



Third quarter 2021 earnings call

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October 29, 2021

Welcome to Chevron's third quarter earnings conference call. I'm Roderick Green, GM of Investor Relations and on the call with me today are Mark Nelson, EVP of Downstream & Chemicals, and Pierre Breber, CFO.

We will refer to the slides and prepared remarks that are available on Chevron's website.

Cautionary statement

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This presentation contains forward-looking statements relating to Chevron's operations and energy transition plans that are based on management's current expectations, estimates and projections about the petroleum, chemicals and other energy-related industries. Words or phrases such as "anticipates," "expects," "intends," "plans," "targets," "advances," "commits," "drives," "aims," "forecasts," "projects," "believes," "approaches," "seeks," "schedules," "estimates," "positions," "pursues," "may," "can," "could," "should," "will," "budgets," "outlook," "trends," "guidance," "focus," "on track," "goals," "objectives," "strategies," "opportunities," "poised," "potential," "ambitions," "aspires" and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond the company's control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, Chevron undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are: changing crude oil and natural gas prices and demand for the company's products, and production curtailments due to market conditions; crude oil production quotas or other actions that might be imposed by the Organization of Petroleum Exporting Countries and other producing countries; technological advancements; changes to government policies in the countries in which the company operates; development of large carbon capture and offset markets; public health crises, such as pandemics (including coronavirus (COVID-19)) and epidemics, and any related government policies and actions; disruptions in the company's global supply chain, including supply chain constraints; changing economic, regulatory and political environments in the various countries in which the company operates; general domestic and international economic and political conditions; changing refining, marketing and chemicals margins; the company's ability to realize anticipated cost savings, expenditure reductions and efficiencies associated with enterprise transformation initiatives; actions of competitors or regulators; timing of exploration expenses; timing of crude oil liftings; the competitiveness of alternate-energy sources or product substitutes; the results of operations and financial condition of the company's suppliers, vendors, partners and equity affiliates, particularly during the COVID-19 pandemic; the inability or failure of the company's joint-venture partners to fund their share of operations and development activities; the potential failure to achieve expected net production from existing and future crude oil and natural gas development projects; potential delays in the development, construction or start-up of planned projects; the potential disruption or interruption of the company's operations due to war, accidents, political events, civil unrest, severe weather, cyber threats, terrorist acts, or other natural or human causes beyond the company's control; the potential liability for remedial actions or assessments under existing or future environmental regulations and litigation; significant operational, investment or product changes undertaken or required by existing or future environmental statutes and regulations, including international agreements and national or regional legislation and regulatory measures to limit or reduce greenhouse gas emissions; the potential liability resulting from pending or future litigation; the company's future acquisitions or dispositions of assets or shares or the delay or failure of such transactions to close based on required closing conditions; the potential for gains and losses from asset dispositions or impairments; government mandated sales, divestitures, recapitalizations, taxes and tax audits, tariffs, sanctions, changes in fiscal terms or restrictions on scope of company operations; foreign currency movements compared with the U.S. dollar; material reductions in corporate liquidity and access to debt markets; the receipt of required Board authorizations to pay future dividends; the effects of changed accounting rules under generally accepted accounting principles promulgated by rule-setting bodies; the company's ability to identify and mitigate the risks and hazards inherent in operating in the global energy industry; and the factors set forth under the heading "Risk Factors" on pages 18 through 23 of the company's 2020 Annual Report on Form 10-K and in subsequent filings with the U.S. Securities and Exchange Commission. Other unpredictable or unknown factors not discussed in this presentation could also have material adverse effects on forward-looking statements.

As used in this presentation, the term "Chevron" and such terms as "the company," "the corporation," "our," "we," "us" and "its" may refer to Chevron Corporation, one or more of its consolidated subsidiaries, or to all of them taken as a whole. All of these terms are used for convenience only and are not intended as a precise description of any of the separate companies, each of which manages its own affairs.

Terms such as "resources" may be used in this presentation to describe certain aspects of Chevron's portfolio and oil and gas properties beyond the proved reserves. For definitions of, and further information regarding, this and other terms, see the "Glossary of Energy and Financial Terms" on pages 54 through 55 of Chevron's 2020 Supplement to the Annual Report available at chevron.com.

This presentation is meant to be read in conjunction with the Third Quarter 2021 Transcript posted on chevron.com under the headings "Investors," "Events Presentations."



Before we get started, please be reminded that this presentation contains estimates, projections, and other forward-looking statements.

Please review the cautionary statement on Slide 2.

Now, I will turn it over to Pierre.

Financial highlights

3Q21

Earnings / Earnings per diluted share	\$6.1 billion / \$3.19
Adjusted earnings / EPS ¹	\$5.7 billion / \$2.96
Cash flow from operations / excl. working capital ¹	\$8.6 billion / \$9.0 billion
Total C&E / Organic C&E	\$2.8 billion / \$2.8 billion
ROCE / Adjusted ROCE ^{1,2}	14.3% / 13.3%
Dividends paid	\$2.6 billion
Share repurchases	\$625 million
Debt ratio / Net debt ratio ³	21.6% / 18.7%

¹ Reconciliation of special items, FX, and other non-GAAP measures can be found in the appendix.
² Quarterly ROCE and Adjusted ROCE calculated based on annualized earnings.
³ As of 9/30/21. Net debt ratio is defined as debt less cash equivalents, marketable securities and time deposits divided by debt less cash equivalents, marketable securities and time deposits plus stockholders' equity.



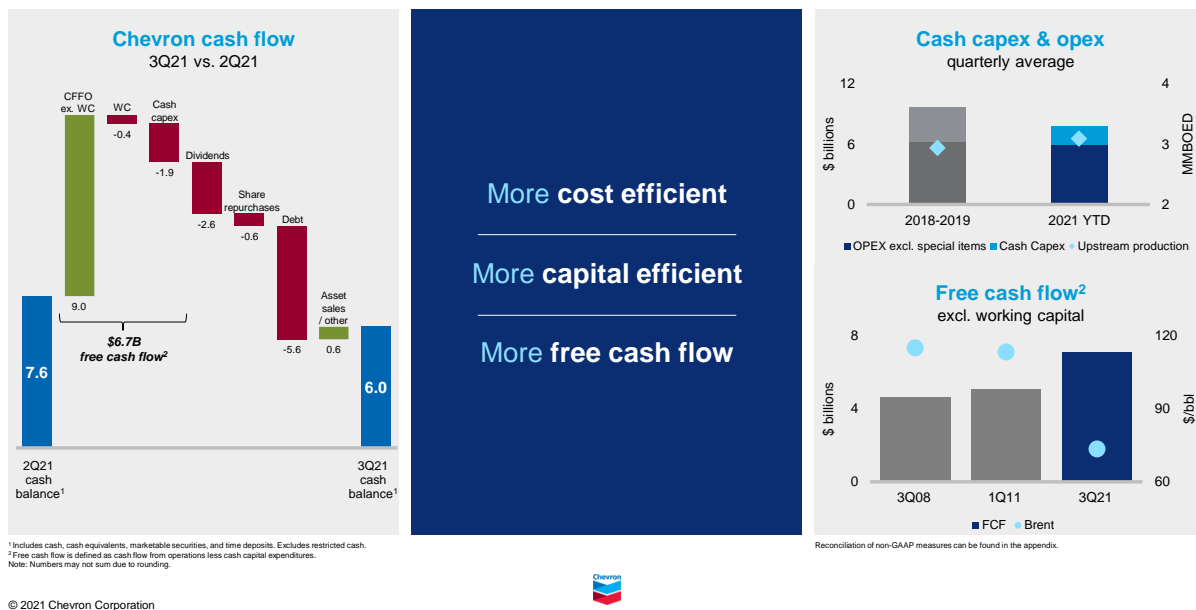
Thanks Roderick.

We reported third quarter earnings of \$6.1B, or \$3.19 per share, the highest reported earnings in more than 8 years.

Adjusted earnings were \$5.7B, or \$2.96 per share. The quarter's results included two special items – asset sales gains of \$200MM and pension settlement costs of \$81MM. A reconciliation of non-GAAP measures can be found in the appendix to this presentation.

Adjusted ROCE was greater than 13%, and we lowered our net debt ratio to below 19%.

Delivering on financial priorities



Strong operating cash flow enabled us to deliver on our financial priorities, including the resumption of share repurchases.

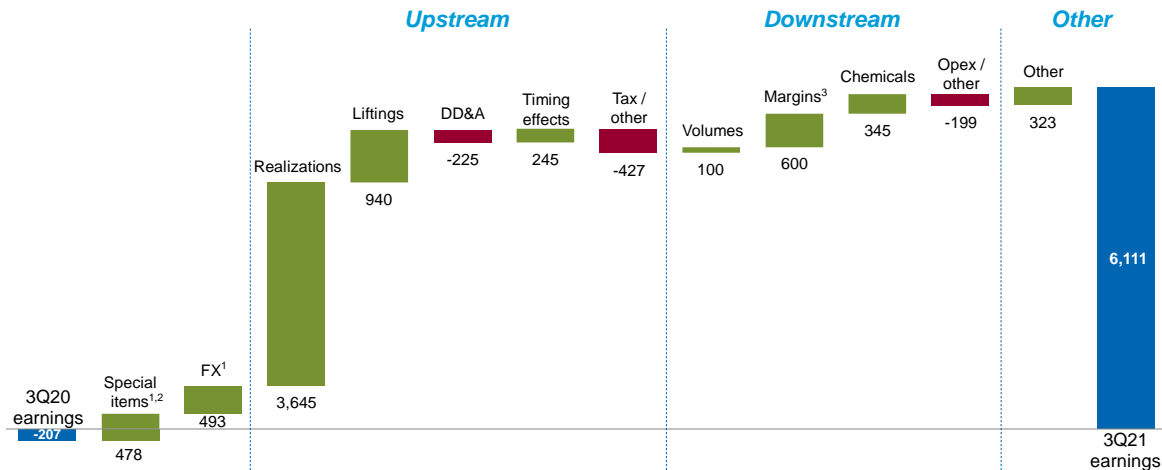
Compared to before Covid, operating costs are down, upstream production is up, and we're much more capital efficient.

Cost efficiency and capital efficiency are essential to navigate commodity price cycles – providing resilience through low periods and leveraging upside when markets are strong.

This has been evident over the past several quarters, and especially so in the most recent one, as we generated company-record free cash flow – higher than the strongest quarters in 2008 and 2011 when oil prices were well over \$100 a barrel.

Chevron earnings 3Q21 vs. 3Q20

\$ millions



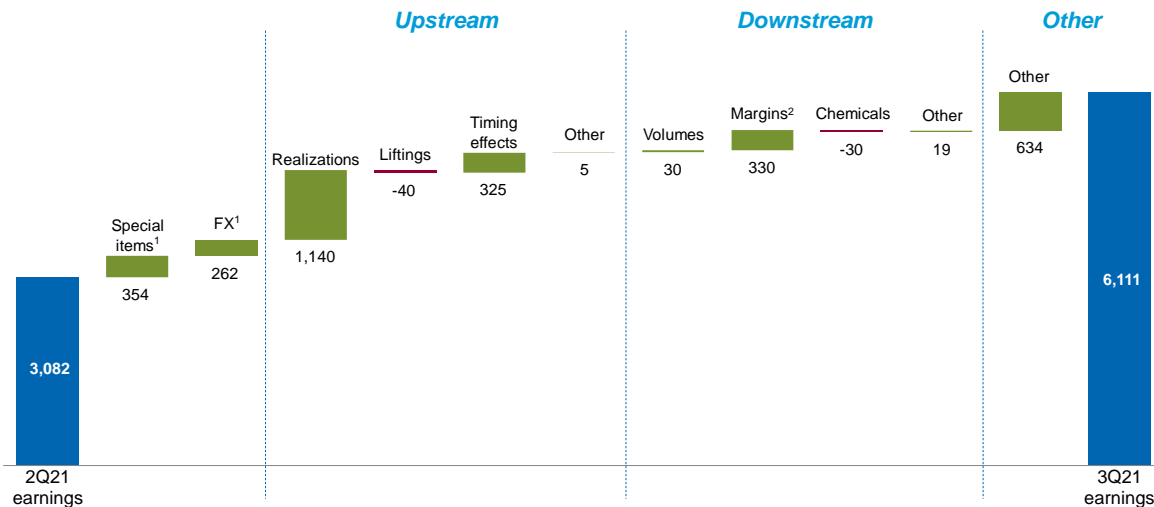
¹ Reconciliation of special items and FX can be found in the appendix.
² Amounts recast to conform with the current presentation of excluding pension settlement costs. For additional information, please refer to the discussion under "Non-GAAP Financial Measures" in the 3Q21 earnings press release.
³ Renewable fuel and carbon credit costs are included in the "Margins" vs. "Other" category to reflect the net margin variance, effective with 1Q21 reporting.



Adjusted third quarter earnings were up more than \$5B versus last year primarily on higher prices, margins, and volumes.

Chevron earnings 3Q21 vs. 2Q21

\$ millions



¹ Reconciliation of special items and FX can be found in the appendix.
² Renewable fuel and carbon credit costs are included in the "Margins" vs. "Other" category to reflect the net margin variance, effective with 1Q21 reporting.

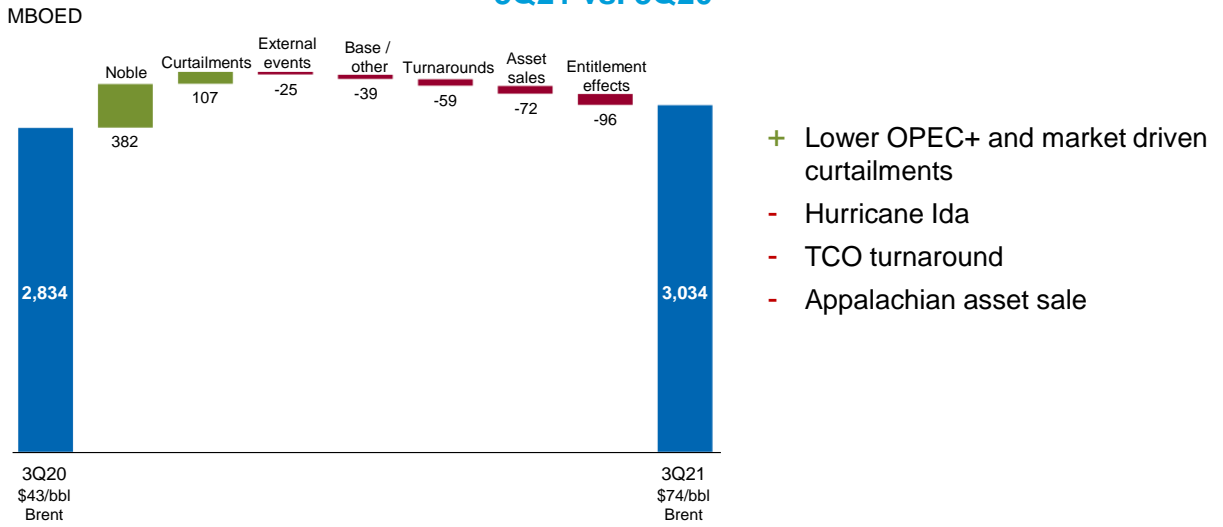


Compared with last quarter, adjusted third quarter earnings were up almost \$2.5B.

Adjusted Upstream earnings increased on higher realizations and positive timing effects primarily related to managing LNG portfolio pricing exposure. Adjusted Downstream earnings increased primarily on higher refining and marketing margins.

The All Other variance was positive due to lower corporate charges and the use of deferred tax assets, which previously had a valuation allowance.

Worldwide net oil & gas production 3Q21 vs. 3Q20



Note: Numbers may not sum due to rounding.

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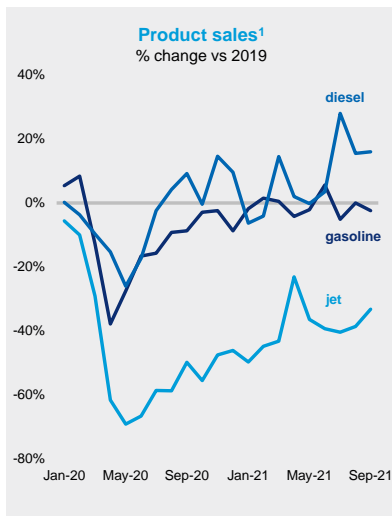


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Third quarter oil equivalent production increased 7% year-over-year due to the Noble acquisition and lower curtailments, partly offset by price-related entitlement effects and asset sales.

I'll now pass it over to Mark.

Strong downstream and chemicals results



¹ Excluding trading activity and share of equity affiliates' sales.

Improving macro
Driving self-help
Delivering higher returns

Adjusted downstream earnings & ROCE²
excl. timing effects³
\$ billions



² ROCE is calculated using adjusted downstream earnings excluding timing effects.
³ Reconciliation of non-GAAP measures can be found in the appendix.

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Thanks Pierre.

In Downstream and Chemicals, we delivered our best adjusted earnings in more than four years. Demand for our products is strong, with recovery of jet fuel sales expected as international travel gradually returns. And while the improving market environment helps, we're focused on what we can control – safe and reliable operations, capital and cost efficiency, and value chain optimization – to drive higher returns.

Some examples of our self-help actions include ... using digital tools to improve planning, scheduling, and prioritization of maintenance activity ... leveraging data analytics and asset flexibility to increase margins ... and adopting new technologies like robotic inspections and maintenance procedures.

During our Investor Day in March, I highlighted that self-help is expected to drive higher returns for Downstream and Chemicals. We're on track to meet that guidance ... with benefits already flowing to the bottom line.

Disciplined petrochemical business

Performance

Meeting strong demand

Operating reliably

Cost management focus

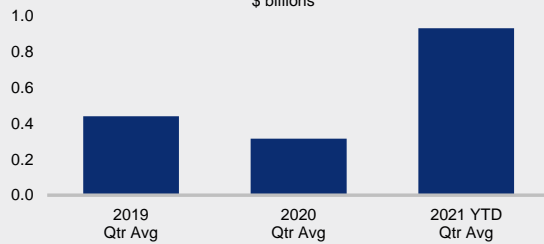
Projects

GS Caltex reached 100% design capacity

USGC II increasing capital and cost efficiency

Ras Laffan progressing FEED

CPChem earnings*
\$ billions



*Chevron owns a 50 percent interest in Chevron Phillips Chemical Company LLC (CPChem). Net income for 100 percent of CPChem and its affiliates is shown above.

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Chemicals performance is also strong as CPChem responds to current market conditions while keeping a focus on longer-term unit cost reduction.

GS Caltex reached 100% design capacity of its mixed-feed cracker, ahead of schedule and under budget.

The CPChem US Gulf Coast II project continues to advance towards a final investment decision in a disciplined way that positions the project to earn attractive returns through the cycle.

And the Ras Laffan Project is in FEED, and we continue to evaluate this project.

We believe in the long-term fundamentals of chemicals. Our investment focus continues to be on the low-end of the supply cost curve ... advantaged feedstock ... competitive capital and cost structure ... and strong project execution.

Advancing lower carbon actions

Renewable natural gas



Joint venture with Mercuria

Equity interest in ANG
with 60 CNG stations

Renewable diesel & sustainable aviation fuel



El Segundo

SAF sold to Delta Air Lines

Renewable base oil & lubricants



NEXBASE™ agreement

Expected to accelerate base oil offering



Since our Energy Transition Spotlight, we closed the acquisition of an equity interest in American Natural Gas and its network of 60 CNG retail sites with our partner Mercuria, enabling us to meet customers' needs beyond California. We also delivered first gas through our Brightmark partnership, and all CalBioGas farms are now online.

We sold the first sustainable aviation fuel produced from our El Segundo refinery to Delta Air Lines at LAX.

And earlier this month, we announced an agreement to acquire Neste's Group III base oils business and its NEXBASE™ brand. Pending regulatory approval, we anticipate closing in the first quarter of 2022. The acquisition is expected to provide a capital efficient approach to expand our base oil offerings ... and coupled with Novvi's renewable products, position Chevron to be the supplier of choice to meet customers' needs now and into the future.

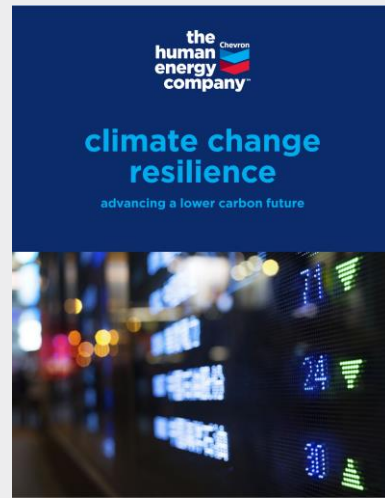
Back to you, Pierre.

Updated climate change resilience report

Stress-testing our portfolio
under IEA NZE 2050

Target >5% PCIⁱ reduction by 2028
including scope 1, 2 and 3ⁱⁱ

Net zero 2050 aspiration
for Upstream scope 1 & 2 emissions



i. PCI – portfolio carbon intensity (PCI) is a metric that represents the carbon intensity across the full value chain associated with bringing products to market. This target is expected to allow Chevron flexibility to grow its traditional upstream and downstream business, provided it remains increasingly carbon-efficient.

ii. The PCI includes Scope 3 emissions from the use of sold products, our largest category of Scope 3 emissions.

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Thanks, Mark.

We recently released an updated Climate Change Resilience Report which includes:

- a stress test of our portfolio under IEA's net zero 2050 scenario,
- a new target called Portfolio Carbon Intensity that includes Scope 1 and 2, and Scope 3 emissions from the use of products, and
- Chevron's net zero 2050 aspiration for upstream Scope 1 and 2 emissions.

I encourage everyone to read our latest report, available on our website.

Looking ahead Forward guidance



		4Q21
UPSTREAM	Turnarounds & Downtime	~(60) MBOED
	ALNG Return of Capital TCO Dividend	~\$300MM ~\$0.7 - \$1.2B
DOWNSTREAM	Refinery turnarounds:	
	\$(50) - \$(150)MM A/T earnings	
OTHER	Share repurchase:	~\$750MM
	2007-2011 Federal Income Tax Cash Refund:	~\$400MM
		Full Year 2021
		C&E Guidance \$12 - \$13B

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Now... looking ahead.

In the fourth quarter, we expect lower production due to a planned turnaround in Wheatstone, which was completed last week, and repairs at the Alba gas plant in Equatorial Guinea. In addition, our participation in the Rokan PSC in Indonesia ended in August. Production from Rokan averaged 84 MBOED YTD.

We expect earnings from JKM related spot sales out of Australia to increase around \$50 million dollars from 3Q due to fewer spot cargoes as our long-term customers increase deliveries heading into winter.

We're also expecting three discrete cash items: a return of capital from Angola LNG, TCO's first dividend in several years, and a federal income tax cash refund. There are no P&L impacts from these items.

During 4Q, we expect to buy back shares at the high-end of our guidance range.

Finally, we're lowering our full year C&E guidance to \$12-\$13B, primarily due to COVID-related project spend deferrals into next year, lower non-op capex in the Permian, and continued capital efficiencies.

Chevron poised to deliver higher returns, lower carbon



Improving
returns

13.3% adj. ROCE

\$7.1B FCF ex. WC



Lowering
carbon

Updated
climate change resilience report

60 CNG stations
through JV with Mercuria



Downside resilience &
upside leverage

18.7% net debt ratio

>\$3B returned to shareholders



To wrap up the quarter, we continued to make progress toward our objective of higher returns, lower carbon. We're more capital and cost efficient, generated record free cash flow, and are taking actions to lower the carbon intensity of our operations and grow lower-carbon businesses. We're executing a straightforward strategy that is expected to deliver value now and well into the future.

With that, I'll turn it back over to Roderick.

questions



answers



That concludes our prepared remarks. We are now ready to take your questions. Please try to limit yourself to one question and one follow-up. We will do our best to get all your questions answered.

Appendix: reconciliation of non-GAAP measures Reported earnings to adjusted earnings

	1Q20	2Q20	3Q20	4Q20	FY20	1Q21	2Q21	3Q21	FY21
Reported earnings (\$ millions)									
Upstream	2,920	(6,089)	235	501	(2,433)	2,350	3,178	5,135	10,663
Downstream	1,103	(1,010)	292	(308)	47	5	839	1,310	2,154
All Other	(424)	(1,171)	(734)	(828)	(3,157)	(978)	(935)	(334)	(2,247)
Total reported earnings	3,599	(8,270)	(207)	(665)	(5,543)	1,377	3,082	6,111	10,570
Diluted weighted avg. shares outstanding ('000)	1,865,649	1,853,313	1,853,533	1,910,724	1,870,027	1,915,889	1,921,958	1,921,095	1,919,666
Reported earnings per share	\$1.93	(\$4.44)	(\$0.12)	(\$0.33)	(\$2.96)	\$0.72	\$1.60	\$3.19	\$5.51
Special items (\$ millions)									
UPSTREAM									
Asset dispositions	240	310	-	-	550	-	-	200	200
Pension Settlement & Curtailment Costs ¹	-	-	-	(10)	(10)	-	-	-	-
Impairments and other ²	440	(4,810)	(130)	(20)	(4,520)	-	(120)	-	(120)
Subtotal	680	(4,500)	(130)	(30)	(3,980)	-	(120)	200	80
DOWNSTREAM									
Asset dispositions	-	-	-	-	-	-	-	-	-
Pension Settlement & Curtailment Costs ¹	-	-	-	(6)	(6)	-	-	-	-
Impairments and other ²	-	(140)	-	-	(140)	(110)	-	-	(110)
Subtotal	-	(140)	-	(6)	(146)	(110)	-	-	(110)
ALL OTHER									
Pension Settlement & Curtailment Costs ¹	(46)	(46)	(139)	(293)	(524)	(241)	(115)	(81)	(437)
Impairments and other ²	-	(230)	(80)	(100)	(420)	-	-	-	-
Subtotal	(46)	(276)	(229)	(393)	(944)	(241)	(115)	(81)	(437)
Total special items	634	(4,916)	(359)	(429)	(5,070)	(351)	(235)	119	(467)
Foreign exchange (\$ millions)									
Upstream	468	(262)	(107)	(384)	(285)	(52)	78	285	311
Downstream	60	(23)	(49)	(140)	(152)	59	1	123	183
All other	(14)	(152)	(32)	(10)	(208)	(9)	(36)	(103)	(148)
Total FX	514	(437)	(188)	(534)	(645)	(2)	43	305	346
Adjusted earnings (\$ millions)									
Upstream	1,772	(1,327)	472	915	1,832	2,402	3,220	4,650	10,272
Downstream	1,043	(847)	341	(192)	345	56	838	1,187	2,081
All Other	(364)	(743)	(473)	(425)	(2,005)	(728)	(784)	(150)	(1,662)
Total adjusted earnings (\$ millions)	2,451	(2,917)	340	298	172	1,730	3,274	5,687	10,691
Adjusted earnings per share	\$1.31	(\$1.56)	\$0.18	\$0.16	\$0.09	\$0.90	\$1.71	\$2.96	\$5.57

¹ Amounts recast to conform with the current presentation of excluding pension settlement costs. For additional information, please refer to the discussion under "Non-GAAP Financial Measures" in the 3Q21 earnings press release.
² Includes asset impairments, write-offs, tax items, and other special items.
 Note: Numbers may not sum due to rounding. Historical figures have been restated due to rounding.



Appendix: reconciliation of non-GAAP measures

Cash flow from operations excluding working capital

Free cash flow

Free cash flow excluding working capital

\$ millions	3Q08	1Q11	3Q21
Net Cash Provided by Operating Activities	9,113	9,814	8,579
Net Decrease (Increase) in Operating Working Capital	(211)	110	(427)
Cash Flow from Operations Excluding Working Capital	9,324	9,704	9,006
Net cash provided by operating activities	9,113	9,814	8,579
Less: cash capital expenditures	4,661	4,645	1,907
Free Cash Flow	4,452	5,169	6,672
Net Decrease (Increase) in Operating Working Capital	(211)	110	(427)
Free Cash Flow Excluding Working Capital	4,663	5,059	7,099

Note: Numbers may not sum due to rounding.



Appendix: reconciliation of non-GAAP measures

ROCE Adjusted ROCE

\$ millions	<u>3Q21</u>	\$ millions	<u>3Q21</u>
Total reported earnings	6,111	Adjusted earnings	5,687
Non-controlling interest	4	Non-controlling interest	4
Interest expense (A/T)	<u>162</u>	Interest expense (A/T)	<u>162</u>
ROCE earnings ¹	6,277	Adjusted ROCE earnings ¹	5,853
Annualized ROCE earnings ¹	25,108	Annualized adjusted ROCE earnings ¹	23,412
Average capital employed ²	175,499	Average capital employed ²	175,499
ROCE	<u>14.3%</u>	Adjusted ROCE	<u>13.3%</u>

¹ ROCE earnings and adjusted ROCE earnings are annualized to calculate ROCE and adjusted ROCE for the quarter.
² Capital employed is the sum of Chevron Corporation stockholders' equity, total debt and noncontrolling interests. Average capital employed is computed by averaging the sum of capital employed at the beginning and the end of the year.
 Note: Numbers may not sum due to rounding.



Appendix: reconciliation of non-GAAP measures

Operating expenditures excluding special items

Net debt ratio

\$ millions	FY 2018	FY 2018 Quarterly Avg.	FY 2019	FY 2019 Quarterly Avg.	2018-2019 Quarterly Avg.	YTD 2021 Quarterly Avg.
Operating expenses¹	24,942	6,236	25,945	6,486	6,361	6,188
Special Items ²	(446)	(112)	(623)	(156)	(134)	(192)
Operating expenses excl. special items (\$MM)	24,496	6,124	25,322	6,331	6,227	5,996

¹ Includes operating expense, selling, general and administrative expense, and other components of net periodic benefit costs.

² Amounts recast to conform with the current presentation of excluding pension settlement costs. For additional information, please refer to the discussion under "Non-GAAP Financial Measures" in the 3Q21 earnings press release.

\$ millions	3Q21
Short term debt	291
Long term debt*	37,056
Total debt	37,347
Less: Cash and cash equivalents	5,998
Less: Time deposits	-
Less: Marketable securities	34
Total adjusted debt	31,315
Total Chevron Corporation Stockholder's Equity	135,862
Total adjusted debt plus total Chevron Stockholder's Equity	167,177
Net debt ratio	18.7%

* Includes capital lease obligations / finance lease liabilities.



Appendix: reconciliation of non-GAAP measures

Adjusted downstream earnings excluding timing effects

Adjusted downstream earnings excluding timing effects ROCE

\$ millions	2019	2020	3Q21 YTD
Adjusted downstream earnings	2,464	345	2,081
Less: Timing effects	25	(252)	(344)
Adjusted downstream earnings excluding timing effects	2,439	597	2,425

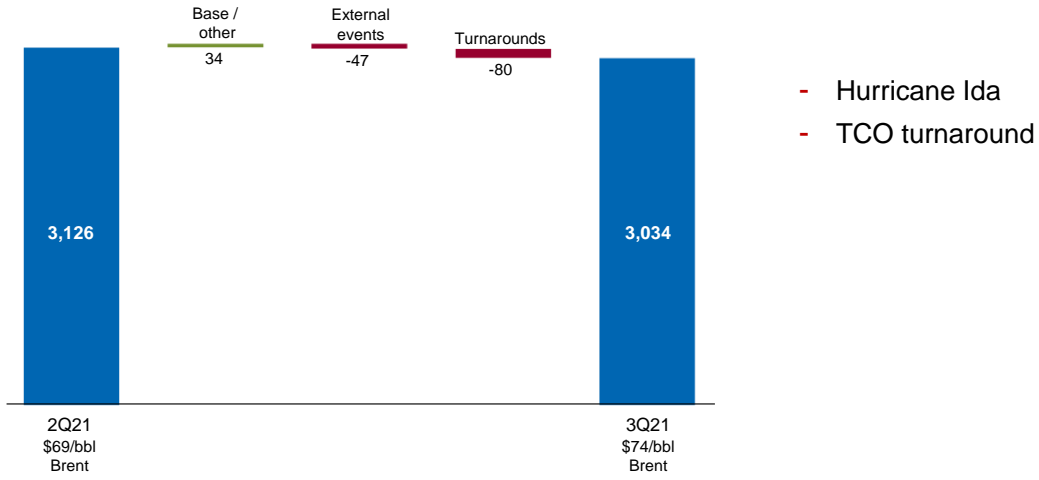
\$ millions	2019	2020	3Q21 YTD
Adjusted downstream earnings excluding timing effects	2,439	597	2,425
Annualized downstream earnings excluding timing effects ¹	2,439	597	3,233
Average downstream capital employed ²	25,607	25,311	25,684
Adjusted downstream earnings excluding timing effects ROCE	10%	2%	13%

¹ Adjusted downstream earnings excluding timing effects for YTD 2021 are annualized to calculate ROCE.
² Average capital employed is computed by averaging the sum of the downstream capital employed at the beginning and the end of the year.
 Note: Numbers may not sum due to rounding.



Worldwide net oil & gas production 3Q21 vs. 2Q21

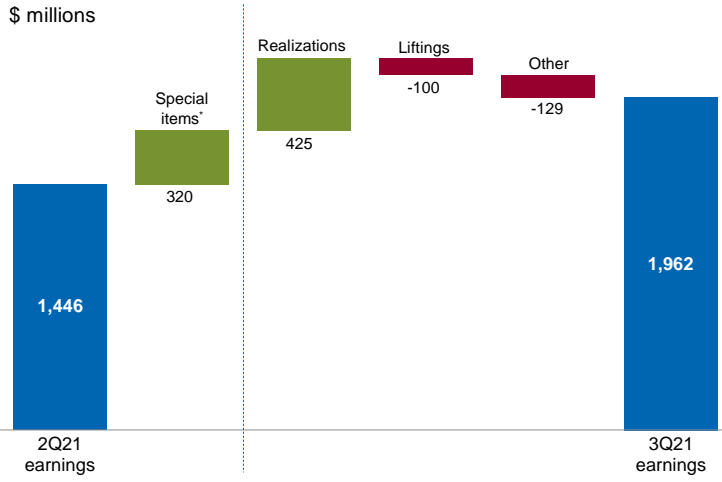
MBOED



Note: Numbers may not sum due to rounding.



Appendix U.S. upstream earnings: 3Q21 vs. 2Q21



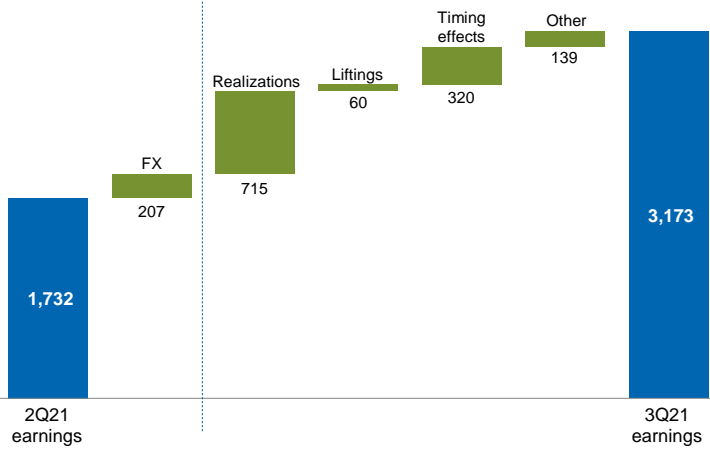
- Gain on sale of Permian assets
- Higher realizations
- Lower production from Hurricane Ida

*Reconciliation of special items can be found in the appendix.



Appendix International upstream earnings: 3Q21 vs. 2Q21

\$ millions



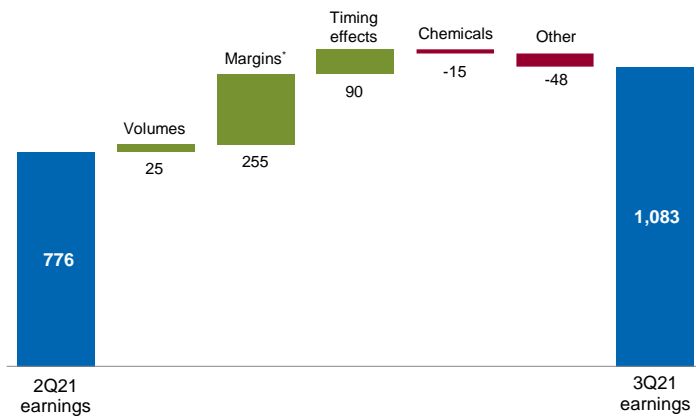
- Higher realizations
- Favorable LNG timing effects



Appendix

U.S. downstream earnings: 3Q21 vs. 2Q21

\$ millions



- Higher refining & marketing margins
- Favorable timing effects:
 - 3Q21: \$46
 - Absence of 2Q21: \$44

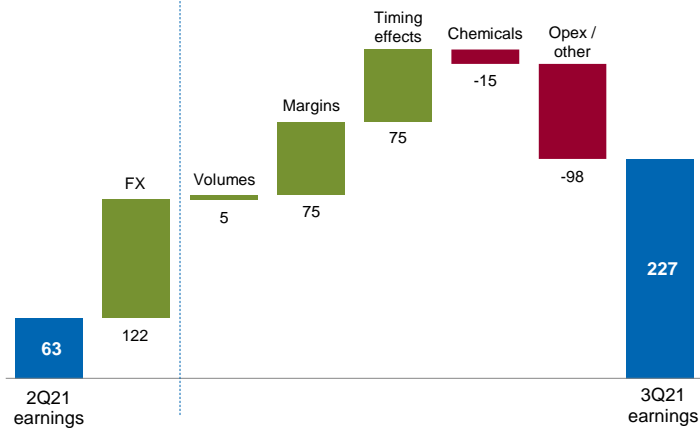
*Renewable fuel and carbon credit costs are included in the "Margins" vs. "Other" category to reflect the net margin variance, effective with 1Q21 reporting.



Appendix

International downstream earnings: 3Q21 vs. 2Q21

\$ millions



- Higher refining margins
- Higher operating costs
- Favorable timing effects:
 - 3Q21: \$(49)
 - Absence of 2Q21: \$124

