2022 Energy Valuation Conference

Chevron New Energies: advancing a lower carbon future

David Tatum
General Manager,
Carbon Capture, Utilization & Storage
Chevron New Energies

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We believe...

energy is essential

in protecting the environment

innovation will meet society’s challenges

Enables human progress

Air, water, land, and climate for all

For manufacturing, electricity, agriculture, and transport

Must be affordable and reliable

Support a price on carbon

Through partnerships, science, and commercial acceleration
Advancing growth in our lower carbon energy

- Dedicated New Energies team
- Renewable fuels integrated with Downstream
- Focused on U.S. and select Asia markets
- GHG reduction projects prioritized centrally
- Continue venture investments and renewable PPAs
Our Energy Transition strategy
Advance a lower carbon future

Lower carbon intensity of our operations

- **Target**
  - 35% carbon reduction in Upstream by 2028

- **Maintain**
  - 1st quartile performance in oil and gas GHG intensity

- **Focus**
  - on methane, flaring and energy management

- **Aim**
  - 2050 net zero aspiration* for upstream
    Scopes 1 & 2 emissions

Grow lower carbon businesses

- **Renewable fuels & products**
- **Hydrogen**
- **Carbon capture, utilization & storage**
- **Offsets & emerging lower carbon opportunities**

Chevron expects to triple our lower carbon capital versus prior guidance to over $10 billion between now and 2028:
- $2B in carbon reduction projects
- $8B in low carbon investments

* Upstream emission intensity Scope 1 and 2 in kgCO₂e/BOE. Achieving the Upstream 2050 net zero aspiration will require continued partnership and progress in technology, policy, regulations, and offset markets.

**Chevron’s approach to hydrogen envisions the use of green, blue, and gray hydrogen. See Climate Change Resilience Report pg 51 to learn more.

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Advancing a lower carbon future

**carbon aspirations**

- eliminating net zero 2050 for upstream scope 1 and 2 emissions

- enabling emissions reductions of 30 mmtpa CO₂e by 2028

**capital allocation**

- $2B by 2028 in carbon-reduction projects

- $8B by 2028 in low-carbon investments

**targets**

- Portfolio carbon intensity (scope 1, 2, and 3) 71 g CO₂e/MJ
- Upstream carbon intensity (scope 1 and 2) 24 kg CO₂e/boe
- Refining carbon intensity (scope 1 and 2) 36 kg CO₂e/boe

**policy**

- Transparent reporting
- Carbon pricing

MJ = Megajoules  
boe = Barrels of oil-equivalent  
mbd = Thousands of barrels per day  
mtpa = Thousands of tonnes per annum  
mmtpa = Millions of tonnes per annum

*Chevron’s approach to hydrogen envisions the use of green, blue, and gray hydrogen.*
Investment and roadmap to scale

Starting Up
2021-2025
- Secure storage
- Build partnerships
- Deploy technology
- Foundational projects
- Build synergies with blue hydrogen

Scaling Up
2025-2030
- Develop & scale hubs
- Increase 3rd party volumes
- Expand blue hydrogen
- Utilization pilots

At Scale
2030-2040
- Established storage portfolio
- Capture consistent higher returns
Look to the center of the Venn

Overview of Screening Approach

1. Receptivity
2. Relative Value
3. Asset Quality
Where we can win

Our approach: A series of filters is applied in collaboration with segments to narrow the large opportunity set and to provide transparent rationale for recommendations. Today’s lower-performing opportunities continue to be monitored.

Step 1
Identify a broad set of lower-carbon asset types & business models

Step 2
High-grade these opportunity areas to identify the leaders

Step 3
Source, screen & structure attractive commercial opportunities

Step 4
Detailed evaluation and, where warranted, deal execution

Active and passive business development

Opportunity framing, within the established future business guardrails, by business segments and/or the Center
What is carbon capture, utilization, and storage (CCUS)?

**CCUS process**
- **Carbon capture** where CO$_2$ is captured before it enters atmosphere
- **Utilization** where CO$_2$ is reused to produce low or negative emissions products such as cement, steel, chemicals, plastics, and fuels or...
- **Storage** where CO$_2$ is permanently stored underground

**Safe and effective CO$_2$ injection and storage**
- Large-scale injection & storage of CO$_2$ working safely and effectively for decades in oil & gas production
- Chevron helped pioneer CO2 injection into oil formations for enhanced recovery approximately 40 years ago
- Safely operating CO$_2$ pipeline in Colorado for 35 years
Driving hydrogen solutions for harder-to-abate sectors

United States

Leveraging Richmond H₂ for growth

Green and Blue H₂ in West Texas and Gulf Coast

Asia Pacific

JERA collaboration on fuel alternatives

Australia Blue H₂ / Ammonia options
Scaling our CCUS business

**United States**
- Largest investor in Carbon Clean
- Svante demonstration start-up expected late 2022
- Shaping California & Gulf Coast CCS hub concepts

**Asia Pacific**
- Early-stage regional studies
- Pursuing additional Australia opportunities
- A*STAR MOU in Singapore
Chevron New Energies announced MOU to join Talos Energy and Carbonvert in an expanded joint venture to develop the Bayou Bend CCS hub offshore TX

Partnering to accelerate solutions

• Chevron New Energies joins Talos Energy and Carbonvert in MOU for joint venture to develop the Bayou Bend CCS hub offshore the Texas Gulf Coast
  ▪ First and only offshore lease in the U.S. dedicated to CO2 sequestration.
  ▪ Over 40,000 gross acres near Port Arthur, Texas
  ▪ Potential to sequester 225 to 275 million metric tons of CO2 from area industry
Generating value through offsets

Our approach

Grow with customer needs
Portfolio supplier of high-quality credits

Recent actions

Established offset integrity framework
Published GHG methodology for LNG cargoes

Future developments

Invest in nature-based solutions
Monetize excess credits

Source: BCG; Base case analysis on known and projected climate commitments.
## Growing our Emerging businesses

**Offshore Wind**
- Selectively look at opportunities with value chain linkages (e.g. lower carbon power solutions for production assets, enable CNE opportunities)
- Looking at strategic geographies: Near term focus CA, followed by U.S. Gulf Coast and Japan
- Leverage core competencies, partners, markets and assets

**Geothermal**
- Strategically commercialize and grow business at scale
- Leverage novel geothermal technologies to access greater resources and scale
- Focused on North America and Asia Pacific markets
- Leverage core competencies, partners, markets, investments and assets

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**Invest in innovative companies**

**Develop pilots/projects and commercial roadmaps**

**Strategic partnerships**
Advancing technology for lower carbon businesses

**Venture investments**

>20 lower carbon companies

Innovation in emerging technologies

**Research & development**

Enabling bio-feedstock processing

CCS injection monitoring tech

**Deploying at scale**

>10 lower carbon tech deployments in 2021

Integrating capture technologies
Enablers to a lower carbon future

- Policy
- Partnership
- Technology & innovation
- Culture
Questions and comments