Upstream overview

Jay Johnson
Executive Vice President

Focusing on returns

Expanding cash and earnings margins

Effectively allocating capital

High-grading the portfolio

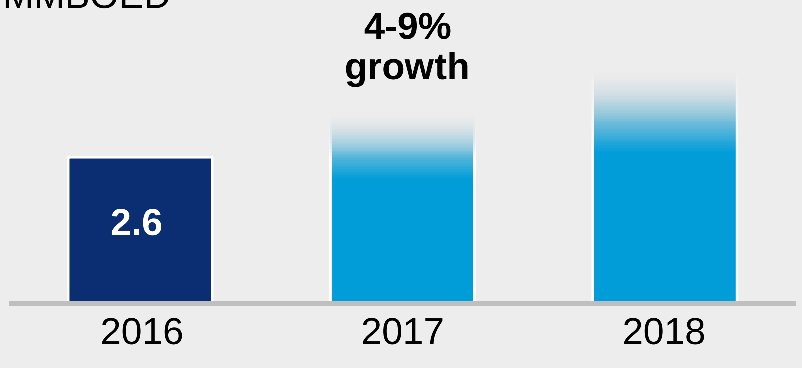
Image: Sonam platforms

Improving upstream performance

Increasing cash inflows

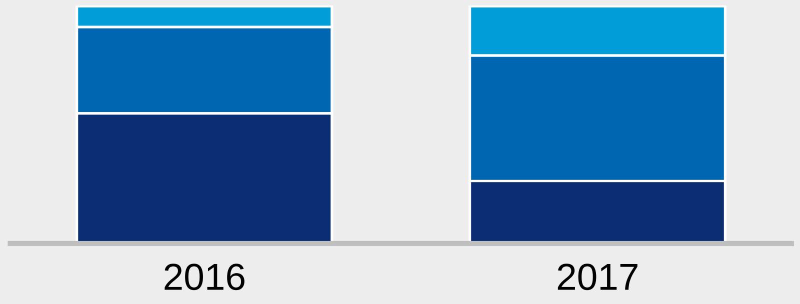
Net production

MMBOED



Cash margin[1]

Percentage of total net production



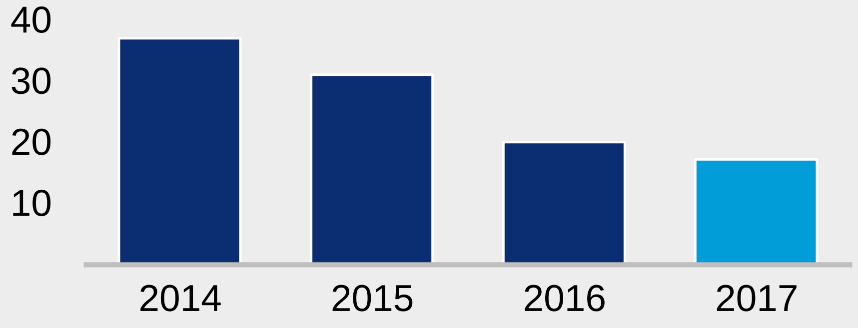
Increasing production with higher cash margins

Decreasing capital and production costs

Decreasing cash outflows

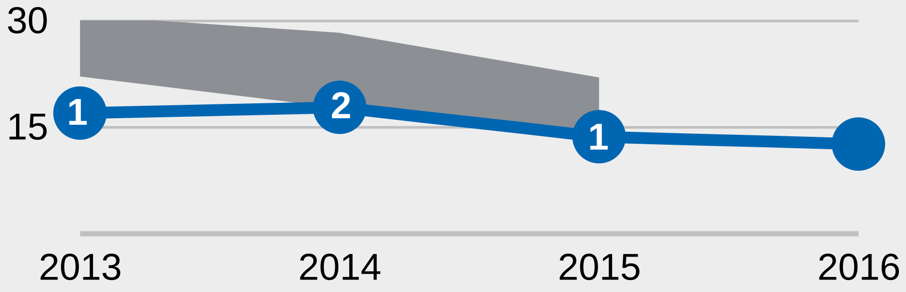
Upstream capital & exploratory

$ billions



Production cost[2]

$ per BOE



[1] Estimated after-tax cash margin at $50/bbl in 2016 & 2017. Adds back impact of non-cash items. Note: $50/bbl Brent is for illustrative purposes only and not necessarily indicative of Chevron's price forecast.

[2] Sourced from supplemental information on oil and gas producing activities (in 10-K, 20-F). Production expenses (excluding taxes) + taxes other than income + other expense/income (excluding asset sale gains/losses).

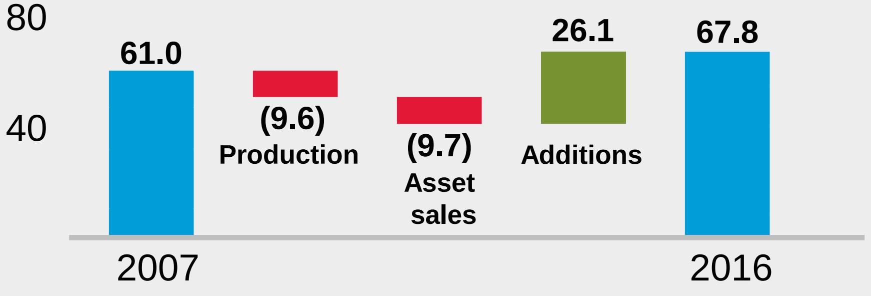
Chevron

Resources to production

Resources[1]

10-year resource replenishment: **171%**

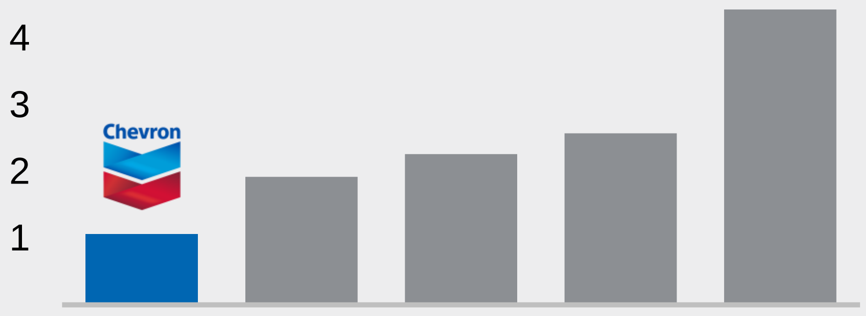
BBOE



2016 exploration success rate 79% and resource adds 1.4 BBOE

Discovery costs 2006–2015[2]

$/BOE



Competitor range: BP, RDS, TOT, XOM

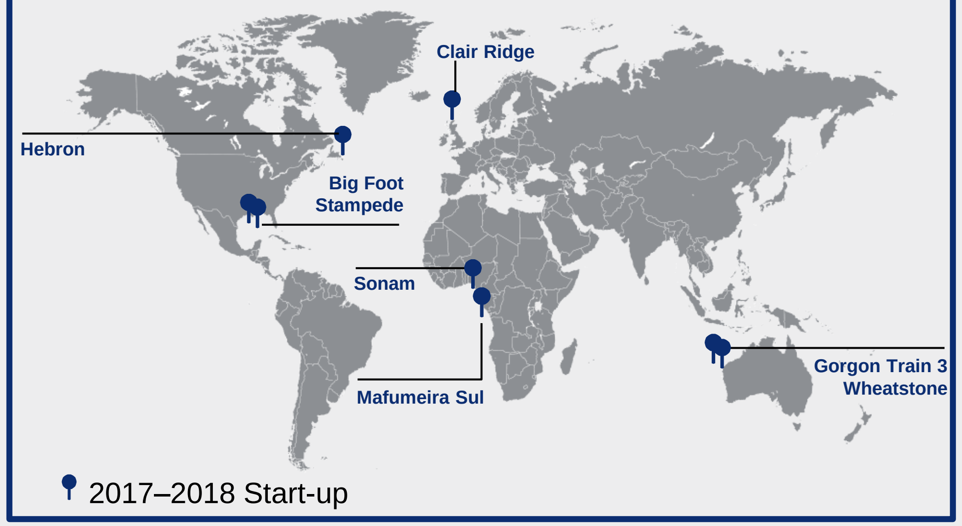
Low cost resource replacement

Delivering projects

Execution

- Increasing engineering maturity at FID
- Strengthening design assurance
- Optimizing contracting strategy
- Verifying execution readiness
- Improving quality management

Start-ups



[1] 2016 net unrisked resource as defined in the Supplement to the Annual Report

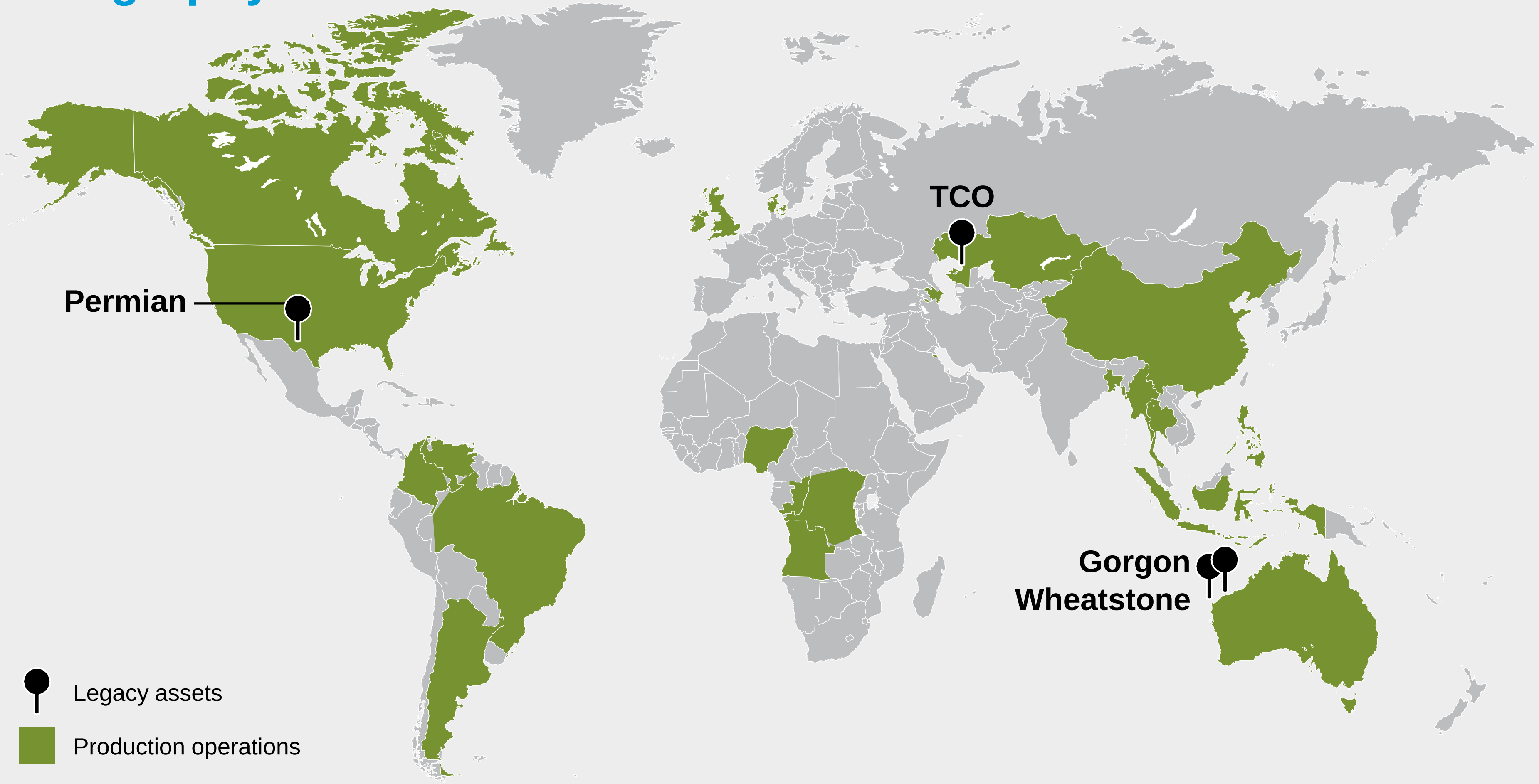
[2] Source: Wood Mackenzie Company Exploration Benchmarking September 2016

Diverse portfolio

Maturity[1]

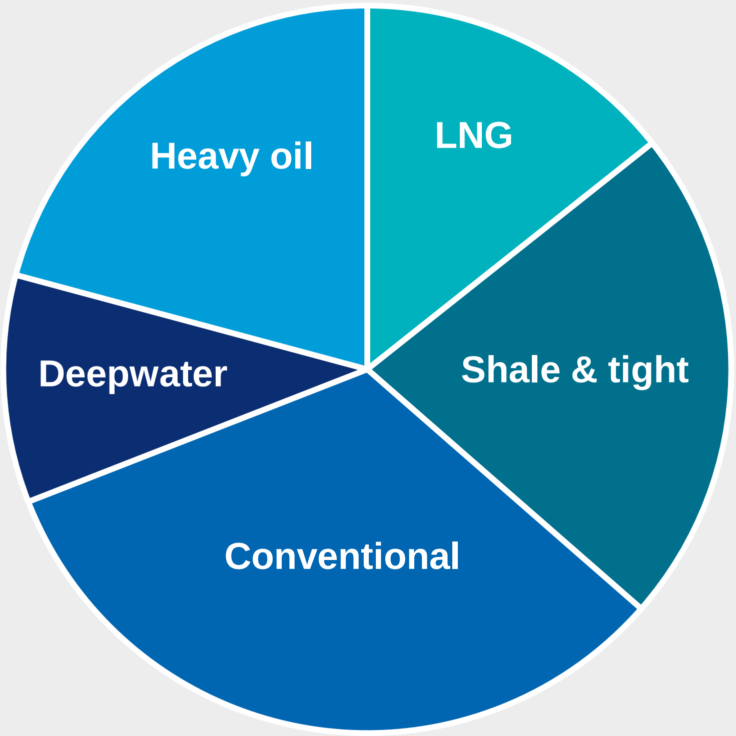
Resources → New infrastructure → Base business

Geography



Asset class

68 BBOE of 6P resource[2]



[1] Refer to Upstream appendix for details

[2] 2016 net unrisked resource as defined in the Supplement to the Annual Report

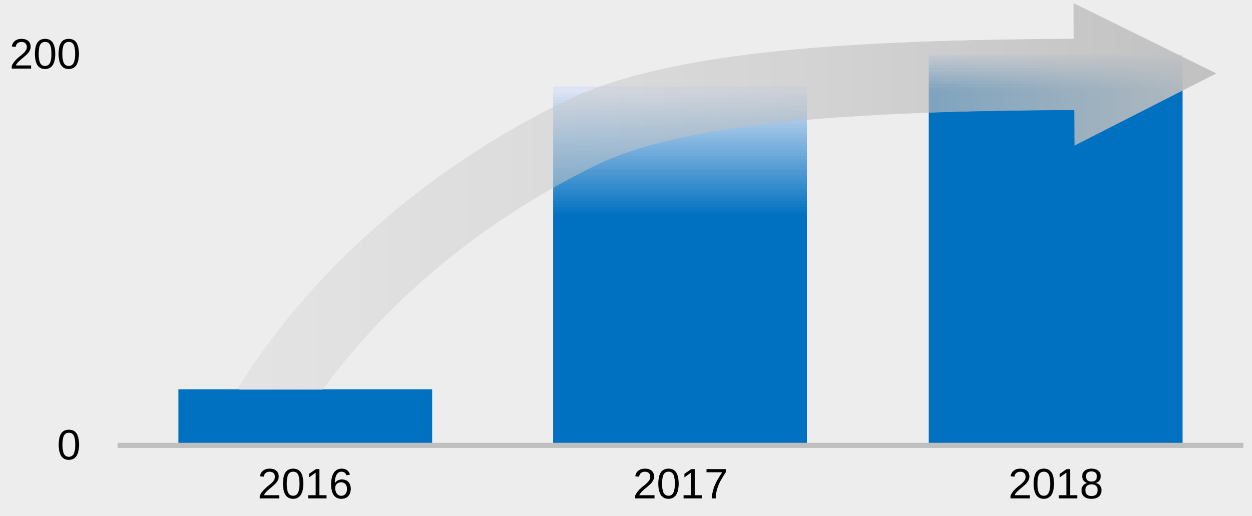
Gorgon and Wheatstone

Gorgon

- Trains 1 and 2 online
- Gorgon and Jansz fields online
- Train 3 start-up underway

Gorgon net production

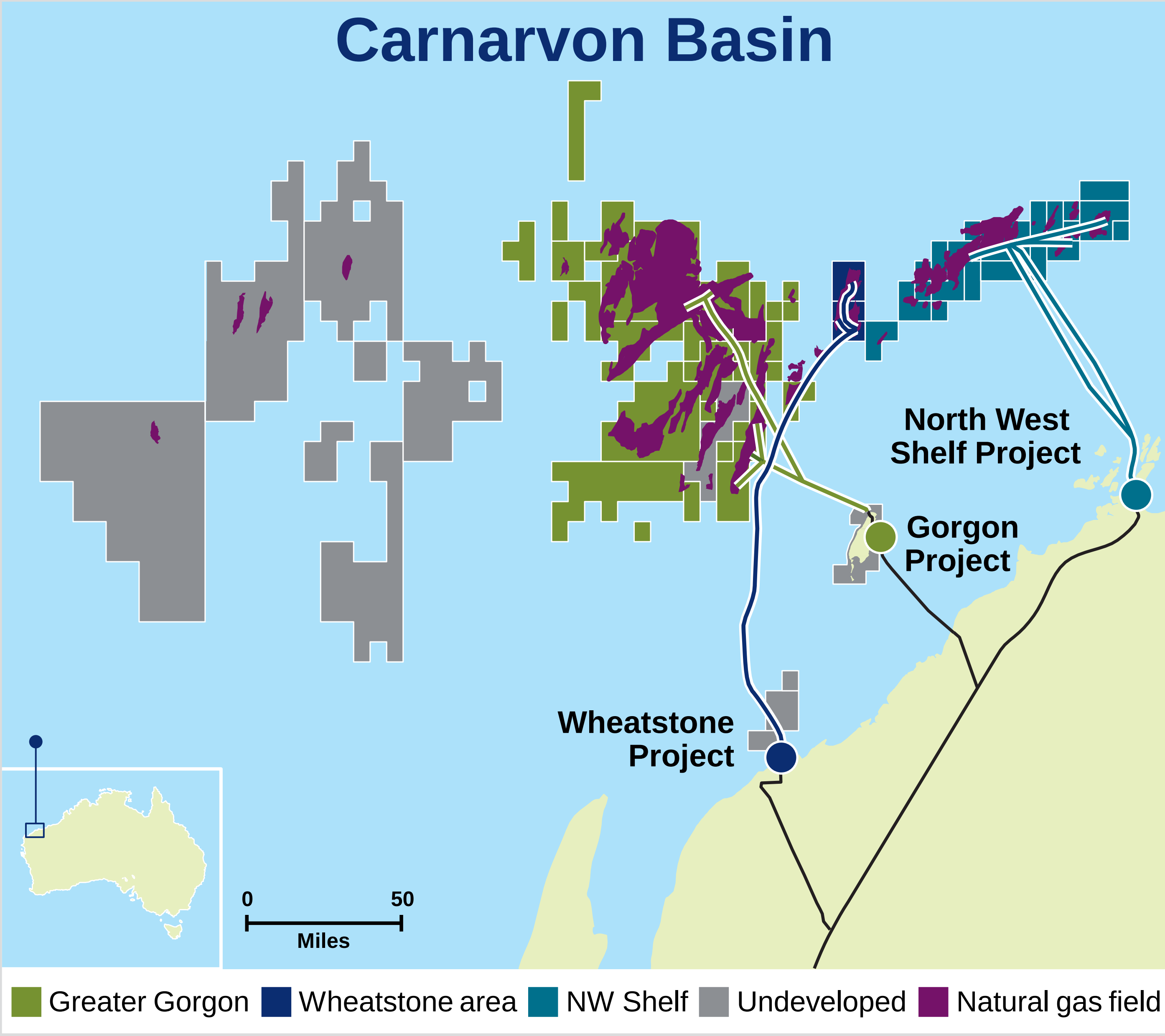
MBOED



Wheatstone

- Train 1 construction nearing completion
- Train 1 start-up mid-2017
- Train 2 start-up 6-8 months after Train 1

Australian gas position



Long-term cash generator

Optimization and debottlenecking of our 15.8 MMTPA capacity

Monetize ~50 TCF* resource through equity or 3rd party capacity

*2016 net unrisked resource as defined in the Supplement to the Annual Report

Tengiz

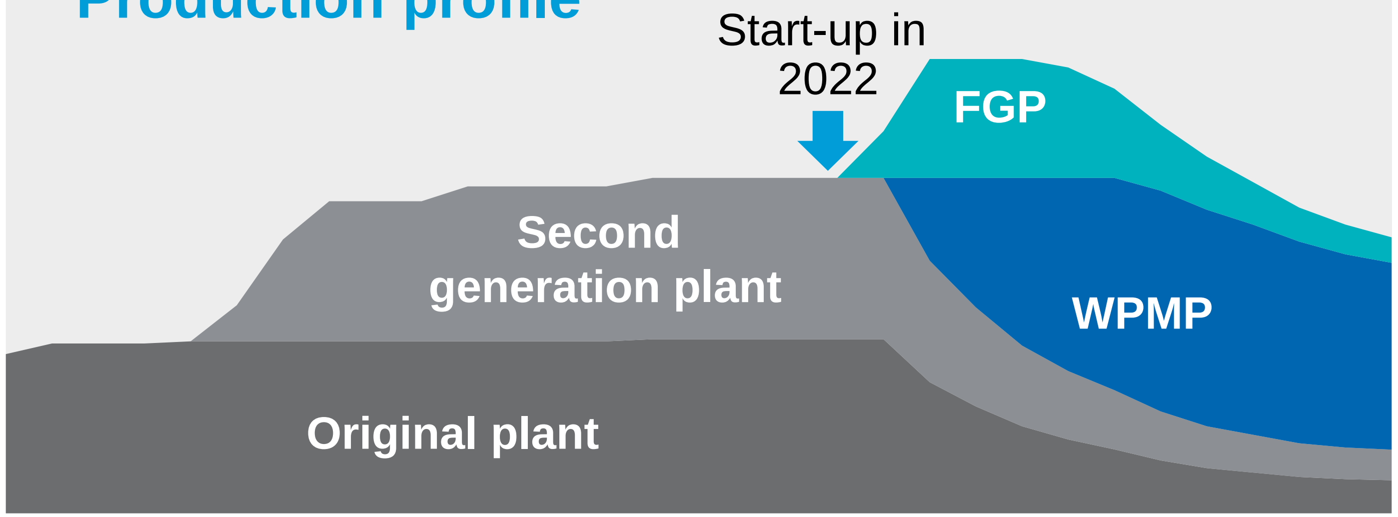
Base business

- Record production in 2016
- Outstanding reliability
- Strong earnings and cash generation
- Exceptional turnaround performance

FGP / WPMP*

- 2 drilling rigs operating on multi well pads
- Site construction ramping up
- Port progress on plan
- Initiated module fabrication
- On track for first production in 2022

Production profile

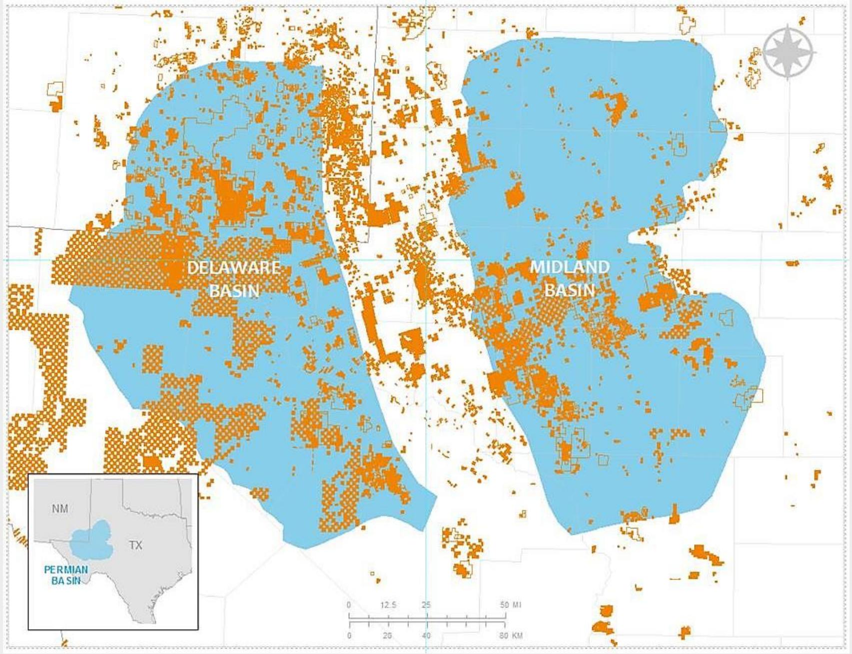


*FGP – Future Growth Project; WPMP – Wellhead Pressure Management Project

Permian

Quality position

- 2 million net acres[1]
- 85% no or low royalty
- 9.3 BBOE resource[2]



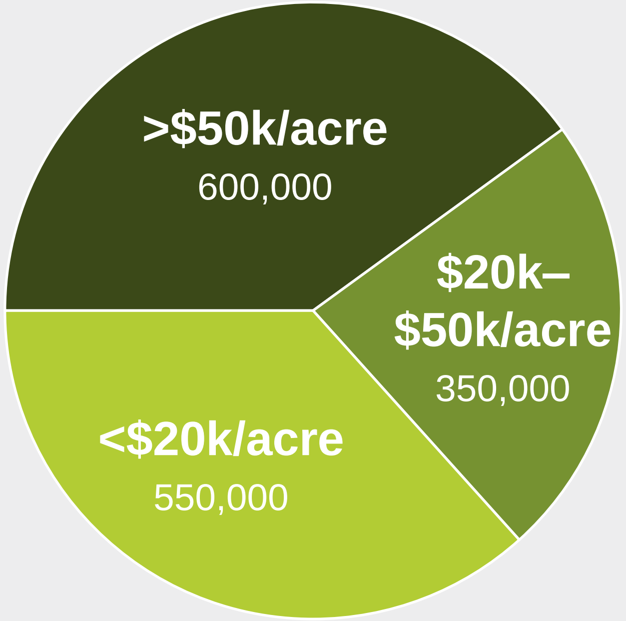
Ramping up to 20 rigs by year end 2018

Free cash flow by 2020[3]

Future upside potential of >700 MBOED within a decade

Midland & Delaware acreage

by NPV[4]



Total Midland & Delaware

1.5 million Net acres[1,5]

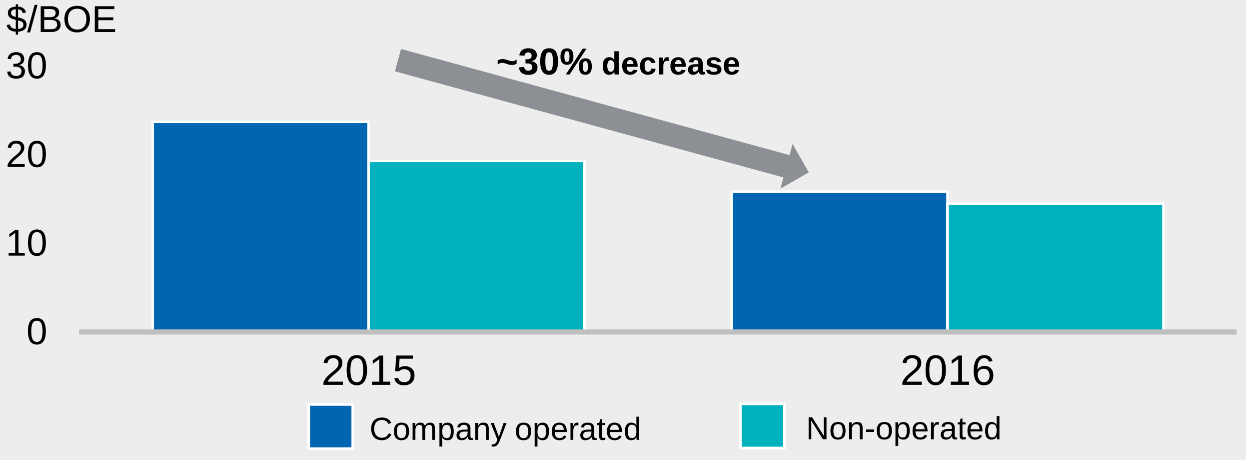
11 million Bench acres[6]

[1] Net mineral acres
[2] 2016 net unrisked resource as defined in the Supplement to the Annual Report
[3] Assuming flat $50 WTI, $2.50 gas and $25 NGL prices for illustrative purposes only and not necessarily indicative of Chevron's price forecast

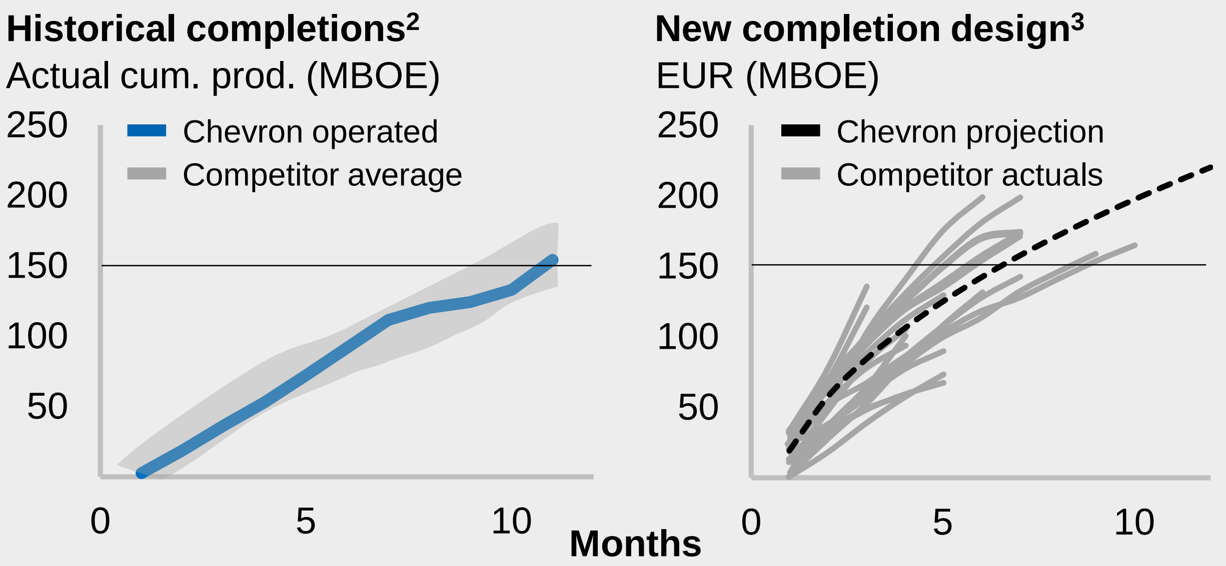
[4] NPV calculated assuming simultaneous development of all assessed benches (fully costed) across all acreage, using flat $50 WTI, $2.50 gas and $25 NGL prices for illustrative purposes only and not necessarily indicative of Chevron's price forecast
[5] Prospective for shale & tight development
[6] Bench acreage is number of potentially developable landing zones multiplied by mineral acreage

Permian performance

Development & production costs[1]



Comparable Midland well performance



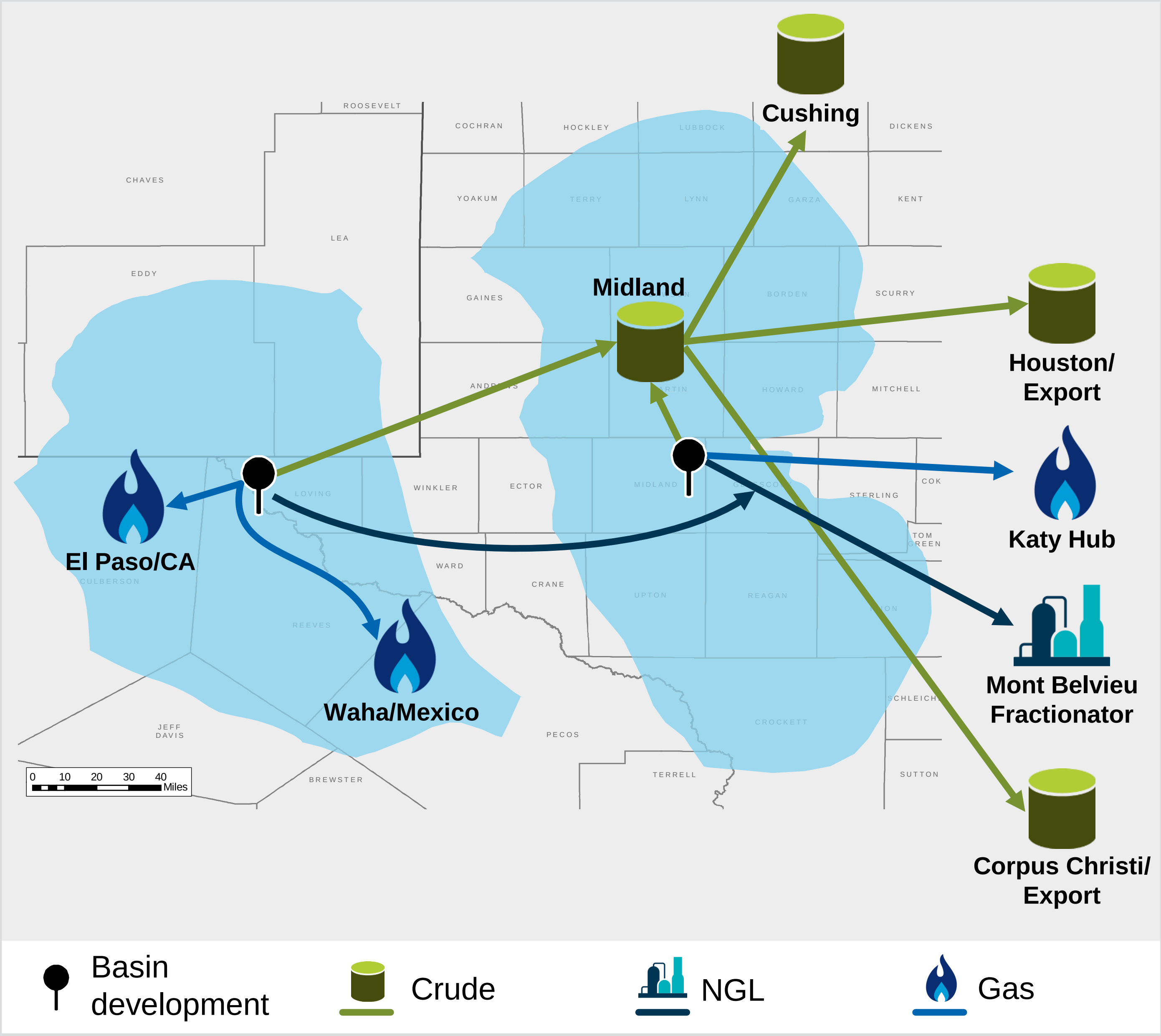
Demonstrating competitive performance

Lowering costs

Improving recovery

[1]2015 and 2016 total costs per BOE are calculated as the sum of actual operating costs per BOE produced plus development costs per BOE expected ultimate recovery for wells put on production in 2015 and 2016
[2] Midland Co., Wolfcamp B, 1,000-1,500lbs/ft fracs, normalized to 7,500', multi-well pads put on production in 2016
[3] Midland Co., Wolfcamp B, 1,600-2,000lbs/ft fracs, normalized to 7,500', competitor multi-wells put on production in 2016

Permian support



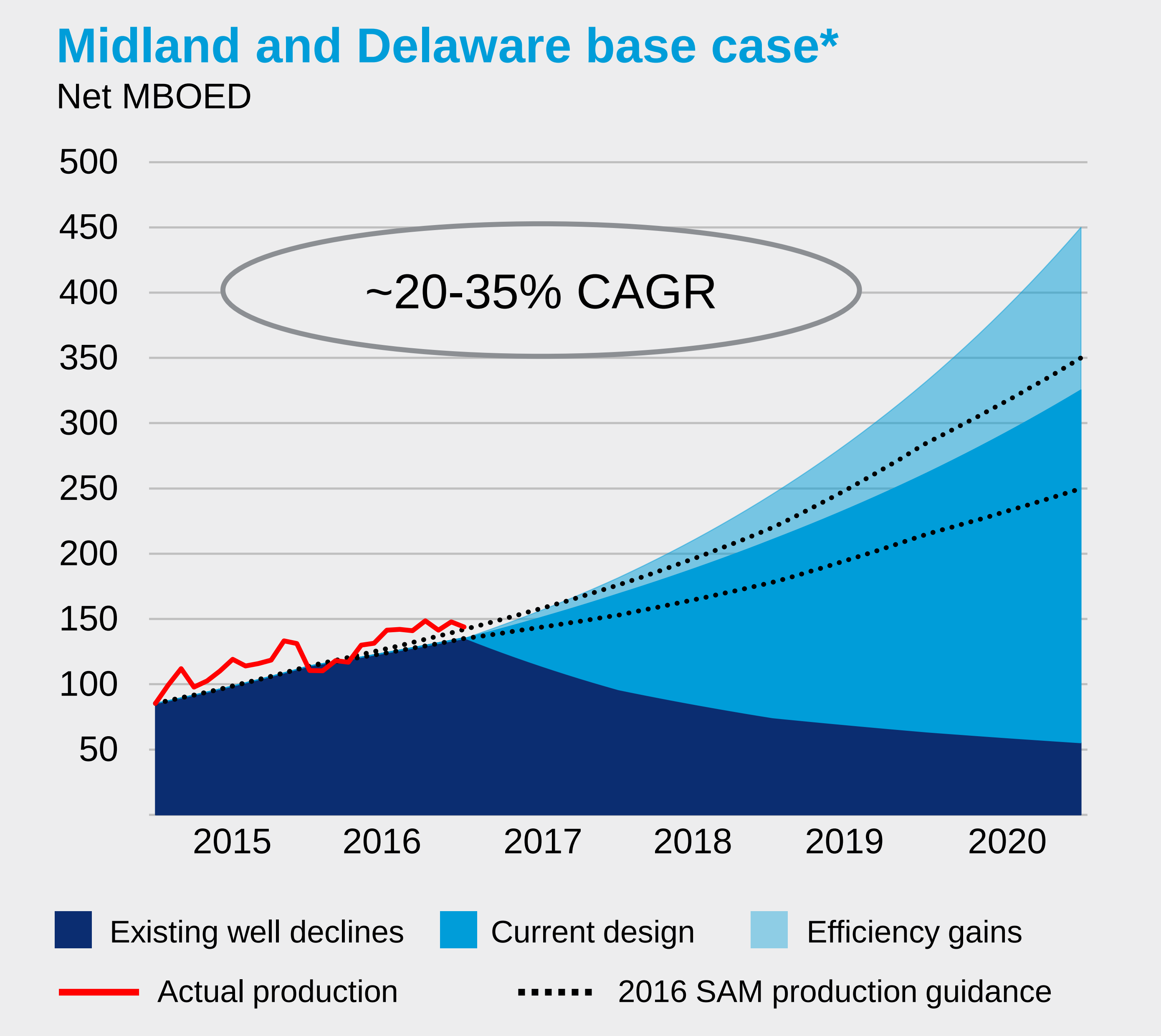
Supply Chain

- Leveraging global scale
- Staggered contract durations
- Indexed contracts

Infrastructure

- Secured takeaway capacity
- Multiple market outlets
- Expansion options

Permian value



Accelerated pace of development

Competitive cost and recovery

Superior royalty position

Realize near-term value through swaps, leases and sales

*Reflects shale and tight production only; further upside cases not depicted in graph

Portfolio strength underpinned by base assets

Image: Kern River Field

2017 base plus shale declines ~2%

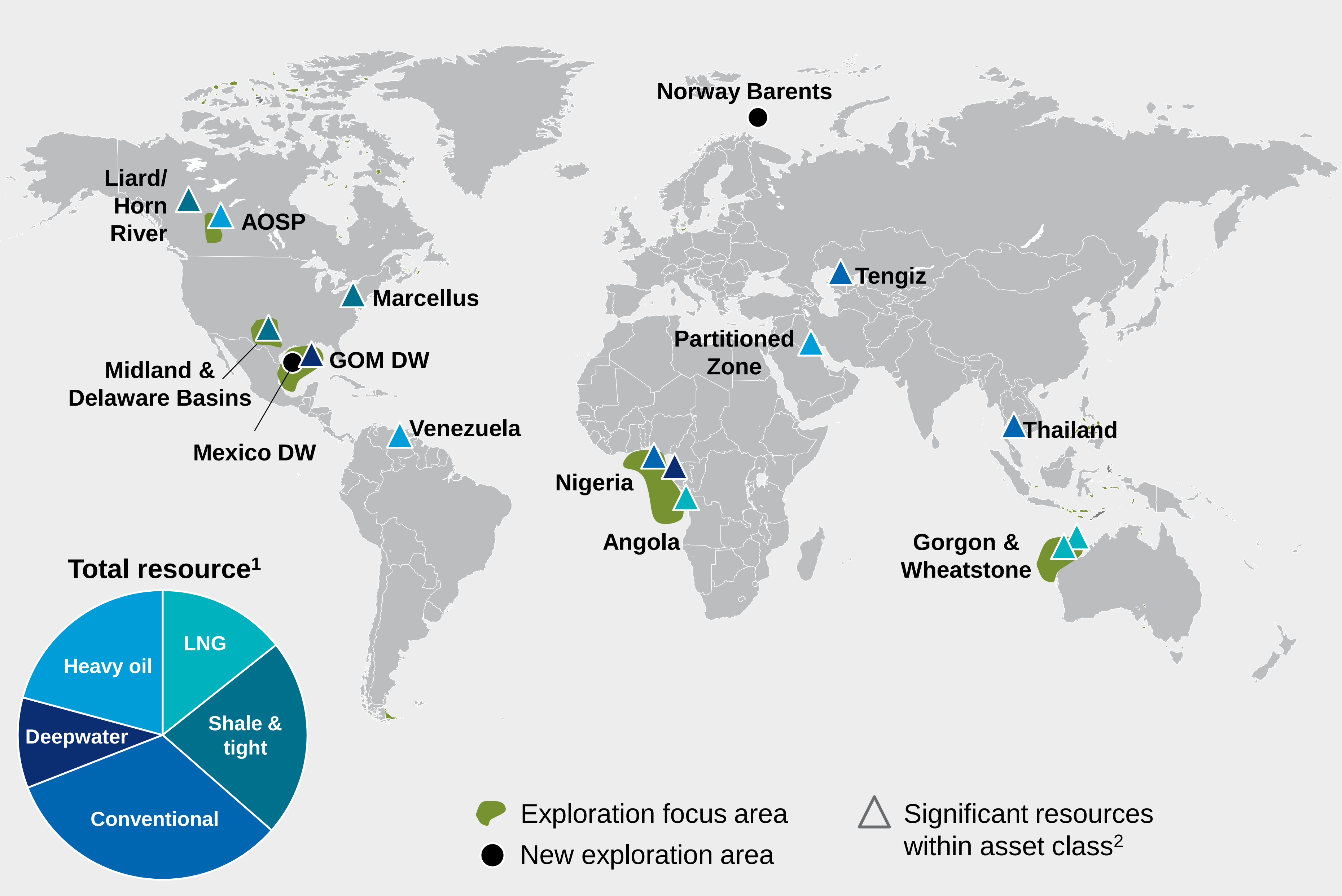
2020 base* plus shale grows ~1%

Lower risk, short-cycle investments

Diverse opportunities with new base assets

*Includes MCPs with first production / ramp-up 2016-2018 and that fully ramp-up production by 2019

Resources for the future



Low holding cost

Options across geographies and five asset classes

Enabled by technology advances

[1] 2016 net unrisked resource as defined in the Supplement of the Annual Report
[2] Represents the three largest resources by asset class; additional details in Upstream appendix

Closing

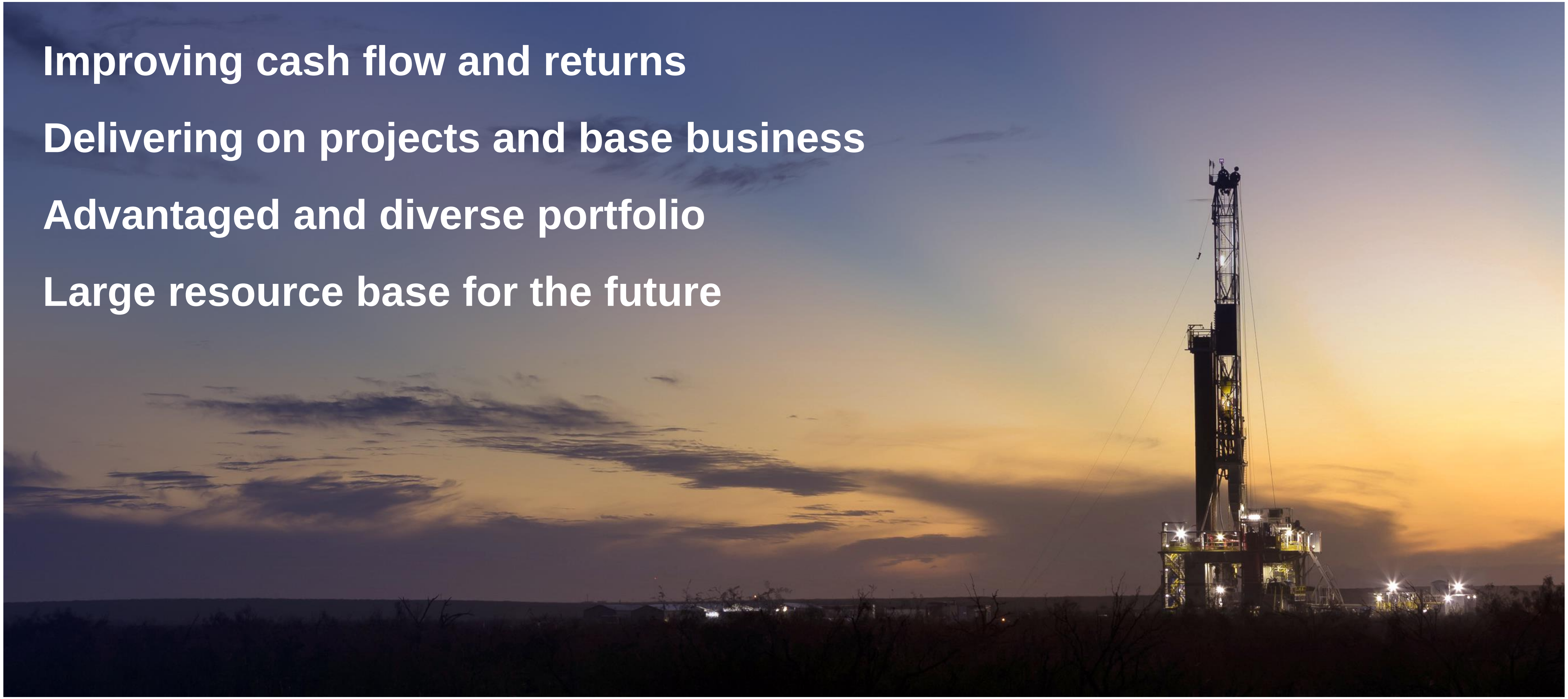


Image: Permian basin

Upstream appendix

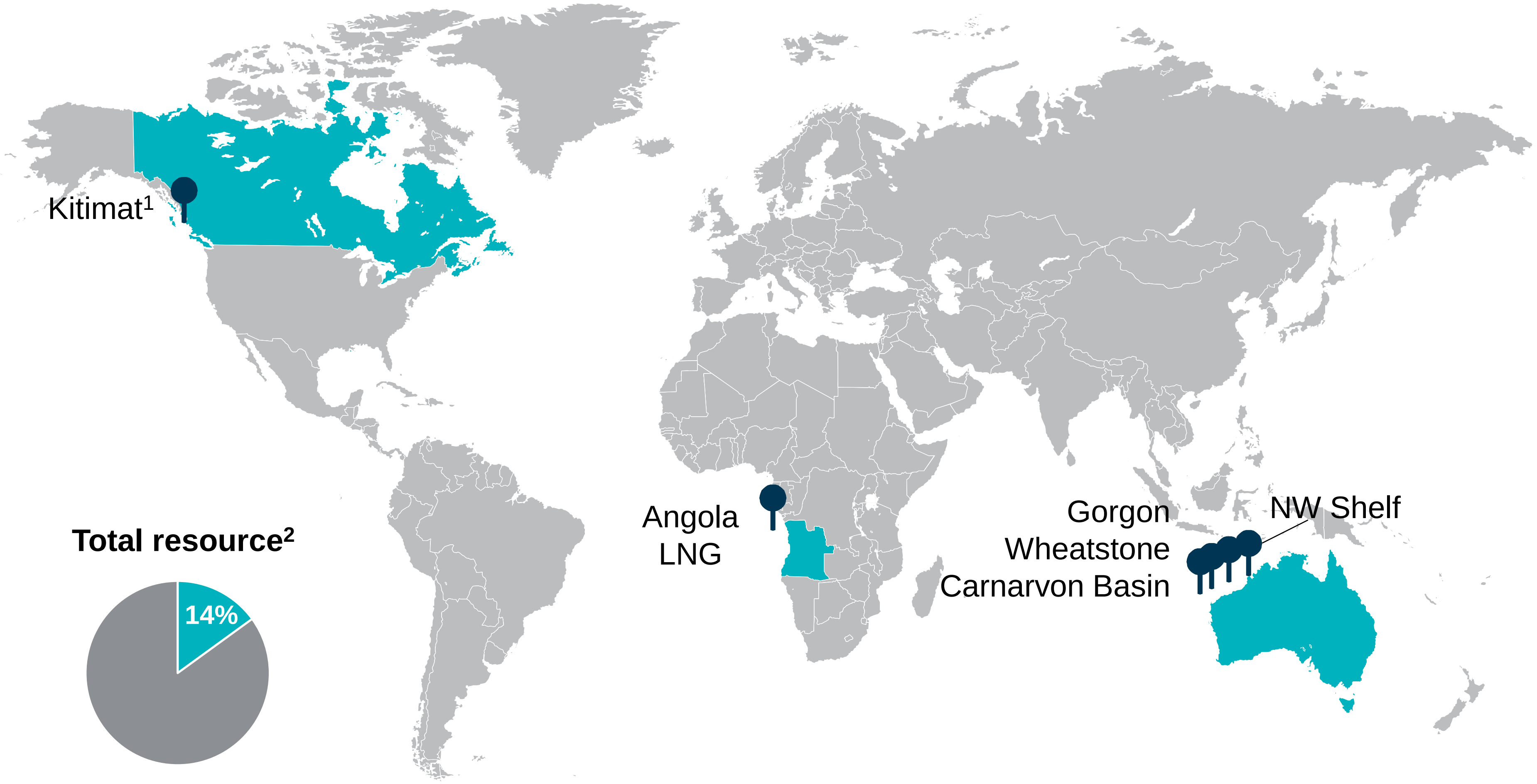
LNG

- Kitimat
- Carnarvon Basin undeveloped

- Wheatstone
- Gorgon
- Angola LNG

- NW Shelf

Resources → New infrastructure → Base business



Total resource[2]

14%

Asset class focus

Reliable operations

Debottlenecking facilities

Monetizing large resource by leveraging installed capacity

[1] Resources associated with Kitimat project captured in Liard basin

[2] 2016 net unrisked resource as defined in the Supplement to the Annual Report

Shale & tight

- Liard & Horn River
- Vaca Muerta
- Duvernay
- Marcellus & Utica
- Midland Basin
- Delaware Basin

Resources → New infrastructure → Base business

Asset class focus

Returns driven growth

Lowering operating and development costs

Large resource positions with low holding costs

*2016 net unrisked resource as defined in the Supplement to the Annual Report

Conventional assets

- KRI
- Tengiz: FGP / WPMP
- Hebron
- Clair Ridge
- Mafumeira Sul
- Alder
- Chuandongbei
- Angola Blk 0
- Hibernia
- Karachaganak
- Nigeria
- AIOC
- Tengiz Base
- Thailand
- Indonesia

Resources → **New infrastructure** → **Base business**

Asset class focus

High return investments

Leveraging infrastructure

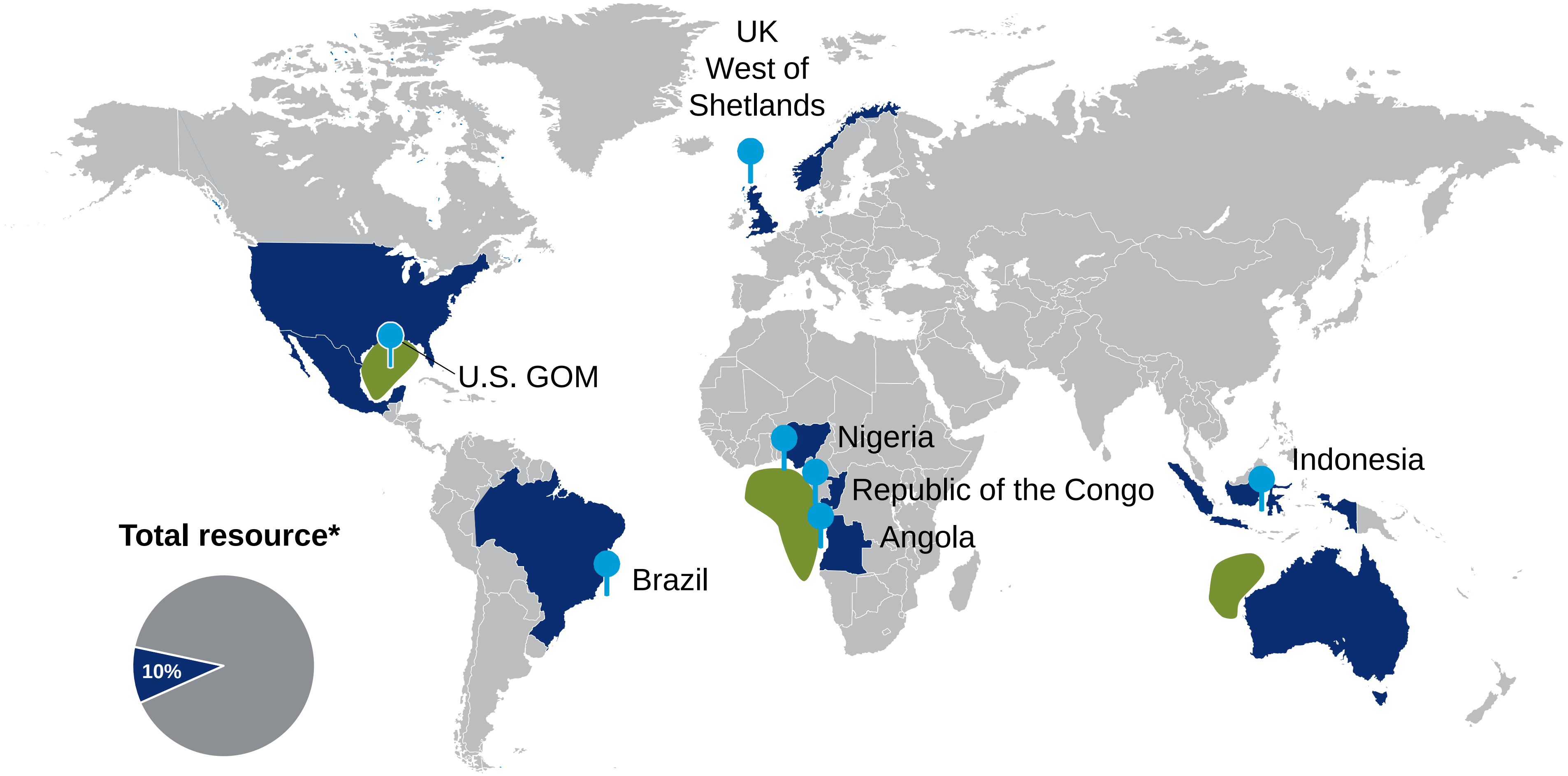
Arresting base decline

*2016 net unrisked resource as defined in the Supplement to the Annual Report

Chevron

Deepwater

Resources			New infrastructure			Base business
• Exploration • Owowo • Tigris	• Indonesia DW • Anchor • Rosebank	• BSWAp • Nsiko	• Big Foot • Mad Dog 2 • Stampede	• Moho Bilondo • Usan • Bangka	• Jack/St. Malo • Tahiti • Agbami	• Frade • Petronius • Block 14



Deepwater exploration focus area

Asset class focus

Tiebacks to existing infrastructure

Lowering development costs

Low unit OPEX

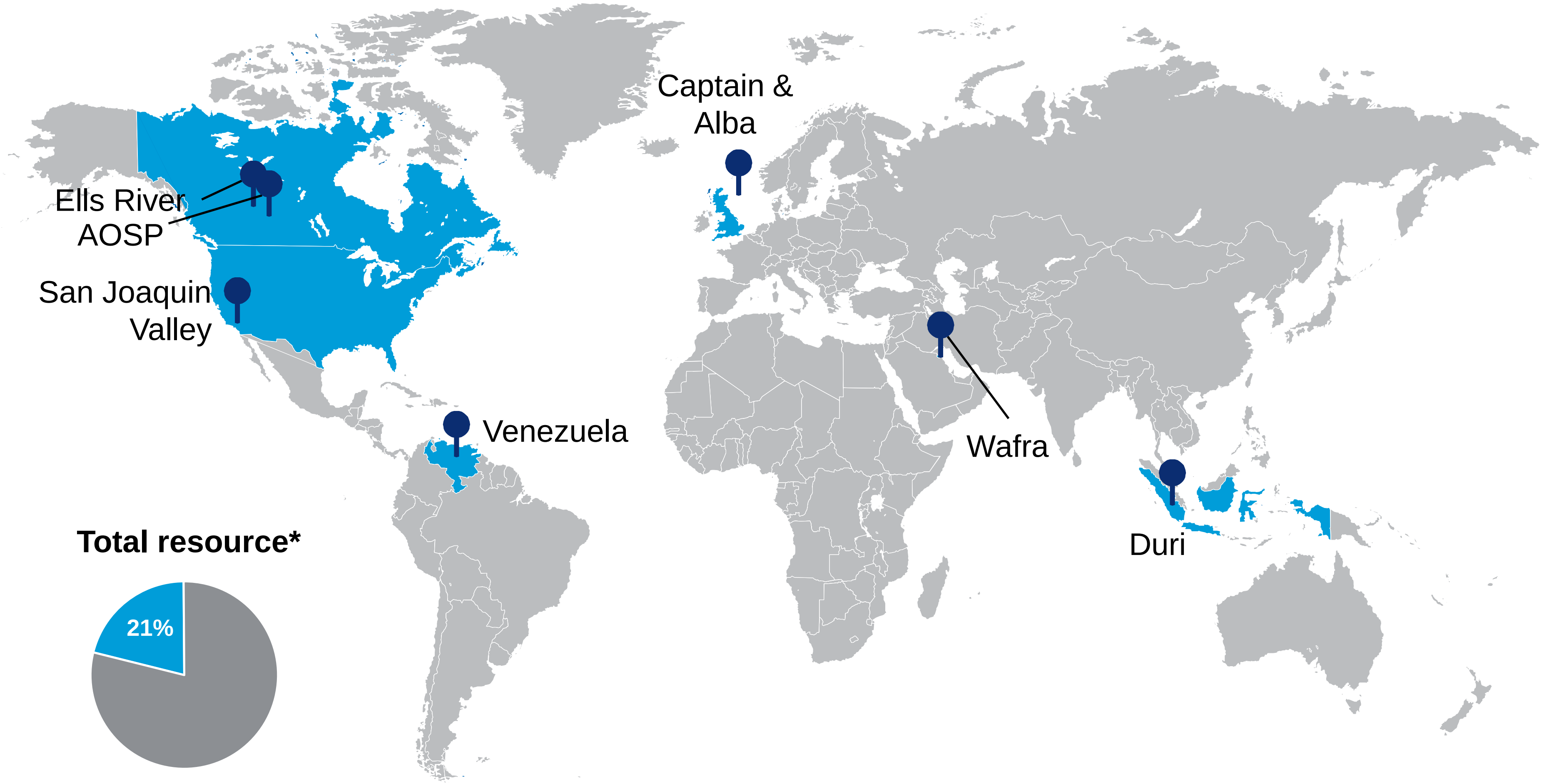
Utilizing technology to improve recovery

*2016 net unrisked resource as defined in the Supplement to the Annual Report

Heavy oil

- Ells River
- Carabobo
- Wafra Steam Flood
- Captain EOR
- Wafra
- Captain & Alba
- Athabasca Oil Sands
- San Joaquin Valley
- Duri
- Boscan
- Petropiar

Resources → **New infrastructure** → **Base business**



Asset class focus

Existing infrastructure drives strong margins

Leveraging thermal expertise

Large resources per asset

*2016 net unrisked resource as defined in the Supplement to the Annual Report

Chevron