Risk Factors Comparison 2024-02-26 to 2023-02-23 Form: 10-K

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As a global energy company, Chevron is subject to a variety of risks that could materially impact the company' s results of operations and financial condition. BUSINESS AND OPERATIONAL RISK FACTORS Chevron is exposed to the effects of changing commodity prices Chevron is primarily in a commodities business that has a history of price volatility. The most significant factor that affects the company' s results of operations is the price of crude oil, which can be influenced by general economic conditions and level of economic growth, including low or negative growth; industry production and inventory levels; technology advancements, including those in pursuit of a lower carbon economy; production quotas or other actions that might be imposed by the Organization of Petroleum Exporting Countries or other producers; weather- related damage and disruptions due to other natural or human causes beyond our control ~~(including without limitation due to the COVID- 19 pandemic)~~; competing fuel prices; geopolitical risks; the pace of energy transition; customer and consumer preferences and the use of substitutes; and governmental regulations, policies and other actions regarding the development of oil and gas reserves, as well as greenhouse gas emissions and climate change. Chevron evaluates the risk of changing commodity prices as a core part of its business planning process. An investment in the company carries significant exposure to fluctuations in global crude oil prices. Extended periods of low prices for crude oil can have a material adverse impact on the company' s results of operations, financial condition and liquidity. Among other things, the company' s upstream earnings, cash flows, and capital expenditure programs could be negatively affected, as could its production and proved reserves. Upstream assets may also become impaired. Downstream earnings could be negatively affected because they depend upon the supply and demand for refined products and the associated margins on refined product sales. A significant or sustained decline in liquidity could adversely affect the company' s credit ratings, potentially increase financing costs and reduce access to capital markets. The company may be unable to realize anticipated cost savings, expenditure reductions and asset sales that are intended to compensate for such downturns, and such downturns may also slow the pace and scale at which we are able to invest in ~~new~~ **our** business **, including** ~~lines such as the lower carbon businesses associated with~~ our Chevron New Energies organization. In some cases, **transferred** liabilities ~~associated with~~ **, including for abandonment and decommissioning of** divested **oil and gas** assets **, have returned and** may **continue to** return to the company when an acquirer of those assets subsequently declares bankruptcy. In addition, extended periods of low commodity prices can have a material adverse impact on the results of operations, financial condition and liquidity of the company' s suppliers, vendors, partners and equity affiliates upon which the company' s own results of operations and financial condition ~~depends~~ **depend** . The scope of Chevron' s business will decline if the company does not successfully develop resources The company is in an extractive business; therefore, if it is not successful in replacing the crude oil and natural gas it produces with good prospects for future organic opportunities or through acquisitions, **exploration or technology,** the company' s business will decline. Creating and maintaining an inventory of **economic** projects depends on many factors, including obtaining and renewing rights to explore, develop and produce hydrocarbons; drilling success; reservoir optimization; **technology advancements;** ability to bring long- lead- time, capital- intensive projects to completion on budget and on schedule; partner alignment, including strategic support; and efficient and profitable operation of mature properties. The company' s operations could be disrupted by natural or human causes beyond its control Chevron operates in both urban areas and remote and sometimes inhospitable regions. The company' s operations are therefore subject to disruption from natural or human causes beyond its control, including risks from hurricanes, severe storms, floods, heat waves, other forms of severe weather, wildfires, ambient temperature increases, sea level rise, war or other military conflicts such as the ~~ongoing~~ **war between Israel and Hamas and the military** conflict ~~in~~ **between Russia and** Ukraine, accidents, civil unrest, political events, fires, earthquakes, system failures, cyber threats, terrorist acts and epidemic or pandemic diseases ~~such as the COVID- 19 pandemic~~, some of which may be impacted by climate change and any of which could result in suspension of operations or harm to people or the natural environment. Chevron' s risk management systems are designed to assess potential physical and other risks to its operations and assets and to plan for their resiliency. While capital investment reviews and decisions incorporate potential ranges of physical risks such as storm severity and frequency, sea level rise, air and water temperature, precipitation, fresh water access, wind speed, and earthquake severity, among other factors, it is difficult to predict with certainty the timing, frequency or severity of such events, any of which could have a material adverse effect on the company' s results of operations or financial condition. ~~Impacts of the continuation or further resurgences of the COVID- 19 pandemic may have an adverse and potentially material adverse effect on Chevron' s financial and operating results The economic, business, and oil and gas industry impacts from the COVID- 19 pandemic and the disruption to capital markets have been far reaching. While the oil and gas industry has witnessed a substantial recovery of commodity prices and demand for products, there continues to be uncertainty and unpredictability about the impact of the COVID- 19 pandemic on our financial and operating results in future periods. The extent to which the COVID- 19 pandemic adversely impacts our future financial and operating results, and for what duration and magnitude, depends on several factors that are continuing to evolve, are difficult to predict and, in many instances, are beyond the company' s control. Such factors include the duration and scope of the pandemic, including any further resurgences of the COVID- 19 virus and its variants, and the impact on our workforce and operations; the negative impact of the pandemic on the economy and economic activity, including travel restrictions and prolonged low demand for our products; the ability of our affiliates, suppliers and partners to successfully navigate the impacts of the pandemic; the actions taken by governments, businesses and individuals in response to the pandemic; the actions of OPEC and other countries that otherwise impact supply and demand and, correspondingly, commodity prices; the extent and duration of recovery of~~

~~economies and demand for our products after the pandemic subsides; and Chevron' s ability to keep its cost model in line with changing demand for our products. In- country conditions, including potential future waves of the COVID- 19 virus and its variants in countries that appear to have reduced their infection rates, could impact logistics and material movement and remain a risk to business continuity. In light of the significant uncertainty around the duration and extent of the impact of the COVID- 19 pandemic, management is currently unable to develop with any level of confidence estimates and assumptions that may have a material impact on the company' s consolidated financial statements and financial or operational performance in any given period. In addition, the unprecedented nature of such market conditions could cause current management estimates and assumptions to be challenged in hindsight. In addition, further resurgences of the pandemic could precipitate or aggravate the other risk factors identified in this Form 10- K, which in turn could materially and adversely affect our business, financial condition, liquidity, results of operations and profitability, including in ways not currently known or considered by us to present significant risks.~~ Cyberattacks targeting Chevron' s ~~process control~~ **operational technology** networks or other digital infrastructure could have a material adverse impact on the company' s business and results of operations There are numerous and evolving risks to Chevron' s cybersecurity and privacy from cyber threat actors, including criminal hackers, state- sponsored intrusions, industrial espionage and employee malfeasance. These cyber threat actors, whether internal or external to Chevron, are becoming more sophisticated and coordinated in their attempts to access the company' s information technology (IT) systems and data, including the IT systems of cloud providers and other third parties with whom the company conducts business through, without limitation, malicious software; data privacy breaches by employees, insiders or others with authorized access; cyber or phishing- attacks; ransomware; attempts to gain unauthorized access to our data and systems; and other electronic security breaches. **The cyber risk landscape changes over time due to a variety of internal and external factors, including during political tensions, war or other military conflicts, or civil unrest.** Although Chevron devotes significant resources to prevent unwanted intrusions and to protect its systems and data, whether such data is housed internally or by external third parties, the company has experienced and will continue to experience cyber incidents of varying degrees in the conduct of its business. Cyber threat actors could compromise the company' s ~~process control~~ **operational technology** networks or other critical systems and infrastructure, resulting in disruptions to its business operations, injury to people, harm to the environment or its assets, disruptions in access to its financial reporting systems, or loss, misuse or corruption of its critical data and proprietary information, including without limitation its intellectual property and business information and that of its employees, customers, partners and other third parties. Any of the foregoing can be exacerbated by a delay or failure to detect a cyber incident or the full extent of such incident. Further, the company ~~has exposure to~~ **is increasingly experiencing** cyber incidents ~~and the negative impacts of such incidents~~ related to its ~~critical data and proprietary information housed on~~ third- party **vendors** ~~IT systems, including the cloud~~ . **Some** ~~Additionally, authorized~~ third- party **vendors house the company' s critical data and proprietary information on their** IT systems **, including the cloud; others have access to Chevron' s IT systems** or **provide** software **through which threat actors could** ~~can be compromised and used to~~ gain access or introduce malware to Chevron ~~'~~ **'** s IT systems ~~that can materially impact the company' s business~~ . Regardless of the precise method or form, cyber events could result in significant financial losses, legal or regulatory violations, reputational harm, and legal liability and could ultimately have a material adverse effect on the company' s business and results of operations. The company' s operations have inherent risks and hazards that require significant and continuous oversight Chevron' s results depend on its ability to identify and mitigate the risks and hazards inherent to operating in the energy industry. The company seeks to minimize these operational risks by carefully designing and building its facilities and conducting its operations in a safe and reliable manner. However, failure to manage these risks effectively could impair our ability to operate and result in unexpected incidents, including releases, explosions or mechanical failures resulting in personal injury, loss of life, environmental damage, loss of revenues, legal liability and / or disruption to operations. Chevron has implemented and maintains a system of corporate policies **, standards** , processes and systems, behaviors and compliance mechanisms to manage safety, health, environmental, reliability and efficiency risks; to verify compliance with applicable laws and policies; and to respond to and learn from unexpected incidents. In certain situations where Chevron is not the operator, the company may have limited influence and control over third parties, which may limit its ability to manage and control such risks. The company does not insure against all potential losses, which could result in significant financial exposure The company does not have commercial insurance or third- party indemnities to fully cover all operational risks or potential liability in the event of a significant incident or series of incidents causing catastrophic loss. As a result, the company is, to a substantial extent, self- insured for such events. The company relies on existing liquidity, financial resources and borrowing capacity to meet short- term obligations that would arise from such an event or series of events. The occurrence of a significant incident, series of events, or unforeseen liability for which the company is self- insured, not fully insured or for which insurance recovery is significantly delayed could have a material adverse effect on the company' s results of operations or financial condition. **Chevron may not complete the acquisition of Hess Corporation within the time frame the company anticipates or at all, which could have adverse effects on Chevron The completion of the acquisition of Hess Corporation (Hess) is subject to a number of conditions, including regulatory approvals and approval by Hess stockholders of the adoption of the merger agreement. Additionally, Hess and Chevron have been engaged in discussions with Exxon Mobil Corporation and China National Offshore Oil Corporation regarding a right of first refusal provision in the joint operating agreement for the Stabroek Block offshore Guyana. If these discussions do not result in an acceptable resolution and arbitration (if pursued) does not result in a confirmation that such right of first refusal provision is inapplicable to the merger, then there would be a failure of a closing condition under the Merger Agreement, in which case the merger would not close. For additional information, please see the section entitled " The Merger — Stabroek JOA " in Chevron' s preliminary registration statement on Form S- 4 to be filed on February 26, 2024. Further, on December 7, 2023, Chevron and Hess each received a request for additional information and documentary materials (Second Request) from the Federal Trade Commission (FTC) in connection with the FTC' s**

review of the merger. Issuance of the Second Request extends the waiting period imposed by the Hart- Scott- Rodino Antitrust Improvements Act of 1976, as amended, until 30 days after Chevron and Hess have substantially complied with the Second Request, unless that period is extended voluntarily by Chevron and Hess or terminated sooner by the FTC. The failure to satisfy all of the required conditions could delay the completion of the acquisition for a significant period of time or prevent it from occurring at all. In addition, the terms and conditions of the required regulatory authorizations and consents for the acquisition that are granted, if any, may impose requirements, limitations or costs or place restrictions on the conduct of the company’ s business after the transaction or materially delay the completion of the acquisition. A delay in completing the acquisition could cause the company to realize some or all of the benefits later than we otherwise expect to realize them if the acquisition is successfully completed within the anticipated timeframe, which could result in additional transaction costs or in other negative effects associated with uncertainty about completion of the acquisition. Acquisitions may cause Chevron’ s financial results to differ from the company’ s expectations or the expectations of the investment community, the company may not achieve the anticipated benefits of the acquisition, and the acquisition may disrupt the company’ s current plans or operations The success of prior acquisitions, such as PDC Energy, Inc. (PDC), and the pending acquisition of Hess will depend, in part, on Chevron’ s ability to successfully integrate each of the businesses of PDC and Hess and realize the anticipated benefits, including synergies. Difficulties in integrating PDC and Hess may result in the failure to realize anticipated synergies in the expected timeframes, in operational challenges, and in the diversion of management’ s attention from ongoing business concerns, as well as in unforeseen expenses associated with the acquisitions, which may have an adverse impact on the company’ s financial results. LEGAL, REGULATORY AND ESG- RELATED RISK FACTORS Chevron’ s business subjects the company to liability risks from litigation or government action The company produces, transports, refines and markets potentially hazardous materials, and it purchases, handles and disposes of other potentially hazardous materials in the course of its business. Chevron ~~'~~ **’** s operations also produce byproducts, which may be considered pollutants. Often these operations are conducted through joint ventures over which the company may have limited influence and control. Any of these activities could result in liability or significant delays in operations arising from private litigation or government action. For example, liability or delays could result from an accidental, unlawful discharge or from new conclusions about the effects of the company’ s operations on human health or the environment. In addition, to the extent that societal pressures or political or other factors are involved, it is possible that such liability could be imposed without regard to the company’ s causation of or contribution to the asserted damage, or to other mitigating factors. For information concerning some of the litigation in which the company is involved, see Note 16 Litigation. Political instability and significant changes in the legal and regulatory environment could harm Chevron’ s business The company’ s operations, particularly exploration and production, can be affected by changing political, regulatory and economic environments in the various countries in which it operates. As has occurred in the past, actions could be taken by governments to increase public ownership of the company’ s partially or wholly owned businesses, to force contract renegotiations, or to impose additional taxes or royalties. In certain locations, governments have proposed or imposed restrictions on the company’ s operations, trade, currency exchange controls, burdensome taxes, and public disclosure requirements that might harm the company’ s competitiveness or relations with other governments or third parties. In other countries, political conditions have existed that may threaten the safety of employees and the company’ s continued presence in those countries, and internal unrest, acts of violence or strained relations between a government and the company or other governments may adversely affect the company’ s operations. Those developments have, at times, significantly affected the company’ s operations and results and are carefully considered by management when evaluating the level of current and future activity in such countries. Further, Chevron is required to comply with sanctions and other trade laws and regulations of the United States and other jurisdictions where we operate **, such as sanctions imposed in Venezuela and Russia,** which, depending upon their scope, could adversely impact the company’ s operations and financial results in ~~certain~~ **these** countries. In addition, litigation or changes in national, state or local environmental regulations or laws, including those designed to stop or impede the development or production of oil and gas, such as those related to the use of hydraulic fracturing or bans on drilling, or any law or regulation that impacts the demand for our products, could adversely affect the company’ s current or anticipated future operations and profitability. Legislative or regulatory changes in tax laws may expose Chevron to additional tax liabilities Changes in tax laws and regulations around the world are regularly enacted due to political or economic factors beyond the company’ s control. Chevron’ s taxes in the jurisdictions where the company conducts business activities have been and may be adversely affected by changes in tax laws or regulations, including but not limited to, substantive changes in, reductions in, or the repeal or expiration of tax incentives, such as U. S. federal tax incentives for biodiesel blending, which expire in 2024. Furthermore, Chevron’ s tax returns are subject to audit by taxing authorities around the world. There is no assurance that taxing authorities or courts will agree with the positions that Chevron has reflected on the company’ s tax returns, in which case interest and penalties could be imposed that may have a material adverse effect on the company’ s results of operations or financial condition. During periods of high profitability for certain companies or industries, there are often calls for increased taxes on profits, often called “ windfall profit ” taxes. Governments in various jurisdictions, including California and Australia, have announced, proposed, or implemented windfall profit taxes for companies operating in the energy and oil and gas sectors. Such taxes may be imposed on us or may be increased in the future in these or other jurisdictions. The imposition of, or increase in, such windfall profit taxes could adversely affect the company’ s current or anticipated future operations and profitability. For information concerning the company’ s tax liabilities, see Note 17 Taxes and Note 24 Other Contingencies and Commitments. Legislation, regulation, and other government actions and shifting customer and consumer preferences and other private efforts related to greenhouse gas (GHG) emissions and climate change could continue to increase Chevron’ s operational costs and reduce demand for Chevron’ s hydrocarbon and other products, resulting in a material adverse effect on the company’ s results of operations and financial condition Chevron has experienced and may be further challenged by increases in the impacts of international and domestic legislation, regulation, or other government actions relating to GHG emissions (e. g., carbon dioxide and methane) and climate change. International agreements and national, regional, and state legislation and regulatory measures that aim to directly or indirectly limit or reduce GHG emissions are in various stages of implementation. Legislation, regulation, and other government actions related to GHG emissions and climate change could reduce demand for Chevron' s hydrocarbon and other products and / or continue to increase Chevron' s operational costs **and reduce its return on investment** . The Paris Agreement went into effect in November 2016, and a number of countries in which we operate **have adopted and** may adopt additional policies **intended** to meet their Paris Agreement goals. Globally, multiple jurisdictions are considering adopting or are in the process of implementing laws or regulations to directly regulate GHG emissions through ~~similar or other mechanisms, such as~~ a carbon tax, a cap- and- trade program, ~~or~~ performance standards ~~,~~ or **other mechanisms, or to attempt** to indirectly advance reduction of GHG emissions through restrictive permitting, **procurement standards,** trade ~~tariffs~~ **barriers** , minimum renewable usage requirements **, financing standards, standards or requirements for environmental benefit claims** , increased GHG reporting and climate-related disclosure requirements, or tax advantages or other incentives to promote the use of alternative energy, fuel sources or lower- carbon technologies. For example, the company is currently subject to implemented programs in certain jurisdictions, such as the Renewable Fuel Standard program in the U. S., California' s Cap- and- Trade Program and Low Carbon Fuel Standard, and newly approved mandates such as the California Air Resources Board Advanced Clean Cars II regulations, as well as other indirect regulation of GHG emissions, which may, among other things, ban or restrict technologies or products that use the company' s ~~hydrocarbon~~ products. GHG emissions that may be directly regulated through such efforts include, among others, those associated with the company' s exploration and production of hydrocarbons; the upgrading of production from oil sands into synthetic oil; power generation; the conversion of crude oil ~~and~~ **,** natural gas **and biofeedstocks** into refined hydrocarbon products; the processing, liquefaction, and regasification of natural gas; the transportation of crude oil, natural gas, and ~~related~~ **other** products; and customers' and consumers' use of the company' s hydrocarbon products. In addition, the U. S. Inflation Reduction Act (IRA) implements various incentives for lower carbon activities, including carbon capture and storage and the production of hydrogen and sustainable aviation fuel. Although the IRA offers incentives that could support certain lower carbon lines of business, those same incentives could negatively impact **supply and / or** demand for our ~~traditional base business of~~ oil and gas products in the future or any existing or future lower carbon business lines. Many of these actions, as well as customers' and consumers' preferences and use of the company' s products or substitute products, and actions taken by the company' s competitors in response to legislation and regulations, are beyond the company' s control. Similar to any significant changes in the regulatory environment, climate change- related legislation, regulation, or other government actions may curtail profitability in ~~the~~ oil and gas ~~sector or~~ **and lower carbon businesses, as well as** render the extraction of the company' s hydrocarbon resources economically infeasible. In particular, GHG emissions- related legislation, regulations, and other government actions **,** and shifting customer and consumer preferences and other private efforts aimed at reducing GHG emissions may result in increased and substantial capital, compliance, operating, and maintenance costs and could, among other things, reduce demand for hydrocarbons and the company' s hydrocarbon- based products; increase demand for lower carbon products and alternative energy sources; make the company' s products more expensive; adversely affect the economic feasibility of the company' s resources; impact or limit our business plans; and adversely affect the company' s sales volumes, revenues, margins and reputation. For example, some jurisdictions are in various stages of design, adoption, and implementation of policies and programs that cap emissions and / or require short-, medium-, and long- term GHG reductions by operators at the asset or facility level, which may not be technologically feasible, or which could require significant capital expenditure, increase costs of or limit production **, result in impairment of assets** and limit Chevron' s ability to cost- effectively reduce GHG emissions across its global portfolio. The ultimate effect of international agreements; national, regional, and state legislation and regulation; and government and private actions related to GHG emissions and climate change on the company' s financial performance, and the timing of these effects, will depend on a number of factors. Such factors include, among others, the sectors covered, the GHG emissions reductions required, **standardized carbon accounting,** the extent to which Chevron would be ~~entitled~~ **able** to receive ~~emission allowance allocations~~ **, generate,** or ~~would need to~~ purchase **credits** ~~compliance instruments on the open market or through auctions~~ , the price and availability of ~~emission allowances and~~ credits and the extent to which the company is able to recover, or continue to recover, the costs incurred through the pricing of the company' s products in the competitive marketplace. Further, the ultimate impact of GHG emissions and climate change- related agreements, legislation, regulation, and government actions on the company' s financial performance is highly uncertain because the company is unable to predict with certainty, for a multitude of individual jurisdictions, the outcome of political decision- making processes, including the actual laws and regulations enacted, the variables and ~~tradeoffs~~ **trade- offs** that inevitably occur in connection with such processes, and market conditions **, including the responses of consumers to such changes** . Increasing attention to environmental, social, and governance (ESG) matters ~~may impact~~ **impacts** our ~~business~~ **company** Increasing attention to ESG matters, including those related to climate change and sustainability, increasing societal, investor and legislative pressure on companies to address ESG matters, and potential customer and consumer use of substitutes to Chevron' s products **have resulted and** may **continue to** result in changes to the portfolio ~~of~~ **and** company activities, increased costs, reduced demand for our products, reduced profits, increased investigations and litigation or threats thereof, negative impacts on our stock price and access to capital markets, **impaired participation in public discourse and debate by the company relating to mandatory and voluntary standards and regulations,** and damage to our reputation. **For example,** ~~Increasing~~ **increasing** attention to **ESG matters, including** climate change ~~, for example~~ , may result in demand shifts for our hydrocarbon products and additional **litigation and** governmental investigations ~~and private litigation~~ , or threats thereof, against the company. For instance, we have received investigative requests and demands from the U. S. Congress for information relating to climate change, methane leak detection and repair, and other topics, and further requests and / or demands are possible. At this time, Chevron cannot predict the ultimate impact any Congressional or other investigations may have on the company. **Information**

related to climate- change related litigation matters is included in Note 16 Litigation under the heading " Climate Change. " Some stakeholders, including but not limited to sovereign wealth, pension, and endowment funds, have been divesting and promoting divestment of or screening out of fossil fuel equities and urging lenders to limit funding to companies engaged in the extraction of fossil fuel reserves. Further, voluntary carbon- related and target- setting frameworks have developed, and continue to develop, that limit the ability of certain sectors, including the oil and gas sector, from participating, and may result in exclusion of the company' s equity from being included as an investment option in portfolios. In addition, some stakeholders, including some of our investors, have divergent **and evolving** views on our ESG- related strategies and priorities, vis- à- vis our ~~traditional and lower carbon~~ lines of business, calling for focus on increased production of oil and gas products rather than new business lines and climate- related targets. These circumstances, among others, may result in pressure from activists on production; unfavorable reputational impacts, including inaccurate perceptions or a misrepresentation of our actual ESG policies ~~and~~ **,** practices **and performance** ; diversion of management' s attention and resources; and proxy fights, among other material adverse impacts on our businesses. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters, including climate change and climate- related risks (including entities commonly referred to as " raters and rankers "). Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings and investment community divestment initiatives, among other actions, may lead to negative investor sentiment toward Chevron and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital. Additionally, evolving expectations on various ESG matters, including biodiversity, waste and water, **have increased, and** may **continue to** increase **,** costs, require changes in how we operate and lead to negative stakeholder sentiment. Our aspirations, targets and disclosures related to ESG matters subject us to numerous risks that may negatively impact our reputation and stock price or result in other material adverse impacts to the company Chevron has announced an aspiration to achieve net zero Scope 1 and 2 emissions in upstream by 2050. The company also has set nearer- term GHG emission- related targets for zero routine flaring, upstream carbon intensity, and portfolio carbon intensity. These and other aspirations, targets or objectives reflect our current plans and aspirations **,** and **Chevron may change** ~~are not guarantees that we will achieve~~ them ~~, particularly as we encounter new opportunities and / or~~ **for** ~~limitations as~~ **various reasons, including evolving market conditions; changes in** our portfolio **;** and ~~market conditions evolve~~ **financial, operational, regulatory, reputational, legal and other factors** . Our ability to achieve any aspiration, target or objective, including with respect to climate- related initiatives, our ~~new~~ lower carbon strategy outlined in the Management' s Discussion and Analysis of Financial Condition and Results of Operations, pages ~~32~~ **34** through ~~34~~ **36** , and any lower carbon new energy businesses, is subject to numerous risks, many of which are outside of our control. Examples of such risks include: (1) **sufficient and substantial advances in technology, including** the continuing progress of commercially viable technologies and low- or non- carbon- based energy sources; (2) the granting of necessary permits by governing authorities; (3) the availability and acceptability of cost- effective, verifiable carbon credits; (4) the availability of suppliers that can meet our sustainability and other standards; (5) evolving regulatory requirements **, including changes to IPCC' s Global Warming Potentials,** affecting ESG standards or disclosures; (6) evolving standards for tracking and reporting on emissions and emission reductions and removals; (7) customers' and consumers' preferences and use of the company' s products or substitute products; and (8) actions taken by the company' s competitors in response to legislation and regulations. The standards **and regulations** for tracking ~~and~~ **,** reporting ~~on~~ **, marketing and advertising related to** ESG matters are relatively new, have not been harmonized and continue to evolve. Our selection of disclosure frameworks that seek to align with various voluntary reporting standards may change from time to time and may result in a lack of comparative data from period to period. **Our** ~~In addition, our~~ processes and controls may not always align with evolving voluntary standards for identifying, measuring, and reporting ESG metrics, our interpretation of reporting standards may differ from those of others, and such standards may change over time, **including through non- public processes,** any of which could result in significant revisions to our goals or reported progress in achieving such **goals. In addition, Chevron participates, along with other companies, institutes, universities, trade associations and other organizations, in various initiatives, campaigns, and other projects that express various ambitions, aspirations and goals related to climate change, emissions and energy transition. Chevron' s individual ambitions, future performance or policies may differ from the ambitions of such organizations or the individual ambitions of other participants in these various initiatives, campaigns, and other projects, and Chevron may unilaterally change its individual ambitions, aspirations and** goals. Achievement of or efforts to achieve aspirations, targets, goals and objectives such as the foregoing and future internal climate- related initiatives **has, and** may **continue to,** increase costs, **and, in addition, may** require purchase of carbon credits, or limit or impact the company' s business plans, operations and financial results, potentially resulting in the reduction to the economic end- of- life of certain assets, **impairing** ~~an impairment of~~ the associated net book value, among other material adverse impacts. Our failure or perceived failure to pursue or fulfill such aspirations, targets, goals and objectives or to satisfy various reporting standards within the timelines we announce, or at all, could have a negative impact on the company' s reputation, investor sentiment, ratings outcomes for evaluating the company' s approach to ESG matters, stock price, and cost of capital and expose us to government enforcement actions and private litigation, among other material adverse impacts. GENERAL RISK FACTORS Changes in management' s estimates and assumptions may have a material impact on the company' s consolidated financial statements and financial or operational performance in any given period In preparing the company' s periodic reports under the Securities Exchange Act of 1934, including its financial statements, Chevron' s management is required under applicable rules and regulations to make estimates and assumptions as of a specified date. These estimates and assumptions are based on management' s best estimates and experience as of that date and are subject to substantial risk and uncertainty. Materially different results may occur as circumstances change and additional information becomes known. Areas requiring significant estimates and assumptions by management include impairments to property, plant and equipment and investments in affiliates; estimates of crude oil and natural gas recoverable reserves; accruals for estimated liabilities, including litigation reserves; and measurement of benefit obligations for pension and other postretirement benefit plans. Changes in estimates or assumptions or the information underlying the assumptions, such as changes in the company’ s business plans, general market conditions, the pace of energy transition, or changes in the company’ s outlook on commodity prices, could affect reported amounts of assets, liabilities or expenses.