



human energy®

Fourth quarter 2019 earnings conference call and webcast

Mike Wirth

Chairman and Chief Executive Officer

Pierre Breber

Vice President and Chief Financial Officer

Wayne Borduin

General Manager, Investor Relations

January 31, 2020

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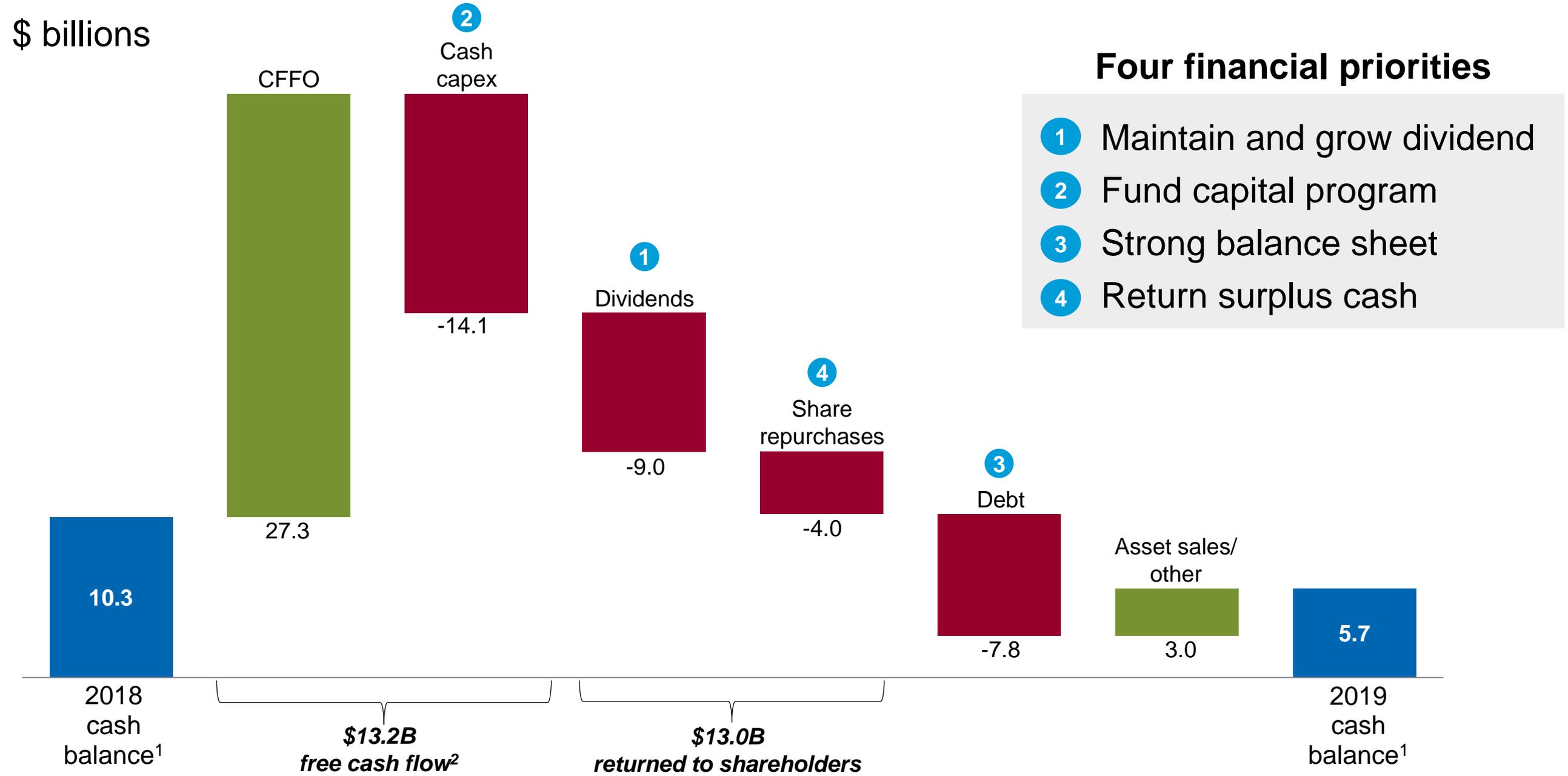
2019 Performance

| | | |
|---------------------------|---|---|
| Cash flow | Generated >\$27B in cash flow from operations | ✓ |
| Capital budget | Executed \$20B organic C&E program | ✓ |
| Production | Grew production 5.4%, excluding impact from asset sales | ✓ |
| Asset sales | High-graded portfolio; before-tax asset sale proceeds of \$2.8B | ✓ |
| Debt | Lowered net debt ratio to 13% | ✓ |
| Dividends | Increased dividend by \$0.10/share (8.4%) in 1Q20 | ✓ |
| Share repurchases | Increased share repurchases to \$5B per year run-rate | ✓ |
| FGP/WPMP execution | Announced ~25% cost increase | ✗ |



Delivering on all four financial priorities

2019 vs. 2018



¹ Includes cash, cash equivalents, marketable securities, and time deposits. Excludes restricted cash.

² Free cash flow is defined as cash flow from operations less cash capital expenditures.

Note: Numbers may not sum due to rounding.



Financial highlights

| | 4Q19 | 2019 |
|--|--------------------------------------|--|
| Earnings | \$(6.6) billion | \$2.9 billion |
| Earnings per diluted share | \$(3.51) | \$1.54 |
| Earnings / EPS (excluding special items and FX) ¹ | \$2.8 billion / \$1.49 | \$11.9 billion / \$6.27 |
| Cash flow from operations / excl. working capital ¹ | \$5.7 billion / \$5.3 billion | \$27.3 billion / \$25.8 billion |
| Total C&E / Organic C&E | \$6.0 billion / \$5.6 billion | \$21.0 billion / \$20.2 billion |
| ROCE / ROCE (excluding special items and FX) ¹ | | 2.0% / 6.9% |
| Dividends paid | \$2.2 billion | \$9.0 billion |
| Share repurchases | \$1.25 billion | \$4.0 billion |
| Debt ratio / Net debt ratio ² | | 16% / 13% |

¹ Reconciliation of special items, FX, and other non-GAAP measures can be found in the appendix.



² As of 12/31/2019. 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.

Overview of 4Q19 special items

After-tax earnings impact

\$ billions

| | U.S. Upstream | Int'l Upstream | Total |
|--------------------------|---|----------------------------------|----------|
| Impairments & Write-offs | Appalachia \$(6.5) Big Foot \$(1.5) Other \$(0.1) | Kitimat \$(1.6) Other \$(0.6) | \$(10.4) |
| Asset dispositions | -- | U.K. \$1.2 | \$1.2 |
| Total | \$(8.2) | \$(1.0) | \$(9.2) |

Key Drivers

Capital allocation

Lower commodity price outlook

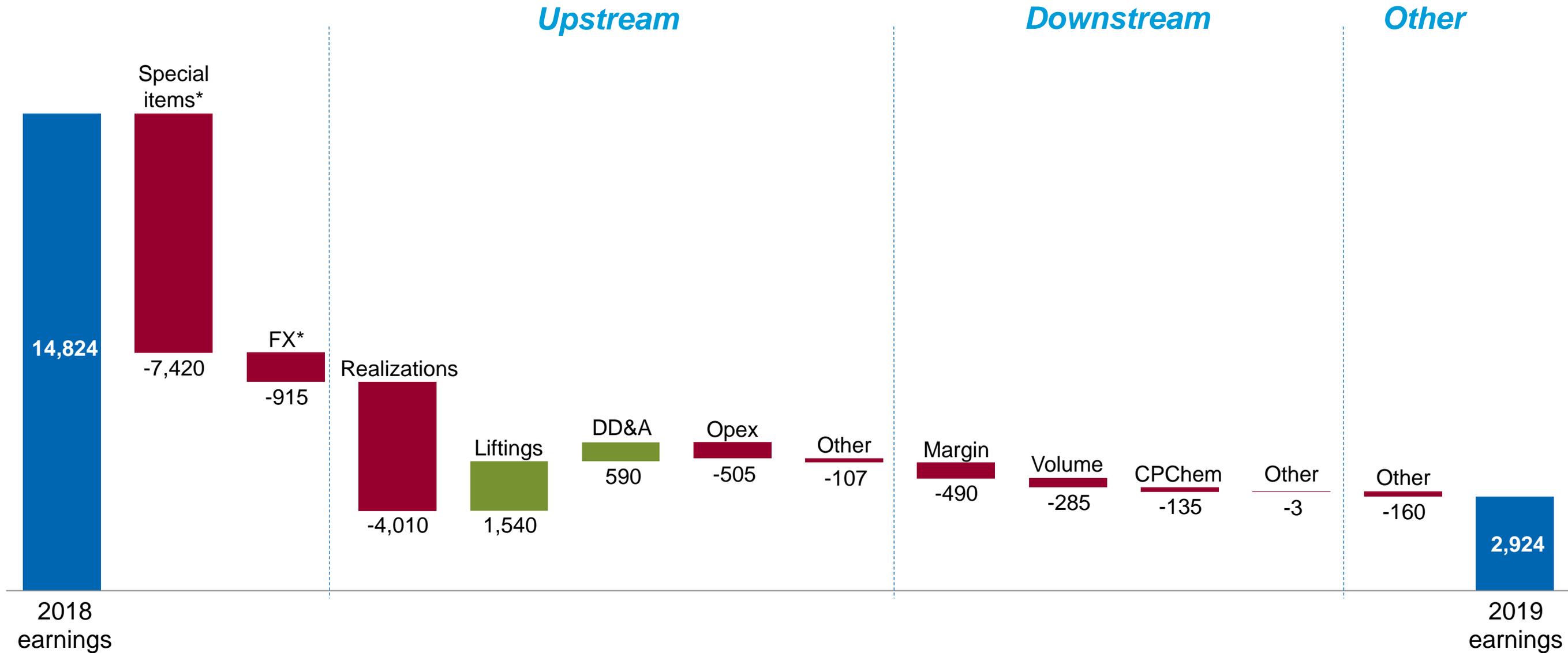
Portfolio high-grading

Note: Numbers may not sum due to rounding.



Chevron earnings 2019 vs. 2018

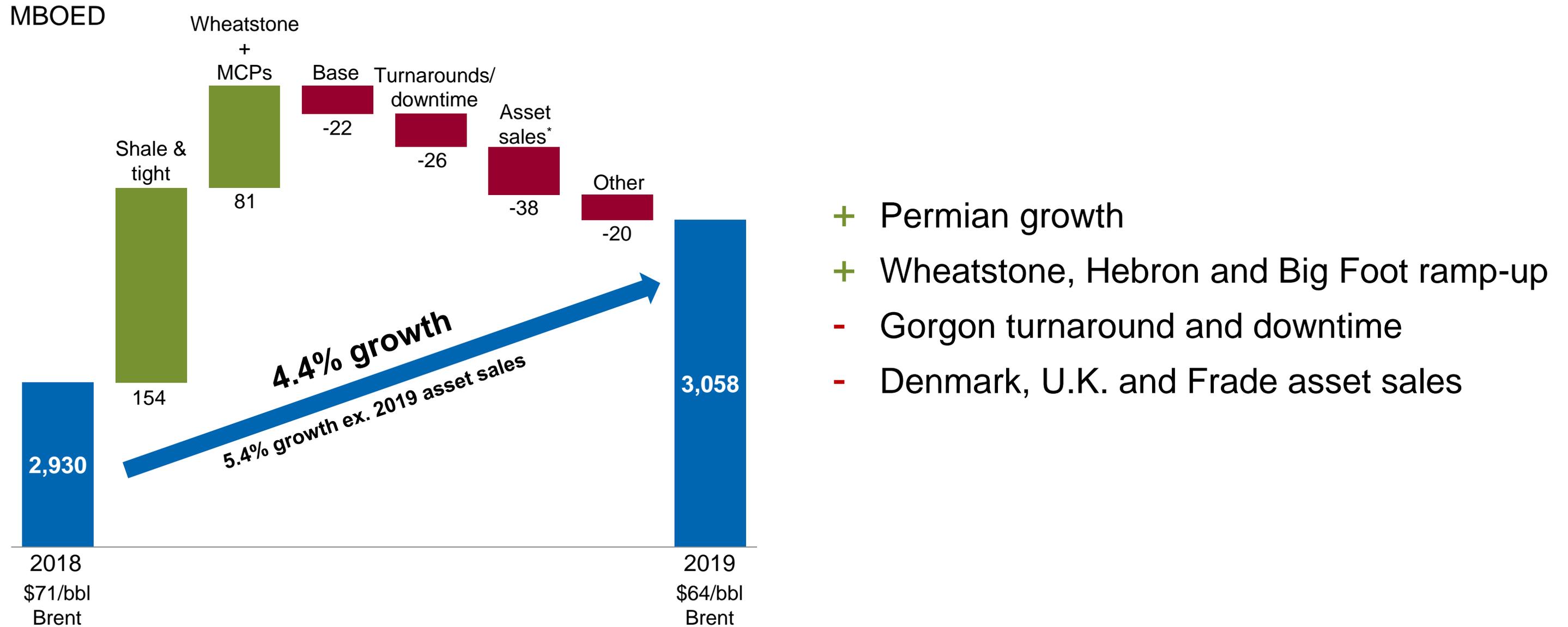
\$ millions



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



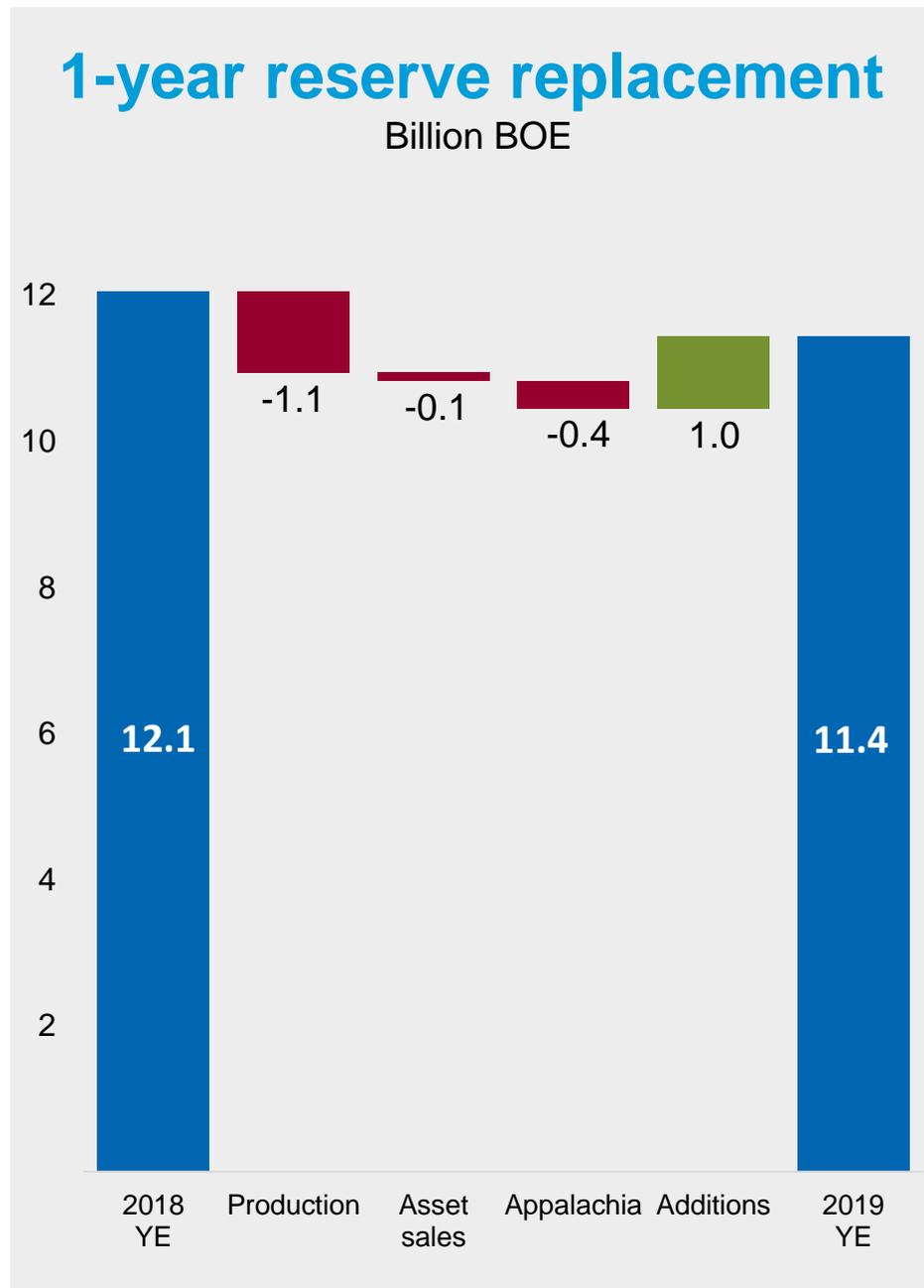
Worldwide net oil & gas production 2019 vs. 2018



* Includes impact of 2018 and 2019 asset sales on 2019 production.
Note: Numbers may not sum due to rounding.

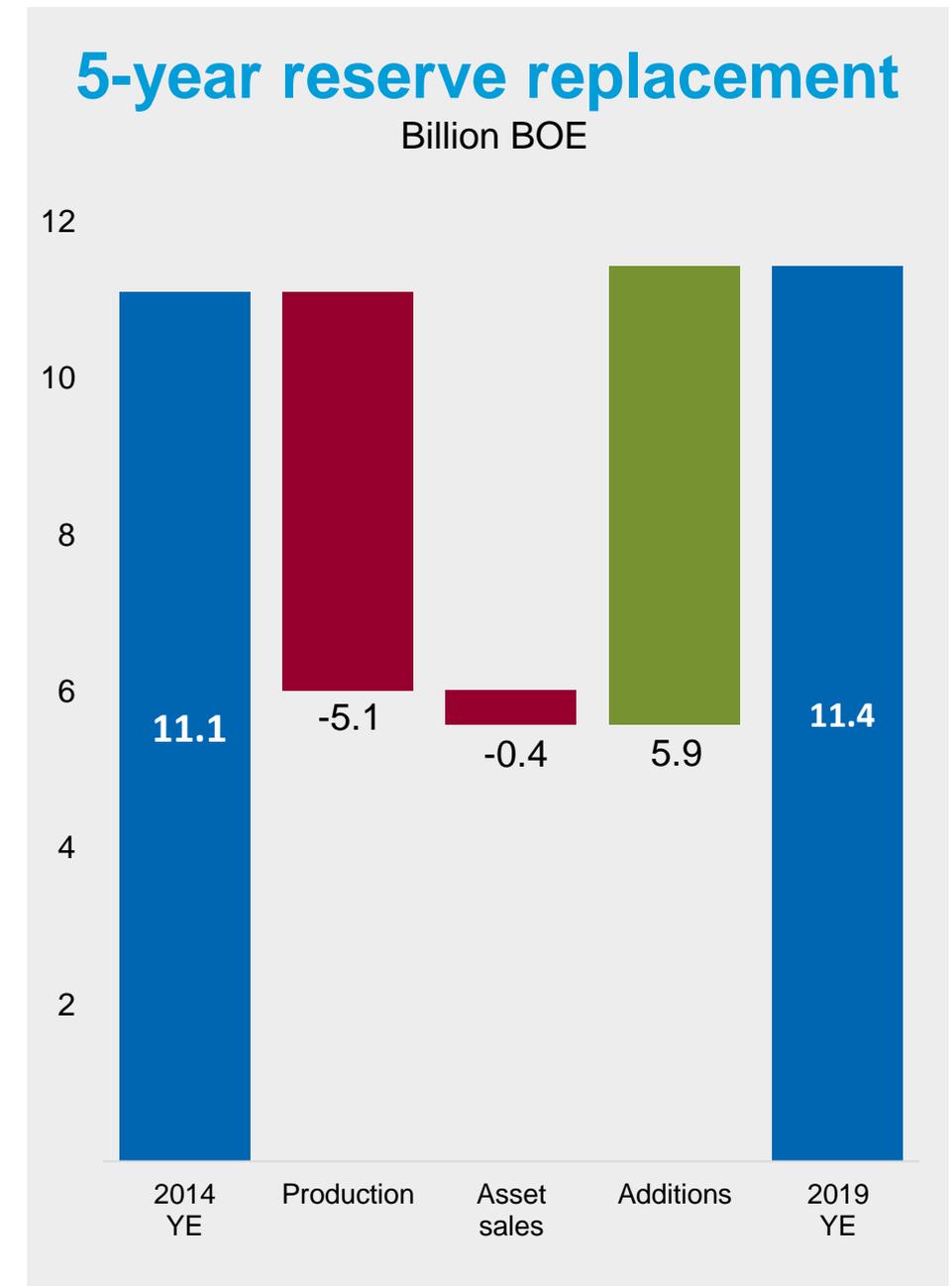


Sustaining proven reserves



1-year
44% RRR
in 2019

5-year
106% RRR
2014-2019



Note: Numbers may not sum due to rounding.



Recent highlights

Acquisitions

Argentina

Additional 15% WI in El Trapial
Closed in 4Q2019

Asia Pacific

Puma Energy (Australia)
Expected to close in mid-2020

Divestments

Azerbaijan

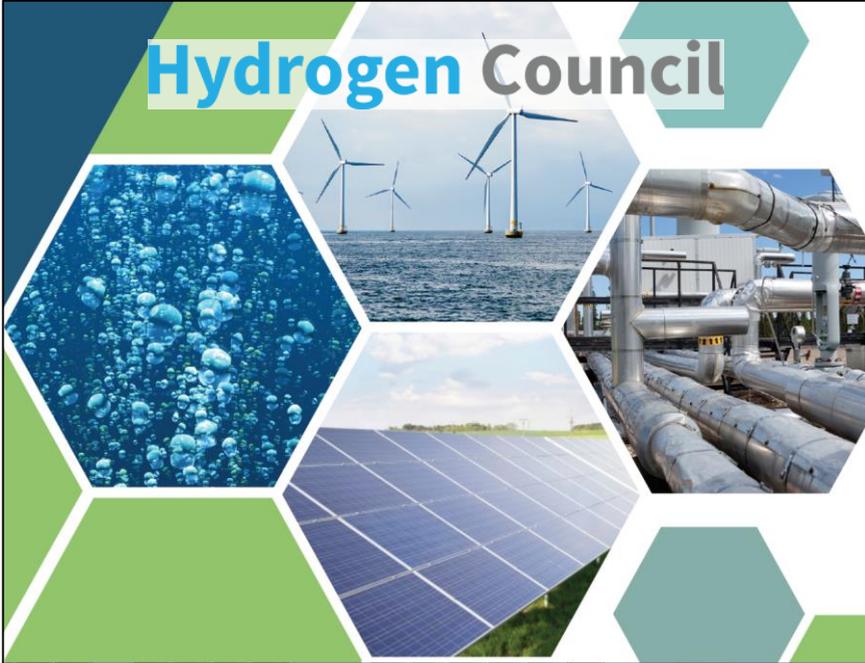
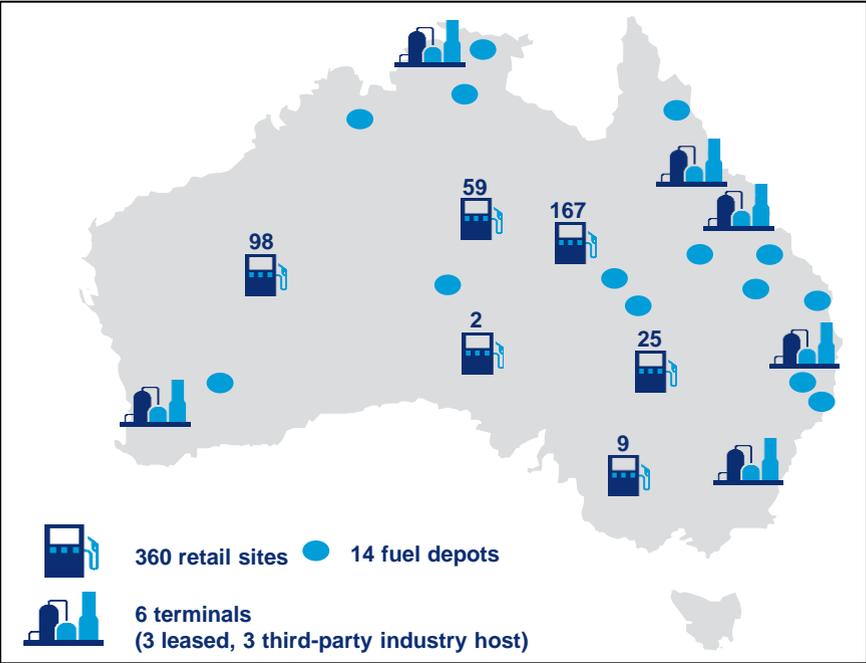
SPA signed on November 2019
Expected to close in 1H2020

Colombia

SPA signed in November 2019
Expected to close in 1H2020

Partnership

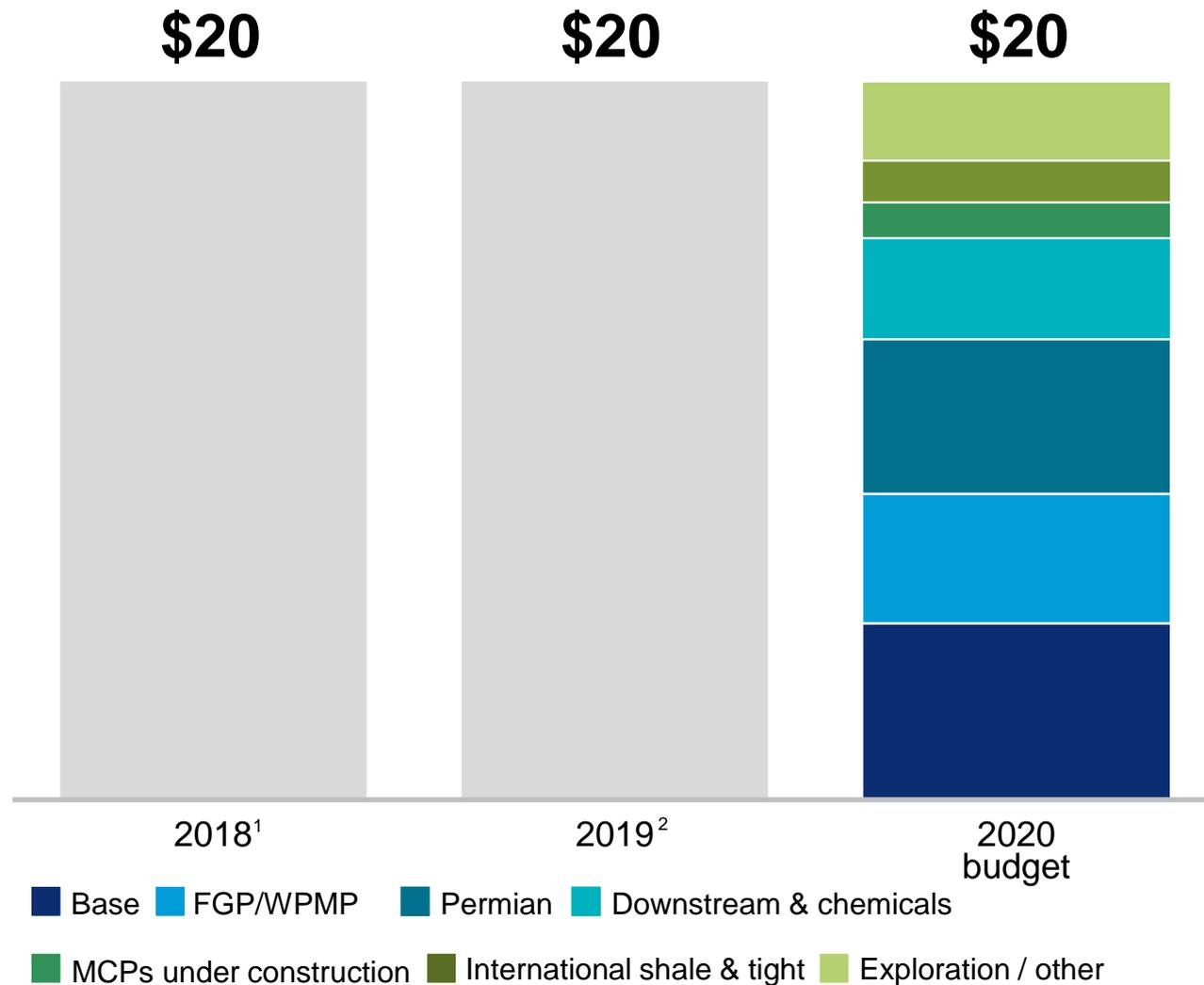
Joined the **Hydrogen Council**
in January 2020



Disciplined and ratable C&E program

Capital & exploratory expenditures

\$ billions



¹ Excludes ~\$0.6B inorganic spend

² Excludes ~\$0.8B inorganic spend



Flat organic C&E

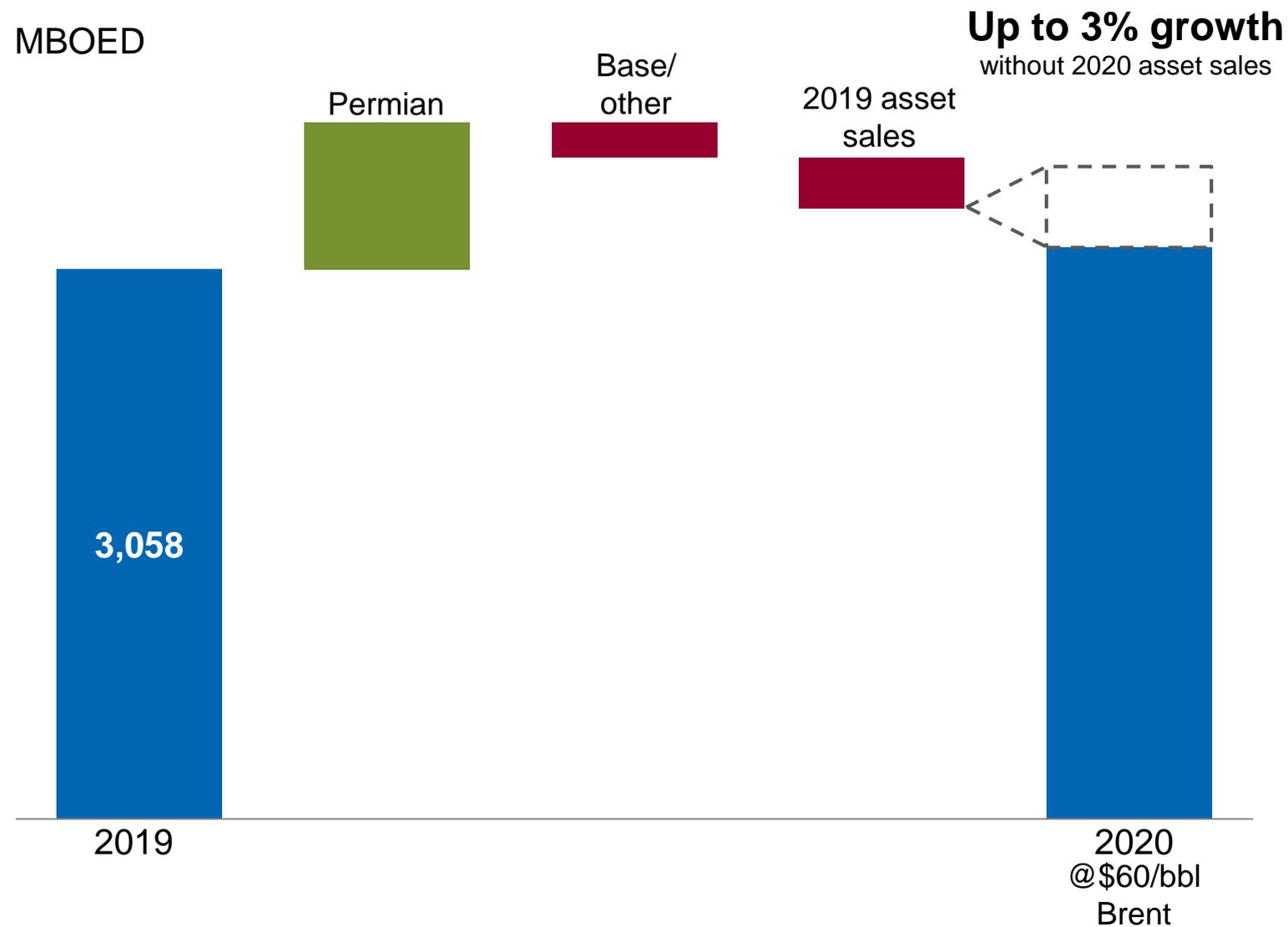
Low execution risk

Focused on short-cycle, high-return investments

2020 Production outlook

Net Production

MBOED



2020 Uncertainties

PZ
Venezuela
NOJV activity levels
External events

Note: \$60/bbl nominal Brent is for illustrative purposes only and not necessarily indicative of Chevron's price forecast.



Positioned to win in any environment



2020 Outlook

Disciplined capital
\$20B organic C&E

Strong dividend per share growth
8.4% increase in 1Q20

Sustained share repurchases
\$5B per year

2020 security analyst meeting

Tuesday, March 3, 2020

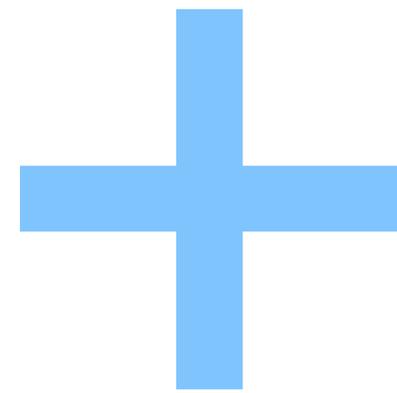
8:00 am – 12:15 pm

Doors open at 7:30 am

New York City



questions



answers

Appendix: looking ahead

| | 1Q2020 outlook | Full-year 2020 outlook |
|------------|--|---|
| Upstream | Turnarounds: ~10 MBOED | Production growth (excl. asset sales): 0 - 3% TCO co-lending: ~\$2B |
| Downstream | Refinery turnarounds: \$(100) - (200)MM A/T earnings | |
| Corporate | Dividend increase of \$0.10/share | Organic C&E: \$20B "Other" segment earnings: ~\$(2.5)B Distributions less affiliate income: ~\$(2)B B/T asset sales proceeds: \$2 - 3B Working capital: ~\$0 Share repurchases: \$5B <u>Sensitivities:</u> \$450MM cash flow per \$1 change in Brent \$400MM A/T earnings per \$1 change in Brent |



Appendix: reconciliation of non-GAAP measures

Reported earnings to earnings excluding special items and FX

| | FY18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 | FY19 |
|--|----------------|---------------|---------------|---------------|-----------------|----------------|
| Reported earnings (\$ millions) | | | | | | |
| Upstream | 13,316 | 3,123 | 3,483 | 2,704 | (6,734) | 2,576 |
| Downstream | 3,798 | 252 | 729 | 828 | 672 | 2,481 |
| All Other | (2,290) | (726) | 93 | (952) | (548) | (2,133) |
| Total reported earnings | 14,824 | 2,649 | 4,305 | 2,580 | (6,610) | 2,924 |
| Diluted weighted avg. shares outstanding ('000) | 1,914,107 | 1,900,748 | 1,902,977 | 1,893,928 | 1,872,317 | 1,895,126 |
| Reported earnings per share | \$7.74 | \$1.39 | \$2.27 | \$1.36 | \$(3.51) | \$1.54 |
| Special items (\$ millions) | | | | | | |
| UPSTREAM | | | | | | |
| Asset dispositions | -- | -- | -- | -- | 1,200 | 1,200 |
| Impairments and other* | (1,590) | -- | 180 | -- | (10,350) | (10,170) |
| Subtotal | (1,590) | -- | 180 | -- | (9,150) | (8,970) |
| DOWNSTREAM | | | | | | |
| Asset dispositions | 350 | -- | -- | -- | -- | -- |
| Impairments and other* | -- | -- | -- | -- | -- | -- |
| Subtotal | 350 | -- | -- | -- | -- | -- |
| ALL OTHER | | | | | | |
| Impairments and other* | -- | -- | 740 | (430) | -- | 310 |
| Subtotal | -- | -- | 740 | (430) | -- | 310 |
| Total special items | (1,240) | -- | 920 | (430) | (9,150) | (8,660) |
| Foreign exchange (\$ millions) | | | | | | |
| Upstream | 545 | (168) | 22 | 49 | (226) | (323) |
| Downstream | 71 | 31 | (9) | 27 | (32) | 17 |
| All other | (5) | -- | 2 | (2) | 2 | 2 |
| Total FX | 611 | (137) | 15 | 74 | (256) | (304) |
| Earnings excluding special items and FX (\$ millions) | | | | | | |
| Upstream | 14,361 | 3,291 | 3,281 | 2,655 | 2,642 | 11,869 |
| Downstream | 3,377 | 221 | 738 | 801 | 704 | 2,464 |
| All Other | (2,285) | (726) | (649) | (520) | (550) | (2,445) |
| Total earnings excluding special items and FX (\$ millions) | 15,453 | 2,786 | 3,370 | 2,936 | 2,796 | 11,888 |
| Earnings per share excluding special items and FX | \$8.07 | \$1.47 | \$1.77 | \$1.55 | \$1.49 | \$6.27 |

* Includes asset impairments, write-offs, tax items, Anadarko termination fee, and other special items.



Appendix: reconciliation of non-GAAP measures

Cash flow from operations excluding working capital

Free cash flow

| \$ millions | 1Q19 | 2Q19 | 3Q19 | 4Q19 | FY 2019 |
|--|--------------|--------------|--------------|--------------|----------------|
| Net Cash Provided by Operating Activities | 5,057 | 8,783 | 7,817 | 5,656 | 27,313 |
| Net Decrease (Increase) in Operating Working Capital | (1,210) | 930 | 1,406 | 368 | 1,494 |
| Cash Flow from Operations Excluding Working Capital | 6,267 | 7,853 | 6,411 | 5,288 | 25,819 |
| | | | | | FY 2019 |
| Net cash provided by operating activities | | | | | 27,313 |
| Less: cash capital expenditures | | | | | 14,116 |
| Free Cash Flow | | | | | 13,197 |

Note: Numbers may not sum due to rounding.

Appendix: reconciliation of non-GAAP measures

ROCE

ROCE excluding special items and FX

| \$ millions | FY 2019 | \$ millions | FY 2019 |
|---------------------------|-------------|---|-------------|
| Total reported earnings | 2,924 | Total earnings excluding special items and FX | 11,888 |
| Non-controlling interest | (79) | Non-controlling interest | (79) |
| Interest expense (A/T) | 761 | Interest expense (A/T) | 761 |
| ROCE earnings | 3,606 | ROCE earnings excluding special items and FX | 12,570 |
| Average capital employed* | 181,148 | Average capital employed* | 181,148 |
| ROCE | 2.0% | ROCE excluding special items and FX | 6.9% |

* 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: overview of 4Q19 special items

\$ billions

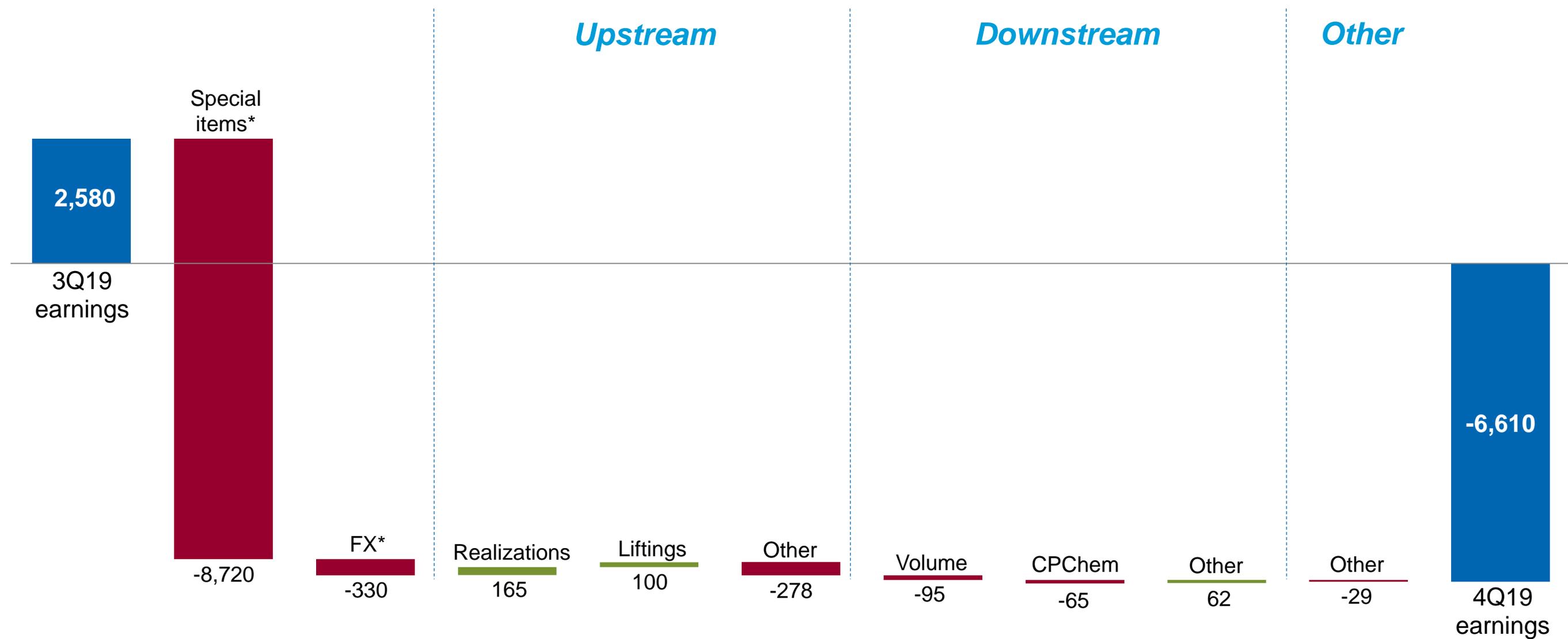
| | DD&A (B/T) | Deferred income tax | OPEX (B/T) | Exploration expense (B/T) | Income from equity affiliates (B/T) |
|--|------------|---------------------|------------|---------------------------|-------------------------------------|
| 4Q reported | \$16.4 | \$(3.0) | \$7.2 | \$0.3 | \$0.5 |
| Impairments & Write-offs | \$12.2 | \$(2.8) | \$0.3 | \$0.0 | \$0.6 |
| Asset dispositions | -- | -- | -- | -- | -- |
| 4Q reported excluding special items | \$4.2 | \$(0.2) | \$6.9 | \$0.3 | \$1.1 |



Appendix: Chevron earnings

4Q19 vs. 3Q19

\$ millions



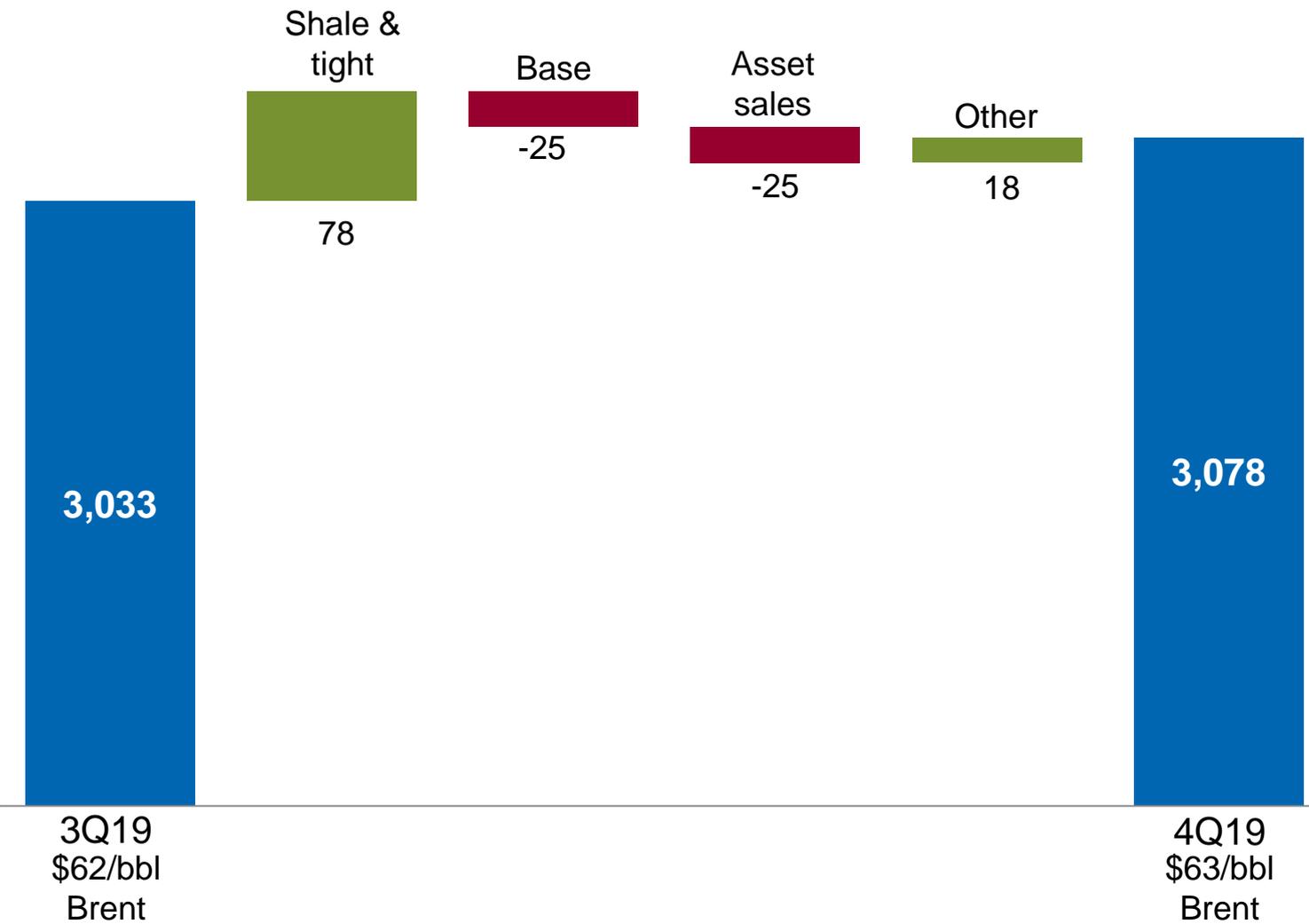
* Reconciliation of special items and FX can be found in the appendix.



Appendix

Worldwide net oil & gas production: 4Q19 vs. 3Q19

MBOED



- + Permian growth
- + Absence of Hurricane Barry
- U.K. asset sales

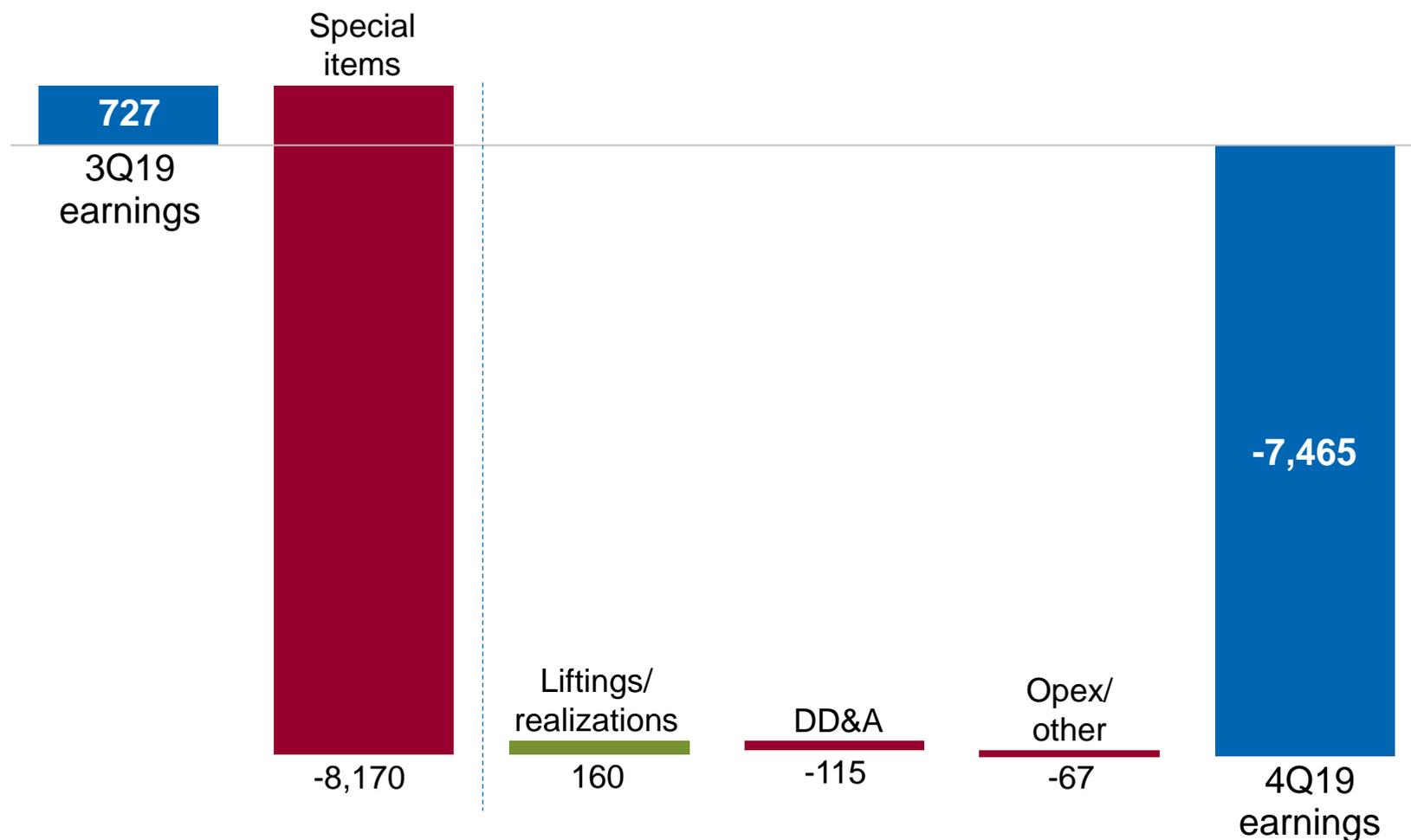
Note: Numbers may not sum due to rounding.



Appendix

U.S. upstream earnings: 4Q19 vs. 3Q19

\$ millions

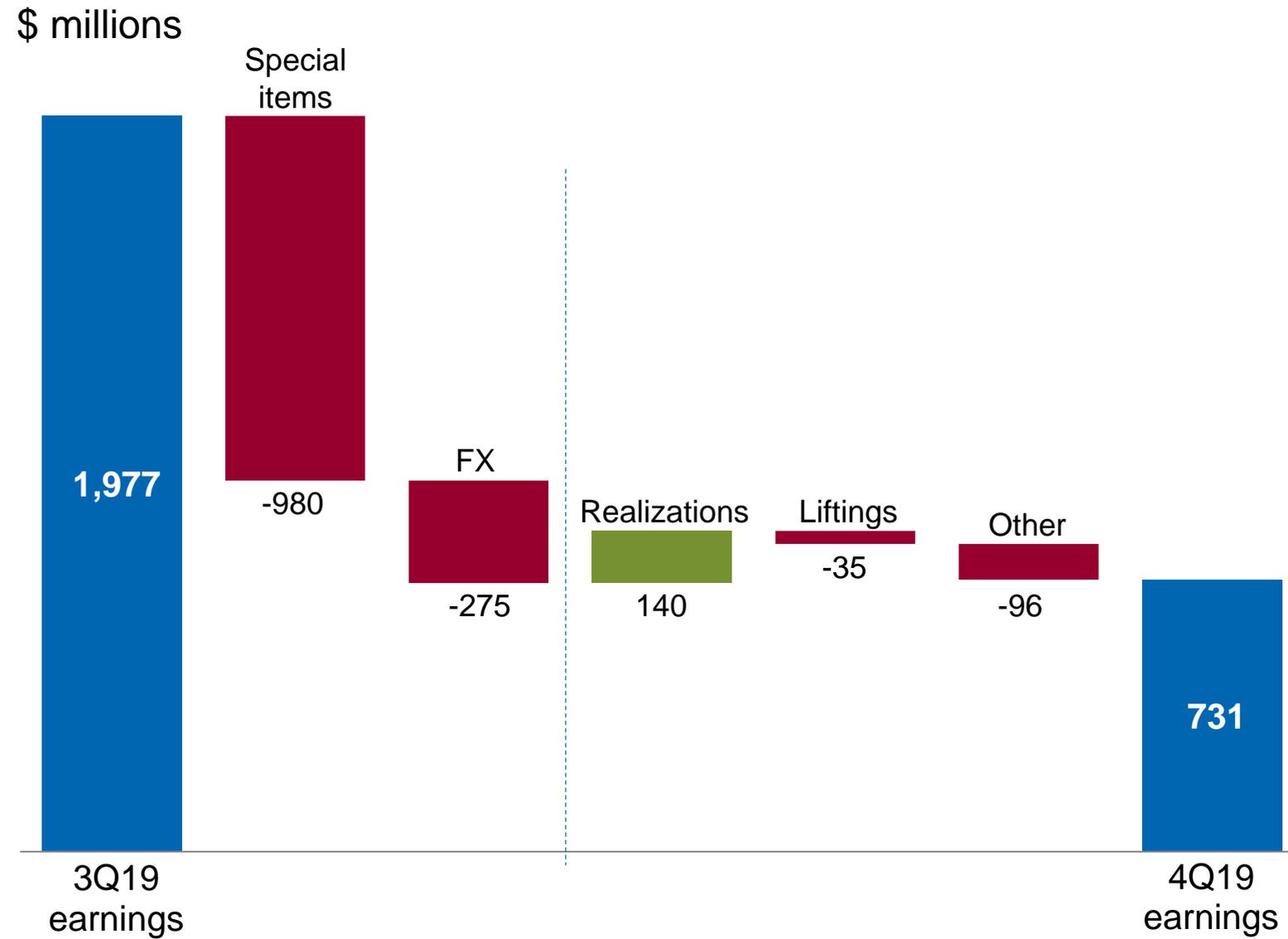


- Primarily impairments associated with Appalachia and Big Foot
- Higher Permian production



Appendix

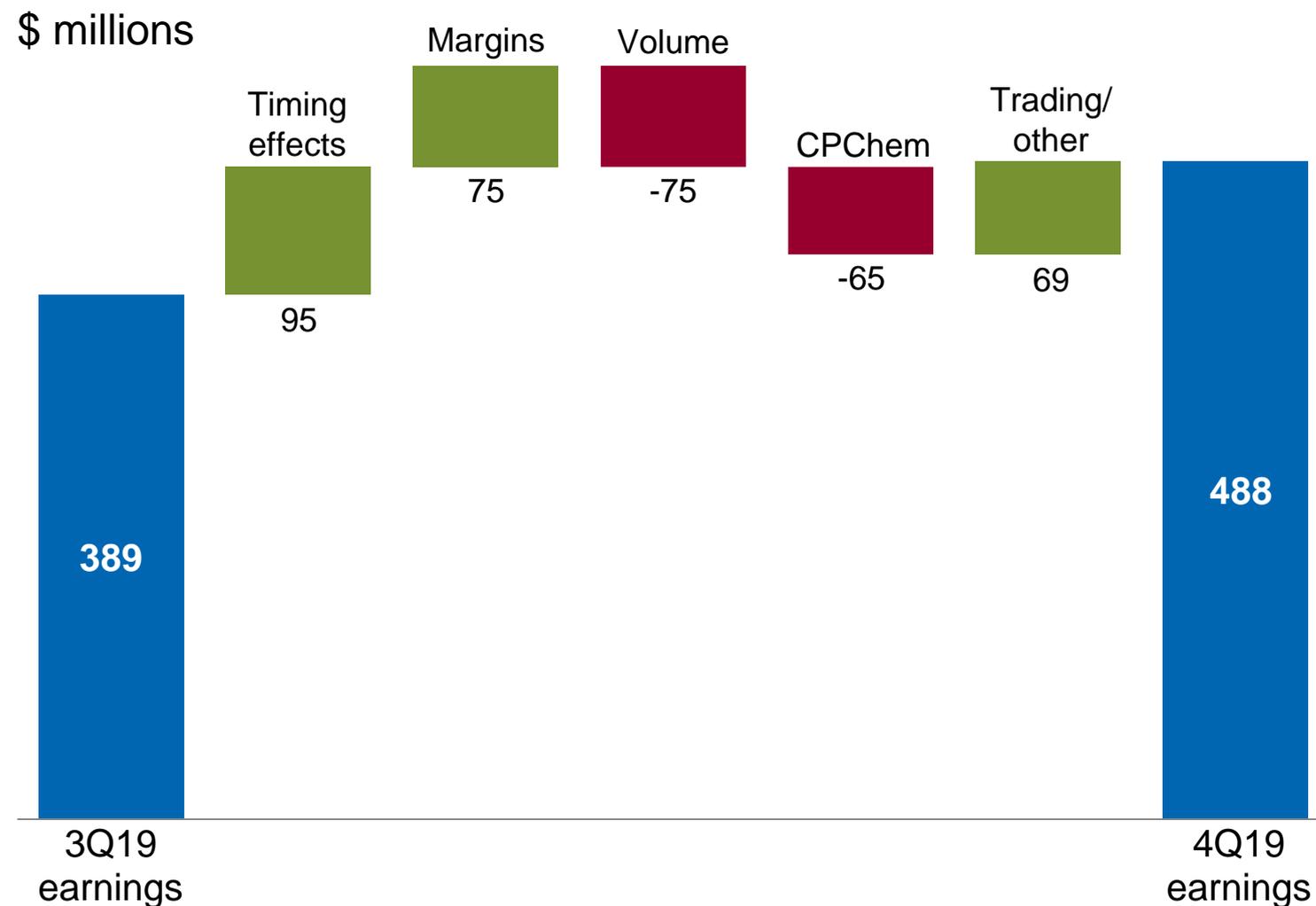
International upstream earnings: 4Q19 vs. 3Q19



- Impairments partially offset by U.K. asset sale
- ~\$1/bbl increase in Brent
- Gorgon turnaround

Appendix

U.S. downstream earnings: 4Q19 vs. 3Q19



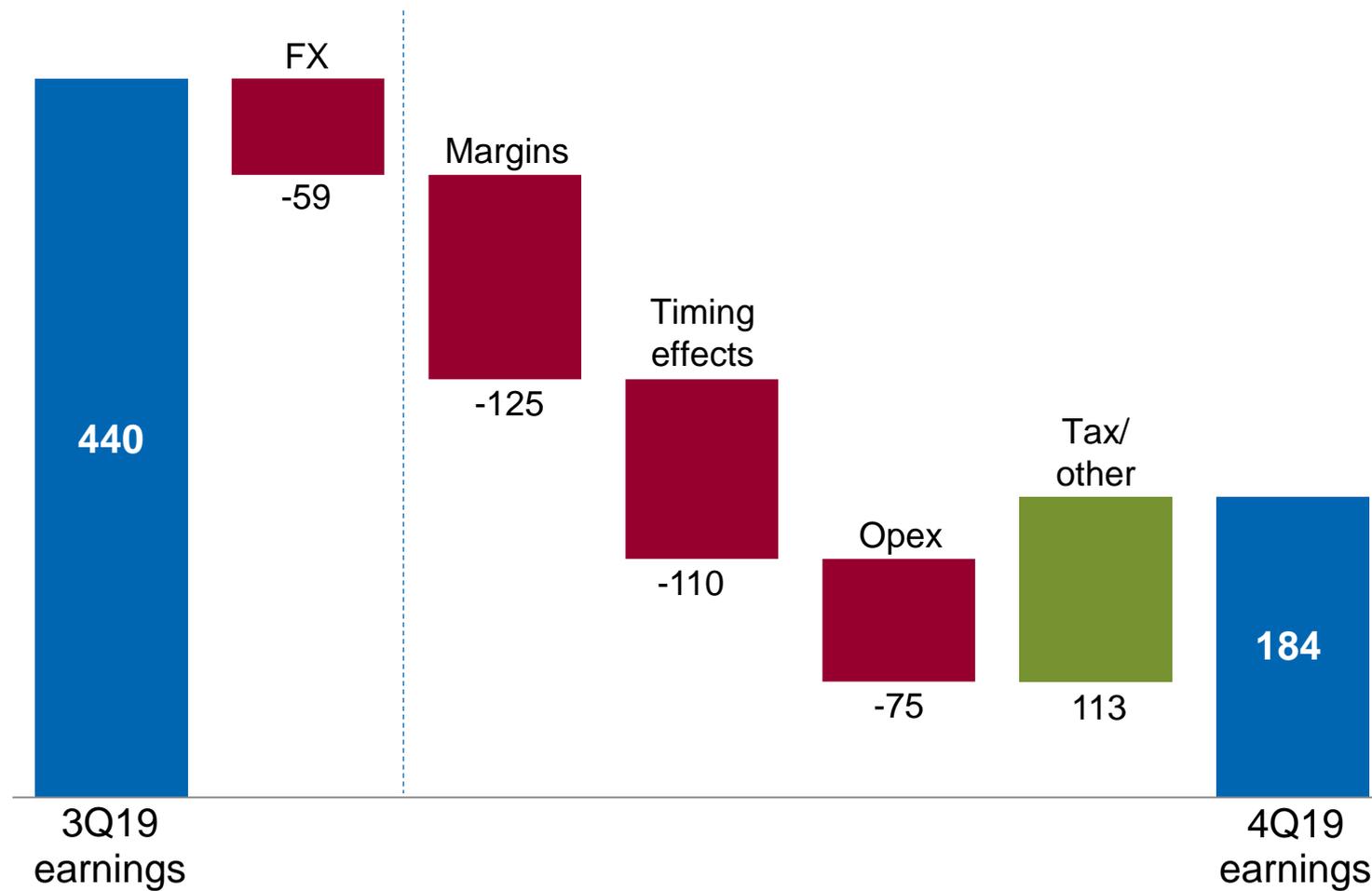
- Higher refining & marketing margins
- Lower volume due to unplanned downtime
- Lower CPCChem margins



Appendix

International downstream earnings: 4Q19 vs. 3Q19

\$ millions



- Lower Asia refining margins
- Higher planned turnaround and maintenance expenses

