



human energy®

corporate overview

John Watson
Chairman and Chief Executive Officer



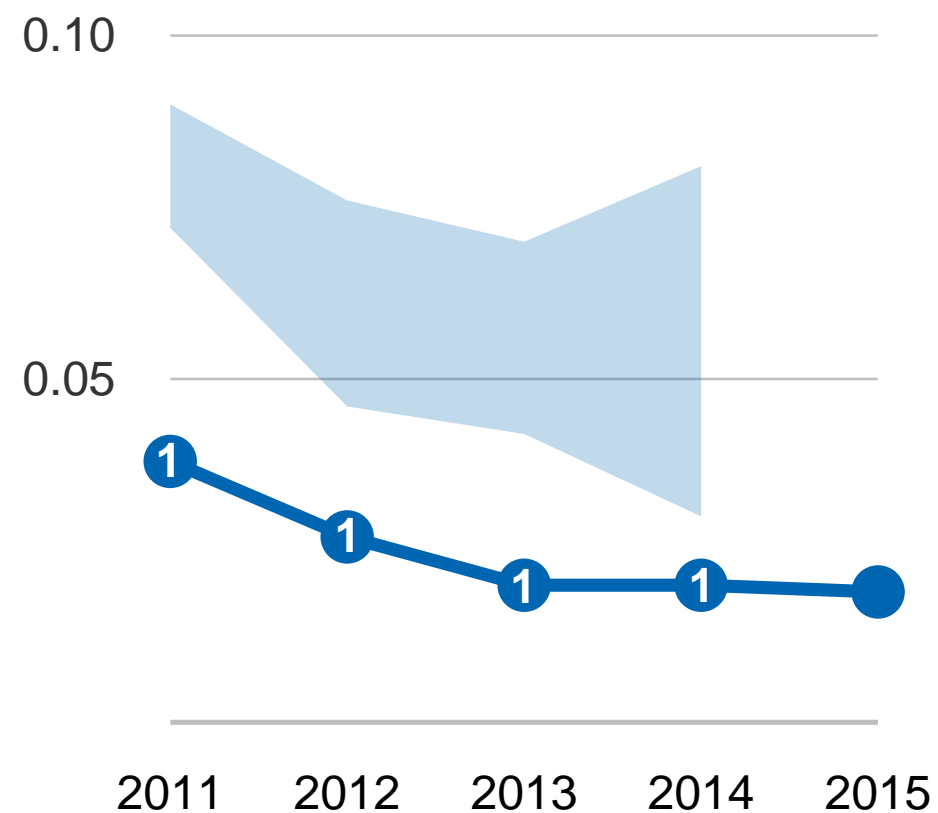
Key messages

- Maintain and grow dividend is the priority
- Improve free cash flow by:
 - Reducing capital and operating spend
 - Growing volume and margin
- Use strong balance sheet to complete projects under construction
- Positioned to improve returns and selectively grow in lower price environment



Operational excellence

Days away from work rate

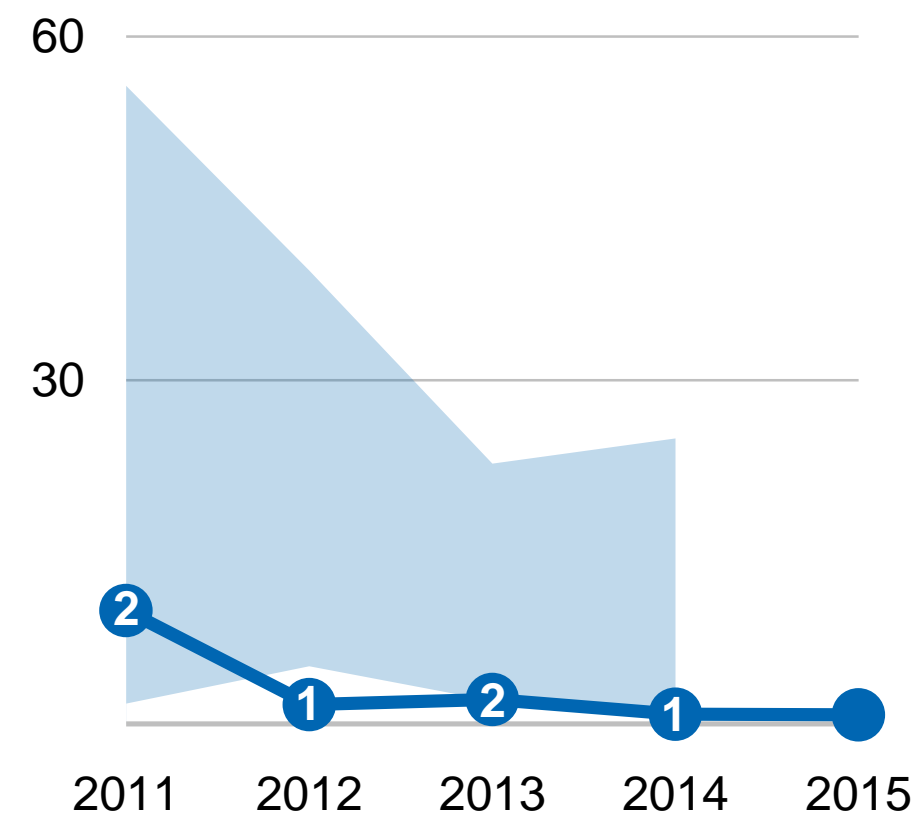


● CVX ranking relative to competitors, 1 being the lowest rate
 ■ Competitor range: BP, RDS, XOM

Industry leading performance

Oil spills to land or water

Thousands of barrels



● CVX ranking relative to competitors, 1 being the lowest rate
 ■ Competitor range: BP, RDS, XOM



Financial priorities

Maintain and **grow dividend**

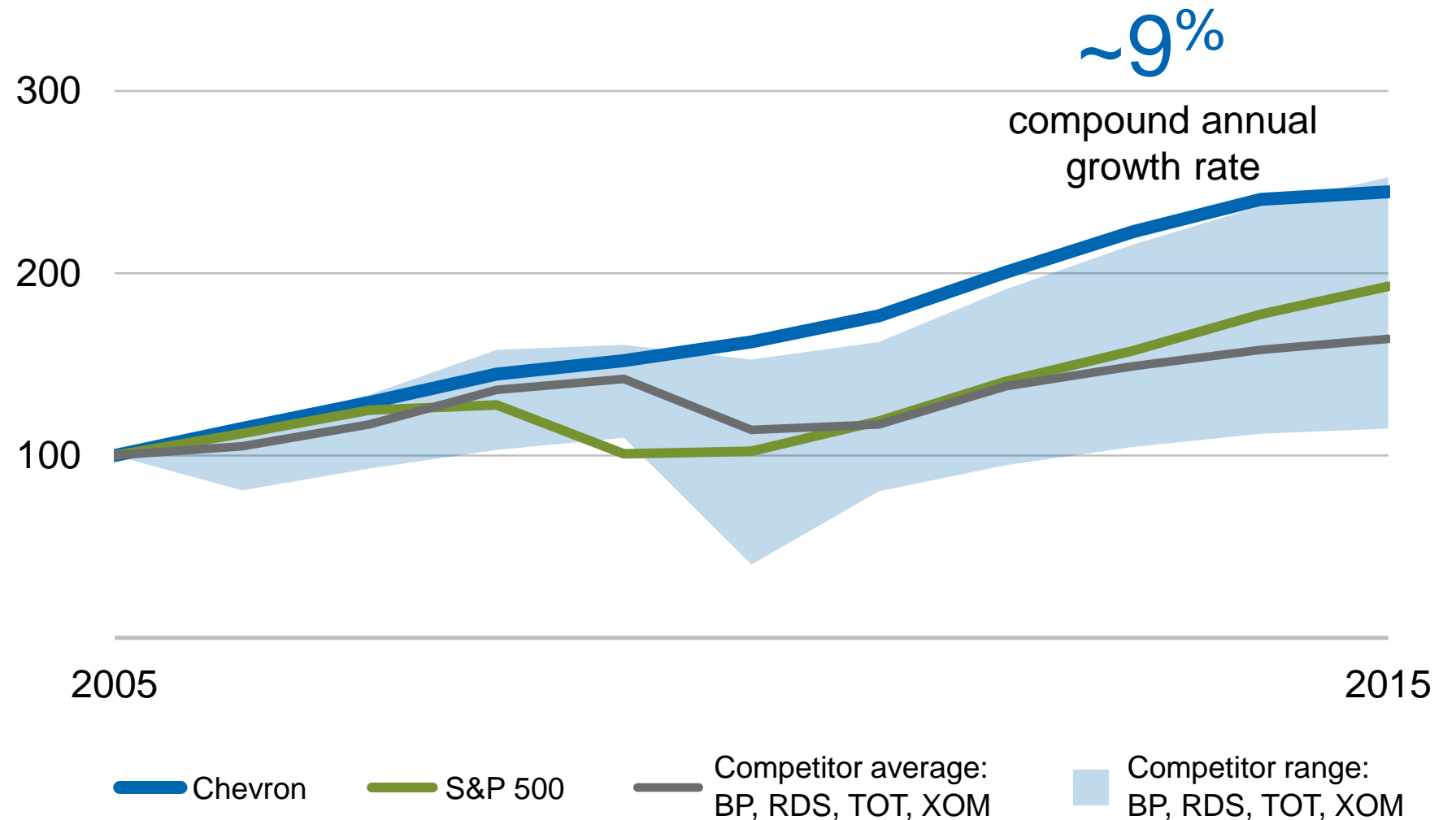
Fund **capital program** for future earnings

Maintain **strong balance sheet**

Return **surplus cash** to stockholders

Indexed dividend growth

Basis: 2005 = 100



2015 financial performance

Earnings **\$4.6** billion

Cash flow from operations **\$19.5** billion

ROCE **2.5%**

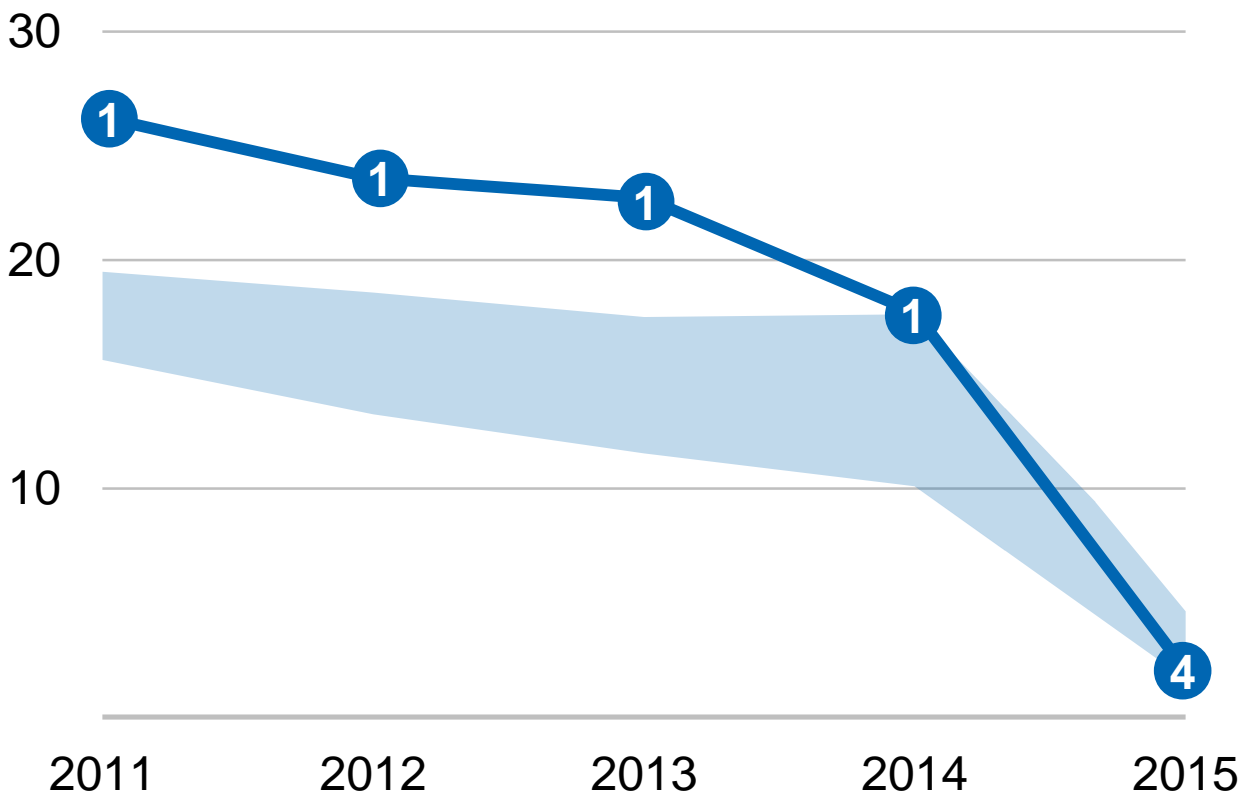
Debt ratio **20.2%**

Dividends paid **\$8.0** billion

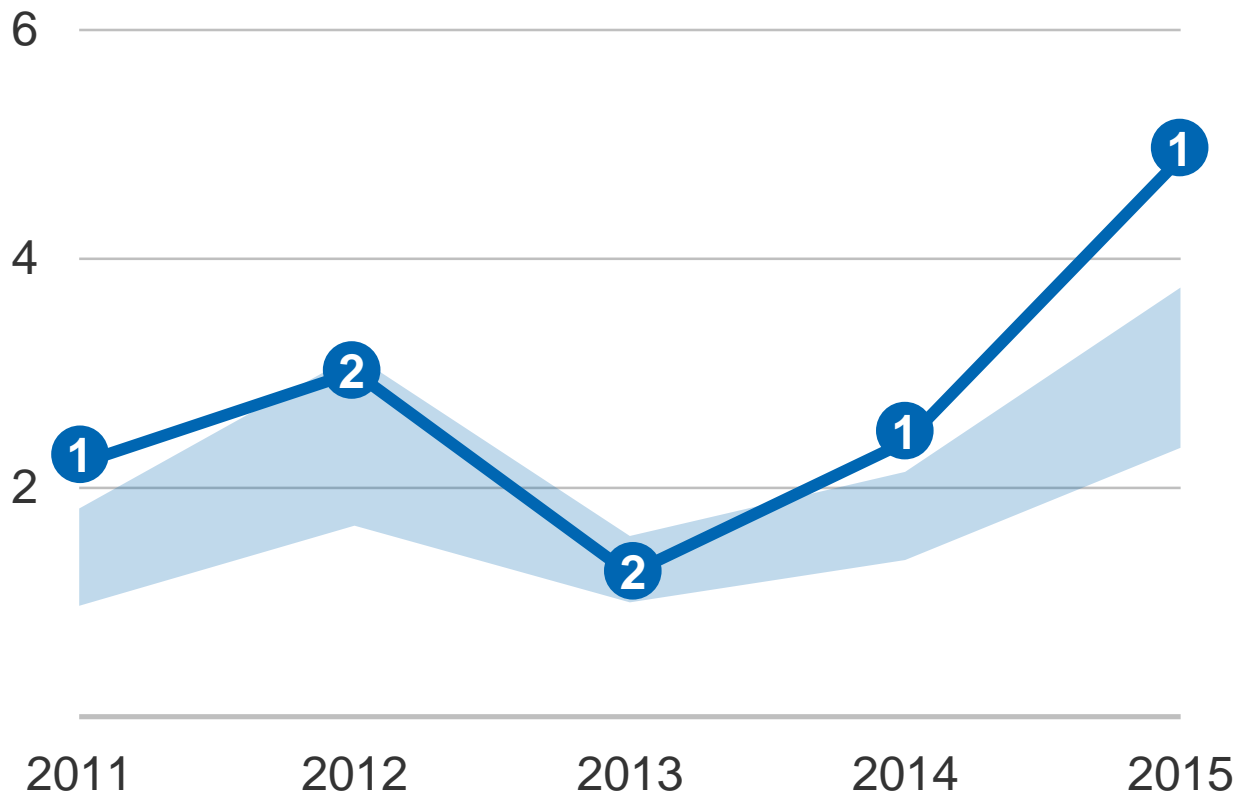


Earnings per barrel

Upstream earnings per barrel



Downstream earnings* per barrel



● CVX ranking relative to competitors, 1 being the best
 ■ Competitor range: BP, RDS, TOT, XOM

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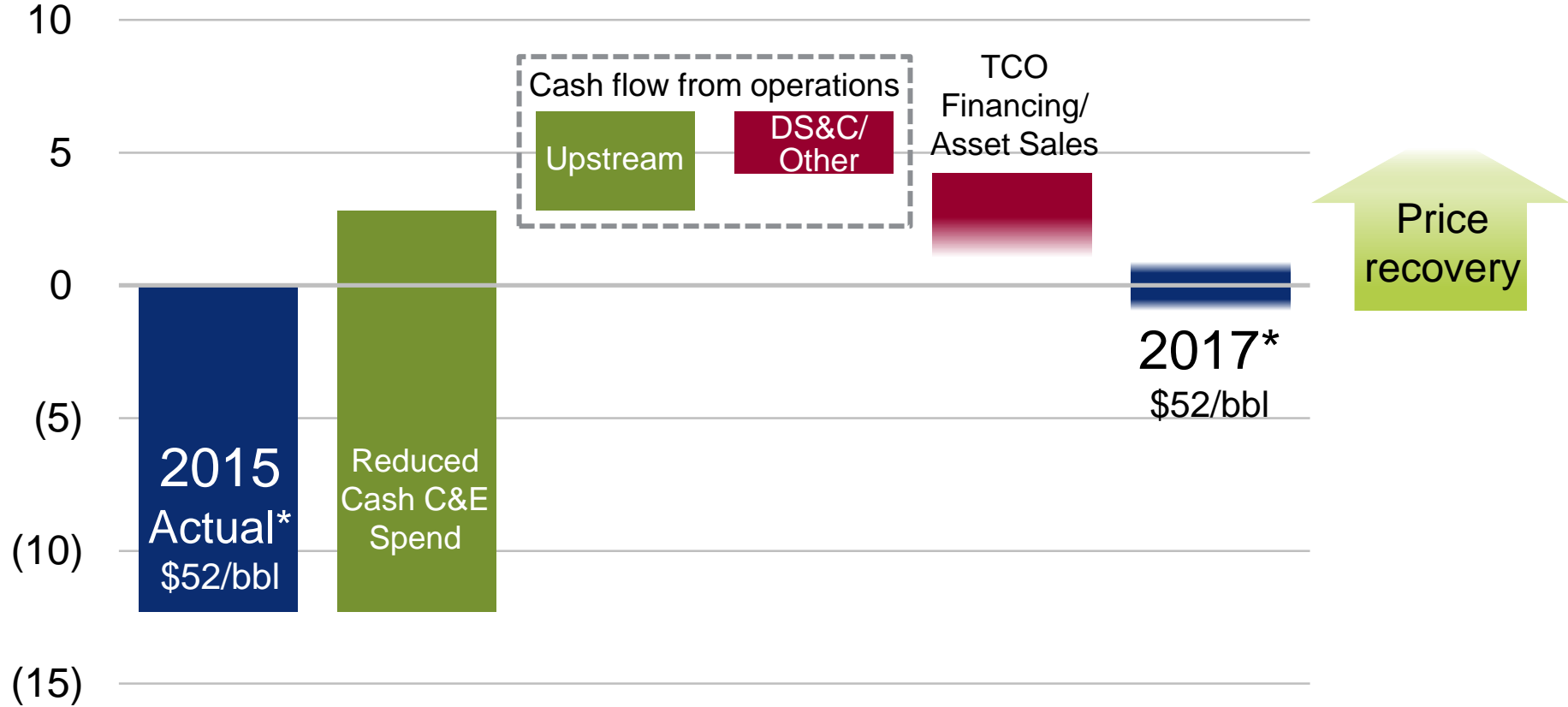
*Excludes chemicals; TOT 2012-2015 data includes base chemicals



Improving free cash flow

Cash flow after dividends* (including asset sales)

\$ Billions



Reduced spend

Further **flexibility** depending on market

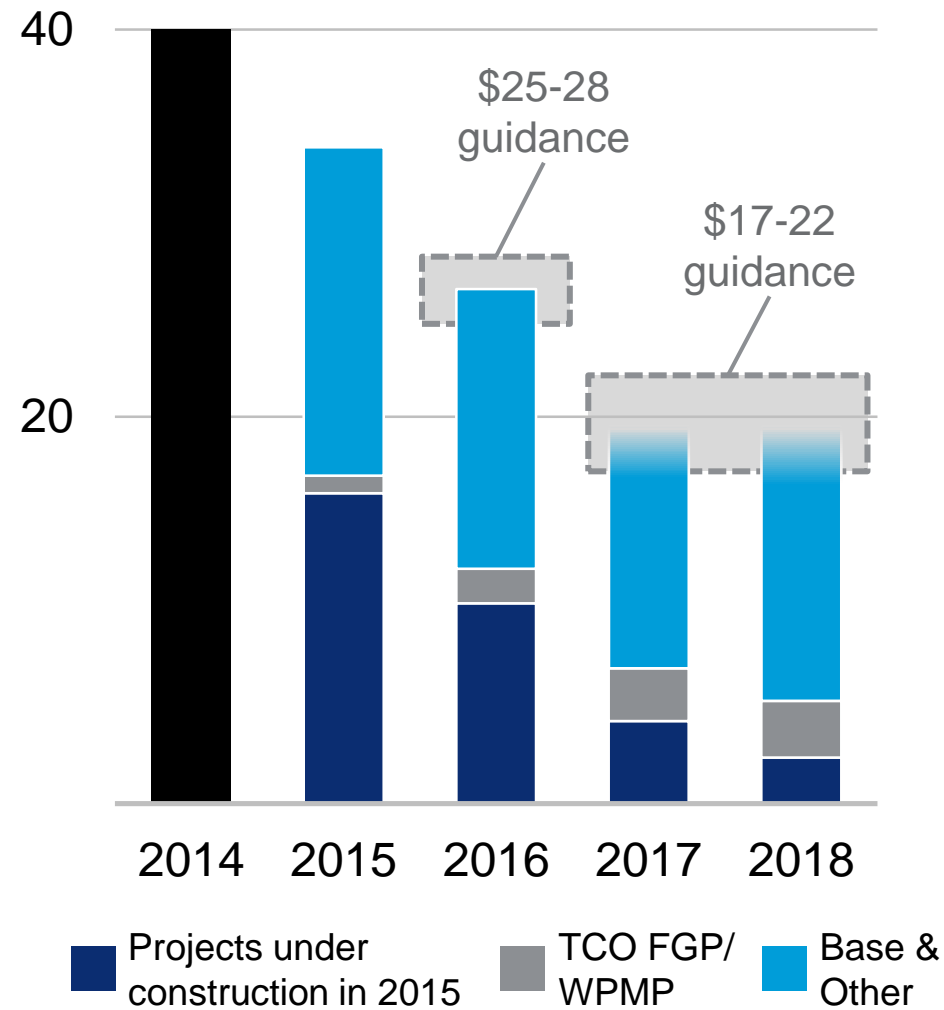
Volume and **margin growth**

*Cash flow after dividends = estimated cash flow from operations plus asset sales, less cash C&E, less dividends. 2015 includes asset sales proceeds of \$5.7B. 2017 at \$52/bbl Brent is for illustration purposes only and not indicative of Chevron's forecast



Reducing spend

Total capital & exploratory
\$ Billions

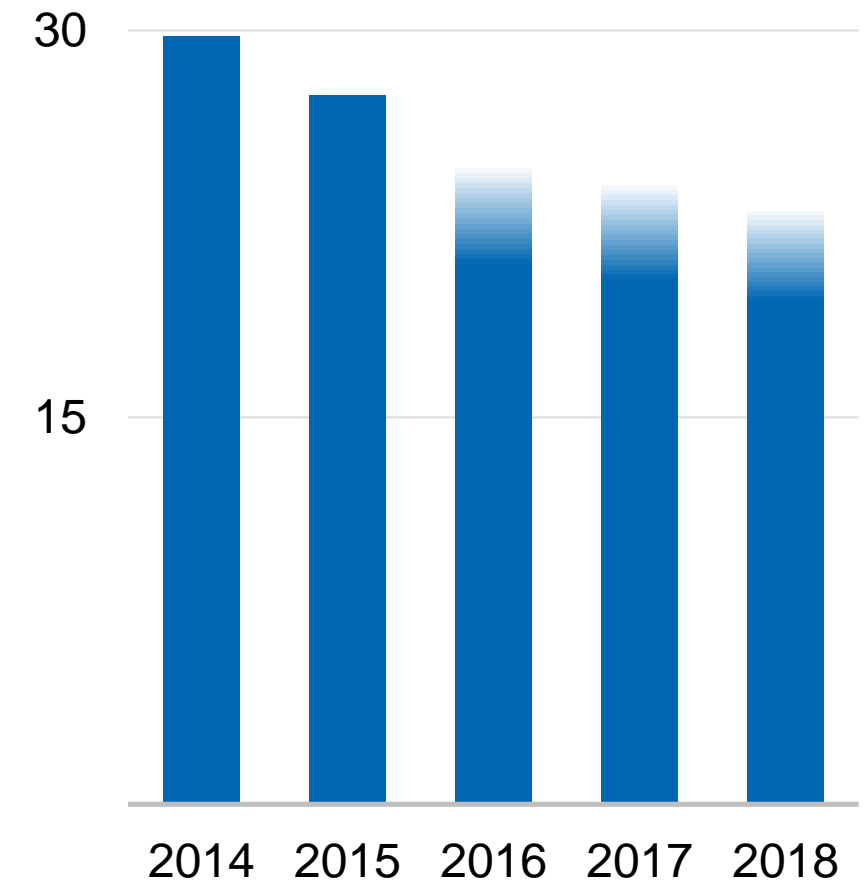


Total C&E includes affiliate spend. TCO FGP / WPMP = Tengiz Future Growth Project and Wellhead Pressure Management Project

Responsive to market conditions

Natural reduction as projects start-up

OPEX / SG&A
\$ Billions

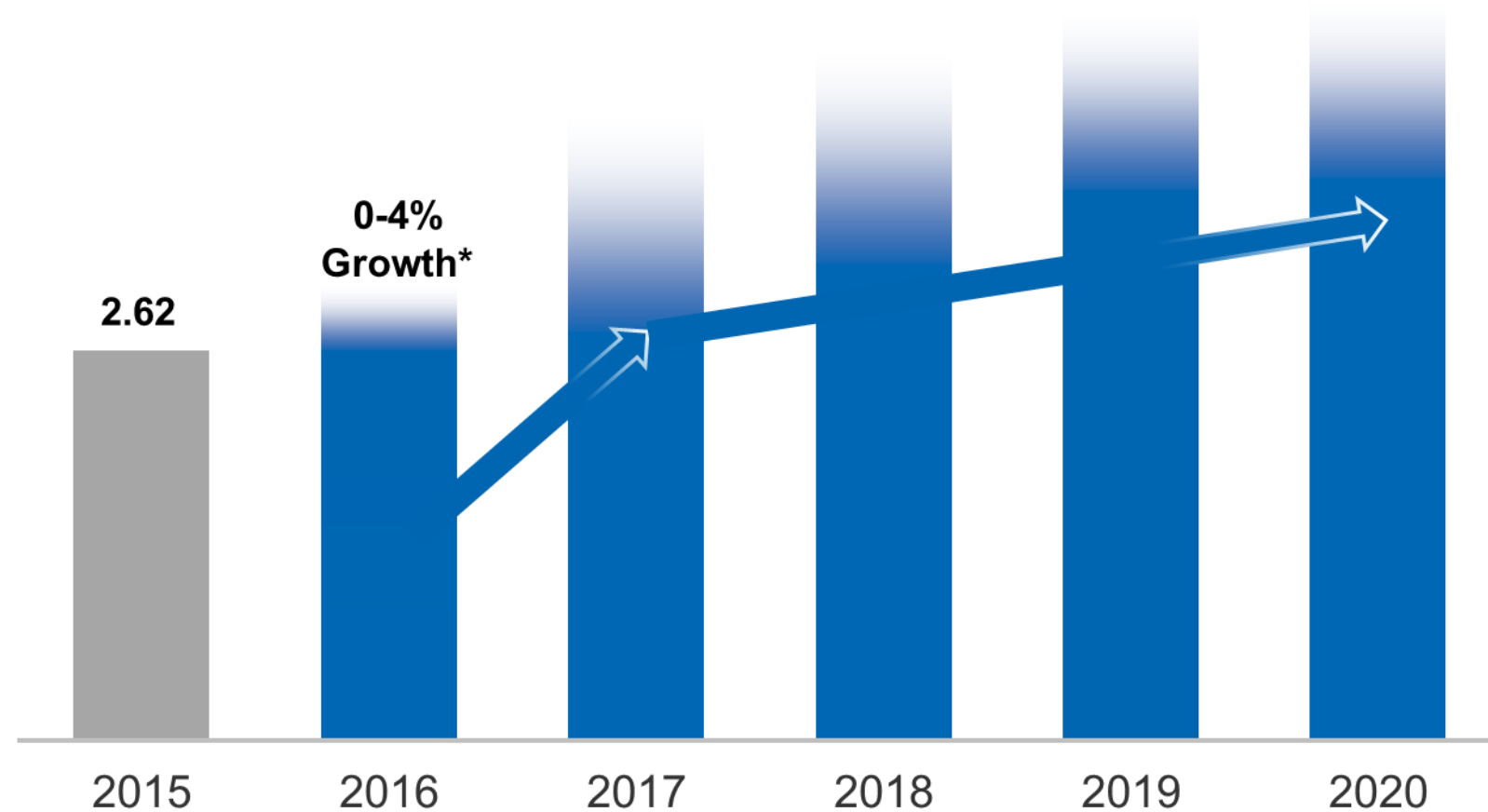


OPEX / SG&A = operating, general, selling and administrative expenses as reported on income statement (excludes affiliate spend)



Growing upstream volume

Projected net production MMBOED



*Includes estimated impact of divestments

Growth

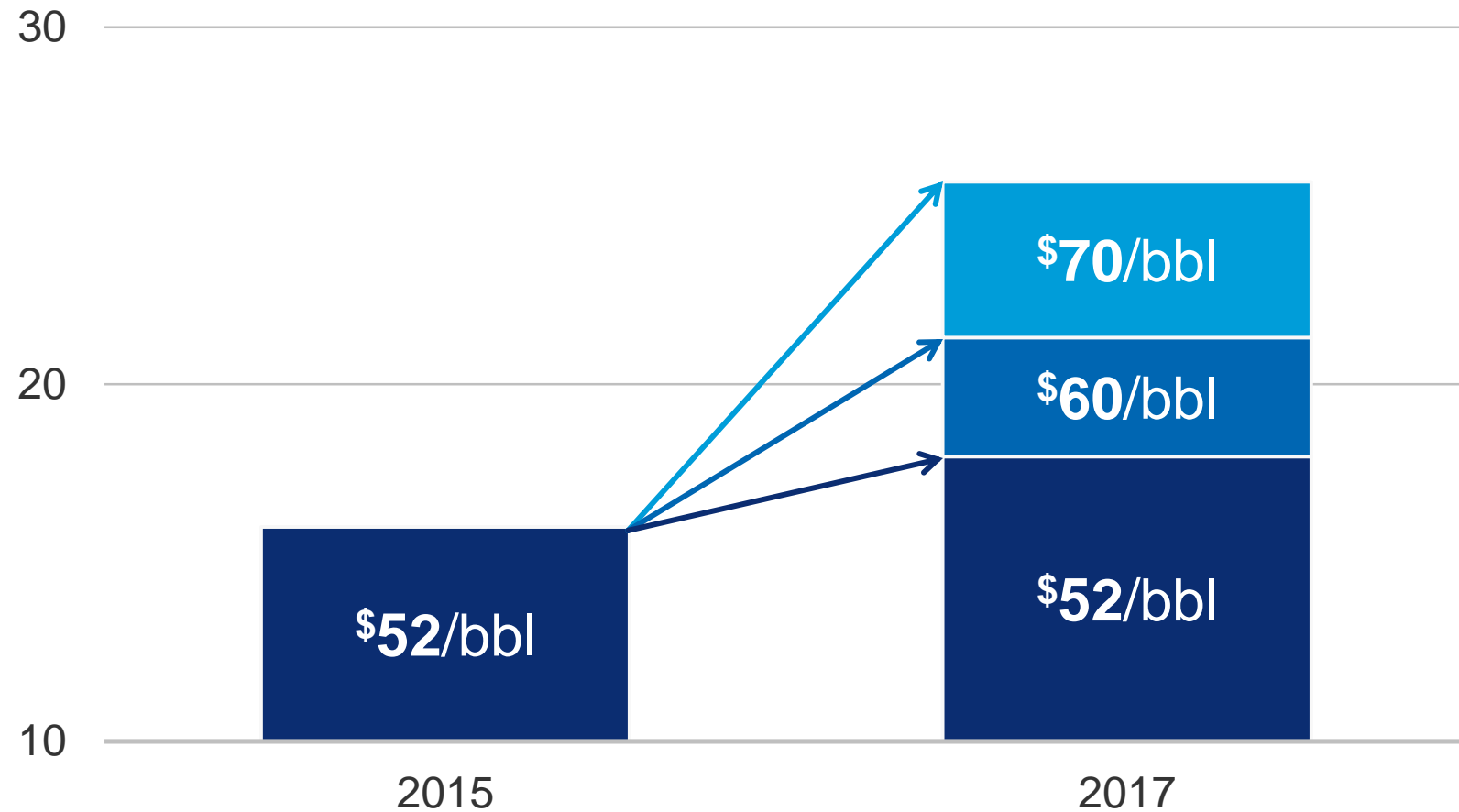
- Major capital projects online
- Shale and tight

Uncertainties / Timing

- Divestments
- Price effects
- Spend levels

Growing upstream margin

Projected cash margin*
\$ per BOE



*Estimated after-tax cash margin based on Chevron's internal analysis

New barrels accretive

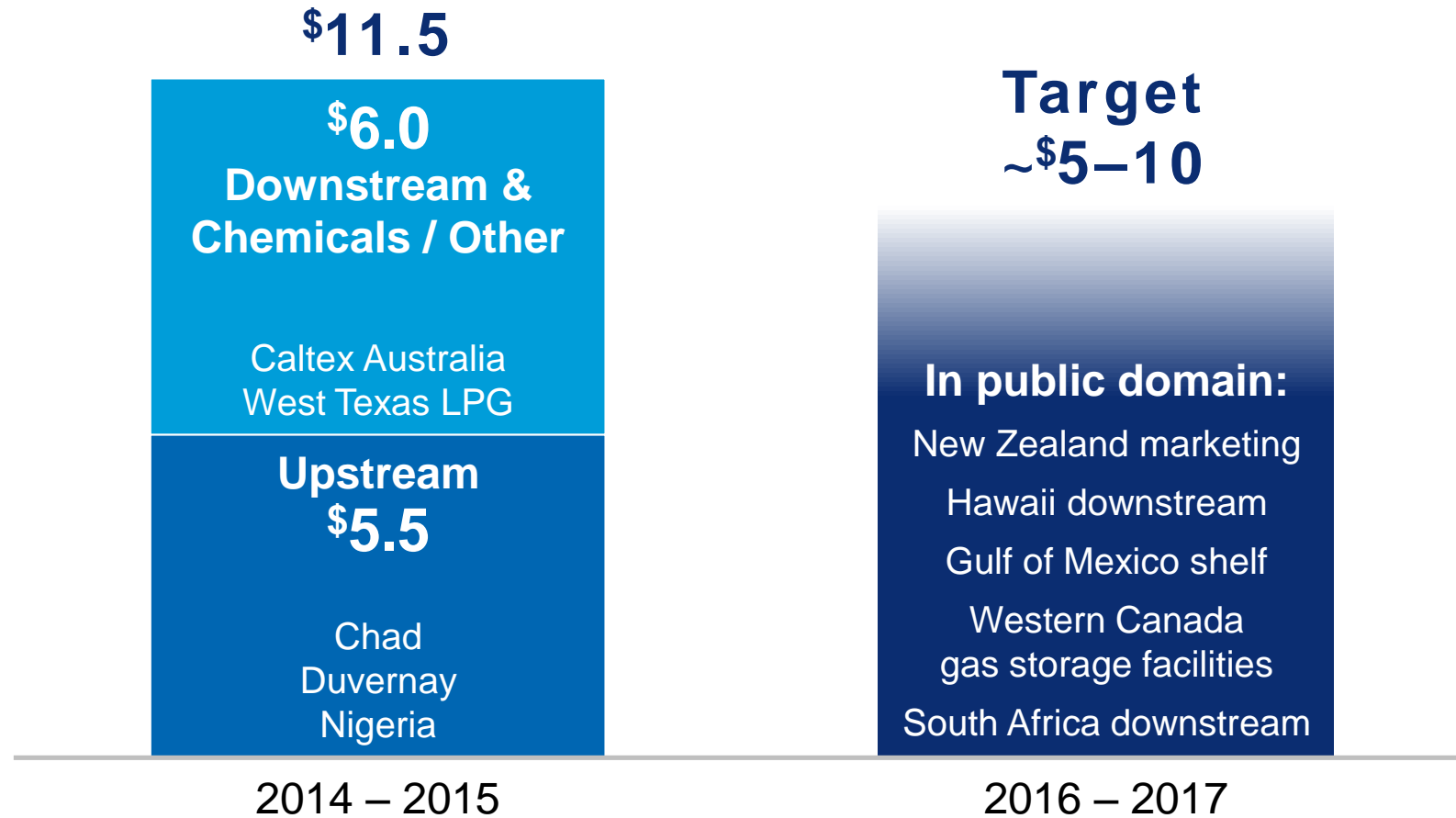
Divestment of lower margin barrels

Expansion strongly linked to oil prices



Asset sales program

2014 – 2017 proceeds \$ Billions



Successful program

- Well-timed transactions
- Captured good value

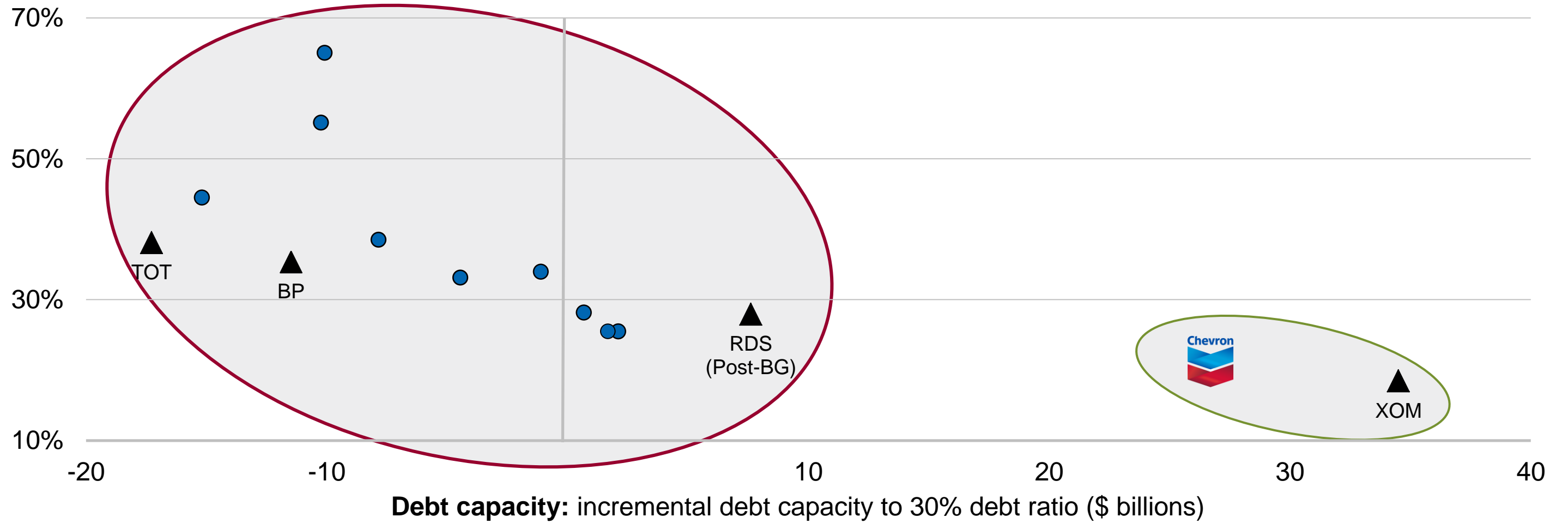
Divestment criteria

- Non-strategic fit
- Unable to compete for capital
- Receive fair value

Strong balance sheet

Reported annual debt ratio and debt capacity

Debt ratio



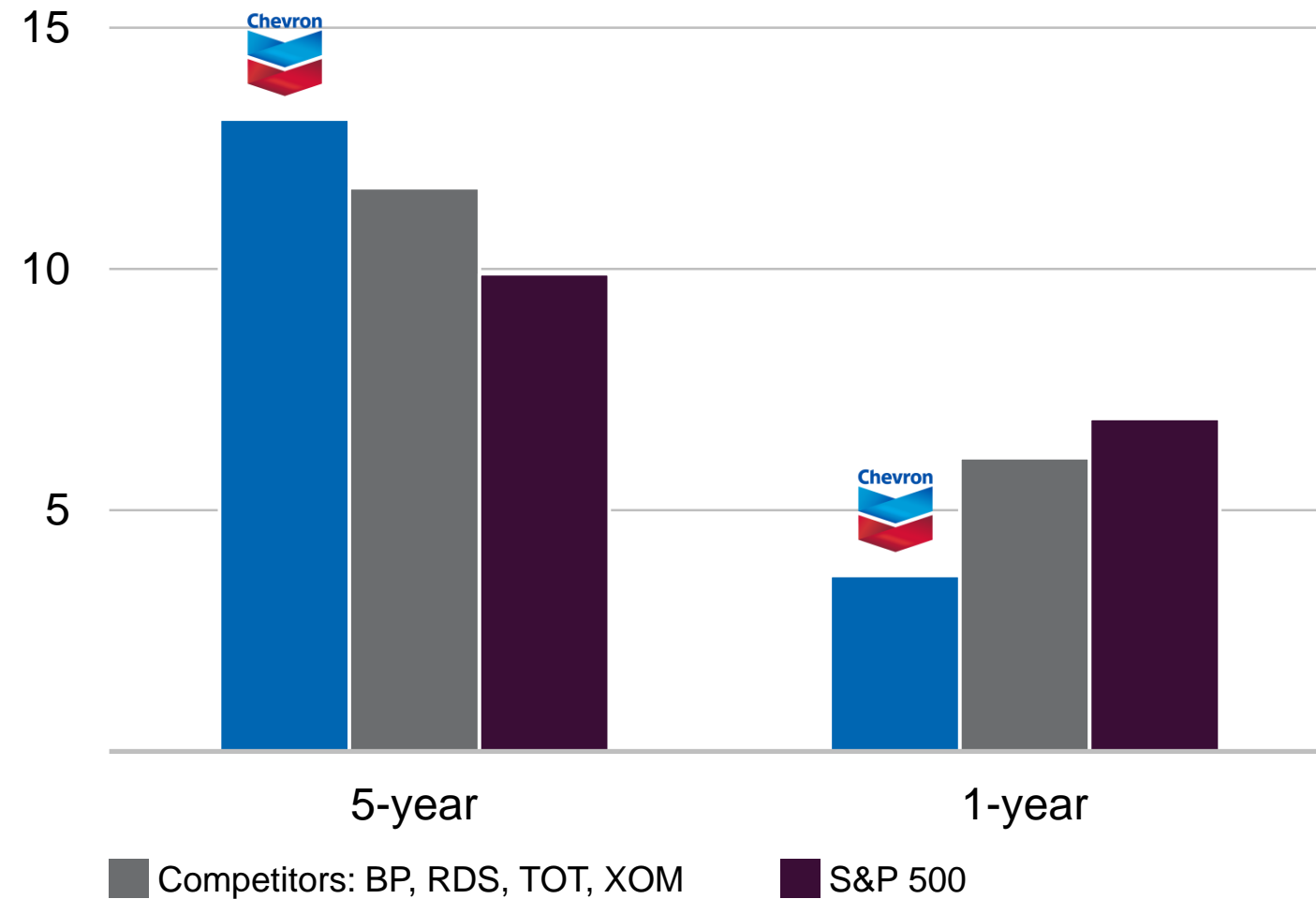
● Others: APC, COP, DVN, ENI, EOG, HES, MRO, OXY, STO



Pathway to improve returns

Adjusted ROCE

Percent



Source: Adjusted ROCE analysis based on Chevron estimates and public information treated on a consistent basis. Excludes special items. S&P on non-adjusted reported basis. Reconciliation of non-GAAP earnings measure for Chevron can be found in the Appendix of this presentation

Lower pre-productive capital from long-cycle projects

More high return, short-cycle and brownfield spend

Project execution improvements

Lower unit operating expense

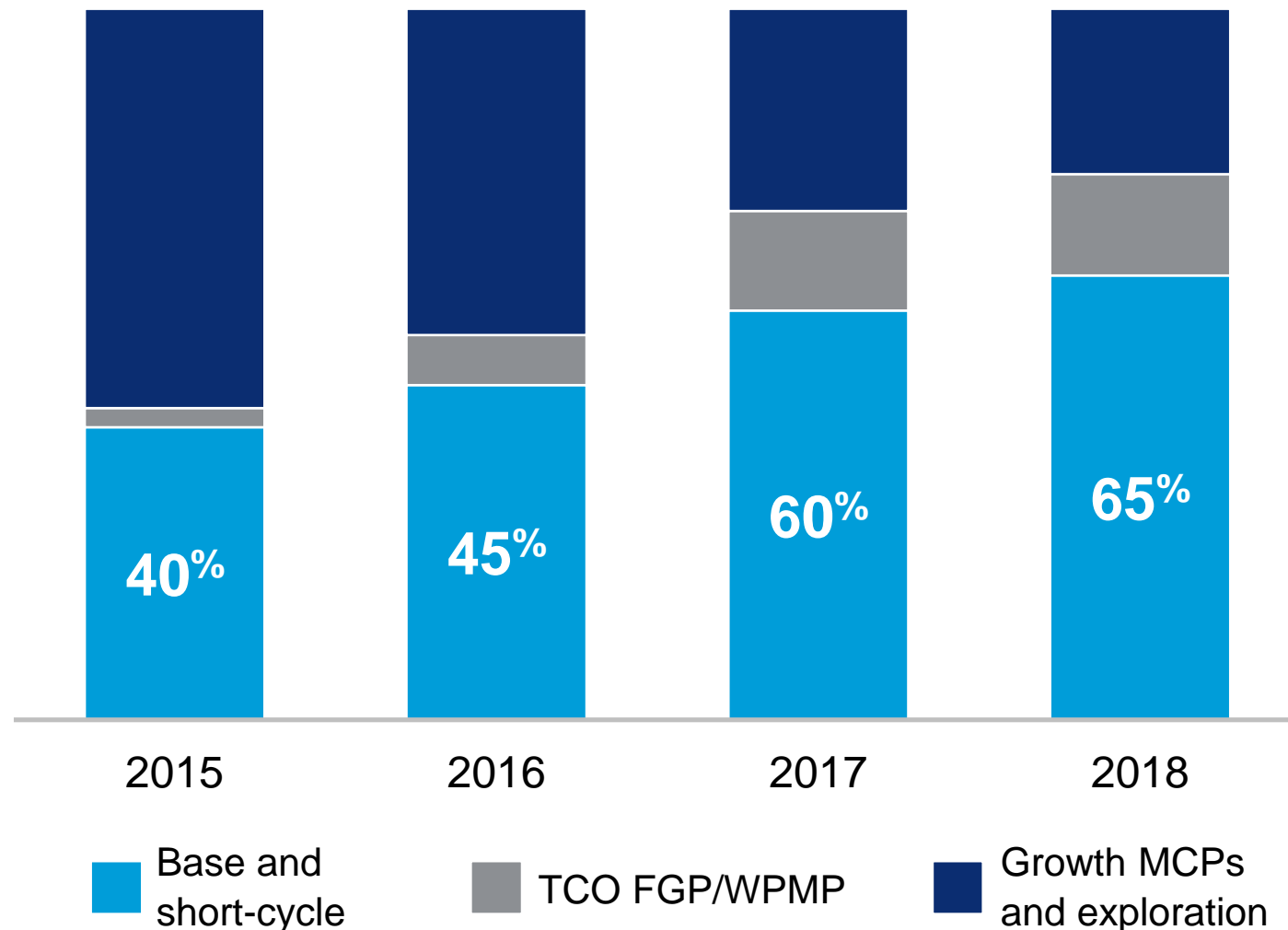
Oil-price exposure



Shorter-cycle, higher return investments

Total capital & exploratory

Percentage of capital program



Spend profile

- Increase in shale and tight
- More brownfield opportunities
- Fewer major capital projects

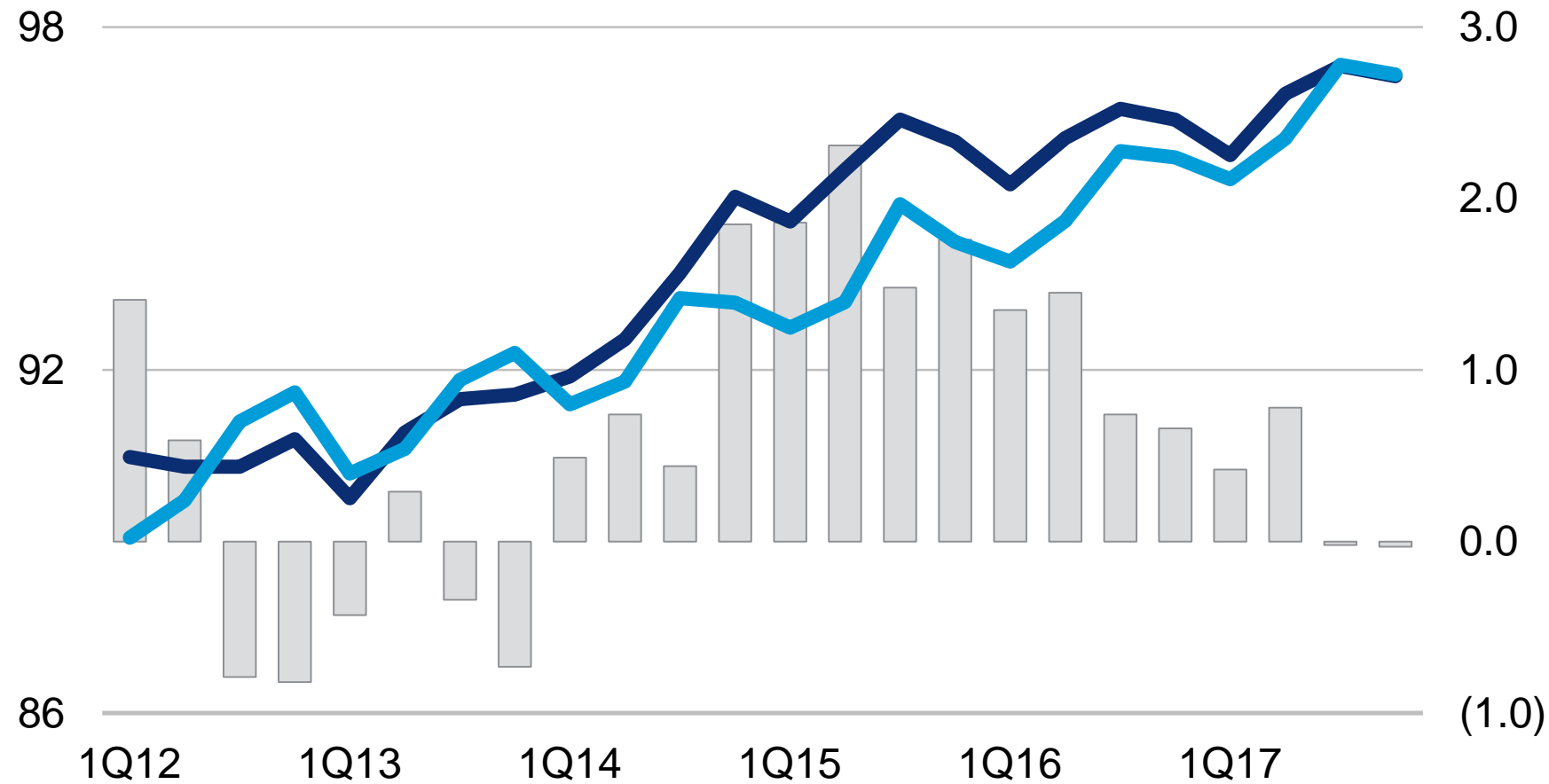
Reduced execution risk

Total C&E includes affiliate spend. TCO FGP / WPMP = Tengiz Future Growth Project and Wellhead Pressure Management Project

Oil price exposure

World liquid fuels production and consumption

MMBD



— World consumption (left axis) Stock balance change (right axis)
— World production (left axis)

~90%
 capital weighted to
 upstream

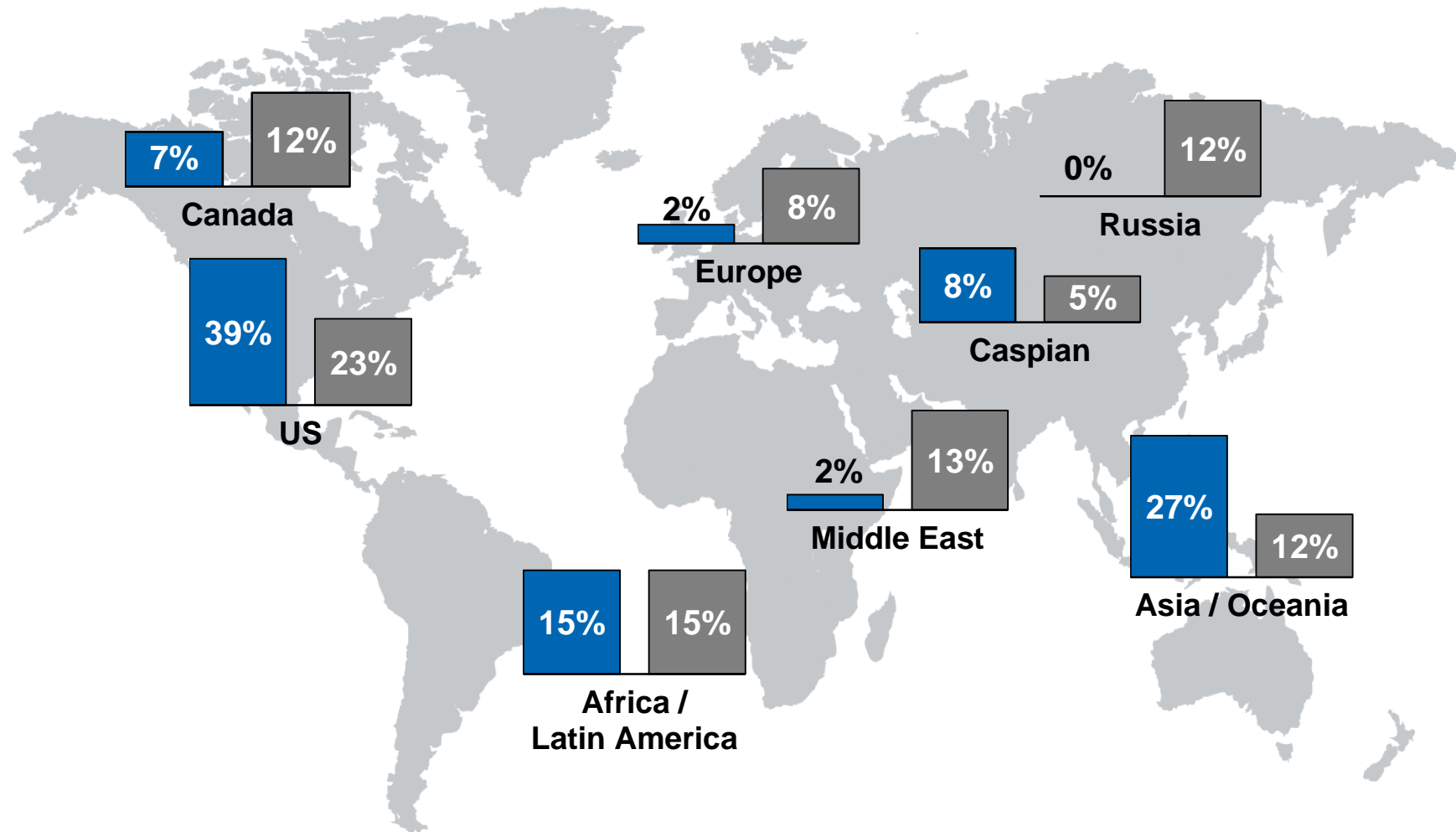
>75%
 upstream production
 weighted to oil price



Upstream portfolio

Strategically positioned geography

Percent of total commercial reserve portfolio



Strong, flexible portfolio

- World class legacy assets
- Premier shale positions
- Outstanding mature assets
- Strong deepwater holdings

■ CVX ■ Competitors: BP, RDS, TOT, XOM

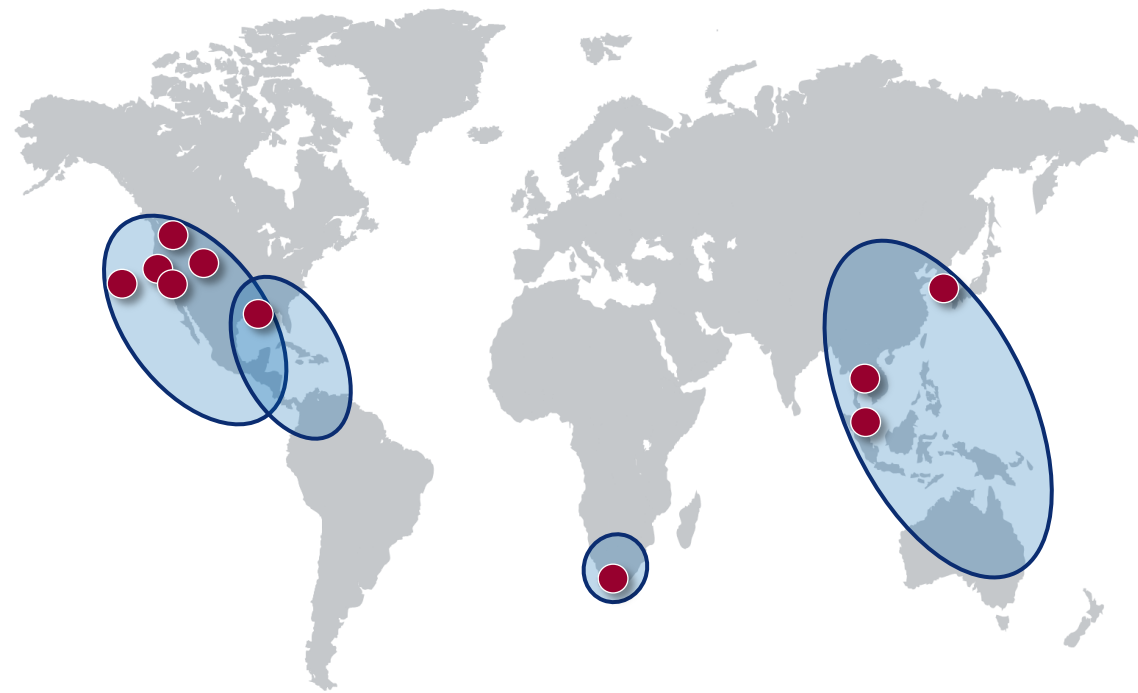


Source: Wood Mackenzie. Estimate of remaining reserves (on a reported basis) as of 1/1/2016; does not include sub-commercial resources defined as an estimate of discovered resources not expected to be developed in the near-term

Downstream portfolio

Fuels refining & marketing

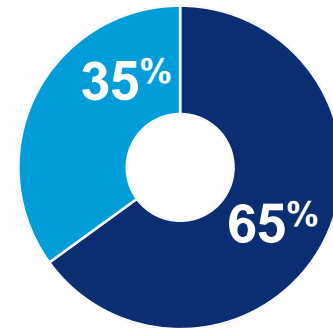
Integrated value chains



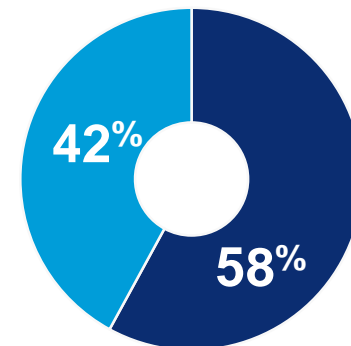
○ Value chains ● Refinery

Portfolio

2015 capital employed



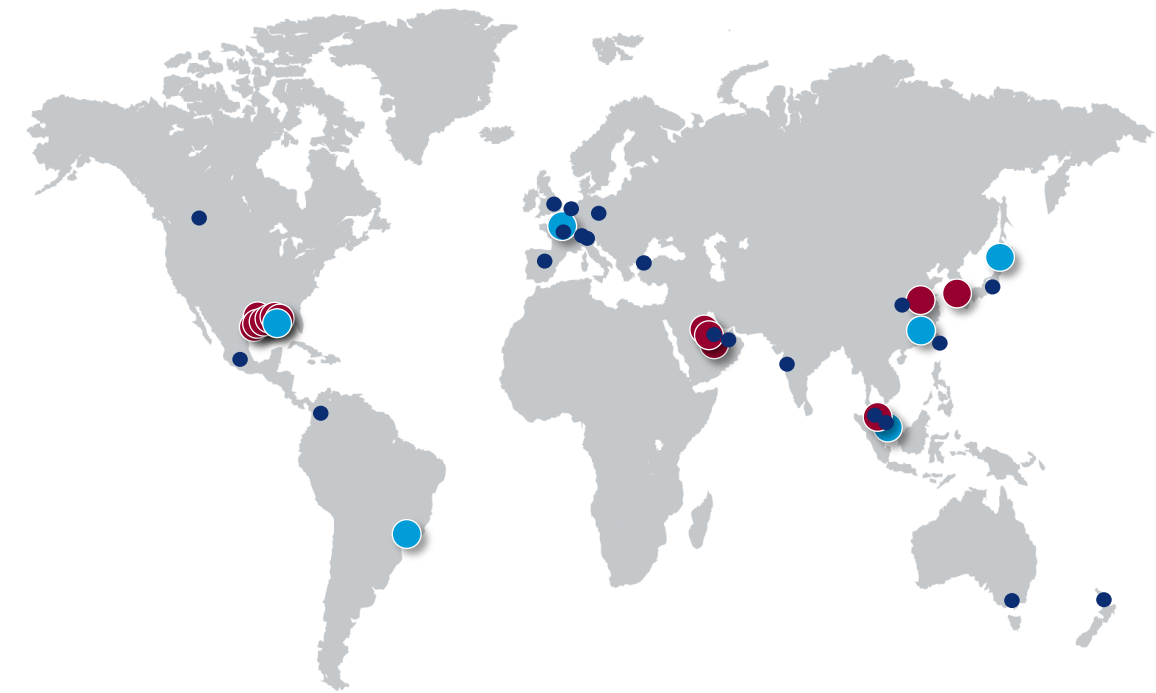
2018 capital employed



▲ Chemicals & lubricants
▲ Refining & marketing

Chemicals

Cost advantaged, globally positioned



● Chemical plant
● Chemical sales office
● Additives manufacturing & supply

