

COMMITTED TO OUR COMMUNITIES

To the San Antonio community and Valero partners:

While the first few months of 2021 may have brought some unusual things, like snow in San Antonio, I am glad some familiar events returned again, like the Valero Texas Open.

This year, I am proud to announce that Valero raised \$16 million in net proceeds from the Valero Texas Open and Valero Benefit for Children for charities in South Texas and across the United States. This brings the total amount raised over the years to more than \$187 million, a legacy of investment in our communities. This incredible amount would not be possible without the tremendous generosity of our business partners. They truly partner with us, not just in business, but in giving back to our communities.

Also, as the world around us recognized Earth Day on April 22, we did our part in San Antonio, too. Team Valero volunteered at the Witte Museum, Brackenridge Park, and Phil Hardberger Park doing various park restorations, cleanups, and planting activities. As committed stewards of the environment, Valero works year-round to preserve and improve our natural resources – air, land, and water. I appreciate Team Valero showing how “Caring is In Our Roots.”



As you might have seen in our recent public filings, we reported our first quarter 2021* results on April 22. We reported a net loss of \$704 million or -\$1.73 per share, beating Wall Street expectations of -\$1.89. These results include the estimated excess energy costs of \$1.15 per share or \$579 million related to the winter storm in February. Like many other businesses in San Antonio and across the State, Valero was affected by the unprecedented weather. I am proud of our team who safely managed our facilities during this time and returned when prudent to make transportation fuels and help get people moving again after the storm.

However, it is important to note that despite these challenges, Valero achieved positive operating income and cash flow in March 2021 and continues to see substantial increase in product demand. We also returned \$400 million in cash to shareholders through dividends during the first quarter.

On the strategic front, Valero continues to leverage its global liquid fuels platform to expand its long-term competitive advantage in renewables.

Valero recently announced a partnership with BlackRock and Navigator to develop an industrial scale carbon capture and storage system in the U.S. Midwest that would capture and store carbon dioxide (CO₂) from eight of Valero's ethanol plants, lowering the carbon intensity of ethanol while reducing the amount of CO₂ that is released into the atmosphere. Learn more at valero.com/about/news-room.

Also, Valero saw record operating income and renewable diesel margin in the first quarter. To that end, Valero continues to make progress on a 400 million gallon-per-year renewable diesel expansion project in Louisiana, with expected completion later this year. Also, work is moving forward on the renewable diesel project in Port Arthur, Texas, with expected completion in the second half of 2023. Once complete, total renewable diesel capacity will be 1.2 billion gallons per year.

These projects, among others under consideration, demonstrate Valero's leadership in energy transition through innovation in renewables. We will continue to evaluate and pursue projects to produce lower carbon fuels, helping to create a sustainable future for generations to come.

In closing, 2021 is a year for optimism. With more COVID vaccine distributions around the globe, I am encouraged that as we head into the summer, families will be ready to travel and feel safe to experience life again.

May God keep you and your loved ones safe and healthy as we move forward this year.



Sincerely,

Joe Gorder

Valero Chairman and Chief Executive Officer

*First quarter earnings release and quarterly report on Form 10-Q, available at www.valero.com.



TOGETHER, WE MAKE A DIFFERENCE.

At Valero we are driven to make a difference for the environment, our employees and the communities where we live and work.

We would like to say a special thank-you to all of our partners, as well as all the volunteers, employees, and fans that helped make this year's Valero Texas Open such an incredible event.

Together we have raised \$187 million over the years for a variety of worthy causes. Because it's not just about watching great golf—it's about raising money for amazing charities.

THANK YOU FOR HELPING TO RAISE

\$16 MILLION IN 2021

