

ApS Dansk Chevron

CVR-nr. 25 89 56 22

**Holbergsgade 14, 2. tv.
DK-1057 København K**

Annual Report for 2020

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 16 July 2021

Chairman

Kristian Engkjær Sørensen

Contents

Page

Management's Statement and Auditors' Report

Management's Statement 1

Independent Auditor's Report 2

Management's Review

Company Information 5

Management's Review 6

Financial Statements

Accounting Policies 7

Income Statement 1 January 2020 - 31 December 2020 10

Balance sheet 31 December 2020 11

Statement of Changes in Equity 13

Notes to the Financial Statements 14

Management's Statement on the Annual Report

The Executive Board has today considered and adopted the Annual Report of ApS Dansk Chevron for the period 1 January - 31 December 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 16 July 2021

Executive Board

Ole Meier Sørensen

Flemming Helgeland

Simon John Owens

Independent Auditor's Report

To the Shareholder of ApS Dansk Chevron

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020, and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of ApS Dansk Chevron for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 16 July 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR-nr. 33 77 12 31

Kim Danstrup

State Authorised Public Accountant

mne32201

Lone Vindbjerg Larsen

State Authorised Public Accountant

mne34548

Company Information

Company

ApS Dansk Chevron
Holbergsgade 14, 2. tv.
DK-1057 København K

CVR -nr. 25 89 56 22
Financial period: 1 January - 31 December
Incorporated: 1 February 2001
Financial year: 20th financial year
Municipality of reg. office: Copenhagen

Executive Board

Ole Meier Sørensen
Flemming Helgeland
Simon John Owens

Lawyers

Accura Advokatpartnerselskab
Tuborg Boulevard 1
DK-2900 Hellerup

Auditors

PricewaterhouseCoopers
Statsautoriseret revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Bankers

Citibank
Vesterbrogade 1 L
DK-1620 København

Management's Review

Main Activity

The object of the Company are to hold shares and other parts of ownership in other companies as a capital investment, as well as manage the Company's funds.

Development in activities and financial circumstances

The loss for 2020 amounted to DKK 597,670k after tax which is an increase of DKK 189,930k compared to 2019. Equity for the year is positively affected by a hyperinflation adjustments in the Argentinian subsidiaries with DKK 1,031,557k.

Expected development

The COVID-19 outbreak is affecting the global economy, however, the extent to the future development is hard to predict. The Management follows the situation closely to ensure that the Company's future obligations are met. We expect a result for 2021 in line with 2020.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty despite what has already been described regarding hyperinflation in accounting policies and Argentinian tax recognition in note 5.

Significant events

The financial position at 31 December 2020 of the Company and the results of the activities of the Company for the financial year for 2020 have not been affected by any other significant events.

Accounting Policies

Basis of preparation

The Annual Report of ApS Dansk Chevron for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report for 2020 is presented in DKK 1,000.

Consolidated Financial Statements

In accordance with Danish Financial Statements Act section 112(2), a consolidated Financial Statements has not been prepared. The Annual Report ApS Dansk Chevron are included in the Consolidated Financial Statements of Chevron Corporation, USA.

The Consolidated Financial Statements may be obtained at the following address:

Chevron Corporation 6001 Bollinger Canyon Road San Ramon, CA 94583-2324, USA

Recognition and measurement

Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously recognized in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm to invalidate affairs and conditions existing at the balance sheet date.

Accounting Policies

Basis of preparation (continued)

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognized in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in financial income and expenses in the income statement.

Income statements of foreign subsidiaries that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statement

Other external expenses

Other external expenses comprise expenses for administration, Management, office premises as well as office expenses, etc.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit before tax less goodwill amortization.

Financial income and expenses

Financial income and expenses comprise interests and realized and unrealized exchange adjustments.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Current tax is calculated on the basis of the tax rate in force for the year.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Accounting Policies

Balance sheet

Investment in subsidiaries

Investments in subsidiaries are recognized and measured under the equity method.

The item "Investment in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealized intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill). Positive differences are amortized in proportion to the oil production for the year of the subsidiaries stated in proportion to the oil reserves stated at the time of acquisition of the subsidiaries.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognized at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognized in provisions.

Hyperinflation adjustments as a result of subsidiaries operating in a hyperinflationary economy departs from the Danish Financial Statements Act and is treated in accordance with IAS 29 and IAS 21. Inflation adjustment is recognized as a revaluation adjustment of investments in subsidiaries and under "reserve for net revaluation under the equity method" under equity. Profit or loss on net monetary positions as a result of loss of purchasing power is recognized in income from investments in subsidiaries. Profit/loss and equity is converted to the year-end currency rate and currency translation adjustments is recognized under equity.

Receivables

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognized in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Equity

Dividend equalisation fund

Dividend equalisation fund is formed as per shareholder's discretion for potential dividend payments of the Company.

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Current liabilities

Other debt is measured at amortized cost which substantially corresponds to nominal value.

Income Statement for the period 1 January 2020 - 31 December 2020

	Note	2020	2019
		DKK 1,000	DKK 1,000
Income from investments in subsidiaries	1	-571,372	-400,335
Other external expenses		-454	-1,448
Profit/loss before financial income and expenses		-571,826	-401,783
Financial income	2	700	5,433
Financial expenses	3	-28,479	-7,259
Profit/loss before tax		-599,605	-403,609
Tax on profit/loss for the year	4	1,935	-4,131
Net profit/loss for the year		-597,670	-407,740
 Distribution of profit			
Amount available for distribution:			
Retained earnings from prior years		2,659,794	2,093,983
Reserve for net revaluation under the equity method		-233,487	64,958
Capital increase		996,544	908,593
Tax-exempt contribution from parent company		250,955	0
Net profit/loss for the year		-597,670	-407,740
Available for distribution		3,076,136	2,659,794
 Proposed distribution of profit			
Dividend equalisation fund		1,713,720	1,713,720
Retained earnings		1,362,416	946,074
Total		3,076,136	2,659,794

Balance Sheet 31 December 2020

Assets

	Note	2020	2019
		DKK 1,000	DKK 1,000
Investments in subsidiaries	5	2,878,266	2,668,719
Fixed asset investments		2,878,266	2,668,719
Fixed assets		2,878,266	2,668,719
Receivables from group enterprises		219,178	222,408
Prepayments and accrued income		49	49
Receivables		219,227	222,458
Cash and Cash equivalents		10,440	11,439
Current assets		229,667	233,896
Assets		3,107,933	2,902,615

Balance Sheet 31 December 2020

Liabilities and equity

	Note	2020	2019
		DKK 1,000	DKK 1,000
Share capital	6	138	131
Dividend equalisation fund		1,713,720	1,713,720
Retained earnings		1,362,416	946,074
Equity		3,076,274	2,659,925
Trade payables		178	401
Payables to group enterprises		31,481	242,289
Short-term debt		31,659	242,690
Debt		31,659	242,690
Liabilities and equity		3,107,933	2,902,615
Contingent liabilities	7		
Related parties and ownership	8		
Consolidated Financial Statements	9		

Statement of Changes in Equity

	Share capital	Dividend equalization fund	Reserve under equity method	Retained earnings	Total
	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000
Equity at 1 January 2020	131	1,713,720	0	946,074	2,659,925
Capital increase 2020	7	0	0	996,544	996,551
Tax-exempt contribution from parent company	0	0	0	250,955	250,955
Inflation adjustment concerning independent foreign entities, beginning year	0	0	1,031,557	0	1,031,557
Inflation adjustment concerning independent foreign entities, current year	0	0	63,026	0	63,026
Exchange rate adjustment concerning independent foreign entities	0	0	-1,328,070	0	-1,328,070
Net profit/loss for the year	0	0	233,487	-831,157	-597,670
Equity at 31 December 2020	138	1,713,720	0	1,362,416	3,076,274

The Company's share premium has been increased throughout the year 2020 and amounts to DKK 2,156,857,004.29.

After the end of the financial year, the Company has received capital contribution of DKK 122,640,000.00 from its shareholder.

Notes to the Financial Statements

	<u>2020</u>	<u>2019</u>
	<u>DKK 1,000</u>	<u>DKK 1,000</u>
1 Income from investments in subsidiaries		
Share in profit in subsidiaries	-556,352	-386,358
Amortisation and impairment of goodwill	-15,020	-13,978
	<u>-571,372</u>	<u>-400,335</u>
2 Financial income		
Exchange adjustments	632	5,149
Interest income, group associates	68	284
	<u>700</u>	<u>5,433</u>
3 Financial expenses		
Exchange adjustments	28,479	7,250
Other financial expenses	0	9
	<u>28,479</u>	<u>7,259</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	1,245
Tax for previous years	-1,935	2,886
	<u>-1,935</u>	<u>4,131</u>

Notes to the Financial Statements

	<u>2020</u>	<u>2019</u>
	<u>DKK 1,000</u>	<u>DKK 1,000</u>
5 Investments in subsidiaries		
Cost at 1 January	9,672,358	8,438,497
Additions	1,014,406	1,233,999
Disposals	0	-138
Cost at 31 December	<u>10,686,764</u>	<u>9,672,358</u>
Value adjustments at 1 January	-7,003,639	-6,331,746
Inflation adjustments at 1 January	1,031,557	700,891
Inflation adjustments, current year	63,026	75,138
Exchange adjustments at year-end exchange rate	-1,328,070	-711,071
Gain/Loss due to liquidation	0	9,684
Shares of profit/loss of the year	-556,352	-396,406
Dividend to parent company	0	-309,587
Capital return – advance on liquidation	0	-25,171
Realized foreign exchange regarding liquidation	0	-1,393
Amortization and impairment of goodwill	-15,020	-13,978
Value adjustments at 31 December	<u>-7,808,498</u>	<u>-7,003,639</u>
Carrying amount	<u>2,878,266</u>	<u>2,668,719</u>
Name and Registered office	<u>Share capital</u>	<u>Voting and ownership</u>
	1,000	
CDHC ApS, Copenhagen, Denmark	DKK 157	100%

The company Chevron Argentina S.R.L. have been notified by the tax authorities in Argentina ("AFIP") of a preliminary adjustment ("prevista") to income tax for the period 2001 - 2006. The preliminary adjustment is related to the challenge of the deductions of certain exchange differences and interest by the AFIP.

The preliminary adjustment amounts to AR\$ 195,414k (DKK 14,092k). To this are added any fees, fines and interest. The Company and its legal advisors have considered that the adjustment is illegal. Therefore it has been formally rejected and therefore the company has not included an obligation.

Notes to the Financial Statements

6 Share capital

The share capital, DKK 138,000 consists of shares of a nominal value of DKK 1.02 or multiples hereof. No shares carry any special rights.

The Company's share premium has been increased throughout the year 2020 and amounts to DKK 2,156,857,004.29.

7 Contingent liabilities

On July 30, 2020, the Supreme Court of Argentina unanimously rejected the plaintiff's final bid to enforce a fraudulent \$9.5 billion Ecuadorian judgement against Chevron Corporation.

Argentina's courts have now uniformly and definitively rejected the plaintiff's attempt to recognize and enforce the Ecuadorian judgement in that nation.

The decision is in line with expectations, as earlier concluded to be unenforceable as a matter of international law by the international arbitral tribunal in The Hague as well as courts in The United States, Brazil, Canada and Gibraltar.

As a result of the developments in 2020, the freezing order is no longer in effect in Argentina and Management has reviewed that the extensive disclosure note as included in previous years is no longer needed.

With the decision of the Supreme Court of Argentina the last pending proceeding seeking the recognition of the corrupt Ecuadorian judgement in 2011 has come to an end.

Joint taxation

The Group's Danish companies are jointly and severally liable for tax on the Group's taxable income, etc. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

8 Related parties and ownership

Controlling interest	<u>Basis</u>
Chevron Argentina Holdings B.V. Petroleumweg 32 3196 KD, Vondelingenplaat Rotterdam The Netherlands	100% Controlling shareholder
Chevron Corporation 6001 Bollinger Canyon Road San Ramon, CA 94583-2324 United States	Ultimate controlling shareholder

Notes to the Financial Statements

8 Related parties and ownership (continued)

Ownership

The following are recorded in the Company's register of holding 100 % of the capital:

Chevron Argentina Holdings B.V.

Petroleumweg 32
3196 KD, Vondelingenplaat Rotterdam
The Netherlands

9 Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group and can be requested on below mentioned address:

<u>Name</u>	<u>Place of registered office</u>
Chevron Corporation	6001 Bollinger Canyon Road San Ramon, CA 94583-2324, USA

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Simon Owens

Direktør

On behalf of: ApS Dansk Chevron

Serial number: *simon.owens@chevron.com*

IP: 146.23.xxx.xxx

2021-07-19 09:33:49Z



Flemming Helgeland

Direktør

On behalf of: ApS Dansk Chevron

Serial number: 9578-5999-4-1766281

IP: 146.23.xxx.xxx

2021-07-27 10:11:19Z



Ole Meier Sørensen

Direktør

On behalf of: ApS Dansk Chevron

Serial number: PID:9208-2002-2-141756734434

IP: 77.246.xxx.xxx

2021-07-27 21:42:52Z



Kim Danstrup

Statsautoriseret revisor

On behalf of: PwC

Serial number: PID:9208-2002-2-488145042019

IP: 176.21.xxx.xxx

2021-07-28 03:54:34Z



Lone Vindbjerg Larsen

Statsautoriseret revisor

On behalf of: PwC

Serial number: CVR:33771231-RID:32977589

IP: 34.99.xxx.xxx

2021-07-28 09:50:28Z



Kristian Engkjær Sørensen

Dirigent

On behalf of: Accura

Serial number: PID:9208-2002-2-568139635227

IP: 87.104.xxx.xxx

2021-07-29 07:42:03Z



Penneo document key: CH83T-3S81V-ACL1U-JZ517-3BNLL-TQ45A

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validate>