

12.11.23

Free Cash Flow Accretive Midland Basin Transaction

High-Grading Premier Permian Portfolio



ZERO IN™

CAUTIONARY STATEMENTS

Forward-Looking Statements

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This presentation includes non-GAAP financial measures. Where available, reconciliations to comparable GAAP financial measures can be found on Occidental's website at www.oxy.com. Occidental is unable to provide a reconciliation of non-GAAP financial measures contained in this presentation that are presented on a forward-looking basis because Occidental is unable, without reasonable efforts, to estimate and quantify the most directly comparable GAAP components, largely because predicting future operating results is subject to many factors outside of Occidental's control and not readily predictable and that are not part of Occidental's routine operating activities, including various economic, regulatory, political and legal factors.



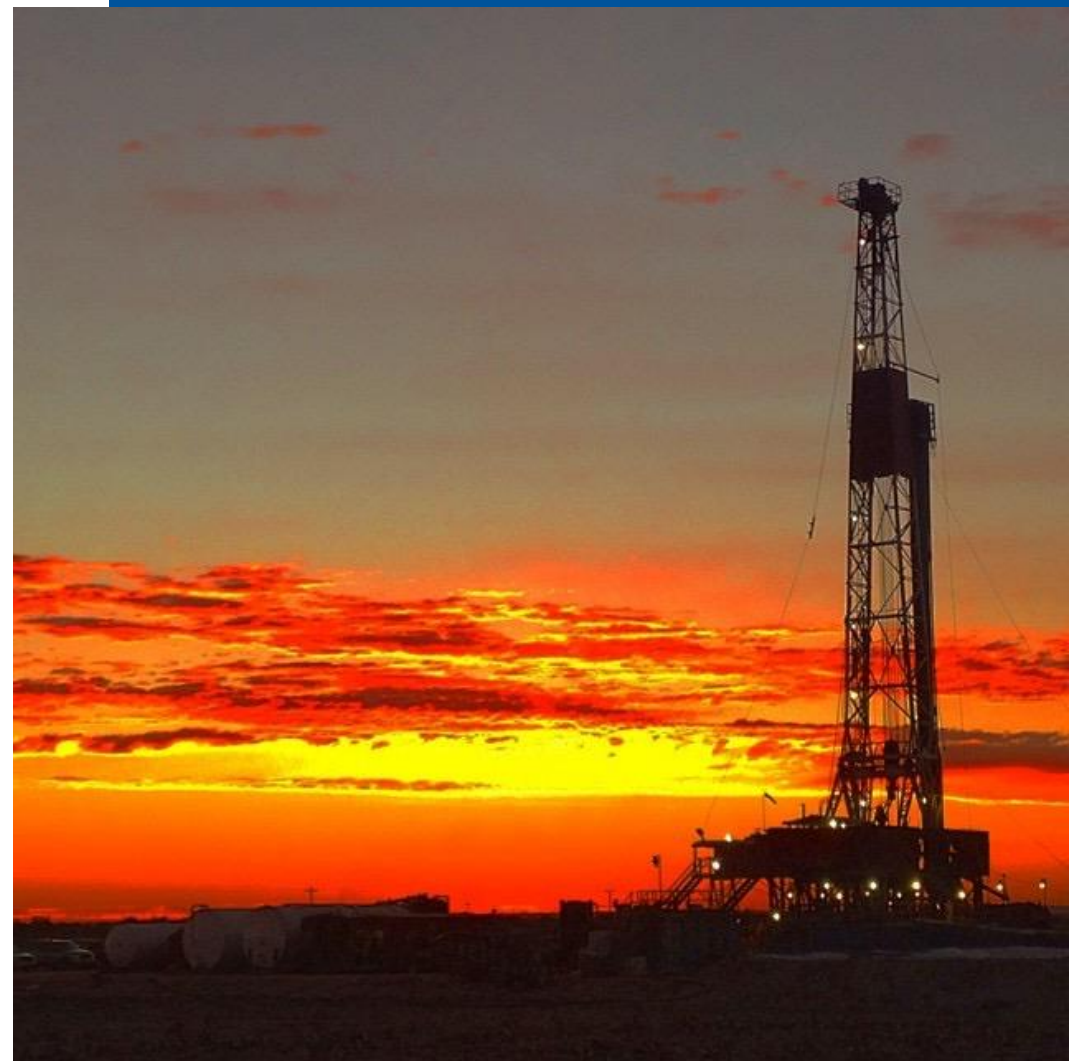
OUTLINE

Transaction Summary

Prolific Resources and Opportunity

Financial Details

Closing Comments



OXY TO ACQUIRE CROWNROCK

Transaction Summary

Purchase Price: \$12.0 B

2024E Production: 170 Mboed¹

Undeveloped Locations: ~1,700

Valuation Drivers

Emphasis Placed on FCF Generation

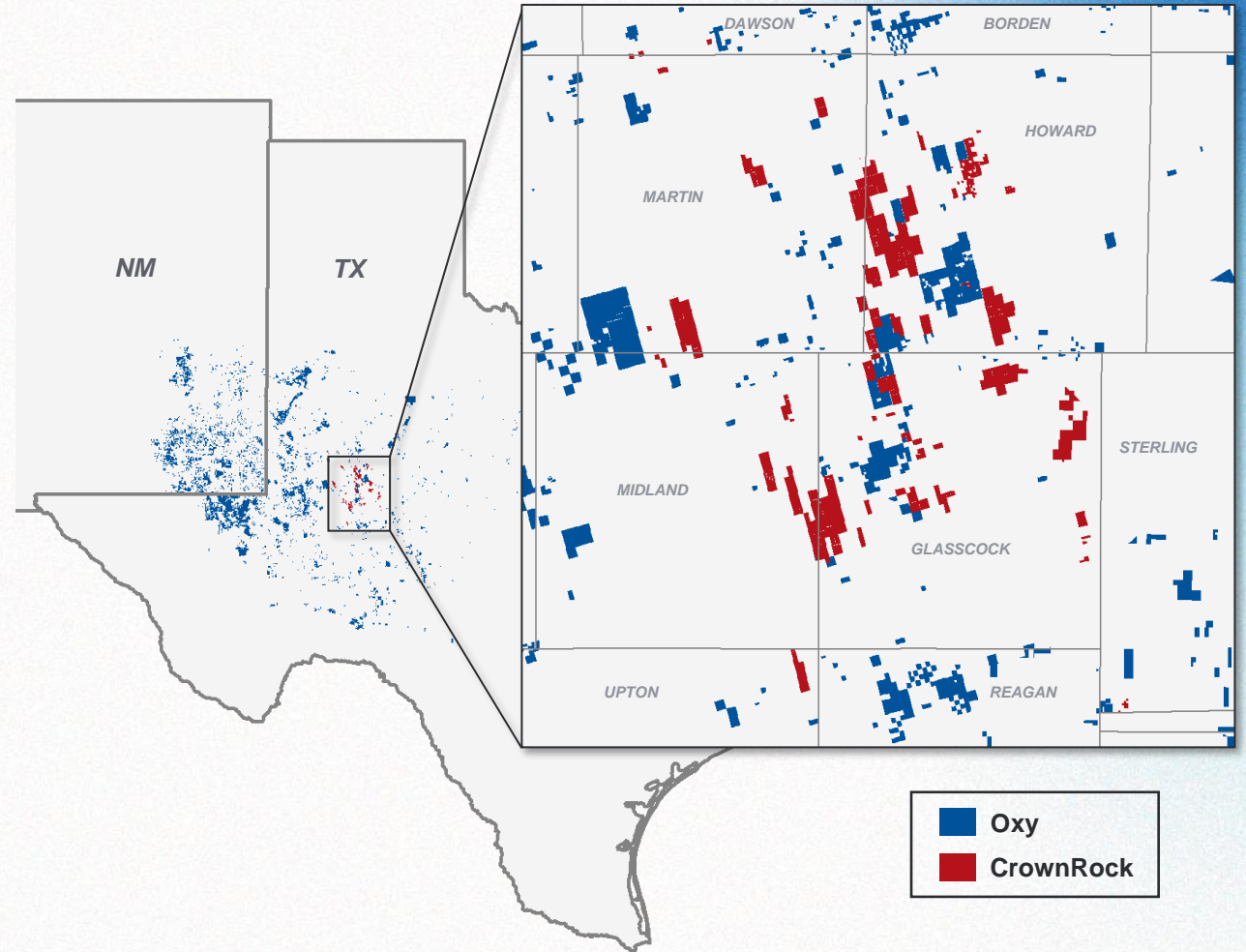
High-Margin Current Production

Low Breakeven Inventory

Base Infrastructure



¹ESTIMATED 2024 PRODUCTION FROM ACQUIRED ASSETS



Quality Assets



Midland Basin Scale



High-Performing Team



Immediate FCF Accretion

FREE CASH FLOW ACCRETIVE PERMIAN ACQUISITION

Acquiring privately-owned CrownRock for \$12.0 B



Quality Assets

Top-tier, Permian Basin asset high-grades U.S. onshore portfolio



Midland Basin Scale

~170 Mboed¹;
>94,000 acres;
high-operatorship with supporting base infrastructure



High-Performing Team

Peer-leading results with operational excellence



Immediate FCF Accretion

~\$1.0 B FCF² in Year 1; expected to close 1Q24 with effective date of 1/1/2024



NOTE: ACCRETIVE ON FCF PER DILUTED SHARE BASIS; CLOSING SUBJECT TO CUSTOMARY CLOSING CONDITIONS AND THE RECEIPT OF REGULATORY APPROVALS

¹ESTIMATED 2024 PRODUCTION FROM ACQUIRED ASSETS ²AT \$70 WTI



CROWNROCK'S EMPOWERED, RESULTS-DRIVEN ORGANIZATION



Exceptional Safety Performance

Safety-first culture with superior safety record



High Performing Technical and Operational Teams

Highly skilled, cross-disciplined team efficiently delivering >800 gross wells since 2015 with strong time to market



Strong Partnerships

Strong supply chain position and partnerships



Focus on Water and Emissions Management

Continuous improvement in water recycling and emissions reduction since 2019

“

CrownRock's operating team has a strong track record of running safe, efficient and highly productive assets. They've achieved remarkable results in the Midland Basin through demonstrated operational excellence that's aligned with Oxy's approach. ”

- Vicki Hollub

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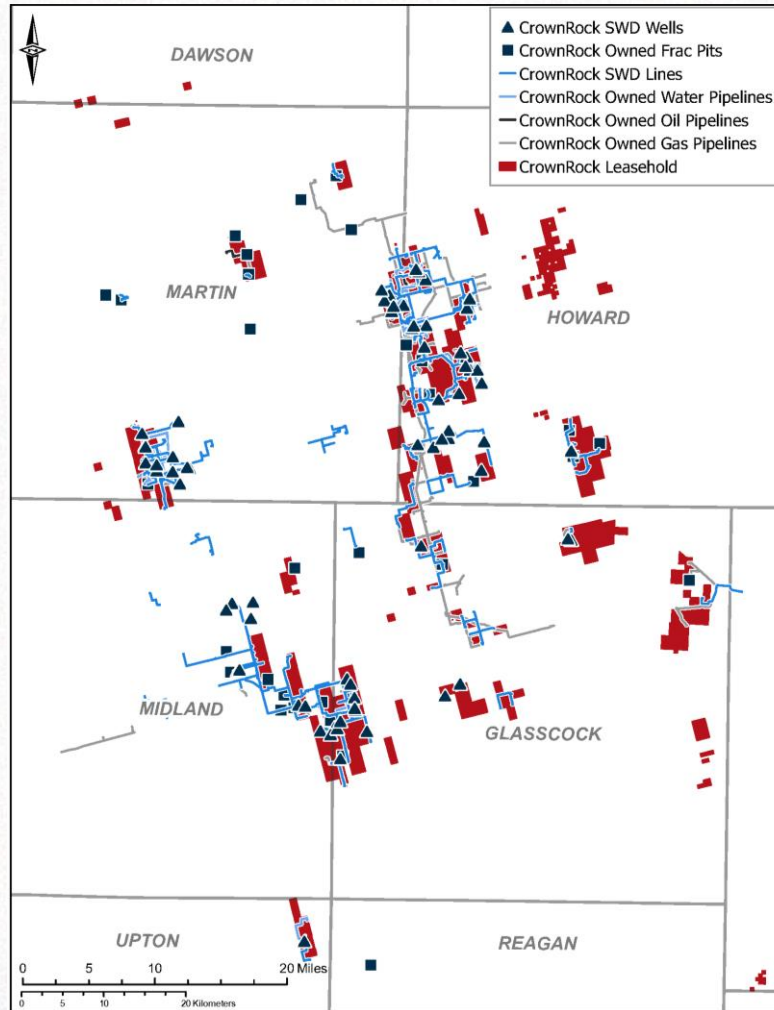
Closing Comments



HIGH-MARGIN, LOW DECLINE MIDLAND BASIN ACQUISITION

ACQUISITION ASSET SUMMARY

- >94,000 net acres
- Average WI 93%, effective NRI 79%; 99% to be Oxy-operated
- ~10,000 acres of surface enhances operational flexibility
- 55 miles of freshwater pipelines, ~473,000 bpd water disposal capacity, 4 recycling facilities
- Complementary takeaway opportunities to Oxy's current development with >200 miles of gas and oil gathering pipelines
- Significant emissions reduction since 2019



Will improve near-term Permian unconventional production and development balance

Future upside resource recovery and lower cost opportunities



~170 Mboed¹, ~80% liquids, ~35% base decline



~1,700 locations; ~1,250 development-ready, <\$60 WTI breakeven



Future inventory enhancement potential through improved recovery and new horizons



Capital efficient activity level projected: 5 rigs, ~\$0.9 B, positioned for low single-digit percentage growth



Efficient and high-performing team

¹ESTIMATED 2024 PRODUCTION FROM ACQUIRED ASSETS



QUALITY STACKED HORIZONS FOR LOW-RISK DEVELOPMENT AND FUTURE UPSIDE

Inventory in core of the Midland Basin with rich, understood subsurface

- Acreage footprint adjacent to best productivity in basin
- ~1,700 undeveloped locations including deep horizon upside
- ~80% of inventory in largely undeveloped DSUs

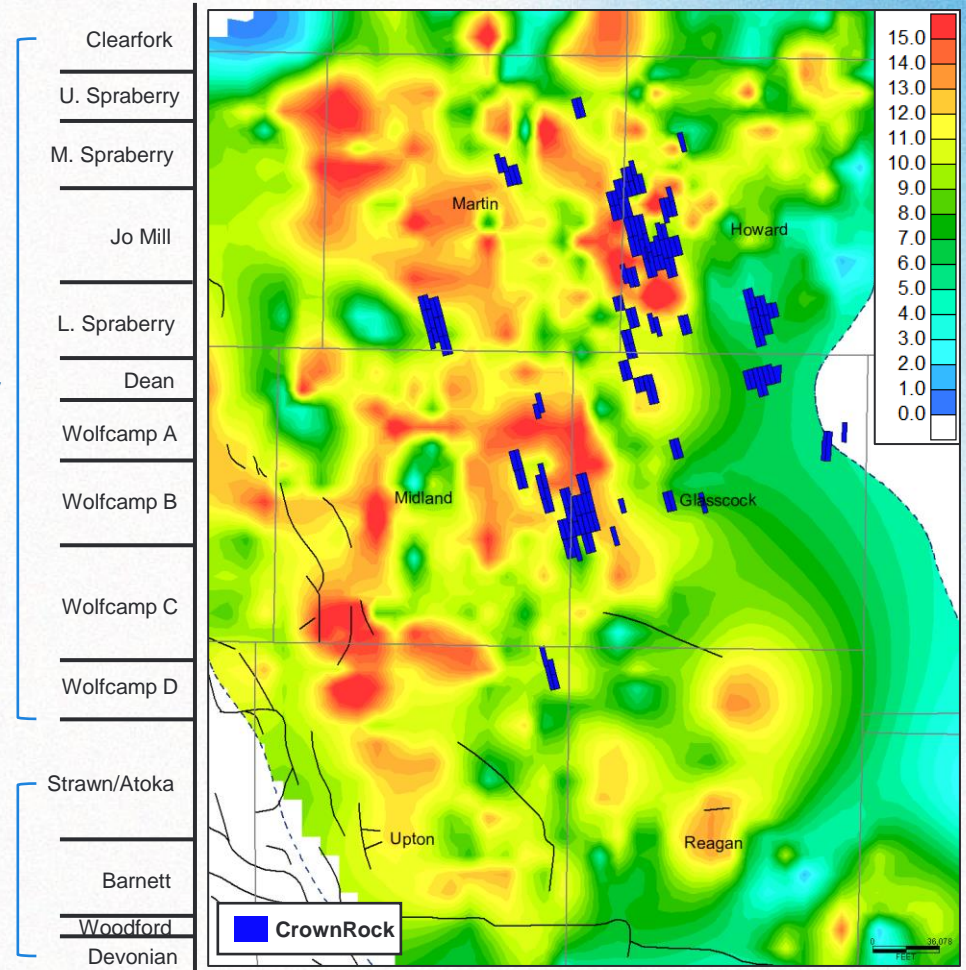
Leveraging Oxy's Leading Subsurface Characterization and Data in the Midland Basin

- ~900 gross operated wells, ~15,400 square miles 3D seismic, 40 whole cores, 10+ years of unconventional data
- Oxy Midland Basin continues new well performance improvement; +~20% compared to 2020²
- Deeper horizon upside; Oxy's Barnett ~34% better than basin average³
- Will expand unconventional EOR opportunity from Oxy's Midland Basin pilot success

Prolific and delineated inventory

Deep-horizon upside

Productivity (6-Month Cumulative Oil - bo/ft)¹



¹PRODUCTION DATA SOURCED FROM ENVERUS; CLEARFORK THROUGH WOLFCAMP D WELLS SINCE 2021; 6-MONTH CUMULATIVE OIL ASSOCIATED WITH PROLIFIC AND DELINEATED INVENTORY

²BASED ON 2023 YTD PERFORMANCE; DATA SOURCE: OXY COMPANY DATA

³PRODUCTION MIDLAND BASIN WELLS SINCE 2020 WITH 12-MONTH BOE CUMULATIVE; DATA SOURCE: ENVERUS, OXY COMPANY DATA



PROLIFIC RESOURCES AND OPPORTUNITY

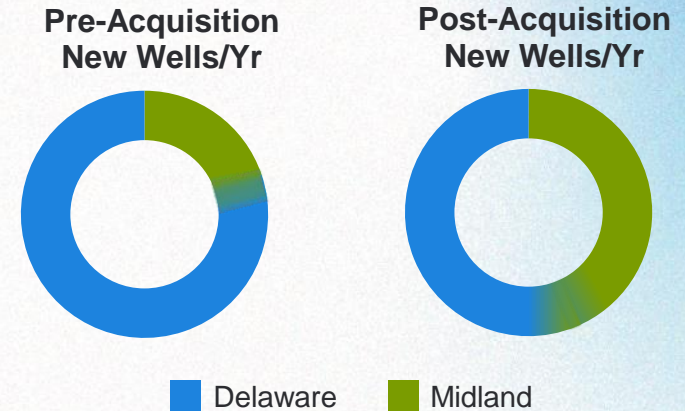
EXPECTED TO ENHANCE INVENTORY AND OPERATING EFFICIENCIES IN THE MIDLAND BASIN

Will increase Permian unconventional sub-\$40 breakeven inventory by 33%

- Will add ~1,250 <\$60 breakeven locations across 9 horizons for efficient full-section development
- De-spacing opportunities from 6-7 wells per section to ~5 wells, already reflected in acquisition inventory counts
- Prospects for 3-mile long lateral development
- Deeper horizons provide upside for inventory based on Oxy's success
- Operational resource and supply chain scale for reduced capital and operating expense upside
- High-performing team and quality operations expected to add immediate capability to Oxy
- No cost synergies assumed in acquisition

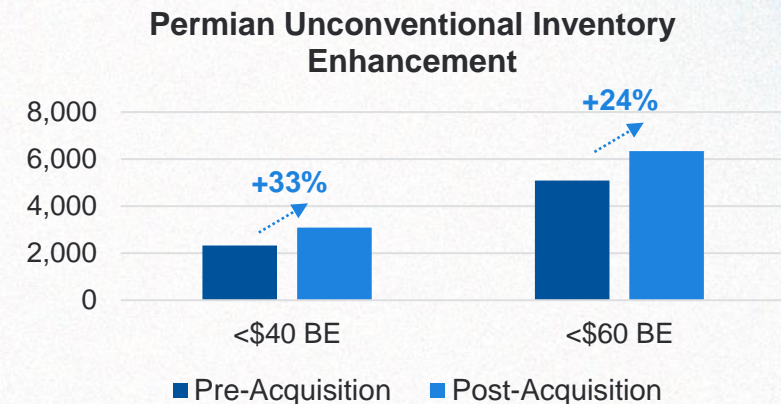
CREATING A MORE BALANCED DEVELOPMENT PORTFOLIO

Based on 2023 activity level



ADDED LOCATIONS

~1,250 <\$60 BE, ~750 of which <\$40 BE



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FINANCIAL ACTIONS



Quarterly Dividend Increase

Increasing dividend \$0.04 to \$0.22 per share¹



Maintain Investment Grade

Accretive financial metrics; expect to retain IG ratings



>\$4.5 B Near-Term Debt Reduction

Expect to complete within 12 months of closing



\$4.5 - \$6.0 B Divestiture Plan

Expect to complete within 18 months of closing



¹BEGINNING WITH THE FEBRUARY 2024 DECLARATION

TRANSACTION FINANCIAL SUMMARY

Transaction Timing

Signed agreement to acquire CrownRock for ~\$12.0 B

- Targeting first quarter 2024 close
- Effective date January 1, 2024

Sources and Uses

Transaction Value	\$12.0 B
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Cash	\$9.1 B
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Equity	\$1.7 B
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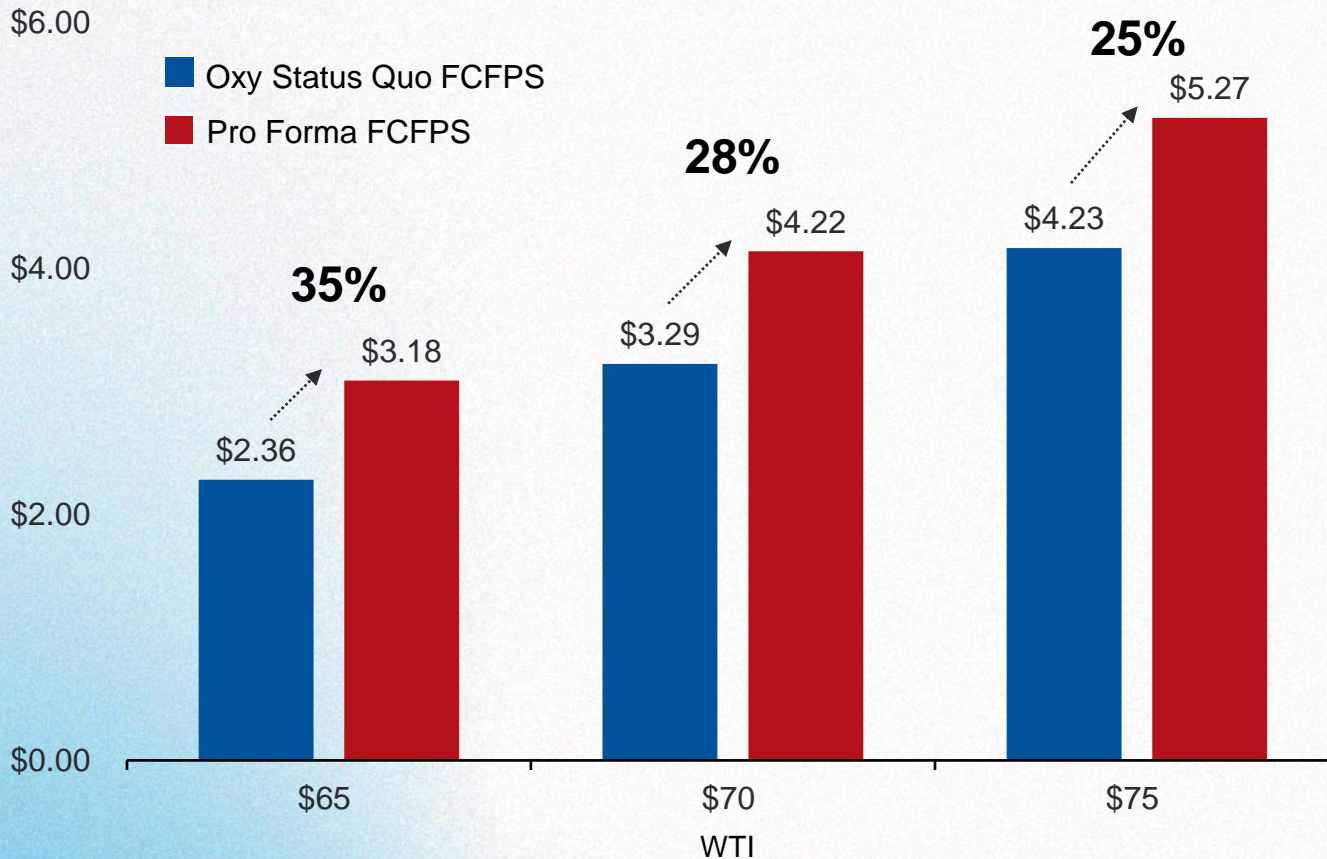
Assumed Debt	\$1.2 B
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- New debt incurrence of \$10.0 B to fund \$9.1 B cash consideration and refinance \$0.9 B of CrownRock Sr. Notes
 - Secured fully committed \$10.0 B bridge facility
 - Plan to fund cash requirements with term loans and new senior notes
 - >\$4.5 B of debt to be repaid within 12 months of transaction close
 - \$4.5 - \$6.0 B of after-tax divestiture proceeds to be realized within 18 months of transaction close
- ~29.6 MM common shares to be issued to seller
 - Pro forma share count to increase to ~907 MM

PREMIER ASSETS DRIVE FCF ACCRETION

Acquisition is Accretive to FCF per Diluted Share at a Range of Commodity Prices

**Illustrative Example:
Free Cash Flow per Diluted Share Inclusive of Dividends¹**



Resulting Accretion

- >25% accretion expected across various market environments
- Debt reduction expected to facilitate sustainable and growing dividend

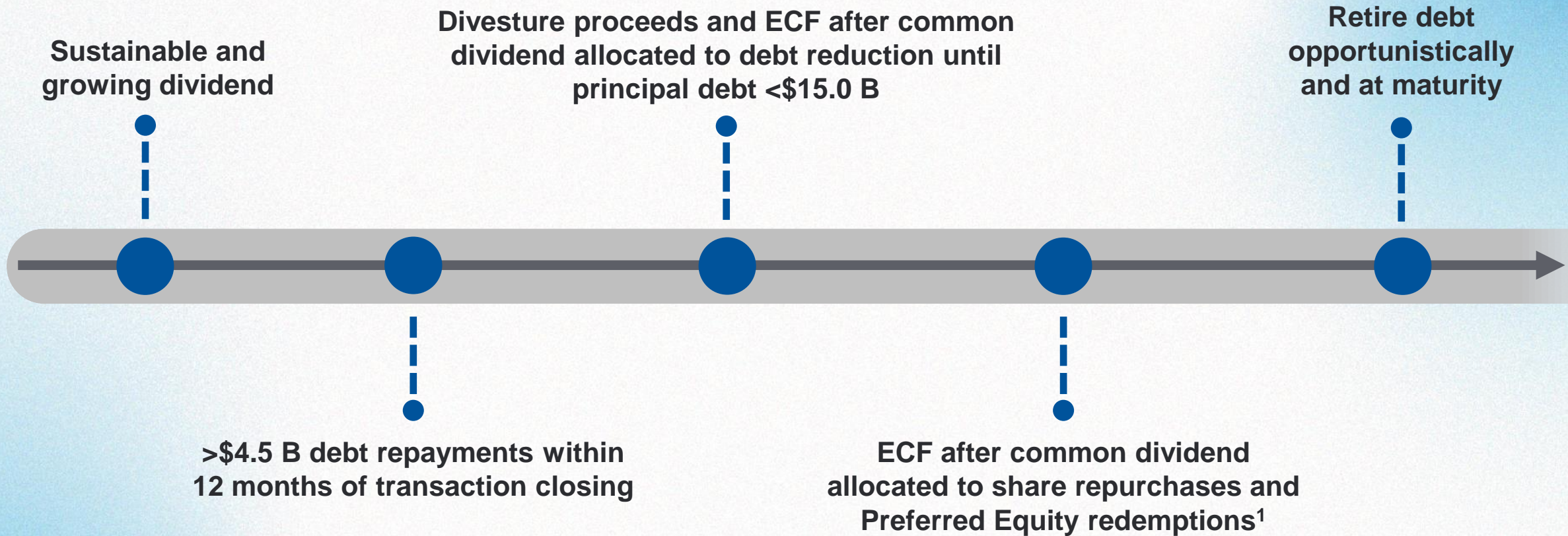
Valuation Approach

- Valuation emphasis placed on **FCF generation**
- Valuation includes value associated with gathering infrastructure, and water handling and disposal

NOTE: SEE ABBREVIATIONS AND DEFINITIONS SLIDE FOR FCF AND FCFPS ¹OXY SQ FCFPS BASED ON TRAILING 9-MONTH FCF ANNUALIZED; ASSUMES NO DEBT PAYDOWN FROM ASSET SALE PROCEEDS, ONLY INCLUDES OXY SQ DEBT MATURITIES DUE AND INCREMENTAL DEBT FROM THE TRANSACTION; ASSUMES PRO FORMA DIVIDEND RUN-RATE OF \$0.22/SHARE PER QUARTER FROM 04/15/2024



SHAREHOLDER RETURN PRIORITIES



¹SUBJECT TO PREFERRED EQUITY REDEMPTION TERMS



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TRANSACTION DELIVERABLES

Financially Accretive



- Highly accretive to free cash flow per diluted share
- Immediately accretive without synergies although significant return enhancements identified
- Supports increase in dividend and greater future dividend growth

High-Return Assets



- Industry leading well productivity and cost structure drive best-in-class cash flow margins; returns competitive with premier Delaware Basin assets
- Expected to increase Permian pro forma production from ~583 Mboed¹ to ~753 Mboed²; accretive to domestic operating costs and increases Oxy's cash flow sensitivity to oil prices

Portfolio High-Grading



- Will increase Oxy's Permian unconventional sub-\$40 breakeven inventory by 33%
- Disciplined historical development with moderate rig pace creates manageable base decline profile of ~35%; Oxy corporate decline to remain in low 20s%

Midland Basin Scale



- High operatorship, high working interest, and integrated water and gathering infrastructure supports ongoing low reinvestment development
- Midland Basin to be scale-advantaged similar to Oxy's Delaware position

¹OXY'S FY 2023 PERMIAN PRODUCTION GUIDANCE AS OF 3Q23 EARNINGS CALL

²INCLUDES ESTIMATED 2024 PRODUCTION FROM ACQUIRED ASSETS

Appendix





APPENDIX

Financial Information

Asset Overview

Abbreviations and Definitions



CASH FLOW SENSITIVITIES

OIL & GAS



- Annualized cash flow changes ~\$260 MM per \$1.00 / bbl change in oil prices
 - ~\$240 MM per \$1.00 / bbl change in WTI price
 - ~\$20 MM per \$1.00 / bbl change in Brent price
- Annualized cash flow changes ~\$190 MM per \$0.50 / MMBtu change in natural gas prices
- Production changes ~400 boed per \$1.00 / bbl change in Brent prices¹

MIDSTREAM & MARKETING



- Annualized cash flow changes ~\$65 MM per \$0.25 / bbl change in Midland to MEH spread
 - ~35-day lag due to trade month

OXYCHEM



- Annualized cash flow changes ~\$30 MM per \$10 / ton change in realized caustic soda prices
- Annualized cash flow changes ~\$10 MM per \$10 / ton change in chlorine prices²
- Annualized cash flow changes ~\$30 MM per \$0.01 / lb. change in PVC prices²

NOTE: ALL CASH FLOW SENSITIVITIES ARE PRE-TAX AND RELATE TO EXPECTED 2024 PRODUCTION AND OPERATING LEVELS

¹BASED ON CHANGE FROM \$79 BRENT

²REFLECTS COMMODITY PRICE MOVEMENTS ONLY, NOT ACCOUNTING FOR CHANGES IN RAW MATERIAL INPUT COSTS



ILLUSTRATIVE ACCRETION DETAIL

<i>Oxy Free Cash Flow Per Diluted Share Accretion Example (all values in MM)</i>	<u>\$65</u>	<u>\$70</u>	<u>\$75</u>
Oxy Diluted Shares Outstanding (as of 9/30/2023)	964.4	964.4	964.4
(+) Oxy Shares Issued to CrownRock	29.6	29.6	29.6
Pro Forma Shares	994.0	994.0	994.0
New Debt Incurred	\$9,100	\$9,100	\$9,100
SQ Oxy FCF	\$2,276	\$3,176	\$4,076
CrownRock FCF ⁽¹⁾	\$1,340	\$1,480	\$1,620
Tax Shield Adjusted Incremental Interest ⁽²⁾	-\$457	-\$457	-\$457
Pro Forma FCF	\$3,159	\$4,199	\$5,239
SQ Oxy FCFPS ⁽³⁾	\$2.36	\$3.29	\$4.23
Pro Forma FCFPS prior to debt reduction	\$3.18	\$4.22	\$5.27
Accretion / (Dilution)	34.7%	28.3%	24.7%



Oxy SQ annualized CF sensitivity of ~\$225 MM per \$1.00 / bbl change in oil prices adjusted to an after-tax basis of ~\$180 MM per \$1.00 / bbl change assuming a corporate domestic tax rate of 22%.

NOTE: SEE ABBREVIATIONS AND DEFINITIONS SLIDE FOR FCF AND FCFPS; ¹INCLUDES INTEREST PAYMENTS ON CROWNROCK'S EXISTING DEBT ²ASSUMES \$9.1 B OF NEW DEBT INCURRED AT A WEIGHTED AVERAGE INTEREST RATE OF 6.4% ³SQ FCF BASED ON TRAILING 9-MONTH FCF ANNUALIZED; PRIOR TO DEBT REDUCTION OR ASSET SALES; ASSUMES PRO FORMA DIVIDEND OF \$0.22/SHARE PER QUARTER FROM APRIL 2024



PRO FORMA BALANCE SHEET AND DELEVERAGING

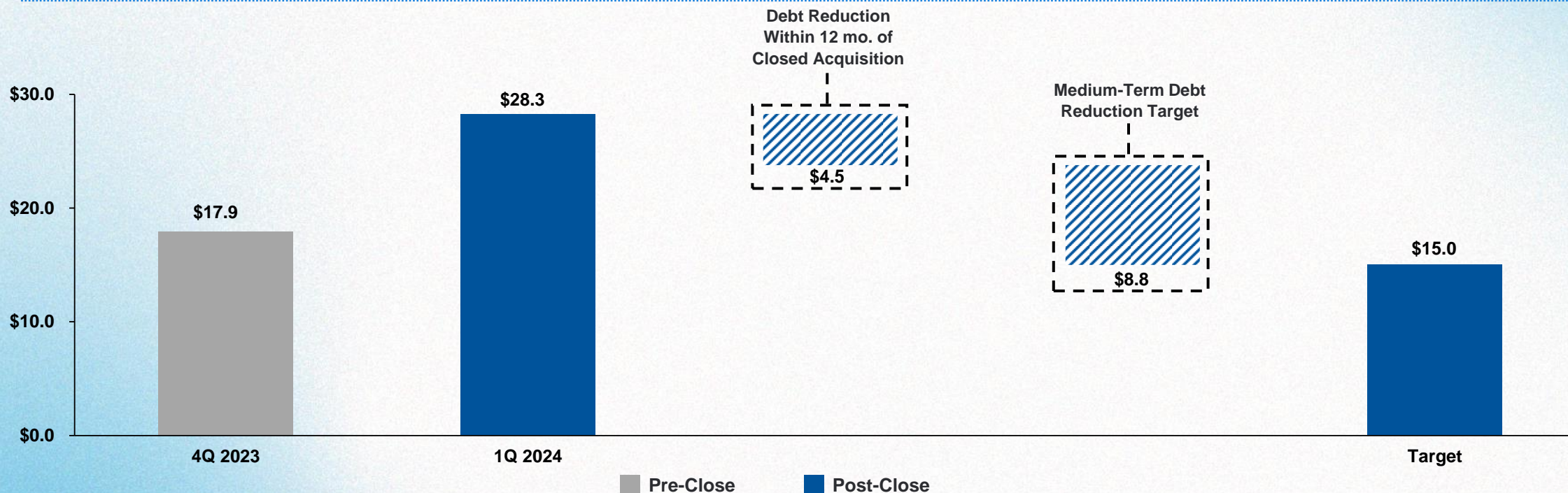
Deleveraging Commitment

- >\$4.5 B principal repayments within 12 months of transaction close
- Divest \$4.5 – \$6.0 B of assets within 18 months of transaction close
- Allocate ECF to repay debt until principal debt <\$15.0 B

Maintain Strong Liquidity

- \$4.0 B Revolving Credit Facility
- \$0.6 B Accounts Receivable Facility
- ~\$1.0 B Target Cash Balance

Debt Reduction Path to Pre-Acquisition Target (\$ B)





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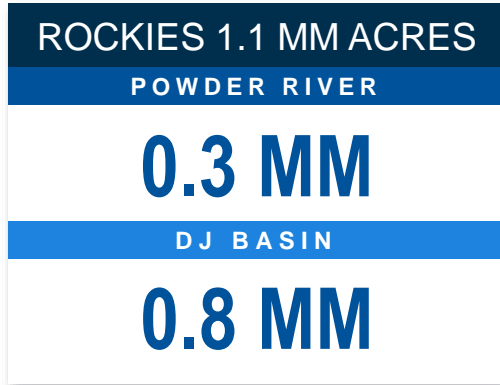
Asset Overview

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ONE OF THE LARGEST U.S. ACREAGE HOLDERS

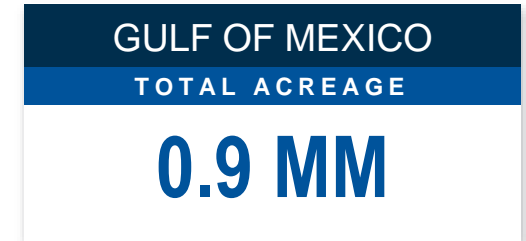
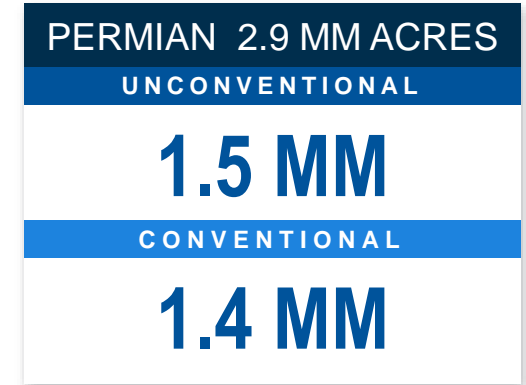
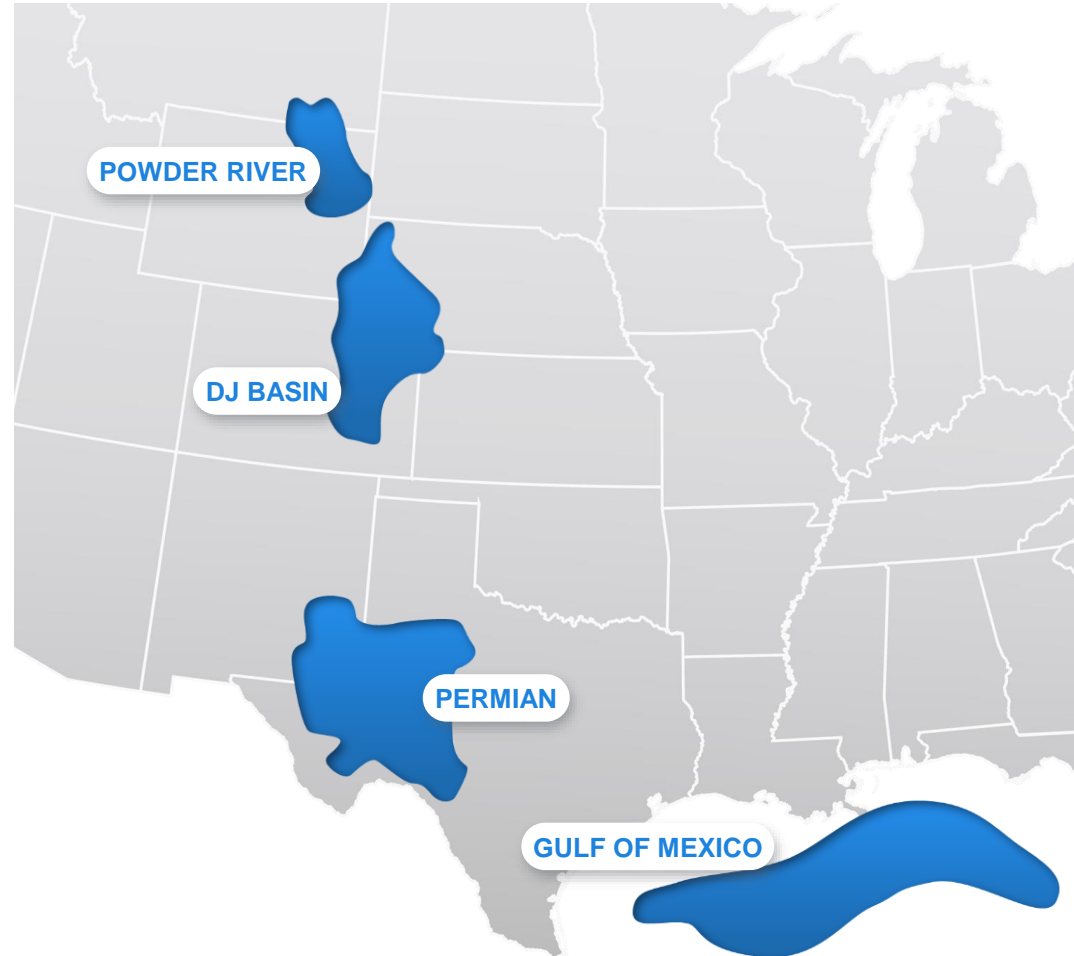
9.5 MM Net Total U.S. Acres



Excludes acreage outside of active operating areas



Other Onshore U.S. consists of acreage and fee minerals outside of Oxy's core operated areas



NOTE: AS OF 12/01/2023; ACREAGE TOTALS ONLY INCLUDE OIL AND GAS MINERALS; OXY HAS 0.7 MM ONSHORE AND 0.9 MM OFFSHORE NET ACRES ON FEDERAL LAND; ONSHORE FEDERAL ACREAGE COMPRISED OF 0.23 MM PERMIAN RESOURCES, 0.004 MM DJ BASIN, AND POWDER RIVER BASIN, CO₂ SOURCE FIELDS, AND OTHER OF 0.43 MM



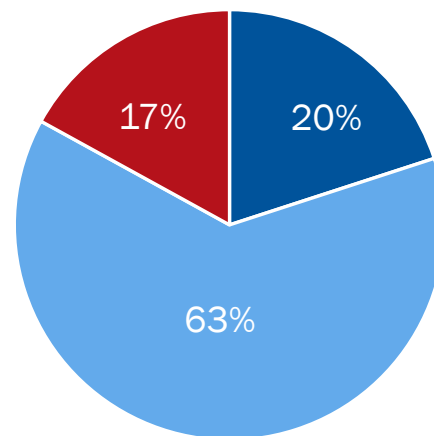
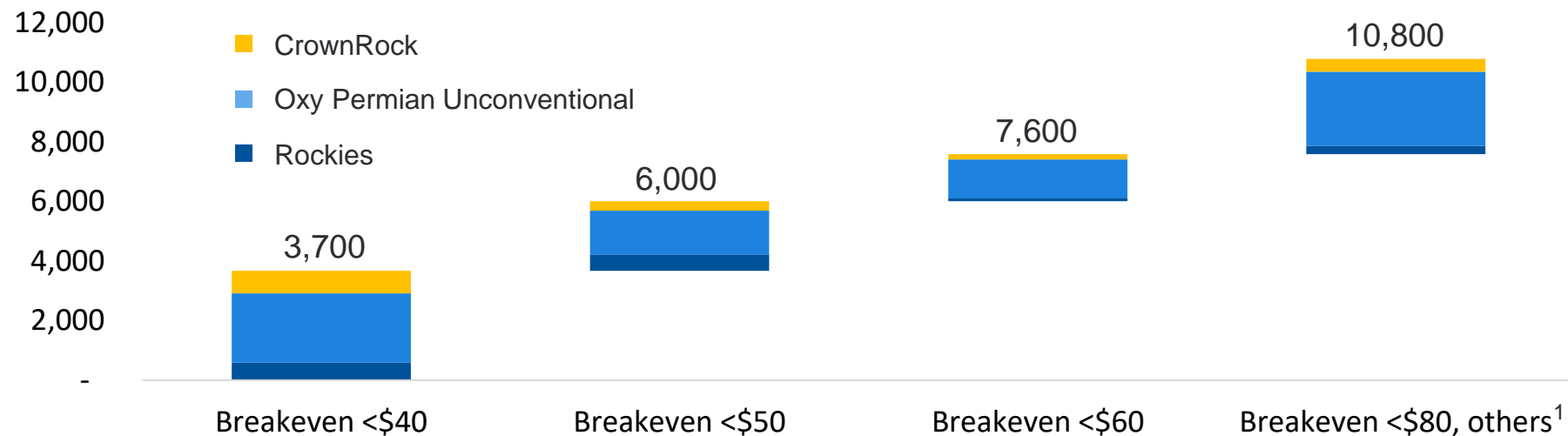
HIGH-GRADED U.S. ONSHORE PORTFOLIO

Acquisition of CrownRock will increase Oxy's sub-\$40 breakeven inventory by >25%

Greater basin diversification at top-end of portfolio advances corporate returns and optionality

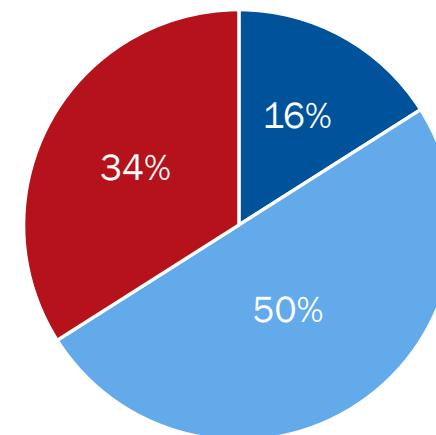
Acquisition complements Oxy's depth of low-breakeven, high-quality U.S. onshore inventory

U.S. Onshore Unconventional Gross Operated Inventory 25



Pre-Acquisition
% of sub-\$40 inventory by asset

- Rockies
- Delaware Basin
- Midland Basin



Post-Acquisition
% of sub-\$40 inventory by asset

NOTE: BREAKEVEN DEFINED AS POSITIVE NPV 10; WELL COSTS USED IN ANALYSIS BASED ON 2022 BUDGET INCLUDE DRILLING, COMPLETION, HOOK-UP AND FIRST LIFT; INVENTORY COUNTS ONLY INCLUDE OXY-OPERATED PROJECTS

¹OTHERS INCLUDES PROSPECTIVE RESOURCES WITH EXPECTED BREAKEVEN <\$80



EMISSIONS MANAGEMENT

- CrownRock shares Oxy's focus on emissions reduction and has seen continuous improvement in emissions reduction since 2019
- U.S. Onshore emissions reduction strategy and actions will continue in the Midland Basin and apply to the new CrownRock assets

STRATEGIC AREAS OF FOCUS

Detection and Measurement

Implementing multiple technologies for emissions measurement and detection; conduct nearly 2,000 optical gas imaging surveys in the Permian Basin annually

Compressor Electrification

Replacing natural gas compressors with electric compressors. The Midland Basin Jaguar facility expects to reduce GHG emissions by 30% from compressors annually

Zero Routine Flaring

Oxy achieved zero routine flaring in Permian operations in 2022

Pneumatic Device Conversion

In 2022 and 2023 eliminated or retrofitted 100% of our high bleed pneumatic controllers in U.S. Onshore operations

Vapor Recovery Unit Installation

Actively working to install Vapor Recovery Units on new facility designs where feasible, which can reduce CO₂e emissions by 60% compared to traditional designs

Tankless Facility Design

Actively implementing tankless facilities which reduce emissions, dust, noise, and truck traffic. Three facilities already online in Midland Basin

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ABBREVIATIONS AND DEFINITIONS

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B – Billion	FCFPS – Free Cash Flow Per Share	MMBTU – One Million British Thermal Units
BE – Breakeven	FCF – Free Cash Flow	NPV 10 – Net Present Value at 10% Discount Rate
BPD – Barrels Per Day	FY – Full Year	NRI – Net Revenue Interest
BO – Barrel of Oil	GAAP – Generally Accepted Accounting Principals	SQ – Status Quo
CF – Cash Flow	GHG – Greenhouse Gas	TVD – True Vertical Depth
CFPS – Cash Flow Per Share	IG – Investment Grade	WI – Working Interest
CO₂e – Carbon Dioxide Equivalent	MBOE – Thousand Barrel Oil Equivalent	WTI – West Texas Intermediate
DSU – Drilling Spacing Unit	MBOED – Thousand Barrel Oil Equivalent per Day	
ECF – Excess Cash Flow	MM – Millions	

Definitions

CF – Operating Cash Flow Before Working Capital

ECF – Operating Cash Flow – Capex – Debt Maturities – Preferred Dividend

FCF – Operating Cash Flow Before Working Capital – Capex – Common and Preferred Dividends

FCFPS – Operating Cash Flow Before Working Capital – Capex – Common and Preferred Dividends / Total Common Diluted Shares Outstanding



