

Alaska

Over six decades, BP has built a world-class business in Alaska. The company's activities across the state — including its operations at the giant Prudhoe Bay oil field — have been crucial to Alaska's economy and America's energy security.

In numbers

▶ Prudhoe Bay produced an average of **270,000 barrels** of oil per day in 2018, accounting for more than half of Alaska's total oil production.

▶ BP Alaska has improved its operating efficiency from 80 percent to upwards of 85 percent. That means there are up to **15,000 more barrels** of oil flowing through the Trans Alaska Pipeline every day.

▶ In 2018, BP spent more than \$700 million with companies in Alaska, while paying \$804 million in taxes, royalties and government payments.

Alaska has been instrumental in BP's growth and success for well over half a century. BP's rich history in the state includes drilling the confirmation well for the massive Prudhoe Bay oil field in 1968 and helping build the 800-mile Trans Alaska Pipeline in the mid-1970s.

In August 2019, BP signed an agreement with Hilcorp to sell its entire business in Alaska as it explores other opportunities that are more closely aligned with its long-term strategy and more competitive for its investment. The sale also supports the company's two-year \$10 billion divestment program to further strengthen its balance sheet.

"Alaska has been a core part of BP for 60 years and saying goodbye will not be easy," says Janet Weiss, BP Alaska president. "Our people have achieved incredible success over the decades developing and

maintaining these hugely important assets, but we are confident this sale is in BP's and the state's best interests and the business will be best positioned for the future with Hilcorp."

A lower carbon footprint

With a long history of pioneering innovations in oil field technology at Prudhoe Bay, BP has continued using new strategies to extend the life of the field while reducing emissions.

While maintaining relatively consistent oil production levels over the past four years, BP **reduced Prudhoe Bay's greenhouse gas emissions** by approximately 2 percent through project optimization.

In 2018, BP also completed some of the largest carbon credit offset projects in the nation with two Alaska Native corporations through the California Air Resource Board.

Carbon offsets are created through investment in activities that reduce greenhouse gas emissions or absorb carbon dioxide. In this case, the corporations agreed to manage their forestland to soak up CO₂ from the atmosphere.

In the community

Beyond its operations, BP donated **\$4 million** to organizations across Alaska in 2018, with employees supporting hundreds of education and community groups.

The **BP Teachers of Excellence Program** has recognized nearly 800 Alaska educators in its 24-year history.

The company has also awarded more than \$3.5 million to 860 graduating high school seniors as part of the Principals' and Commissioner's Scholarship Program, one of the longest-running initiatives of its kind in the state.