

the
human  energy
company™

Chevron's Digitalization Journey

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an enterprise focused on competitive advantage



1 our vision

To empower all of Chevron to harness the benefits of information technology through an enterprise operating model that focuses on competitive advantage.

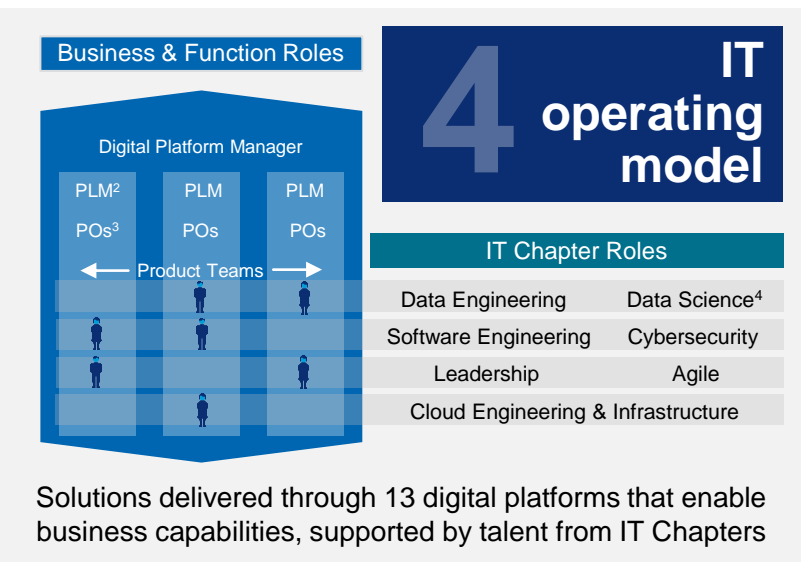
2 why we must change

- 40+ IT orgs means disparate efforts; high-value initiatives are not always prioritized
- High IT costs due to duplication, complexity, and limited scalability
- Opportunity for increased innovation and faster development times
- Business customer insufficiently involved in digital decision-making
- Inconsistent talent development across the IT workforce

3 the key changes

- 13 digital platforms built for scale
- Focus on bold goals & innovation
- Top-down approach for prioritization
- Modern tools, using cloud & mobility
- Strategic third-party partnerships
- Data innovation, accessibility & quality
- Consistent management of PCN¹
- Agile ways of working

¹Process control networks



Solutions delivered through 13 digital platforms that enable business capabilities, supported by talent from IT Chapters

²Product Line Manager ³Product Owner ⁴Data Science & Analytics

5 benefits

- Competitive advantage
- Accelerated value through scale and innovation
- Cross-org opportunities
- \$450MM cost savings by 2021

6 challenges we face

- Unprecedented changes
- Confusion & anxiety due to uncertainty
- Iterative trials & errors
- New skills & processes to adopt

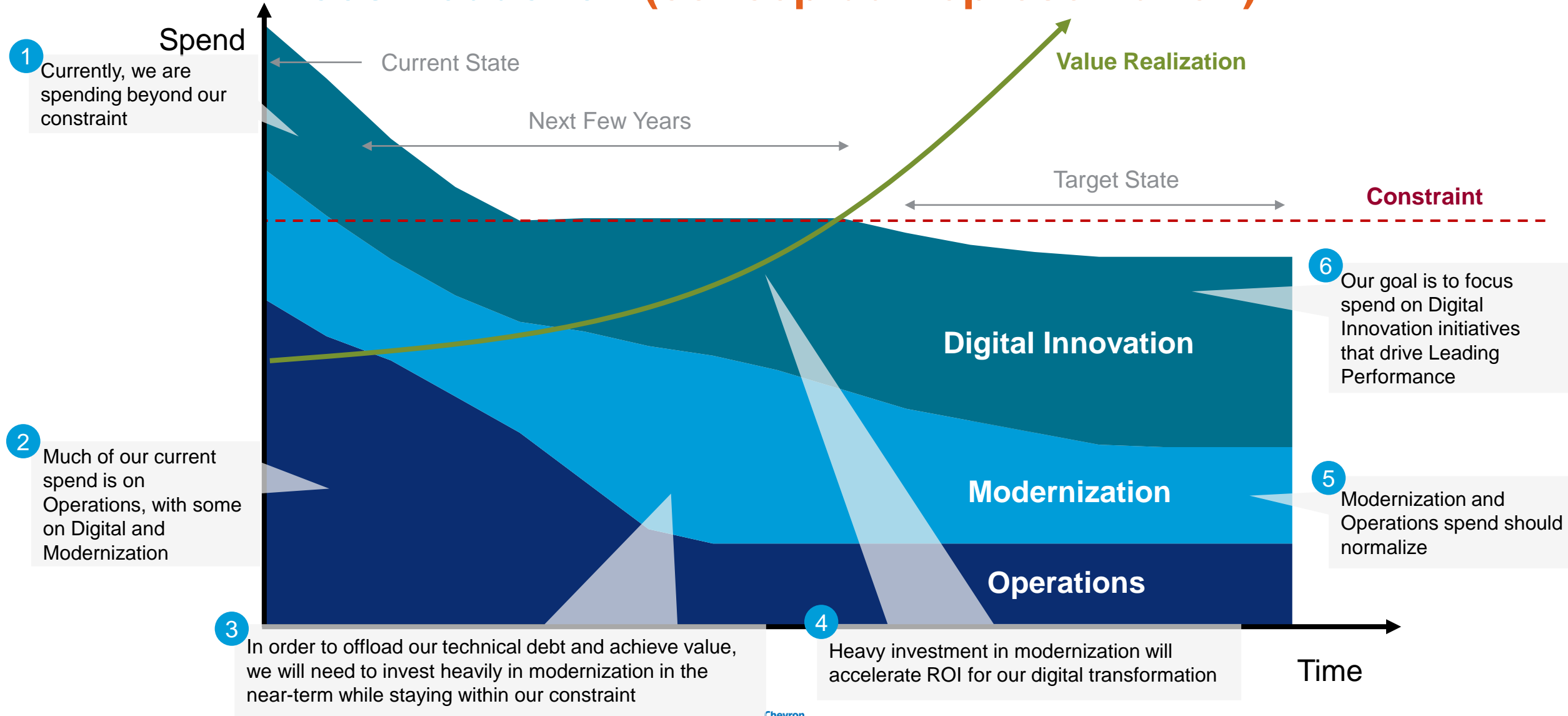
- **Conclude transition to new op model** of Wave 1 (from 2020) by completing handover and optimizing staff augmentation resources
- **Complete design and global roll-out** of org & operating model (Waves 2 & 3)
- **Ensure stability of new operating model**, addressing priority gaps / refinement needed from initial design
- **Enable platforms, chapters and data teams** to deliver Digital Value aligned to business / Leading Performance goals
- **Achieve \$450MM run rate savings** across all levers including modernization, software, hardware and labor vendor rationalization

As transformation continues into 2021, we are focused on five key outcomes

7 what to expect



Digital transformation will be enabled by modernization and cost reduction (conceptual representation)



HoloLens

The Microsoft HoloLens is a stand-alone holographic headset and uses an abundance of sensors to help you interact with reality, using holograms to blend ideas with the real world.

Value Proposition



Reduce Cost

Having remote experts for planning, execution and review of field work will eliminate various unnecessary travel expenses



Reduce Exposure

Remote work can be performed with one individual in the refinery, reducing the number of people exposed to units



Increase Collaboration

MS Teams can be leveraged with the HoloLens to have more collaborative meetings and tools/resources

Examples



Terminal

Collaborate between CABGOC and UK subject matter experts to troubleshoot issues with the cathodic protection system



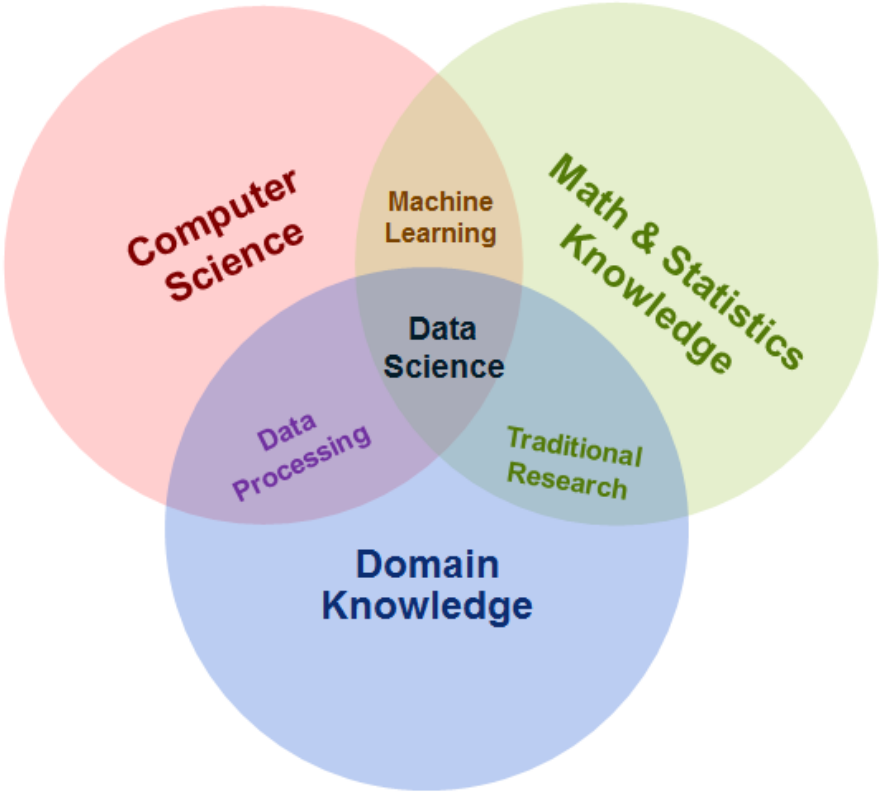
Fox

Utilize HoloLens to replace the turbo expander, leveraging vendor expertise remotely



Data Science & Analytics

Harness data to add value to every aspect of the business, improving safety, performance and cost efficiencies



Source: Drew Conway, IA Ventures



Intelligent Production Analysis

Identify factors that affect production, provide early warning detection of well issues and implement alarms for early remediation.



Decline Curve Analysis & Forecast by Exception

Use existing historical production data to establish variance thresholds to help make quality decision for production forecast.



Optimization of LPG Plant Operations

Adjust process engineering parameters to improve product quality (on-spec) and LPG recovery.



HSE data mining

Using natural language processing to find insights from HSE impact database to place and manage safeguards effectively.

