

This business update is a joint press release issued by BP Exploration (Caspian Sea) Limited, in its capacity as operator of the Azeri-Chirag-Gunashli (ACG) field, as manager of the Baku-Tbilisi-Ceyhan (BTC) pipeline and as common operator of the BTC pipeline and the South Caucasus Pipeline (SCP), and by BP Exploration (Shah Deniz) Limited in its capacity as operator of the Shah Deniz field, with each of these entities providing information relevant to its project and making any statements applicable to its project.



BUSINESS UPDATE

First half 2025 results

7 August 2025

Azeri-Chirag-Deepwater Gunashli (ACG)

ACG participating interests are: bp (30.37%), SOCAR (31.65%), MOL (9.57%), INPEX (9.31%), ExxonMobil (6.79%), TPAO (5.73%), ITOCHU (3.65%), ONGC Videsh (2.92%).

BP Exploration (Caspian Sea) Limited is the operator on behalf of the Contractor Parties to the ACG Production Sharing Agreement.

In the first half of 2025, bp and its co-venturers spent about \$259 million in operating expenditure and about \$558 million in capital expenditure on ACG activities.

During the first half of the year, the 4D high-definition ocean bottom node seismic programme on ACG completed processing of the data acquired in 2024 and commenced the data acquisition for the second year in June.

Production

During the first half of 2025, ACG continued to safely and reliably deliver stable production. Total ACG production for the first half of 2025 was on average about 327,000 barrels per day (b/d) (about 59 million barrels or 8 million tonnes in total) from the Chirag

(21,000 b/d), Central Azeri (86,000 b/d), West Azeri (75,000 b/d), East Azeri (42,000 b/d), Deepwater Gunashli (54,000 b/d), West Chirag (24,000 b/d) and ACE (25,000 b/d) platforms.

On 18 February, ACG celebrated the 20th anniversary of the first oil production from the Central Azeri platform. To date, the platform has produced a total of 1.1 billion barrels (154 million tonnes) of oil.

In the second quarter, ACG successfully reintroduced water injection on the Chirag platform following an almost four-year pause. To achieve this, several critical upgrades were made on the platform including the redesign and modification of water injection pumps, the rebuild of the control system, as well as the drilling of a new injection well. The well was drilled using power from the topside and drilling generators, marking a first for the Chirag platform and eliminating the need for a separate diesel generator.

In addition, in the second quarter, ACG achieved the start-up of the first gas injection well on the ACE platform safely and on schedule.

At the end of June 2025, 143 oil wells were producing, while 46 were used for water and 10 for gas injection.

Drilling and completion

In the first half of 2025, ACG drilled and completed three oil producer, three water injector and one gas injector wells.

Associated gas

During the first six months of the year, ACG delivered an average of around 8 million cubic metres per day of ACG associated gas to the state of Azerbaijan (1.5 billion cubic metres in total), primarily at the Sangachal terminal but also to SOCAR's Oil Rocks facility. The remainder of the associated gas produced was re-injected for reservoir pressure maintenance.

Non-associated gas (NAG)

On 20 September 2024, SOCAR together with bp and other ACG co-venturers announced the signing of an addendum to the existing ACG production sharing agreement (PSA) to progress the exploration, appraisal, development of and production from the NAG reservoirs of the ACG field. The NAG resources of ACG are believed to be significant, with up to 4 trillion cubic feet (tcf) of recoverable volumes.

In the first half of the year, an initial production well was drilled and completed to access two priority NAG reservoirs. The well was drilled from the existing West Chirag platform. This well represents a significant milestone, as it will also provide appraisal through production - expected to underpin future NAG development plans. Currently, all required subsea tie-in works are progressing in preparation for the start-up of first gas production from the NAG reservoirs.

Sangachal terminal

In the first half of 2025, oil and gas from ACG and Shah Deniz continued to flow via subsea pipelines to the Sangachal terminal.

The daily capacity of the terminal's processing systems is currently 1.2 million barrels of crude oil and condensate, and about 81 million standard cubic metres of Shah Deniz gas, while overall processing and export capacity for gas, including ACG associated gas is around 100 million standard cubic metres per day.

During the first half of the year, the Sangachal terminal exported around 106 million barrels of oil and condensate, which was sent mainly through the Baku-Tbilisi-Ceyhan (BTC) pipeline.

Gas is exported via the South Caucasus Pipeline (SCP), including the SCP expansion system and via Azerbaijan's pipelines connecting the terminal's gas processing facilities with Azerigas's national grid system.

On average, around 74 million standard cubic metres (about 2,616 million standard cubic feet) of Shah Deniz gas was sent from the terminal daily during the first half of 2025.

The terminal set to reduce emissions

On 2 June, the investors in the Sangachal terminal sanctioned the Sangachal terminal electrification (STEL) project. The \$230 million project will enable the terminal to connect with Azerbaijan's national grid operated by AzerEnerji, via new facilities to be built both within and outside the terminal, including a new 220/110 kV electricity substation.

The STEL project is closely linked to the Shafag project, a 240MW AC solar plant to be built in Jabrayil, via a new commercial structure called 'virtual power transfer arrangement'. Based on this arrangement, the Shafag plant would produce power and deliver it to AzerEnerji in the Jabrayil district, while AzerEnerji would deliver an equivalent quantity of electricity to the Sangachal terminal near Baku. Together, the Shafag and STEL projects are expected to support the reduction of operational emissions by around

50% over the future life of the Sangachal terminal, based on the current outlook and plans.

The terminal currently uses seven gas turbines to generate the power it needs. Following the electrification, the turbines will be removed in phases, freeing up the fuel gas for export.

The STEL project will be developed and managed by bp as operator of the Sangachal terminal. Construction activities for STEL have already commenced with completion expected in two stages – Stage 1 in mid-2027, and Stage 2 by the end of 2028.

Baku-Tbilisi-Ceyhan (BTC)

The Baku-Tbilisi-Ceyhan Pipeline Company (BTC Co.) shareholders are: bp (30.10%), SOCAR (32.97%), MOL (8.90%), TPAO (6.53%), Eni (5.00%), TotalEnergies (5.00%), ITOCHU (3.40%), ONGC Videsh (3.10%), ExxonMobil (2.50%) and INPEX (2.50%).

In the first half of 2025, BTC Co. spent around \$60 million in operating expenditure and \$30 million in capital expenditure.

Since the 1,768 km BTC pipeline became operational in June 2006 till the end of June 2025, it carried a total of around 4.6 billion barrels (about 605 million tonnes) of crude oil loaded on 6,007 tankers and sent to world markets.

In the first half of 2025, about 106 million barrels (13 million tonnes) of BTC-exported crude oil was lifted at Ceyhan and loaded on 145 tankers.

Shah Deniz

Shah Deniz participating interests are: bp (operator – 29.99%), LUKOIL (19.99%), TPAO (19.00%), SGC (16.02%), NICO (10.00%) and MVM (5.00%).

In the first half of 2025, bp and its co-venturers spent around \$1,282 million in operating expenditure and around \$472 million in capital expenditure on Shah Deniz activities, the majority of which was associated with the Shah Deniz 2 project.

The public consultation period for the Environmental and Socio-economic Impact Assessment of the Shah Deniz Compression (SDC) project, the next stage of

development of the Shah Deniz field, concluded in April and in May the final document was approved by the government.

Following this, on 3 June, the Shah Deniz consortium announced the final investment decision for the project.

The \$2.9 billion SDC project is designed to access and produce low pressure gas reserves in the field and maximize resources recovery. It is expected to enable around 50 billion cubic metres of additional gas and approximately 25 million barrels of additional condensate production and export from the field.

The project involves installation of a new compression facility – an electrically-powered unmanned compression platform, or Normally Unattended Installation (eNUI), and several associated facilities offshore in the Shah Deniz contract area. Additionally, it encompasses brownfield works to be undertaken at the Shah Deniz Alpha (SDA) and Bravo (SDB) platforms, as well as at the Sangachal terminal.

Construction activities are planned to commence in late 2025, with completion expected in 2029 to be ready to receive first gas for compression from the SDA platform in 2029 and from the SDB platform in 2030.

Production

During the first six months, the Shah Deniz field continued to provide gas to markets in Azerbaijan (to SOCAR), Georgia (to GOGC), Türkiye (to BOTAS), BTC in multiple locations and to buyers in Europe.

In the first half of 2025, the field produced around 14 billion standard cubic metres of gas and about 2 million tonnes (around 16 million barrels) of condensate in total from the Shah Deniz Alpha and Shah Deniz Bravo platforms.

The existing Shah Deniz facilities' production capacity is currently about 77.2 million standard cubic metres of gas per day or approximately 28.2 billion standard cubic metres per year.

The Shah Deniz 2 project

In the first half of 2025, Shah Deniz 2 achieved the start-up of the fifth well on the West South flank and progressed with the subsea execution scope on the remaining wells on this flank.

The subsea construction vessel Khankendi continued to provide life of field support covering services, surveys and interventions across all of the Shah Deniz 2 and ACG subsea producing assets. The single vessel strategy continued to be implemented in the region, with the Khankendi serving as the main vessel for all offshore construction, installation, inspection, maintenance and repair works, as well as for emergency response activities, making bp's and its partners' operations in the Caspian safer and more efficient.

The Shah Deniz 2 activities, including the delivery of the remaining wells within the project, remain the primary mission for the Khankendi. To ensure the efficient utilization of the vessel and the drilling rigs, an integrated schedule has been developed to optimize activities and accelerate well start-up dates.

Drilling

During the first half of 2025, the Shah Deniz Alpha platform rig was in rig reactivation mode.

The Shah Deniz 2 project progressed with the wells programme activities using the Istiglal and Heydar Aliyev rigs. During the second quarter, the Istiglal rig delivered the de-completion and started the re-completion of the SDF04 well on the West South flank. The Heydar Aliyev rig continued the drilling of the SDH04 well on the East North flank.

In total, 22 wells have been drilled for Shah Deniz 2. These include five wells on the North flank, five wells on the West flank, four wells on the East South flank, five wells on the West South flank and three wells on the East North flank.

South Caucasus Pipeline (SCP)

The South Caucasus Pipeline Company (SCPC) shareholders are: bp (29.99%), SGC (21.02%), LUKOIL (19.99%), TPAO (19.00%) and NICO (10.00%).

In the first six months of 2025, the SCPC spent around \$36 million in operating expenditure and \$12 million in capital expenditure in total.

The SCP has been operational since late 2006, transporting Shah Deniz gas to Azerbaijan, Georgia and Türkiye. The expanded section of the pipeline commenced commercial deliveries to Türkiye in June 2018 and to Europe in December 2020.

During the first half, the daily average export throughput of the SCP was 62.4 million cubic metres of gas per day.

Other projects

Shafag-Asiman

On Shafag-Asiman, with the joining of TPAO, further evaluation of the block will be accelerated to help identify the most suitable option to progress the project. To that end, additional evaluation activities will be carried out, including the drilling of a well into the Lower Surakhany reservoir. To allow for these activities, the exploration period under the Shafag-Asiman production sharing agreement (PSA) has also been extended, with bp remaining the operator during this period.

Karabagh and ADUA

In the second quarter, bp also joined the existing risk service agreement (RSA) for the development of the Karabagh field and the PSA on the exploration of the Ashrafi-Dan Ulduzu-Aypara (ADUA) area located in the Azerbaijan sector of the Caspian Sea. bp acquired 35% participating interest from SOCAR in each agreement becoming the operator in each of the RSA and PSA. The agreements provide new opportunities for cooperation with SOCAR to identify the most efficient ways of oil and gas development that make best use of the existing infrastructure in the Caspian.

People

At the end of the first quarter of 2025, the number of bp Georgia's employees was 235. 99% of bp Georgia's staff are Georgian citizens.

bp will continue its efforts to optimize its learning and development programmes and will actively participate in public and private sector initiatives contributing to the development of the local talent market.

Social investments

The success of projects in the Caspian region including Georgia depends, in part, on the operators' ability to create tangible benefits from these projects for the people of the region. To achieve this, bp and its co-venturers continue to implement major social investment projects, which include educational programmes, building skills and capabilities in local communities, improving access to social infrastructure in communities, supporting local enterprises through provision of access to finance and training, support for cultural legacy and sport, as well as technical assistance to public institutions.

During 1 H 2025, bp and its co-venturers in the bp-operated joint ventures spent more than \$ 206,000 in Georgia on social investment projects. During the first quarter, these projects included community development initiatives along all three BTC/SCP/WREP pipeline communities.

In addition, in 1 H of 2025, bp alone spent around \$131,170 on various social projects in Georgia. During the year, these projects included program with aim to restore endangered agricultural biodiversity through restoration of endemic crops. We have supported environmental/biodiversity initiatives and promoted education via providing English language courses for the local media.

For more information about bp and its co-venturers' social investment projects please visit the bp Georgia website www.bpgeorgia.ge