

## 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*

### Our Operations

#### Marking a Century of Progress in Indonesia

Aug. 27, 2024-- Six degrees of separation is the notion that we're all six connections or fewer away from one another. But when it comes to Chevron Indonesia's impact on the regions it works in, Wahyu Budiarto says the circle is even tighter.

"I always tell people that it's three degrees of separation for the lives Chevron has touched or helped improve here," said Budiarto, Chevron Indonesia's country manager. "You can pick anyone, and I believe that will be the case."

This theory is a testament to Chevron Indonesia's work over the past 100 years.

#### History Lesson

In 1924, Chevron sent four geologists to Indonesia. This was Chevron's first foray into the Eastern Hemisphere.

Twelve years later, Chevron secured exploration rights to an unpromising region on the island of Sumatra.

"It was a region that no oil company wanted," the now-defunct *Chevron World* magazine reported in 1986. "A map drawn by a prominent government geologist in 1930 had noted that central Riau Province contained a large underground layer of granite, a clear sign that any search for hydrocarbons would be futile."

To say that such a projection was inaccurate would be an understatement. Today, this region contains Duri Field, which was once among the largest oil and gas projects of its kind.

Chevron's first crude reserve in the area was found under Duri Field in 1941. It comprised billions of barrels, and it was the largest deposit in Southeast Asia until the discovery of the reserve beneath Minas Field.

Chevron discovered Minas Field, the biggest oil reserve in Southeast Asia, on Dec. 4, 1944. It helped to make Indonesia a leading crude oil producer in the region. Chevron, then CalTex Pacific Oil Company, carefully developed the giant Minas Field. This allowed the company to start production at 15,000 barrels of oil per day.

#### Economic Ripple Effect

Chevron has produced more than 12 billion barrels of oil from Indonesia's onshore and offshore fields.

And working with the Indonesian government and other partners, Chevron has helped create a positive [economic ripple effect](#) in the country. For example:

- The nation built the 2,700-kilometer (1,678-mile) Trans-Sumatra highway. It did so with support from government revenue generated by Chevron.

- From 2009 to 2013, each Chevron job supported an average of 36 other jobs in Indonesia.

### **in the Community**

Chevron Indonesia has been contributing to the economic and social well-being of residents since the 1950s. That was when it established the first local senior high school in Pekanbaru, Riau Province. Since then, the company has:

- Launched a business development program that led to more than 7,800 contracts with local Indonesian companies. The program also created nearly 52,000 jobs.
- Began working with YCAB Foundation. This organization helps end poverty through education and innovative financing.
- Built and sponsored Politeknik Caltex Riau, Riau Province's first polytechnic university.
- Supported the [Mangrove Ecosystem Restoration Alliance \(MERA\) program](#) at the Muara Angke Wildlife Reserve in Jakarta.
- Built and sponsored the Politeknik Aceh school in response to the 2004 Indian Ocean earthquake and tsunami.

### **A New Era**

Chevron Indonesia stopped producing oil and gas in 2023. It's now focused on supporting the growth of new energy.

For example, Chevron New Energies (CNE) is currently working with Pertamina, Indonesia's largest energy company, in a geothermal exploration concession in Way Ratai, Lampung. CNE is also working with Pertamina to study the potential development of a CCS hub in East Kalimantan.

"To me, opportunities like this would not have been possible without the two factors we inherited from our 100 years of operation: our relationship and our reputation," Budiarto said. "We have to be thankful to the people who are here and those who helped build our company along the way."

### **Chevron Builds on CCS Portfolio with Greenhouse Gas Assessment Permit Offshore Australia**

Aug. 22, 2024--Chevron Corporation, through its subsidiary Chevron Australia New Ventures Pty Ltd (Chevron), has been awarded a greenhouse gas (GHG) assessment permit offshore Western Australia. The permit award provides further opportunity for Chevron to deliver on its strategy of safely delivering lower carbon energy to a growing world.

The G-18-AP permit is offshore from Onslow, Western Australia and covers an area of approximately 8,467 km<sup>2</sup> with water depths of 50-1100m. The permit area will be evaluated as part of a hub for storing third party emissions, including those from Chevron's operated LNG assets.

The permit involves a joint venture with Chevron as operator, and Woodside Energy Ltd. Chevron will hold a 70% participating interest in the permit, and Woodside will hold a 30% participating interest. Chevron has agreed to farm down five percent of its equity in the permit to GS Caltex (GSC) of Korea. GSC's entry into the permit is conditional on regulatory approvals and other matters.

“Chevron, along with our joint venture participants, have a unique set of assets, capabilities and customer relationships to support the further assessment, development and deployment of carbon capture and storage (CCS) in Australia,” said Chris Powers, vice president of CCUS & Emerging for Chevron New Energies.

“Together with the Chevron-operated Gorgon CCS project, one of the world’s largest integrated facilities, coupled with our existing GHG assessment permits, this new award has potential to expand Chevron’s portfolio of CCS assets in Australia,” he said.

Mark Hatfield, managing director, Chevron Australia said: “These opportunities have the potential to help us lower the carbon intensity of our own operations as well as provide opportunities to help our customers reduce or offset emissions from their activities.”

This block award adds to Chevron’s non-operated interests in G-9-AP, G-10-AP and G-11-AP as well as operating Gorgon CCS which has now captured and stored 10 million tonnes of CO<sub>2</sub>-equivalent.

According to the International Energy Agency, reaching global net zero will be virtually impossible without CCUS.<sup>1</sup>

<sup>1</sup> *Energy Technology Perspectives 2020, Special Report on Carbon Capture Utilisation and Storage p13*  
“Reaching net zero will be virtually impossible without CCUS”

### **ExxonMobil Global Outlook: Our View to 2050**

Aug. 26, 2024—ExxonMobil released its annual energy outlook. The Global Outlook is ExxonMobil’s view of energy demand and supply through 2050. It is the foundation of its business plan; the analysis is based on a long-term assessment of:

- Economic trends
- Advances in technology
- Consumer behavior
- Climate-related public policy

In 2050, the world will be different-vastly different. To meet critical needs, the world will need to increase access to reliable, affordable energy from a broad set of solutions. There will be:

- 10 billion people by 2050- the population will increase at a rate of 1 million people every six days.
- 15% increase in energy use- all of that growth will go toward raising living standards in the developing world.
- 25% decline in emissions- by 2030, carbon emissions are projected to fall for the first time.
- >4x increase of solar and wind in the total energy mix- rapid growth in wind and solar will spur the biggest changes to the energy landscape.
- >50% of energy demand still met by oil and natural gas- oil and natural gas will remain an essential part of the global energy mix.

Energy demand drivers:

- Affordable and reliable energy fuels economic development and modern living standards.
- Large energy disparity still exists between developed and developing countries.

- Growing energy consumption supports economic expansion, enabling longer, more productive lives for the growing global population.

Energy transition progress:

- By 2030, carbon emissions are projected to fall for the first time as economic activity expands.
- Hard-to-decarbonize commercial transportation and industrial activity will account for nearly half of the world's emissions in 2050.
- Reducing emissions to achieve a below 2 degree Celsius pathway will require supportive policy, technology innovation, and market incentives to drive faster deployment of all available solutions.

Energy mix projections:

- Oil and natural gas remain the largest energy sources.
- Electricity use grows in all sectors, with generation from solar and wind growing the fastest.
- Coal is displaced by lower-emission sources, including both renewables and natural gas.
- Commercial transportation and industrial feedstocks drive continued demand for oil

Energy demand trends, by 2050, growing population and rising prosperity in developing nations drives:

- Global electricity demand to nearly double.
- Energy demand for transportation to grow by more than 20%.
- Energy demand for industry to grow by 20%.

Energy supply:

- The world's demand for oil and natural gas remains strong.
- Oil and natural gas supply from existing wells naturally declines over time, making sustained investments more important than ever.
- Growing demand for LNG, driven by the Asia Pacific region, is underpinned by growing North America and Middle East supply.

## **Our Operations**

### **Chevron Powers up Engineering and Innovation ENGINE in India**

Aug. 20, 2024--Coming from three generations of scientists, Chevron's incoming country head Akshay Sahni is no stranger to India's engineering and technological prowess.

For Sahni, the opportunity to lead Chevron's new \$1 billion Engineering and Innovation Excellence Center (ENGINE) in Bengaluru is transformational. It's about far more than just connecting India's talent with Chevron's global operations.

It's about bringing the world of Chevron to India, a world Sahni is passionate about.

### **A Global Journey**

Sahni grew up in the foothills of the Himalayas. After completing his Ph.D. in energy science and engineering at Stanford in the late 1990s Sahni, like many talented graduates, was approached by multiple top-tier employers, but one company stood out.

“I fell in love with Chevron’s collaborative, friendly culture,” Sahni said. “Everyone in Chevron is empowered to make a meaningful impact, fostering a sense of purpose and belonging. This not only drives performance but also contributes to the personal and professional growth of our people.”

Sahni’s journey with Chevron has taken him around the globe, from leading engineering teams in Venezuela, China and Kazakhstan, to managing assets in Thailand and California. He has also developed assets in Bangladesh, delivered key technology in Louisiana and most recently led Chevron’s global technology strategy out of Houston.

“Every new assignment presents new challenges, but also major opportunities. Collaboration, underpinned by a strong, inclusive culture is foundational to how we deliver affordable, reliable and ever-cleaner energy to a growing world.”

**Akshay Sahni**, Incoming Country Head, India

### **Coming Home**

In building Chevron’s ENGINE Center in Bengaluru, Sahni is looking to bring the world of Chevron to India.

“It’s India’s time,” Sahni stated. “Bengaluru has massive scientific talent, and I am thrilled that we will be building a team here which will be at the very nexus of solving today’s energy challenges and delivering tomorrow’s lower carbon energy solutions.”

### **Why It Matters**

Operating out of a modern facility near Bellandur, Chevron ENGINE will be critical to advancing technology solutions for existing global operations, while also innovating for the future of lower carbon energy.

“By bringing together Chevron’s seasoned global experts and India’s engineering and technology talent ecosystem,” Sahni asserted.

“We can foster a workforce ready to lead the future of energy. There has never been a better time to join the energy industry.”

**Akshay Sahni**, Incoming Country Head, India

### **Seeking Talent**

[Chevron India](#) will have meaningful opportunities for top-tier talent with specialized skills to provide technical services for operations and projects across Chevron’s enterprise, encompassing both engineering and digital services.

### **Chevron Starts Production at Anchor With Industry-First Deepwater Technology**

Aug. 12, 2024-- Chevron Corporation announced today that it started oil and natural gas production from the Anchor project in the deepwater U.S. Gulf of Mexico. Anchor production marks the successful delivery of high-pressure technology that is rated to safely operate at up to 20,000 psi, with reservoir depths reaching 34,000 feet below sea level.

“The Anchor project represents a breakthrough for the energy industry,” said Nigel Hearne, executive vice president, Chevron Oil, Products & Gas. “Application of this industry-first

deepwater technology allows us to unlock previously difficult-to-access resources and will enable similar deepwater high-pressure developments for the industry.”

The Anchor semi-submersible floating production unit (FPU) has a design capacity of 75,000 gross barrels of oil per day and 28 million gross cubic feet of natural gas per day. The Anchor development will consist of seven subsea wells tied into the Anchor FPU, located in the Green Canyon area, approximately 140 miles (225 km) off the coast of Louisiana, in water depths of approximately 5,000 feet (1,524 m). Total potentially recoverable resources from the Anchor field are estimated to be up to 440 million barrels of oil equivalent.

“This Anchor milestone demonstrates Chevron’s ability to safely deliver projects within budget in the Gulf of Mexico,” said Bruce Niemeyer, president, Chevron Americas Exploration & Production. “The Anchor project provides affordable, reliable, lower carbon intensity oil and natural gas to help meet energy demand, while boosting economic activity for Gulf Coast communities.”

The Anchor FPU is Chevron’s sixth operated facility currently producing in the U.S. Gulf of Mexico, one of the lowest carbon intensity oil and gas basins in the world. Chevron’s operated and non-operated facilities in the Gulf of Mexico are expected to produce a combined 300,000 net barrels of oil equivalent per day by 2026.

To reduce carbon emissions, the Anchor FPU was designed as an all-electric facility with electric motors and electronic controls. Additionally, the FPU utilizes waste heat and vapor recovery units as well as existing pipeline infrastructure to transport oil and natural gas directly to U.S. Gulf Coast markets.

Chevron, through its subsidiary Chevron U.S.A. Inc., is operator and holds a 62.86 percent working interest in the Anchor project. Co-owner TotalEnergies E&P USA, Inc. holds a 37.14 percent working interest.

## **Monthly News**

### **A New Deepwater Frontier**

Aug. 12, 2024-Anchor is the first deepwater development to deploy pioneering 20,000 psi technology. Powered by innovation, Anchor is helping us unlock more energy at greater depths and pressures in the U.S. Gulf of Mexico.

The first of its kind, powered by innovation. Anchor is helping Chevron safely deliver more energy from the U.S. Gulf of Mexico, home to some of the world’s lowest carbon intensity oil and gas.

A new deepwater frontier-Anchor is made possible by industry-leading high-pressure technology. A pioneering deepwater development rated to safely operate at up to 20,000 psi, with reservoir depths reaching 34,000 feet below the water surface. Anchor is expected to safely deliver for decades to come.

#### **At a glance**

- Safely deploying technology that can handle pressures up to 20,000 psi.
- Peak gross barrels-per-day crude oil production 75,000.
- Expected to produce for up to 30 years.

## Fact sheet

<https://www.chevron.com/-/media/chevron/what-we-do/documents/anchor-factsheet-download.pdf>

**Chevron SEC Form 10-Q Quarterly Report Filing**

Aug. 7, 2024-Excerpt

**Note 17. Agreement to Acquire Hess Corporation**

On October 23, 2023, Chevron Corporation announced it had entered into a definitive agreement with Hess Corporation (Hess) to acquire all of its outstanding shares in an all-stock transaction, valued at approximately \$53 billion, pursuant to which Hess stockholders will receive 1.0250 shares of Chevron common stock for each Hess share. The transaction was unanimously approved by the Boards of Directors of both companies.

On May 28, 2024, a majority of Hess stockholders voted to approve the merger. 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). The parties have completed their responses to the Second Request and anticipate the FTC's regulatory review concluding in the third quarter of 2024.

The filing of the arbitration relating to the right of first refusal contained in an operating agreement among Hess Guyana Exploration Limited, a wholly owned subsidiary of Hess, affiliates of Exxon Mobil Corporation, and China National Offshore Oil Corporation may cause the transaction to be completed at a later time or to fail to be completed. The arbitration merits hearing about the applicability of the right of first refusal to the transaction has been scheduled for May 2025, with a decision expected in the following three months.

Chevron and Hess are working to complete the merger as soon as practicable. However, neither Chevron nor Hess can predict the actual date on which the transaction will be completed, if at all, because it is subject to conditions beyond each company's control. See [Item 1A. Risk Factors](#) for a discussion of risks related to the Hess acquisition.

***Business Environment and Outlook***

Chevron Corporation is a global energy company with direct and indirect subsidiaries and affiliates that conduct substantial business activities in the following countries: Angola, Argentina, Australia, Bangladesh, Brazil, Canada, China, Egypt, Equatorial Guinea, Israel, Kazakhstan, Mexico, Nigeria, the Partitioned Zone between Saudi Arabia and Kuwait, the Philippines, the Republic of Congo, Singapore, South Korea, Thailand, the United Kingdom, the United States, and Venezuela.

The company's objective is to safely deliver higher returns, lower carbon and superior shareholder value in any business environment. Earnings of the company depend mostly on the profitability of its upstream business segment. The most significant factor affecting the results of operations for the upstream segment is the price of crude oil, which is determined in global markets outside of the company's control. In the company's downstream business, crude oil is the largest cost component of refined products. Periods of sustained lower commodity prices could result in the impairment or write-off of specific assets in future periods and cause the company to adjust operating expenses, including employee reductions, and capital expenditures, along with other measures intended to improve financial performance. Governments, companies, communities, and other stakeholders are increasingly supporting efforts to address climate change. International initiatives and national, regional and state

legislation and regulations that aim to directly or indirectly reduce GHG emissions are in various stages of design, adoption, and implementation. These policies and programs, some of which support the global net zero emissions ambitions of the Paris Agreement, can change the amount of energy consumed, the rate of energy-demand growth, the energy mix, and the relative economics of one fuel versus another. Implementation of jurisdiction-specific policies and programs can be dependent on, and can affect the pace of, technological advancements, the granting of necessary permits by governing authorities, the availability and acceptability of cost-effective, verifiable carbon credits, the availability of suppliers that can meet our sustainability-related standards, evolving regulatory or other requirements affecting ESG standards or other disclosures, and evolving standards for tracking, reporting, marketing and advertising relating to emissions and emission reductions and removals.

Significant uncertainty remains as to the pace and extent to which the transition to a lower carbon future will progress, which is dependent, in part, on further advancements and changes in policy, technology, and customer and consumer preferences. The level of expenditure required to comply with new or potential climate change-related laws and regulations and the amount of additional investments needed in new or existing technology or facilities, such as carbon capture and storage, is difficult to predict with certainty and is expected to vary depending on the actual laws and regulations enacted, available technology options, customer and consumer preferences, the company's activities, and market conditions. Although the future is uncertain, many published outlooks conclude that fossil fuels will remain a significant part of an energy system that increasingly incorporates lower carbon sources of supply for many years to come.

Chevron supports the Paris Agreement's global approach to governments addressing climate change and continues to take actions to help lower the carbon intensity of its operations while continuing to meet the demand for energy. Chevron believes that broad, market-based mechanisms are the most efficient approach to addressing GHG emission reductions. Chevron integrates climate change-related issues and the regulatory and other responses to these issues into its strategy and planning, capital investment reviews, and risk management tools and processes, where it believes they are applicable. They are also factored into the company's long-range supply, demand, and energy price forecasts. These forecasts reflect estimates of long-range effects from climate change-related policy actions, such as electric vehicle and renewable fuel penetration, energy efficiency standards, and demand response to oil and natural gas prices.

The company will continue to develop oil and gas resources to meet customers' and consumers' demand for energy. At the same time, Chevron believes that the future of energy is lower carbon. The company will continue to maintain flexibility in its portfolio to be responsive to changes in policy, technology, and customer and consumer preferences. Chevron aims to grow its oil and gas business, lower the carbon intensity of its operations and grow lower carbon businesses in renewable fuels, carbon capture and offsets, hydrogen and other emerging technologies. To grow its lower carbon businesses, Chevron plans to target sectors of the economy where emissions are harder to abate or that cannot be easily electrified, while leveraging the company's capabilities, assets, partnerships, and customer relationships. The company's oil and gas business may increase or decrease depending upon regulatory or market forces, among other factors.

**All Other** consists of worldwide cash management and debt financing activities, corporate administrative functions, insurance operations, real estate activities and technology companies.

#### **Noteworthy Developments**

Certain noteworthy developments in recent months included the following:



- Angola - Added frontier exploration acreage positions in the deepwater lower Congo Basin.
- Brazil - Secured 15 exploration blocks in the South Santos and Pelotas Basins.
- Equatorial Guinea - Signed agreements to acquire two exploration blocks offshore Bioko Island.
- Namibia - Signed agreements to acquire 80 percent working interest in Petroleum Exploration License 82 in the Walvis Basin.
- Venezuela - Received approval to extend licenses with Petropiar, S.A. and PetroIndependencia, S.A. through 2047 and 2050, respectively.

## **Chevron Announces Headquarters Relocation and Senior Leadership Changes**

Aug. 2, 2024-- Chevron Corporation today announced the relocation of the company's headquarters from San Ramon, California, to Houston, Texas, and senior leadership changes.

### **Headquarters Relocation**

The company's headquarters will move from San Ramon, California, to Houston, Texas. Chevron Chairman and CEO, Mike Wirth, and Vice Chairman, Mark Nelson, will move to Houston before the end of 2024 to co-locate with other senior leaders and enable better collaboration and engagement with executives, employees, and business partners.

There will be minimal immediate relocation impacts to other employees currently based in San Ramon. The company expects all corporate functions to migrate to Houston over the next five years. Positions in support of the company's California operations will remain in San Ramon.

Chevron currently has roughly 7,000 employees in the Houston area and approximately 2,000 employees in San Ramon. The company operates crude oil fields, technical facilities, and two refineries and supplies more than 1,800 retail stations in California.

### **Leadership Announcements**

The company also announced the following leadership changes:

Nigel Hearne, executive vice president, Oil, Products & Gas, will retire from Chevron after 35 years of service to the company. Since 2022, Hearne has led the consolidation of Chevron's Upstream, Midstream and Downstream businesses, ensuring a more integrated approach to value chains, asset class excellence and operational excellence.

"Nigel's contributions across the business and around the world have made Chevron a stronger company," said Mike Wirth, Chevron's chairman and chief executive officer. "He's been an inspiring leader and mentor to many, and his accomplishments position our company for even more success in the future."

Mark Nelson, Chevron's vice chairman, will take responsibility for Oil, Products & Gas, effective October 1, 2024.

Rhonda Morris, vice president and chief human resources officer, will retire after 31 years of service to the company. Since 2016, Morris has been responsible for shaping and driving Chevron's people and culture strategy, including leadership succession, learning and talent, diversity and inclusion, workforce planning and total rewards.

"Rhonda has been a tireless advocate for our people, helping ensure our employees work in an inclusive environment where they can learn, develop and have rewarding careers," said Wirth.

Michelle Green, vice president, Human Resources, Oil, Products & Gas, will succeed Morris as vice president and chief human resources officer, effective January 1, 2025.

Colin Parfitt, vice president, Midstream, will retire after 29 years of service to the company. Since 2019, Parfitt has been responsible for the company's shipping, pipeline, power and energy management and supply and trading operating units.

"Colin has made an important impact on Chevron's commercial capabilities," said Wirth. "Under his leadership, our Midstream organization has created value by connecting and better integrating value chains around the world."

The company appointed Andy Walz, currently president, America's Products, to president, Downstream, Midstream & Chemicals, effective October 1, 2024. In this role, Walz will be responsible for directing the company's worldwide manufacturing, marketing, lubricants, chemicals and additives businesses along with Chevron's shipping, pipeline, power, and trading units.

### **Chevron Reports Second Quarter 2024 Results**

- Reported earnings of \$4.4 billion; adjusted earnings of \$4.7 billion
- Record Permian production; worldwide production 11 percent higher than last year
- Returned \$6 billion cash to shareholders; more than \$50 billion over last two years

Aug. 2, 2024-- Chevron Corporation reported earnings of \$4.4 billion (\$2.43 per share - diluted) for second quarter 2024, compared with \$6.0 billion (\$3.20 per share - diluted) in second quarter 2023. Foreign currency effects decreased earnings by \$243 million. Adjusted earnings of \$4.7 billion (\$2.55 per share - diluted) in second quarter 2024 compared to adjusted earnings of \$5.8 billion (\$3.08 per share - diluted) in second quarter 2023.

#### **Earnings Summary**

Millions of dollars	<b><u>Three months ended June 30</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Earnings by business segment		
Upstream	\$4,470	\$4,936
Downstream	597	1,507
All Other	(633)	(433)
<b>Total</b>	<b>\$4,434</b>	<b>\$6,010</b>

#### **Financial Highlights**

- Second quarter 2024 earnings decreased compared to last year primarily due to lower margins on refined product sales, the absence of prior year favorable tax items and negative foreign currency effects.
- Worldwide net oil-equivalent production was up 11 percent from a year ago primarily due to the PDC acquisition and strong performance in the Permian and DJ Basins in the U.S., partly offset by downtime in Australia.
- Capex in the second quarter of 2024 was up from last year largely due to higher investments in upstream, including post-acquisition spend on legacy PDC assets.
- Cash flow from operations was in line with the year ago period mainly as lower earnings were partially offset by higher dividends from equity affiliates and lower working capital.

- The company returned \$6.0 billion of cash to shareholders during the quarter, including dividends of \$3.0 billion and share repurchases of \$3.0 billion. This is the ninth straight quarter of over \$5 billion cash returned to shareholders.
- The company's Board of Directors declared a quarterly dividend of one dollar and sixty-three cents (\$1.63) per share, payable September 10, 2024, to all holders of common stock as shown on the transfer records of the corporation at the close of business on August 19, 2024.

### **Business Highlights and Milestones**

- Completed turnaround on Second Generation Injection plant and progressed start-up of the Wellhead Pressure Management Project with three pressure boost facility compressors online and eight metering stations converted at the company's affiliate Tengizchevroil.
- Signed agreement to acquire 80 percent working interest in Petroleum Exploration License 82 in the Walvis Basin, further expanding the company's frontier exploration acreage position offshore Namibia.
- Added frontier exploration acreage positions in the deepwater lower Congo Basin in Angola.
- Signed agreements to acquire two exploration blocks offshore Bioko Island in Equatorial Guinea.
- Secured 15 exploration blocks in the South Santos and Pelotas Basins in Brazil.
- Tested use of unmanned aircraft for detection of spills and leaks at the company's upstream and pipeline facilities in California pursuant to a first-of-its-kind waiver from the U.S. Federal Aviation Administration.

### **Upstream**

- U.S. upstream earnings were higher than the year-ago period primarily due to higher sales volumes and realizations, partly offset by higher depreciation, depletion and amortization and higher operating expenses, mainly from higher production.
- U.S. net oil-equivalent production was up 353,000 barrels per day from a year earlier primarily due to the successful integration of PDC and record high production in the Permian Basin.
- International upstream earnings were lower than a year ago primarily due to the absence of prior year favorable tax effects, lower sales volumes, unfavorable foreign currency effects and lower natural gas realizations, partly offset by higher liquids realizations.
- Net oil-equivalent production during the quarter was down 20,000 barrels per day from a year earlier primarily due to downtime in Australia and exit from Myanmar, partly offset by higher production in Canada, mainly due to the absence of wildfire related shutdowns.

### **Downstream**

- U.S. downstream earnings were lower compared to last year primarily due to lower margins on refined product sales and higher operating expenses.
- Refinery crude unit inputs, including crude oil and other inputs, decreased 9 percent from the year-ago period primarily due to downtime at the El Segundo, California refinery.
- Refined product sales increased 2 percent compared to the year-ago period.
- International downstream earnings were lower compared to a year ago primarily due to lower margins on refined product sales.

- Refinery crude unit inputs, including crude oil and other inputs, increased 3 percent from the year-ago period primarily due to lower turnaround activity at the GS Caltex affiliate in South Korea.
- Refined product sales increased 2 percent from the year-ago period.

**All Other**

- All Other consists of worldwide cash management and debt financing activities, corporate administrative functions, insurance operations, real estate activities and technology companies.
- Net charges increased compared to a year ago primarily due to unfavorable tax items and lower interest income.

**Statement from Chevron Chairman and CEO Mike Wirth on the Passing of Kenneth T. Derr**

July 12, 2024 — Chevron Chairman and CEO Michael K. Wirth today issued the following statement in response to the passing of former Chevron Chairman and CEO Kenneth T. Derr:

“Today is a sad day for the entire Chevron family. Ken was one of the most consequential people in Chevron history. He was truly a great leader whose vision and leadership helped guide Chevron through momentous times to create a high-performing company with outstanding people and legacy assets that distinguish our business to this day.

“When I first met Ken in the 1980s, I was a young engineer and he had a larger-than-life persona, was direct and to the point, but always led with his head and his heart. When COVID hit in 2020, I asked him for his lessons learned from the tumultuous 1970s. I thought he might respond with advice about financials, government outreach or business continuity. Instead, all he talked about was the importance of taking care of our people with the empathy, compassion and support they deserve.

He will be missed by me and the entire Chevron team. Our thoughts and sympathies are with his wife Donna and Ken’s family.”

**See How We’re Tackling Carbon Emissions  
A Lower Carbon Future**

July 11, 2024-Tackling carbon emissions takes big thinking put into even bigger action. Learn more about how we’re innovating toward lower-carbon energy.

**Carbon Fact Sheet**

[https://click.chevron.email/n/MTc4LVVYRS03MzQAAAGUQX7nnieTuWW3NIhsemTMFio0ajxh-W3LMp0ZXcXnmqEclhr0kXP\\_EP6LB2KG--euys7y82o=](https://click.chevron.email/n/MTc4LVVYRS03MzQAAAGUQX7nnieTuWW3NIhsemTMFio0ajxh-W3LMp0ZXcXnmqEclhr0kXP_EP6LB2KG--euys7y82o=)

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**Partnerships & Projects**

A lower carbon future is best achieved through collaboration. We are working in new ways with innovators, policymakers, partners and customers to understand and address the complex needs of the essential industries that enable modern society. We are working every day toward providing ever-cleaner energy that is also affordable and reliable.

## **Carbon Capture, Utilization, and Storage**

Here are some examples of our partnerships and projects:

- [americas](#)
- [asia pacific](#)

### Bayou Bend

Entered this CCS hub joint venture that has a footprint of nearly 140,000 acres both onshore and offshore in Chambers and Jefferson Counties, Texas, positioning Bayou Bend to be one of the largest carbon storage projects in the United States.

### Blue Planet

Invested in Blue Planet, which uses CO<sub>2</sub> as a raw material for making carbonate rocks used in place of quarried limestone in building material.

### Carbon Clean

Invested in Carbon Clean, a carbon capture company providing solutions for hard-to-abate industries. As part of the investment, Chevron and Carbon Clean are seeking to develop a carbon capture pilot for Carbon Clean's CycloneCC™ technology on a gas turbine in San Joaquin Valley, California.

### Carbon Engineering

Invested in Carbon Engineering to accelerate the commercialization of its direct air capture technology, which removes CO<sub>2</sub> directly from the air.

### Eastridge Carbon Capture and Storage Project

Developing a carbon capture and storage (CCS) project aimed at reducing the carbon intensity of our operations in San Joaquin Valley, California, by installing post-combustion carbon capture equipment to capture CO<sub>2</sub> and store it thousands of feet underground.

### Houston CCS Hub

Joined more than 10 industry partners to support large-scale CCS deployment to help decarbonize industrial facilities in Houston, Texas, one of the largest concentrated sources in the United States.

### Kern River Carbon Capture Project

Awarded a project from the U.S. Department of Energy (project #DE-FE0031944) to pilot technology that captures CO<sub>2</sub> from post-combustion gas.

### McKittrick Carbon Capture Project

Implementing engineering design for a commercial-scale project in the San Joaquin Valley, California, to capture CO<sub>2</sub> from a cogeneration plant's gas turbine.

### Quest

Collaborating on the world's first commercial-scale CCS project to tackle carbon emissions in the Canadian oil sands. The Quest project safely captures and stores 1 million tonnes of CO<sub>2</sub> per year, sequestering over 7 million tonnes of CO<sub>2</sub> as of 2021.

### Svante investment

Led investment in [Svante's Series E fundraising round](#), which raised \$318 million that will be used to accelerate the manufacturing of Svante's carbon capture technology. Watch this [interview](#) to learn more.

## Hydrogen

Some examples of our hydrogen partnerships and projects include:

- [americas](#)
- [asia pacific](#)
- [global](#)

### ACES Delta

Chevron has a majority interest in the Advanced Clean Energy Storage Delta (ACES Delta) electrolytic hydrogen storage project in Delta, Utah, with operations planned by mid 2025.

### Air Liquide, Lyondellbasell, and Uniper

Announced intent to collaborate on a joint study that will evaluate and potentially [advance the development of a hydrogen and ammonia production](#) facility along the U.S. Gulf Coast. The facility could support industrial decarbonization and mobility applications in the region and expand clean ammonia exports, helping to increase the supply of lower carbon power internationally.

### Aurora Hydrogen

Invested in Aurora Hydrogen, which is developing a hydrogen production technology that uses microwave energy without generating any CO<sub>2</sub> emissions or consuming water. Hydrogen production using Aurora's technology has the potential to reduce global CO<sub>2</sub> emissions.

### BNSF and Caterpillar

Announced a memorandum of understanding to advance the [demonstration of a locomotive powered by hydrogen fuel cells](#).

### Cummins

Announced a memorandum of understanding with BNSF and Caterpillar to explore a strategic alliance for commercially viable business opportunities in hydrogen and other alternative energy sources.

### HyVelocity Hub

Comprised of leading energy companies and organizations, the HyVelocity Hub is working to [accelerate the development of clean hydrogen projects](#) in Texas, Southwest Louisiana, and the U.S. Gulf Coast. GTI Energy, The Center for Houston's Future, The University of Texas at Austin, Air Liquide, and Chevron are among the founding members of the HyVelocity Hub.

### Raven SR and Hyzon

Announced collaboration with Raven SR and Hyzon to commercialize operations of a [green waste-to-hydrogen production facility](#) in Richmond intended to supply hydrogen fuel to transportation markets in Northern California.

### Solar Turbines

We are working with Caterpillar-owned Solar Turbines to adapt a low-emissions turbine engine partially fueled by hydrogen. Blending hydrogen with traditional fuels to power the engine could help reduce its greenhouse gas emissions.

### Starfire

Invested in Starfire, a Boulder, Colorado–based startup developing a modular, distributed ammonia production and cracking system.

### Syzygy Plasmonics

Chevron is invested in Syzygy, a developer of lower carbon hydrogen technology.

### Toyota Motor North America

Announced a memorandum of understanding with Toyota to explore a strategic alliance to catalyze and lead the development of commercially viable, large-scale businesses in hydrogen, with the goal of advancing a functional, thriving global hydrogen economy.

### Zero Emissions Industries (ZEI)

Chevron is invested in ZEI, a developer of hydrogen fuel cell power systems for the maritime industry.

## **Carbon Offsets**

Some examples of our partnerships, associations and investments include:

- [americas](#)
- [global](#)

### Acorns and One Tree Planted

Collaborating with Acorns, a saving and investing app in the United States, to pilot a new program in California to have five trees planted via the One Tree Planted organization every time a customer fills up at the pump. While not an offset credit-generating activity, the program provides an opportunity to better understand consumer interest in offsetting emissions from use of our products.

### Restore the Earth Foundation

Chevron is participating in a [reforestation project](#) for up to 18,800 acres, planting approximately 3.7 million trees in St. Charles Parish, Louisiana.

### University of Maryland

Supports the University of Maryland's modeling and analysis to promote carbon markets and transferability of emissions credits.

## **Emerging Technologies**

Some examples of our projects, partnerships and investments include:

- [americas](#)
- [asia pacific](#)
- [global](#)

### Greentown Labs

Partnered with Greentown Labs, the largest climate technology startup incubator in North America, to support opening a Houston, Texas, location. This builds on our support for Greentown Labs in Boston since 2013.

### Mainspring Energy

Invested in Mainspring Energy, a startup developing technology that has the potential to enable greater fuel flexibility and utilization of lower carbon fuels with near-zero NOx emissions.

### MIT

Chevron is a sustaining member of the MIT Energy Initiative, which fosters new research and education to develop innovative tools, technologies and solutions to address global energy needs and challenges.

### Natel Energy

Invested in Natel Energy, a startup providing hydropower-based technology that has the potential to unlock distributed hydropowered resources and that aims to provide a reliable, dispatchable power resource to balance intermittent renewables.

### Rice Alliance for Technology and Entrepreneurship

Chevron is a founding supporter of the Rice Alliance Clean Energy Technology Accelerator, which develops programs to support early-stage energy startups.

### Sonoma Clean Power

Working with Sonoma Clean Power to identify and develop geothermal opportunities in Sonoma and Mendocino counties, California.

### Texas Geothermal Energy Alliance (TXGEA)

Chevron is a member of TXGEA, an education and advocacy organization created to enhance geothermal energy in Texas.

## **Integrated Solutions**

Some examples of our collaborations and investments include:

- [asia pacific](#)
- [global](#)

### Pertamina

Announced a partnership with [PT Pertamina](#) to explore potential lower carbon business opportunities in Indonesia. To serve local and potentially regional customers, we plan to consider novel geothermal technologies; carbon offsets through nature-based solutions; carbon capture, utilization, and storage (CCUS); as well as lower carbon hydrogen development, production, storage and transport.

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## **What is a CO<sub>2</sub> Storage Hub?**

A carbon dioxide (CO<sub>2</sub>) storage hub may sound like a place buzzing with activity but in fact it's a deep geological reservoir where emissions from carbon-intensive industries are captured and permanently stored. CO<sub>2</sub> storage hubs offer a solution for what are known as hard-to-abate sectors. Think industries such as petrochemical, power, steel and cement manufacturing where it's difficult to decrease carbon intensity.

CO<sub>2</sub> storage hubs are often characterized by deep underground reservoirs. They are frequently served by pipes that transport the carbon to the hub. They are considered hubs because they collect and store CO<sub>2</sub> emissions from multiple industries located near the hub.

## **Why It Matters**

Hubs provide a place for businesses—such as industrial manufacturers that provide the services and products necessary for modern life (cement, steel and more)—to sequester and permanently store their CO<sub>2</sub>. When companies come together to share a hub, economies of



scale are created which can drive down costs. Dividing the upfront infrastructure costs, such as pipelines, makes CO<sub>2</sub> storage a more attractive solution.

Hubs can be a critical factor in helping to reduce carbon emissions to support the net zero ambitions of the Paris Agreement. According to the Intergovernmental Panel on Climate Change, large-scale carbon storage and capture technologies are instrumental in achieving such ambitions.

### **Digging Deeper**

Beyond costs, several factors influence where Chevron decides to build a carbon storage hub:

- Enough customers, also known as emitters, who are close enough to use the hub.
- Sufficient land and pore space to make a hub possible.
- Efficient and transparent regulatory policies in place to enable the development of hubs.

Geology and community engagement also influence where we build a hub. We aim to keep the community informed, answer questions and get input when considering establishing a carbon storage hub.

### **Investing In Tech**

Before you can store CO<sub>2</sub>, you have to capture it. Some companies do this already. For example, liquefied natural gas (LNG) producers routinely remove the CO<sub>2</sub> so they can compress and ship the LNG. Others would like to capture their CO<sub>2</sub> emissions but lack the technology.

Chevron is investing in a number of carbon capture technologies to support decreasing our own carbon intensity and to support customers across a variety of industries. Collaborating with customers, governments and industry enables us to deploy technology and projects on a wider scale. These public-private collaborations can help us overcome barriers such as the high cost of carbon capture and storage and help with public education and acceptance of CCUS.

“We believe it’s going to require multiple technology solutions. We think investing in and piloting technology will help advance the whole industry.”

**Iianne Armpriester**, General Manager of CCUS solutions for Chevron’s New Energies Organization

One such public-private collaboration is the U.S. Department of Energy awarding Chevron a DOE funding grant (project #DE-FE0031944) to pilot technology that captures CO<sub>2</sub> from natural gas post-combustion. In collaboration with Svante and the National Energy Technology Laboratory, we launched the six-month pilot in November 2022 at our Kern River facility in San Joaquin Valley, California.

We are focused on investing in innovative projects across the CCUS value chain to reduce costs and develop new ways to capture, use, and sequester carbon—with the goal of scaling these solutions.

### **Our Expertise**

Chevron helped pioneer large-scale CO<sub>2</sub> injection 40 years ago. We have experience transporting CO<sub>2</sub> in pipelines, having safely operated a CO<sub>2</sub> pipeline in Colorado for 35 years. Our insights from this firsthand experience and our understanding of subsurface spaces make us an ideal partner for businesses considering and implementing solutions such as these hubs.

**Policies**

Policies governing CO<sub>2</sub> storage are not uniform across the United States. Chevron complies with all laws and permitting processes. We also support policies that facilitate the establishment of hubs and allow us to provide a service that is important to lowering carbon intensity, particularly of industrial processes and products. Strong policy support and cooperation between potential participants is necessary to develop hubs and CO<sub>2</sub> transport infrastructure to enable lower-cost and large-scale carbon capture and storage deployment.

**Chevron Commits \$100,000 to New Mexico Wildfire Relief and Recovery Efforts**

July 8, 2024--Chevron U.S.A. Inc. today announced a donation of \$100,000 to support relief and recovery efforts in response to the South Fork fire and the Salt fire near the village of Ruidoso and the Mescalero Apache Reservation in south-central New Mexico.

“Through our legacy companies, Chevron has been a proud community partner in New Mexico for more than 100 years,” said Darrell Carriger, manager for Chevron's Delaware Basin operations in New Mexico. “Chevron is committed to supporting first responders, tribal and local governments, and non-profit organizations as they work to contain these fires and address impacts across Lincoln and Otero counties.”

The Greatest Need Impact Fund for Lincoln and Otero Counties, which is held within the Community Foundation of Southern New Mexico, will receive a \$75,000 donation. The Mescalero Apache Tribe, a federally-recognized tribal government, will receive a \$25,000 donation.

“On behalf of the Mescalero Apache Tribe, I extend our heartfelt gratitude to Chevron for their generous donation. This contribution will directly support our tribe and its members during these challenging times of fires and flooding on the reservation,” said Thora Padilla, President, Mescalero Apache Tribe. “With evacuation shelters set up at the Inn of the Mountain Gods and our local community center and volunteers tirelessly organizing and distributing essential supplies, Chevron's support is invaluable. Chevron's assistance helps us maintain our resilience and care for our community despite economic impacts and disruptions. Thank you for standing with us and aiding in our relief efforts.”

“The Community Foundation of Southern New Mexico is honored to receive the support of Chevron to care for our friends and neighbors throughout Lincoln and Otero counties,” said Terra V. Winter, President and CEO, Community Foundation of Southern New Mexico. “Funding will aid residents affected by the fires while focusing on emerging and long-term economic revitalization. We are humbled by the support from Chevron and grateful for their incredible generosity.”

Additionally, Chevron will match qualifying donations to wildfire relief efforts made by employees and retirees, as well as provide financial contributions to non-profit organizations where employees volunteer.

**Welcome to the Human Energy Newsletter**

July 3, 2024-From news and updates on Chevron's renewable fuel projects to our latest energy reports, we'll help you learn more about the energy sector.

**Corporate Sustainability**

We believe the world's continued demand for oil, natural gas and other energy products should be supplied by the most responsible producers.

We strive to protect the environment, empower people and get results the right way. This approach is integrated throughout our business.

[read 2023 sustainability report](#)

### ***Humor Section – The Political Season is Upon Us...***

*A little girl asked her Dad one day, "Dad, do all fairy tales begin with Once upon a time."? Her Dad replied, "No honey, some begin with If I get elected."*

*They hold elections in November because it's the best time for picking out a turkey.*

*A politician running for office was asked about his policy on liquor. He answered, "If you mean the demon drink that poisons the body, ruins the mind, destroys the family and creates criminals, then I'm against it! But if you mean the beautiful drink used for a wedding toast, the foundation of a fun Friday night and the biggest source of tax revenue to fund needy orphans, then I'm for it! And I won't change my mind, no matter what you say."*

*Q: What is the hardest mythical creature to find?*

*A. The honest, caring politician who listens and whom everyone will vote for.*

*When I was a kid, my dad always told me anyone could become president. Now that I'm an adult, I believe it...and it gives me nightmares!*

*Dear Facebook: Adding an "Unfriend until Election Day" option would save me a lot of time.*

*The only accurate statistic on Election Day: 100% of Americans think 50% of Americans have lost their dang minds.*

*"Politicians should wear sponsor jackets like NASCAR drivers, so then we know who owns them."  
~Robin Williams~*

*Waiting for results on election night is like waiting for your grade on a group project. I know I did my part right, but I'm worried the rest of you screwed it up*

*People say if you don't vote you can't complain, but I haven't found that to be true at all.*

*As a Russian citizen, I am confused about why it takes America so long to get a definitive result from their election—we know our results months in advance.*

*A robber held up a well-dressed man, pointing his gun and yelling, "Give me all your money!" The man replied, "Don't you know who I am? I'm a U.S. congressman!" The robber retorted, "In that case, give me all my money."*

*In the words of Yoda, "Vote you must!"*

*“Not voting, the path to the dark side is...”*

*You call my candidate a horse thief, and I call yours a lunatic, and we both of us know it's just till election day. It's an American custom, like eating corn on the cob. And, afterwards, we settle down quite peaceably and agree we've got a pretty good county – until next election.*