TIDBITS

A variety of articles, excerpts and items of interest taken from Chevron's news releases and media reports compiled by the CRA Communications Committee

Chevron Announces its First Solar-to-Hydrogen Production Project in California's Central Valley

Feb. 29, 2024-- Chevron New Energies, a division of Chevron U.S.A. Inc., announced it is developing a 5-megawatt hydrogen production project in California's Central Valley.

The project aims to create lower carbon energy by utilizing solar power, land, and non-potable produced water from Chevron's existing assets at the Lost Hills Oil Field in Kern County. This low carbon intensity (LCI) electrolytic hydrogen will be produced through electrolysis, which is the process of using electricity to split water into hydrogen and oxygen.

Chevron's strategy is to leverage our strengths to safely deliver lower carbon energy to a growing world. Chevron believes in the value of delivering large-scale hydrogen solutions that support a lower carbon world. The facility is designed to produce two tons of LCI hydrogen per day, with the goal of supporting an expanding hydrogen refueling network.

"Hydrogen can play a vital role in our journey toward a lower carbon future," said Austin Knight, vice president for hydrogen at Chevron New Energies. "Chevron already offers lower carbon fuels like sustainable aviation fuel, renewable diesel and others, and this project is expected to expand the portfolio of solutions Chevron could supply to the region.

"I'm excited about the scalability of this solution," Knight continued. "However, our ability to meet growing hydrogen demand and help build hydrogen fueling infrastructure in California to a commercial scale with more widespread adoption will be strongly led by state and federal energy policies that promote new lower carbon energy solutions."

The development of the project is expected to span multiple years, and the start of commercial operations will depend on several factors including flexible and supportive legislative and regulatory energy policies, final engineering design, timely permitting, and obtaining the necessary materials.

"This project will help develop key technical and commercial proof points as Chevron New Energies assesses concepts for future scale-up and new lower carbon intensity hydrogen production opportunities," said Richard Chapman, President and CEO, Kern Economic Development Corporation. "By locating expected production in the Central Valley, we believe the project will be well positioned to meet the demand of customers along an important transportation corridor, as well as having proximity to key California urban markets."

Chevron Reaffirms Higher Returns, Lower Carbon Objectives

- Raises share buyback guidance to $10 to $20 billion per year
- Expects free cash flow annual growth greater than 10% at $60 Brent
- Updates progress toward targets for lower carbon intensity and new energies growth

Feb. 28, 2023 — At its annual investor meeting today, Chevron Corporation reported on its progress to leverage its strengths to safely deliver lower carbon energy to a growing world.

"Chevron intends to be a leader in both traditional and new energy businesses," said Mike Wirth, chairman and CEO. "We're growing energy supply, lowering carbon intensity, and returning more cash to shareholders." Last month, Chevron increased its dividend per share by 6%, and its Board authorized a new $75 billion share repurchase program.

Higher Returns
Chevron expects to maintain capital and cost discipline to deliver higher returns while growing energy supplies. In line with these objectives, the company announced it is:

- Maintaining its guidance for annual organic capital expenditures of $13 billion to $15 billion through 2027.
- Affirming its oil and gas production guidance of more than 3% annual growth by 2027.
- Extending its 12% return on capital employed target to 2027 at $60 Brent.

High return production growth supports growing shareholder distributions. The company expects annual free cash flow growth greater than 10% at $60 Brent and is raising its share buyback guidance range to $10 to $20 billion per year. In addition, the company will raise its targeted annual share buyback rate to $17.5 billion starting in the second quarter.

"We have the capital discipline and balance sheet strength to offer a differentiated value proposition," said Pierre Breber, Chevron's CFO. "We're winning back investors with consistent and growing cash returned to shareholders across the commodity price cycle."

Late last year, the company announced a more than 30% increase in its 2023 organic capital expenditure budget relative to 2022 levels.

"Chevron is investing in advantaged assets in the Permian Basin, Gulf of Mexico, Kazakhstan, Australia and elsewhere that we believe drive superior performance," said Nigel Hearne, executive vice president, Oil, Products, and Gas. "We're focused on executing with excellence to grow value across our portfolio."

Lower Carbon
Chevron updated investors on progress toward achieving its target to reduce the carbon intensity of its oil and gas production to 24 kg per barrel of oil equivalent by 2028, in part through execution of carbon abatement projects. Also, the company provided updates on its new energy business lines with the company halfway to its 2030 renewable fuels target and taking steps to build businesses in carbon capture, offsets, and hydrogen.

"We intend to be a leader delivering lower carbon solutions to our customers in hard-to-abate sectors," said Jeff Gustavson, president of Chevron New Energies. "We believe we have unique capabilities, well-positioned assets and long-standing customer relationships to safely deliver higher returns and lower carbon."

Webcast
Chevron conducted a webcast on Tuesday, February 28, 2023 to discuss the company's strategy at the annual investor meeting. Presentations, prepared remarks and a full transcript of the meeting is available on the Investor Relations website - Chevron Events and Presentations — Chevron

Form 10-K Annual Report Which Provides a Comprehensive Overview of the Company for the Past Year

Feb. 26, 2024—(*abridged*) *https://chevroncorp.gcs-web.com/sec-filings/sec-filing/10-k/0000093410-24-000013*

Human Capital Management
Chevron invests in its workforce and culture, with the objective of engaging employees to develop their full potential to deliver energy solutions and enable human progress. The company hires, develops, and strives to retain a diverse workforce of high-performing talent, and fosters a culture that values diversity, inclusion and employee engagement.

The Chevron Way explains the company's beliefs, vision, purpose and values. It guides how the company's employees work and establishes a common understanding of culture and aspirations.

Chevron leadership is accountable for the company's investment in people and the company's culture. This includes reviews of metrics addressing critical function hiring, leadership development, retention, diversity and inclusion, and employee engagement.

The following table summarizes the number of Chevron employees by gender*, where data is available, and by region as of December 31, 2023.

	Female		*Male*		*Total Employees*	
	# of employees	%	# of employees	%	# of employees	%
Non-Service Station Employees						
U.S.	5,713	26%	15,905	74%	21,638	47%
Other Americas	1,122	29%	2,740	71%	3,874	8%
Africa	611	16%	3,209	84%	3,823	8%
Asia	2,550	36%	4,608	64%	7,174	16%
Australia	562	26%	1,574	74%	2,140	5%
Europe	442	28%	1,102	71%	1,563	3%
Total Non-Service Station Employees	11,000	27%	29,138	72%	40,212	88%
Service Station Employees	2,392	44%	2,011	37%	5,388	12%
Total Employees	**13,392**	**29%**	**31,149**	**68%**	**45,600**	**100%**

*Includes employees where gender data was not collected or employee chose not to disclose. Total employees w/o 1,059 of which 985 were Service Station Employees.

Business and Operational Risk Factors
Chevron may not complete the acquisition of Hess Corporation within the time frame the company anticipates or at all, which could have adverse effects on Chevron. The completion of the acquisition of Hess Corporation (Hess) is subject to a number of conditions, including regulatory approvals and approval by Hess stockholders of the adoption of the merger agreement. Additionally, Hess and Chevron have been engaged in discussions with Exxon Mobil Corporation and China National Offshore Oil Corporation regarding a right of first refusal provision in the joint operating agreement for the Stabroek Block offshore Guyana. If these discussions do not result in an acceptable resolution and arbitration (if pursued) does not result in a confirmation that such right of first refusal provision is inapplicable to the merger, then there would be a failure of a closing condition under the Merger Agreement, in which case the merger would not close. For additional information, please see the section entitled "The Merger—Stabroek JOA" in Chevron's preliminary registration statement on Form S-4 to be filed on February 26, 2024.

Further, on December 7, 2023, Chevron and Hess each received a request for additional information and documentary materials (Second Request) from the Federal Trade Commission (FTC) in connection with the FTC's review of the merger. Issuance of the Second Request extends the waiting period imposed by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, until 30 days after Chevron and Hess have substantially complied with the Second Request, unless that period is extended voluntarily by Chevron and Hess or terminated sooner by the FTC.

The failure to satisfy all of the required conditions could delay the completion of the acquisition for a significant period of time or prevent it from occurring at all. In addition, the terms and conditions of the required regulatory authorizations and consents for the acquisition that are granted, if any, may impose requirements, limitations or costs or place restrictions on the conduct of the company's business after the transaction or materially delay the completion of the acquisition. A delay in completing the acquisition could cause the company to realize some or all of the benefits later than we otherwise expect to realize them if the acquisition is successfully completed within the anticipated timeframe, which could result in additional transaction costs or in other negative effects associated with uncertainty about completion of the acquisition.

Monthly News--Feb. 22, 2024

Chevron Ranked as One of the Best Employers in 2023

Forbes and *Newsweek* listed Chevron as one of 2023's best workplaces. It was among two oil and gas companies to receive recognition for LGBTQ+ workplace inclusion. Chevron was also singled out for its wider diversity efforts.

The kudos came after the media outlets worked with research firms to evaluate factors like working conditions, diversity, compensation and development potential.

Forbes Ranking

In *Forbes'* fifth annual list of "America's Best Employers by State", Chevron placed among the best companies as the:

- Only oil and gas company to make the cut in California.
- Highest-ranking oil and gas company in Louisiana.
- Highest-ranking oil and gas company in Texas.

Newsweek Rankings

Greatest Workplace (4/5) - In the first of several *Newsweek* category recognitions, the outlet named Chevron one of the top 1,000 companies in the United States. The articles below hint at why that might be:

- At chevron, mental health programs matter.
- Workplace culture is the secret to success.

Parents and Families (4.5/5)

Chevron was named among the top companies that excel in supporting work-life balance, including for new parents and families.

"The work-life balance working for this company is so amazing," said Vanessa Fruge, process engineer, when discussing how Chevron accommodated her during her pregnancy. "They really promote the fact that if you're happy at home, then you can be happy at work. That's what I love most about working with a company that can accommodate me in all stages of my life."

The company also:
- Strives to support breastfeeding moms.
- Helps parents who've taken a career break rejoin the workforce.

Job Starters (4.5/5) - Training, mentorship and loyalty are among the criteria that job seekers consider when researching career moves.

Those new to the workforce can note that Chevron was named among this year's top workplaces for job starters.

The company has previously been named:
- A top company for workers without a degree.
- A top 10 employer for Gen Z college grads.

LGBTQ+ (5/5) - Chevron was among two oil and gas companies named on the "America's Greatest Workplaces for LGBTQ+ 2023" list. It has been:
- Championing for the rights of its LGBTQ+ employees for 30 years.
- Recognized by the Human Rights Campaign for 17 consecutive years for LGBTQ+ workplace inclusion.

Diversity (4.5/5) - A new category, this year's "America's Greatest Workplaces for Diversity 2023", considers factors like veteran support and inclusivity.

Learn how Chevron is:
- Helping Latino leadership and culture thrive.
- Making disability inclusion a priority.
- Energizing its workforce with a neurodiversity program.

Veteran Support

A separate *Forbes* ranking recognized Chevron as one of the best employers for veterans.

The ranking was based on a survey of 8,500 veterans, polled on topics like career advancement opportunities and support transitioning into a civilian career.

Learn how veterans are:
- Working around the globe in the energy industry.
- Taking lessons they learned during their service and applying them to their jobs.

What We're Saying

"I'm honored that Chevron has been recognized by both *Forbes* and *Newsweek* as a top workplace. Our commitment to engaging the full potential of our people to deliver the future of energy is at the core of everything we do. We do this because our business succeeds best when our employees feel engaged and empowered, and we look forward to building on this momentum for years to come."

Rhonda Morris, Vice President and Chief Human Resources Officer

HBCU Students Shine at National Innovation Summit

Getting discovered doesn't just happen in Hollywood. Just ask Jordan Washington, a senior biological engineering student at North Carolina Agricultural and Technical State University (NCA&T).

The 23-year-old from Baltimore, Maryland, didn't get his big career break from an online job application or in-person interview. His talent, tenacity and tangible solutions about renewable energy wowed judges during a national business pitch competition. His winning efforts landed him a summer internship at Chevron—and fueled his early career path.

"As a student at a Historically Black College and University (HBCU), this level of visibility is huge," said Washington, now in his final semester.

Star Search

Washington's career journey began at the 2022 Chevron Energy Innovation Summit in Houston, Texas. The three-day event is designed to discover the best and brightest engineering talent from HBCUs.

During the competition, Washington and other select students from across the country were challenged with a case study about renewable energy. On the final day, they pitched design and business solutions to a panel of expert judges.

The event is part of Chevron's $2 million commitment to the Thurgood Marshall College Fund—the nation's largest organization representing the Black college community and a vital resource for K-12 education.

Top Talent Takes the Stage

Hariprasad Janakiram Subramani, strategic relationship manager for Chevron Technology Ventures (CTV), provided mentoring for students during the competition. He and his team noticed Washington's energetic participation and performance throughout the event. On the strength of that performance, Washington was offered a summer internship with CTV.

"I was impressed by Jordan's enterprising personality, curiosity and willingness to quickly learn new topical areas," he said.

Why it Matters

According to the U.S. Department of Education, an estimated 40% of Black engineers graduate from HBCUs. In fact, Washington's school—NCA&T—is the top producer of Black engineers in the country.

However, NCA&T and other land-grant HBCUs have been underfunded by as much as $12.8 billion over the last three decades compared to other schools.

As part of Chevron's racial equity strategy, the company committed $7 million over five years to seven participating HBCUs. Funding for each school fuels scholarships, mentorship programs and internship opportunities.

"We're a medium-sized school and have a lot of people to compete against for jobs," Washington said. "This partnership provides an elevated level of visibility with Chevron. They recognize us as great talent—and when they specifically recruit from my school, it means a lot."

What's Ahead

In May 2024, Washington will cross the graduation stage with his diploma in hand. Then, he's headed back to Houston, Texas, to begin his dream job as an environmental specialist with Chevron's Environmental Management Company.

“Having an early opportunity to land a great job like this is incredible," he said. "I’m excited to start my career at Chevron.”

‘We Have to Do Both,’ Chevron CEO on Energy in Coming Years

Worldwide demand for oil and gas is expected to grow through the decade’s end, Chevron’s top executive said during a round of recent interviews.

“We don’t control demand,” Mike Wirth, the company’s Chairman and CEO, told *CNBC’s* Brian Sullivan. “We supply demand. And so, we will grow our oil and gas business over the next five years.”

Chevron is growing its traditional energy business while investing in technologies to meet the demand for new lower carbon energies, Wirth added.

Why it Matters

The world is already witnessing a record need for energy, with last year’s oil demand setting a record and this year’s demand tracking to top it.

Oil and gas are projected to remain a substantial part of the world’s energy mix to 2050, across a wide range of future scenarios published by industry experts including IEA, OPEC, EIA and others.

Lower Carbon Ambitions

During an appearance at the Council on Foreign Relations CEO Speaker series, Wirth said Chevron is making progress toward its lower carbon ambitions.

He detailed how the company is:

- Working toward reaching its upstream methane-intensity target by 2028 and has reduced the methane intensity of its oil and gas operations by more than 50% since 2016.
- The second-largest producer of renewable fuels in the U.S.
- Investing in a hydrogen project that enables utility- and industrial-scale storage of renewable energy.

The Bigger Picture

Wirth advised policymakers to not exclude one energy source in favor of another, as many solutions will be needed.

“There are three things that really matter when you talk about energy: affordability, reliability and the environment,” he said during an interview with Daniel Yergin, vice chairman of S&P Global. “If you have an energy policy that focuses on only one of those, you can create unintended consequences and have something that is not sustainable.”

Wirth added that solutions must be scalable and enacted with speed. “If we can’t scale them up, they can’t make a difference,” he said. “And then if you get solutions that work on scale, we need to do it with some speed, and that’s where capital markets come in and you harness private investment.”

Keeping the Lights On
Separately, at the *Wall Street Journal's* CEO Summit, Wirth underscored the important role companies like Chevron play in helping supply both traditional energy and lower carbon solutions.

"We have to be able to do both," he said. "One of the big challenges for an energy company like ours is we've got a big business today that meets the needs of the world, and we've got customers and economies around the world that depend on what we do to keep the lights on and the trains going.

Energy Equation Requires Multiple and Diverse Energy Sources

When it comes to the planet's energy future, diversity is key.

That's according to Chris Powers, vice president for Carbon Capture, Utilization, and Storage (CCUS) for Chevron New Energies (CNE), who recently addressed a gathering of industry leaders in Singapore.

The Big Three
Powers noted three key factors—solutions, scale and speed—are needed in the transition to lower carbon energy. These factors are interconnected. For example, solutions and scale drive speed.

"We're taking a big-tent approach to energy that focuses on both lowering the carbon intensity of our existing operations and growing new, third-party businesses that play to our historical strengths."
Chris Powers, Vice President of CCUS, Chevron New Energies

The Bottom Line
Chevron is lowering the carbon intensity of its existing operations by reducing emissions from its hydrocarbon production. That can occur by lowering Scope 1 and Scope 2 emissions.
Scope 1 emissions are direct emissions from the company's operations. Scope 2 emissions are indirect emissions resulting from the energy the company purchases and uses.

CNE focuses on building new businesses in areas that align with Chevron's legacy strengths, including:

- CCUS
- Hydrogen
- Carbon offsets
- Advanced geothermal
- Renewable fuels

CNE also invests in hydrogen, CCUS and other new energy companies. They not only collaborate with these companies, but also test their technologies at Chevron operations to help them take critical steps in scaling from the lab to fully commercial.

Collaboration is Critical
Chevron is pilot testing the technology at its San Joaquin Valley operations in California. This pilot is part of a public-private partnership agreement (Cooperative Agreement No. DE-FE0031944) with the U.S. Department of Energy National Energy Technology Laboratory. Svante also provides carbon capture expertise and project management. The technology is

designed to reduce costs and enable more widespread adoption of carbon capture and removal across various industries.

Innovation and collaboration across sectors and borders will be key to unlocking the full potential of lower carbon energy, according to Powers.

Chevron Reports Fourth Quarter 2023 Results

- Reported earnings of $2.3 billion; adjusted earnings of $6.5 billion
- Record $26.3 billion cash returned to shareholders in 2023
- Record annual worldwide and U.S. production
- Announced an 8 percent increase in quarterly dividend to $1.63/share

Feb. 2, 2024-- Chevron Corporation reported earnings of $2.3 billion ($1.22 per share - diluted) for fourth quarter 2023, compared with $6.4 billion ($3.33 per share - diluted) in fourth quarter 2022. Included in the current quarter were $1.8 billion of U.S. upstream impairment charges and $1.9 billion of decommissioning obligations from previously sold assets in the U.S. Gulf of Mexico. Foreign currency effects decreased earnings by $479 million. Adjusted earnings of $6.5 billion ($3.45 per share - diluted) in fourth quarter 2023 compared to adjusted earnings of $7.9 billion ($4.09 per share - diluted) in fourth quarter 2022.

Earnings Summary

	Three months ended December 31	
Millions of dollars	2023	2022
Earnings by business segment		
Upstream	$1,586	$5,485
Downstream	1,147	1,771
All Other	(474)	(903)
Total	$ 2,259	$6,353

"In 2023, we returned more cash to shareholders and produced more oil and natural gas than any year in the company's history," said Mike Wirth, Chevron's chairman and chief executive officer. Cash returned to shareholders totaled over $26 billion for the year, 18 percent higher than last year's record total, and annual worldwide net oil-equivalent production increased to over 3.1 million barrels of oil-equivalent per day, led by 14 percent growth in the United States.

"We also strengthened our portfolio with traditional and new energy acquisitions to help meet the growing demand for affordable, reliable, and ever-cleaner energy," Wirth concluded. In 2023, the company completed several acquisitions, including PDC Energy, Inc. and a majority stake in ACES Delta, LLC, and signed an agreement to acquire Hess Corporation.

2023 Financial Highlights

- Reported earnings declined compared to last year primarily due to lower upstream realizations, losses from decommissioning obligations for previously sold assets in the U.S. Gulf of Mexico, higher U.S. upstream impairment charges mainly in California and lower margins on refined product sales.
- Worldwide and U.S. net oil-equivalent production set annual records. Worldwide production was up 4 percent from a year ago primarily due to the acquisition of PDC Energy, Inc. (PDC) and growth in the Permian Basin, which was up 10 percent over 2022.

- Added approximately 980 million barrels of net oil-equivalent proved reserves in 2023, which are subject to final reviews, that equate to 86 percent of net oil equivalent production for the year. The largest net additions were from acquisitions in the United States, and extensions and discoveries in the Permian Basin. The largest net reductions were from revisions in the Permian Basin, east Texas and California.
- Capex in 2023 was up 32 percent from last year primarily due to higher investments in the United States, including about $450 million invested in PDC assets post-acquisition and approximately $650 million of inorganic spend, mainly due to the acquisition of a majority stake in ACES Delta, LLC. Capex excludes the acquisition cost of PDC.
- Cash flow from operations was lower than a year ago mainly due to lower commodity prices and lower margins on refined product sales. Over the past three years, the company has generated over $110 billion in cash flow from operations and nearly $80 billion of free cash flow.
- Eliminated over $4 billion of debt, including all debt assumed in the PDC acquisition, resulting in a net debt ratio of 7.3 percent.
- The company returned a record $26.3 billion of cash to shareholders during 2023, including dividends of $11.3 billion (3 percent higher than 2022) and share repurchases of $14.9 billion (32 percent higher than last year).
- The company's Board of Directors declared an 8 percent increase in the quarterly dividend to one dollar and sixty-three cents ($1.63) per share, payable March 11, 2024, to all holders of common stock as shown on the transfer records of the corporation at the close of business on February 16, 2024.

2023 Business Highlights

- Completed the acquisition of PDC, enhancing the company's strong presence in the DJ and Permian Basins in the United States.
- Completed the acquisition of a majority stake in ACES Delta, LLC, which is developing a green hydrogen production and storage hub in Utah.
- Achieved first oil at the Mad Dog 2 project in the Gulf of Mexico.
- Achieved first natural gas production from the Gorgon Stage 2 development in Australia.
- Achieved mechanical completion on the Future Growth Project at the company's 50 percent-owned affiliate, Tengizchevroil.
- Converted the diesel hydrotreater at the El Segundo, California refinery to process either 100 percent renewable or traditional feedstocks.
- Reached final investment decision to construct a third gathering pipeline that is expected to increase natural gas production capacity at the Leviathan reservoir, offshore Israel.
- Expanded the Bayou Bend carbon capture and sequestration hub on the U.S. Gulf Coast through an acquisition of nearly 100,000 acres.
- Received approvals to extend Block 0 concession in Angola through 2050.
- Received approval to extend licenses with PetroBoscan, S.A. and PetroIndependiente, S.A. in Venezuela through 2041.
- Acquired 73 exploration blocks in the Gulf of Mexico (GOM) lease sale 259 and submitted winning bids on 28 blocks in GOM lease sale 261, subject to final government approval.
- Announced a definitive agreement to acquire Hess Corporation, which is expected to strengthen Chevron's long-term performance by adding world-class assets and people.

Upstream

- U.S. upstream reported a loss in the fourth quarter 2023. The results were lower than the year-ago period primarily due to charges associated with decommissioning obligations for previously sold assets in the U.S. Gulf of Mexico, higher impairment charges mainly from assets in California, and lower realizations. These items were partially offset by higher sales volumes, including from production post-closing of the PDC acquisition.

- U.S. net oil-equivalent production was up 34 percent from fourth quarter 2022 and set a new quarterly record, primarily due to the acquisition of PDC, which added 266,000 oil-equivalent barrels per day during the quarter, and higher production in the Permian Basin.
- International upstream earnings in the fourth quarter 2023 were higher than a year ago primarily due to the absence of fourth quarter 2022 write-off and impairment charges, and lower operating expenses, partially offset by lower realizations.
- Net oil-equivalent production during the quarter was down 25,000 barrels per day from a year earlier primarily due to normal field declines.

Downstream

- U.S. downstream earnings in fourth quarter 2023 were lower compared to last year primarily due to lower margins on refined product sales.
- Refinery crude oil inputs during the quarter increased 4 percent from the year-ago period as the company processed more crude oil in place of other feedstocks.
- Refined product sales in fourth quarter 2023 were up 5 percent from the year-ago period, primarily due to higher demand for jet fuel.
- International downstream earnings during the quarter were higher compared to a year ago primarily due to lower unfavorable foreign currency effects.
- Refinery crude oil inputs in fourth quarter 2023 decreased 4 percent from the year-ago period as refinery runs decreased due to planned shutdowns.
- Refined product sales during the quarter were flat compared to fourth quarter last year.

All Other

- Consists of worldwide cash management and debt financing activities, corporate administrative functions, insurance operations, real estate activities and technology companies.
- Net charges in fourth quarter 2023 decreased compared to a year ago primarily due to lower employee benefit costs and favorable tax items.

Mark Ross to Retire as President of Chevron Shipping Company, Succeeded by Barbara Pickering

Jan. 24, 2024-- After 33 years of distinguished service, Mark Ross, President of Chevron Shipping Company, has elected to retire effective May 1, 2024. Barbara Pickering, currently Vice President of Operations, Chevron Shipping Company, will succeed Mark as President.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20240124396325/en/

Mark has led Chevron Shipping Company since 2015. Prior to that, he served as Vice President of Operations of the company for four years. He joined Chevron in 1990 and has held positions of increasing responsibility in Chevron’s Midstream, Upstream, and Downstream organizations. He is also a Director of the American Bureau of Shipping and the UK P&I Club and is a past Chairman of the Oil Companies International Marine Forum (OCIMF) and the Society of International Gas Tanker and Terminal Operators (SIGTTO).

Mark holds a bachelor's degree in chemical engineering from the University of California at Berkeley, a master's degree in chemical engineering from the University of Illinois at Urbana-Champaign, and a Master of Business Administration degree from the University of California at Berkeley.

Barbara received a bachelor's degree in Maritime Studies from Liverpool University in the United Kingdom and joined Chevron in 1991 as a ship charterer in London. She has held positions of increasing responsibility with Chevron in the UK, Australia, and the United States. She also currently serves as a Vice Chairman of OCIMF.

"Under Mark's leadership, Chevron Shipping Company has delivered exceptional safety and environmental performance and has greatly expanded its marine capabilities," said Colin Parfitt, President Midstream. "We thank Mark for his many contributions and wish him well in the future."

"It has been an honor and privilege to have worked for Chevron Shipping Company and to have served as President for the past nine years. I take immense pride in what we have accomplished in transforming Chevron Shipping Company into a world-class marine organization. Words cannot properly express how I feel about our organization and the deep appreciation I have for the people who run it – onboard our ships, at our terminals, and ashore. I have known Barbara for 30 years and I am thrilled she will now lead our company," said Ross.

About Chevron Shipping Company
Chevron Shipping Company is the global marine subsidiary of Chevron Corporation. Since launching its first tanker in 1895, Chevron Shipping Company has evolved into a world-class marine services company that provides safe and reliable transportation, manages marine risk, and delivers marine functional expertise across the Chevron enterprise. Today, Chevron Shipping Company employs approximately 2,000 people worldwide, operates a modern fleet of 30 ships and charters third-party ships to transport crude oil, LNG, LPG, refined petroleum products and chemicals for Chevron operations around the globe.

Chevron Direct Investment Fund Ltd. Confirms Kazakh Investments

Jan. 18, 2024 – Chevron Direct Investment Fund Ltd. (CDIF) has announced investment agreements into two Kazakhstani companies.

After extensive work, CDIF made direct equity investments in 2023 of up to $41MM (USD) into Top Cleaning Kazakhstan LLP (top.kz), a managed service marketplace for the business and Orhun Med Ltd, a growing healthcare company in Kazakhstan. The companies are planning to expand their businesses using CDIF's investments, creating jobs across Kazakhstan and bringing necessary technologies into the country.

Both ventures demonstrated robust business cases, including the potential for significant economic and social impact to the development of Kazakhstan's economy. They also satisfied all CDIF eligibility criteria.

*"*We're pleased to announce these investments, showcasing a successful partnership between the Ministry of Energy and Chevron. This collaboration delivers essential contributions to the community, including personnel education and technology advancement for the country,*"* **Almasadam Satkaliyev**, Minister of Energy of the Republic of Kazakhstan.

The objective of the CDIF is to make a significant positive contribution to the economic development of the Republic of Kazakhstan. This is enabled by investing into commercially viable enterprises across various industries, including but not limited to manufacturing, works and services in the oil and gas industry with the potential of developing the local supply chain, environmental stewardship, and information technologies.

"Having invested in Kazakhstan for three decades, Chevron takes pride in our longstanding partnership and commitment to furthering investments in the country. These investment agreements signify a new chapter in our company's efforts to actively support the development of Kazakhstan's industries and local ventures,"
Derek Magness, Managing Director for Chevron's Eurasia Business Unit.

"The company will continue to explore profitable investment opportunities in Kazakhstan with the aim of developing local industries and inviting enterprises to become a part of this growth story."

Chevron Direct Investment Fund Ltd. is a private company registered in the Astana International Financial Center (AIFC). It is Chevron's investment vehicle to support Kazakhstan's economy by investing into commercial local enterprises across various industries, including but not limited to manufacturing, works and services in oil and gas industry with potential of developing the local supply chain, environmental stewardship, information technologies, including digital technologies. Please see www.cdif.kz for more information.

Chevron Direct Investment Fund Ltd. is not a Collective Investment Scheme Fund and has not the relevant Astana Financial Services Authority (AFSA) License to carry on any financial activities.

Chevron and City of Santa Paula Complete Donation of Historic Union Oil Company of California Headquarters and $2 Million Grant

Jan. 10, 2024-- Chevron, through its affiliate Union Oil Company of California, has transferred ownership and control of the former headquarters of Union Oil Company of California to the City of Santa Paula. The donation became official Dec. 27, 2023.

Included in the donation are the historic headquarters building, a "Rig Building," an adjacent parking lot, select oil industry memorabilia, and a substantial $2 million grant. The grant is intended to assist the City in addressing maintenance for the 133-year-old iconic building.

"For over 130 years, the former Union Oil Company of California headquarters has been a major historic building that not only defines the town's aesthetics but also serves as a cultural and economic anchor to businesses of all types in downtown Santa Paula," said Mayor Leslie Cornejo. "Acquiring this piece of local history is a major win for our community, and we are looking forward to restoring operations for our residents and visitors to enjoy."

On October 17, 1890, Union Oil Company of California was founded in a second-floor office of the building. The building continued to serve as Union Oil Company of California headquarters until the company moved to Los Angeles in 1900. In 2005, the company was acquired and became a Chevron affiliate.

"The birthplace of Union Oil Company of California is part of the proud history of Chevron, and we recognize we share some of that heritage with the City of Santa Paula," said Gaynor

Shirreffs, President of Chevron Environmental Management Company. “We are pleased to donate this historic building and entrust it to the City’s stewardship so it may be used for the benefit and enjoyment of the community.”

The Union Oil Company of California headquarters building is listed on the National Register of Historic Places. It is also a California State Historical Landmark and Ventura County Historical Landmark.

Since 1993, Union Oil Company of California has leased its former headquarters and adjacent properties near the corner of Main Street and 10th Street to the City of Santa Paula to serve as the home of the California Oil Museum. The City, responsible for facility repairs and maintenance, saw the museum managed by the California Oil Museum Foundation, a small nonprofit organization dedicated to preserving the historical significance of the petroleum industry’s early impact on the region. Unfortunately, due to pandemic-induced financial hardships, the California Oil Museum Foundation had to close the museum in September 2021.

As the lease neared expiration, the City actively engaged with Chevron to strategize the best approach to protect, preserve, and financially support the property. In October 2022, the City Council explored the opportunity to transfer ownership of the property, aiming to broaden funding avenues for reopening the facility through federal, state, and local grants, as well as capital fundraising efforts.

In November 2022, Chevron proposed a donation by Union Oil Company of California, encompassing the historic headquarters building, the “Rig Building,” an adjacent parking lot, a $2 million grant to address building maintenance along with select oil industry memorabilia displayed in the museum.

The City, committed to responsible stewardship, plans to utilize the generous grant for critical repairs and improvements, including roof and HVAC system replacements, water damage repairs, and flood prevention measures as well as establishing a trust to develop reserves to maintain the building for generations to come.

Additionally, while the details of the transfer agreement were in the works, the City Council commissioned an ad hoc committee to explore options for the future use of the building. To ensure inclusive community involvement in shaping the property’s future, the City hosted a series of community workshops, including one focused on youth feedback, led by David Yoshitomi, Arts & Culture Manager of the County of Ventura. City staff, working closely with the ad-hoc committee of the Council, current tenants, and stakeholders, identified potential uses for the buildings.

“I am profoundly grateful to Chevron for their exceptional generosity in donating the historic headquarters to the City,” said Dan Singer, City Manager of Santa Paula. “Their support ensures that the legacy of the Union Oil Company of California will continue to thrive, serving as a catalyst for economic development and community engagement in downtown Santa Paula. We extend our heartfelt thanks to Chevron for their pivotal role in shaping the future of our beloved city.”

On December 19, 2023, the City published a Request for Proposals (RFP) to invite proposals for the potential use of this historic property. The City envisions future tenants transforming the space into a vibrant, educational, and community-oriented hub, stimulating local businesses and attracting residents and visitors alike. This multifaceted approach aligns with the vision of the Union Oil Building as a catalyst for economic development in downtown Santa Paula.

The City plans to commemorate this significant occasion with a formal ribbon-cutting ceremony in April 2024, coinciding with the celebration of Santa Paula's 122 years of incorporation. For additional information on the RFP, go to www.spcity.org.

Our operations:
Chevron Exec: California Policy Would Deter Energy Production

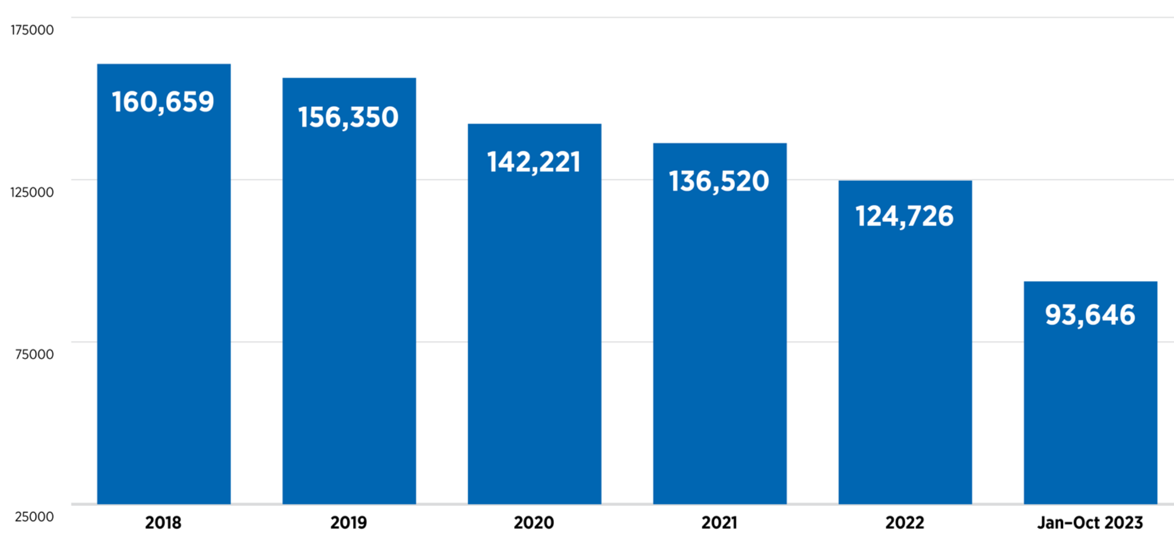
Jan. 8, 2024--A Chevron executive is calling on the California Energy Commission to reject a policy that would limit energy investment in the state.

Andy Walz, President of Chevron Americas Products, said in a letter to the commission that California's Senate Bill (SB) X1-2 would deter investment in the region's energy market.

5 things to know:

- Chevron's letter to the California Energy Commission: SB X1-2 would worsen the supply-and-demand imbalances and increase gasoline prices in the state.
- California's gas price contributors: Government policies, crude oil costs, geography, and taxes and fees are some of the top factors influencing the state's gasoline prices.
- Chevron's stance on California investments: California's policies have made it a difficult place to invest, prompting spending cuts and canceled projects.
- Chevron's recommendation: California should shift from a policy that disincentivizes production and toward one that incentivizes investment and innovation.
- Production drop: California's oil and gas production has dropped approximately 29% in the last six years.

California field production of crude oil
thousand barrels



Letter to the California Energy Commission

Thank you for the opportunity to comment on the impact of a potential maximum gross gasoline refining margin and penalty per Senate Bill (SB) X1-2 (2023), referred to herein as "margin penalty," and supply-and-demand imbalances, gasoline prices, and the transportation-fuels market generally. Chevron has a unique perspective on California's transportation-fuels market. We are one of the original oil producers in the state, and we have the most extensive business here, from wellheads to retail storefronts. We appreciate the opportunity to share this perspective.

Chevron believes energy must be affordable, reliable, and ever cleaner to enable human progress. That is why we have invested billions of dollars in creating new, lower-carbon energy sources to help meet California's growing demand for affordable and reliable energy. Chevron is proud of our progress in lowering the carbon intensity of our products and operations. It is with these goals in mind that Chevron writes to provide context for the California Energy Commission's (CEC) decision regarding whether to impose a gross gasoline refining margin penalty under SBX1-2. Unfortunately, the distortive effects of such a policy would likely run counter to the goal of ensuring that gasoline remains affordable and reliable, in addition to ever cleaner.

Rather than solving supply challenges or enabling increased production of clean, affordable gasoline, a margin penalty would contribute to a decades-long trend of decreasing investment and tightening supply. Since the 1980s, dozens of refineries have closed due to an increasingly harsh regulatory environment, which has resulted in increased gasoline price volatility and reduced production. A margin penalty will only exacerbate this troubling trend.

How Does Policy Impact Gasoline Prices?

In determining the likely impact of a potential margin penalty, the CEC should consider the factors that drive gasoline prices in California, including government policies at the downstream (refining and retail), midstream (pipelines and shipping), and upstream levels (crude oil and natural gas production); crude oil prices; geography; and taxes and fees. A margin penalty addresses none of those factors and will likely only worsen supply and demand imbalances and, in turn, increase gasoline prices.

Downstream Policies

As in any industry, retail gasoline prices are determined by supply, demand, and governmental policy. Supply and demand generally work like in any other market – more demand or less supply equals higher prices, and the converse is also true. And in most other markets, supply and demand adjust to quickly resolve market disruptions; for example, suppliers would typically increase production to meet demand during price spikes. But in the California gasoline market, increasingly burdensome government policies, passed with the stated aim of reducing gasoline supply, have driven a wedge between supply and demand.

This trend began more than 25 years ago, when, in 1995, the state implemented its unprecedented California Air Resource Board Phase 2 Gasoline Formulation Mandate (California Cleaner Burning Gasoline), setting the course for the state to become a "fuel island." The goal of these policies has always been to phase out gasoline, including by increasing gasoline prices. Indeed, then-California Senate Leader Darrell Steinberg said during negotiations around AB 32, the "Global Warming Solutions Act of 2006": "Under either a carbon tax or cap and trade applied to fuel, consumers will pay more at the pump. That's necessary. Higher prices discourage demand. If carbon pricing doesn't sting, we won't change our habits." And in 2022, California's Air Resources Board approved a plan to cut liquid petroleum fuels 90% by 2045 – only achievable with extraordinary and aggressive interventions that will cause consumer prices to rise.

In short, two decades of policy choices have reduced supply elasticity and severely limited refiners' ability to react to higher prices. Every day, California consumes more than 60 million gallons of crude oil and Californians drove more this year in October than in any previous October. The same for September and August. Demand for oil derived products remains robust. But the manufacturing capacity to refine that crude oil into useful products like gasoline, diesel, and jet fuel continues to tighten. California's policies not only have neglected to respond to the increasing supply-and-demand imbalances—they have worsened them.

Upstream and Midstream Policies

The policies that impact gasoline prices are not just refining-related, however. Onerous permitting restrictions for crude production or energy infrastructure and costs associated with California's unique environmental policies all reduce supply or raise the cost of production. The state has long pursued a set of policies to reduce demand, increasing gasoline prices to change consumer behavior. California has used all these policy levers simultaneously in a manner that has raised retail costs for gasoline.

Crude Oil Prices

The CEC in September 2022 reported that the primary influence on gasoline prices is the global price of crude oil – the main input for gasoline, diesel, and jet fuel production. Markets for crude oil are some of the most liquid and transparent in the world and rise or fall based on global demand changes, geopolitical risk, and policy decisions by oil-exporting countries. Demand for energy is largely inelastic because energy is essential to modern life. Energy is required for just about everything we do. That demand elasticity, coupled with global price shocks, can cause prices to rise quickly and stay elevated.

Geography

Geography is also a significant driver of price volatility. The West Coast is an energy island, cut off from supply in the rest of the United States, without pipeline infrastructure to receive products from the Gulf Coast. The Jones Act restricts shipping between the Gulf Coast and California, complicating and limiting domestic, ocean-borne tanker routes. The supplier of the next resort – the next-best choice – is the Asia-Pacific seaborne market. The requirement for a unique California blend of gasoline adds to this isolation. Especially in the summer, this blend is expensive and requires specific equipment to produce, costs which are passed along to California drivers. These supply challenges, plus the resulting delays and shipping time, further constrain the supply of imported gasoline.

Taxes and Fees

The CEC rounded out its analysis of why California gasoline prices are so high by noting the costs of taxes and fees. Californians pay over $1 per gallon in taxes, fees, and costs associated with environmental programs every time they fill up. CEC data for 2022 shows average gasoline state taxes were $0.66 per gallon with an additional $0.49 for "environmental fees" bringing the total to $1.15. This was over 3.7 times higher than the national average state tax of $0.31 in 2022.

Bottom Line for a Margin Penalty

A margin penalty will not resolve upstream, midstream, or downstream policies that create supply restrictions. Nor would a margin penalty ease crude oil prices, geographical challenges, or high taxes and fees. Instead, it will only serve to drive supply and demand further apart by disincentivizing investment and distorting the price signals that help resolve supply disruptions.

In particular, a margin penalty can only serve to further deter investment in the state's energy market. This is not hyperbole, nor is it merely hypothetical. California's policies have made Chevron's investments in its home state riskier than investing in other states, with projects being lower in quality and higher in cost. Chevron alone has reduced spending in California by hundreds of millions of dollars since 2022 –California's policies have made it a difficult place to invest so we have rejected capital projects in the state. Such capital flight reflects the state's inadequate returns and adversarial business climate.

The CEC and the Legislature have yet to articulate a theory for how a margin penalty can solve any of the challenges that all stakeholders agree face the California transportation-fuels market. Until and unless it can do so, the CEC should refrain from adopting a policy that can only exacerbate those challenges.

Margin Penalty and Other Production Disincentives

Policies that intentionally handicap the energy industry, such as a potential margin penalty, can have a direct impact on consumers because they may reduce the incentive to invest and thus decrease supply. The state has dampened price spikes in middle distillates by incentivizing renewable diesel, jet fuel, and kerosene, but has not engaged in similar work to increase gasoline supplies – and in the absence of those supply buffers, tight supplies have led to significant price spikes, while regulations make investment here perilous. Projects by in-state refiners would help increase affordable, reliable, safe, and equitable access to fuel, but state policies disincentivize these projects.

How does Investment Impact Gasoline Prices?

Overall investment in the oil and gas industry can impact gasoline prices through a complex system that involves various interdependent components. Increased investment in exploration, extraction and production technologies can potentially lead to higher oil supplies, providing reliable supply of oil helping to stabilize or lower prices. Investment in infrastructure used to safely transport both the oil used in gasoline production and the finished products themselves provides affordable and reliable methods which can reduce the cost of getting gasoline to the pump. Investment into tankage can provide additional flexibility when uncertainty occurs in this complex network. Conversely, lower investment reduces supply and contributes to more volatility and higher prices.

Importantly, investments in alternative energy sources and technologies can help diversify and influence the overall energy market. At Chevron, we believe in an "all-of-the-above" approach is needed to lower carbon energy solutions. Battery and hydrogen fuel-cell powered electric vehicles are a part of the solution. However, we also believe that with the right policy support, investment can be made in affordable alternatives while reducing emissions from vehicles on the road by using existing technology and infrastructure.

How does Policy Impact Investments into Renewables?

A margin penalty will not only decrease investment in *gasoline*; by creating uncertainty in the energy markets, it will decrease overall investment by energy companies in California, including and especially in renewable energy. Poorly designed policies have created uncertainty in businesses' confidence in in-state investments, leading to reluctance to commit funds to long-term renewable energy projects. Chevron has been fueling California for more than 140 years, and we continue to be leaders in transportation engineering and research. But policies like a margin penalty create uncertainty across its business model (from early-stage investments in clean energy to delivering consumer-ready gasoline across the state) and prevent it from contributing that leadership across all its segments, including renewable investments.

Chevron leverages our strengths to safely deliver lower-carbon energy to a growing world. We aim to lead in lower carbon intensity oil, products, and natural gas, and advance new solutions to reduce carbon emissions of major industries. We have committed to spending $2 billion in carbon reduction projects from our existing businesses and another $8 billion in lower carbon investments by 2028. And in 2021, Chevron announced our intention to grow our renewable fuels production capacity to 100,000 barrels per day by 2030.

With our biofuels projects at El Segundo Refinery and our acquisition of Renewable Energy Group (REG) in 2022, we are approximately halfway to that goal. However, we are facing challenges meeting that goal with investments in California. In the past year, we have canceled several projects due to permitting challenges. Uncertainty with the potential imposition of a margin penalty on our refineries would impact our ability to fund similar renewable energy projects.

How Can California Help Lower Cost of Fueling?

Chevron believes in lower-carbon solutions and projects and hopes to contribute to a more balanced conversation about the state's energy future. To make progress toward that future, California should shift away from a policy platform that disincentivizes production of affordable, reliable, and ever-cleaner energy and toward one that is more pragmatic, incentivizes investment and innovation, and recognizes challenges of scale and the need for diverse solutions. Industry participants can make voluntary lower carbon investments but can only do so in a policy environment that supports and encourages those investments.

In conclusion, while the margin penalty may have been proposed with the best intentions, it will reduce investment by suppliers and hurt consumers. The price spikes and market volatility symptomatic of tight gasoline supply will only get worse – this disincentive to California manufacturing will make them more frequent and more disruptive. By considering a margin penalty, the state is signaling its hostility to energy investment. Setting a margin penalty would absolutely discourage investments here. Further, these arbitrary attacks on a disfavored industry do more than this – they signal to every industry, entrepreneur, manufacturer, and employer that California is closed for business.

Thank you for providing this opportunity to comment.

Sincerely,

Andy Walz
President, Products

Humor Section – Crime doesn't pay…

So, a burglar broke in to the house…I put the red dot on his chest and the cat did the rest…

Remember how when you were little you could just rip off your diaper and run around naked and everyone thought it was so cute and funny?   Anyway, I need bail money.

So now, cocaine is legal in Oregon, but straws are not. That must be frustrating

I was mugged by a thief last night on my way home.
Pointing a knife at me…He asked me "your money or your life!"
I told him I am Married…so I have no money and no life…
We hugged and cried together.
It was a beautiful moment…

<u>True Stories</u>

Police in California spent two hours attempting to subdue a gunman who had barricaded himself inside his home. After firing ten tear gas canisters, officers discovered that the man was standing beside them in the police line, shouting, 'Please come out and give yourself up.'

An Illinois man, pretending to have a gun kidnapped a motorist and forced him to drive to two different automated teller machines, wherein the kidnapper proceeded to withdraw money from his own bank accounts.

A man walked into a Topeka, Kansas Kwik Stop and asked for all the money in the cash drawer. Apparently, the take was too small, so he tied up the store clerk and worked the counter himself for three hours until police showed up and grabbed him.

Police in Los Angeles had good luck with a robbery suspect who just couldn't control himself during a lineup. When detectives asked each man in the lineup to repeat the words: 'Give me all your money or I'll shoot', the man shouted, 'That's not what I said!'

In California, a man was arrested for trying to hold up a Bank of America branch without a weapon. He used a thumb and a finger to simulate a gun. Unfortunately, he failed to keep his hand in his pocket.