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

DIVISION OF
CORPORATION FINANCE

April 1, 2025

Elizabeth A. Ising
Gibson, Dunn & Crutcher LLP

Re: Chevron Corporation (the "Company")
Incoming letter dated January 17, 2025

Dear Elizabeth A. Ising:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the National Center for Public Policy Research for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the Company issue a report that assesses the risk that the Company's investments in renewable energy and related infrastructure could result in reverse stranded assets; evaluating the financial, operational, and strategic implications of such risks and outlining potential mitigation strategies.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal transcends the Company's ordinary business operations.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(12)(i). In our view, the Proposal does not address substantially the same subject matter as the proposal previously included in the Company's 2024 proxy materials.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Stefan Padfield
National Center for Public Policy Research

GIBSON DUNN

Elizabeth A. Ising
Partner
T: +1 202.955.8287
eising@gibsondunn.com

January 17, 2025

VIA ONLINE SUBMISSION

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 the National Center for Public Policy Research
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 2025 Annual Meeting of Stockholders (collectively, the "2025 Proxy Materials") a stockholder proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") submitted by the National Center for Public Policy Research (the "Proponent").

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

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission; and

- concurrently sent a copy of this correspondence to the Proponent.

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 Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

> **RESOLVED**: Shareholders request that the Company issue a report, prepared at a reasonable cost and omitting proprietary information, that assesses the risk that the company's investments in renewable energy and related infrastructure could result in reverse stranded assets. The report should evaluate the financial, operational, and strategic implications of such risks and outline potential mitigation strategies.

The Supporting Statement elaborates on the Proposal's concerns as follows:

> [The Company's] investment decisions apparently presume agendas like the normative [net-zero emissions by 2050] roadmap are possible and based on accurate assumptions, but what if [net-zero emissions] goals and/or assumptions prove unsound?
>
> . . .
>
> It is one thing to evaluate whether oil and gas assets will be stranded by an energy transition, but it is another thing to evaluate whether renewable energy assets will themselves be stranded if it turns out the push to net zero was counter-productive and value-destroying. This proposal is focused on the latter "reverse stranded assets" risk.

A copy of the Proposal and the Supporting Statement is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to:

- Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations; and
- Rule 14a-8(i)(12)(i) because the Proposal addresses substantially the same subject matter as a previously submitted stockholder proposal that was included in the Company's 2024 proxy materials, which did not receive the support necessary for resubmission under Rule 14a-8(i)(12)(i).

ANALYSIS

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

A. Background.

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. As is relevant to the Proposal, one of those considerations is 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 Commission stated that examples of tasks that implicate the ordinary business standard include the management of the workforce, decisions on production quality and quantity, and the retention of suppliers. *See* 1998 Release.

A stockholder proposal being framed 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 Act 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 [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (avail. Oct. 26, 1999); *see also Ford Motor Co.* (avail. Mar. 2, 2004) (concurring with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details of indirect environmental consequences of the company's primary automobile manufacturing business). Similarly, a proposal's request for a review of certain risks also does not preclude exclusion if the underlying subject matter of the proposal is

ordinary business. In Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E"), the Staff explained how it evaluates stockholder proposals that request a risk assessment:

> [R]ather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk . . . . [S]imilar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document—where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business—we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company.

Consistent with its position in SLB 14E, the Staff has repeatedly concurred with the exclusion under Rule 14a-8(i)(7) of stockholder proposals seeking risk assessments when the subject matter concerns ordinary business operations. *See*, *e.g.*, *JPMorgan Chase & Co. (National Center for Public Policy Research)* (avail. Mar. 21, 2023, *recon. denied* Apr. 3, 2023) (concurring with the exclusion of a proposal requesting a report on risks created by "business practices that prioritize non-pecuniary factors when it comes to establishing, rejecting, or failing to continue client relationships"); *McDonald's Corp.* (avail. Mar. 22, 2019) (concurring with the exclusion of a proposal asking the company to "disclose the economic risks" it faced from "campaigns targeting the [c]ompany over concerns about cruelty to chickens" because it "focuse[d] primarily on matters relating to the [c]ompany's ordinary business operations"); *Exxon Mobil Corp.* (avail. Mar. 6, 2012) (concurring with the exclusion of a proposal asking the board to prepare a report on "environmental, social, and economic challenges associated with the oil sands," which involved ordinary business matters).

Similar to the precedents cited above, the Proposal requests a report on, and assessment of risks related to, aspects of the Company's ordinary business operations for which management is responsible: specifically, the Company's investment decisions, choice of technology, and overall business strategy. These are precisely the types of decisions whose resolution the 1998 Release sought to confine to management's judgment, because they implicate the flexibility of management in directing core matters involving the Company's business and operations. Thus, as discussed below, the Proposal may properly be omitted as relating to the Company's ordinary business operations.

B. Proposals Relating To A Company's Investment Decisions And Business Strategy Are Excludable Under Rule 14a-8(i)(7).

The Company aims to be a leader in lower carbon intensity oil, products and natural gas, while also advancing new products and solutions that help reduce the carbon emissions of major industries. The Company's strategy consists of investing to grow its oil and gas business, reduce the carbon intensity of its operations, and grow new lower carbon businesses in renewable fuels, carbon capture and offsets, hydrogen and other emerging technologies. Consistent with this strategy, an integral part of the Company's business is choosing which assets to develop, allocating capital based on the Company's strategic priorities and expected returns measured against various time horizons, and determining when and how to most efficiently develop assets in light of these considerations. These determinations are extremely complex and when making such determinations in the ordinary course of business, Company management assesses a variety of factors, including relevant commodity price and demand, operational risk, development and infrastructure costs, geological and geophysical risks and other technical factors, political risk, the impact of applicable laws and regulations, and environmental matters, including those relating to climate, among others. The Proposal seeks an assessment of the risks related to the Company's investment decisions around renewable energy and related infrastructure, an important piece of the Company's overall strategic and operational agenda. The Supporting Statement plainly states that the Proposal is concerned with the possibility that the Company's investment decisions are based on inaccurate assumptions and unrealistic goals. Furthermore, the Supporting Statement frames these concerns against a specific investment alternative—namely, the Company's legacy oil and gas business. Various aspects of the Proposal signal the Proponent's disagreement with the Company's efforts to grow its renewable energy business (presumably, as opposed to focusing exclusively on growing the Company's legacy oil and gas business), including the Proposal's reference to "reverse stranded assets," the Proposal's statement that such investments may turn out to be "counter-productive and value destroying," and the Proposal's request for a discussion of "mitigation strategies" based on such contingencies. As such, the Proposal seeks to subject day-to-day business decisions about the Company's financial planning and investments, choice of technologies, and overall business strategy—core ordinary business matters—to stockholder oversight.

i. The Proposal is Excludable Because It Relates To The Company's Investment Decisions And Choice Of Technologies.

The Staff consistently has concurred with the exclusion of stockholder proposals seeking risk reports when the subject matter implicated the company's financial planning, investment decisions, and choice of technology. For example, in *Exxon Mobil*

Corp. (avail. March 6, 2012), the Staff concurred with the exclusion of a proposal seeking a report on "possible short and long term risks to the company's finances and operations" related to the company's oil sands operations. The company explained that "decision[s] regarding which technology best suits the [c]ompany in sourcing the oil it uses in developing its products can be made only after a thorough examination of a multitude" of "operational, technical, financial, legal and organizational factors" and thus argued that "[a]ssessing financial and operational risks posed by the challenges associated with oil sands" related to the company's ordinary business operations. *See also FirstEnergy Corp.* (avail. Mar. 8, 2013) (concurring with the exclusion of a proposal requesting a report regarding diversification of the company's energy resources, with the Staff stating that "[p]roposals that concern a company's choice of technologies for use in its operations are generally excludable under [R]ule 14a-8(i)(7)"). Similarly, in *FLIR Systems, Inc.* (avail. Feb. 6, 2013), the Staff concurred with the exclusion of a proposal requesting a report "describing the company's short- and long-term strategies on energy use management." The company argued that "the central action sought by the [p]roposal is a re-evaluation of how [the company] invests in energy technology relating to the day-to-day operation of its facilities, *how it implements its growth strategy, and how it weighs risk and reward with respect to its investments,*" all of which were "matters of ordinary business operations" (emphasis added). Similarly, in *The Western Union Co.* (avail. Mar. 6, 2009, *recon. denied* Mar. 23, 2009), the Staff concurred with exclusion of a proposal asking the company to issue a report on the company's policies on investment in local communities with a view to addressing the needs of community constituents and to "develop[ing] long-term reinvestment that reflects those needs." The company argued that "[l]ong-term investment decisions are . . . made pursuant to a corporation's overall corporate strategy" and "[s]ubjecting these types of decisions to stockholder oversight is impractical and impedes on management's fundamental ability to run a company." The Staff agreed with the exclusion under Rule 14a-8(i)(7), concluding that the proposal related to "ordinary business operations (i.e., *investment decisions*)" (emphasis added). *See also Sempra Energy* (avail. Feb. 7, 2000) (concurring with exclusion under Rule 14a-8(i)(7) of a proposal requiring revenue to be invested in certain utilities because the proposal related to the company's "investment and operational decisions"); *California Real Estate Investment Trust* (avail. July 6, 1988) (concurring with exclusion under the predecessor to Rule 14a-8(i)(7) of a proposal requesting a policy to purchase specific types of real estate and to avoid equity related loans because the proposal related to "the determination of investment strategies"); *General Motors Corp. (Wilson)* (avail. Mar. 31, 1988) (concurring with exclusion under the predecessor to Rule 14a-8(i)(7) of a proposal directing the board to "make long-range plans to re-deploy the [c]company's assets into more profitable lines of endeavor" because the proposal related to "decisions regarding the investment and application of corporate assets").

Like the proposals in *Exxon*, *FLIR Systems* and *Western Union*, and the other precedents cited above, the Proposal requests a report on risks related to the Company's investment decisions around its choice of technology and growth strategy. Just as in *Exxon* where the company explained that decisions related to its oil sands operations and investments in related technologies involved management's thorough examination of a multitude of routine business considerations, here the Company's decisions about its investments in renewable energy and related infrastructure likewise involve thorough examination of similar operational, technical, financial, legal, and organizational factors. As discussed above, these decisions are integral to the Company's growth strategy. In this respect, the same principle that applied in *FLIR Systems* and *Western Union* should apply here as well: subjecting decisions about how the Company implements its growth strategy and weighs risk and reward with respect to its investments—including as it relates to the Company's investments in renewable energy technology—to stockholder oversight is impractical and would impede management's fundamental ability to direct the Company's business operations.

ii. The Proposal Is Excludable Because It Relates To The Company's Business Strategy.

The Staff also has consistently concurred that proposals addressing a company's general business strategies may be excluded under Rule 14a-8(i)(7). *See, e.g., Amazon.com, Inc. (W. Andrew Mims Trust)* (avail. Mar. 28, 2019) (concurring with the exclusion of a proposal seeking a societal risk oversight committee to offer guidance on strategic decisions and provide ongoing review of corporate policies and procedures beyond legal and regulatory matters to assess the potential societal consequences of the company's products and services as relating to ordinary business matters); *CVS Corp. (Central Laborers' Pension Fund) (avail. Feb. 1, 2000)* (concurring with the exclusion of a proposal requesting the company prepare an annual strategic plan report describing its goals, strategies, policies and programs as relating to "ordinary business operations (i.e., business practices and policies)"); *Mobil Corp.* (avail. Feb. 13, 1989) (concurring with the exclusion of a proposal seeking to establish a stockholder committee "to review corporate objectives and their implementation" because "it appear[ed] to deal with a matter relating to the ordinary business operations of the [c]ompany (i.e., questions of corporate objectives and goals)").

As relevant here, the Staff also has previously concurred with the exclusion of proposals that—like the Proposal—seek disclosure regarding the impact of, and alternatives to, particular strategic decisions regarding the Company's general operations. For example, in *HP Inc*. (avail Dec. 20, 2019), the Staff concurred with the exclusion of a proposal that sought, among other things, a risk evaluation related to the impact of certain personnel and budgetary cuts on the company's ability to deliver a certain

product (LaserJets printers) going forward. The company argued the proposal related to the company's general business strategy and focused on the company's decision-making as it related to a particular product line, noting that "management is best positioned to determine how to allocate [c]ompany resources internally and to monitor and adjust the objectives and strategy related to its various business lines after appropriately weighing and analyzing all applicable factors." In *Apple Inc.* (avail. Dec. 5, 2014), the proposal sought a report on the costs associated with the company's decision to "obtain some or most of the electricity that powers its operations via renewable sources," including an estimate of the company's "total investment in these renewable sources of electricity," "the average cost per kilowatt-hour through 2013 and the projected costs over the life of the renewable sources." The proposal also sought disclosure regarding alternative energy sources, stating that "[i]f available the report should also compare the cost of power from the renewable electricity sources" (i.e., the company's chosen source), "with the cost of electricity from the power companies serving the communities in which [the company's] facilities are located." The supporting statement further noted that an executive had "implied that cost was a secondary consideration in generating or purchasing electricity for [the company's] facilities" and that "[the] report would help shareholders judge whether this [was] a prudent decision." The Staff concurred with exclusion of the proposal under Rule 14a-8(i)(7) as relating to "the manner in which the company manages its expenses." *See also Corrections Corp. of America* (avail. Mar. 18, 2013) (concurring with exclusion of a proposal requesting a report addressing specific items related to the company's previously announced potential conversion to a REIT, including disclosure of certain strategic considerations, such as the known advantages to the company and disadvantages to stockholders of certain decisions about the potential structure of the transaction).

Like the proposals in *HP* and *Apple*, the Proposal may be excluded under Rule 14a-8(i)(7) because it relates to the Company's general business strategy; specifically, it focuses on the Company's decision-making as it relates to a particular investment and growth strategy (renewable energy and related infrastructure). In this respect, the Proposal is similar to the proposal in *HP*, which asked the company to "quantify and report what would have been the reduction in profit for FY19" if the company had taken the proposal's alternative approach, and to "evaluate the risk" to future operations due to its decisions, "so that investors [could] weigh" for themselves whether the company's strategy was appropriate. Here, the Proposal asks the Company to "evaluate the financial, operational, and strategic implications" of the putative risks associated with particular investment decisions around renewable energy and "outline potential mitigation strategies," in order to demonstrate that the Company has satisfied "its duty to make fully informed decisions when it comes to the investments it is making in renewable energy." Indeed, just like the proposals in *HP* and *Apple*, the Supporting Statement questions the soundness of management's decision-making, and the

Proposal thus seeks a stockholder referendum on the Company's investment strategy. As confirmed by the precedents above, management's strategic decisions regarding ordinary business matters are not appropriate subjects for stockholder oversight. Issues regarding emerging technology, shifting cycles of demand and consumer expectations, legal and regulatory requirements, and the financial, operational, and strategic implications of the same are not unique to the Company or to its investments and operations. Instead, such issues are regularly assessed across the Company's business lines and are central to the Company's day-to-day business operations, as the Company seeks to provide affordable, reliable and ever-cleaner energy to enable human progress and meet growing global energy demands. With significant access to information regarding the Company's broader corporate objectives and goals, capital requirements, customer demand, production costs, and the availability of materials, management is best positioned to determine how to allocate Company resources internally and to monitor and adjust the objectives and strategy related to its various business initiatives after appropriately weighing and analyzing all applicable factors. The ability to implement these decisions without direct stockholder oversight is integral to management's ability to run a company on a day-to-day basis.

Because the Proposal focuses on the Company's investment decisions and general business strategy, it may therefore be excluded pursuant to Rule 14a-8(i)(7).

C. The Proposal Does Not Focus On Any "Significant Policy Issues" That Transcend The Company's Ordinary Business Operations But Instead Focuses On Risks Related To The Company's Investment Decisions and Business Strategy.

The well-established precedents set forth above demonstrates that the Proposal squarely addresses ordinary business matters and, therefore, is excludable under Rule 14a-8(i)(7). In the 1998 Release, the Commission distinguished proposals pertaining to ordinary business matters that are excludable under Rule 14a-8(i)(7) from those that "focus[] on . . . significant social policy issues." The Commission stated that "proposals relating to [ordinary business] matters but focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable, because such proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." 1998 Release. When assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005) ("[i]n determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole").

The Staff most recently discussed how it evaluates whether a proposal "transcends the day-to-day business matters" of a company in Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), noting that it is "realign[ing]" its approach to determining whether a proposal relates to ordinary business with the standards the Commission initially articulated in 1976 and reaffirmed in the 1998 Release. In addition, the Staff stated that it will "no longer tak[e] a company-specific approach to evaluating the significance of a policy issue under Rule 14a-8(i)(7)" but rather will consider only "whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company."

The Staff consistently has concurred with the exclusion of proposals that reference or arise in the context of a "significant policy issue" but that address or focus on ordinary business matters. For example, in *FirstEnergy*, despite the fact that the proponents argued that a proposal requesting a report regarding diversification of the company's energy resources "ar[ose] from a significant policy issue—alternative energy strategies geared toward reducing power generation's impacts on the climate," the Staff concurred with the exclusion of the proposal, stating that the proposal "relat[ed] to [the company's] ordinary business operations"—specifically, the company's choice of technologies. *See also Dominion Resources, Inc.* (avail. Feb. 3, 2011) (concurring with exclusion under Rule 14a-8(i)(7) of a proposal asking that the company promote "stewardship of the environment" by initiating a program to provide financing to home and small business owners for installation of rooftop solar or renewable wind power generation because the proposal related to "the products and services offered for sale by the company").

More recently, in *Fox Corp.* (avail. Sept. 19, 2024), where the company received a proposal requesting a report on the social impact and risks to the company from inadequately distinguishing between news content and opinion content and the viability and benefits of such public differentiation, the company argued that "citing potential social policy implications in a proposal does not qualify as 'focusing' on such issues, even if the social policies happen to be the subject of substantial public focus." The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(7). In *The Coca-Cola Co.* (avail. Mar. 6, 2024), the Staff concurred with the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company "move toward more healthy products" because the proposal was not focused on addressing public health concerns, but instead questioned the manner in which the company was pursuing those goals, with the proponent asserting that the company "ha[d] addressed this topic until now solely by focusing on sugar and calorie reduction," which the proponent viewed as "insufficient." Similarly, in *Shake Shack Inc.* (avail. Apr. 23, 2024), the Staff concurred with the exclusion under Rule 14a-8(i)(7) of a proposal requesting details about the company's claims that its chicken products were hormone-free. The company argued that the proposal was not focused on animal health but instead focused on the company's

marketing and advertising of its chicken products, which related to the company's ordinary business.

Just as in the precedents cited above, the Proposal addresses ordinary business risks related to the Company's investment decisions and business strategy as opposed to focusing on a "significant policy issue." The Staff has recognized "the significant policy issue of climate change." *Hess Corp.* (avail. Feb. 29, 2016). However, unlike the proposal that the Staff considered in *Hess*, the Proposal is not focused on climate change; instead it is focused on second-guessing certain of the Company's investments. For example, the Supporting Statement alleges that the Company "stands to lose on its . . . investments," notes that "[t]hese investment decisions apparently presume agendas . . .," comments that the Company has a "duty to make fully informed decisions when it comes to the investments," and commends the Company "for its willingness to pursue value-enhancing initiatives." Thus, while the proposal in *Hess* was focused on risks related to climate change—which the Staff has said is a "significant policy issue"—the Proposal is focused on risks related to the Company's investment decisions and business strategy, which are core ordinary business matters.

For these reasons, we believe that the Proposal is excludable under Rule 14a-8(i)(7).

II. The Proposal May Be Excluded Under Rule 14a-8(i)(12)(i) Because It Addresses Substantially The Same Subject Matter As A Previously Submitted Proposal, And The Previously Submitted Proposal Did Not Receive The Support Necessary For Resubmission.

Under Rule 14a-8(i)(12)(i), a stockholder proposal that "addresses substantially the same subject matter as a proposal, or proposals, previously included in the company's proxy materials within the preceding five calendar years" may be excluded from the proxy materials "if the most recent vote occurred within the preceding three calendar years and the most recent vote was . . . [l]ess than 5 percent of the votes cast if previously voted on once."

A. Background.

The Commission has indicated that the requirement in Rule 14a-8(i)(12) that the stockholder proposals deal with or address "substantially the same subject matter" does not mean that the previous proposal(s) and the current proposal must be exactly the same. Although the predecessor to Rule 14a-8(i)(12) required a proposal to be "substantially the same proposal" as prior proposals, the Commission amended this rule in 1983 to permit exclusion of a proposal that "deals with substantially the same subject

matter." The Commission explained that this revision to the standard applied under the rule responded to commenters who viewed it as:

> [A]n appropriate response to counter the abuse of the security holder proposal process by certain proponents who make minor changes in proposals each year so that they can keep raising the same issue despite the fact that other shareholders have indicated by their votes that they are not interested in that issue.

Exchange Act Release No. 20091 (Aug. 16, 1983) (the "1983 Release"). *See also* Exchange Act Release No. 19135 (Oct. 14, 1982), in which the Commission stated that Rule 14a-8 "was not designed to burden the proxy solicitation process by requiring the inclusion of such proposals." In the release adopting this change, the Commission explained the application of the standard, stating:

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

In Exchange Act Release No. 89964 (Sept. 23, 2020), the Commission amended Rule 14a-8(i)(12) to adjust the resubmission percentage thresholds, and it also altered the provision's lead-in language to state that a company may exclude from its proxy materials a stockholder proposal that "*addresses* substantially the same subject matter" (emphasis added), rather than one that "*deals with* substantially the same subject matter" (emphasis added). In the release adopting this change, the Commission provided no indication that it intended a different substantive interpretation to apply under Rule 14a-8(i)(12) as a result of updating the language from "deals with" to "addresses." On the contrary, the Commission stated that it "did not propose changes to the 'substantially the same subject matter' test." Exchange Act Release No. 89964 (Sept. 23, 2020).

The Staff also has confirmed that Rule 14a-8(i)(12) does not require that the stockholder proposals or their requested actions be identical in order for a company to exclude the later submitted proposal. Instead, pursuant to the Commission's statement in the 1983 Release, when considering whether proposals deal with or address substantially the same subject matter, the Staff has focused on the "substantive concerns."

Consistent with this approach, the Staff has concurred with the exclusion of a proposal under Rule 14a-8(i)(12) when it shares the same substantive concerns even if the proposal differs in scope from a prior proposal. For example, in *Chevron Corp.* (avail. Mar. 27, 2014) ("*Chevron 2014*"), the Staff concurred with the exclusion under Rule 14a-8(i)(12) of a proposal asking the Company to prepare a report on its goals and plans to address global concerns regarding fossil fuels and their contribution to climate change, including an analysis of long- and short-term financial and operational risks to the company. The Company successfully argued that the proposal shared the same substantive concerns as three prior proposals regarding proponent concerns about financial risks to the Company related to climate change.

Similarly, in *Exxon Mobil Corp.* (avail. Mar. 7, 2013) (*"Exxon Mobil 2013"*), the Staff concurred with the exclusion under Rule 14a-8(i)(12) of a proposal requesting that the company review its facilities' exposure to climate risk and issue a report to stockholders because it dealt with substantially the same subject matter as three prior proposals requesting that the company establish a committee or a task force to address issues relating to global climate change. *See also Exxon Mobil Corp. (Hild)* (avail. Mar. 20, 2024) (concurring with the exclusion of a proposal requesting a "report of the incurred costs and associated significant and actual benefits . . . from ExxonMobil's activities related to its 'ambition for net zero greenhouse gas emissions by 2050' that are voluntary" because it addressed substantially the same subject matter as two earlier proposals requesting a report on the costs and benefits accruing from the company's "environment-related activities that are voluntary"); *The PNC Financial Services Group, Inc.* (avail. Feb. 28, 2023) (concurring with the exclusion of a proposal requesting a "report on the company's due diligence process to identify and address environmental and social risks related to financing companies producing controversial weapons and/or with business activities in conflict-affected and high-risk areas" because it addressed substantially the same subject matter as two earlier proposals requesting a report "assessing the effectiveness of PNC's Environmental and Social Risk Management (ESRM) systems at managing risks associated with lending, investing, and financing activities within the nuclear weapons industry"); *Apple Inc.* (avail. Nov. 20, 2018) (concurring with the exclusion of a proposal requesting a review of company policies related to human rights to assess the need for additional policies because it dealt with substantially the same subject matter as a prior proposal requesting that the company establish a board committee on human rights and a second prior proposal requesting that the board amend the company's bylaws to require a board committee on human rights); *Apple Inc. (Eli Plenk)* (avail. Dec. 15, 2017) (concurring with the exclusion of a proposal requesting that the company prepare a report assessing the feasibility of integrating sustainability metrics, including metrics regarding diversity among senior executives, into performance measures of the CEO because it dealt with substantially the same subject matter as two earlier proposals requesting that the company adopt an

accelerated recruitment policy requiring the company to increase the diversity of senior management and its board of directors); *Pfizer Inc. (AFSCME Employees Pension Plan et al.)* (avail. Jan. 9, 2013) (concurring with exclusion of a proposal seeking disclosure of the company's lobbying policies and expenditures because it dealt with substantially the same subject matter as two prior proposals seeking disclosure of contributions to political campaigns, political parties, and attempts to influence legislation).

B. The Proposal Addresses Substantially The Same Subject Matter As A Proposal That Was Previously Included In The Company's Proxy Materials Within The Preceding Five Calendar Years.

The Company has, within the past five years, included in its proxy materials a stockholder proposal from the Proponent requesting a report analyzing risks related to its "voluntary carbon-reduction commitments" (the "Previous Proposal," attached as Exhibit B, collectively with the Proposal, the "Proposals"). The Company included the Previous Proposal in its 2024 proxy materials, filed with the SEC on April 10, 2024.

The Proposals share the same substantive concerns and address substantially the same subject matter—the risks from investing in less carbon intensive strategies. Specifically, the Proposal requests a report that "assesses the risk" related to the Company's "investments in renewable energy and related infrastructure," which is necessarily addressed by a proposal requesting that the Company analyze the risks related to "voluntary carbon-reduction commitments." In fact, last year in the Board's response to the Previous Proposal, the Board noted:

> Your Board recognizes the risks associated with voluntary carbon-reduction commitments. Chevron is investing to grow its oil and gas business, reduce the carbon intensity of its operations, ***and grow new lower carbon businesses in renewable fuels, carbon capture and offsets, hydrogen, and other emerging technologies.*** As part of that strategy, Chevron establishes carbon intensity targets in line with its business planning and outlooks for markets, technology, and policy. Chevron aims to communicate transparently about those targets, risks associated with those targets, and performance on a regular basis. (emphasis added)[1]

As discussed in Part I above, an integral part of the Company's business is choosing which assets to develop, allocating capital based on the Company's strategic priorities and expected returns measured against various time horizons, and determining when

[1] 2024 proxy statement, page 113, *available at* https://www.sec.gov/ix?doc=/Archives/edgar/data/93410/000119312524091327/d557504ddef14a.htm.

and how to most efficiently develop assets in light of these considerations. Both the Proposal and the Previous Proposal request reports assessing the risks associated with such Company decisions.

Further, the Proposals are also supported by similar arguments. The Supporting Statement and the recitals to the Previous Proposal even cite to the same study by the Energy Policy Research Foundation ("EPRF"), describing it almost identically, stating that the "[EPRF] found that net zero advocates have misconstrued the [International Energy Agency's ("IEA")] position. . .and that [the IEA] has made questionable assumptions and milestones for NZE." Thus, it is clear that the overarching concern of both Proposals is the risk related to the Company's investments in and commitment to net zero-related initiatives.

Although the scopes of the Proposals are not identical, those differences are not relevant to the Rule 14a-8(i)(12) analysis. As described above, the Previous Proposal's scope broadly addresses the Company's risks from "voluntary carbon-reduction commitments" whereas the Proposal's focus is more narrowly on risks from investments "renewable energy" and "infrastructure." However, as was the case with the proposals in *Chevron 2014, Exxon Mobil 2013, PNC Financial Services* and the other precedents described above, the different scope of the Proposal does not change the conclusion that the Proposal shares the same substantive concerns as both the Previous Proposal because the Proposal's scope is encompassed within the scope of the Previous Proposal. And in order to address the Previous Proposal, the Company would take the same action as it would take to address the Proposal—the board of directors of the Company would need to assess the Company's risks from investing in less carbon intensive strategies, which could lead to the Company having "reverse stranded assets" (as stated in the Proposal) with no "clear benefit to the climate" (as stated in the recitals to the Previous Proposal).

In a similar context, the Staff has recognized that emissions-related proposals similar to the Proposals can share the same "principal thrust" or "principal focus" despite differences in the scope of requested reductions and thus has permitted the exclusion of such proposals under Rule 14a-8(i)(11). For example, in *Chevron Corp. (Benta)* (avail. Mar. 30, 2021) (*"Chevron 2021"*), the Staff concurred that a proposal requesting greenhouse gas emission reduction targets covering Scope 1, 2 and 3 emissions substantially duplicated an earlier-received proposal requesting reductions in Scope 3 emissions in the medium- and long-term future because the proposals focused on directing the Company's GHG emissions management program to reduce its GHG emissions. Although the Commission noted in its July 2022 release proposing amendments to Rule 14a-8 that the standard under Rule 14a-8(i)(11) is separate and distinct from the standard applicable under Rule 14a-8(i)(12), both rules are concerned

with the *substantial similarity* of the subject proposals. *See* Exchange Act Release No. 34-95267 (July 13, 2022) (the "2022 Proposing Release"). While Rule 14a-8(i)(12) provides that "a proposal which addresses *substantially the same subject matter* as a proposal, or proposals, previously included in the company's proxy materials within the preceding five calendar years" (emphasis added) may be excluded from a company's proxy materials, Rule 14a-8(i)(11) provides that a stockholder proposal may be excluded if it "*substantially duplicates* another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." (emphasis added). Because of this shared focus on substantial similarities between or among subject proposals, the Staff's concurrence with the exclusion of a proposal under Rule 14a-8(i)(11) is instructive as to when two or more proposals are substantially similar for purposes of the Rule 14a-8(i)(12) analysis, as well. As such, similar to the conclusion in *Chevron 2021*, which concerned two proposals that requested emissions reductions with overlapping, but slightly varied, scopes, the Proposal and the Previous Proposal have the same "principal thrust" and "principal focus." Accordingly, the Proposal and the Previous Proposals deal with the same substantive concern—here, risks from investing in less carbon intensive strategies—and therefore address the same subject matter.

Under Rule 14a-8(i)(12), the proposals at issue need not be identical in terms and scope in order to qualify for exclusion. Although the specific language in the resolved clauses of the Proposals may differ, the Proposals call for the same action—an assessment of risks from investing in less carbon intensive strategies. As such, the Proposal is excludable under Rule 14a-8(i)(12)(i) because it addresses substantially the same subject matter as the Previous Proposal, and, as discussed and documented below, the Previous Proposal did not receive the stockholder support necessary to permit resubmission.[2]

C. The Stockholder Proposal Included In The Company's 2024 Proxy Materials Did Not Receive The Stockholder Support Necessary To Permit Resubmission

In addition to requiring that the proposals address the same substantive concern, Rule 14a-8(i)(12) sets thresholds with respect to the percentage of stockholder votes

[2] We note that in the 2022 Proposing Release, the Commission proposed amendments to Rule 14a-8(i)(12) to provide that a proposal constitutes a resubmission if it "substantially duplicates" another proposal that was previously submitted for the same company's prior stockholder meetings and "that a proposal 'substantially duplicates' another proposal if it 'addresses the same subject matter and seeks the same objective by the same means.'" Although this standard has not been adopted by the Commission, and therefore should not be applied to the current request, we believe that the Proposal also satisfies this standard for the reasons noted above.

cast in favor of the last proposal submitted and included in the Company's proxy materials. As evidenced in the Company's Form 8-K filed on May 31, 2024, which states the voting results for the Company's 2024 Annual Meeting and is attached to this letter as Exhibit C, the Previous Proposal received 1.5% of the votes cast at the Company's 2024 Annual Meeting.[3] Thus, the votes cast in favor of the Previous Proposal failed to achieve the 5% threshold specified in Rule 14a-8(i)(12)(i) at the 2024 Annual Meeting (which occurred within the three preceding calendar years of the 2025 Annual Meeting).

For the foregoing reasons, the Company may exclude the Proposal from its 2025 Proxy Materials under Rule 14a-8(i)(12)(i).

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 2025 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287 or Christopher A. Butner, the Company's Assistant Secretary and Senior Counsel, at (415) 238-1172.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Christopher A. Butner, Chevron Corporation
Stefan Padfield, National Center for Public Policy Research

[3] The Previous Proposal received 1,272,375,728 "against" votes and 19,799,653 "for" votes. Abstentions and broker non-votes were not included for purposes of this calculation. The total stockholder votes cast is calculated using a fraction for which the numerator is "for" votes and the denominator is "for + against" votes. See Staff Legal Bulletin No. 14, part F.4 (July 13, 2001).

EXHIBIT A

December 10, 2024

Via email to

Mary A. Francis
Corporate Secretary and Chief Governance Officer
Chevron Corporation
5001 Executive Parkway, Suite 200
San Ramon, CA 94583-5006
c/o: [redacted]

Dear Corporate Secretary,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the Chevron Corporation (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as Director of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding $2,000 for at least 3 years prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2025 annual meeting of shareholders. A proof of ownership letter is forthcoming.

Pursuant to interpretations of Rule 14(a)-8 by the Securities & Exchange Commission staff, I initially propose as a time for a recorded meeting in person or via teleconference to discuss this proposal December 23, 2024, or December 24, 2024, from 1 p.m. to 4 p.m. eastern. If that proves inconvenient, I hope you will suggest some other times within the window proposed by Rule 14(a)-8(b)(iii) to talk. Please feel free to contact me at [redacted] so that we can determine the mode and method of that discussion. This letter constitutes notice of our intent to record any related meetings.

As you know, SEC guidance has admonished corporations against seeking no-action "relief" on grounds that could have been resolved by clear and open correspondence between the parties and a good-faith willingness on both sides to reach a mutually satisfactory resolution and to implement

whatever revisions may be agreed to. We herewith express our openness to consideration in good faith of any specific objections to this proposal that you might wish to raise, and a commitment to work earnestly toward an acceptable adjustment in all instances in which the objections raised are demonstrably supported by SEC regulation, staff guidance, or other relevant explications of specific rules governing the situation at hand.

Copies of correspondence or a request for a "no-action" letter should be sent to me at the National Center for Public Policy Research, 2005 Massachusetts Ave. NW, Washington, DC 20036 and emailed to [redacted].

Sincerely,

Stefan Padfield
Director, Free Enterprise Project
National Center for Public Policy Research

cc: Scott Shepard, General Counsel
Ethan Peck, FEP Deputy Director
Enclosures: Shareholder Proposal

Report on Reverse Stranded Assets Risks

WHEREAS:

Many policymakers and companies have converged on goals related to the asserted need to limit global temperature increase to 1.5° C and to reach net zero global greenhouse gas (GHG) emissions by 2050.

The International Energy Agency's (IEA) Net Zero Emissions (NZE) 2050 Roadmap envisions an energy sector path for net zero GHG emissions that includes a "25% drop in fossil fuel demand by 2030" and "fossil fuel demand fall[ing] by 80% by 2050."[1]

In line with such assumptions, and similar assumptions included in the Intergovernmental Panel on Climate Change's report series[2] and elsewhere, Chevron Corporation ("the Company") "is working to advance the global net-zero ambitions of the Paris Agreement,"[3] including by "lowering the carbon intensity of our operations," increasing "renewables from sources like wind, solar and biofeedstocks — even cow manure," and " investing in low-carbon technologies."[4]

These investment decisions apparently presume agendas like the normative IEA NZE roadmap are possible and based on accurate assumptions, but what if the NZE goals and/or assumptions prove unsound?

A 2023 study by the Energy Policy Research Foundation (EPRF) found that net zero advocates have misconstrued the IEA' s position on new oil and gas investment, and that the IEA has made questionable assumptions and milestones for NZE about government policies, energy and carbon prices, behavioral changes, economic growth, and technology maturity.[5]

The EPRF study found: "Oil and gas play irreplaceable roles in modem civilization that are not reproducible with low- carbon alternatives. The attempt to substitute them with inferior, less efficient, energy sources will have enormous micro- and macroeconomic consequences and profound geopolitical implications."[6]

NZE advocates speak in terms of fossil fuels as "stranded assets," but no consideration has been given to whether the true stranded assets might be the very renewable energy assets pushed by climate activists. Should the EPRF's study prove true, our Company stands to lose on its renewable energy investments.

The Company should be commended for its willingness to pursue value-enhancing initiatives in the face of "stranded assets" criticism.[7] However, that does not absolve the Company of its duty to make fully informed decisions when it comes to the investments it is making in renewable energy.

It is one thing to evaluate whether oil and gas assets will be stranded by an energy transition, but it is another thing to evaluate whether renewable energy assets will themselves be stranded if it turns out the push to net zero was counter-productive and value-destroying. This proposal is focused on the latter "reverse stranded assets" risk.

RESOLVED: Shareholders request that the Company issue a report, prepared at a reasonable cost and omitting proprietary information, that assesses the risk that the company's investments in renewable energy and related infrastructure could result in reverse stranded assets. The report

should evaluate the financial, operational, and strategic implications of such risks and outline potential mitigation strategies.

---

[1] https://sdg.iisd.org/news/iea-updates-roadmap-to-keep-1-5c-within-reach/
[2] See generally, https://www.sciencedirect.com/science/article/pii/S0959378022000760 . Cf. https://nypost.com/2021/11/12/50-years-of-predictions-that-the-climate-apocalypse-is-nigh/ ; https://www.chevron.com/-/media/chevron/sustainability/documents/GHG-Reporting-Protocol-Version-8-0.pdf
[3] https://www.chevron.com/lower-carbon#the-paris-agreement
[4] https://www.chevron.com/lower-carbon#manifesto
[5] https://assets.realclear.com/files/2023/06/2205_a_critical_assessment_of_the_ieas_net_zero_scenario_esg_and_the_cessation_of_investment_in_new_oil_and_gas_fields.pdf
[6] https://assets.realclear.com/files/2023/06/2205_a_critical_assessment_of_the_ieas_net_zero_scenario_esg_and_the_cessation_of_investment_in_new_oil_and_gas_fields.pdf
[7] https://www.follow-this.org/chevrons-53-billion-bet-on-more-fossil-fuels-is-at-odds-with-the-paris-climate-agreement-and-endangers-the-company/

EXHIBIT B

stockholder proposal to report on voluntary carbon reduction risks (item 4 on the proxy card)

The National Center for Public Policy Research has submitted the following proposal for consideration at the Annual Meeting.

WHEREAS: Shareholders must protect our assets against potentially unfulfillable Company ESG promises, including the extent to which the Company can reduce Scope 1, 2, and 3 greenhouse gas (GHG) emissions.

The Securities and Exchange Commission (SEC) has taken enforcement actions related to Environmental, Social, Governance (ESG) issues or statements by companies who misrepresent or engage in fraud related to ESG efforts.[1]

In 2021, the SEC created the Climate and ESG Task Force in its Division of Enforcement.[2] The focus of the Task Force is "to identify any material gaps or misstatements" in disclosure of climate risks and analyze "compliance issues relating to investment advisers' and funds' ESG strategies."[3]

The Task Force has taken numerous enforcement actions including charging Goldman Sachs for policies and procedures failures related to ESG investments, resulting in a $4 million penalty,[4] and charging DWS Investment Management Americas Inc. in part for misstatements regarding its ESG investment process that resulted in an overall $25 million in penalties.[5]

The SEC has proposed to require companies to disclose information about their Scope 1 and 2 emissions, and to require them to disclose Scope 3 emissions "if material *or if the registrant has set a GHG emissions target or goal that includes Scope 3 emissions.*"[6]

The Environmental Protection Agency defines Scope 3 emissions as, "the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain."[7] Put differently, "Scope 3 emissions for one organization are the scope 1 and 2 emissions of another organization."[8] This means that Scope 3 emissions are already counted as another entity's emissions, and are external to the reporting company, such as product use and how employees commute.[9]

Voluntary carbon-reduction commitments create risk of SEC enforcement without providing clear benefit to the climate or other values.

In August 2023, the Global Climate Intelligence Group asserted, "There is no climate emergency."[10] The declaration includes 1,609 signatories and "oppose[s] the harmful and unrealistic net-zero CO2 policy proposed for 2050."[11]

A June 2023 study by the Energy Policy Research Foundation found that net zero advocates have misconstrued the International Energy Agency's position on new oil and gas investment and that it has made questionable assumptions and milestones for NZE about government policies, energy and carbon prices, behavioral changes, economic growth, and technology maturity.[12]

SUPPORTING STATEMENT: Chevron has made Scope 3 emissions reduction commitments despite its acknowledgement of that "the NZE Scenario is remote and highly unlikely…."[13] Given the SEC's climate and ESG enforcement actions, the Company must exercise caution and provide transparency about the feasibility of such commitments to avoid financial and reputational risk.

RESOLVED: Shareholders request the Company produce a report analyzing the risks arising from voluntary carbon-reduction commitments.

1 https://www.sec.gov/securities-topics/enforcement-task-force-focused-climate-esg-issues
2 https://www.sec.gov/news/press-release/2021-42
3 https://www.sec.gov/news/press-release/2021-42; https://www.sec.gov/securities-topics/enforcement-task-force-focused-climate-esg-issues
4 https://www.sec.gov/news/press-release/2022-209
5 https://www.sec.gov/news/press-release/2023-194
6 https://www.sec.gov/news/press-release/2022-46
7 https://www.epa.gov/climateleadership/scope-3-inventory-guidance
8 https://www.epa.gov/climateleadership/scope-3-inventory-guidance
9 https://www.epa.gov/climateleadership/scope-3-inventory-guidance
10 https://clintel.org/wp-content/uploads/2023/08/WCD-version-081423.pdf
11 https://clintel.org/wp-content/uploads/2023/08/WCD-version-081423.pdf
12 https://assets.realclear.com/files/2023/06/2205_a_critical_assessment_of_the_ieas_net_zero_scenario_esg_and_the_cessation_of_investment_in_new_oil_and_gas_fields.pdf
13 https://www.chevron.com/sustainability/environment/lowering-carbon-intensity; https://www.chevron.com/-/media/chevron/sustainability/documents/climate-change-resilience-report.pdf

board of directors' response

Your Board recognizes the risks associated with voluntary carbon-reduction commitments. Chevron is investing to grow its oil and gas business, reduce the carbon intensity of its operations, and grow new lower carbon businesses in renewable fuels, carbon capture and offsets, hydrogen, and other emerging technologies. As part of that strategy, Chevron establishes carbon intensity targets in line with its business planning and outlooks for markets, technology, and policy. Chevron aims to communicate transparently about those targets, risks associated with those targets, and performance on a regular basis.

Chevron establishes targets carefully and aims to communicate them transparently

Chevron's approach to voluntary carbon reduction focuses on reducing the overall lifecycle carbon intensity of the energy it produces, in addition to reducing the carbon intensity of its oil and gas production and its flaring and methane intensity. This approach enables Chevron to maintain or grow its oil and gas business in response to market demand, while still addressing Chevron's intent to reduce emissions intensity. Chevron's strategic and business planning processes, including its risk management processes, guide its actions as Chevron aims to safely deliver higher returns and lower carbon.

Your Board believes Chevron has the right policies and management systems in place, and a separate report is not an effective way to achieve the proposal's objectives.

Therefore, your Board recommends that you vote AGAINST the proposal.

EXHIBIT C

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 29, 2024

Chevron Corporation

(Exact name of registrant as specified in its charter)

Delaware	**001-00368**	**94-0890210**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

5001 Executive Parkway, Suite 200 San Ramon, CA	**94583**
(Address of Principal Executive Offices)	(Zip Code)

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

N/A
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value $.75 per share	CVX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

(a) The 2024 Annual Meeting of Stockholders of Chevron Corporation ("Chevron") was held on Wednesday, May 29, 2024.

(b) Chevron stockholders voted on the matters set forth below, with final voting results indicated. For the election of Directors in an uncontested election, each nominee who received a majority of votes cast (i.e., the number of shares voted for exceeded the number of shares voted against, excluding abstentions) was elected a Director. All other items were approved if the number of shares voted for exceeded the number of shares voted against, excluding abstentions.

(1) All nominees for election to the Chevron Board of Directors ("Board") were elected, each for a one-year term, based upon the following votes:

Nominee	Votes For		Votes Against	Abstentions	Broker Non-Votes
Wanda M. Austin	1,271,396,000	**97.4%**	33,383,106	3,021,035	263,412,409
John B. Frank	1,267,543,431	**97.2%**	37,116,950	3,139,760	263,412,409
Alice P. Gast	1,268,675,085	**97.2%**	36,142,274	2,982,782	263,412,409
Enrique Hernandez, Jr.	1,222,141,563	**93.7%**	82,382,081	3,276,497	263,412,409
Marillyn A. Hewson	1,281,732,946	**98.2%**	23,150,406	2,916,789	263,412,409
Jon M. Huntsman Jr.	1,268,569,520	**97.2%**	36,085,980	3,144,641	263,412,409
Charles W. Moorman	1,253,299,287	**96.1%**	51,284,521	3,216,333	263,412,409
Dambisa F. Moyo	1,281,933,651	**98.3%**	22,619,118	3,247,372	263,412,409
Debra Reed-Klages	1,278,475,369	**98.0%**	25,995,043	3,329,729	263,412,409
D. James Umpleby III	1,276,734,817	**97.9%**	27,473,485	3,591,839	263,412,409
Cynthia J. Warner	1,284,486,337	**98.4%**	20,321,652	2,992,152	263,412,409
Michael K. Wirth	1,241,381,900	**95.3%**	61,436,091	4,982,150	263,412,409

(2) The Board's proposal to ratify the appointment of PricewaterhouseCoopers LLP as Chevron's independent registered public accounting firm for 2024 was approved based upon the following votes:

Votes For	1,516,907,390	**96.7%**
Votes Against	51,109,923	**3.3%**
Abstentions	3,195,237	
Broker Non-Votes	Brokers were permitted to cast stockholder non-votes (i.e., uninstructed shares) at their discretion on this proposal item, and such non-votes are reflected in the votes for or against or abstentions.	

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

Votes For	1,246,718,336	**95.8%**
Votes Against	54,030,151	**4.2%**
Abstentions	7,051,654	
Broker Non-Votes	263,412,409	

(4) The stockholder proposal to report on voluntary carbon reduction risks was not approved based upon the following votes:

Votes For	19,799,653	**1.5%**
Votes Against	1,272,375,728	**98.5%**
Abstentions	15,624,760	
Broker Non-Votes	263,412,409	

(5) The stockholder proposal to report on plastic demand scenario was not approved based upon the following votes:

Votes For	97,491,565	**7.6%**
Votes Against	1,194,561,648	**92.4%**
Abstentions	15,746,928	
Broker Non-Votes	263,412,409	

(6) The stockholder proposal to commission a third-party report on human rights practices was not approved based upon the following votes:

Votes For	286,557,289	**22.2%**
Votes Against	1,005,257,027	**77.8%**
Abstentions	15,985,825	
Broker Non-Votes	263,412,409	

(7) The stockholder proposal to report on tax practices was not approved based upon the following votes:

Votes For	193,282,634	**14.9%**
Votes Against	1,105,372,064	**85.1%**
Abstentions	9,145,443	
Broker Non-Votes	263,412,409	

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 31, 2024

CHEVRON CORPORATION

By: /s/ Rose Z. Pierson

Rose Z. Pierson

Assistant Secretary

January 31, 2025

Via Online Shareholder Proposal Form

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

Re: No-Action Request from Chevron Corporation Regarding a Shareholder Proposal by the National Center for Public Policy Research ("Proponent" or "NCPPR")

Ladies and Gentlemen:

This correspondence is in response to the letter of Elizabeth A. Ising on behalf of Chevron Corporation (the "Company") dated January 17, 2025, requesting that your office (the "Commission" or "Staff") take no action if the Company omits Proponent's shareholder proposal (the "Proposal") from its 2025 proxy materials for its 2025 annual shareholder meeting. The following analysis of the Company's arguments makes clear that no basis exists for permitting the Company to exclude the Proposal.

I. The Proposal Does Not Impermissibly Relate to The Company's Ordinary Business Operations.

A. Background.

The Proposal requests a report on the Company's reverse-stranded-assets risks. As noted in the Proposal: "It is one thing to evaluate whether oil and gas assets will be stranded by an energy transition, but it is another thing to evaluate whether renewable energy assets will themselves be stranded if it turns out the push to net zero was counter-productive and value-destroying."

In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the determinative question for deciding whether a proposal impermissibly interferes with ordinary business is whether that proposal seeks to regulate "tasks … 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."

Applied to the Proposal, it is clear that requesting a report on reverse-stranded-assets risk is (1) the type of high-level oversight properly within the scope of shareholder action, and (2) does not in any way interfere with the management's ability to run a company on a day-to-day basis.

Proponent believes the following no-action decisions, together with those cited under Part C below, are most on-point and support the conclusion that the Proposal does not impermissibly micromanage the Company and, accordingly, does not impermissibly interfere with the Company's ordinary business. *Chubb Limited* (March 25, 2024) ("The Proposal requests that the Company issue a report disclosing the greenhouse gas emissions from its underwriting, insuring, and investment activities." The Staff concluded "the Proposal does not seek to micromanage the Company."); *ConocoPhillips* (March 19, 2021) ("The Proposal requests that the company address the risks and opportunities presented by the global transition towards a lower emissions energy system by setting emission reduction targets covering the greenhouse gas (GHG) emissions of the Company's operations as well as their energy products (Scope 1, 2, and 3)." The Staff concluded "the Proposal does not seek to micromanage the Company to such a degree that exclusion of the Proposal would be appropriate.").

The relevant subject matter of both the *Chubb Limited* proposal and the *ConocoPhillips* proposal is climate change and the high-level risk assessment companies undertake in response thereto. This is also the subject matter of the Proposal under consideration here.

To the extent it is unclear why Proponent is citing decisions addressing micromanagement concerns, it is critical to recall that the micromanagement exclusion is a subset of the ordinary business exclusion that provides a means for a company to exclude a proposal even when it would otherwise raise significant social policy issues sufficient to otherwise transcend ordinary business concerns. Accordingly, a proposal may impermissibly interfere with a company's ordinary business without necessarily impermissibly micromanaging the company, but a conclusion that a proposal does not impermissibly micromanage a corporation necessarily includes the conclusion that the proposal does not impermissibly interfere with the company's ordinary business.

As an aside, it is worth noting that the SEC's current exclusion/exception hierarchy whereby the micromanagement exclusion trumps considerations of social policy, thereby elevating the Company's authority to manage its daily business above a shareholder's right to have a vote on matters of social importance may well have a questionable statutory basis. Cf. *All. for Fair Bd. Recruitment v. Sec. & Exch. Comm'n*, No. 21-60626, 2024 WL 5078034, at *16 (5th Cir. Dec. 11, 2024) (noting that because the SEC "has no inherent or implied authority, its powers to make major decisions must come only from unequivocal statutory text" and concluding the SEC exceeded its authority in approving Nasdaq's diversity rule). At the very least, that should weigh in Proponent's favor in case of any close calls on the micromanagement issue.

Finally, to the extent the Staff disagrees with Proponent's conclusion that finding an absence of micromanagement always precludes finding impermissible interference with ordinary business, Proponent nevertheless stands by the proposition that the subject matter of the Proposal (i.e., climate change and the high-level risk assessment companies undertake in response thereto) is not one that impermissibly implicates the day-to-day decision-making of management.

B. The Proposal Does Not Impermissibly Relate to The Company's Investment Decisions or Business Strategy

i. The Proposal Does Not Impermissibly Relate to The Company's Investment Decisions or Choice of Technologies.

It may be argued that the SEC Staff has in the past engaged in analysis and rendered decisions that would equate (1) shareholders requesting a reverse-stranded-asset risk assessment, with (2) shareholders seeking to pass a bylaw amendment that would require management to divest itself of all green energy assets. However, such a conclusion is simply indefensible as a matter of logic and inappropriately undermines shareholder democracy. Whatever the utility of examining the underlying subject matter of a report or risk assessment, it is simply not accurate to claim that a request for a green investment risk assessment is the same as a vote to ban green investments. Put another way, while it may be reasonable to preclude proponents from doing an end run around the ordinary business exclusion simply by seeking a report, the analysis swings too far in the other direction if no distinction is drawn between a request for a report and a bylaw amendment proposal that automatically forces the subject matter on the Company upon the Company.

The Company's argument here boils down to the proposition that "subjecting decisions about how the Company implements its growth strategy and weighs risk and reward with respect to its investments—including as it relates to the Company's investments in renewable energy technology—to stockholder oversight is impractical and would impede management's fundamental ability to direct the Company's business operations." However, nowhere does the Proposal do that. Consider the following. The Proposal could pass, yet the Company would retain the power and authority to refuse to conduct the requested assessment or issue the requested report. Even if the Company chooses to conduct the assessment and issue the report, it retains the power and authority to subsequently choose and invest in whatever technology it wants. In fact, nothing in the Proposal even requests that such post-report decisions and choices be disclosed to shareholders. So how, exactly, are those decisions and choices subject to shareholder oversight?

On the other hand, the proposition that it is impracticable for shareholders to decide whether requesting a reverse-stranded-asset risk assessment is a good idea strikes at the very heart of shareholder democracy. It would be one thing if the Proposal required shareholders to decide which investments to make or which technologies to choose, but it does no such thing. And the broad issue of a failed or failing energy transition, along with the renewed market enthusiasm for oil and gas, is certainly something Chevron shareholders have sufficient grasp of to preclude stripping them of the right to ask for this report. Cf. Samuel Gregg, *Draghi's Dirigisme*, LAW & LIBERTY (Oct. 24, 2024) ("The self-crippling of substantial parts of many European economies in the name of combating climate change, and the associated failure of the promised green businesses and green jobs to materialize on any meaningful scale, is one of the major economic stories of our time.").[1]

ii. The Proposal Is Excludable Because It Relates to The Company's Business Strategy.

The Company argues:

[1] https://lawliberty.org/draghis-dirigisme/

> [T]he Proposal … seeks a stockholder referendum on the Company's investment strategy.... With significant access to information regarding the Company's broader corporate objectives and goals, capital requirements, customer demand, production costs, and the availability of materials, management is best positioned to determine how to allocate Company resources internally and to monitor and adjust the objectives and strategy related to its various business initiatives after appropriately weighing and analyzing all applicable factors. The ability to implement these decisions without direct stockholder oversight is integral to management's ability to run a company on a day-to-day basis.

As was the case in the preceding section, this is nothing more than a straw man argument that should be swiftly rejected. The Proposal does not seek a referendum on the Company's investment strategy. It is in fact possible for a shareholder to vote in favor of the Proposal in order to gain more information while being agnostic about, or even in favor of, green energy investments. Nor does the Proposal seek in any way to position shareholders over the shoulder of management as it implements its investment strategy. The notion that management can only function if it is insulated from even the mere request for information sought by this Proposal seems appropriate for a system wherein managers own the firm and shareholders work for it but not the one we actually have, which is precisely the opposite of that.

C. The Proposal Does Not Focus on Any "Significant Policy Issues" That Transcend the Company's Ordinary Business Operations But Instead Focuses On Risks Related To The Company's Investment Decisions and Business Strategy.

In SLB 14L, the Staff framed the role of social significance as follows.

> Going forward, the staff will realign its approach for determining whether a proposal relates to "ordinary business" with the standard the Commission initially articulated in 1976, which provided an exception for certain proposals that raise significant social policy issues, and which the Commission subsequently reaffirmed in the 1998 Release. This exception is essential for preserving shareholders' right to bring important issues before other shareholders by means of the company's proxy statement, while also recognizing the board's authority over most day-to-day business matters.

Accordingly, the question here is whether the Proposal "raise[s] significant social policy issues" such that exclusion would deprive shareholders of their "essential … right to bring important issues before other shareholders by means of the company's proxy statement." Only "the board's authority over … day-to-day business matters" can even be considered as trumping this shareholder right.

Proponent believes the following no-action decisions, together with those cited in Section A, are most on-point and support the conclusion that the Proposal sufficiently raises significant social policy issues to transcend the ordinary business that the Company claims is impermissibly interfered with. *JPMorgan Chase & Co. (Mercy Investment)*, (March 25, 2022) ("The Proposal

requests that the Company adopt a policy … in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario"; the Staff concluded "the Proposal transcends ordinary business matters and does not seek to micromanage the Company."); *JPMorgan Chase & Co. (Sierra Club)* (March 25, 2022) ("The Proposal requests that the board issue a report that sets absolute contraction targets for the Company's financed greenhouse gas emissions …." The Staff concluded "the Proposal transcends ordinary business matters and does not seek to micromanage the Company.").

As in Section A, the relevant subject matter of both the *JPMorgan Chase & Co. (Mercy Investment)* proposal and the *JPMorgan Chase & Co. (Sierra Club)* proposal is climate change and the high-level risk assessment companies undertake in response thereto. This is also the subject matter of the Proposal under consideration here and clearly raises significant social policy issues. The focus of the Proposal, set forth directly therein, is no less than the Company's commitment "to advance the global net-zero ambitions of the Paris Agreement," along with the fact that:

> Oil and gas play irreplaceable roles in modem civilization that are not reproducible with low- carbon alternatives. The attempt to substitute them with inferior, less efficient, energy sources will have enormous micro- and macroeconomic consequences and profound geopolitical implications.

The transcendent social significance of the Proposal is accordingly clear.

II. The Proposal Does Not Address Substantially the Same Subject Matter as A Previously Submitted Proposal

Proponent's 2025 and 2024 proposals are not substantially similar, as demonstrated by the following table.

	2025 Proposal	2024 Proposal
Subject matter	Reverse Stranded Assets	Scope 1, 2, and 3 greenhouse gas (GHG) emissions
Narrow focus	Stranded assets: "It is one thing to evaluate whether oil and gas assets will be stranded by an energy transition, but it is another thing to evaluate whether renewable energy assets will themselves be stranded if it turns out the push to net zero was counter-productive and value-destroying."	Scope 3 emissions: "The Environmental Protection Agency defines Scope 3 emissions as, 'the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain'"; "Chevron has made Scope 3 emissions reduction commitments"
Broad focus	Societal impact: "Oil and gas play irreplaceable roles in modem civilization that are not reproducible with low-carbon alternatives. The attempt to substitute them with inferior, less efficient, energy sources will have enormous micro- and macroeconomic consequences and profound geopolitical implications."	Greenwashing liability: "The Securities and Exchange Commission (SEC) has taken enforcement actions related to Environmental, Social, Governance (ESG) issues or statements by companies who misrepresent or engage in fraud related to ESG efforts."

Neither the subject matter, narrow focus, nor broad focus of these two proposals are substantially similar. Accordingly, the failure of the 2024 proposal to cross the 5% vote threshold is irrelevant to the excludability of the Proposal.

III. Conclusion

In conclusion, the arguments presented by the Company for excluding the Proposal are not convincing. The Proposal should accordingly be included in the proxy materials for the 2025 annual meeting.

A copy of this correspondence has been timely provided to the Company. If I can provide additional materials to address any queries the Commission may have with respect to this letter, please do not hesitate to call me at (202) 507-6398 or email me at spadfield@nationalcenter.org.

Rule 14a-8(k) and Section E of Staff Legal Bulletin No. 14D (Nov. 7, 2008) provide that companies are required to send proponents a copy of any correspondence that they elect to submit to the Commission or the Staff. Accordingly, we remind the Company that if it were to submit correspondence to the Commission or the Staff or individual members thereof with respect to our Proposal or this proceeding, a copy of that correspondence should concurrently be furnished to us.

Sincerely,

Stefan Padfield
Executive Director
Free Enterprise Project
National Center for Public Policy Research

cc: Elizabeth A. Ising