

January 15, 2016

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Chevron Corporation*
Stockholder Proposal of Susan Inches and Robert Sessums
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Chevron Corporation (the “Company”), intends to omit from its proxy statement and form of proxy for its 2016 Annual Meeting of Stockholders (collectively, the “2016 Proxy Materials”) a stockholder proposal (the “Proposal”) and statement in support thereof (the “Supporting Statement”) received from Arjuna Capital/Baldwin Brothers Inc. on behalf of Susan Inches and Robert Sessums (the “Proponents”).

Pursuant to Rule 14a-8(j), we:

- have filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the date the Company expects to file its definitive 2016 Proxy Materials with the Commission; and
- are sending copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

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THE PROPOSAL

The Proposal states:

RESOLVED:

Shareholders hereby approve, on an advisory basis, Arjuna Capital/Baldwin Brothers'¹ proposal that Chevron commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital in light of the climate change related risks of stranded carbon assets.

A copy of the Proposal, as well as related correspondence with the Proponents, is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2016 Proxy Materials pursuant to:

- Rule 14a-8(i)(12)(ii) because the Proposal deals with substantially the same subject matter as at least two previously submitted stockholder proposals that were included in the Company's 2015 and 2011 proxy materials, respectively, and the most recently submitted of those proposals did not receive the support necessary for resubmission;
- Rule 14a-8(i)(13) the Proposal relates to specific amounts of dividends; and
- Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations.

¹ Pursuant to Rule 14a-8(l), the Company is not required to include a stockholder proponent's name in its proxy statement. As stated in Staff Legal Bulletin No. 14C (June 28, 2005), "Rule 14a-8(l) is a self-executing provision of the rule that permits a company to exclude from its proxy statement a shareholder proponent's name, address, and number of voting securities held, as long as the company includes a statement that it will provide this information to shareholders promptly upon receiving an oral or written request." Accordingly, if the Proposal is included in the 2016 Proxy Materials, references to "Arjuna Capital" and "Baldwin Brothers" will be removed.

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ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(12)(ii) Because It Deals With Substantially The Same Subject Matter As At Least Two Previously Submitted Proposals, And The Most Recently Submitted Of Those Proposals Did Not Receive The Support Necessary For Resubmission.

Under Rule 14a-8(i)(12)(ii), a stockholder proposal dealing with “substantially the same subject matter as another proposal or proposals that has or have been previously included in the company’s proxy materials within the preceding 5 calendar years” may be excluded from the proxy materials “for any meeting held within 3 calendar years of the last time it was included if the proposal received . . . [l]ess than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years.”

A. Overview Of Rule 14a-8(i)(12).

The Commission has indicated that the condition in Rule 14a-8(i)(12) that the stockholder proposals deal with “substantially the same subject matter” does not mean that the previous proposal(s) and the current proposal must be exactly the same. Although the predecessor to Rule 14a-8(i)(12) required a proposal to be “substantially the same proposal” as prior proposals, the Commission amended this rule in 1983 to permit exclusion of a proposal that “deals with substantially the same subject matter.” The Commission explained the reason for and meaning of the revision, stating:

The Commission believes that this change is necessary to signal a clean break from the strict interpretive position applied to the existing provision. The Commission is aware that the interpretation of the new provision will continue to involve difficult subjective judgments, but anticipates that those judgments will be based upon a consideration of the substantive concerns raised by a proposal rather than the specific language or actions proposed to deal with those concerns.

Exchange Act Release No. 20091 (Aug. 16, 1983).

Accordingly, the Staff has confirmed numerous times that Rule 14a-8(i)(12) does not require that the stockholder proposals or their subject matters be identical in order for a company to exclude the later-submitted proposal. Instead, pursuant to the Commission’s statement in Exchange Act Release No. 20091, when considering whether proposals deal with substantially the same subject matter, the Staff has focused on the “substantive concerns” raised by the proposals rather than on the specific language or corporate action proposed to be taken. Thus, the Staff consistently has concurred with the exclusion of proposals under Rule 14a-8(i)(12) when the proposal in question shares similar underlying social or policy

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issues with a prior proposal, even if the proposals request that the company take different actions. For example, the Staff has concurred with the exclusion of proposals under Rule 14a-8(i)(12) where one proposal requested a report or disclosure of information and the other proposal requested that the company change its policy or take a specific course of action. *See Medtronic Inc.* (avail. June 2, 2005) (concurring that a proposal requesting that the company list all of its political and charitable contributions on its website was excludable as dealing with substantially the same subject matter as a prior proposal requesting that the company cease making charitable contributions); *Saks Inc.* (avail. Mar. 1, 2004) (concurring that a proposal requesting that the board of directors implement a code of conduct based on International Labor Organization standards, establish an independent monitoring process and annually report on adherence to such code was excludable as it dealt with substantially the same subject matter as a prior proposal requesting a report on the company's vendor labor standards and compliance mechanism).

Under this line of precedent, it does not matter if the course of action requested in one proposal differs from that requested in the other proposal, provided that both proposals address the same substantive concerns. For example, in *General Electric Co.* (avail. Feb. 6, 2014), the Staff considered a proposal requesting that the company amend its nuclear energy policy to “offer to assist utilities with GE reactors to expedite the transfer of their irradiated fuel rods to hardened on-site dry-cask storage,” and “expend research funding to seek technologies and procedures designed to reduce damage from cooling water deficiencies and excesses due to climate change.” The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as a previous proposal addressing the health and safety implications of nuclear energy that asked the company to “reverse its nuclear energy policy, and, as soon as possible, phase out all its nuclear activities, including proposed fuel reprocessing and uranium enrichment.” The specific actions requested by the proposals in *General Electric* were very different—reversing the company's nuclear energy policy and phasing out all nuclear activities as compared to amending its nuclear energy policy to offer to assist utilities with transferring irradiated fuel rods and to expend research funding to seek to reduce the damage from cooling water deficiencies and excesses due to climate change—but the Staff agreed with the company that both proposals addressed concerns regarding the health and safety implications of nuclear power facilities and the Company's association with the nuclear energy industry. Therefore, because both proposals dealt with substantially the same substantive concerns, the Staff found the proposal to be excludable. *See also Pfizer Inc.* (avail. Feb. 25, 2008) (proposal requesting a report on the rationale for the company's alleged practice of exporting the company's animal experimentation to countries with substandard animal welfare regulations excludable as involving substantially the same subject matter as previous proposals on animal care and testing, including a proposal requesting a report on the feasibility of amending the company's animal care policy to extend to all contract laboratories and a proposal requesting a policy statement committing to the use of *in vitro*

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tests in place of other specific animal testing methods); *Ford Motor Co.* (avail. Feb. 28, 2007) (proposal requesting that the board institute an executive compensation program that tracks progress in improving fuel efficiency of the company's new vehicles excludable as involving substantially the same subject matter as a prior proposal on linking a significant portion of executive compensation to progress in reducing greenhouse gas emissions from the company's new vehicles); *Bristol-Myers Squibb Co.* (avail. Feb. 11, 2004) (proposal requesting that the board review pricing and marketing policies and prepare a report on how the company will respond to pressure to increase access to prescription drugs excludable as involving substantially the same subject matter as prior proposals requesting the creation and implementation of a policy of price restraint on pharmaceutical products).

In addition, the Staff has concurred with the exclusion of proposals under Rule 14a-8(i)(12) even if the proposals differ in scope from the prior proposals to which they have been compared. For example, in *Chevron Corp.* (avail. Mar. 27, 2014), the Staff permitted the exclusion pursuant to Rule 14a-8(i)(12) of a stockholder proposal requesting that the Company prepare a report on its "goals and plans to address global concerns regarding fossil fuels and their contribution to climate change, including analysis of long and short term financial and operational risks to the [C]ompany," because the proposal dealt with substantially the same subject matter as three prior proposals requesting that the Company report to stockholders on the perceived risks to the Company associated with climate change and the measures the Company intended to take to address such risks. Although the scope of the proposals differed, the Staff permitted the exclusion of the proposal because all of the proposals requested a response to the various perceived risks of climate change and how the Company was addressing these perceived risks. *See also Exxon Mobil Corp.* (avail. Mar. 7, 2013) (concurring that a proposal requesting that the board of directors review the exposure of the company's facilities to climate risk and issue a report to stockholders was excludable because it dealt with substantially the same subject matter as three prior proposals requesting that the company either establish a committee or a task force to address issues relating to global climate change); *Exxon Mobil Corp.* (avail. Mar. 23, 2012) (concurring that a proposal requesting a comprehensive policy on the right to water addressed substantially the same subject matter as three other proposals, one of which requested that the board issue a report on issues relating to land, water and soil); *Dow Jones & Co., Inc.* (avail. Dec. 17, 2004) (concurring that a proposal requesting that the company publish information relating to its process for donations to a particular non-profit organization was excludable as it dealt with substantially the same subject matter as a prior proposal requesting an explanation of the procedures governing all charitable donations).

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B. The Proposal Deals With Substantially The Same Subject Matter As At Least Two Proposals That Were Previously Included In The Company's Proxy Materials Within The Preceding Five Calendar Years.

The Company has within the past five years included in its proxy materials at least two stockholder proposals regarding the perceived financial risks to the Company associated with climate change and related public policies and the Company's actions to protect stockholders' investments in light of those risks.

- The Company included in its 2015 proxy materials, filed with the SEC on April 9, 2015 (the "2015 Proposal," attached as Exhibit B), a stockholder proposal that requested that the Board "adopt and issue a dividend policy increasing the amount authorized for capital distribution to shareholders in light of the growing potential for stranded assets and decreasing profitability associated with capital expenditures on high cost, unconventional projects."
- The Company included in its 2011 proxy materials, filed with the SEC on April 14, 2011 (the "2011 Proposal," attached as Exhibit C), a stockholder proposal that requested that the Board prepare a report "on the financial risks resulting from climate change and its impacts on shareowner value over time, as well as actions the Board deems necessary to provide long-term protection of our business interests and shareowner value."

The Proposal deals with substantially the same subject matter as each of the 2015 Proposal and 2011 Proposal (collectively, the "Previous Proposals"). In this regard, the Proposal and the Previous Proposals each request that the Company address the perceived financial risks to the Company associated with climate change and related public policies and the Company's actions to protect stockholders' investments in light of those risks. Specifically:

- The Proposal and the Previous Proposals each express concern about the changes occurring as a result of climate change and ongoing public policy reactions to it.
 - The Proposal expresses concern about reductions in "fossil fuel demand . . . through public policy carbon restrictions or pricing and competition from renewables" and quotes intergovernmental accords and reports that state that "[n]o more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2° C goal."
 - The 2015 Proposal recites the same statistic, adding that "U.S. and China leaders recently signed an historic accord to limit greenhouse gas emissions" and that "similarly, European leaders have committed to a 40 percent

- reduction by 2030.” The 2015 Proposal also refers to “growing global concern over climate change and actions to address it.”
- The 2011 Proposal cites numerous potential harms from climate change, including “dramatic weather events,” “national security implications” and “negative effects on global economies,” and urges management to consider various risks resulting from climate change, including “U.S. and global regulatory risks of legislative proposals for carbon taxes and cap and trade.” The 2011 Proposal also states that “[s]cientific, business, and political leaders globally have identified the risks of climate change for the natural environment and the global economy and therefore called for urgent action by governments and companies.”
 - The Proposal and the Previous Proposals each then focus on concerns regarding the perceived financial risks to the Company associated with climate change and related public policies.
 - The Proposal notes that “the [oil] industry [has become] particularly vulnerable to a downturn in demand and oil prices” and refers to the “downside risks from lower-than-expected demand and oil prices.” The Proposal also cites numerous statistics regarding the potential negative impacts of climate change and related public policies on capital expenditures (“capex”) and other Company assets.
 - Similarly, the 2015 Proposal also notes that “the [oil] industry [has become] particularly vulnerable to a downturn in demand” and refers to the “downside risks that could result from lower-than-expected demand for oil and cost competitive renewables.” Like the Proposal, the 2015 Proposal cites numerous (and often the same) statistics regarding the potential negative impacts of climate change and related public policies on capex.
 - In addition, the 2011 Proposal cites “negative effects on global economies [that will] confront[] business leaders with major challenges,” “business risks . . . [of] climate change” and “the impacts, risks and opportunities posed by climate change for our company and its future operations.” It also asks for a report “on the financial risks resulting from climate change.”

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- The Proposal and the Previous Proposals also each discuss that a specific potential financial risk of climate change and related public policies is stockholders' investments.
 - The Proposal states that “investor capital is at risk” as a result of climate change and related public policies, cites a statistic about a potential “drop [of] 40 to 60 percent” in the “equity valuation of oil producers” and states that “[i]nvestors are concerned Chevron is at risk of eroding shareholder value through investments in what may prove stranded, uneconomical assets in a low carbon demand scenario.”
 - Similarly, the 2015 Proposal cites the same statistic about a potential “drop [of] 40 to 60 percent” in the “equity valuation of oil producers” and states that “[s]hareholders are concerned that shareholder capital is at increasing risk from capital expenditures on high cost, high carbon projects that may become stranded.”
 - Likewise, the 2011 Proposal asserts that “climate change, other environmental risks and related government policies may have a significant impact on our investment in Chevron” and that “management [will need] to respond effectively to protect and enhance shareowner value.”
- The Proposal and the Previous Proposals each seek Company actions to protect stockholders' investments in light of the perceived financial risks posed by climate change and related public policies.
 - The Proposal requests that the Company “commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital *in light of the climate change related risks of stranded carbon assets.*” (emphasis added)
 - Similarly, the 2015 Proposal requests that the Company “adopt and issue a dividend policy increasing the amount authorized for capital distribution to shareholders *in light of the growing potential for stranded assets and decreasing profitability.*” (emphasis added)
 - And the 2011 Proposal requests that the Company “prepare a report to shareowners on the financial risks resulting from climate change and its impacts on shareowner value over time, as well as actions the Board deems necessary to provide long-term protection of our business interests and shareowner value.”

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Thus, the substantive concerns underlying both the Proposal and the Previous Proposals are the same. Even if the Proposal and Previous Proposals requested reports that may differ in their precise terms and scope, this does not preclude no-action relief under Rule 14a-8(i)(12). As illustrated in the *General Electric*, *Chevron Corp.*, *Pfizer Inc.*, *Exxon Mobil Corp.* (avail. Mar. 7, 2013), *Exxon Mobil Corp.* (avail. Mar. 23, 2012) and other precedents cited above, the Staff consistently has concurred with the exclusion of stockholder proposals that varied in language and scope from previously submitted proposals. As in the precedent cited above, although the specific language in the Previous Proposals and the Proposal may differ, each addresses the same substantive concern—the perceived financial risks to the Company associated with climate change and related public policies and the Company’s actions to protect stockholders’ investments in light of those risks.

C. The Stockholder Proposal Included In The Company’s 2015 Proxy Materials Did Not Receive The Stockholder Support Necessary To Permit Resubmission.

In addition to requiring that the proposals address the same substantive concern, Rule 14a-8(i)(12) sets thresholds with respect to the percentage of stockholder votes cast in favor of the last proposal submitted and included in the Company’s proxy materials. As evidenced in the Company’s Form 8-K filed on June 2, 2015, which states the voting results for the Company’s 2015 Annual Meeting of Stockholders and is attached as Exhibit D, the 2015 Proposal received 3.22% of the votes cast at the Company’s 2015 Annual Meeting of Stockholders.² Thus, the vote on the 2015 Proposal (which is the most recently submitted of the 2015 and 2011 Proposals) failed to achieve the 6% threshold specified in Rule 14a-8(i)(12)(ii) at the 2015 Annual Meeting.

For the foregoing reasons, the Company may exclude the Proposal from its 2016 Proxy Materials under Rule 14a-8(i)(12)(ii).

II. The Proposal May Be Excluded Under Rule 14a-8(i)(13) Because The Proposal Relates To Specific Amounts Of Dividends.

The Company may exclude the Proposal under Rule 14a-8(i)(13), which permits the exclusion of stockholder proposals that concern “specific amounts of cash or stock dividends.” The Staff has consistently interpreted this rule to permit the exclusion of stockholder proposals that purport to set or limit amounts or ranges of dividends or that would establish formulas for determining dividends. For example, the proposal in *Duke Energy Corp.* (avail. Jan. 9, 2002) asked the company’s board “to distribute earnings more equitably, to include dividend increases for shareholders, by adjusting, e.g., investments for

² The 2015 Proposal received 1,225,537,812 “against” votes and 40,738,831 “for” votes. Abstentions and broker non-votes were not included for purposes of this calculation. See Staff Legal Bulletin No. 14, Question F.4 (July 13, 2001).

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growth, or executive salary increases and awards, so that shareholders may benefit in a more immediate and fungible way (i.e., higher dividends with higher profits and/or higher executive compensation) from the company's success." The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(13), noting that "the proposal appears to amount to a formula that would result in a specific dividend amount." *See also Merck & Co., Inc.* (avail. Jan. 30, 2014) (permitting the exclusion under Rule 14a-8(i)(13) of a proposal seeking the establishment of a class of common shares that would not receive any dividends); *General Electric Co.* (Dec. 21, 2010) (permitting the exclusion under Rule 14a-8(i)(13) of a proposal seeking the authorization of a special dividend equal to the amount authorized for share repurchases in lieu of any such share repurchases and further "ask[ing] the [b]oard to continue to increase GE's dividend commensurate with increases in earnings"); *Vail Resorts, Inc.* (avail. Sept. 21, 2010) (permitting the exclusion under Rule 14a-8(i)(13) of a proposal that would require the company to distribute 90% of its annual taxable income to stockholders); *Exxon Mobil Corp. (Campbell)* (avail. Mar. 17, 2009) (permitting the exclusion under Rule 14a-8(i)(13) of a proposal requesting that the company's dividend be increased to a rate equal to 50% of net income).

The Proposal requests that the Company's Board of Directors "commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks)." As in the precedents discussed above, this would have the effect of establishing a *de facto* formula for the Company's dividends. In order to illustrate this formula, set forth below is an example of how the Proposal would apply to the Company's annual capital distributions in 2017 as compared to in 2016.

$$2017 \text{ Dividends} + 2017 \text{ Share Buybacks} > 2016 \text{ Dividends} + 2016 \text{ Share Buybacks}$$

To then determine the amount of 2017 Dividends, the amount of 2017 Share Buybacks is deducted from each side of the equation, yielding the following formula:

$$2017 \text{ Dividends} > (2016 \text{ Dividends} + 2016 \text{ Share Buybacks}) - 2017 \text{ Share Buybacks}$$

Accordingly, the Proposal is similar to the proposal at issue in *International Business Machines Corp. (Schaffer)* (avail. Jan. 2, 2001), where the Staff concurred in the exclusion of a stockholder proposal requesting an "equal or greater percentage of the dividend earnings per share each year." Both the Proposal and the *IBM* proposal would require that the relevant corporation establish a policy of increased dividends, even though the amount of the increase was left to the corporation's discretion. While the Proposal addresses both dividends and share buybacks, and the *IBM* proposal addressed dividends alone, this is not a material difference, as dividends and share buybacks each are mechanisms serving the

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primary purpose of returning capital directly to stockholders.³ Accordingly, as a practical matter, a request to establish a formula concerning the amount of the Company's "capital distributions (summing dividends and share buybacks)" is indistinguishable from a proposal establishing a formula only concerning dividends.

Moreover, the fact that the Proposal could be implemented without paying dividends, *i.e.*, solely through the use of share buybacks, does not alter its excludability under Rule 14a-8(i)(13). For example, in *International Business Machines Corp.* (avail. Jan. 4, 2011), the Staff concurred with the exclusion of a proposal seeking a quarterly special dividend equal in total value to the expenditure for share buybacks, even though under that proposal the Company could have avoided paying the special dividend requested merely by avoiding share buybacks. *See also DPL Inc.* (avail. Jan. 11, 2002) (concurring in exclusion under Rule 14a-8(i)(13) of proposal requesting that DPL match the five most highly compensated executive officers' bonus and long-term compensation awards above a stated threshold with increased dividends, which could have been implemented by not setting the relevant compensation above the threshold). Accordingly, we believe that the Proposal may be excluded under Rule 14a-8(i)(13) even if the Company could satisfy it solely through the use of share buybacks.

Moreover, allowing a proposal to circumvent the prohibition in Rule 14a-8(i)(13) on proposals concerning "specific amounts of cash or stock dividends" would open the doors to a flood of stockholder proposals seeking to demand that public companies alter their capital distribution policies. *See Adoption of Amendments Relating to Proposals by Security Holders*, Exchange Act Release No. 12999 (Nov. 22, 1976) ("The purpose of [Rule 14a-8(c)(13), the predecessor to Rule 14a-8(i)(13),] was to prevent security holders from being burdened with a multitude of conflicting proposals on such matters. Specifically, the Commission was concerned over the possibility that several proponents might independently submit to an issuer proposals asking that differing amounts of dividends be paid.").

Finally, the Proposal is distinguishable from proposals requesting only a general policy governing the payment of dividends. For example, the Staff was unable to concur in the exclusion of the proposals at issue in *Exxon Mobil Corp.* (avail. Mar. 19, 2007) ("*Exxon 2007*") and *Exxon Mobil Corp. (Mergens)* (avail. Mar. 14, 2008) ("*Exxon 2008*"). However, both of these proposals addressed general policy concerns as to the preferred form of returning capital to stockholders (dividends or stock repurchases), rather than establishing a formula to determine the payment of dividends. Specifically, *Exxon 2007* involved a

³ *See Investopedia, Complete Guide to Corporate Finance*, ch. 5.4.5, available at: <http://www.investopedia.com/walkthrough/corporate-finance/5/dividends/stock-repurchase.aspx> ("[A] [s]tock repurchase may be viewed as an alternative to paying dividends in that it is another method of returning cash to investors.").

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proposal requesting that Exxon “consider, in times of above average free cash flow, providing a more equal ratio of the dollars paid to repurchase stock relative to the dollars paid in dividends.” Similarly, *Exxon 2008* involved a proposal that the board “give due consideration in its decisions of retained earnings so as to make a balanced allocation of such money between the return to shareholders and retaining funds for other corporate use.” In other words, in both *Exxon 2007* and *Exxon 2008*, the board retained ultimate discretion on how to implement dividend policy. For example, after consideration, the board could continue with its past practices with respect to capital allocation. The Proposal, in contrast, requires that the Company establish a formula to determine the amount of dividends it must pay.

Therefore, in accordance with the Staff precedents discussed above, we believe the Proposal is excludable under Rule 14a-8(i)(13).

III. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Relates To The Company’s Ordinary Business Operations.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a stockholder proposal that relates to the company’s “ordinary business operations.” According to the Commission’s release accompanying the 1998 amendments to Rule 14a-8, the underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”). In the 1998 Release, the Commission described the two “central considerations” for the ordinary business exclusion. The first was that certain tasks were “so fundamental to management’s ability to run a company on a day-to-day basis” that they could not be subject to direct stockholder oversight. The second consideration related to “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.”

The Staff consistently has found proposals relating to the mechanics or implementation of a share repurchase program to be excludable under Rule 14a-8(i)(7) as relating to the ordinary business operations of a company. This has been the case both with proposals, such as the Proposal, that restrict a company’s ability to repurchase its shares, as well as with proposals that direct a company to repurchase its shares.

In *Pfizer Inc.* (avail. Feb. 4, 2005), a stockholder submitted a proposal asking Pfizer to, as the Staff described it, “increase its dividend rather than repurchase \$ 5 billion of Pfizer’s shares in 2005.” The Staff concurred with exclusion of the proposal under Rule 14a-8(i)(7) “as relating to Pfizer’s ordinary business operations (i.e., implementation of a share repurchase program).” See also *Vishay Intertechnology, Inc.* (avail. Mar. 23, 2009) (permitting the

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exclusion under Rule 14a-8(i)(7) of a stockholder proposal requiring the board of directors to make an irrevocable offer to repurchase and cancel the company's class B shares in exchange for the company's publicly traded shares because "the repurchase of Vishay securities" relates to its ordinary business operations); *Medstone International, Inc.* (avail. May 1, 2003) (permitting exclusion under Rule 14a-8(i)(7) of a stockholder proposal requiring the repurchase of one million shares, subject to certain conditions, because "implementing a share repurchase program" relates to the conduct of ordinary business operations); *Ford Motor Co. (Adamian)* (avail. Mar. 28, 2000) (permitting the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board institute a program to repurchase \$10 billion of Ford's shares because it relates to the company's ordinary business operations).

The Proposal, like the proposals submitted in *Pfizer* and the other precedent cited above, relates to the mechanics or implementation of a share buyback program because it seeks to require the Company to commit to "increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders." The Proposal calls for the Company to establish a program with fixed terms whereby the Company has committed to repurchasing such number of shares as may be necessary to ensure that the sum of the cash expended in the share buyback and the Company's dividends is increased from the sum of its present expenditures on share buybacks and dividends. Thus, the Proposal relates to the particular terms of a share buyback program and may be excluded under Rule 14a-8(i)(7) as relating to the Company's ordinary business matters. *See Citigroup Inc.* (avail. Jan. 24, 2014) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal to modify company's equity compensation plan so that Medicare eligible employees could request that the company repurchase their shares and noting that such proposal "relates to the implementation and particular terms of a share repurchase program"); *Fauquier Bankshares, Inc.* (avail. Feb. 21, 2012) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal to "annually buy back shares commensurate to any shares granted" as equity compensation and noting that such proposal "relates to the implementation and particular terms of a share repurchase program").

Because the Proposal sets forth the terms of the intended buyback program, it is distinguishable from the proposal at issue in *General Electric Co. (Towns)* (avail. Jan. 10, 2012) (recon. on different grounds Feb. 29, 2012), where the Staff was unable to concur in the request to exclude under Rule 14a-8(i)(7) a proposal expressing disapproval of the company's "record of value-destroying share buybacks" and asking the company's board of directors to "re-examine the company's dividend policy." Unlike the proposal in *General Electric*, the Proposal does not limit itself to requesting an examination of the Company's share buyback policy; rather, it asks that the Company commit to a program with specified

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terms: the Company would buyback a sufficient number of shares so that its total capital distributions to stockholders are “increased.”⁴

The Commission has recognized that “proposals relating to [ordinary business] matters but focusing on sufficiently significant social policy issues . . . generally would not be considered to be excludable.” 1998 Release. The Proponents include in the Supporting Statement language indicating that “[i]n the face of global climate change, we believe investor capital is at risk from investments in projects that may prove economically stranded . . .” Although the global climate change is recognized as a significant policy issue, a proposal is not excludable merely because it references such issue; rather the test is whether the proposal’s overall focus is on such issue. *See The Walt Disney Co.* (avail. Dec. 15, 2004) (concurring in the exclusion of a proposal because “although the proposal mentions executive compensation [a significant policy issue], the thrust and focus of the proposal is on [an] ordinary business matter”).

Here, the thrust and focus of the Proposal and its Supporting Statement is on the financial condition of the Company. For example, the Supporting Statement contains numerous references to the effect of changing commodity prices on the Company’s financial health, such as:

- “A 2015 Citigroup report estimates the value of unburnable fossil fuel reserves could amount to over 100 trillion dollars out to 2050 . . .”;
- “Massive production-cost inflation over the past decade has made the industry particularly vulnerable to a downturn in demand and oil prices”; and
- “Analysts indicate companies may not be adequately accounting for or disclosing downside risks from lower-than-expected demand and oil prices.”

In this respect, the Supporting Statement is similar to the proposal considered in *Exxon Mobil Corp.* (avail. Mar. 6, 2012) (“*Exxon 2012*”), where the Staff concurred with the exclusion under Rule 14a-8(i)(7) of a proposal that requested that the board of directors prepare a report on risks to the company’s finances and operations posed by “environmental, social and economic challenges associated with . . . oil sands.” In concurring with exclusion of the proposal, the Staff noted “that the proposal addresses the ‘economic challenges’ associated

⁴ We note that the Company could not implement the Proposal without either committing to increasing its dividend or establishing a share buyback program, and accordingly we believe that the Proposal should be excludable on either or both grounds. *See Exxon Corp.* (avail. Feb. 28, 1992) (Staff concurring in exclusion of a proposal in light of both the predecessor to Rule 14a-8(i)(10) and the predecessor to Rule 14a-8(i)(7)).

Office of Chief Counsel
Division of Corporation Finance
January 15, 2016
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with the oil sands and does not, in our view, focus on a significant policy issue.” As indicated above, the thrust of the Proposal is the Company’s use of capital in light of economic challenges associated with changes in commodity prices. Further, the Staff has permitted the exclusion of stockholder proposals under Rule 14a-8(i)(7) where facially neutral proposed resolutions indicate that the proposal, in fact, would serve as a stockholder referendum on ordinary business matters even though the supporting statements touch on significant policy issues. *See, e.g., Johnson & Johnson (NorthStar Asset Management, Inc. Funded Pension Plan)* (avail. Feb. 10, 2014) (permitting exclusion under Rule 14a-8(i)(7) of a proposal with a facially neutral resolution concerning the general political activities of the company where the preamble paragraphs to the proposal indicated that the thrust and focus of the proposal was on the company’s political expenditures related to the Patient Protection and Affordable Care Act); *PepsiCo, Inc.* (avail. Mar. 3, 2011) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on the company’s process for identifying and prioritizing legislative and regulatory public policy advocacy activities but the supporting statement focused extensively on the company’s support of cap and trade climate change legislation). Even though the Supporting Statement touches on the issue of climate change, this does not alter the Proposal’s focus; rather, the Proposal is presented as a “prudent use of investor capital.” Although it claims that this is in light of certain “climate change related risks,” each risk identified in the Supporting Statement focuses on “economic challenges” facing the Company rather than any environmental or social concerns. As in *Exxon 2012*, these matters relate to the Company’s ordinary business operations, not to the issue of climate change or any other significant policy issue. Thus, consistent with Staff precedent, the Proposal is excludable under Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2016 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287, or Christopher

GIBSON DUNN

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Page 16

A. Butner, the Company's Assistant Secretary and Managing Counsel, Securities/Corporate Governance, at (925) 842-2796.

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth Ising /KAK".

Elizabeth A. Ising

Enclosures

cc: Christopher A. Butner, Chevron Corporation
Susan Inches and Robert Sessums, c/o Natasha Lamb, Arjuna Capital/Baldwin
Brothers Inc.

102048661.9

Exhibit A

From: [Natasha Lamb](#)
To: [Corporate Governance Correspondence](#)
Subject: [**EXTERNAL**] Shareholder Proposal
Date: Thursday, December 10, 2015 11:49:36 AM
Attachments: [01B95DEB-FA3E-46F7-BBC0-22120BCE7DB9F231.png](#)
[Cover Letter_CVX.pdf](#)
[CVX Client Authorization Form Inches 2016 .pdf](#)
[CVX Proposal 2016.pdf](#)
[CVX Pershing .pdf](#)
Importance: High

Dear Ms. Beebe:

I am hereby authorized to notify you of our intention to lead file the enclosed shareholder resolution with Chevron Corporation on behalf of our clients Susan Inches and Robert Sessums. Please find a cover letter, proposal, client authorization, and custodian verification attached and confirm receipt.

We would welcome discussion with Chevron about the contents of our proposal.

Sincerely,

Natasha Lamb

[esig_natasha.gif]



December 10th, 2015

Chevron Corporation
Attn: Lydia I. Beebe,
Corporate Secretary and Chief Governance Officer
6001 Bollinger Canyon Road
San Ramon, CA 94583-2324
corpgov@chevron.com

Dear Ms. Beebe:

Arjuna Capital is the sustainable wealth management platform of Baldwin Brothers, Inc., an investment firm based in Marion, MA.

I am hereby authorized to notify you of our intention to lead file the enclosed shareholder resolution with Chevron Corporation on behalf of our clients Susan Inches and Robert Sessums. Arjuna Capital/Baldwin Brothers Inc. submits this shareholder proposal for inclusion in the 2016 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8). Per Rule 14a-8, Susan Inches and Robert Sessums hold more than \$2,000 of CVX common stock, acquired more than one year prior to today's date and held continuously for that time. Our clients will remain invested in this position continuously through the date of the 2016 annual meeting. Enclosed please find verification of the position and a letter from Susan Inches and Robert Sessums authorizing Arjuna Capital/Baldwin Brothers Inc. to undertake this filing on their behalf. We will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

We would welcome discussion with Chevron about the contents of our proposal.

Please direct any written communications to me at the address below or to natasha@arjuna-capital.com. Please also confirm receipt of this letter via email.

Sincerely,

A handwritten signature in black ink, appearing to read 'NL', is written over a light blue horizontal line.

Natasha Lamb
Director of Equity Research & Shareholder Engagement
Arjuna Capital/Baldwin Brothers Inc.
204 Spring Street Marion, MA 02738

Cc: John S. Watson, Chief Executive Officer

Enclosures

Capital Distributions

WHEREAS:

In the face of global climate change, we believe investor capital is at risk from investments in projects that may prove economically stranded and unburnable if fossil fuel demand is reduced through public policy carbon restrictions or pricing and competition from renewables.

Global governments have agreed “the increase in global temperature should be below 2 degrees Celsius.” The International Energy Agency (IEA) states, “No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2° C goal.”

A 2015 Citigroup report estimates the value of unburnable fossil fuel reserves could amount to over 100 trillion dollars out to 2050:

“Lessons learned from the stranding of assets via the recent fall in the oil price gives food for thought about what the impact of the introduction of carbon pricing (or similar measures from Paris COP21) on higher-cost fossil fuel reserves might be.”

The industry cancelled approximately 200 billion dollars of capex in 2015 (Wood Mackenzie). The Carbon Tracker Initiative (CTI) estimates 2 trillion dollars of industry capex and 44.8 percent of Chevron’s capex is “unnecessary” if we are to achieve a 2 degree pathway.

Massive production-cost inflation over the past decade has made the industry particularly vulnerable to a downturn in demand and oil prices.

- A decade of cost escalation and the recent decline in oil prices has eroded the sector’s returns on equity to a record 29-year low (Citigroup).
- Major new project costs have recently averaged between 70 and 100 dollars per barrel, raising the risk of stranded, unprofitable assets (Goldman Sachs).
- A “capex crisis” has increased upstream oil investment 100 percent (2005 to 2013), but crude oil supply has increased only 3 percent (Kepler Cheuvreux).

Analysts indicate companies may not be adequately accounting for or disclosing downside risks from lower-than-expected demand and oil prices.

- The equity valuation of oil producers could drop 40 to 60 percent under a low carbon scenario (HSBC).
- Approximately 40 percent of current oil investments are stranded at prices below 75 dollars per barrel in the current price environment (Citigroup).
- Approximately 39 percent of Chevron’s potential capex spend through 2025 requires an oil price of 95 dollar per barrel to be economical (CTI).

Investors are concerned Chevron is at risk of eroding shareholder value through investments in what may prove stranded, uneconomical assets in a low carbon demand scenario. Chevron’s capital expenditures grew over 300 percent from 2005 to 2014, coinciding with declining net income since 2012. Chevron cut total capital distributions (summing dividends and share buybacks) to shareholders 26 percent over the last twelve months, calling the sustainability of the dividend into question.

RESOLVED: Shareholders hereby approve, on an advisory basis, Arjuna Capital/Baldwin Brothers’ proposal that Chevron commit to increasing the total amount authorized for capital distributions (summing dividends and share buybacks) to shareholders as a prudent use of investor capital in light of the climate change related risks of stranded carbon assets.



BALDWIN BROTHERS

November 16th, 2015

Natasha Lamb
Director of Equity Research & Shareholder Engagement
Arjuna Capital/Baldwin Brothers Inc.
204 Spring Street
Marion, MA 02738

Dear Ms. Lamb,

I hereby authorize Arjuna Capital/Baldwin Brothers Inc. to file a shareholder proposal on my behalf at Chevron Corporation (CVX) regarding Capital Distributions/Carbon Asset Risk.

I am the beneficial owner of more than \$2,000 worth of common stock in CVX that I have held continuously for more than one year. I intend to hold the aforementioned shares of stock through the date of the Company's annual meeting in 2016.

I specifically give Arjuna Capital/Baldwin Brothers Inc. full authority to deal, on my behalf, with any and all aspects of the aforementioned shareholder proposal. I understand that my name may appear on the Corporation's proxy statement as the filer of the aforementioned proposal.

Sincerely,

Susan B Inches

Robert P Sessums

c/o Arjuna Capital/Baldwin Brothers Inc.
204 Spring Street
Marion, MA 02738



December 10th, 2015

Chevron Corporation
Attn: Corporate Secretary and Chief Governance Officer
6001 Bollinger Canyon Road
San Ramon, CA 94583-2324

Dear Ms. Beebe,

Re: Susan Inches and Robert Sessums / Account # ~~FISMA & OMB Memorandum M-07-16~~ ***

This letter is to confirm that Pershing LLC is the record holder for the beneficial owners of the account of above, which Arjuna Capital, the sustainable wealth management platform of Baldwin Brothers Inc. manages and which holds in the account # ~~FISMA & OMB Memorandum M-07-16~~ 100 shares of common stock in Chevron Corporation (CVX).*

As of December 10th, Susan Inches and Robert Sessums held, and have held continuously for at least one year, 100 shares of CVX stock.

This letter serves as confirmation that the account holder listed above is the beneficial owner of the above referenced stock.

Sincerely,

Kaylyn Norvell
Vice President
Account Manager
Pershing Advisor Solutions LLC, a BNY Mellon company
www.pershingadvisorsolutions.com
Office: 321-249-4965
Fax: 866-355-5571
Email: knorvell@pershing.com

*DATE: Owned since 03/04/2011. This position has been at Pershing LLC since 06/26/2012.



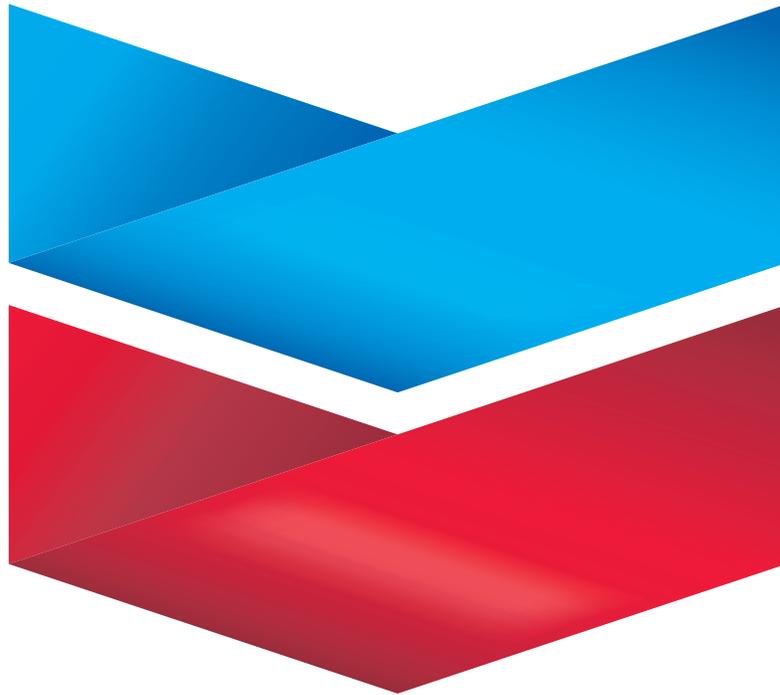
BNY MELLON

One Pershing Plaza, Jersey City, NJ 07399
www.pershingadvisorsolutions.com

Pershing Advisor Solutions LLC, a BNY Mellon company
Member FINRA SIPC

Exhibit B

Chevron



2015 Proxy Statement

Notice of 2015 Annual Meeting of Stockholders
to be Held on May 27, 2015

Stockholder Proposal Regarding Dividend Policy

(Item 7 on the Proxy Card)

Whereas: In response to growing carbon constraints, a transformation of the world's energy system is occurring in the form of energy efficiency increases, disruptive technology development, decreasing costs of renewables, and growing substitution. Analysts from Citi, Deutsche Bank and Statoil, among others, predict that global oil demand could peak in the next 10-15 years.

Recognizing the risks of climate change, global governments have agreed that "the increase in global temperature should be below 2 degrees Celsius." The International Energy Agency (IEA) states that "No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2 degrees Celsius goal..." Making such a scenario more likely, U.S. and China leaders recently signed an historic accord to limit greenhouse gas emissions; similarly, European leaders have committed to a 40 percent reduction by 2030.

Massive production-cost inflation over the past decade has made the industry particularly vulnerable to a downturn in demand.

- According to Bloomberg, capital expenditures by the largest oil companies has risen five-fold since 2000, yet overall industry production is nearly flat.
- Goldman Sachs notes in the past two years no major new oil project has come on stream with production costs below 70 dollars per barrel, with most in the 80-100 dollar range, raising the risk of stranded, or unprofitable, assets.
- Kepler Cheuvreux declares a "capex crisis" as companies invest in higher cost, higher carbon unconventional crude to stem

conventional crude decline rates. Since 2005, annual upstream investment for oil has increased 100 percent, while crude oil supply has increased 3 percent.

Given growing global concern over climate change and actions to address it, investment analysts indicate companies may not be adequately accounting for or disclosing downside risks that could result from lower-than-expected demand for oil and cost competitive renewables.

- HSBC reports the equity valuation of oil producers could drop 40 to 60 percent under a lower carbon consumption scenario.

According to Carbon Tracker Initiative (CTI), twenty-six percent of Chevron's future project portfolio (2014-2050), representing \$87 billion, requires at least \$95 per barrel for a breakeven price, and 14 percent require a price of \$115 per barrel. By the end of 2025, CTI expects high cost, unconventional projects to represent 36 percent of Chevron's potential future production.

Shareholders are concerned that shareholder capital is at increasing risk from capital expenditures on high cost, high carbon projects that may become stranded.

Resolved: Shareholders request the Board of Directors to adopt and issue a dividend policy increasing the amount authorized for capital distribution to shareholders in light of the growing potential for stranded assets and decreasing profitability associated with capital expenditures on high cost, unconventional projects.

Board of Directors' Response

Your Board recommends a vote AGAINST this proposal because it believes that the proposed dividend policy is both unnecessary and unwise. The proposed dividend policy is unnecessary because funding and growing a competitive dividend is already the highest-priority use of cash for the Company, as demonstrated by the consistency and growth in dividends paid by Chevron to its stockholders historically. The proposed dividend policy is unwise because it is based on a flawed, if not dangerous, premise: that stockholders would be best served if Chevron stopped investing in its business.

Chevron shares the concerns of governments and the public about climate change risks and recognizes that the use of fossil fuels to meet the world's energy needs is a contributor to rising greenhouse gases (GHGs) in the earth's atmosphere. We believe that taking prudent, practical and cost-effective action to address climate change risks is the right thing to do. Mitigation of GHG emissions, adaptation to climate change, and continuation of scientific and technological research should all be considered. You can read more about Chevron's climate risk management and about energy demand under a restrictive GHG emissions scenario at www.chevron.com/globalissues/climatechange/managingclimaterisk.

Notwithstanding the intent of nations to do so, the level and pace of global policy action indicates a low likelihood of a global accord to restrict fossil fuel usage to the levels referenced by the proponents. The world's energy demand is growing, driven by the new emerging middle class. Consequently, the International Energy Agency (IEA) expects energy demand to grow 37 percent by 2040. Driven in part by the long-lived nature of the world's transportation and electricity infrastructure, the IEA's two primary world energy demand scenarios forecast fossil fuel's share of the world energy mix to

range from 74 to 80 percent in 2040. Further, the combined market share of oil and natural gas in 2040 remains relatively constant in these scenarios, at approximately 50 percent. (IEA, *World Energy Outlook 2014*).

Chevron's production and resources will be needed to meet projected global energy demand, even in a carbon-constrained future. To help meet growing demand, and to compensate for natural production decline over time, Chevron must prudently invest in its business and its people, partnerships, technology, and resources. This includes investment in conventional and unconventional projects. Regarding the proponent's reference to the Carbon Tracker Initiative's predictions, Chevron makes future investment decisions to develop and produce its resources based on an analysis of projected future commodity prices and market and regulatory conditions, minimizing the risk of such assets becoming "stranded." Stopping this investment, as the proposed dividend policy suggests, would be detrimental to the Company, its stockholders, and consumers of energy around the world.

Chevron's long-standing and consistent financial priorities are to maintain and sustainably grow the dividend, fund the capital program for future earnings, maintain financial strength and flexibility, and return surplus cash to stockholders. Further, Chevron has grown the dividend for 27 consecutive years, and the compound annual growth rate of the dividend exceeded 10 percent between 2004 and 2014.

Given the significant, long-term contribution of oil and gas to meet the world's total energy demand under a broad range of climate policy scenarios and the Company's existing top financial priority to maintain and grow the dividend, the proposed dividend policy is unwarranted.

Therefore, your Board unanimously recommends that you vote AGAINST this proposal.

Exhibit C



**Notice of the 2011
Annual Meeting and the
2011 Proxy Statement**

Stockholder Proposals *(Continued)*

STOCKHOLDER PROPOSAL REGARDING FINANCIAL RISKS FROM CLIMATE CHANGE

(Item 9 on the proxy card)

Whereas:

There is a general consensus among climate scientists that, without significant intervention, climate change will result in dramatic weather events, rising sea levels, drought in some areas and significant impacts on human and ecosystem health. The Pentagon also believes that climate change will have significant national security implications.

Climate change will therefore have profound negative effects on global economies, confronting business leaders with major challenges.

Scientific, business, and political leaders globally have identified the risks of climate change for the natural environment and the global economy and therefore called for urgent action by governments and companies.

In response, numerous companies are proactively reducing their carbon footprints. Chevron is advertising on its website and in public ads many steps the company is taking to reduce greenhouse gases contributing to climate change. Proponents commend our company for this leadership.

Many investors, including members of the Investor Network on Climate Risk, representing approximately \$9 trillion of assets under management and the Carbon Disclosure Project backed by investors with approximately \$64 trillion in assets under management, urge companies to provide full reporting on greenhouse gas emissions and full disclosure of climate risk. The Securities and Exchange Commission mandated climate risk disclosure in company 10K Reports.

Many companies are conducting internal assessments of business risks and opportunities posed by climate change and becoming more transparent by adding sections in their 10K, Annual Reports, website and other public statements on present and future risks.

Moreover, questions about risks inherent in deep water drilling, oil sands development and hydraulic fracturing are rapidly expanding.

Clearly, climate change, other environmental risks and related government policies may have a significant impact on our investment in Chevron.

Thus it is important for Chevron to carefully study the impacts, risks and opportunities posed by climate change for our company and its future operations to enable management to respond effectively to protect and enhance shareowner value.

Resolved: Investors request Chevrone's Board of Directors to prepare a report to shareowners on the financial risks resulting from climate change and its impacts on shareowner value over time, as well as actions the Board deems necessary to provide long-term protection of our business interests and shareowner value. The Board shall decide the parameters of the study and summary report.

A summary report will be made available to investors by September 15, 2011. Cost of preparation will be kept within reasonable limits and proprietary Information omitted.

Supporting Statement:

We suggest management consider the following in their risk analysis.

- Emissions management;
- Physical risks of climate change on our business and operations, e.g. the impact of rising sea levels on operations, including the supply chain;
- Water Scarcity
- U.S. and global regulatory risks of legislative proposals for carbon taxes and cap and trade;
- "Material risk" with respect to climate change;
- Positive business opportunities;
- Reputation, brand and legal risk.

Stockholder Proposals *(Continued)*

YOUR BOARD RECOMMENDS A VOTE AGAINST THIS PROPOSAL

Your Board recommends a vote AGAINST this proposal because Chevron already discloses material risks related to climate change and climate change regulation in its Annual Report on Form 10-K, which is filed with the U.S. Securities and Exchange Commission (SEC) and is available at www.chevron.com. Moreover, in light of the highly uncertain regulatory environment, disclosing speculative or immaterial risks could be misleading and could result in confusion.

Chevron responds actively to the concerns of governments and the public about climate change. Now in its ninth year of implementation, Chevron's Action Plan on Climate Change continues to guide our activities in response to climate change in the areas of greenhouse gas (GHG) emissions reduction, energy efficiency improvement, research and development investment in innovative low-carbon energy technologies, and advocacy. For example:

- As of 2010, Chevron has reduced the total energy consumption required to complete all of today's business functions by 33 percent compared with the energy the Company would have consumed if we were still operating at 1992 efficiencies;
- The Gorgon project in Australia will include storage of carbon dioxide. The sequestration component is expected to be the largest in the world and will demonstrate Chevron's global leadership in this technology;
- Chevron is the world's largest producer of geothermal energy, with installed geothermal capacity in Indonesia and the Philippines of more than 1,200 megawatts, enough energy to meet the needs of 16 million people;
- Catchlight Energy LLC, Chevron's joint venture with Weyerhaeuser Co., is a research and development partnership to transform cellulosic biomass into biofuels, with a focus on commercial-scale production; and
- Chevron Energy Solutions applies proven energy-efficiency and renewable power technologies to meet the needs of customers and works within Chevron to support internal energy efficiency, reliability, and renewable energy projects.

Chevron is currently complying with GHG emissions limits under the European Union Emissions Trading Scheme (ETS) and the New Zealand ETS and is preparing for the January 1, 2012, start of cap-and-trade provisions under California's AB32. Chevron recently implemented enhanced organizational capability and governance for carbon markets, ensuring a robust response to existing and potential market-based regulation.

For capital projects, Chevron evaluates GHG emissions profiles, potential costs of carbon, opportunities for avoidance or reduction of emissions, and the potential opportunities for carbon credit generation. Since 2002, Chevron has used an enterprise-wide emissions protocol and inventory system to calculate its emissions of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) and to estimate its energy use in accordance with industry-accepted methods. In 2009, Chevron deployed a new Web-based system that is based on industry best practices in GHG accounting and reporting.

Since 2004, Chevron has participated in the Carbon Disclosure Project, which is an annual survey conducted on behalf of more than 475 institutional investors, and has been recognized within the energy sector as a leader in five of the past six years. Chevron regularly communicates the GHG footprint of its operations and its performance against an annual GHG emissions target in the Corporate Responsibility Report available at www.chevron.com.

Chevron evaluates costs and opportunities under existing and potential regulation for both its current business and capital investments. Based on this analysis, Chevron discloses the material risks from climate change and climate change regulation in its Annual Report on Form 10-K filed with the SEC. **Therefore, your Board recommends that you vote AGAINST this proposal.**

Exhibit D

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 27, 2015

Chevron Corporation
(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>001-00368</u> (Commission File Number)	<u>94-0890210</u> (I.R.S. Employer Identification No.)
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<u>6001 Bollinger Canyon Road, San Ramon, CA</u> (Address of principal executive offices)	<u>94583</u> (Zip Code)
--	----------------------------

Registrant's telephone number, including area code: **(925) 842-1000**

None
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 5.07 Submission of Matters to a Vote of Security Holders.

- (a) The 2015 Annual Meeting of Stockholders of Chevron Corporation (“Chevron”) was held on Wednesday, May 27, 2015.
- (b) Chevron stockholders voted on the matters set forth below, with final voting results indicated. For the election of Directors in an uncontested election, each nominee who received a majority of votes cast (i.e., the number of shares voted for exceeded the number of shares voted against, excluding abstentions) was elected a Director. All other items were approved if the number of shares voted for exceeded the number of shares voted against, excluding abstentions.
- (1) All nominees for election to the Chevron Board of Directors (“Board”) were elected, each for a one-year term, based upon the following votes:

Nominee	Votes For		Votes Against	Abstentions	Broker Non-Votes
A.B. Cummings Jr.	1,275,237,912	99.1%	11,830,107	6,658,964	324,390,183
L.F. Deily	1,237,428,045	98.9 %	13,688,512	6,610,696	324,390,183
R.E. Denham	1,249,640,843	97.1%	37,524,232	6,562,178	324,390,183
A.P. Gast	1,276,532,513	99.2%	10,669,256	6,525,484	324,390,183
E. Hernandez Jr.	1,258,721,402	97.8%	28,194,095	6,811,756	324,390,183
J.M. Huntsman Jr.	1,271,541,914	98.8%	15,942,189	6,243,150	324,390,183
C.W. Moorman	1,273,946,633	99.0 %	13,221,038	6,559,582	324,390,183
J.G. Stumpf	1,252,882,643	97.4%	33,994,655	6,849,955	324,390,183
R.D. Sugar	1,248,423,142	97.0%	37,986,789	7,317,322	324,390,183
I.G. Thulin	1,273,688,765	99.0%	13,282,942	6,755,546	324,390,183
C. Ware	1,252,726,940	97.3%	34,409,982	6,590,331	324,390,183
J.S. Watson	1,230,634,922	97.1%	37,211,823	25,880,508	324,390,183

- (2) The Board’s proposal to ratify the appointment of PricewaterhouseCoopers LLP as Chevron’s independent registered public accounting firm for 2015 was approved based upon the following votes:

Votes For	1,595,508,829	99.0%
Votes Against	15,598,635	1.0%
Abstentions	7,009,972	
Broker Non-Votes	Brokers were permitted to cast stockholder non-votes (i.e., uninstructed shares) at their discretion on this proposal item and such non-votes are reflected in the votes for or against or abstentions.	

- (3) The Board’s proposal for stockholders to approve, on an advisory basis, the compensation of Chevron’s named executive officers was approved based upon the following votes:

Votes For	1,205,401,116	94.1%
Votes Against	75,946,121	5.9%
Abstentions	12,381,498	
Broker Non-Votes	324,390,183	

(4) The stockholder proposal regarding corporate charitable contributions was not approved based upon the following votes:

Votes For	53,259,045	4.5%
Votes Against	1,136,717,828	95.5%
Abstentions	103,750,380	
Broker Non-Votes	324,390,183	

(5) The stockholder proposal regarding lobbying was not approved based upon the following votes:

Votes For	337,251,519	27.9%
Votes Against	871,662,040	72.1%
Abstentions	84,813,694	
Broker Non-Votes	324,390,183	

(6) The stockholder proposal regarding the use of corporate funds for political purposes was not approved based upon the following votes:

Votes For	44,788,286	3.6%
Votes Against	1,197,044,859	96.4%
Abstentions	51,894,108	
Broker Non-Votes	324,390,183	

(7) The stockholder proposal regarding a dividend policy was not approved based upon the following votes:

Votes For	40,738,831	3.2%
Votes Against	1,225,537,812	96.8%
Abstentions	27,450,610	
Broker Non-Votes	324,390,183	

(8) The stockholder proposal regarding greenhouse gas emissions was not approved based upon the following votes:

Votes For	96,444,640	8.2%
Votes Against	1,085,379,460	91.8%
Abstentions	111,903,153	
Broker Non-Votes	324,390,183	

(9) The stockholder proposal regarding shale energy operations was not approved based upon the following votes:

Votes For	318,008,587	26.8%
Votes Against	870,141,217	73.2%
Abstentions	105,577,449	
Broker Non-Votes	324,390,183	
