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

DIVISION OF
CORPORATION FINANCE

March 28, 2018

Elizabeth A. Ising
Gibson, Dunn & Crutcher LLP
shareholderproposals@gibsondunn.com

Re: Chevron Corporation
Incoming letter dated January 19, 2018

Dear Ms. Ising:

This letter is in response to your correspondence dated January 19, 2018 concerning the shareholder proposal (the "Proposal") submitted to Chevron Corporation (the "Company") by the Park Foundation et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence on behalf of the Park Foundation dated February 21, 2018. Copies of all of the correspondence on which this response is based will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Sanford Lewis
sanfordlewis@strategiccounsel.net

March 28, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Chevron Corporation
Incoming letter dated January 19, 2018

The Proposal requests a report on the Company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the Company's hydraulic fracturing operations.

We are unable to concur in your view that the Company may exclude the Proposal under rule 14a-8(i)(7). Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Caleb French
Attorney-Adviser

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

SANFORD J. LEWIS, ATTORNEY

February 21, 2018
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Chevron Inc. Regarding Methane Leakage and Emissions from Hydraulic Fracturing on Behalf of The Park Foundation

Ladies and Gentlemen:

The Park Foundation (the "Proponent") is beneficial owner of common stock of Chevron Inc. (the "Company") and has submitted a shareholder proposal (the "Proposal") to the Company. I have been asked by the Proponent to respond to the letter dated January 19, 2018 ("Company Letter") sent to the Securities and Exchange Commission by Elizabeth A. Ising of Gibson Dunn & Crutcher LLP. In that letter, the Company contends that the Proposal may be excluded from the Company's 2017 proxy statement by virtue of Rule 14a-8(i)(7).

I have reviewed the Proposal, as well as the letter sent by the Company, and based upon the foregoing, as well as the relevant rules, it is my opinion that the Proposal must be included in the Company's 2018 proxy materials and that it is not excludable by virtue of those rules. A copy of this letter is being emailed concurrently to Elizabeth A. Ising.

SUMMARY

The Proposal requests that the Company report, using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the Company's hydraulic fracturing operations. Proponents request in the supporting statement that the report include how frequently leak detection methods are employed, repair times for identified leaks, status of reducing high bleed pneumatic devices, methane emission rates from drilling, completion, and production operations, and methane emissions reduction targets.

The Company Letter asserts that because the Company is a defendant in tort litigation relating to its historic role in climate change, the current Proposal on control of its current and future methane emissions can be excluded. Staff precedents and the facts of the matter at hand support non-exclusion. Companies have long sought immunity from any proposals that broadly touch on the subject matter of pending litigation, an approach that has been rejected by the Staff.

The Proposal here does not attempt to micromanage the company's litigation strategy nor seek undisclosed information that is at the crux of the litigation (fault for climate change that has caused Plaintiffs' harm). Instead, the Proposal addresses the potential for proactive company responses on a recognized, significant policy issue of ongoing concern to investors – how the company is controlling methane emissions from its hydraulic fracturing operations.

The historic role of the Company's products and activities in contributing to climate change is well known and acknowledged by the Company, and is the crux of the litigation, but not the subject matter of the Proposal. The Proposal does not seek information related to the Company's past sales of fossil fuel products nor the retrospective issues of fault that are at the heart of the litigation. Therefore, the Proposal is not excludable under Rule 14a-8(i)(7).

THE PROPOSAL

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector — via venting, flaring, and leaking — has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

The oil and gas industry is the largest U.S. source of methane emissions.[1] The 2017 International Energy Agency's World Energy Outlook finds that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions.

Cost effective technological solutions exist and can be deployed immediately to substantially reduce methane emissions in the oil and gas industry. A small number of "super-emitter" leaks may produce a disproportionately large portion of emissions. With advances in infrared, drone, and leak detection technology, as well as more efficient equipment, it is well within the ability of companies to find and dramatically reduce their methane leaks.

Peers including Exxon, Shell, and BP recently committed to a set of guiding principles to reduce methane emissions and improve transparency.[2] The American Petroleum Institute announced the formation of an "Environmental Partnership" to voluntarily reduce methane emissions from U.S. oil and gas operations.[3] A number of oil and gas companies have previously announced adoption of methane reduction targets as part of the ONE Future Coalition. Chevron is the only major U.S. energy company not to join one of these initiatives.

A 2016 study ranked Chevron as 17th out of the 100 highest methane emitters from onshore production.

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[1] https://www.epa.goy/ghgemissions/oyerview-greenhouse-gasesitmethane
[2] httpS://WWW.WSi.com/articles/exxon-shell-bp-to-join-group-to-cut-emissions-from-natural-gas-1511360150
[3] https://www.platts.com/latest-news/oil/washington/amid-deregulatory-push-api-launch es-push-to-limit-26851288

https://cdn.americanprogress.org/wp content/uploads/2016/06/17113709/MethanePollution-reportpdf

Although Chevron provides broad and generalized statements about its methane reduction activities, it fails to disclose the information necessary to allow investors to assess its leak detection and repair practices based on objective, quantitative information. In a 2017 special methane edition of "Disclosing the Facts" Chevron scored only two out of thirteen points on its methane leak detection and emission reduction management-related disclosures for its U.S. operations. Chevron's reporting substantially lags that of its peers.

Given the intense and growing public scrutiny of methane emissions, Chevron must demonstrate to investors that it is taking action to reduce its methane risk. Disclosure of specific management practices and their impacts, especially with respect to leak detection, is the primary means by which investors can assess how our company is managing this important risk.

RESOLVED: Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

SUPPORTING STATEMENT: Proponents request the report include:

- identifying how frequently leak detection methodologies beyond visual inspections are used at each U.S. facility, including equipment inspected
- repair times for identified leaks
- status of reducing high bleed pneumatic devices
- methane emission rates from drilling, completion, and production operations
- methane emissions reduction targets

ANALYSIS

The Proposal is not excludable under Rule 14a-8(i)(7).

The Company Letter asserts that the Proposal is excludable because the Company is one of several fossil fuel companies being sued for their historic role in causing climate change:

> …. the Company is one of many defendants in eight lawsuits recently filed in multiple jurisdictions across the United States by several cities and counties (the “Plaintiffs”) who seek relief for alleged climate change injuries…In sum, the Plaintiffs allege that the Company is liable under state tort law related to its production, promotion, and sale of fossil fuels, and further allege that the Company should have historically altered its business model to transition away from fossil fuels, and that they have suffered damages due to the Company’s failure to do so.

A proposal that attempts to ***dictate a firm’s litigation strategy*** is considered by the Staff to entail micromanagement by shareholders on a subject matter that is outside of their expertise. Proposals that ask a company to settle or file litigation, or quantify liability in ongoing litigation,

have also been found to be excludable in Staff decisions.[4] In these instances, the excluded proposals dealt with management of issues of a complex nature (pending litigation) about which stockholders, as a group, are not qualified to make informed business decisions. In effect, these are decisions reserved to deliberation between board and management and their counsel. So, for instance, a proposal that attempted to direct Exxon Mobil's settlement in the Valdez oil spill was excludable. *Exxon Mobil Corp.* (avail. Mar. 21, 2000) (concurring with the exclusion of a proposal requesting immediate payment of settlements associated with oil spill as relating to litigation strategy and related decisions).

The current Proposal does not fit into this group of precedents, as it does not attempt to micromanage the Company's litigation strategy. It does not ask for information on the litigation, make recommendations as to how the litigation should be defended, or ask for information on the litigation's resolution or repercussions.

As referenced in the Company Letter, the Staff has sometimes been asked by companies to allow exclusion of proposals that are not addressed to litigation strategy, but where the fulfillment of the proposal's request might involve a statement or admission by the company that could prove useful to plaintiffs in current litigation. This category of potential exclusions could easily encompass **all** shareholder proposals that address significant societal issues. Inevitably, in most instances in which companies are faced with significant social policy issues, the controversies also are raised in the courts. If the Staff were to allow exclusion of resolutions because they might lead to some kind of statement that might be useful in ongoing litigation, this would have the effect of giving companies a pass on proposals on the most critical issues facing their businesses. As importantly, it would deprive investors of access to the shareholder proposal process for attention to the most significant issues facing their companies.

Accordingly, the Staff rulings on shareholder resolutions that might involve some form of "admission" have been narrowly circumscribed to apply only where the resolutions cross the line into requiring the company to do something that is pointedly inconsistent with defense of litigation, including reporting undisclosed information that is at the heart or crux of the litigation, such as admitting to liability or fault. In contrast, where acting on a proposal on significant policy issues of legitimate concern to investors, even if the proposal may potentially make some non-core admission or information available for plaintiffs, the Staff routinely rejects exclusion.

The instances in which exclusions have been allowed involved proposals requiring a company to

[4] *Chevron Corp.* (Mar. 19, 2013) requesting company review of "legal initiatives against investors"; *CMS Energy Corp*. (Feb. 23, 2004) requiring the company to void any agreements with two former members of management and initiate action to recover all amounts paid to them; *NetCurrents, Inc.* (May 8, 2001) requesting the company to file suit against certain of its officers for financial improprieties); *Benihana National Corp.* (avail. Sept. 13, 1991) report prepared by a board committee analyzing claims asserted in a pending lawsuit). In contrast, proposals that ask for an accounting of expenditures on a company issue, including attorneys' fees related to litigation, are not excludable, because they represent a reasonable form of shareholder oversight. For example, in *General Electric* (Feb. 2, 2004), the staff rejected an ordinary business argument against a proposal calling on management to report its annual expenditures on various expenses related to the remediation, and other health and environmental impacts, of sites contaminated by PCBs. In that case, litigation related to the cleanup operations was ongoing, and the proposal explicitly requested information on GE's spending "on attorney's fees [and] expert fees.

make an admission or concession of a *core contested fact in litigation* - for example, taking responsibility for a harm that the company has not already agreed exists.

An instance where the company met its burden of proving that the proposal addressed the crux of the litigation was in *Wal-Mart Stores. Inc.* (April 14, 2015). The proposal urged the board to set a goal of eliminating gender-based pay inequity at the company in the United States and report annually to shareholders on actions taken and progress made toward that goal. The report requested the company include data for each grade/range regarding the proportion of male and female employees, the average annual hours worked by male and female employees, and the average hourly wage rate or annual compensation paid to male and female employees in the U.S. in the most recently completed fiscal year. The company in that instance had provided evidence that the disclosure sought by the proposal would constitute an admission in the regional lawsuits filed in a series of "regional" class actions. The individual plaintiffs in those putative class actions continue to allege Company-wide gender-based pay disparities, which the company denied existed.

Similarly, in *Johnson & Johnson* (Feb. 14, 2012), the Proposal would have required the company to address the "health and social welfare concerns of people *harmed by adverse effects from Levaquin*," one of the Company's pharmaceutical products. The company was in litigation about precisely *whether its products caused adverse effects*. As the Company noted, the report requested in the proposal would have required a report on the very matter being litigated—"adverse effects from" the company's product.

In *General Electric Co.* (Feb. 3, 2016) the proposal requested a report quantifying the company's *liabilities associated with* discharge of chemicals into the Hudson River, while the company was a defendant in multiple pending lawsuits where those liabilities were at issue. *Quantifying liabilities* spoke directly to the outcome of the litigation.

In Reynolds American Inc. (Feb. 10, 2006) Reynolds Tobacco and other tobacco manufacturers were currently defendants in a suit alleging the use of menthol cigarettes by the African American community poses unique health risks to this community. The suit includes the specific allegation that the defendant tobacco manufacturers "predominately market mentholated cigarettes to African Americans despite, … conclusions … that menthol may promote deeper inhalation and … cause, aggravate or contribute to … higher addiction rates in African Americans." The proposal asked the company to voluntarily undertake a campaign aimed at African Americans apprising them of the unique health hazards to them associated with smoking menthol cigarettes including data showing the industry descriptors such as "light" and "ultralight" do not mean those who smoke such brands will be any less likely to incur diseases than those who smoke regular brands. he specificity of the proposal, going to the narrow liability issue of whether there were "unique health hazards" associated with African-Americans smoking menthol cigarettes, which was being contested by the company in the litigation, made these requested affirmations effectively go to the core of the litigation.

In contrast, in decisions where the Staff declined to allow exclusion some combination of the following factors were involved:

- despite the subject matter of the proposal touching on ongoing litigation, the proposals appropriately focused on a significant social policy issue of substantial and appropriate investor interest

- the societal impacts (emissions, health effects etc.) caused by the company's actions were well known

- the crux of the litigation was retrospectively focused while the proposal was prospective in its assessments and actions, and the subject matter of the proposal did not address issues of fault.

For instance, in *The Dow Chemical Company* (February 11, 2004) the ongoing litigation was a civil suit for remediation relating to the Bhopal disaster pending in the Southern District of New York; there was also a criminal action against Dow/Union Carbide pending in India. The proposal requested that the management of Dow Chemical prepare *a report to shareholders describing new initiatives instituted by the management to address the specific health, environmental and social concerns of the survivors of the Bhopal tragedy*. Even though the company argued that "the Proposal asks the Company to effect an action that is precisely what the Company's subsidiary is arguing in the pending litigation that it has no obligation to do...," as in the present case, the Staff found that the issues that the proposal would have touched upon did not go to the issues of fault that were the crux of the litigation.

In contrast to the menthol cigarettes proposal described above, in *R.J. Reynolds Tobacco Holdings, Inc. (* March 7, 2002), the Staff found a proposal not excludable despite its extensive recommendations for disclosure on cigarette packages making information known regarding 'cigarette price, brand availability and average tar and nicotine yields' and asking that every package of our tobacco products include full and truthful information regarding ingredients that may be harmful to the consumer's health, the toxicity of the specific brand, and what detriment to life-expectancy the consumer may expect to incur from regular use of the product, as well as the health hazards for others, especially children, connected with environmental tobacco smoke. In this instance, even though there was ongoing litigation about harm associated with cigarettes, all of the information sought by the proposal was readily available in public records and scientific literature and did not require any admission by the company.

In *RJ Reynolds* (March 7, 2000) the resolution called for RJR Nabisco to create an independent committee to investigate retail placement of tobacco products, in an effort to prevent theft by minors. The company argued that due to two current lawsuits (against FDA and the Commonwealth of Massachusetts on regulations on retail placement) the Proposal, if implemented, would interfere with litigation strategy by asking the company to take voluntary

action in opposition to its position in the lawsuits. In effect, the Staff found that the creation of an independent committee to investigate the issue of retail placement did not interfere with the litigation.

In *Philip Morris* (Feb. 14, 2000), the resolution called for management to develop a report for shareholders describing how Philip Morris (PM) intended to address "sicknesses" caused by the company's products and correct the defects in the products that cause these sicknesses. The company argued that the Proposal dealt with matters prominently at issue in numerous lawsuits. Because statements on PM's website essentially admitted that cigarettes cause "sickness," a Proposal asking how the company intended to address such sickness was unlikely to interfere with any litigation strategy, particularly on the issue of fault.

In *American International Group, Inc.* (March 14, 2005) the proposal urged that a committee of independent directors oversee a recently appointed transaction review committee that would be examining AIG's sales practices and report to shareholders its findings and recommendations. The Company had asserted that it may omit the proposal under the ordinary business exclusion because "it relates to the subject matter of litigation in which the Company has been named as a defendant." In support, AIG argued that a comprehensive, company-wide report is excludable when the "subject matter of the proposal is the same or similar to that which is at the heart of litigation in which a registrant is then involved." This approach to the "litigation strategy" argument of exclusion was rejected in that case and in many others where the proposal clearly addressed legitimate concerns and interests of investors rather than being directed at the litigation.

Below, we will demonstrate that the current Proposal meets the various criteria under which Staff decisions have not allowed exclusions even where potential "admissions" might occur as a result of a proposal's request.

The Proposal relates to the recognized significant policy issue of environmental impacts from hydraulic fracturing, including the role of methane as a major greenhouse gas emission sources

Prior Staff determinations have settled the question of whether proposals addressing the environmental impacts of hydraulic fracturing and methane emissions address a significant policy issue that transcends ordinary business for purposes of Rule 14a-8(i)(7). For instance, in *Exxon Mobil Corporation* (March 13, 2017) the Staff found a nearly identical proposal regarding methane emissions from hydraulic fracturing to be non-excludable under Rule 14a-8(i)(7). In *Exxon Mobil* (March 19, 2014) on an earlier version of the proposal addressing methane emissions as well as other environmental impacts. In *Spectra Energy Corp.* (February 21, 2013) staff upheld a proposal that requested that the board publish a report on how the company is measuring, mitigating, and disclosing methane emissions. Similarly, in *WGL Holdings, Inc.* (November 29, 2016) a proposal requesting that the company develop a report quantifying the financial risk that methane leaks in its natural gas infrastructure pose to the company and its investors was not found to be excludable. In *Spectra Energy Corp* (January 14, 2014) a proposal requesting that Spectra Energy set reduction targets for methane emissions resulting from all operations under the company's financial or operational control by

October 2014 was held not to be excludable.

In attempting to assert that the current proposal is excludable under Rule 14a-8(i)(7), the Company's interpretation and argument collides with all of these prior Staff decisions clearly determining otherwise. The existence of ongoing climate litigation does not alter these determinations.

Further support for finding that the Proposal is not excludable under Rule 14a-8(i)(7) comes from innumerable prior Staff decisions finding that proposals addressing key issues regarding strategic responses and goals on climate change are not excludable as related to ordinary business. For instance, see *Chevron Inc*. (March 23, 2016), requesting that the company publish an annual assessment of long-term portfolio impacts to 2035 of possible public climate change policies. *Dominion Resources Inc.* (February 11, 2014) requesting the company adopt quantitative goals, taking into account International Panel on Climate Change guidance, for reducing total greenhouse-gas emissions from the company's products and operations and report on its plans to achieve these goals. *Hess Inc.* (Feb. 29, 2016) requested that Hess prepare and publish a report disclosing the "financial risks to the Company of stranded assets related to climate change and associated demand reductions. The report should evaluate a range of stranded asset scenarios, such as scenarios in which 10, 20, 30, and 40 percent of the Company's oil reserves cannot be monetized" and "Provide a range of capital allocation strategies to address the growing potential of low-demand scenarios, including diversifying capital investment or returning capital to shareholders."[5]

Further, in the SEC's February 8, 2010 Climate Change Release (Release Nos. 33-9106; 34-61469; FR-82), "Guidance to Public Companies Regarding the Commission's Existing Disclosure Requirements as they Apply to Climate Change Matters," the Commission explained that climate change had become a topic of intense public discussion as well as significant national and international regulatory activity. This new disclosure guidance was needed, according to the SEC because concern over climate change was leading to "the regulatory, legislative and other developments … [that could] have a significant effect on operating and financial decisions." This guidance demonstrated that the SEC recognizes climate change as a significant public policy issue affecting companies. To the extent that the Climate Guidance and other initiatives have not produced the needed levels of disclosure at particular companies, the shareholder resolution process provides one of the most important mechanisms for encouraging companies to enhance their disclosure.

Public companies are being pressed to take note of growing investor interest around climate change and its impacts, and to plan accordingly. As Broadridge and PriceWaterhouseCooper shared in their *2017 Proxy Season Review:*

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[5] Also see, e.g., *DTE Energy Company* (January 26, 2015), *J.B. Hunt Transport Services, Inc.* (January 12, 2015), *FirstEnergy Corp.* (March 4, 2015) (proposals not excludable as ordinary business because they focused on reducing greenhouse gas emissions GHG and did not seek to micromanage the company); *Devon Energy Corp.* (March 19, 2014), *PNC Financial Services Group, Inc.* (February 13, 2013), *Goldman Sachs Group, Inc.* (February 7, 2011) (proposals not excludable as ordinary business because they focused on significant policy issue of climate change)*; NRG Inc.* (March 12, 2009) (proposal seeking carbon principles report not excludable as ordinary business); *Exxon Mobil Corp.* (March 23, 2007) (proposal asking board to adopt quantitative goals to reduce GHG emissions from the company's products and operations not excludable as ordinary business); *General Electric Co.* (January 31, 2007) (proposal asking board to prepare a global warming report not excludable as ordinary business).

> With the growing momentum of ESG proposals in the 2017 proxy season, companies should anticipate that these topics will continue to be high on the agenda in 2018. With the United States withdrawal from the Paris Climate Accord, disclosure requests related to climate change risk are anticipated to be at the forefront. Boards should expect questions from shareholders on how companies are considering climate risk in their strategy and operations, and how their environmental impact reporting is evolving.[6]

Institutional Shareholder Service's new guidelines on shareholder proposals on climate risk are to "Generally vote for resolutions requesting that a company disclose information on the financial, physical, or regulatory risks it faces related to climate change on its operations and investments **or on how the company identifies, measures, and manages such risks.**[7] . ."[Emphasis added]

Recent developments on methane emissions from hydraulic fracturing and other oil and gas production activities heighten the importance of this issue for the sector and the Company

> "Methane leakage has become a flashpoint in the U.S. debate over energy and the environment . . . . "[8]

Investors have become increasingly focused on oil and gas company methane management because of methane's intense, short-term climate forcing impact. Over a twenty-year period, methane's "global warming potential" is at least 84 times that of carbon dioxide. According to EPA, the oil and gas sector produces over 30% of U.S. methane emissions, the largest source of methane emissions in the U.S. Not only are methane emissions a critically important greenhouse gas, but their reduction is feasible now. The International Energy Agency's *World Energy Outlook 2017* contends that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions. Reducing methane emissions in the near term, then, presents an important opportunity to slow the rate of global warming.

Since natural gas burns more cleanly than coal, it is often promoted as a bridge fuel to help move the global economy away from high carbon energy sourced from coal. Accordingly, oil and gas companies are increasing the percentage of gas in their energy resource base, with the intent of decreasing the greenhouse gas intensity of their product mix. Importantly, however, while natural gas burns more cleanly than coal, to the extent methane emissions from across the natural gas and oil value chain are not controlled, the potential benefit from burning gas over coal will be lowered. If slightly over 3% of natural gas is leaked across the entire supply chain, from production to distribution, use of natural gas may be worse for the climate than coal.

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[6] *ProxyPulse 2017 Proxy Season Review*. Broadridge and PwC. Available online at https://www.broadridge.com/_assets/pdf/broadridge-2017-proxy-season-review.pdf. Page 3.
[7] 2018 Americas Proxy Voting Guidelines Updates Benchmark Policy Changes for U.S., Canada, and Brazil, Effective for Meetings on or after February 1, 2018. Institutional Shareholder Services, November 16, 2017. Page 26.
[8] Ed Crooks, Financial Times, November 22, 2017.

Disclosing the Facts (DTF) is an annual investor review of oil and gas company management of environmental and community risks from hydraulic fracturing operations. In 2017, the report focused exclusively on methane emissions and reductions. *Disclosing the Facts: Transparency and Risk in Methane Emissions from Oil & Gas Production (2017)*[9] identifies key actions oil and gas companies can take to reduce methane emissions -- and the company disclosures appropriate to aid investors in comparing companies' management practices. The 2017 *DTF* report found a wide range of differences among the 28 companies' methane management disclosures and practices, and ranked companies according to their responsiveness to these issues.[10]

DTF 2017 found six companies were especially strong performers in implementing and disclosing best methane reduction practices: Apache (NYSE:APA), BHP (NYSE:BBL), and Southwestern Energy (NYSE:SWN) each earned 12 of 13 possible points. Shell (NYSE:RDS.A), ConocoPhillips (NYSE:COP), and Hess (NYSE:HES) earned 11 points each. Exxon Mobil (NYSE:XOM) also improved its methane reduction program and disclosures in 2017, following a 2017 shareholder proposal filed by *As You Sow*. Chevron ranked among the lowest scoring of the 28 companies evaluated for methane reduction practices in the *DTF* report earning only 2 of 13 points. The shareholder Proposal at issue here followed from this insufficient reporting.

Chevron has historically been a laggard in reporting on its hydraulic fracturing activities and on its methane management. Shareholders have filed proposals with Chevron seeking better hydraulic fracturing reporting nearly every year since 2011. In filing these proposals, shareholders have sought improved reporting across a number of indicators including chemicals, water, air, community impacts, and management and oversight. Methane reporting has been a growing focus in company engagements around reporting. The various oil and gas fracking proposals filed with Chevron have had shareholder support ranging from 40% to 26%, with average support of 30.4% of shareholders. Although Chevron has been willing to meet and engage with shareholders on these reporting issues, it has been one of the most intransigent companies regarding improving its disclosures.

Investors & Climate Change. Investors' focus on reducing "carbon risk" in their portfolios is leading naturally to their increased focus on methane -- a pivotal emission category of uniquely high impact on climate change. Investor portfolios commonly hold a wide spectrum of economic sectors, therefore widespread disruptions associated with climate change are likely to have negative long-term portfolio implications for investors. As global regulatory responses to climate change increase, business risk to carbon-intensive companies such as oil and gas producers also increases. Governments around the globe have agreed to take measures to keep warming well below 2 degrees Celsius, highlighting the global intention to transition away from carbon-intensive fuels. Investors are increasingly concerned about this growing climate risk and whether their companies are taking sufficient measures to adapt to an increasingly carbon-constrained economy.

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[9] http://disclosingthefacts.org/

[10] *The report is a publication of As You Sow*, Boston Common Asset Management, and the Investor Environmental Health Network (IEHN).

An increased focus on methane is not confined to shareholders, as highlighted in a number of recent announcements by oil and gas companies of adopting voluntary programs to achieve methane emissions reductions, improve methane reporting measures, and set methane reduction targets. In November 2017, the American Petroleum Institute (API) announced the formation of an environmental partnership of 26 companies, including many of the top U.S. natural gas producers, to cut methane leaks from wells and other U.S. onshore production sources.[11] Similarly, in November 2017, eight large international oil and gas companies, including ExxonMobil, signed on to "guiding principles" for cutting methane emissions.[12] These announcements are in addition to voluntary commitments and reduction targets announced in 2014 and 2016 by members of the ONE Future Coalition.

Reducing methane emissions can be a cost-effective investment for companies. Efficiencies can be improved as new methane-reducing equipment is put on-line and methane emissions can be captured and placed in pipelines for sale, or used to power operations. The rate of return on investment depends on the amount of gas captured, efficiencies achieved, the expense of monitoring and capture, and the market price of natural gas.

Fulfilling the Proposal would not undermine Chevron's litigation strategy or defense

Chevron argues in its no action request that it will be disadvantaged in its litigation strategy by Proponent's request that Chevron provide a report on its current methane reduction actions. The Company incorrectly asserts that the requested information ". . . prematurely discloses information outside the litigation context for use in support of the Plaintiffs' theory that the Company is responsible (and to what extent) for an alleged proportional share of methane emissions."

In fact, the lawsuits raised in this no-action letter seek damages for harms caused by Chevron's *past* sale of fossil fuel products, the greenhouse gas emissions released by the sale of those products, the climate change impacts that resulted, and the percentage of those harms for which Chevron should be held responsible.[13] The crux of the litigation is fault for past action and inaction and what responsibility Chevron should bear for its past actions.

The Proposal does not ask the Company to disclose any information on past greenhouse gas emissions. The information requested in the Proposal -- how the company *currently* manages its methane emissions and what *current* emissions are – bears no relationship to the issue of the company's past decision-making regarding its product mix or its past greenhouse gas emissions,

[11] Natural Gas, Oil Industry Launch Environmental Partnership to Accelerate Reductions in Methane, VOCs, http://www.api.org/news-policy-and-issues/news/2017/12/04/natural-gas-oil-environmental-partnership-accelerate-reductions-methane-vocs.
[12] Eight energy companies commit to reduce methane emissions within natural gas industry (Nov. 7, 2017), http://corporate.exxonmobil.com/en/company/news-and-updates/news-releases-and-alerts/eight-energy-companies-commit-to-reduce-methane-emissions.
[13] At the outset, we note that methane is only one greenhouse gas and it is generally subsumed within the greenhouse gas equivalent measure used to assess *total* greenhouse gas emissions, which is the question at issue in the various lawsuits filed against Chevron.

what share of greenhouse gas emissions Chevron may have contributed historically, or the harm such emissions may have caused plaintiffs. The proposal is therefore not pertinent to the heart or crux of the lawsuits against Chevron.

If the Company is suggesting that current best practices and emissions information might somehow be used to ascertain *historical* methane emissions information, it has not so stated. Such an endeavor would be far less useful than simply reading Chevron's current website or the historical information it has provided to EPA. For instance, Chevron publicly posts its total 2016 greenhouse gas emissions on its website.[14] **The Company quantifies on its website that methane emissions contribute 9% of its total greenhouse gas emissions.[15]** Finally, plaintiffs will certainly be able to access greenhouse gas emissions information Chevron has kept internally and provided to EPA. Chevron's greenhouse gas information from 2010 to 2016 is publicly available, by facility, including total greenhouse gas emissions in metric ton equivalent and emissions broken down by carbon, methane, and nitrous oxide.[16]

Since information on the Company's past greenhouse gas emissions – the heart of the lawsuits -- is already available publicly, and Chevron must continue to report its emissions activity, there is little that a report by Chevron of its current methane emission reduction measures and emissions rates could add that would be strategically disadvantageous to the company. Any such forward-looking information would add little, if any, useful information to plaintiffs in the lawsuits.

It is accurate that some of the current lawsuits petition the court for prospective injunctive relief to reduce or end the company's greenhouse gas emissions. Accordingly, Chevron argues that the information requested by Proponent's will enable the Plaintiffs to use the requested report as evidence that certain abatement strategies are economically and technologically feasible, and therefore potentially appropriate under an equitable analysis to abate a "continuing problem." In all practicality, however, information as to how companies can, should, and are addressing methane emissions reductions is readily available to every court inclined to take upon itself the affirmative task of telling a company how to reduce its greenhouse gas emissions. The courts at issue could simply peruse the recently issued API guidelines on methane emissions reduction practices or the guidelines voluntarily adopted by 8 major oil and gas companies. The court could also review the many available disclosures from oil companies on what measures they are currently undertaking to reduce methane emissions as set forth in the *2017 Disclosing the* F*acts* special methane report referenced above, which outlines best practices and how companies are adopting them. The court could also consult "An Investor's Guide to Methane" issued in 2016 by the Environmental Defense Fund & Principles for Responsible Investment's (PRI) guidance for shareholders on methane management; review Energy Star best practices; or seek out a host of current industry articles and discussions on this important topic, as well as consult with industry experts. Chevron's actual, ongoing actions to reduce methane emissions would potentially be

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[14] In 2016, emissions totaled 66 million metric tons of CO_2-equivalent, calculated on a direct, operated basis. https://www.chevron.com/corporate-responsibility/climate-change/greenhouse-gas-management

[15] Methane accounts for approximately 9 percent of Chevron's total greenhouse gas emissions, using CO_2 equivalent, direct, operated basis. https://www.chevron.com/corporate-responsibility/climate-change/greenhouse-gas-management

[16] http://bit.ly/ChevronGHG

much less relevant than leading indicators of best practices that Chevron is not yet undertaking.[17]

The Company itself already sets forth publicly the amount of greenhouse gas reductions it has planned, including the total number of projects and total expected amount of greenhouse gas emissions reductions it will achieve.[18] If a court were to fashion injunctive relief as to greenhouse gas emissions reductions, this information is more likely to be used than the subset of methane-specific actions the company might report and is potentially already undertaking.

The Proposal is prospective in its request for methane reduction management reporting, while the crux of the litigation is retrospectively focused on fault for past actions

None of the information requested by Proponents – Chevron's methane best management practices and current methane emissions metrics -- would provide critical or strategic information on whether the company is liable for some proportional share of *past* emissions or the damage that such emissions caused.

Chevron's own publicly available greenhouse gas emissions reporting is a far better source of data available to Plaintiffs than what is requested in the Proposal. Similarly, information about best practices Chevron is currently implementing, and the methane emissions achieved by them, is not particularly helpful to fashioning *prospective* relief on greenhouse gas emissions reductions practices that Chevron should be undertaking, but is not.

Given that the Proposal does not address the subject matter that is at the heart of the litigation – past emissions -- and could have only the most tangential and speculative effect on the fashioning of prospective injunctive relief, the litigation concerns cited by Chevron do not outweigh the benefit to both shareholders and the company of having this important methane reporting Proposal move forward. The information provided by the Company acting favorably on the request of the Proposal would merely be additive, not going to the crux of fault, liability, the assignment of proportional liability, or even prospective injunctive relief. As such, this situation is entirely analogous to the many precedents cited above in which proposals were not allowed to be excluded despite touching on the general subject matter of ongoing litigation.

The minimal effect on Chevron's ability to strategically defend its case, when weighed against the importance of shareholders' ability to raise climate change in proposals, weighs against granting Chevron's No Action Request

As discussed above, there is very little likelihood that the current Proposal would in any way meaningfully affect Chevron's litigation position. Yet, Chevron's argument, if accepted, would essentially prevent all climate related proposals at the largest fossil fuel companies (most of

[17] In addition, the lawsuits do not single out any particular greenhouse gas for prospective relief, so any reporting by Chevron on its specific actions to reduce methane emissions is unlikely to provide crucial data on which a court would fashion general greenhouse gas reduction measures were it so inclined (an unlikely event given courts' general reluctance to impose affirmative obligations upon companies in legal actions).
[18] https://www.chevron.com/corporate-responsibility/climate-change/greenhouse-gas-management

which are subject to climate lawsuits) from moving forward. Further, the number of fossil fuel companies subject to lawsuits is likely to grow as litigation gains traction.

Shareholders are demanding clear and comparable information about how their companies are addressing the recognized and significant risks posed by climate change, including potential negative impacts and positive opportunities that may affect financial returns. The potential for a de-minimis impact on litigation should not prevent these important requests from moving forward.

The purpose of the SEC's rules and regulations is to ensure complete disclosure of material financial information to public investors. On the SEC's website, the Commission has observed that "[t]he laws and rules that govern the securities in the United States derive from a simple and straightforward concept: all investors, whether large institutions or private individuals, should have access to certain basic facts about an investment prior to buying it … Only through the steady flow of timely, comprehensive and accurate information can people make sound investment decisions."[19]

The SEC has stated that it will assess ordinary business claims on a case by case basis, taking into account factors such as the nature of the proposal and the circumstances of the particular company. In this case, when weighed against the importance of the methane reduction issue to shareholders and the negligible chance that it will impact Chevron's strategic legal position, the Staff should not allow Chevron to block this important proposal.

This shareholder proposal, which does not address pending litigation, is consistent with, and furthers the SEC's stated interest in, ensuring complete and accurate corporate disclosures, and the investing public's interest in promoting transparency in publicly traded companies. Considering the SEC's mission, the balance weighs heavily in favor of non-exclusion of the Proposal.

CONCLUSION

Based on the foregoing, we believe it is clear that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2018 proxy statement pursuant to Rule 14a-8(i)(7). As such, we respectfully request that the Staff inform the company that it is denying the no action letter request. If you have any questions, please contact me at 413 549-7333 or sanfordlewis@strategiccounsel.net.

[19] The Investor's Advocate: How the SEC Protects Investors and Maintains Market Integrity, available at http://www.sec/gov/about/whatwedo.shtml.

Sincerely,

Sanford Lewis

Cc:
Elizabeth A. Ising, Gibson Dunn
Danielle Fugere, As You Sow

GIBSON DUNN

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January 19, 2018

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 Park Foundation et al
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 2018 Annual Meeting of Stockholders (collectively, the "2018 Proxy Materials") a stockholder proposal (the "Proposal") and statements in support thereof received from As You Sow, on behalf of Park Foundation, Dominican Sisters of Hope, Congregation of St. Joseph, Adrian Dominican Sisters, and Dignity Health (collectively, the "Proponents").

Under 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 Company intends to file its definitive 2018 Proxy Materials with the Commission, and we have concurrently sent 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 this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned pursuant to Rule 14a-8(k) and SLB 14D.

PROPOSAL

The Proposal states:

> **RESOLVED:** Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the

company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

The supporting statements request that the report includes:

- identifying how frequently leak detection methodologies, beyond visual inspections, are used at facilities such as well pads, compressors, etc., including equipment inspected
- repair times for identified leaks
- status of reducing high bleed pneumatic devices
- methane emission rates from drilling, completion, and production operations
- methane emissions reduction targets

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

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may properly be excluded from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's litigation strategy.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Deals With Matters Relating 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 term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word, but instead the term "is rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that 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," and identified two central considerations that underlie this policy. The first was that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder 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." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

Framing a stockholder proposal in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Release No. 20091 (Aug. 16, 1983). In addition, the Staff has indicated that "[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under rule 14a-8(i)(7)." *Johnson Controls, Inc*. (avail. Oct. 26, 1999).

The Staff consistently has concurred with the exclusion under Rule 14a-8(i)(7) of stockholder proposals that implicate and seek to oversee a company's ordinary business operations, including when the subject matter of the proposal is the same as or similar to that which is at the heart of litigation in which a company is involved. For example, in *Johnson & Johnson* (avail. Feb. 14, 2012), the Staff concurred with the exclusion of a proposal that requested that the company report on any new initiatives instituted by management to address the "health and social welfare concerns of people harmed by adverse effects from Levaquin," one of the Company's pharmaceutical products. Specifically, the proposal was excludable as relating to the company's litigation strategy where the company was litigating several thousand cases involving claims that individuals had been injured by the company's drug LEVAQUIN®. Thus, the report requested in the proposal would have required a report on the very matter being litigated—"adverse effects from" the company's product. *See also General Electric Co.* (avail. Feb. 3, 2016) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company issue a report containing specified information regarding the alleged discharge of chemicals into the Hudson River, while the company was a defendant in multiple pending lawsuits alleging damages related to the company's alleged past release of chemicals into the Hudson River); *Wal-Mart Stores, Inc*. (avail. Apr. 14, 2015) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company prepare an annual report on company actions taken to eliminate gender-based pay inequity and progress made toward such elimination given numerous pending lawsuits and claims alleging gender-based pay discrimination, with the Staff noting "[p]roposals that would affect the conduct of ongoing litigation to which the company is a party are generally excludable under rule 14a-8(i)(7)"); *Reynolds American Inc.* (avail. Mar. 7, 2007) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company provide information on the health hazards of secondhand smoke, including legal options available to minors to ensure their environments are smoke free, where the company was currently litigating six separate cases alleging injury as a result of exposure to secondhand smoke and a principal issue concerned the health hazards of secondhand smoke); *AT&T Inc.* (avail. Feb. 9, 2007) (concurring with the exclusion, as relating to ordinary business operations (*i.e*., litigation strategy), of a proposal requesting that the company issue a report

containing specified information regarding the alleged disclosure of customer records to governmental agencies, while the company was a defendant in multiple pending lawsuits alleging unlawful acts by the company in relation to such disclosures); *Reynolds American Inc.* (avail. Feb. 10, 2006) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company notify African-Americans of the unique health hazards to them associated with smoking menthol cigarettes, where the company noted that undertaking such a campaign would be inconsistent with positions it was taking in denying such health hazards as defendant in a lawsuit alleging that the use of menthol cigarettes by the African-American community poses unique health risks to this community).

As with the proposals in *Johnson & Johnson* and *Wal-Mart Stores, Inc*., the Company believes that the Proposal may be excluded from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal involves the same subject matter as, and implicates the Company's litigation strategy in, several pending lawsuits involving the Company and therefore relates to the Company's ordinary business operations.

Specifically, the Company is one of many defendants in eight lawsuits recently filed in multiple jurisdictions across the United States by several cities and counties (the "Plaintiffs") who seek relief for alleged climate change injuries. The quotations used here are exemplary of the complaints, which allege similar causes of action based on the same theories of liability.[1] In sum, the Plaintiffs allege that the Company is liable under state tort law related to its production, promotion, and sale of fossil fuels, and further allege that the Company should have historically altered its business model to transition away from fossil fuels, and that they have suffered damages due to the Company's failure to do so. The Company believes that these lawsuits lack factual and legal merit and will mount a vigorous defense.

By requesting a report "using quantitative indicators, on the company's actions beyond regulatory requirements to minimize emissions, particularly leakage, from the company's hydraulic fracturing operations," the Proposal involves the same subject matter as and directly implicates the Company's litigation strategy and conduct in these lawsuits. A central allegation, common to all of the cases, is that the Company is liable for the proportional share of worldwide greenhouse gas emissions attributable to its "production, promotion, marketing, and use of fossil

[1] *See County of San Mateo v. Chevron Corp., et al.*, 3:17-cv-4929-VC (N.D. Cal. removed Aug. 24, 2017); *City of Imperial Beach v. Chevron Corp., et al.*, 3:17-cv-4934-VC (N.D. Cal. removed Aug. 24, 2017); *County of Marin v. Chevron Corp., et al.*, 3:17-cv-4935-VC (N.D. Cal. removed Aug. 24, 2017); *The People of the State of California, acting by and through the Oakland City Attorney Dennis J. Herrera v. BP P.L.C., et al.*, 3:17-cv-6011-WHA (N.D. Cal. removed Oct. 20, 2017); *The People of the State of California, acting by and through the San Francisco City Attorney v. BP P.L.C., et al.*, 3:17-cv-6012-WHA (N.D. Cal. removed Oct. 20, 2017); *County of Santa Cruz v. Chevron Corp., et al.*, 17-cv-03242 (Santa Cruz Cty. Sup. Ct. filed Dec. 20, 2017); *City of Santa Cruz v. Chevron Corp., et al.*, 17-cv-03243 (Santa Cruz Cty. Sup. Ct. filed Dec. 20, 2017); *City of New York v. BP P.L.C., et al.*, 1:18-cv-182 (S.D.N.Y. filed Jan. 9, 2018).

fuel products." Marin Compl., ¶ 9; *see also, e.g.,* New York Compl., ¶¶ 56, 59, 116, 123. The Company's production of fossil fuels includes hydraulic fracturing operations—the subject of the Proposal. And the alleged greenhouse gases at issue in the litigation according to the Plaintiffs include carbon dioxide and methane—the latter of which is also the subject of the Proposal. *See, e.g.,* Marin Compl., ¶ 1 n.1. The Plaintiffs allege that "methane . . . is the second most important greenhouse gas and . . . routinely escapes into the atmosphere." *See, e.g.,* Oakland Compl., ¶ 52; *see also* New York Compl., ¶ 57.

The Plaintiffs further allege that a "cumulative carbon analysis allows an accurate calculation of net annual CO2 and methane emissions attributable to each Defendant by quantifying the amount and type of fossil fuels products each Defendant extracted and placed into the stream of commerce, and multiplying those quantities by each fossil fuel product's carbon factor." *See, e.g.,* Marin Compl., ¶ 74. And the Plaintiffs allege that "[b]y quantifying CO2 and methane pollution attributable to Defendants by and through their fossil fuel products, ambient air and ocean temperature and sea level responses to those emissions are also calculable, and can be attributed to Defendants on an individual and aggregate basis." *Id.,* ¶ 77. Finally, as relief, the Plaintiffs seek, among other things, "[a]n equitable order ascertaining the damages and granting an injunction to abate the public nuisance." *See, e.g.,* New York Compl., Relief Requested.

The Proposal directly interferes with the Company's defense of these claims by requesting a report "using quantitative indicators. . . to minimize emissions, particularly leakage, from the company's hydraulic fracturing operations." For example, creating and publishing a report on the Company's "methane emission rates from drilling, completion and *production*" (emphasis added) and "quantitative indicators" regarding strategies for the identification of and costs related to "methane emission reduction targets," even if only from the Company's hydraulic fracturing operations, overlaps—both factually and strategically—with one of the principal legal issues in the litigation: the Company's alleged proportional share of methane emissions attributable to its "*production*, promotion, marketing, and use of fossil fuel products" (emphasis added). Endeavoring to calculate and disclose "methane emissions rates" and "reduction targets" along with "leak detection methodologies," "repair times for identified leaks," and the "status of reducing high bleed pneumatic devices" prematurely discloses information outside the litigation context for use in support of the Plaintiffs' theory that the Company is responsible (and to what extent) for an alleged proportional share of methane emissions. Further, the broad scope of the Proposal, which requests "quantitative indicators . . . to minimize methane emissions," enables the Plaintiffs to use the requested report as evidence that certain abatement strategies are economically and technologically feasible, and therefore potentially appropriate under an equitable analysis to abate, according to the Plaintiffs' allegations, a "continuing problem." *See, e.g.,* Marin Compl., ¶ 188. Revealing this information outside the litigation context prematurely discloses the Company's position on overlapping issues with the litigation and undermines the Company's ability to vigorously defend against the Plaintiffs' claims.

Every company's management has a responsibility to defend the company's interests against unwarranted litigation. A stockholder proposal that interferes with this obligation is inappropriate, particularly when the company is involved in pending litigation on the very issues that form the basis for the proposal. For that reason, the Staff consistently has viewed stockholder proposals, like the Proposal, that implicate a company's conduct of litigation or its litigation strategy as properly excludable under the "ordinary course of business" exception contained in Rule 14a-8(i)(7). *See*, *e.g.*, *Chevron Corp.* (avail. Mar. 19, 2013) (excluding a proposal as relating to the company's ordinary business operations (*i.e.,* litigation strategy) where the proposal requested that the company review its "legal initiatives against investors" because "[p]roposals that would affect the conduct of ongoing litigation to which the company is a party are generally excludable under rule 14a-8(i)(7)"); *CMS Energy Corp*. (avail. Feb. 23, 2004 (concurring with the exclusion of a stockholder proposal requiring the company to void any agreements with two former members of management and initiate action to recover all amounts paid to them, where the Staff noted that the proposal related to the "conduct of litigation"); *NetCurrents, Inc.* (avail. May 8, 2001) (excluding a proposal as relating to the company's ordinary business operations (*i.e*., litigation strategy) where the proposal required the company to file suit against certain of its officers for financial improprieties); *Benihana National Corp.* (avail. Sept. 13, 1991) (permitting exclusion under Rule 14a-8(c)(7) of a proposal requesting the company to publish a report prepared by a board committee analyzing claims asserted in a pending lawsuit).

In addition, the Staff consistently has concurred with the exclusion under Rule 14a-8(i)(7) of stockholder proposals like the Proposal when the subject matter of the proposal is the same as or similar to current litigation in which the company is then involved and when the implementation of the proposal would amount to an admission by the company. *See*, *e.g.*, *General Electric Co.* (avail. Feb. 3, 2016) (concurring with the exclusion of a proposal as relating to the company's ordinary business operations where implementation would have required "the [c]ompany to take action that is contrary to its legal defense in pending litigation"); *Wal-Mart Stores, Inc.* (avail. Apr. 14, 2015) (excluding a proposal as relating to the company's ordinary business operations where "the [p]roposal would obligate the [c]ompany to take a public position, outside the context of pending litigation and the discovery process, with respect to the very subject matter of the [p]roposal"); *R.J. Reynolds Tobacco Holdings, Inc.* (avail. Feb. 6, 2004) (concurring in the exclusion of a proposal that directed the company to stop using the terms "light," "ultralight," "mild" and similar words in marketing cigarettes until stockholders could be assured through independent research that light and ultralight brands actually reduce the risk of smoking-related diseases. At the time the proposal was submitted, the company was a defendant in multiple lawsuits in which the plaintiffs were alleging that the terms "light" and "ultralight" were deceptive. The company argued that implementing the proposal while the lawsuits were pending "would be a de facto admission by the Company that 'light' and 'ultralight' cigarettes do not pose reduced health risks as compared to regular cigarettes"). *See also Exxon Mobil Corp.* (avail. Mar. 21, 2000) (concurring with the exclusion of a proposal requesting immediate

payment of settlements associated with Exxon Valdez oil spill as relating to litigation strategy and related decisions).

As a final matter, we note that the mere fact that a proposal may touch upon a significant policy issue is not alone sufficient to avoid the application of Rule 14a-8(i)(7) when a proposal implicates ordinary business matters. Although the Commission has stated that "proposals relating to such [ordinary business] matters but focusing on sufficiently significant social policy issues (*e.g.*, significant discrimination matters) generally would not be considered to be excludable," the Staff has expressed the view that proposals relating to both ordinary business matters and significant social policy issues may be excluded in their entirety in reliance on Rule 14a-8(i)(7). *See* 1998 Release. As an example, although smoking is considered a significant policy issue, the Staff has concurred, as noted above, with the exclusion of proposals that touched upon this issue where the subject matter of the proposal (*e.g.*, the health effects of smoking) was the same as or similar to that which was at the heart of litigation in which the company was then involved. *See*, *e.g.*, *Philip Morris Cos. Inc.* (avail. Feb. 4, 1997) (noting that although the Staff "has taken the position that proposals directed at the manufacture and distribution of tobacco-related products by companies involved in making such products raise issues of significance that do not constitute matters of ordinary business," the company could exclude a proposal that "primarily addresses the litigation strategy of the Company, which is viewed as inherently the ordinary business of management to direct"). Similarly, even if the Proposal was viewed as touching on a significant policy issue, the subject matter of the Proposal (*e.g.*, disclosing specific actions, using quantitative indicators, that the Company has taken to "minimize methane emissions") encompasses the subject matter of litigation in which the Company is currently involved. Thus, because the Proposal pertains to the Company's litigation strategy, which is an ordinary business matter, we believe the Proposal is excludable under Rule 14a-8(i)(7).

In summary, the Proposal requests that the Company take action that would facilitate the goals of the Plaintiffs in pending litigation against the Company at the same time that the Company is actively challenging the Plaintiffs' allegations. In this regard, the Proposal seeks to substitute the judgment of stockholders for that of the Company on decisions involving litigation strategy by requiring the Company to take action that is contrary to its legal defense in pending litigation. Thus, implementation of the Proposal would intrude upon Company management's exercise of its day-to-day business judgment with respect to pending litigation in the ordinary course of its business operations. Accordingly, we believe that the Proposal may be properly excluded from the Company's 2018 Proxy Materials 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 2018 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287 or Christopher A. Butner, the Company's Assistant Corporate Secretary and Managing Counsel, at (925) 842-2796.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Christopher A. Butner, Chevron Corporation
Andrea Neuman, Gibson, Dunn & Crutcher LLP
Danielle Fugere, As You Sow
Valerie Heinonen, Dominican Sisters of Hope
Mary Minette, Mercy Investments

EXHIBIT A

AS YOU SOW

1611 Telegraph Ave, Suite 1450
Oakland, CA 94612

www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

December 11, 2017

Mary A. Francis
Corporate Secretary and Chief Governance Officer
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583- 2324

Sent by email to: corpgov@chevron.com, mfrancis@chevron.com

Dear Ms. Francis:

As You Sow is filing a shareholder proposal on behalf of Park Foundation ("Proponent"), a shareholder of Chevron Corporation stock, in order to protect the shareholder's right to raise this issue in the proxy statement. The Proponent is submitting the enclosed shareholder proposal for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

A letter from Park Foundation authorizing As You Sow to act on its behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

We are optimistic that a dialogue with the company can result in resolution of the Proponent's concerns.

Sincerely,

Danielle Fugere
President & Chief Counsel

Enclosures

- Shareholder Proposal
- Park Foundation Authorization

PARK
FOUNDATION

November 12, 2017

Andrew Behar
CEO
As You Sow Foundation
1611 Telegraph Ave., Ste. 1450
Oakland, CA 94612

Re: Authorization to File Shareholder Resolution

Dear Andy,

The undersigned, Park Foundation (the "Stockholder") authorizes As You Sow to file or cofile a shareholder resolution on Stockholder's behalf with Chevron Corporation relating to methane emissions, and that it be included in the 2018 proxy statement, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder has continuously owned over $2,000 worth of Chevron Corporation stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2018.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

Jon M. Jensen
Executive Director

Park Foundation Inc. P.O. Box 550 Ithaca, NY 14851
Tel: 607/272-9124 Fax: 607/272-6057

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector – via venting, flaring, and leaking – has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

The oil and gas industry is the largest U.S. source of methane emissions.[1] The 2017 International Energy Agency's World Energy Outlook finds that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions.

Cost effective technological solutions exist and can be deployed immediately to substantially reduce methane emissions in the oil and gas industry. A small number of "super-emitter" leaks may produce a disproportionately large portion of emissions. With advances in infrared, drone, and leak detection technology, as well as more efficient equipment, it is well within the ability of companies to find and dramatically reduce their methane leaks.

As an indication of the importance of methane emissions, peers including Exxon, Shell, and BP recently committed to a set of guiding principles to reduce methane emissions and improve transparency.[2] The American Petroleum Institute announced the formation of an "Environmental Partnership" to voluntarily reduce methane emissions from U.S. oil and gas operations.[3] A number of oil and gas companies have previously announced adoption of methane reduction targets as part of the ONE Future Coalition.

A 2016 study ranked Chevron as 17th out of the 100 highest methane emitters from onshore production.[4] Although Chevron provides broad and generalized statements about its methane reduction activities, it fails to disclose the information necessary to allow investors to assess its leak detection and repair practices based on objective, quantitative information. In a 2017 special methane edition of "Disclosing the Facts" Chevron scored only two out of thirteen points on its methane leak detection and emission reduction management-related disclosures for its U.S. operations. Chevron's reporting substantially lags that of its peers.

Given the intense and growing public scrutiny of methane emissions, Chevron must demonstrate to investors that it is taking action to reduce its methane risk. Disclosure of specific management practices and their impacts, especially with respect to leak detection, is the primary means by which investors can assess how our company is managing this important risk.

RESOLVED: Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

SUPPORTING STATEMENT: Proponents request the report include:

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[1] https://www.epa.gov/ghgemissions/overview-greenhouse-gases#methane

[2] https://www.wsj.com/articles/exxon-shell-bp-to-join-group-to-cut-emissions-from-natural-gas-1511360150

[3] https://www.platts.com/latest-news/oil/washington/amid-deregulatory-push-api-launches-push-to-limit-26851288

[4] https://cdn.americanprogress.org/wp-content/uploads/2016/06/17113709/MethanePollution-report.pdf

The Northern Trust Company

NORTHERN TRUST

December 13, 2017

Park Foundation:

The Northern Trust Company, a DTC participant, acts as the custodian for Park Foundation. As of the date of this letter, Park Foundation held, and has held continuously for at least 13 months, 100 shares of Chevron Corporation common stock.

Yours sincerely,

Frank Fauser
Vice President

NTAC:3NS-20

Dominican Sisters of Hope
FINANCE OFFICE

December 11, 2017

Mary A. Francis, Corporate Secretary and Chief Governance Officer corpgov@chevron.com
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583-2324

Dear Ms. Francis:

On behalf of the Dominican Sisters of Hope, I am authorized to submit the following resolution which requests that Chevron provide a report using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations. The proposal is filed for inclusion in the 2018 proxy statement under Rule 14 a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

The Dominican Sisters of Hope believe that all corporations should focus on the human and environmental impacts of their operations and set goals where corrections are needed. It is apparent that when we ignore these impacts, we may face reputational, litigation and financial risks. Furthermore, we urge Chevron to take leadership on supporting policies and practices which limit global average temperature increases.

The Dominican Sisters of Hope is the beneficial owner of at least $2000 worth of shares of Chevron stock and verification of ownership from a DTC participating bank will follow. We have held the requisite number of shares for more than one year and will continue to hold the stock through the date of the annual shareowners' meeting in order to be present in person or by proxy. On behalf of the Dominican Sisters of Hope, I am co-filing on the Park Foundation resolution and authorize the representative of the Foundation to act on our behalf for all purposes in connection with this proposal. However, I request direct communication from Chevron and to be listed in the proxy.

Yours truly,

Valerie Heinonen, o.s.u.

Valerie Heinonen, o.s.u.
Director, Shareholder Advocacy
Dominican Sisters of Hope
205 Avenue C #10E, NY NY 10009
vheinonen@mercyinvestments.org

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector – via venting, flaring, and leaking – has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

The oil and gas industry is the largest U.S. source of methane emissions.[1] The 2017 International Energy Agency's World Energy Outlook finds that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions.

Cost effective technological solutions exist and can be deployed immediately to substantially reduce methane emissions in the oil and gas industry. A small number of "super-emitter" leaks may produce a disproportionately large portion of emissions. With advances in infrared, drone, and leak detection technology, as well as more efficient equipment, it is well within the ability of companies to find and dramatically reduce their methane leaks.

As an indication of the importance of methane emissions, peers including Exxon, Shell, and BP recently committed to a set of guiding principles to reduce methane emissions and improve transparency.[2] The American Petroleum Institute announced the formation of an "Environmental Partnership" to voluntarily reduce methane emissions from U.S. oil and gas operations.[3] A number of oil and gas companies have previously announced adoption of methane reduction targets as part of the ONE Future Coalition.

A 2016 study ranked Chevron as 17th out of the 100 highest methane emitters from onshore production.[4] Although Chevron provides broad and generalized statements about its methane reduction activities, it fails to disclose the information necessary to allow investors to assess its leak detection and repair practices based on objective, quantitative information. In a 2017 special methane edition of "Disclosing the Facts" Chevron scored only two out of thirteen points on its methane leak detection and emission reduction management-related disclosures for its U.S. operations. Chevron's reporting substantially lags that of its peers.

Given the intense and growing public scrutiny of methane emissions, Chevron must demonstrate to investors that it is taking action to reduce its methane risk. Disclosure of specific management practices and their impacts, especially with respect to leak detection, is the primary means by which investors can assess how our company is managing this important risk.

RESOLVED: Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

SUPPORTING STATEMENT: Proponents request the report include:

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[1] https://www.epa.gov/ghgemissions/overview-greenhouse-gases#methane

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6.2 Co filer

CONGREGATION OF St. Joseph

December 11, 2017

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2324

DEC 18 2017
MAF

Dear Ms. Francis:

The Congregation of St. Joseph (CSJ) has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that a demonstrated corporate responsibility in matters of the environment, and social and governance concerns fosters long-term business success. CSJ, a long-term investor, is currently the beneficial owner of shares of Chevron Corporation.

The enclosed resolution requests that Chevron prepare a report using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

CSJ is co-filing the enclosed shareholder proposal with The Park Foundation for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. CSJ has been a shareholder continuously for more than one year holding at least $2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. The Park Foundation may withdraw the proposal on our behalf. We respectfully request direct communications from Chevron and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct future correspondence to Mary Minette, who will be working on behalf of the Congregation of St. Joseph. Her contact information is: phone – (703) 507-9651; email - mminette@mercyinvestments.org; address - 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Karen Watson

Karen Watson, CFA
Chief Investment Officer
Congregation of St. Joseph

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector – via venting, flaring, and leaking – has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

The oil and gas industry is the largest U.S. source of methane emissions.[1] The 2017 International Energy Agency's World Energy Outlook finds that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions.

Cost effective technological solutions exist and can be deployed immediately to substantially reduce methane emissions in the oil and gas industry. A small number of "super-emitter" leaks may produce a disproportionately large portion of emissions. With advances in infrared, drone, and leak detection technology, as well as more efficient equipment, it is well within the ability of companies to find and dramatically reduce their methane leaks.

Peers including Exxon, Shell, and BP recently committed to a set of guiding principles to reduce methane emissions and improve transparency.[2] The American Petroleum Institute announced the formation of an "Environmental Partnership" to voluntarily reduce methane emissions from U.S. oil and gas operations.[3] A number of oil and gas companies have previously announced adoption of methane reduction targets as part of the ONE Future Coalition. Chevron is the only major U.S. energy company not to join one of these initiatives.

A 2016 study ranked Chevron as 17th out of the 100 highest methane emitters from onshore production.[4] Although Chevron provides broad and generalized statements about its methane reduction activities, it fails to disclose the information necessary to allow investors to assess its leak detection and repair practices based on objective, quantitative information. In a 2017 special methane edition of "Disclosing the Facts" Chevron scored only two out of thirteen points on its methane leak detection and emission reduction management-related disclosures for its U.S. operations. Chevron's reporting substantially lags that of its peers.

Given the intense and growing public scrutiny of methane emissions, Chevron must demonstrate to investors that it is taking action to reduce its methane risk. Disclosure of specific management practices and their impacts, especially with respect to leak detection, is the primary means by which investors can assess how our company is managing this important risk.

RESOLVED: Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

SUPPORTING STATEMENT: Proponents request the report include:

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[2] https://www.wsj.com/articles/exxon-shell-bp-to-join-group-to-cut-emissions-from-natural-gas-1511360150
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- identifying how frequently leak detection methodologies beyond visual inspections are used at each U.S. facility, including equipment inspected
- repair times for identified leaks
- status of reducing high bleed pneumatic devices
- methane emission rates from drilling, completion, and production operations
- methane emissions reduction targets

50 South La Salle Street
Chicago, Illinois 60603
(312) 557-2000

NORTHERN TRUST

MAF

DEC 12 2017

December 11, 2017

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2324

Re: Certification of Ownership: Congregation of St. Joseph Account Number ***

To whom it may concern:

This letter will certify that as of December 11th, 2017, The Northern Trust Company held for the beneficial interest of The Congregation of St. Joseph 21 shares of Chevron Corp. (CUSIP: 166764100).

We confirm that the Congregation of St. Joseph has beneficial ownership of at least $2,000 in market value of the voting securities of Chevron Corp and that such beneficial ownership has existed continuously since October 9th, 2013 in accordance with rule 14a-8(a)(l) of the Securities Exchange Act of 1934.

Further, it is the intent to hold at least $2,000 in market value through the next annual meeting.

Please be advised, Northern Trust Securities Inc., employs National Financial Services for clearing purposes. National Financial Services DTC number is 0226.

If you have any questions, please feel free to give me a call.

Best,

Tim Bauer

TB104@NTRS.COM
312-557-6336

Not FDIC Insured	May Lose Value	No Bank Guarantee

Securities products and services are offered by Northern Trust Securities, Inc., member FINRA, SIPC, and a wholly owned subsidiary of Northern Trust Corporation, Chicago
NTAC:3NS-20

*** FISMA & OMB Memorandum M-07-16

6.3 Co filer

ADRIAN DOMINICAN SISTERS
Portfolio Advisory Board

December 11, 2017

MAF
DEC 12 2017
via Fed Ex incl 6.2, 6.3 & 6.4

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2324

Dear Ms. Francis:

The Portfolio Advisory Board for the Adrian Dominican Sisters has long been concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. The Adrian Dominican Sisters, a long-term investor, are currently the beneficial owner of shares of Chevron Corporation.

The enclosed resolution requests that Chevron prepare a report using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

The Adrian Dominican Sisters are co-filing the enclosed shareholder proposal with The Park Foundation for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. We have been a shareholder continuously for more than one year holding at least $2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is enclosed. The Park Foundatoin may withdraw the proposal on our behalf. We respectfully request direct communications from Chevron, and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct future correspondence to Mary Minette, who will be working on behalf of the Adrian Dominican Sisters. Her contact information is: phone – (703) 507-9651; email - mminette@mercyinvestments.org; address - 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Frances Nadolny, OP

Frances Nadolny, OP
Administrator
Adrian Dominican Sisters

MAF

DEC 12 2017

December 11, 2017

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2324

RE: ADRIAN DOMINICAN SISTERS ACCOUNT AT COMERICA

Dear Mary A. Francis,

In regards to the request for verification of holdings, the above referenced account currently holds 22 shares of CHEVRON CORPORATION common stock. The attached tax lot detail indicates the date the stock was acquired. Also please note that Comerica Inc. is a DTC participant.

Please feel free to contact me should you have any additional questions or concerns.

Sincerely,

Nadeen Nabolsi

Nadeen Nabolsi
Trust Analyst II | Institutional Trust
Comerica Bank | 411 West Lafayette | MC 3462 | Detroit, MI 48226
P: 313-222-5757 | F: 313-222-7170 | NNabolsi@Comerica.com

***

*** FISMA & OMB Memorandum M-07-16

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector – via venting, flaring, and leaking – has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

The oil and gas industry is the largest U.S. source of methane emissions.[1] The 2017 International Energy Agency's World Energy Outlook finds that methane emissions from the oil and gas value chain are among the cheapest to abate of all anthropogenic emissions.

Cost effective technological solutions exist and can be deployed immediately to substantially reduce methane emissions in the oil and gas industry. A small number of "super-emitter" leaks may produce a disproportionately large portion of emissions. With advances in infrared, drone, and leak detection technology, as well as more efficient equipment, it is well within the ability of companies to find and dramatically reduce their methane leaks.

Peers including Exxon, Shell, and BP recently committed to a set of guiding principles to reduce methane emissions and improve transparency.[2] The American Petroleum Institute announced the formation of an "Environmental Partnership" to voluntarily reduce methane emissions from U.S. oil and gas operations.[3] A number of oil and gas companies have previously announced adoption of methane reduction targets as part of the ONE Future Coalition. Chevron is the only major U.S. energy company not to join one of these initiatives.

A 2016 study ranked Chevron as 17th out of the 100 highest methane emitters from onshore production.[4] Although Chevron provides broad and generalized statements about its methane reduction activities, it fails to disclose the information necessary to allow investors to assess its leak detection and repair practices based on objective, quantitative information. In a 2017 special methane edition of "Disclosing the Facts" Chevron scored only two out of thirteen points on its methane leak detection and emission reduction management-related disclosures for its U.S. operations. Chevron's reporting substantially lags that of its peers.

Given the intense and growing public scrutiny of methane emissions, Chevron must demonstrate to investors that it is taking action to reduce its methane risk. Disclosure of specific management practices and their impacts, especially with respect to leak detection, is the primary means by which investors can assess how our company is managing this important risk.

RESOLVED: Shareholders request that Chevron provide a report (at reasonable cost, omitting proprietary information) using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

SUPPORTING STATEMENT: Proponents request the report include:

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[1] https://www.epa.gov/ghgemissions/overview-greenhouse-gases#methane

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- identifying how frequently leak detection methodologies beyond visual inspections are used at each U.S. facility, including equipment inspected
- repair times for identified leaks
- status of reducing high bleed pneumatic devices
- methane emission rates from drilling, completion, and production operations
- methane emissions reduction targets

6.4 Co filer

Dignity Health.

MAF

DEC 12 2017

December 11, 2017

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd.
San Ramon, CA 94583-2324

Dear Ms. Francis:

Dignity Health has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that a demonstrated corporate responsibility in matters of the environment, and social and governance concerns fosters long-term business success. Dignity Health is currently the beneficial owner of shares of Chevron Corporation.

The enclosed resolution requests that Chevron prepare a report using quantitative indicators, on the company's actions beyond regulatory requirements to minimize methane emissions, particularly leakage, from the company's hydraulic fracturing operations.

Dignity Health is co-filing the enclosed shareholder proposal with The Park Foundation for inclusion in the 2018 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Dignity Health has been a shareholder continuously for more than one year holding at least $2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed in this packet. The Park Foundation may withdraw the proposal on our behalf. We respectfully request direct communications from Chevron, and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct future correspondence to Mary Minette, who will be working on behalf of Dignity Health. Her contact information is: phone – 703-507-9651; email - mminette@mercyinvestments.org; address - 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Sr. Mary Ellen Leciejewski, OP

Sr. Mary Ellen Leciejewski, OP
Vice President, Corporate Responsibility
Dignity Health

WHEREAS: Methane emissions contribute significantly to climate change, with an impact of roughly 86 times that of carbon dioxide over a 20 year period. Emissions of this potent gas from the oil and gas sector – via venting, flaring, and leaking – has the potential to erase the potential climate benefits of burning oil or gas instead of coal.

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- methane emission rates from drilling, completion, and production operations
- methane emissions reduction targets

STATE STREET
GLOBAL SERVICES.

MAF

DEC 12 2017

State Street Global Services

Erin Rodriguez
Vice President
P O Box 5466
Boston MA 02206

Telephone 816-319-6142
Facsimile 617-786-2235

erodriguez@statestreet.com

December 11, 2017

Mary A. Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Rd
San Ramon, CA 94583-2324

Re: Stock Verification Letter

Dear Ms. Francis:

Please accept this letter as confirmation that Dignity Health has owned at least 200 shares or $2,000.00 of the following security from December 11, 2016 – December 11, 2017. The December 11, 2017 start of day share position is listed below:

Security	CUSIP	Shares
Chevron Corporation	66764100	37,700

Please let me know if you have any questions.

Regards,

Erin Rodriguez