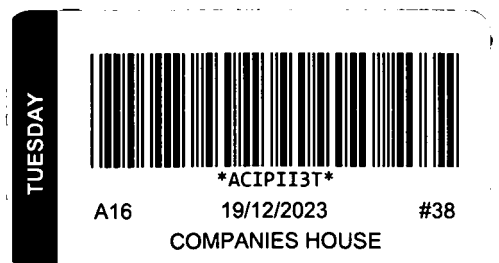


**CHEVRON INTERNATIONAL TANKSHIP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2022**

**The company number is 00485028**



## **CHEVRON INTERNATIONAL TANKSHIP LIMITED**

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# **CHEVRON INTERNATIONAL TANKSHIP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their strategic report for Chevron International Tankship Limited ('the Company') for the year ended 31 December 2022.

#### **PRINCIPAL ACTIVITIES**

The Company's principal activity is to spot charter vessels for the transportation of crude oil, refined petroleum products and other bulk cargoes to service the crude demands of Chevron's operations. Voyages are undertaken across a wide range of locations which include Africa, Asia, Europe and North America.

The Company earns a standard address commission of 2.5% on the freight cost of its chartered spot voyages. The Company's chartering activities are coordinated through offices in London, Singapore, Houston, and San Ramon.

#### **REVIEW OF BUSINESS**

The Company's profit before taxation in 2022 is \$12,656,000 (2021: restated profit of \$3,990,000). The Company made a gross profit of \$22,455,000 (2021: profit of \$11,217,000) mainly due to an increase in freight rates and vessel demand driven by market volatility. Year on year administrative expenses increased by \$494,000 to \$9,316,000 (2021: restated expenses \$8,822,000) mainly due to higher pension expenses incurred on defined benefit schemes.

The Company's total comprehensive income for the financial year of \$13,159,000 (2021: restated income of \$4,611,000) was transferred to reserves resulting in total shareholder funds of \$70,824,000 (2021: restated shareholders' funds of \$57,665,000).

A restatement of 2021 results was required due to a correction of a prior period error where the financial impact and detailed disclosures for the Company's participation in two industry-wide defined benefit pension schemes were not shown. Please see Note 3: 'Prior year restatement' for more details.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The key business risks and uncertainties affecting the management of the business and the execution of the Company strategy are vessel safety issues and pension exposures.

A range of stringent controls monitored by experienced marine assurance personnel are in place to ensure all chartered ships conform to the highest safety standards.

The Company participates in two industry-wide defined benefit schemes - the Merchant Navy Officers Pension Fund (MNOFF) and the Merchant Navy Ratings Pension Fund (MNRPF). Although these schemes are closed to new members, risks remain regarding the performance of the associated investment portfolios relative to the cost of providing ongoing pension benefits. The valuation of the pension schemes, ongoing service costs and future cash flows attached to the provision of retirement benefits can vary depending on market conditions. Also, the Company's ability to control the industry-wide schemes is limited and therefore the impact on the Company's future cash flow and cost base from these schemes is uncertain.

#### **KEY PERFORMANCE INDICATORS**

The Company's directors consider that the key performance indicators are safe operations and profit. The Company utilises operational excellence management systems to monitor and continuously improve safety performance. During the financial year ended 31 December 2022, operations were conducted safely with no significant incidents being reported. Year-on-year operating profit increased by \$10,744,000 (2021: decreased by \$1,790,000 - restated) to \$13,139,000 mainly due to an increase in freight rates.

## **CHEVRON INTERNATIONAL TANKSHIP LIMITED**

### **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

#### **RUSSIA / UKRAINE CONFLICT**

Due to the ongoing Russia and Ukraine conflict which commenced in February 2022, Governments (including Russia) have imposed and may impose additional sanctions and other trade laws, restrictions and regulations that could lead to disruption to trade and product flows in the region around Russia and could have an adverse effect on Chevron Corporation's ('the Corporation') financial position. The financial impacts of such risks, including presently imposed sanctions, are not currently material for the Corporation or Company; however, it remains uncertain how long these conditions may last or how severe they may become.

#### **SECTION 172 STATEMENT**

The Companies (Miscellaneous Reporting) Regulations 2018 (2018 MRR) require the Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) of the Companies Act 2006 ("S172") when performing their duty to promote the success of the Company under S172. This section of the strategic report comprises the Directors' 172 Statement and statement on engagement with suppliers, customers and others.

As a wholly owned subsidiary of the Chevron Corporation, the Directors ensure that decisions are beneficial to all the Company's stakeholders as well as having regard to the long-term sustainable success of the Chevron Group as a whole. The strategic aims of the Company are derived from those of the Chevron Group, which can be found in the Chevron Corporation 2022 Annual Report at <https://www.chevron.com/annual-report>.

The Chevron Group internally organises its activities principally along business and function lines and transacts its business through legal entities. This organisation structure is designed to achieve Chevron's overall business objectives, whilst respecting the separate legal identity of the individual Chevron companies through which it is implemented and the independence of each Board of Directors.

The Board of Directors of the Company hold positions across key functions of the Company or are in positions that support those functions of the Company. When appointed to the Board, each Director is briefed on their role and responsibilities by the Company Secretary and is provided with training and support to help them fulfil their responsibilities.

The Company's ultimate parent, Chevron Corporation, has developed and implemented a number of policies and principles which the Company has reviewed and adopted. "The Chevron Way" details the guiding principles which all employees must follow, and these principles include diversity and inclusion, high performance, integrity and trust, protecting people and the environment and partnership. Our Business Conduct & Ethics Code (BCEC) is built on Chevron's core values and highlights the principles that guide our business conduct and how our policies are designed to support full compliance with applicable laws.

Chevron's BCEC:

<https://www.chevron.com/-/media/shared-media/documents/chevronbusinessconductethicscode.pdf>

Prior to Company matters being brought to the Board of Directors for consideration, significant levels of internal engagement are undertaken with the broader business. Dependent on the project or activity, Board members or representatives of the Company may have participated in this engagement through their relevant business area, and this therefore helps inform the relevant board decisions.

#### **Principal decisions**

During 2022, the directors did not make any decisions that were of a significant or a strategic nature per the Section 172 factors.

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**Employees**

The Company does not have any direct employees. Staff are engaged through affiliated companies of Chevron Corporation.

**Business Relationships**

The Company has business relationships with a number of external customers and suppliers in addition to wholly owned subsidiaries and affiliates of Chevron Corporation.

**Customers:**

The Company's success depends not only on meeting its customers' expectations today but anticipating them tomorrow, thereby enabling human progress. The Company use the latest technologies to deliver innovative solutions to its customers to power the world forward.

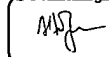
**Suppliers:**

The values inherent in The Chevron Way, which describe how the Company conducts its business in a socially and environmentally responsible manner, apply to all stakeholder groups with whom it works. This applies equally when working with suppliers which are selected to be a part of the Company's value chain, and who contribute to its offering and value proposition. This is done through a structured procurement organisation which engages with suppliers at all levels, to ensure that the Company's vision, values and strategies can be effectively executed safely, legally and reliably.

**Community and Environment**

The Company places the highest priority on the health and safety of the workforce and protection of assets, communities and the environment. The Operational Excellence Management System (OEMS) defines the expectations regarding the systematic management of workforce safety and health, process safety, reliability and integrity, environment, efficiency, security and stakeholders to achieve high performance in operational excellence. Protecting people and the environment is a key value. The Company expects compliance with the letter and the spirit of applicable environmental, health and safety laws, regulations and policies. Within each of the functional areas, management are responsible for monitoring performance related to health, safety and the environment.

**ON BEHALF OF THE BOARD**

  
699897AEDDCE423...  
**Angela Antzoulatou**  
**Director**  
Date: 18 December 2023

Chevron International Tankship Limited  
1 Westferry Circus  
Canary Wharf, London E14 4HA

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the audited financial statements of the Company for the financial year ended 31 December 2022.

#### **FUTURE DEVELOPMENTS:**

There are no planned changes to the current principal activities of the Company, and it is the intention of the directors that the Company will continue these activities for the foreseeable future.

#### **DIVIDENDS:**

No dividend is proposed for the year (2021: \$nil).

#### **DIRECTORS:**

The following directors held office during 2022 and up to the date of signing the financial statements:

- Philip D Cosgrove (Resigned 27-03-2023)
- Matthew R Caddock
- Alan Adamson
- Barbara A Pickering
- Angela Antzoulidou (Appointed 27-03-2023)

According to the register of directors' interests maintained under the Companies Act 2006, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

No director had at any time during the financial year any material interest in any contract with the Company of significance in relation to the Company's business.

#### **BUSINESS RELATIONSHIPS**

The directors have considered the need to foster the Company's business relationships with customers, suppliers, and others. These are included in the strategic report on page 5.

#### **FINANCIAL RISK MANAGEMENT:**

The Company's operations expose it to a variety of financial risks that include the effects of changes in market prices and credit risk.

##### *Price risk*

The Company mitigates price risk by entering agreements with suppliers and customers for every transaction at standard margin.

##### *Currency risk*

The directors consider that the Company has a low exposure to currency risk. Sales and expenses are predominantly denominated in US Dollars.

## **CHEVRON INTERNATIONAL TANKSHIP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

#### **FINANCIAL RISK MANAGEMENT (CONTINUED)**

##### *Credit risk*

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made thus reducing its exposure to credit risk. Turnover relates wholly to sales made to other Chevron group companies or other major oil companies.

##### *Interest rate risk*

The directors consider that the Company is exposed to interest rate risk on intercompany cash pool arrangements. This interest rate risk has not been hedged against.

##### *Liquidity and cash flow risk*

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. This is achieved by placing surplus funds on deposit. Chevron Corporation regularly reviews the financing structure for all its group companies. The Company is authorised to borrow from the CNFBV cash pool to cover any short-term financing needs as required, and any borrowings required could be provided by CNFBV on demand.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the parent company Chevron Global Energy Inc. (CGEI). The directors have received confirmation that CGEI intends to support the Company for at least one year after these financial statements are signed.

#### **QUALIFYING THIRD PARTY INDEMNITY PROVISION**

The Company maintains liability insurance for its directors and officers. The Company also provides an indemnity for its directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. This has been in effect throughout the financial year and also at the date of approval of the financial statements.

#### **DONATIONS**

No political or charitable donations were made during the year (2021: nil).

#### **STREAMLINED ENERGY AND CARBON REPORTING (SECR)**

The Company is defined as a large company per the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. However, as its energy usage originates from the hire of spot vessels where the transportation costs include fuel, it is not considered to be in scope for SECR reporting.

#### **SECTION 172 STATEMENT**

Stakeholder engagement has been considered and combined with the S172 statement in the strategic report.

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

**Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.




**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**INDEPENDENT AUDITORS**

In accordance with Section 487(2) of the Companies Act 2006, a resolution to dispense with the obligation to appoint auditors annually has been passed. Accordingly, PricewaterhouseCoopers LLP continue in office as auditors, having expressed their willingness to do so.

**ON BEHALF OF THE BOARD**

DocuSigned by:  
  
608887AE0BCE423...  
Angela Antzoulidou  
**Director**  
Date: 18 December 2023

Chevron International Tankship Limited  
1 Westferry Circus  
Canary Wharf, London E14 4HA

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

# Independent auditors' report to the members of Chevron International Tankship Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Chevron International Tankship Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2022; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- gaining an understanding of the legal and regulatory framework applicable to the company;
- enquiry of management, those charged with governance and those responsible for legal and compliance matters, including the company's in-house legal function, to identify actual and potential litigation and claims and any known or suspected instances of non-compliance with laws and regulations and fraud;

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

- enquiry of staff in the company's tax function to identify any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and testing accounting estimates to address the risk of management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Kevin McGhee (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
18 December 2023

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$'000	Restated* 2021 \$'000
<b>Revenue</b>	4	<b>1,049,344</b>	574,582
Cost of sales		<u><b>(1,026,889)</b></u>	<u>(563,365)</u>
<b>Gross profit</b>		<b>22,455</b>	11,217
Administrative expenses		<u><b>(9,316)</b></u>	<u>(8,822)</u>
<b>Operating profit</b>	4, 5	<b>13,139</b>	2,395
Other income	7	-	1,618
Interest receivable and similar income	9	<b>24</b>	4
Interest payable and similar expenses	9	<u><b>(507)</b></u>	<u>(27)</u>
<b>Profit before tax</b>		<b>12,656</b>	3,990
Tax on profit	10	<u><b>(1,029)</b></u>	<u>1,062</u>
<b>Profit for the financial year</b>		<u><b>11,627</b></u>	<u>5,052</u>
<b>Other comprehensive income / (expense)</b>			
Remeasurements of defined benefit pension schemes		<b>2,043</b>	(588)
Deferred tax on defined benefit pension schemes		<u><b>(511)</b></u>	<u>147</u>
<b>Total comprehensive income for the year</b>		<u><b>13,159</b></u>	<u>4,611</u>

\* Please see Note 3: prior year restatement.

All turnover and expenditure derive entirely from continuing activities.

The notes on pages 16 to 31 form an integral part of these financial statements.


**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 \$'000	Restated* 2021 \$'000
<b>CURRENT ASSETS</b>			
Debtors	11	279,089	121,287
		<u>279,089</u>	<u>121,287</u>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	12	(208,265)	(62,569)
		<u>(208,265)</u>	<u>(62,569)</u>
<b>NET CURRENT ASSETS</b>			
		<u>70,824</u>	<u>58,718</u>
Post-employment benefits: Amounts falling due after more than one year	13	-	(1,053)
<b>NET ASSETS</b>			
		<u>70,824</u>	<u>57,665</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	42,187	42,187
Share premium account		62,800	62,800
Capital redemption reserve		32,000	32,000
Profit and loss account		(66,163)	(79,322)
<b>TOTAL SHAREHOLDERS' FUNDS</b>			
		<u>70,824</u>	<u>57,665</u>

\* Please see Note 3: prior year restatement

The notes on pages 16 to 31 form an integral part of these financial statements.

The financial statements on pages 13 to 31 were approved by the Board of directors on 18 December 2023 and signed on its behalf by:

DocuSigned by:  
  
 698897AE8BCE423  
 Angela Antzoulidou  
**DIRECTOR**

**Company number: 00485028**

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up Share Capital \$'000	Share Premium Account \$'000	Capital Redemption Reserve \$'000	Profit and Loss Account \$'000	Total Shareholders' Funds \$'000
<b>Restated total shareholders' funds at 1 January 2022*</b>	42,187	62,800	32,000	(79,322)	57,665
<b>Profit for the financial year</b>	-	-	-	11,627	11,627
<b>Other comprehensive income / (expense) for the year</b>					
Remeasurements of defined benefit pension schemes	-	-	-	2,043	2,043
Deferred tax on defined benefit pension schemes	-	-	-	(511)	(511)
<b>Total comprehensive income for the year</b>	-	-	-	13,159	13,159
<b>Balance at 31 December 2022</b>	42,187	62,800	32,000	(66,163)	70,824
	Called up Share Capital \$'000	Share Premium Account \$'000	Capital Redempti on Reserve \$'000	Profit and Loss Account (restated)* \$'000	Total Shareholders' Funds (restated)* \$'000
<b>Balance at 1 January 2021</b>	42,187	62,800	32,000	(83,933)	53,054
<b>Profit for the financial year (as previously reported)</b>	-	-	-	5,401	5,401
Correction of prior year error	-	-	-	(349)	(349)
<b>Profit for the financial year (as restated)</b>	-	-	-	5,052	5,052
<b>Other comprehensive income / (expense) for the year</b>					
Remeasurements of defined benefit pension schemes	-	-	-	(588)	(588)
Deferred tax on defined benefit pension schemes	-	-	-	147	147
<b>Total comprehensive income for the year</b>	-	-	-	4,611	4,611
<b>Balance at 31 December 2021 (restated)</b>	42,187	62,800	32,000	(79,322)	57,665

\* Please see Note 3: prior year restatement.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. GENERAL INFORMATION:

The Company provides marine transportation by chartering spot vessels to transport crude oil, refined petroleum products and other bulk cargoes. The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Westferry Circus, Canary Wharf, London, UK, E14 4HA.

#### 2. ACCOUNTING POLICIES:

The following accounting policies have been consistently applied to all the years presented. The accounting policies deal with items which are considered material in relation to the Company's financial statements.

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, on a going concern basis, and in accordance with the Companies Act 2006 under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) and United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102').

##### **Going Concern:**

The Directors have no concerns over the settlement of amounts with Chevron Netherlands Finance BV (CNFBV) cash pool or the liquidity of CNFBV. The Company is authorised to borrow from the CNFBV cash pool to cover any short-term financing needs as required, and any borrowings required could be provided by CNFBV on demand. The company has a strong balance sheet with current assets adequately exceeding its current liabilities.

In making the going concern assessment, the Directors have also considered that Chevron Global Energy Inc. (CGEI) the immediate parent company of Chevron Global Maritime LLC. (CGM) has confirmed its present intention to provide financial support such that the Company is able to repay its liabilities as they fall due.

The Company's ultimate parent undertaking, Chevron Corporation includes the Company in its consolidated financial statements. The consolidated financial statements of Chevron Corporation are available to the public and may be obtained from [www.chevron.com](http://www.chevron.com).

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102:

##### **Cash Flow Statement and related notes:**

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Chevron Corporation, includes the Company's cash flows in its own consolidated financial statements.

##### **Related Party Disclosures:**

Under the provisions of FRS 102, the Company has not disclosed details of related party transactions with wholly owned subsidiaries of the Chevron Corporation group.

##### **Taxation**

###### **(i) Corporation tax**

Corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.



## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. ACCOUNTING POLICIES (CONTINUED):

##### (ii) Deferred tax

In accordance with FRS 102, a full provision for deferred tax is recognised on all timing differences that have originated but not reversed by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is probable there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis and is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

##### Revenue recognition

Revenue represents fees, exclusive of Value Added Tax, in respect of chartering vessels to transport crude oil, refined petroleum products, and other bulk cargoes on behalf of other Chevron companies. Revenue is recognised on an accruals basis so as to match costs incurred with revenues evenly over the term of the charters on all revenue streams.

##### Foreign currencies

The financial statements are presented in 'US Dollars' (\$), which is also the Company's functional currency.

Certain transactions of the Company are effected in currencies other than US Dollar. These transactions have been translated into US Dollars at rate of exchange prevailing when the transactions took place. Monetary assets and liabilities denominated in other currencies are translated into US Dollars at the exchange rates as of the balance sheet date.

Realised and unrealised gains and losses arising from fluctuations in currency exchange rates during the financial year are included in cost of sales on the statement of comprehensive income for the financial year.

##### Defined benefit pension schemes

The Company participates in both the MNOPF and the MNRPF, which are multi-employer pension arrangements. A defined benefit plan defines the pension benefit that the employee will receive on retirement usually dependant on several factors including age, length of service and remuneration.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date. The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and includes the use of appropriate valuation techniques. Where, at the reporting date, the present value of defined benefit obligation is less than the fair value of the plan assets, the plan has a surplus. Based on MNOPF and MNRPF Trust rules any surplus would be restricted.

The Company is jointly and severally liable for the liabilities with the other participating employers of both pension funds. As these are accounted for on a defined benefit basis, the future contributions for these funds may vary significantly depending on the requirement for, and the ability of the other participating employers to contribute towards the deficit in these funds. The cost of these benefits and the present value

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 2. ACCOUNTING POLICIES (CONTINUED):

##### **Defined benefit pension schemes (continued):**

of the obligation depends on several factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds.

Please see note 13 for the disclosures and assumptions of the two defined benefit pension schemes.

Current service costs, curtailment and settlement gains and losses, and financial returns are included in profit or loss in the period to which they relate.

Actuarial gains and losses are recorded through other comprehensive income. These amounts, together with the return on plan assets, less amounts included in net interest, are disclosed as 'remeasurement of net defined benefit liability'.

##### **Leases**

Rentals under operating leases are charged to profit or loss on a straight-line basis over the lease term.

##### **Financial Instruments**

Financial instruments are accounted for in accordance with section 11 of FRS 102.

##### *Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortized cost using the effective interest method.

## **CHEVRON INTERNATIONAL TANKSHIP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

#### **2. ACCOUNTING POLICIES (CONTINUED):**

##### **Financial Instruments (continued):**

###### *Financial liabilities (continued):*

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

##### **Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Cash at bank and in hand**

Cash at bank and in hand includes cash in hand and deposits held at call with banks.

##### **Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Company participates in various defined benefit pension schemes which rely on actuarial estimates. The costs of these benefits and the present value of the obligation depends on several factors, including, life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Company uses third party actuaries to assist on these estimates in determining the net pension obligation on the balance sheet. The assumptions reflect historical experience and current trends. For details on assumptions adopted, please see Note 13.

#### **3. PRIOR YEAR RESTATEMENT:**

The Company has restated the 2021 results due to a correction of a prior period error where the financial impact and detailed disclosures for the Company's participation in two industry-wide defined benefit pension schemes were not shown.

The Company had previously disclosed the MNOPF and MNRPF defined benefit pension schemes as defined contribution schemes. The restated tables below show the correction on each financial statement line in the statement of comprehensive income and the statement of financial position.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 3. PRIOR YEAR RESTATEMENT (CONTINUED):

##### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Previously stated	Adjustment	Restated
	2021	2021	2021
	\$'000	\$'000	\$'000
<b>Gross profit</b>	11,217	-	<b>11,217</b>
Administrative expenses	(8,352)	(470)	<b>(8,822)</b>
<b>Operating profit</b>	<u>2,865</u>	(470)	<b>2,395</b>
<b>Profit before tax</b>	4,460	(470)	<b>3,990</b>
Tax on profit	941	121	<b>1,062</b>
<b>Profit for the financial year</b>	<u>5,401</u>	<u>(349)</u>	<b><u>5,052</u></b>
<b>Other comprehensive income</b>			
Actuarial loss on pension scheme	-	(588)	<b>(588)</b>
Deferred tax on actuarial loss on pension scheme	-	147	<b>147</b>
<b>Total comprehensive income for the year</b>	<u>5,401</u>	<u>(790)</u>	<b><u>4,611</u></b>

The profit before tax has been restated due to increased administrative expenses by \$470,000 for the inclusion of MNOFP pension costs by \$138,000 and MNRPF pension costs by \$332,000. The tax on profit increased by \$121,000 due to deferred taxes on these schemes.

Other comprehensive income has been restated due to remeasurement of the MNOFP defined benefit pension scheme of (\$920,000) partially offset by a remeasurement of the MNRPF defined benefit pension scheme of \$332,000. The deferred tax on overall remeasurement on these schemes in 2021 is \$147,000.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 3. PRIOR YEAR RESTATEMENT (CONTINUED):

#### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Previously stated	Adjustment	Restated
Note	2021 \$'000	2021 \$'000	2021 \$'000
Debtors	121,024	263	121,287
<b>NET CURRENT ASSETS</b>	<b>58,455</b>	<b>263</b>	<b>58,718</b>
Post-employment benefits: Amounts falling due after more than one year	-	(1,053)	(1,053)
<b>NET ASSETS</b>	<b>58,455</b>	<b>(790)</b>	<b>57,665</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14 42,187	-	42,187
Share premium account	62,800	-	62,800
Capital redemption reserve	32,000	-	32,000
Profit and loss account	(78,532)	(790)	(79,322)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>58,455</b>	<b>(790)</b>	<b>57,665</b>

The 31 December 2021 statement of financial position has been adjusted for the MNOPF pension deficit of (\$1,053,000) partially offset by a deferred tax asset on this pension scheme deficit of \$263,000. No restatement was required as at 1 January 2021 as both schemes were in a surplus position and per the rules of both schemes the recognition of an asset is restricted. For further details on pension schemes, refer to Note 13.

The profit and loss account has been restated for the effects of changes to the 2021 statement of comprehensive income as noted on page 13.

#### 4. REVENUE:

The directors consider that the Company's principal activities are as described in the strategic report.

The analysis of revenue by territory of origin is as follows:

	2022 \$'000	2021 \$'000
Singapore	-	70
United States of America	773,182	412,541
United Kingdom	276,162	161,971
	<b>1,049,344</b>	<b>574,582</b>

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 4. REVENUE (CONTINUED):

The analysis of operating profit by territory of origin is as follows:

	<b>2022</b>	Restated
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Singapore	-	1
United States of America	10,477	2,068
United Kingdom	2,662	326
	<u>13,139</u>	<u>2,395</u>

In the opinion of the directors the disclosure of geographical analysis of turnover and operating profit by destination would be seriously prejudicial to the interests of the Company and has therefore not been provided.

Net assets have not been analysed by region or territory as such disclosure would be seriously prejudicial to the interests of the Company.

#### 5. OPERATING PROFIT:

Operating profit is stated after charging /(crediting):

	<b>2022</b>	Restated
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Auditors' remuneration – audit services	129	112
Pension service costs	1,076	470
Foreign exchange movement	(65)	173

During the year, the auditors received nil as remuneration for non-audit services (2021: nil).

#### 6. STAFF NUMBERS AND COSTS:

A total of \$8,046,000 (2021: \$8,176,000) was allocated via a management charge to the Company from other Chevron companies in 2022 in respect of staff costs. There are no employees directly employed by the Company; however, the staff costs allocated represent a notional 23 full time staff (2021: 24).

<b>Costs</b>	<b>2022</b>	Restated
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Wages and Salaries	4,209	3,681
Social Security Costs	446	444
Other Expenses	2,370	2,528
Pension Costs	2,097	2,009
	<u>9,122</u>	<u>8,662</u>

The 'Other' expenses represent labour burden benefits. These costs include medical insurance, dental insurance, employee savings investment plan, disability programs and other employment benefits.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 6. STAFF NUMBERS AND COSTS (CONTINUED):

The average monthly number of persons allocated to the Company during the financial year was:	2022 Number	2021 Number
Service and Commercial	<u>23</u>	<u>24</u>

#### 7. OTHER INCOME

Other operating income in 2022 is \$ nil. Prior year included the gain on the sale of the Aberdeen vessel (\$1,618,000).

#### 8. DIRECTORS' EMOLUMENTS:

No remuneration was paid to the directors for their services to this Company (2021: nil) as it is not practicable to allocate their remuneration between services to the Company and other group companies during the year.

The number of directors to whom retirement benefits are accruing under defined benefits schemes is nil (2021: nil) in relation to the services provided to this Company.

#### 9. INTEREST RECEIVABLE AND SIMILAR INCOME AND INTEREST PAYABLE AND SIMILAR EXPENSES:

Interest receivable/ (payable) balances are from the global cash pool arrangements with CNFBV on behalf of its participants.

	2022 \$'000	2021 \$'000
Interest receivable	<u>24</u>	<u>4</u>
	<u>24</u>	<u>4</u>

	2022 \$'000	2021 \$'000
Interest payable	<u>(507)</u>	<u>(27)</u>
	<u>(507)</u>	<u>(27)</u>

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 10. TAX ON PROFIT

	2022 \$'000	Restated 2021 \$'000
<b>(a) Total tax charge/(credit) in profit</b>		
<b>Current Tax:</b>		
UK corporation tax on profit for the year	2,597	847
Utilisation of losses brought forward	(1,299)	(423)
Adjustments in respect of previous years	-	(1,365)
<b>Total current tax</b>	<b>1,298</b>	<b>(941)</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(269)	(121)
Total deferred tax	(269)	(121)
<b>Total tax charge/(credit)</b>	<b>1,029</b>	<b>(1,062)</b>
<b>(b) Tax included in other comprehensive income</b>		
<b>Deferred tax:</b>		
Origination and reversal of timing differences	511	(147)
Total tax charge/(credit) included in other comprehensive income	511	(147)

The standard rate of corporation tax applicable in the UK is 19% (2021: 19%). The differences are explained below.

	\$'000	\$'000
Profit before taxation	12,656	3,990
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% – (2021: 19%)	2,405	758
Effect of:		
Adjustments in respect of previous years	-	(1,365)
Non-taxable items	192	89
Unrecognised deferred tax	(269)	(121)
Utilisation of losses brought forward	(1,299)	(423)
<b>Tax charge (credit) for the year</b>	<b>1,029</b>	<b>(1,062)</b>



## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 10. TAX ON PROFIT (CONTINUED):

The Company has recognised deferred tax assets only in relation to pension expenses. The Company has not recognised deferred tax assets of \$13,648,000 (net deferred tax asset in 2021: \$15,941,000) in relation to tax losses carried forward. These have been calculated at a corporation tax rate of 25% (2021: 25%) and have not been recognised based on uncertainty over future taxable profits.

#### Factors affecting current & future tax changes.

The current rate of UK corporation tax of 19% has been taken for tax calculations. This rate increased to 25% on 1 April 2023 as enacted on 10 June 2021. The rate of 25% is therefore used for deferred tax calculations.

#### 11. DEBTORS:

	<b>2022</b>	Restated
	<b>\$'000</b>	<b>\$'000</b>
Trade debtors	19,467	4,900
Amounts owed by group undertakings	220,378	97,124
Deferred tax assets (falling due after one year)	-	263
Other debtors	39,244	19,000
	<b>279,089</b>	<b>121,287</b>

Amounts owed by group undertakings are unsecured and are settled monthly. Amount owed by group undertaking includes amount owed under cash pooling arrangement with CNFBV for \$Nil (2021: \$26,985,000).

#### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR:

	<b>2022</b>	2021
	<b>\$'000</b>	<b>\$'000</b>
Trade creditors	28,954	6,389
Amounts owed to group undertakings	44,357	2,105
Accruals and deferred income	134,169	53,777
Taxation and social security	785	298
	<b>208,265</b>	<b>62,569</b>

Amounts owed to group undertakings are unsecured and are settled monthly. Amount owed by group undertaking includes amount owed under cash pooling arrangement with CNFBV for \$44,058,000 (2021: Nil).

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 13. PENSION COMMITMENTS:

##### Industry schemes

##### (i) Merchant Navy Officers Pension Fund (MNOFF)

The Company participates in the MNOFF which is a closed industry-wide defined benefit scheme. The scheme is closed to new members post 1978.

A full actuarial valuation is performed every three years by a qualified independent actuary; the latest was carried out on 31 March 2021. This showed a gross surplus of assets relative to technical provisions of \$70,000,000 (£58,000,000) and this increased to a gross surplus of \$84,000,000 (£70,000,000) at 31 March 2022. The MNOFF funding level, over the three-year period since the previous full actuarial valuation, increased to 102% and under the rules of the scheme no contribution was required.

The Company accounts for its proportionate share of this industry scheme. The level of participating employers' contributions to be paid will be reviewed at the next full actuarial valuation, which is expected to be carried out by 31 March 2024.

The scheme administrative costs are paid from the Plan assets. The net defined benefit asset is limited to zero per MNOFF trust deed and rules.

##### MNOFF Actuarial Assumptions

*The major assumptions used by the actuary were:*

	2022	2021
Discount rate	5.0%	1.9%
Enhanced revaluation	4.3%	4.5%
Retail price inflation	3.2%	3.4%
Consumer price inflation	2.8%	3.0%
<b><i>Pension increases:</i></b>		
Pre 1997 benefits	0.0%	0.0%
Post 1997 benefits	3.1%	3.3%

The demographic assumptions for FRS 102 purposes as at 31 December 2022 (and at 31 December 2021) are based on the demographic assumptions underlying the formal actuarial (funding) valuation carried out in 2021.

The rates of mortality improvements from 2022 reflect the CMI 2021 core projection models published by the UK actuarial profession with a long-term trend of 1.6% pa. (2021: 1.8% pa).

Weighted average life expectancy implied under the mortality tables used to determine benefit obligations are:

	2022	2021
Male aged 46 now	27.2 years	27.4 years
Male aged 61 now	25.9 years	25.7 years
Female aged 46 now	29.9 years	29.6 years
Female aged 61 now	28.6 years	27.9 years

	2022	2021
<b>Plan Asset Information (Allocation Percentage)</b>		
Equity securities	3.0%	4.0%
Debt securities	10.0%	16.0%
Buy-ins	72.0%	74.0%
Other	15.0%	6.0%
Total	100.0%	100.0%

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**13. PENSION COMMITMENTS (CONTINUED):**

The Company's proportionate share of the actual return on Plan assets, including the interest income, was a loss of \$14,470,000 (2021: loss of \$10,954,000).

The below table shows the Company's proportionate share of MNOPF's defined benefit obligations and assets.

**Changes in MNOPF Defined Benefit Obligation (DBO) and Assets**

	Defined benefit obligation	Fair value of plan assets	Net (defined liability) /asset	Impact of restriction of irrecoverable surplus	Net (liability)/ asset
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2022</b>	(75,199)	74,146	(1,053)	-	(1,053)
<b>Included in Profit and Loss</b>					
Interest cost on the DBO	(1,280)	-	(1,280)	-	(1,280)
Interest income on Plan assets	-	1,262	1,262	-	1,262
Administrative cost paid	-	(149)	(149)	-	(149)
Benefits paid from Plan assets	3,394	(3,394)	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>2,114</b>	<b>(2,281)</b>	<b>(167)</b>	<b>-</b>	<b>(167)</b>
<b>Included in OCI</b>					
Remeasurement of the DBO	18,740	-	18,740	-	18,740
Return on Plan assets (greater)/less than discount rate	-	(15,732)	(15,732)	-	(15,732)
Effect of limit on recoverable plan surplus	-	-	-	(1,874)	(1,874)
<b>Total amount recognised in other comprehensive income</b>	<b>18,740</b>	<b>(15,732)</b>	<b>3,008</b>	<b>(1,874)</b>	<b>1,134</b>
<b>Other</b>					
FX Movement	7,591	(7,561)	30	56	86
<b>Balance at 31 December 2022</b>	<b>(46,754)</b>	<b>48,572</b>	<b>1,818</b>	<b>(1,818)</b>	<b>-</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2021</b>	(81,062)	88,715	7,653	(7,653)	-
<b>Included in Profit and Loss</b>					
Interest cost on the DBO	(1,215)	-	(1,215)	-	(1,215)
Interest income on Plan assets	-	1,333	1,333	(118)	1,215
Administrative cost paid	-	(154)	(154)	-	(154)
Benefits paid from Plan assets	4,190	(4,190)	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>2,975</b>	<b>(3,011)</b>	<b>(36)</b>	<b>(118)</b>	<b>(154)</b>
<b>Included in OCI</b>					
Remeasurement of the DBO	3,403	-	3,403	-	3,403
Return on Plan assets (greater)/less than discount rate	-	(12,287)	(12,287)	-	(12,287)
Effect of limit on recoverable plan surplus	-	-	-	7,964	7,964
<b>Total amount recognised in other comprehensive income</b>	<b>3,403</b>	<b>(12,287)</b>	<b>(8,884)</b>	<b>7,964</b>	<b>(920)</b>
<b>Other</b>					
FX Movement	(515)	729	214	(193)	21
<b>Balance at 31 December 2021</b>	<b>(75,199)</b>	<b>74,146</b>	<b>(1,053)</b>	<b>-</b>	<b>(1,053)</b>

Per the MNOPF rules, a surplus cannot be recognised. The Company has therefore shown this in the 'Impact of restriction of irrecoverable surplus' column on the above table.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 13. PENSION COMMITMENTS (CONTINUED):

##### (ii) The Merchant Navy Ratings Pension Fund (MNRPF)

The Company participates in the MNRPF which is a closed industry-wide defined benefit scheme. This scheme was set up for the provision of defined benefits to British merchant navy ratings and annuities to their dependants. The Company accounts for its proportionate share of this industry scheme.

The latest full actuarial valuation carried out on 31 March 2020 was completed on 16 June 2021 by a qualified independent actuary. It calculated a funding deficit of \$115,000,000 (£96,000,000) on a Technical Provision basis. In the year ended 31 March 2022, deficit of assets relative to technical provisions is estimated to have decreased to \$23,000,000 (£19,000,000) and the funding level increased to 98% (up from 93% in 2020). The outstanding deficit contributions required to meet the 2014 and 2017 valuation deficits are expected to be sufficient to meet the deficit by 31 March 2027 and therefore the Trustee is not collecting any additional deficit contributions.

The financial position of the Fund and the level of participating employers' contributions to be paid will be reviewed following the full actuarial valuation which is expected to be completed by 31 March 2024.

The scheme administrative costs are paid from the Plan assets. The net defined benefit asset is limited to zero per MNRPF trust deed and rules.

##### MNRPF Actuarial Assumptions

###### *The major assumptions used by the actuary were:*

	2022	2021
Discount rate	5.0%	1.9%
Deferred revaluation	2.8%	3.0%
Retail price inflation	3.2%	3.4%
Consumer price inflation	2.8%	3.0%
<b><i>Pension increases:</i></b>		
Pre 1997 benefits	0.0%	0.0%
Post 1997 benefits	3.1%	3.3%

The demographic assumptions for FRS 102 purposes as at 31 December 2022 (and at 31 December 2021) are based on the demographic assumptions underlying the 2020 funding valuation.

The rates of mortality improvements from 2022 reflect the CMI 2019 core projection models published by the UK actuarial profession with a long-term trend of 1.5% pa. ((2021: 1.5% pa).

Weighted average life expectancy implied under the mortality tables used to determine benefit obligations are:

	2022	2021
Male aged 47 now	24.1 years	24.0 years
Male aged 62 now	22.6 years	22.5 years
Female aged 47 now	27.7 years	27.6 years
Female aged 62 now	26.1 years	26.0 years

	2022	2021
<b>Plan Asset Information (Allocation Percentage)</b>		
Equity securities	0.0%	0.0%
Debt securities	65.0%	62.0%
Other	<u>35.0%</u>	<u>38.0%</u>
Total	100.0%	100.0%

The Company's proportionate share of the actual return on Plan assets, including the interest income, was a loss of \$5,786,000 (2021: loss of \$611,000).

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**13. PENSION COMMITMENTS (CONTINUED):**

The below table shows the Company's proportionate share of MNRPF's defined benefit obligations and assets.

**Changes in MNRPF Defined Benefit Obligation (DBO) and Assets**

	Defined benefit obligation	Fair value of plan assets	Net (defined liability)/ asset	Impact of restriction of irrecoverable surplus	Net (liability)/ asset
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2022</b>	<b>(21,104)</b>	<b>24,968</b>	<b>3,864</b>	<b>(3,864)</b>	<b>-</b>
<b>Included in Profit and Loss</b>					
Interest cost on the DBO	(358)	-	(358)	-	(358)
Interest income on Plan assets	-	426	426	(68)	358
Administrative cost paid	-	(305)	(305)	-	(305)
Benefits paid from Plan assets	1,045	(1,045)	-	-	-
Plan introduction, changes, and curtailments	(604)	-	(604)	-	(604)
<b>Total amount recognised in profit or loss</b>	<b>83</b>	<b>(924)</b>	<b>(841)</b>	<b>(68)</b>	<b>(909)</b>
<b>Included in OCI</b>					
Remeasurement of the DBO	5,779	-	5,779	-	5,779
Return on Plan assets (greater)/less than discount rate	-	(6,212)	(6,212)	-	(6,212)
Effect of limit on recoverable plan surplus	-	-	-	1,342	1,342
<b>Total amount recognised in other comprehensive income</b>	<b>5,779</b>	<b>(6,212)</b>	<b>(433)</b>	<b>1,342</b>	<b>909</b>
<b>Other</b>					
FX Movement	2,130	(2,514)	(384)	384	-
<b>Balance at 31 December 2022</b>	<b>(13,112)</b>	<b>15,318</b>	<b>2,206</b>	<b>(2,206)</b>	<b>-</b>

	Defined benefit obligation	Fair value of plan assets	Net (defined liability)/ asset	Impact of restriction of irrecoverable surplus	Net (liability)/ asset
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2021</b>	<b>(22,418)</b>	<b>26,729</b>	<b>4,311</b>	<b>(4,311)</b>	<b>-</b>
<b>Included in Profit and Loss</b>					
Interest cost on the DBO	(337)	-	(337)	-	(337)
Interest income on Plan assets	-	403	403	(66)	337
Administrative cost paid	-	(332)	(332)	-	(332)
Benefits paid from Plan assets	985	(985)	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>648</b>	<b>(914)</b>	<b>(266)</b>	<b>(66)</b>	<b>(332)</b>
<b>Included in OCI</b>					
Remeasurement of the DBO	802	-	802	-	802
Return on Plan assets (greater)/less than discount rate	-	(1,014)	(1,014)	-	(1,014)
Effect of limit on recoverable plan surplus	-	-	-	544	544
<b>Total amount recognised in other comprehensive income</b>	<b>802</b>	<b>(1,014)</b>	<b>(212)</b>	<b>544</b>	<b>332</b>
<b>Other</b>					
FX Movement	(136)	167	31	(31)	-
<b>Balance at 31 December 2021</b>	<b>(21,104)</b>	<b>24,968</b>	<b>3,864</b>	<b>(3,864)</b>	<b>-</b>

Per the MNRPF rules, a surplus cannot be recognised. The Company has therefore shown this in the 'Impact of restriction of irrecoverable surplus' column on the above table.

## CHEVRON INTERNATIONAL TANKSHIP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 13. PENSION COMMITMENTS (CONTINUED):

The Company can be held liable under both plans for any other entities' obligations under the terms and conditions of the multi-employer plan. Though the Company is neither affiliated nor associated with any other employers participating in either plan, the governing documents of both the MNOFP and the MNRPF provide for pro-rata distribution of an insolvent participating employer's liabilities among the remaining solvent participating employers.

#### 14. DEFERRED TAXATION ON PENSION SCHEMES:

	<b>2022</b>	<b>Restated</b>
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Deferred tax asset at beginning of year	263	-
Deferred tax credited to profit or loss	269	121
Deferred tax on actuarial gain/loss on pension scheme	(511)	147
Currency exchange	(21)	(5)
	-	263

No restatement was required at 1 January 2021 as both pension schemes were in a surplus position and per the rules of both schemes the recognition of an asset is restricted.

#### 15. CALLED UP SHARE CAPITAL:

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Allotted and fully paid 273,050 (2021: 273,050) ordinary shares of £100 each	42,187	42,187

#### 16. MARINE OPERATIONS AND CHARTER COMMITMENTS:

The Company had no non-cancellable operating leases in 2022 (2021: nil)

Payments due for vessel charter party contracts:

	<b>2022</b>	<b>2021</b>
	<b>Charter hire</b>	<b>Charter hire</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	83,971	25,712

The Company had no other off-balance sheet arrangements.

#### 17. RELATED PARTY TRANSACTIONS:

During the year there were no related party transactions that required disclosure (2021: nil).

**CHEVRON INTERNATIONAL TANKSHIP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

**18. ULTIMATE PARENT COMPANY:**

The Company is a wholly owned subsidiary of Chevron Global Maritime LLC. (CGM) which is incorporated in USA and its principal place of business is at Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States. The ultimate parent and controlling company is Chevron Corporation, incorporated in the State of Delaware, USA.

The largest and smallest group in which the results of the Company are consolidated is that headed by Chevron Corporation, whose principal place of business is at 6001 Bollinger Canyon Road, San Ramon, CA 94583, USA. The consolidated financial statements of Chevron Corporation are available to the public and may be obtained from the above address.