

## **Oil Companies Net \$75 Billion In Profit, Spend On Shareholder Handouts While Ordinary Americans Struggle With Climbing Gas Prices**

**SUMMARY:** While American consumers struggle to pay their heating bills and fill up their cars, oil and gas giants Shell, Chevron, BP, and Exxon boast a year of record-breaking profits in 2021. High oil prices gave Big Oil a “momentous year” with some of the highest profits companies have seen in nearly a decade.

Combined, the four companies raked in **\$24.4 billion** in quarter four of 2021, bringing their total profits for last year to over **\$75.5 billion**. Chevron, Shell, BP, and Exxon used these bloated profits to shower billions onto their shareholders – including their wealthy executives whose salaries are heavily padded with stocks.

In 2021, the four companies bought back over \$6.6 billion in stocks while hiking up their dividends. And the oil giants are planning for an “even better” 2022 for shareholders, with plans already in place to buyback over \$22 billion in stock thanks to high oil prices.

Meanwhile, average Americans are being forced to downsize their homes, miss seeing family and friends, and consolidate medical visits in order to cover high gas costs.

## **Shell, BP, Exxon, And Chevron Boasted A Record Year In 2021 With A Combined \$75.5B In Profits That They Used For Dividend Increases And Stock Buybacks While Americans Struggle Under High Gas Prices.**

### **Big Oil Boasts Record Profits While American Drivers Face High Prices At The Pump.**

*Oil And Gas Companies Are Enjoying Record Profits And Boasting A "Momentous Year" To Shareholders Thanks To High Prices For Consumers.*

**Shell CEO Ben Van Beurden Described 2021 As A “Momentous Year” For The Oil Major.** “Shell CEO Ben van Beurden described 2021 as a “momentous year” for the company and said progress made in the last 12 months would enable the firm “to be bolder and move faster.” [CNBC, [02/03/22](#)]

**2021 Was One Of Chevron’s “Most Successful Years Ever.”** “By the end of 2021, we had one of our most successful years ever with return on capital employed approaching 10%, our highest since 2014; the successful integration of Noble Energy, while more than doubling initial synergy estimates; and record free cash flow, 25% greater than our previous high.” [Motely Fool, [01/28/22](#)]

- **Chevron Had \$15B In Earnings In 2021, The Highest Since 2014 With Quarters Three And Four Of 2021 Amounting To The Best The Company Has Ever Seen.** “Full year earnings were over \$15 billion, the highest since 2014. [...] As we mentioned in our comments, the last two quarters have been the best two quarters the company has ever seen.” [Motely Fool, [01/28/22](#)]

**BP Had The Highest Profits It's Seen In Eight Years.** "BP's profits hit their highest in eight years in 2021, lifted by soaring gas and oil prices, as the company boosted share repurchases and accelerated plans to cut emissions with increased spending on low carbon energy." [Reuters, [02/08/22](#)]

- **In Quarter Four 2021, BP Had Its Highest Quarterly Profit Since 2013.** "That was BP's largest quarterly profit since early 2013." [Reuters, [02/08/22](#)]

**BP's CEO Said "Rising Commodity Prices Certainly Helped" The Company's Bottomline.** "This has been another good quarter for bp - our businesses are generating strong underlying earnings and cash flow while maintaining their focus on safe and reliable operations. Rising commodity prices certainly helped, but I am most pleased that quarter by quarter, we're doing what we said we would - delivering significant cash to strengthen our finances, grow distributions to shareholders and invest in our strategic transformation." [BP, Third Quarter 2021 Results, accessed [11/30/21](#)]

*Meanwhile Americans Are Having To Sacrifice Seeing Family, Staying In Their Homes, And Medical Visits To Cover The Highest Gas Prices The Country Has Seen since 2014.*

**Gas Prices Hit Their Highest Levels Since 2014 In Early February 2022.** "Gas prices rose to the highest level in more than seven years Friday, on the heels of the U.S. oil benchmark topping \$90 per barrel for the first time since 2014." [CNBC, [02/04/22](#)]

**Americans Are Paying "Significantly" More To Heat Their Homes This Winter.** "The U.S. Department of Energy is warning Americans that they will likely pay "significantly" more to heat their homes this winter, which is expected to be colder than usual in some parts of the U.S. People who use natural gas — or roughly half of all Americans — are projected to pay an average of \$746 this season, up nearly a third from last year, the Energy Information Administration (EIA) said in a briefing this week." [CBS News, [11/12/21](#)]

**HEADLINE: Family Unvisited, Travel A No-Go: The Hard Costs Of High Gas Prices.** [New York Times, [11/20/21](#)]

- **In Akron, Ohio, Carla Hurt And Her Family Have Been Forced To Cut Back On Errands And Consolidate Trips To The Doctor Due To High Gas And Home Heating Costs.** "In Akron, Ohio, Carla Hurt says she's begun consolidating trips to doctor's appointments and cutting back on unnecessary errands to save money on gas. Hurt, who is 62 and uses an electric wheelchair, is on a fixed income and lives with her 83-year-old mother and college-age son. "When you've got three people existing on \$2,500 a month, it doesn't take much to throw you out of whack," she said, adding that her monthly heating bill easily totals \$500 in the winter. "We make sure that every trip in the car is utilized to its fullest."" [Washington Post, [01/12/22](#)]
- **Americans Have Been Forced To Downsize Their Homes And Miss Out On Seeing Friends And Family To Afford High Gas Prices.** "A driver in Belleville, N.J., cut his cable and downsized his apartment to save money for gas. A retiree in Vallejo, Calif., said he had stopped driving to go fishing because the miles cost too much in fuel. An auto repairman in Toms River, N.J., doesn't go to restaurants as often. And an Uber Eats deliveryman said he couldn't afford frequent visits to his family and friends, some of whom live 60 miles away. [...] Steeper gas prices are pushing people to rejigger

household budgets, sometimes by forgoing leisure activities and in other cases by cutting back spending on essentials.” [New York Times, [11/20/21](#)]

- **The Percent Of Americans Planning To Drive For Thanksgiving Was Cut In Half In 2021 Compared To 2019.** “Just 32 percent of Americans plan to drive for Thanksgiving, down from 35 percent last year, at the height of the pandemic, and 65 percent in 2019, according to a survey from the fuel savings platform GasBuddy.” [New York Times, [11/20/21](#)]

## **Four Oil Giants – Shell, BP, Exxon, And Chevron – Made Over \$75.5 Billion In 2021.**

*In The Fourth Quarter Of 2021, Oil Giants Shell, BP, Exxon, And Chevron Made **\$24.4 Billion** In Profits.*

Company	Q4 2021 Net Income	Source
Shell	\$6,391,000,000	<a href="#">Link</a>
BP	\$4,100,000,000	<a href="#">Link</a>
ExxonMobil	\$8,870,000,000	<a href="#">Link</a>
Chevron	\$5,082,000,000	<a href="#">Link</a>
<b>Total</b>	<b>\$24,443,000,000</b>	

*Shell, BP, Exxon, And Chevron Made A Combined **\$75.5 Billion** In 2021.*

Company	2021 Net Income	Source
Shell	\$21,721,000,000	<a href="#">Q1, Q2, Q3, Q4</a>
BP	\$14,867,000,000	<a href="#">Q1, Q2, Q3, Q4</a>
ExxonMobil	\$23,242,000,000	<a href="#">Q1, Q2, Q3, Q4</a>
Chevron	\$15,697,000,000	<a href="#">Q1, Q2, Q3, Q4</a>
<b>Total</b>	<b>\$75,527,000,000</b>	

## **Big Oil Gave Billions To Wealthy Shareholders In 2021 At The Expense Of American Consumers...**

*With Oil Nearing \$100 A Barrel, Oil And Gas Companies Boast Their Ability To Buyback Stocks And Shower Money On Investors.*

**Chevron’s High Profits Allowed The Company To Raise Its Dividend And Repurchase Stocks.** “Our record free cash flow enabled us to strongly address all four of our financial priorities in 2021: a higher dividend for the 34th consecutive year; a disciplined capital program, well below budget; significant debt paydown with a year-end net debt ratio comfortably below 20% and another year of share buybacks, our 14th out of the past 18 years.” [Motely Fool, [01/28/22](#)]

**BP CEO Bernard Looney Said The Company Can Afford \$4B In Buybacks When The Price Of Oil Is \$60 A Barrel.** ““At around \$60 oil, we have the capacity for around \$4 billion per annum of share buybacks,” Chief Executive Officer Bernard Looney said in an interview with Bloomberg TV on

Tuesday. “So clearly if prices are higher, there is the opportunity for increased buybacks.”” [Bloomberg, [02/08/22](#)]

- **Oil Prices Are Currently Nearing \$100 A Barrel.** “Benchmark U.S. prices last week topped \$93 a barrel, up around 65% in the last 52 weeks and the highest since 2014.” [Reuters, [02/08/22](#)]

**Shell CEO Ben Van Beurden Had Shares Valued At 637% Of His Base Salary In 2020 And 919% In 2021.** [SEC EDGAR, Shell Form 6-K, [03/11/21](#)]

*A Huge Percentage Of Big Oil Executives’ Pay Comes From Stocks, Allowing Them To Profit When Their Companies Give More To Shareholders.*

**In 2020, 54% Of Exxon CEO Darren Woods’ Total Compensation Came From Stock Awards.** Darren Woods received \$15,639,061 in total compensation in 2020. Of that, \$8,434,725 came from stock awards. [SEC EDGAR, ExxonMobil PREC14A, [03/01/21](#)]

**In 2020, 39% Of Chevron CEO Mike Wirth’s Total Compensation Came From Stock Awards.** Mike Wirth received \$29,016,686 in total compensation in 2020. Of that, \$11,248,191 came from stock awards. [SEC EDGAR, Chevron DEF14A, [04/08/21](#)]

**BP Chief Executive Officer Is Eligible To Receive Shares Representing Up To 500% Of The CEO’s Salary.** “Annual grant of performance shares, representing the maximum outcome. 500% of salary for the chief executive officer and 450% of salary for chief financial officer.” [BP, Form 20-F 2020, accessed [02/08/22](#)]

*Chevron, Shell, And BP Repurchased \$6.6 Billion In Stock In 2021.*

**Chevron Repurchased \$1.4B In Stock In 2021.** “During 2021, Chevron increased its quarterly dividend per share by 4 percent to \$1.34 and repurchased \$1.4 billion of company stock, all while increasing return on capital employed to 9.4 percent and reducing debt by \$12.9 billion.” [Motley Fool, [01/28/22](#)]

**Shell Repurchased \$3.5B In Stock In 2021.** “Share buybacks totaled \$3.5 billion in 2021.” [CNBC, [02/03/22](#)]

**BP Bought Back \$1.725B In Stock Buybacks In Quarter Three Of 2021.** “Share buybacks of \$1.725 billion were executed during the fourth quarter including \$1.25 billion announced with third quarter results and \$475 million to complete the buybacks announced with second quarter results.” [BP, [02/08/22](#)]

*Exxon, Chevron, Shell, And BP Announced Plans To Raise Their Dividends Thanks To Giant 2021 Profits On Top Of The Billions In Pay Outs The Companies Already Executed During The Year.*

**ExxonMobil Increased Its Dividend As A Result Of Its 2021 Profits.** “As a result of our restored financial strength, we increased the annual dividend for the 39th consecutive year and announced a \$10 billion share repurchase program that started last month.” [Motley Fool, [02/01/22](#)]

- **Exxon Paid \$3.7B In Dividends In Quarter Three Of 2021.** “The company paid \$2.6 billion in dividends during the third quarter, while Exxon paid \$3.7 billion.” [Houston Chronicle, [10/29/21](#)]

**Chevron Raised Its Dividend By 4% In 2021.** “During 2021, Chevron increased its quarterly dividend per share by 4 percent to \$1.34 and repurchased \$1.4 billion of company stock, all while increasing return on capital employed to 9.4 percent and reducing debt by \$12.9 billion.” [*Motely Fool*, [01/28/22](#)]

**Shell Announced A 4% Dividend Raise As A Result Of Its 2021 Profits.** “Shell also announced an \$8.5 billion share buyback program in the first half of 2022 and said it expects to increase its dividend by 4% to \$0.25 per share in the first quarter.” [*CNBC*, [02/03/22](#)]

- **Shell Increased Its Dividend By 40% In 2021.** “But, in a big surprise move, Shell is flagging a lot more cash to shareholders, with a huge 38% increase in dividend, which now stands at 24 cents per share, up from 17.35 cents previously.” [*Bloomberg*, [07/29/21](#)]

**BP Increased Its Dividend For 2022 As A Result Of Its 2021 Profits.** “We're delivering distributions to shareholders with \$4.15 billion of buybacks announced and the dividend increased.” [BP, [02/08/22](#)]

- **BP Increased Its Dividend By 4% In Quarter Two Of 2021.** “In addition, consistent with our disciplined financial frame, we are increasing our resilient dividend for the second quarter 2021 and by 4% per ordinary share, while maintaining our cash balance point of around \$40 a barrel.” [Seeking Alpha, BP Q2 2021 Earnings Call, [08/03/21](#)]

### **...And Have Already Started Massive Stock Buybacks And Dividend Bumps To Make Shareholders Even Richer In 2022.**

*Chevron Boasted "Ample Cash" To Shower On Shareholders While Promising An "Even Better" 2022.*

**Chevron CEO Mike Wirth Expects “Even Better” Cash Returns To Shareholders In 2022.** “I expect 2022 will be even better for cash returns to shareholders with another dividend increase announced this week and first quarter buybacks projected at the top of our guidance range. We're optimistic about the future, focused on continuing to reward our shareholders while investing to grow our businesses and maintaining a strong balance sheet.” [*Motely Fool*, [01/28/22](#)]

- **Chevron Has “Ample Cash” For Share Repurchases.** “And I think over time, you should expect us to be consistent with our history, which is returning cash through share repurchases. And at least in an environment like this, we've got ample cash to do that and sustain that well into any kind of a correction that we eventually will see.” [*Motely Fool*, [01/28/22](#)]

**Chevron Plans To Give “The Vast Majority Of Excess Cash” From Their Record Profits To Shareholders.** “Its California-based rival Chevron said it made \$6.1 billion over the same period, its best quarter in eight years. It's a stunning turnabout for the two oil giants that reported losses of \$680 million and \$207 million, respectively, a year ago during the depths of the global pandemic. [...] Over time, the vast majority of excess cash will be returned to shareholders in the form of higher dividends and the buyback,” said Pierre Breber, Chevron's chief financial officer.” [*Houston Chronicle*, [10/29/21](#)]

*BP Announced \$4.15B In Stock Buybacks And A Dividend Increase For 2022 While Using "Surplus Cash" From 2021 To Line Shareholder Pockets.*

**BP Announced \$4.15B In Planned Buybacks And A Dividend Increase For 2022.** “We're delivering distributions to shareholders with \$4.15 billion of buybacks announced and the dividend increased.” [BP, [02/08/22](#)]

**BP Already Announced Plans To Buy Back \$1.5B Shares From 2021 “Surplus Cash Flow.”** “bp intends to execute a further \$1.5 billion share buyback from 2021 surplus cash flow prior to announcing its first quarter 2022 results.” [BP, [02/08/22](#)]

*Shell Announced A Dividend Raise And \$8.5B Stock Buyback For Just The First Half Of 2022.*

**Shell Announced Plans To Buyback \$8.5B In Shares In The First Half Of 2022 On Top Of A 4% Dividend Raise.** “Shell also announced an \$8.5 billion share buyback program in the first half of 2022 and said it expects to increase its dividend by 4% to \$0.25 per share in the first quarter.” [CNBC, [02/03/22](#)]

*Exxon Raised Its Dividend And Began A \$10B Share Buyback Plan After Raking In Profits In 2021.*

**ExxonMobil Began A \$10B Share Buyback Effort In January 2022 And Raised Its Dividend Thanks To Its 2021 Profits.** “Cash flow from operating activities increased to \$48 billion, the highest since 2012. We used the available cash to restore our balance sheet, essentially paying back what we borrowed in 2020, reducing our debt-to-capital ratio to about 21%. As a result of our restored financial strength, we increased the annual dividend for the 39th consecutive year and announced a \$10 billion share repurchase program that started last month.” [Motley Fool, [02/01/22](#)]