



Chevron in Indonesia

energy drives human progress

human energy®



business portfolio

Chevron is a major partner in Indonesia's economy and an active member of the community since operations began more than 90 years ago.

Through our wholly owned subsidiary, PT. Chevron Pacific Indonesia, we are one of the largest producers of Indonesia's crude oil. We are searching for new oil and natural gas reserves from Central Sumatra to offshore East Kalimantan.

Upstream exploration and production

The majority of CPI's Sumatran production came from fields in the Rokan PSC. Duri, the largest field, has been using steamflooding technology to improve production since 1985 and is one of the world's largest steamflood developments.

In the Minas Field, work continued to optimize the waterflood program there. We are also assessing the pilot project that used a chemical injection process to further improve the recovery of light oil in the Minas and surrounding fields. To further improve the recovery of light oil we also continue infill drilling and workover activity.

We continue to implement projects designed to sustain production, increase recovery and improve reliability from existing reservoirs.

In the Kutei Basin in East Kalimantan, most of the production came from 14 offshore fields in the shelf area within the East Kalimantan PSC, with the remainder from the deepwater West Seno Field in the Makassar Strait PSC.

There are two natural gas deepwater development projects in the Kutei Basin known collectively as the Indonesia Deepwater Development.

Chevron has a 62 percent interest in the Bangka project. The project includes a subsea connection to a floating production unit (FPU) and has a design capacity of 110 million cubic feet of natural gas and 4,000 barrels of condensate per day. Production began in August 2016 and has reached design capacity.

The other project, Gendalo-Gehem, includes two separate hub developments, each with its own FPU, subsea drill centers, natural gas and condensate pipelines, and onshore receiving facility. Plans call for the produced natural gas to be sold domestically and through liquefied natural gas export. The project has a planned design capacity of 1.1 billion cubic feet of natural gas and 47,000 barrels of condensate per day. The company's interest is approximately 63 percent. Chevron continues to work toward a final investment decision, subject to the timing of government approvals, including extension of the associated PSCs, and securing new LNG sales contracts.

in the community

Education and vocational training

Chevron supports the education of the Sakai people, an indigenous tribe in Riau through our Sakai Foster Children Scholarship program. Darmasiswa Chevron Riau is a scholarship program that helps local talented students access higher education. Since 2001, the program has helped nearly 1,100 students.

We offer to youth and women vocational training programs, ranging from motorcycle mechanics to hairdressing and electronic device repair. The aim of these programs is to increase employability and promote entrepreneurship.

Chevron built and sponsored two polytechnic schools. Riau Caltex Polytechnic, the province's first polytechnic university, built in 2001. Politeknik Aceh, in Banda Aceh, was built with our partners in the long-term recovery effort following the 2004 tsunami. More than 3,300 students have graduated from these two schools.

We provide education support and research to several universities in Riau province under the University Relationship Program and two other universities – Bandung Institute of Technology and the University of Gadjah Mada – under the University Partnership Program.

Health care service

Chevron provided \$5 million to the Global Fund to Fight AIDS, Tuberculosis and Malaria for HIV/AIDS programs in Indonesia. We also helped establish I Wanna Live, an HIV/AIDS awareness campaign for middle and high schools in West Java. It has reached more than 25,000 students.

Chevron worked with local governments and organizations to help midwives and volunteers in Riau and East Kalimantan prepare women for childbirth and newborn complications through the Desa Siaga (Alert Village) initiative. And in 2015, we provided medical equipment and supplies to 15 health care centers and offered training in maternal and newborn health services.

Small business and micro enterprise development

Our Local Business Development (LBD) program helps small companies and cooperatives in Riau, East Kalimantan and West Java become more professional and competitive. Since 2001, we have created more than 52,000 jobs, awarded approximately 7,800 contracts to local companies and procured more than \$120 million (1.2 trillion Rupiah) in goods and services from LBD partners.

Our most recent multi-year economic development program – called PRISMA (Promoting Sustainable Integrated Farming, Small Enterprise Cluster and Microfinance Access) – provides small grants, capacity building training, technical assistance and access to loans through microfinance institutions to local farmer groups, small businesses and cooperatives in 11 regencies and cities in Riau, East Kalimantan and West Java. By the end of 2016, the PRISMA program had supported more than 1,500 beneficiaries in 36 business sectors, including agriculture, fishery and processed foods.

Environment

We play an active role in rehabilitating the Telaga Sari City Forest in Balikpapan. We helped establish the Telaga Sari Educational Forest Center, which is now managed by 18 local schools. Since 2003, we have successfully re-established approximately 25 acres (100,000 sq meters) of mangroves in the Penajam area, in south Balikpapan.

In partnership with Conservation International and local organizations in West Java and Riau, we established a three-year sustainable landscape management program in 2015. The program focuses on biodiversity monitoring, community engagement and reforestation efforts in the Papandayan-Kamojang-Guntur area of West Java. The program also studies the environment and endangered animal populations around the Duri Field in Riau. Initiatives include the planting of 50,000 trees, habitat restoration and empowering local communities to improve their livelihood while protecting the environment.