

Technip and BP extend their successful Purified Terephthalic Acid Alliance

Technip announces the extension of its long-standing agreement with BP in the purified terephthalic acid (PTA)⁽¹⁾ domain. Technip will now also become the exclusive provider of the ISBL (Inside Battery Limit) FEED (front-end engineering and design) to BP for third-party licensing. This announcement follows BP's decision last year to make its leading, proprietary PTA technology available for licensing to third parties (not affiliated with BP).

This builds upon the agreement signed in 2000, whereby Technip and BP entered into an exclusive alliance for FEED services for BP's PTA projects. BP is one of the largest PTA producers in the world and its PTA technology has significantly lower capital and operating costs, compared with conventional PTA plants. Besides, it is more energy efficient, uses less water and produces less solid waste than its competitors.

Over the years, the alliance has developed and adapted itself to respond to the ever more demanding investment cycle. The alliance aims to deliver advantaged capital productivity, applying the highest standards of HSSE, operability, innovation and reduced project cycle times. Since the creation of the alliance, approximately 5 million tons per year of PTA capacity has been engineered by Technip. The recently designed Number 3 PTA plant for BP Zhuhai Chemical Company Ltd.⁽²⁾ will deliver a step change in environmental performance; compared to conventional technologies, the new plant will achieve 75% lower water discharge, 65% lower greenhouse gas emissions and 95% lower solid waste generation.

As an illustration, BP and JBF Petrochemicals (a wholly-owned subsidiary of JBF Industries Ltd.) previously announced an agreement to license BP's latest PTA technology. Subsequently, Technip was awarded a major contract with JBF, for the 1.25 million tons per year PTA unit, currently under construction in Mangalore, India. The contract covers the basic engineering, front-end engineering design, detailed engineering and procurement services for the ISBL and the OSBL (Outside Battery Limit). The scope of work also includes supply of materials and construction management services for the ISBL.

Technip's operating center in Rome, Italy, will oversee the extended alliance.

Marco Villa, Senior Vice President of Technip's Region B⁽³⁾, declared: *"The relationship between Technip and BP has been a unique model for almost 15 years, creating mutual benefit for both parties. We are proud to become BP's engineering contractor of choice for third-party PTA licensing, thereby reinforcing our long-term relationship with BP and our distinct capabilities as one of the world's leading engineering contractors."*

⁽¹⁾ Purified Terephthalic Acid (PTA), in the form of a white and crystalline powder, is the raw material for the production of polyester fibers and plastic materials.

⁽²⁾ BP Zhuhai Chemical Company Ltd. is a BP joint venture located in Zhuhai, Guangdong Province, People's Republic of China.

⁽³⁾ Technip Region B is composed of Italy, Greece, Eastern Europe/Russia/CIS and South America.

Technip is a world leader in project management, engineering and construction for the energy industry.

From the deepest Subsea oil & gas developments to the largest and most complex Offshore and Onshore infrastructures, our 38,000 people are constantly offering the best solutions and most innovative technologies to meet the world's energy challenges.

Present in 48 countries, Technip has state-of-the-art industrial assets on all continents and operates a fleet of specialized vessels for pipeline installation and subsea construction.

Technip shares are listed on the NYSE Euronext Paris exchange and traded in the USA on the OTCQX marketplace (OTCQX: TKPPY).



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