

Global Downstream

Mike Wirth
Executive Vice President



Downstream Themes

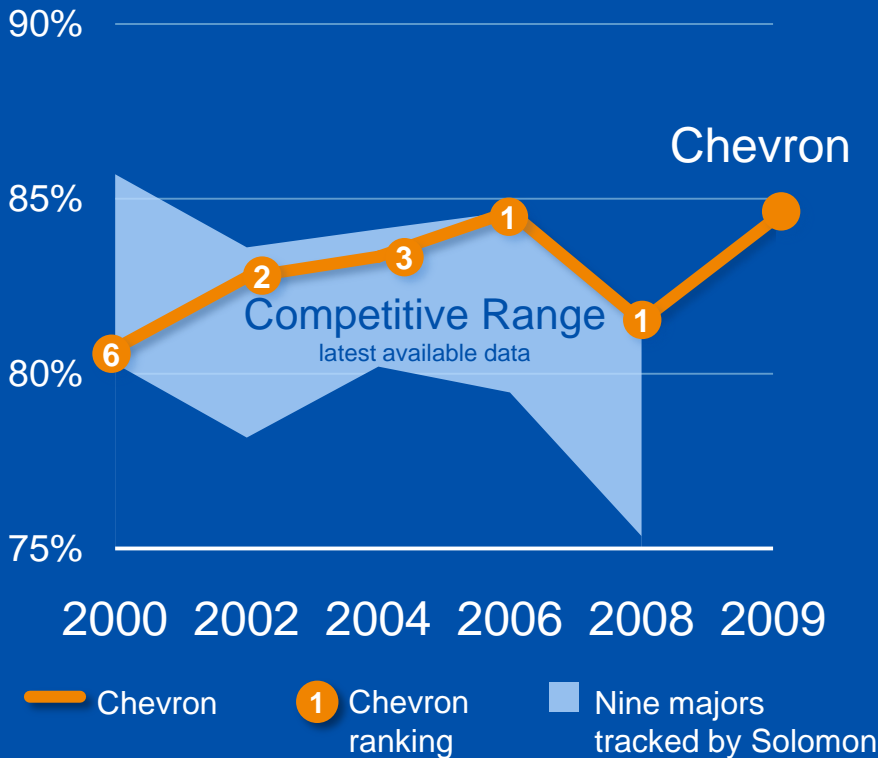
Performance

Competitiveness

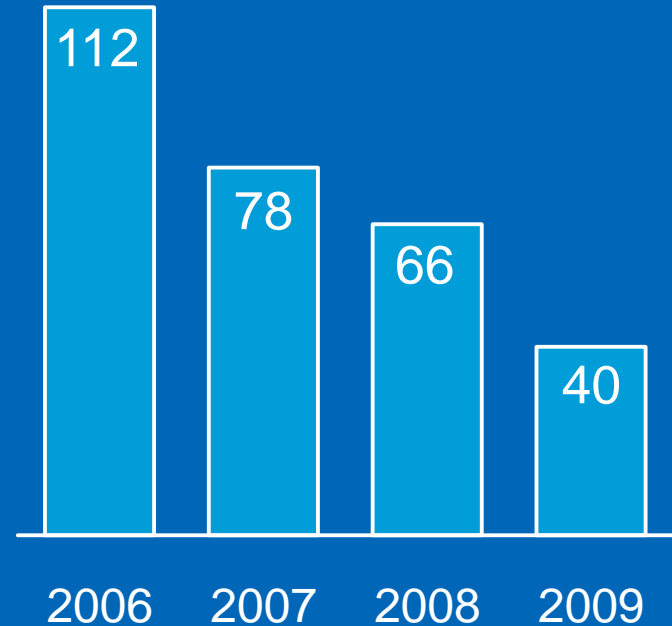


Top-Tier Reliability

Solomon Utilization Chevron vs. International Majors



Clock Resets Unplanned Unit Outages



Aggressive Cost Focus

\$2.2 Billion Reduction*

- Transportation
- Labor and services
- Portfolio actions



* Excludes fuel costs.

19%

Lower
from
2008
to
2009

Continued Portfolio Actions



Exits Completed **14**

Operating Expense **\$0.4 B** ↓

Workforce **1,500** ↓

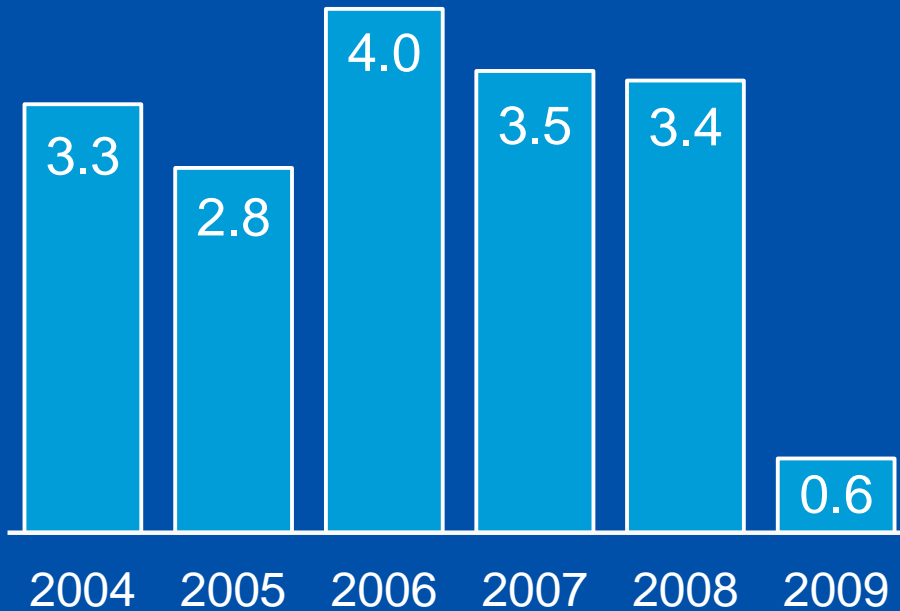
Capital Employed **\$1.0 B** ↓

Cash **\$1.6 B** ↑



Downstream Financial Performance

\$ Billions



← 17% ROCE annual average → 2%

- Long-term strong performance
- Difficult economic environment
- Actions underway to improve returns

Downstream Themes

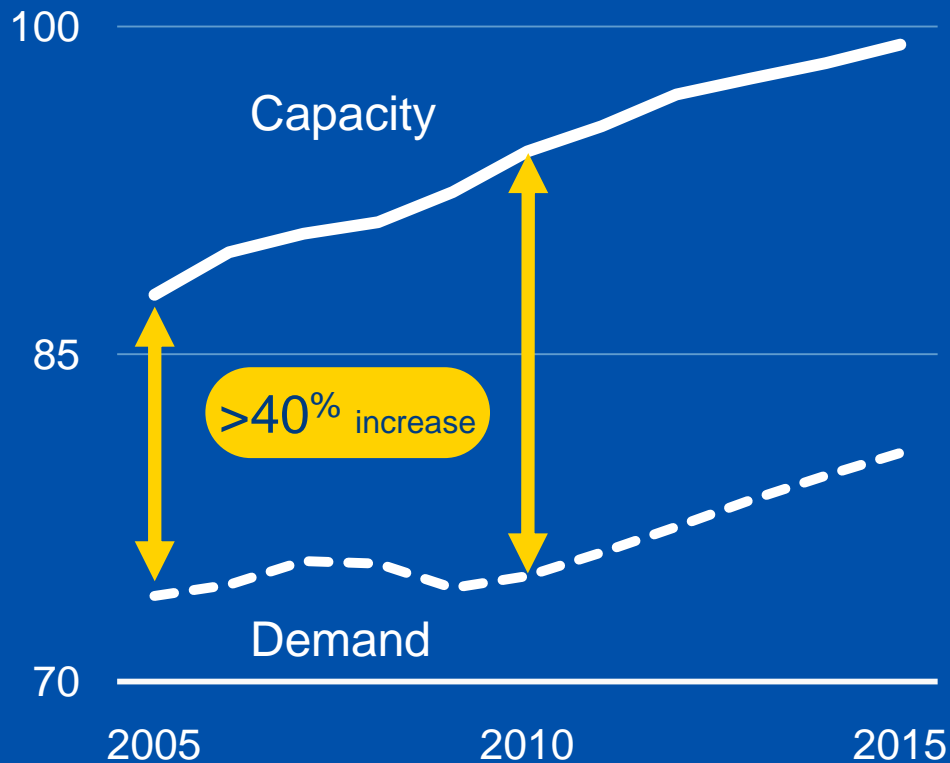
Performance

Competitiveness



Challenging Outlook

Global Capacity & Demand MMBD



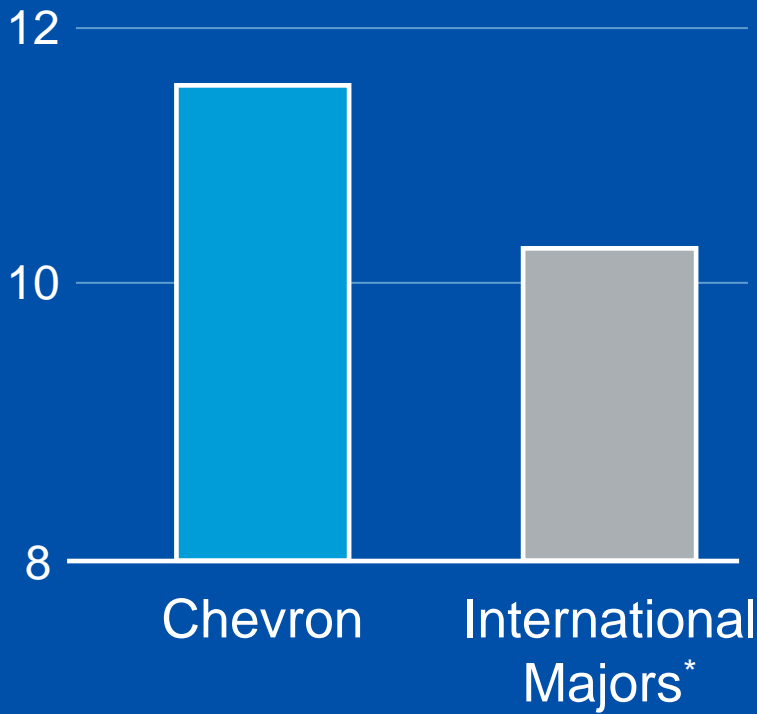
- Increase in surplus capacity
- Rationalization underway
- Weak margins likely to persist

Strategically Advantaged Portfolio



Superior Refining Assets

Solomon Complexity 2008



* Solomon's International Majors Peer Group

- Complexity advantage
- Reliability advantage
- First quartile energy efficiency



Strategy Focused on Improving Returns

Improve returns

with a focus on integrated value creation

Operational excellence

Reduced investment

Focused portfolio

Cost reduction

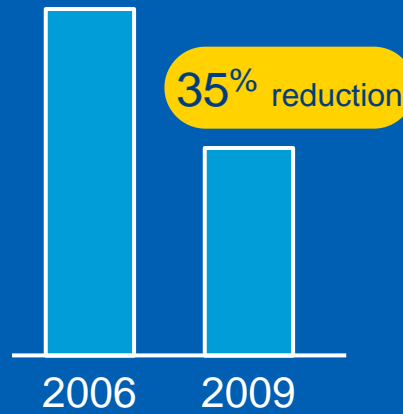


Lubricants Turnaround 2006 – 2009

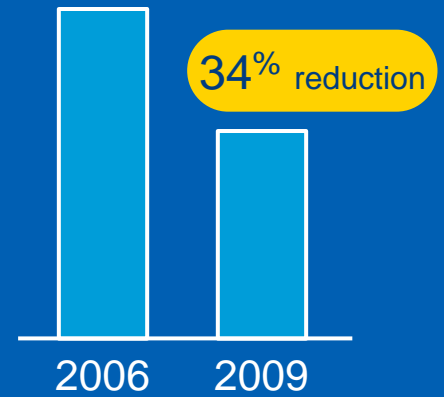
Chevron Ranking vs. International Majors Earnings/Bbl



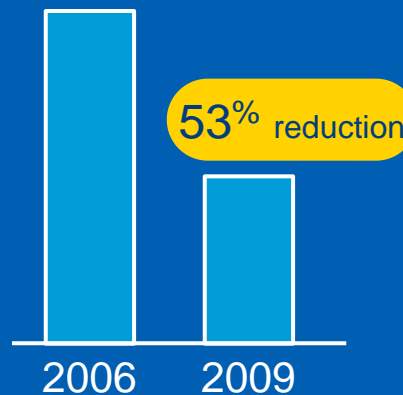
Markets



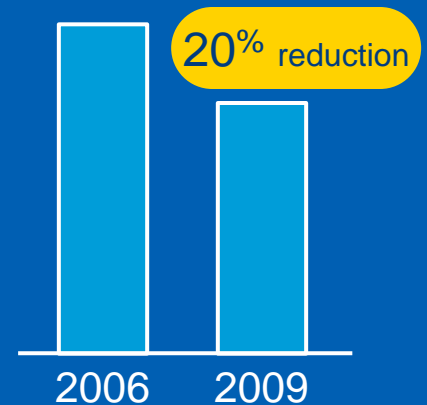
Blend Plants



Inventory Units

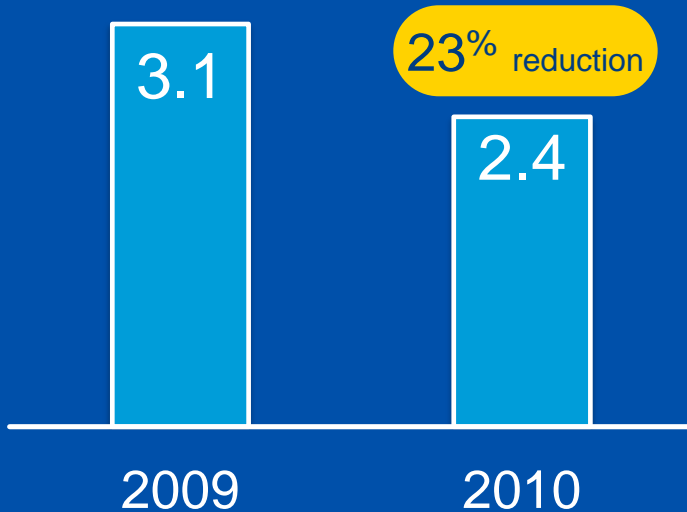


Sales Volumes



Reduced Capital Spending

Refining & Marketing \$ Billions



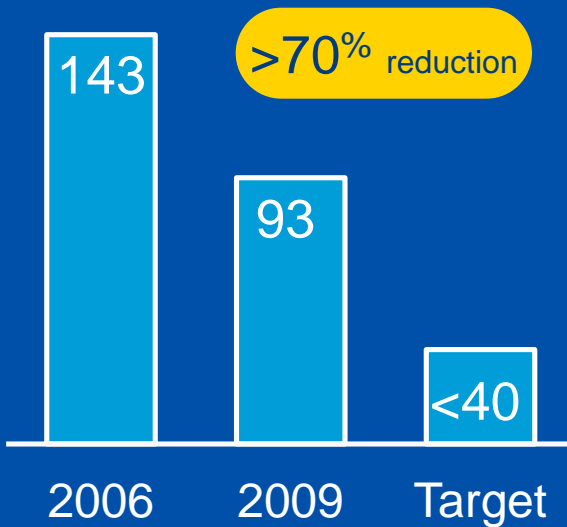
- Feedstock flexibility
- Yield improvement
- Reliability



Downstream Portfolio Optimization

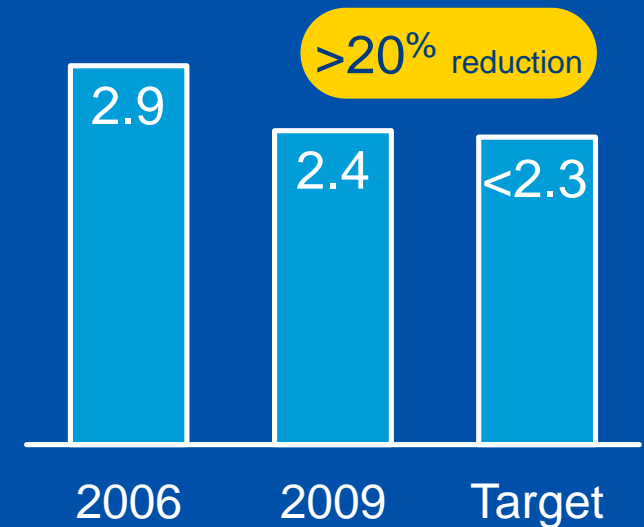
Simplify business

Country Count
Number

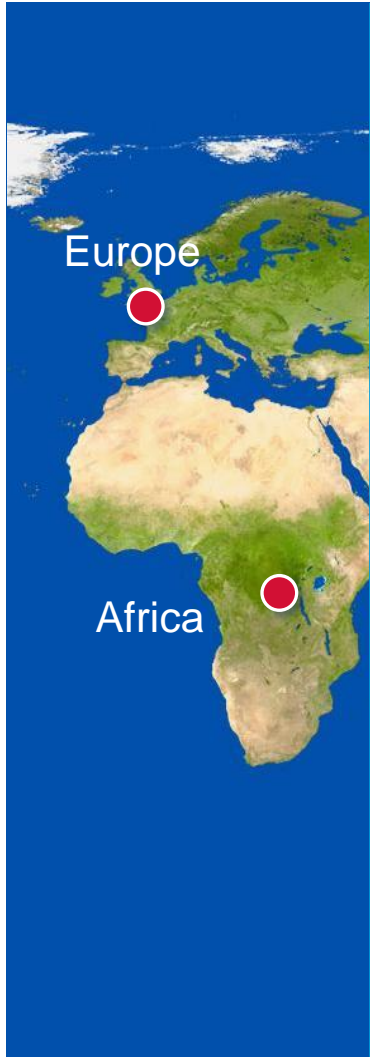


Modest volume impact

Trade Sales
Million Barrels / Day



Portfolio Activity



Exits Announced

- U.S. East Markets

Solicit Bids

- Europe
- Central America
- Caribbean

Review

- Hawaii
- Africa Markets



Marketing Profitability

Terminal Efficiency

Terminal Count



Brand Value

Chevron ranked top U.S. brand in 2009.

– *OPIS*

Caltex ranked second most popular brand across Asia.

– *TNS Global 2009 Survey*



Capital Employed

Company-Owned Stations



Refining Improvements

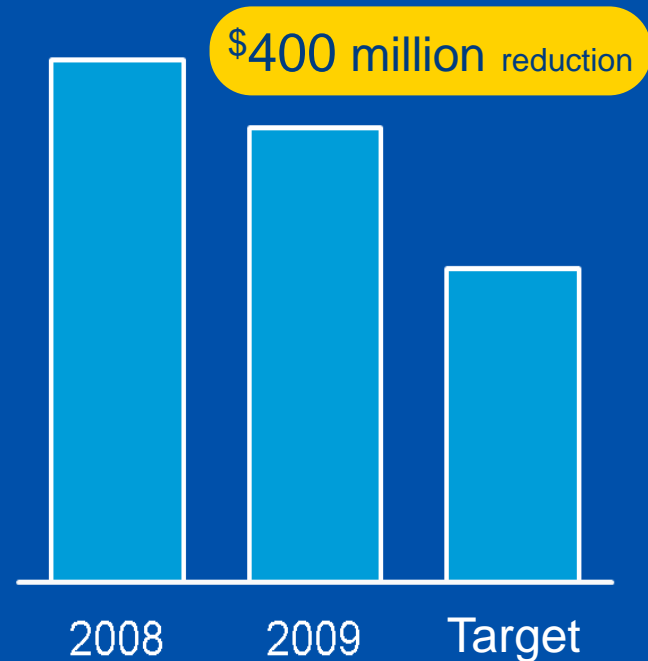
Lower costs

Enhance energy efficiency

Improve turnaround effectiveness

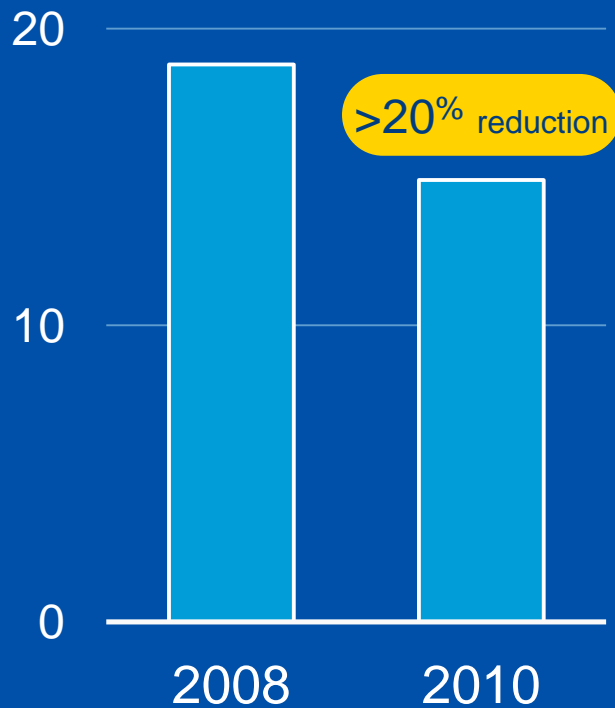
Evaluate configuration alternatives

Non-Fuel Expense



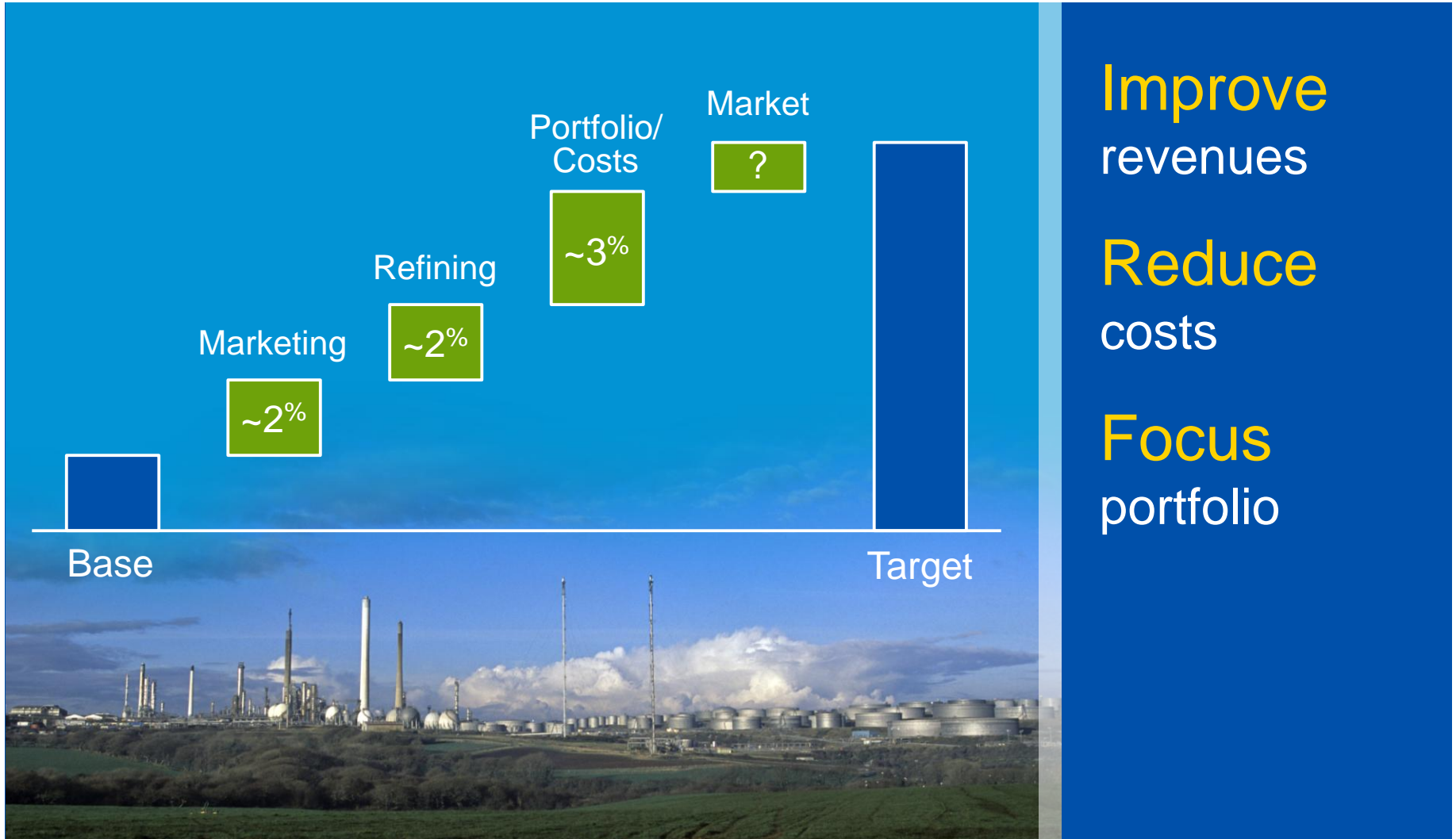
Workforce Reduction

Workforce Thousands



- Continued focus on safety and reliability
- Simplified structure
- Fewer layers

Improving R&M Returns



Improve
revenues

Reduce
costs

Focus
portfolio

Improving in a Challenging Environment

Performance

- Safety
- Reliability
- Reduce cost
- Market exits

Competitiveness

- Strong core refineries
- High-grade portfolio
- Improve returns



Questions and Answers



Break

