



Business Update

1Q 2019 results

Performance (1Q 2019)

Production

Opex (\$ million)

Capex (\$ million)

2019 Highlights

- Total oil production from ACG since start is more than 3.5 billion barrels. ACG completed four oil producer wells in the first quarter.
- Shah Deniz has produced over 104 billion cubic metres of gas since the start of operations. Total condensate production from Shah Deniz since start is about 26 million tonnes.
- Shah Deniz Bravo production has continued ramping up.
- The Sangachal terminal's daily gas processing capacity has reached 100 million cubic metres.
- The next stage of development of ACG, including the ACE platform, was sanctioned in April.
- Three senior national employees of BP Azerbaijan were appointed to leadership roles in other countries.
- Planning for the first wells drilling on the exploration contract areas continued.

ACE final investment decision made



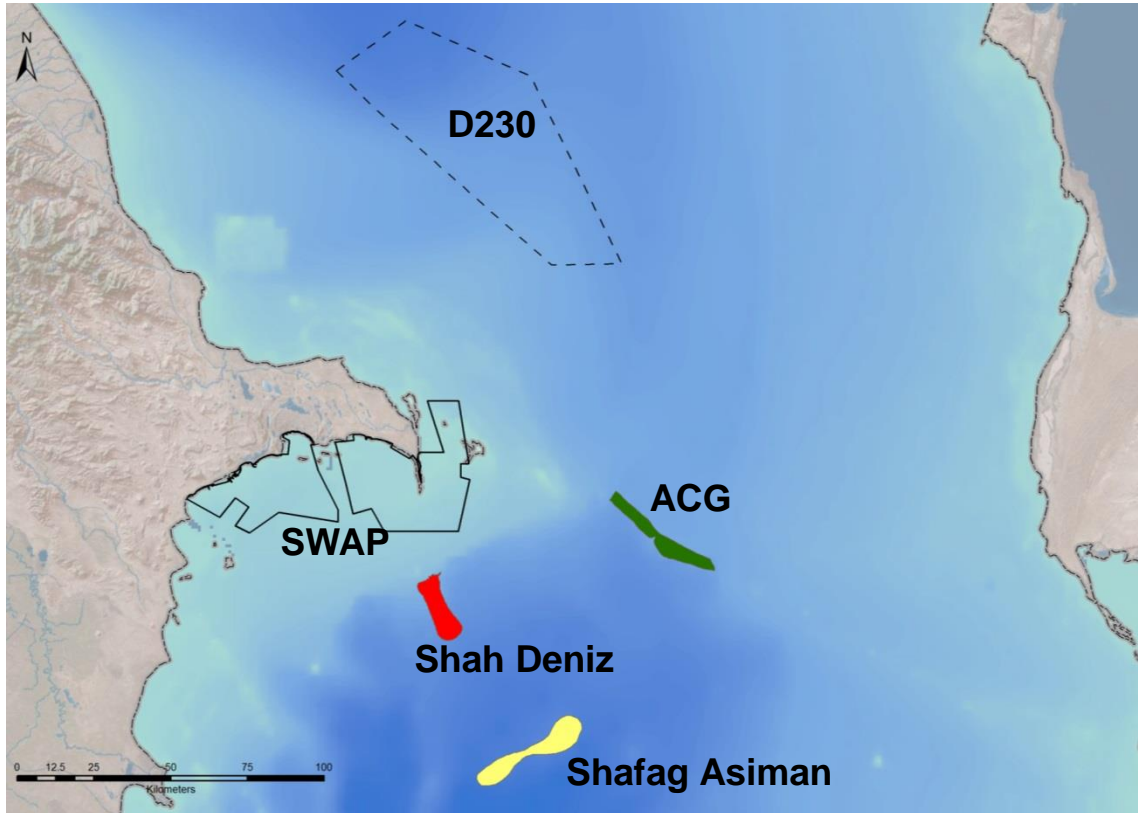
Sangachal terminal exported more than 69 million barrels of oil in 1Q



Sangachal terminal's daily gas processing capacity reached 100 million cubic metres in 1Q



Exploration opportunities



Shallow Water Absheron Peninsula (SWAP)

- Water depth: up to 40m
- PSA signed in December 2014
- 3D seismic survey completed in December 2016 using BP's advanced, proprietary Independent Simultaneous Source with Nodes (ISSN™) technology.
- More than 1300 km² of 3D data recorded;
- Interpretation and processing of the 3D data completed in 4Q 2017
- A Notice of Prospectivity signed with SOCAR, planning continues for the first exploration well

Shafag-Asiman

- 60km from Shah Deniz; 145km from the Sangachal terminal
- Water depth: 600-800m
- PSA signed in October 2010
- 3D seismic acquisition conducted
- Interpretation of the seismic dataset completed
- Planning for the first exploration well continues

Block D230

- PSA signed in April 2018; a seismic survey planned for 2019

Local content and social initiatives in 1Q 2019

National contractors/suppliers (Azerbaijan-Georgia-Turkey region) ¹	Number	Spend (\$ million)	
Small and medium enterprises	169	67.4	} 48% of total third party expenditure
State-owned companies	22	8.3	
Joint ventures with national partners	14	93.1	
In-country spend with foreign suppliers		142.6	
Total in-country spend ²		311.8	

1. National supplier expenditure is updated quarterly. This data is for 1Q 2019.

2. This amount represents BP's direct spend with national suppliers and indirect (subcontracted) spend on national labour/services/materials in contracts with international suppliers working in the region

Social initiatives in Azerbaijan (\$ thousand disbursed)

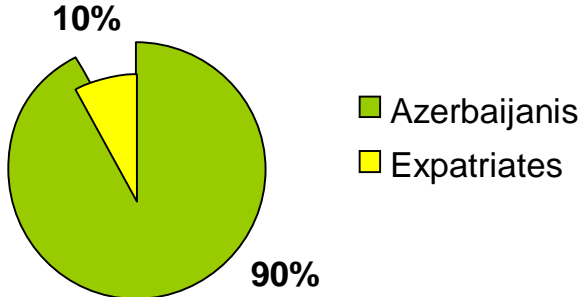
BP & co-venturers in BP-operated projects	780
BP100%	138
Total	918



Employment of Azerbaijani nationals

- 2,524 Azerbaijanis directly employed by BP (including fixed-term employees)
- 90% of professionals in Azerbaijan comprised of national employees

Permanent professional employees in Azerbaijan



Major social investment initiatives

- The enterprise development programme -support for building local entrepreneurship capacities and business development;
- Support for building local capabilities - upgrading agricultural vocational education; support for the establishment of effective migration services management; modernization of monitoring and evaluation e-infrastructure through development of a sophisticated software;
- Capacity-building, awareness raising and infrastructure improvement programmes for communities; new opportunities for income generation and small business development in communities; employment opportunities for disabled people; development of agricultural skills and occupations;
- Support for education through local universities, schools and kindergartens, translation into Azerbaijani and publication of international textbooks; transfer of internationally-certified educational programmes to local universities; IT curriculum for secondary schools; business education for engineering students; support for 11th grade students' preparations for university admission; English language for communities;
- Partnership with the National Olympic and Paralympic Committees to support national sport development; support for national teams and a group of selected athletes;
- Support for promotion of Azerbaijan's rich cultural legacy

