, which is a lower-emissions, competitive fuel ideally suited to supporting decarbonisation and improving air quality. We are working to improve our energy efficiency, offset our emissions, reduce our emissions intensity and explore options for lower-carbon energy. We have set clear targets to reduce our net emissions in line with our aspiration to achieve net zero by 2050.

We continue to expand our capabilities in marketing, trading and shipping and have enduring relationships that span 30 years with customers throughout the Asia-Pacific region and beyond.

#### About Trafigura

Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world and has recently established a power and renewables trading division. The trading business is supported by industrial and financial assets, including a majority ownership of global zinc and lead producer Nyrstar which has mining, smelting and other operations located in Europe, Americas and Australia; a significant shareholding in global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura's Mining Group; and Galena Asset Management. With circa 850 shareholders, Trafigura is owned by its employees.

Over 8,500 employees work in 48 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD12 billion in 2003 to USD147 billion in 2020. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade. Visit: <https://www.trafigura.com>