

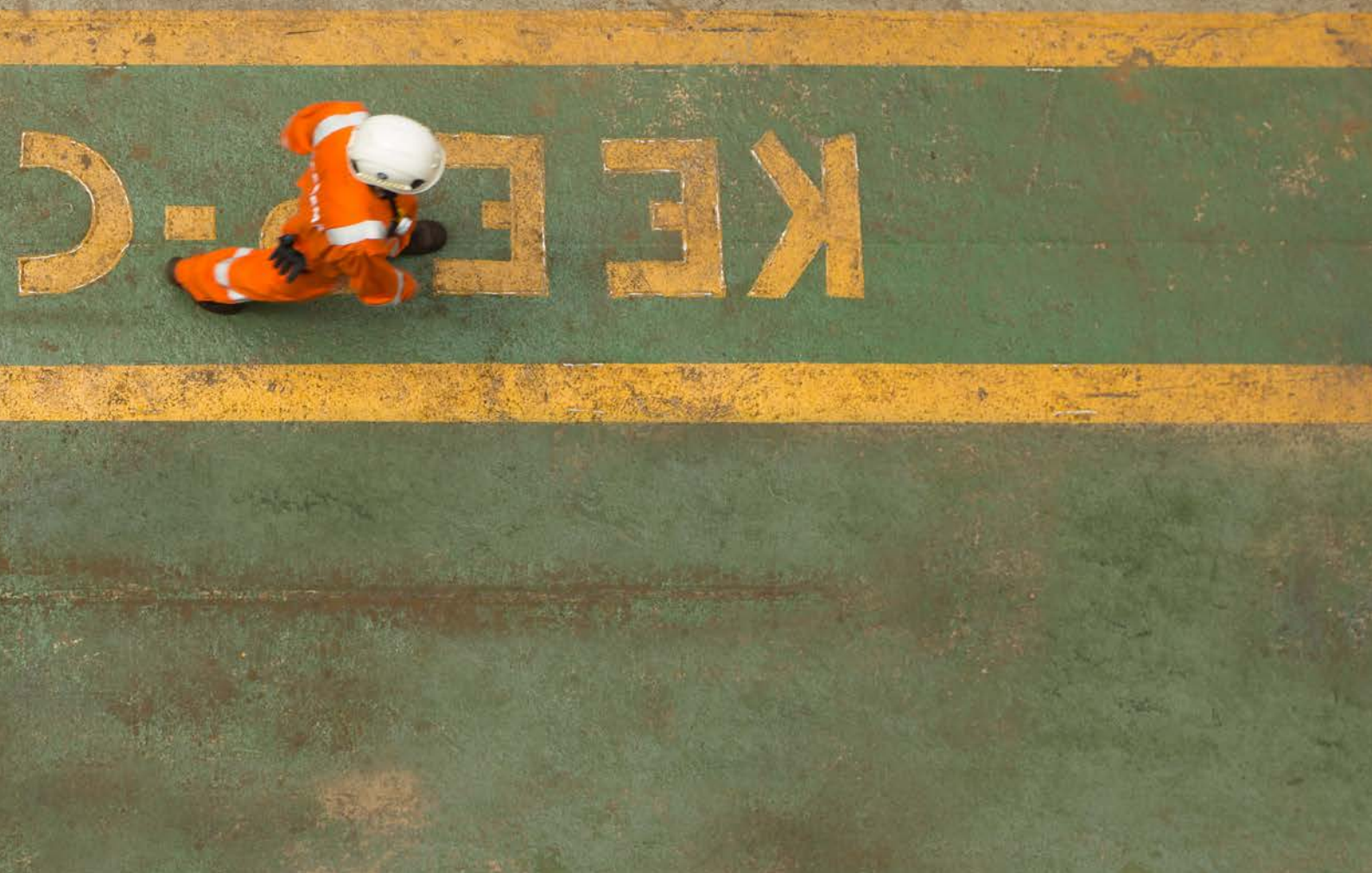


cabinda gulf oil company limited

# 2015 corporate responsibility report

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human energy®





Front cover: A Chevron employee displays safe work practices on the Mafumeira Sul platform

This page: Mafumeira Sul platform

Photo on the right: Margarida Pelinganga supervising Chevron reservoirs in Malongo



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### Cautionary statement relevant to forward-looking information

This corporate responsibility report contains forward-looking statements relating to the manner in which Chevron intends to conduct certain of its activities, based on management's current plans and expectations. These statements are not promises or guarantees of future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control.

Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecast in this report may differ materially in the future. The statements of intention in this report speak only as of the date of this report. Chevron undertakes no obligation to publicly update any statements in this report. As used in this report, the term "Chevron" and such terms as "the Company," "the corporation," "their," "our," "its," "we" and "us" may refer to one or more of Chevron's consolidated subsidiaries or affiliates or to all of them taken as a whole. All these terms are used for convenience only and are not intended as a precise description of any of the separate entities, each of which manages its own affairs





Resource materials shared during an informational forum on HIV/AIDS

# a message from our managing director



**Cabinda Gulf Oil Company Limited (CABGOC) has a well-established legacy of excellence in Angola. In 2015, we honored this legacy by adjusting our organization to the low oil price environment and took steps to become a leaner, more efficient operation.**

Our company's foundation is built on our values, which distinguish us and guide our actions. We have an unwavering commitment to being a good partner and are focused on building productive, collaborative, trusting and beneficial relationships with the Angolan Government, the National Concessionaire – Sonangol, our partners, communities and each other.

We have been operating in Angola for more than 60 years. During this period, we have worked hard to build lasting partnerships and create prosperity now and for decades to come. This corporate responsibility report shares the progress of our projects and established processes geared toward improving the quality of education; reducing mortality and morbidity; and establishing measures to ensure that all our employees and contractors return home safely at the end of each work day.

Although the international oil and gas market continues to face challenges with regard to our industry's economic recovery, CABGOC, and our parent company, Chevron, continue to invest in major capital projects, promote local content, and establish partnerships that help strengthen Angolan nationals' capacity. Through decades of experience, we have learned that our business is deeply linked to society's progress.

In 2015, we invested more than \$5 million in three core areas: health, education and economic development. And in terms of goods and services, we spent more than \$3 million with companies locally, promoting sustainability, job creation and economic development among small and medium-sized businesses in the communities.

We would like to thank you for your continuous support and for your interest in social investment in Angola as CABGOC continues to be the energy company most admired for its people, partnership and performance .

A handwritten signature in black ink that reads "John J. Baltz". The signature is fluid and cursive.

**John J. Baltz**  
Managing Director  
Cabinda Gulf Oil Company Limited (CABGOC)



# introducing: our key behaviors

Our key behaviors draw on the vision and values that make up The Chevron Way. These behaviors are the foundation of our new organizational culture, and we encourage all employees and contractors to take an active role in understanding and in

aligning with our collective vision to be the leading oil and gas company in Southern Africa. This will enable us to continue building a strong and sustainable future for our employees, partners, investors and the communities where we operate.

## be accountable

be accountable and  
hold others accountable  
for performance  
and results

## change outcomes

have a constant focus on  
improving performance  
and provide solutions  
to identified problems

## reduce costs

keep a cost-management mindset  
and take aggressive actions  
to lower costs

## deliver results

deliver financial, operational,  
and customer results that meet  
our strategic intents

# chevron in Angola

**In Angola, Chevron operates through a wholly owned subsidiary, Cabinda Gulf Oil Company Limited (CABGOC).**

CABGOC operates and holds a 39.2 percent interest in Block O, a concession adjacent to the Cabinda coastline; a 31 percent interest in a production-sharing contract (PSC) for deepwater Block 14, located west of Block O; and a 36.4 percent interest in Angola LNG Limited, which operates a 5.2-million-metric-ton-per-year liquefied natural gas (LNG) plant located in Soyo, Angola.

## block O

Block O is divided into Areas A and B and contains 21 fields that produced a net daily average of 85,000 barrels of liquids in 2015. The Block O concession extends through 2030.

### Mafumeira Sul

The second stage of the Mafumeira Field development includes a central processing facility, two wellhead platforms, approximately 75 miles (121 km) of subsea pipelines, 34 producing wells and 16 water injection wells.

The facility has a design capacity of 150,000 barrels of liquids and 350 million cubic feet of natural gas per day. Construction, hookup and development drilling activities progressed during 2015. First production is planned for the second half of 2016, and ramp-up to full production is expected to continue through 2018.

The total potentially recoverable oil-equivalent resources are estimated at 300 million barrels. Proved reserves have been recognized for this project.

### Nemba Enhanced Secondary Recovery (ESR) Stage 1 & 2

Start-up occurred at ESR stage 1 & 2 in the first quarter of 2015. Total daily production in 2015 averaged 7,000 barrels of crude oil (2,000 net). In addition to enhancing production, this project eliminated routine flaring at the South Nemba platform.

## block 14

In 2015, net daily production was 25,000 barrels of liquids from Benguela Belize–Lobito Tomboco (BBLT), Belize North, Benguela North, Tombua and Landana fields. Development and production rights for the various producing fields in Block 14 expire between 2023 and 2028.

### Natural gas commercialization

Natural gas commercialization efforts are expected to monetize a total potentially recoverable resource of more than 3 trillion cubic feet of natural gas and approximately 130 million barrels of liquids through export sales of LNG and natural gas liquids (NGLs). Major commercialization projects include participation in Angola LNG Limited and the Congo River Canyon Crossing Pipeline.

### Angola LNG

The plant has the capacity to process 1.1 billion cubic feet of natural gas per day, with expected average total daily sales of 670 million cubic feet of natural gas and up to 63,000 barrels of NGLs.

This is the world's first LNG plant supplied with associated gas, where the natural gas is a byproduct of crude oil production. Feedstock for the plant originates from multiple fields and operators. In early 2016, plant modifications and capacity and reliability enhancements will be completed.

First cargo, as well as plant modifications and capacity and reliability enhancements, are in the 2016 business plan. The remaining economic life of the project is anticipated to be in excess of 20 years.



### Congo River Canyon Crossing Pipeline

Chevron holds a 38.1 percent interest in the pipeline, which is designed to transport up to 250 million cubic feet per day of natural gas from Blocks 0 and 14 to the Angola LNG plant. The 87-mile (140-km) offshore pipeline crosses under the Congo River subsea canyon.

Drilling of the well intersection and installation of the pipeline under the Congo River canyon was completed in mid-2015 and represented the final portion of the pipeline to be completed. Startup is planned for 2016.

### Angola – Republic of Congo joint development area

Chevron is the operator of and holds a 31.3 percent interest in the Lianzi Unitization Zone, located in an area shared equally by Angola and The Republic of Congo. The Lianzi Project includes four producing wells and three water injection wells with a subsea tieback to the BBLT platform in Block 14. The project has a design capacity of 46,000 barrels of crude oil per day.

Fabrication, installation and the first drilling campaign activities were completed in 2015. First production was achieved in the fourth quarter of 2015. Production from the Lianzi Project is reflected in the totals of Block 14 in Angola and Republic of Congo.



2ª Classe Cabinda, aos 16 de Março de 2016  
Disciplina - Língua Portuguesa  
Tema - A minha escola  
Subtema - A Sala de aula.

Esta é a sala de aula onde eu estudo.  
É uma sala muito bonita e arejada. As carteiras estão todas  
há um armário com duas portas e duas gavetas. É seguro  
no armário cadernos, livros, lápis e régua. O armário tem  
biblioteca. É muito desta sala. Sue beleza.

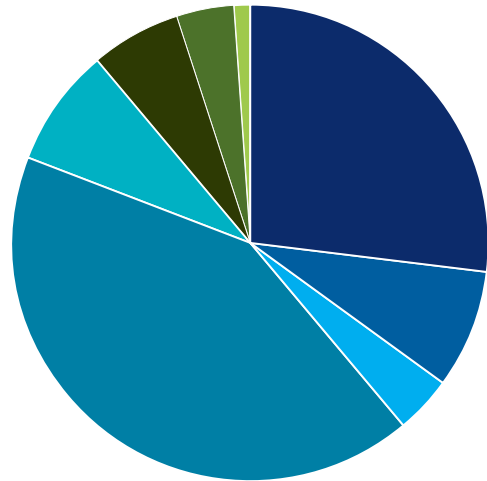


Teacher and students at INME primary school

# social investment

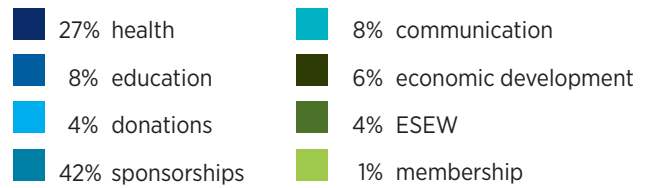
**CABGOC, in partnership with its Block 0 and 14 partners, continues to seek a holistic approach to social performance in Angola.**

Our strategy is focused on social investment and stakeholder engagement; building constructive relationships with community members and the Angolan Government; engaging partners to support business and social objectives; and delivering measurable and lasting results for the people of Angola.



**\$5+ million**

invested by CABGOC  
in Angola in 2015



Elementary school-aged child reads in Luanda, Angola.

## social investment – health

In 2015, our health projects continued to contribute toward the reduction of some of the main causes of mortality and morbidity in Angola. Our investments in sickle cell anemia, HIV and blood donations helped CABGOC foster healthier communities where we operate and at a national level.

### Sickle cell anemia

In 2015, Chevron extended its Sickle Cell Initiative program for an additional five years and \$5 million. The extension was marked by a memorandum signing ceremony between the Angolan Ministry of Health and Baylor College of Medicine International Pediatrics AIDS Initiative (BIPAI) at Texas Children's Hospital (TCH), program implementers. The event was attended by representatives from the Ministry of Health, Texas Children's Hospital and the Lwini Foundation.

Since the program began in 2011, more than 136,000 newborn babies have been screened and tested for the disease. Today, more than 1,700 babies and older children are in care and treatment and more than 1,700 local Angolan health professionals have been trained in Angola's first comprehensive program for screening babies and treating sickle cell anemia patients.

Sickle cell anemia is an inherited disorder that is characterized by deformation of the red blood cells, making them similar to a scythe or sickle, hence the name. These cells have changed their membrane and break more easily, disrupting blood flow and causing anemia and other serious complications like infection and stroke.

In total, \$9 million has been invested on the program that has had over 136,000 direct beneficiaries.

### Angola Sickle Cell Initiative 2011-2015

# 136,000

direct beneficiaries

# 1,700

Angolan health professionals trained

# \$9 million

total investment



Dr. Paul Poplack, director of Texas Children's Cancer and Hematology Center; Ali Moshiri, president of Chevron Africa and Latin America Exploration and Production Company (CALAEP); and José Van-Dunem, former Angolan Minister of Health at the memorandum signing ceremony to extend the Sickle Cell Initiative for an additional five years and \$5 million.

### HIV/AIDS: preventing mother-to-child transmission

In 2015, CABGOC continued to support the HIV/AIDS Voluntary Counseling and Testing Center, Maria Imaculada, and expand prevention of mother-to-child transmission services in province of Cabinda, having invested \$150,000 for the procurement of powdered milk and training for health professional and counselors.

Currently, more than 200 children, from HIV/AIDS-infected mothers who cannot breastfeed, receive powdered milk. The mothers receive counseling sessions. In 2015, 306 people were tested in the center, 2.6 percent of which tested positive for the virus.

### Girl Power awareness

In partnership with the Provincial Secretariat of the Promotion of Women & Family and Provincial Secretariat of Health, CABGOC continues to raise HIV and AIDS awareness to teenage girls between the ages of 12 and 16. During these campaigns, issues related to reproductive health, teenage pregnancy, HIV/AIDS, equality and gender equity were discussed.



From left to right: Dr. Vanda Andrade, Business Services general manager; Dr. Paul Poplack, director of Texas Children's Cancer and Hematology Center; José Van-Dunem, former Angolan Minister of Health; Dr. Joana Lina, Lwini Foundation vice president; Ali Moshiri, CALAEP president; and John J. Baltz, CABGOC managing director.

In 2015, more than 100 girls participated in an awareness campaign designed to help the provincial government of Cabinda implement programs to reduce HIV transmission and early pregnancy.

This initiative meets the Sustainable Development Goals of the United Nations in the fight against HIV/AIDS.

### Cabinda blood bank

Founded on an investment valued at over \$290,000, the Cabinda blood bank continues to ensure access to quality and safe blood transfusion services. In partnership with the Provincial Secretariat of Health, CABGOC supplied consumables for blood collection, screening and transfusion to more than 15,000 direct beneficiaries in 2015 alone to meet the goals, standards and recommendations of the World Health Organization for the African region.



CABGOC employee Angelina Samuenho addresses a crowd of young women during the Girl Power forum in Cabinda.



Higino Carneiro, former Cuando Cubango governor, and John J. Baltz, CABGOC managing director, cutting the inauguration ribbon at the Father Joao Bosco dos Santos Orphanage.



The Father Joao Bosco dos Santos Orphanage in Cuando Cubango province accommodates 150 children.

## education and capacity building

In 2015, CABGOC and its Block 0 and 14 partners invested over \$400,000 in education projects, counting over 2,000 beneficiaries in an effort to help improve and expand access to quality education, while strengthening capabilities of government, communities and civil society organizations.

### Quando Cubango orphanage

Cabinda Gulf Oil Company invested over \$2 million in the construction of the Father Joao Bosco dos Santos Orphanage in Cuando Cubango. The project, with a capacity to accommodate 150 children, also has classrooms for vocational training in civil construction, welding and carpentry, as well as a media room equipped with books and computers.

In partnership with the Ministry of Social Welfare (MINARS) and the Provincial Government of Cuando Cubango, the project aims to contribute to the professional and social integration of orphaned children while improving the teaching and learning process. It also aims to improve the living conditions of the orphaned and increase the employability of young people through vocational training courses.

### Cabinda scholarship

CABGOC continues to invest in educational and professional excellence for the benefit of the future Angolan workforce. In 2015, over \$50,000 was invested by CABGOC to pay for the tuition and related costs of students with outstanding academic performance in Cabinda.

### Teacher training

During 2015, CABGOC invested \$360,000 to improve teachers' skills in health and education. To reinforce quality health care, CABGOC provided training to nurses in partnership with Escola de Formação de Tecnicos de Saude de Cabinda. CABGOC provided resources to enable teachers to use information technology tools to enhance the teaching and learning experience at Escola de Formação de Professores in Cabinda.

## economic development

Launched in 2014, the National Institute of Small and Medium Enterprises (INAPEM) Incubator, entered its implementation stage in 2015. The project uses Block 0 shared funds and counted on four INAPEM representatives and ten CABGOC mentors to help hone the potential of each project. In 2015, over \$300,000 was invested to ensure that 30 promising Information, Technology and Communications (ITC) entrepreneurs had access to skills, markets and financing to start projects in various areas including, education, business-to-business service provision and health.



Higino Carneiro, former Cuando Cubango governor reading the orphanage's inauguration plate.

**“Our partnership with the Angolan Government is centered on identifying local needs and converging resources to provide projects and programs that are sustainable and promote long-lasting results in the most remote areas of the country. From now on, these young people have better living conditions and access to education and a profession.”**

**— John J. Baltz,  
CABGOC managing director**



Tombua-Landana platform located 50 miles offshore Angola in Block 14



# local content

**CABGOC's local content efforts are intended to support the growth of a competitive chain of suppliers, services and goods in Angola.**

Our bid to support economic growth in Angola has led us to design strategies that strengthen the organizational capability of local companies. We strategically leverage and

manage procurement activities with a focus on safety and the environment, reliability, quality, performance and value.

**over  
\$1 billion**

local content spending  
in 2015

**over  
500**

active contracts  
with local suppliers

**43%**

local spending

**over 10%  
increase**

in local spending  
over the last 10 years



Helicopter aboard the *Transocean Honor* drill rig offshore Malongo, Angola.

# \$435 million

Lianzi project local content spend

## focus on Lianzi

The Lianzi project contributed greatly to strengthening organizational capability of local companies. Throughout detailed engineering, fabrication and offshore installations, the Lianzi topside contract used more than 50,000 manhours of work by Angolan companies. During the course of the project, Angolan personnel on the *Maersk Deliverer* drilling rig increased by 30%.

## Malongo move out

We are committed to supporting economic growth in Angola. In 2015, CABGOC led a united project in partnership with the Angolan government and contractors to develop the Malongo Move Out initiative. The Move Out requires that all contractor employees living in Malongo base who are not operations essential, move to the city of Cabinda.

Halliburton is one such company. The company inaugurated its new offices in the Malembo Development Center in the Province of Cabinda in June 2015. This move out alone generated over a 100 jobs in third-party services to a CABGOC contracting company.

The new \$100 million facility will house up to 85 Halliburton employees. In addition, up to 108 jobs will be generated in third-party services to cater to the new office complex, and Halliburton's staff house in Futila.

In the coming years, this move is expected to generate new opportunities for suppliers in Cabinda to respond to higher demands for infrastructure and services.

The new facilities are a result of CABGOC's Malongo Move Out strategy to relocate contractor offices to locations outside the Malongo camp. The Malongo Move Out is part of a general strategy to contribute to the local economy of Cabinda.

At the inauguration event for Halliburton's new office complex, CABGOC Managing Director John J. Baltz said, "We are adamant that this initiative will not only foster cost efficiency and optimize our operations in Malongo, but also will contribute to local content opportunities by promoting economic development for the province of Cabinda."

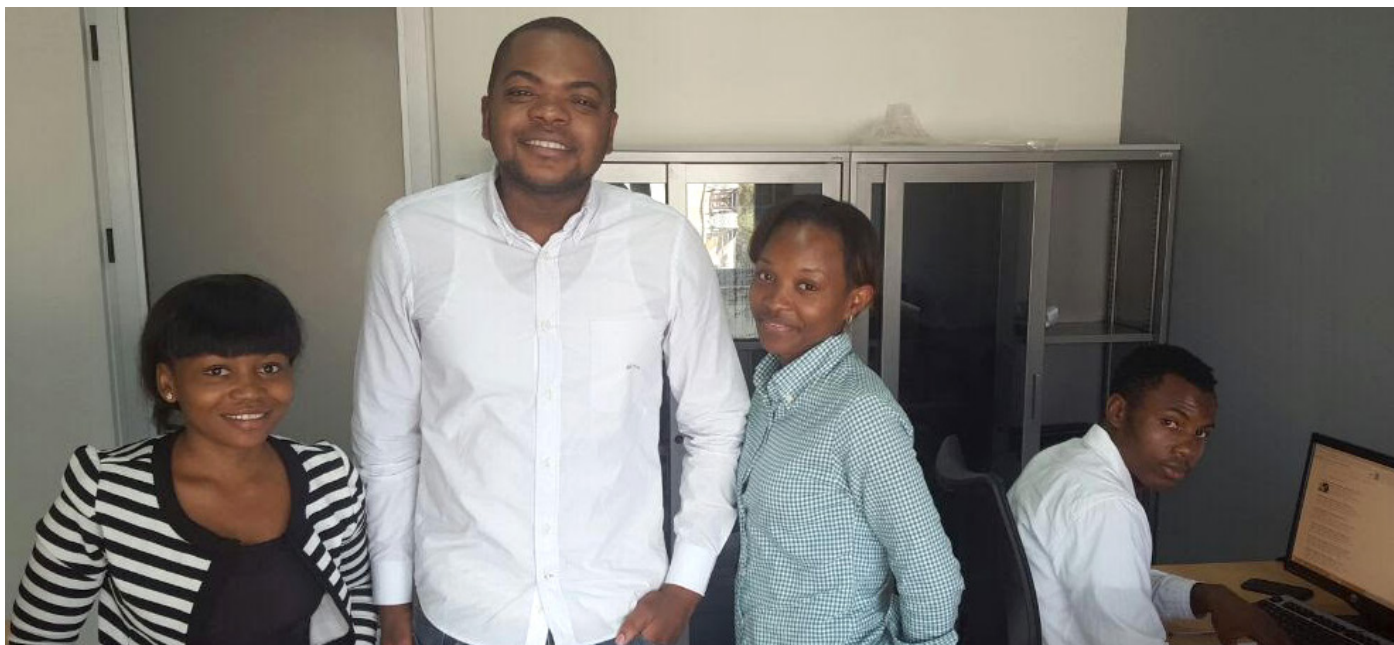
The event was attended by the Cabinda Governor Aldina da Lomba Catembo who commended the Malongo Move Out project for helping to reduce unemployment in the province.

"CABGOC is diligently working with the Provincial Government of Cabinda and with each contractor to ensure that resources are available to safeguard business continuity," said Jennifer Guo, general manager of Supply Chain Management.

Fifty-nine contractor companies still operate within the camp of Malongo. The Malongo Move Out is scheduled to be completed in the first quarter of 2018.



The Malongo Learning Center includes a training platform for gaining hands-on experience.



Cheney Neto and Tec Retina staff

### Cheney Neto: An INAPEM Incubator success story

“Four years ago,” said IT Engineer Cheney Neto, “when I created the company, it was just me and a freelance developer, and now we are four!”

Today, as manager and company creator, Cheney explained that “to be an entrepreneur, we do not want to have just a good business idea based on our background. The entrepreneur is someone who has the ability to manage business, create solutions for customers, and become self-sustaining.”

In 2015, he saw an announcement in the newspaper about a bid for the first INAPEM Information Technology and Communications Incubator and followed all the steps for registration. During this period, he has grown significantly by attending four training sessions, which he added to his previous trainings. “It is a very motivating atmosphere due to engagements with mentors and other entrepreneurs, and the offer of a space to work was one of biggest contributions that I received from the Incubator.”

Cheney is the majority owner of the company Tec Retina, a company dedicated to marketing, communications and digital strategy. Today, Tec Retina creates digital applications for marketing, but also for logistics and commercial. His most famous project is the Gateway Women, a web platform for Angolan women that provides information on health, beauty, family, and well-being.

One of Cheney’s key moments as an entrepreneur was the partnership created between the women’s portal and the Angolan League Against Cancer, using the portal as an awareness and information platform about cancer. With the theme “Love and Let Love,” the goal is to assist a change in society’s attitude and improve Angolan women’s self-esteem.

Cheney believes that in 10 years his company may become a reference among the countries that have Portuguese as their official language.

To know more about Cheney projects: [www.mulheres.co.ao](http://www.mulheres.co.ao)  
[www.facebook.com/mulheres.co.ao](https://www.facebook.com/mulheres.co.ao)



**“A society with dreams needs entrepreneurs with vision.”**

— Cheney Neto,  
Tec Retina



Worker at the Malongo Laboratory

# health and safety

## Our focus on safety and health continues to be based on the foundations of The Chevron Way and our new key behaviors.

Every year we reinforce our “I know” rather than “I think” mindset related to safety precautions in our operations and their importance to the safety of people, environment and assets.

CABGOC’s workforce is empowered to stop any perceived or actual, unsafe work through companywide education and awareness campaigns on serious illness and fatalities (SIF).

Through the commitment of CABGOC and contractor to upholding world standards during evaluations, field inspections, safety meetings and workshops, we achieved 100 percent compliance with Contractor Health, Environment and Safety Management (CHESM) metrics compliance for the third consecutive year.

### produced water treatment

Deploying the third edition of the workforce safety leadership certification program, as well as discussing and checking our preparedness for high-consequence safety verification (HCSV) scenarios, contributed to risk mitigation in the workplace and reduced work.

More than 10 years ago, CABGOC applied new technology to change the water treatment system. Changing from Corrugated Plate Interceptors (CPIs) to WEMCO’s hydro clones – which help process produced water – enabled CABGOC improve produced water quality, ensuring that we are compliant with Chevron’s environmental standards and Angolan water quality discharge regulations.

The Lianzi platform, which achieved first oil in the fourth quarter of 2015, in the unitized zone between the Republic of Congo and the Republic of Angola, supports the BBLT platform’s produced water handling capabilities through the addition of a third hydro clone to ensure that the latter platform’s water handling capacity is not compromised with Lianzi coming on board.

### flaring

The BBLT gas compressor restaging project and the Nemba enhanced secondary recovery project have contributed to routine flare reduction by more than 59 million standard cubic feet per day.

Chevron is deeply committed to the cause of flare reduction worldwide and we have demonstrated this commitment through strong action, investment and internal policy as well as active partnership in World Bank *Global Gas Venting and Flaring Reduction* (GGFR) since 2002. While we are not currently a signatory to the World Bank Flaring Initiative, we continue to actively work with Governments, partners and industry stakeholders to reduce flaring in all of our areas of operation. Chevron has adopted a routine flaring reduction standard that aligns with the World Bank *Global Gas Venting and Flaring Reduction* Public-Private Partnership voluntary standard.



Samples are analyzed regularly at the Malongo Laboratory.

# road safety

**After five years, CABGOC's Arrive Alive program, in partnership with the National Directorate of Road and Traffic (Direcção Nacional de Viação e Trânsito or DNVT), continues to achieve positive results.**

The project, which helps inform drivers about safety in Cabinda province, was launched during the period when Angola established a new driving code.

Using radio, television and print media, the Arrive Alive program encourages injury and fatality prevention on national roads. Through this program, we continue to improve conduct of drivers

and pedestrians on public roads, advise, educate and prevent or reduce road accidents in the province of Cabinda.

In 2015, CABGOC and DNVT organized an exhibition and two awareness walks about road accidents in Cabinda, reinforcing our commitment to the cause of improving road safety.



Road safety campaign

# road safety

improved 2015 versus 2014

**42 fewer  
road accident  
injuries**

**118 fewer  
accidents**

**53 fewer  
pedestrian  
accidents**

**“As a member of the community, we sponsor road safety campaigns aimed at creating a safer environment for everyone on or near the roads throughout Angola. CABGOC is proud of its partnership with the Ministry of the Interior and the Provincial Directorate of Road Traffic in Cabinda and Luanda. CABGOC’s safety culture urges us to contribute to the reduction of excessive speed, dangerous driving, alcohol consumption while driving and other dangerous behaviors. We are working to help Angola lower the rates of traffic accidents on our roads.”**

**— John J. Baltz,**  
CABGOC managing director



We welcome your comments, suggestions and feedback about this report and our programs in Angola.  
To contact us please visit,  
[www.chevroninangola.com](http://www.chevroninangola.com)

Thank you for your interest in CABGOC's Corporate Responsibility efforts.

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