



news release

Chevron Announces 2023 Capital Expenditure Budgets

- **Organic capex of \$14 billion; affiliate capex of \$3 billion**
- **Includes \$2 billion of lower carbon capex**

San Ramon, Calif., Dec. 7, 2022 – Chevron Corporation today announced 2023 organic capital expenditure budgets of \$14 billion for consolidated subsidiaries (capex) and \$3 billion for equity affiliates (affiliate capex), which total near the high end of the company’s guidance range.

The company’s 2023 capex budget is up more than 25% from 2022 expected spend, excluding acquisitions. Affiliate capex in 2023 is down modestly from 2022 expected spend. These budgets support Chevron’s objective to safely deliver higher returns and lower carbon and include approximately \$2 billion in lower carbon capex, more than double the 2022 budget.

“We’re maintaining capital discipline while investing to grow both traditional and new energy supplies,” said Chevron Chairman and CEO Mike Wirth. “Our 2023 capex budgets are consistent with our long-term plans to safely deliver higher returns and lower carbon.”

Chevron’s 2023 capex budget assumes cost inflation that averages in the mid-single digits with certain areas higher, such as the Permian Basin that assumes low double-digit cost inflation.

“Our capex budgets remain in line with prior guidance despite inflation,” Wirth continued. “We’re winning back investors with capital efficient growth, a strong balance sheet, and more cash returned to shareholders.”

Details of Chevron’s 2023 organic capex and affiliate capex budgets⁽¹⁾ include:

	<u>\$ Billions</u>
U.S. Upstream	8.0
International Upstream	<u>3.5</u>
<i>Upstream Capex</i>	<u>11.5</u>
U.S. Downstream	1.5
International Downstream	<u>0.3</u>
<i>Downstream Capex</i>	<u>1.9</u>
Other	<u>0.6</u>
Capex	<u>14.0</u>
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Upstream	1.9
Downstream	1.1
Affiliate Capex	<u>2.9</u>

(1) Numbers may not sum due to rounding.

Capex

Upstream capex includes more than \$4 billion for Permian Basin development and roughly \$2 billion for other shale & tight assets. More than 20% of upstream capex is for projects in the Gulf of Mexico. Lower carbon capex across all segments totals around \$2 billion, including \$0.5 billion to lower the carbon intensity of Chevron's traditional operations and about \$1 billion to increase renewable fuels production capacity.

Affiliate Capex

Nearly half of affiliate capex is for Tengizchevroil's FGP / WPMP Project in Kazakhstan and about a third is for Chevron Phillips Chemical Company, including the U.S. Gulf Coast II petrochemical project.

Chevron is one of the world's leading integrated energy companies. We believe affordable, reliable and ever-cleaner energy is essential to achieving a more prosperous and sustainable world. Chevron produces crude oil and natural gas; manufactures transportation fuels, lubricants, petrochemicals and additives; and develops technologies that enhance our business and the industry. We are focused on lowering the carbon intensity in our operations and growing lower carbon businesses along with our traditional business lines. More information about Chevron is available at www.chevron.com.

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CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release 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 news release. 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; 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 and escalation of the cost of goods and services; changing economic, regulatory and political environments in the various countries in which the company operates; general domestic and international economic, market and political conditions, including the military conflict between Russia and Ukraine and the global response to such conflict; changing refining, marketing and chemicals margins; actions of competitors or regulators; timing of exploration expenses; timing of crude oil liftings; the competitiveness of alternate-energy sources or product substitutes; development of large carbon capture and offset markets; 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; higher inflation and related impacts; material reductions in corporate liquidity and access to debt markets; the receipt of required Board authorizations to implement capital allocation strategies, including future stock repurchase programs and dividend payments; 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 20 through 25 of the company's 2021 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 news release could also have material adverse effects on forward-looking statements.