



2015 corporate responsibility report highlights

human energy®

**getting results
the right way**

for complete reporting, visit
chevron.com/reporting



the chevron way explains who we are, what we do, what we believe and what we plan to accomplish

At the heart of The Chevron Way is our vision ... to be *the* global energy company most admired for its people, partnership and performance.

We make this vision a reality by consistently putting our values into practice. The Chevron Way values distinguish us and guide our actions so that we get results the right way.

Our values are integrity, trust, diversity, ingenuity, partnership, protecting people and the environment, and high performance.

read more > chevron.com/chevronway



unlocking opportunities together

We partner with some of our largest international contractors to bring more local producers into their supply chains. In Colombia, we are collaborating with global food services contractor Compass Group and the nongovernmental organization VITAL on a partnership designed to help smallholder farmers meet Compass's high standards of quality.

As a result, many of these farmers now sell their fruits, vegetables and other products to Compass, which means Chevron Colombia employees are enjoying this locally grown food when they sit down to eat at our facilities. More important, those farmers are enjoying improved livelihoods thanks to the reliable demand and fair pricing that Compass offers as a customer.

Currently, more than 90 farmers have taken part in the program.

On the cover: By providing avocados from his La Guajira Province, Colombia, farm to Chevron through the Compass-VITAL partnership, Exavier Guerra has doubled his income and developed the technical and business skills needed to commercialize his surplus produce.

learn more > chevron.com/creatingprosperity

a message from our chairman and chief executive officer



John S. Watson
Chairman of the Board and
Chief Executive Officer

For more than 135 years, Chevron has focused on safely developing affordable and reliable energy to enable global economic growth and make lives better. Our products and services continue to be critical for economic progress, and our fundamentals remain strong. We also remain committed to operational excellence (OE) and the communities in which we work.

We are guided, as always, by The Chevron Way. This road map underpins the character of our company and establishes the values by which we deliver our results. Our *2015 Corporate Responsibility Report* highlights three of our values—acting with integrity, protecting people and the environment, and engaging in partnership. It also illustrates our belief that corporate responsibility is about putting the values of The Chevron Way into action.

We conduct our business in a socially responsible and ethical manner. We respect the law, support universal human rights, protect the environment and benefit the communities in which we work. We strive to meet the highest ethical standards in all business dealings, and in 2015, we reinforced this with our service providers, underlining our expectation that they abide by our human rights policies.

2015 was one of our best years ever in preventing significant safety and environmental incidents. Our Days Away From Work Rate, Motor Vehicle Crash Rate and petroleum spill volume set record lows, and our Total Recordable Incident Rate matched last year's record low. Chevron is committed to meeting our goal of zero incidents and will continue to focus on achieving world-class performance in all measures of safety and environmental stewardship. This includes managing our use of freshwater resources and reducing natural gas flaring and venting to minimize greenhouse gas emissions. Our Operational Excellence Management System provides a disciplined approach to working safely, protecting the environment, and operating reliably and efficiently.

You can track our progress at chevron.com/cr, where we provide additional details about our efforts to partner with people, projects and communities to create prosperity and make lives better. Over the past 10 years, we have made approximately \$1.9 billion in social investments in local communities. In 2015, we advanced our strategic programs and partnerships with more than \$233 million in global social investments. We focused these investments in three core areas—health, education and economic development—to develop skilled workers, improve access to health care, and boost local and regional economies.

These social investments complement our investments in projects and local goods and services, creating jobs and generating revenues for the communities where we operate. In 2015, we spent \$54 billion on goods and services globally. Going forward, our spending in this area will reflect our continued commitment to the communities where we operate as well as the business environment.

We thank you for your confidence and investment in Chevron as we continue working every day to achieve our vision of being *the* global energy company most admired for its people, partnership and performance.

A handwritten signature in green ink that reads "John S. Watson". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

May 2016



corporate responsibility at chevron

**for more than 135 years, chevron
has proudly developed the energy that people
and businesses depend on—helping to
spur economic growth and improve the quality
of life for communities worldwide**

We define corporate responsibility as putting the values of The Chevron Way into action. These values place the highest priority on maintaining ethical standards, respecting the law, supporting universal human rights, protecting people and the environment, and benefiting the communities where we work. Our focus on corporate responsibility is integrated into key business policies and processes, including our

Business Conduct and Ethics Code, our Human Rights Policy, and our Operational Excellence Management System. This framework of policies and processes provides a standardized approach that enables us to identify and manage the corporate responsibility-related risks we encounter in our global business and to promote continual improvement of our safety, environmental and social performance.

Above: Students at Dossymov School #12 in Atyrau, Kazakhstan, participate in interactive life-skills training as part of the Atyrau Youth Development Initiative, a social investment program designed to prepare youth for future success in the workplace and society.

focusing on what matters

Our corporate responsibility reporting focuses on environmental, social and governance (ESG) issues that matter to our business and our stakeholders—investors, customers, host governments, local communities and employees. To select the content for our *2015 Corporate Responsibility Report Highlights* and the corporate responsibility section of **chevron.com**, we used an issue prioritization process that involved the following steps:

Step 1: A team of employees from across our functions and business segments identified ESG topics that are salient to our stakeholders and our business. To do so, the team used internal and external sources, including international reporting guidelines and frameworks, ESG analytics, topics addressed in previous Corporate Responsibility Reports, feedback received on the *2014 Corporate Responsibility Report Highlights*, media analysis, industry peer reviews, and a range of stakeholder engagements.

Step 2: The team conducted an initial prioritization of ESG issues based on their relevance to our business.

Step 3: The team sought feedback on the initial prioritization of issues through dialogues with internal subject matter experts and external stakeholders.

Step 4: The team determined the issues that are of highest priority for our reporting, and we discuss each in this report and on our website.

Our prioritized issues reflect topics covered in the 2015 edition of the IPIECA/API/IOGP* *Oil and gas industry guidance on voluntary sustainability reporting*. For 2015, Chevron reported on all 34 indicators. An IPIECA/API/IOGP content index is available on page 29 of this report and at chevron.com/IPIECA.

*IPIECA (the global oil and gas industry association for environmental and social issues)/American Petroleum Institute/International Association of Oil & Gas Producers.



This Highlights report represents a snapshot of our 2015 performance. Our complete reporting on ESG issues and indicators can be found at chevron.com/reporting

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achieving results through strong governance and ethics

**Among Chevron's core values
is integrity, which means:**

**We strive to meet
the highest ethical standards
in all business dealings.**

**We are honest with
others and ourselves.**

We do what we say we will do.

learn more > chevron.com/ethicsgovernance

Chevron holds its workforce to the highest standards of integrity and honesty and encourages employees to report questionable conduct. We believe in being transparent with and responsive to our stakeholders at all times, and we strive to comply with the letter and the spirit of all applicable laws when conducting Company business.

board of directors

Chevron is governed by a Board of Directors that oversees the Company's business affairs and meets throughout the year. The Board is committed to strong corporate governance structures and practices that help the Company achieve business results—the right way. The Board has four standing committees, each composed solely of independent Directors: Audit; Board Nominating and Governance; Management Compensation; and Public Policy. Directors fulfill their responsibilities through Board and committee meetings and also through other communications with management. The Board monitors corporate performance, the integrity of Chevron's financial controls, and the effectiveness of its legal and political compliance and public policy and social programs. It also oversees management and succession of key executives and Chevron's strategic and business planning process.

board and committee oversight of risk

Chevron faces a broad array of risks, including market, operational, strategic, legal, political and financial. To determine if appropriate risk management systems are employed throughout the Company, the Board and its committees oversee Chevron's risk management policies and practices. The Public Policy Committee assists the Board in fulfilling its oversight of risks that may arise in connection with the social, political, environmental, human rights and public policy aspects of Chevron's business and the communities in which it operates. The committee discusses risk management in the context of, among other things, legislative and regulatory initiatives, safety and environmental stewardship, community relations, government and nongovernmental organization relations, and Chevron's reputation. The committee reports its discussions to the full Board for consideration and action when appropriate.

governance

For Chevron, good corporate governance means having structures and processes in place to make sure that the Company's decisions and actions are in the best interests of our stockholders. It also means being transparent with and responsive to our stockholders. Through our Investor Relations and Corporate Governance departments, we engage directly with many of our stockholders in meetings to discuss operational, financial, governance, executive compensation, environmental, safety, social and policy issues, and we engage with all of them through reports, press releases and the Company's website. All stockholder communications addressed to the nonemployee Directors are available to the Board and reviewed by the Board Nominating and Governance Committee.

business ethics

Chevron takes the conduct of its employees seriously and encourages questionable conduct to be reported. This may include, for example, violations of Company policy or of the Chevron Business Conduct and Ethics Code, which contains a description of how we administer oversight of our compliance program and information about the avenues through which employees can report misconduct. One reporting method available to the entire workforce is the Chevron Hotline, which is operated offsite by Global Compliance Services (AlertLine®), an independent agent. In addition, our Global Office of Ombuds provides a safe, confidential environment outside formal reporting channels to resolve workplace concerns. Employees may contact an Ombudsman at any time, regardless of the stage of the concern or severity of the issue.



additional resources

chevron.com/corporategovernance
chevron.com/BCEC

integrity

respecting human rights

**although governments have the
primary duty to protect and ensure fulfillment
of human rights, chevron believes that
we have a responsibility to respect human
rights and that we can play a positive
role in the communities where we operate**

learn more > chevron.com/humanrights

In Rakhine State, Myanmar, Kayala Oo of Unocal Myanmar Offshore Co., Ltd. (a Chevron subsidiary) leads a social impact assessment meeting with local community members and other stakeholders.



human rights policy

Chevron's Human Rights Policy, adopted in 2009, fosters greater awareness of human rights issues throughout the Company and enhances our capabilities to identify and manage human rights across our business. It focuses on evaluating how our operations may impact communities, engaging with suppliers on issues related to human rights, conducting responsible security operations and treating our employees in a manner consistent with The Chevron Way. The policy is governed by an executive leadership body and involves oversight by our Board of Directors.

We operationalize our Human Rights Policy by disseminating processes, procedures and tools to Chevron practitioners, including guidance on training and conducting risk assessments, on managing relationships with communities, and on engaging with business suppliers and security providers. Our policy is consistent with the United Nations Guiding Principles on Business and Human Rights, which were developed through consultation with stakeholders, including Chevron.

Our policy is embedded in the Chevron Business Conduct and Ethics Code compliance training for all employees. We also provide various levels of training for individuals most likely to encounter issues related to human rights.

communities

Chevron identifies and manages potential community impacts through a variety of processes and tools, including social impact assessments and guidance on how best to engage with indigenous peoples and manage resettlement.

In 2015, Chevron launched exploration offshore Myanmar. We are committed to maintaining our respect for human rights throughout our operations. We engaged our seismic acquisition contractor in discussions on the management of potential scenarios related to its offshore work that could involve human rights issues. In addition, we recently conducted a social impact assessment using an internationally respected third-party contractor with expertise in human rights. In 2016, we will report on the corporate responsibility efforts we have undertaken in Myanmar in accordance with the U.S. Department of State's Responsible Investment Reporting Requirements for Burma.

suppliers

Chevron spends billions of dollars every year on goods and services globally. We encourage our suppliers to treat their employees and interact with communities in ways that respect human rights. We require that our key suppliers adhere to all domestic laws and encourage them to align their practices with the International Labour Organization's (ILO) core principles of freedom of association, the right

to collective bargaining, the elimination of forced and compulsory labor, the abolition of child labor, and the elimination of discrimination in the workplace. We also use regular communication with our key suppliers to reinforce our human rights principles and to raise our suppliers' awareness of potential human rights issues.

In 2015, we sent a letter to the senior leaders of more than 400 goods and services companies. The letter, which is posted online at chevron.com/humanrights, outlined Chevron's commitment to respecting human rights and our expectation that our business partners treat their employees and interact with communities in a manner consistent with our Human Rights Policy and the ILO's core labor principles.

security providers

As a founding member of the Voluntary Principles on Security and Human Rights Initiative (VPI), which launched in 2000, Chevron has long demonstrated its commitment to responsible security. The VPI is a multistakeholder initiative with government, civil and business participants. It promotes implementation of principles that guide extractive companies on how to provide security for their operations in a manner that respects human rights. These principles are embedded throughout Chevron's global operations. Our Operational Excellence Management System provides a comprehensive framework to identify and mitigate security risk and helps align security operations with our Human Rights Policy. In 2015, we updated the process governing security guidelines and safeguards, helping us continue conducting security operations in compliance with our Human Rights Policy and applicable national and international law.

employees

We treat our employees with dignity and respect and promote diversity and inclusion in the workplace. Our Company policies and procedures adhere to all applicable domestic laws and are consistent with the ILO's core labor principles.



committed to diversity and inclusion

In 2015, for the 11th consecutive year, we achieved a rating of 100 percent on the Human Rights Campaign Corporate Equality Index, which ranks U.S. companies committed to lesbian, gay, bisexual and transgender (LGBT) equality in the workplace.

Learn more about our diverse, engaged and capable workforce at chevron.com/diversity.

protecting people and the environment

managing operational risk

fundamental to the chevron way is
our commitment to protecting people and the
environment, which includes developing
energy safely and reliably to power human and
economic progress worldwide

learn more > chevron.com/OE



Above: Roger Dickinson, Pascagoula Base Oil Plant unit head operator, inspects the fire spray deluge at Chevron's Pascagoula, Mississippi, refinery.



0.02
motor vehicle
crash rate*

In 2015, our workforce Motor Vehicle Crash Rate was the lowest we have ever recorded.

*Workforce vehicle incidents per million miles driven.

For the past 15 years, we have expanded our systems to support a culture of safety, environmental stewardship and top performance. We call this “operational excellence” (OE), and it drives everything we do. Our workforce truly believes that incidents are preventable, and we have policies, processes, tools and behavioral expectations in place to assist us in achieving our goal of zero incidents.

Our Operational Excellence Management System (OEMS) is a comprehensive, proven means to systematically manage process safety, personal safety and health, the environment, reliability, and efficiency. Through disciplined application of the OEMS, we identify and mitigate risks by integrating OE processes, standards, procedures and behaviors into our daily operations. Our OEMS is aligned with ISO 14001:2004 and OHSAS 18001:2007, as well as with the Center for Chemical Process Safety’s *Guidelines for Risk-Based Process Safety*.*

The single largest factor for success in OE is leadership accountability. Leaders are focused on getting results the right way and behaving in accordance with our values. Executives and managers are accountable for running the OEMS, which involves oversight by our Board of Directors. Through their actions, leaders at every level manage and drive execution and reinforcement of the OE culture, instill operational discipline, and work to ensure that everyone in their organization complies with OE requirements. Across our business, leaders inspire their teams to strive to achieve zero safety, health and environmental incidents.

Within the OEMS, we use a management system process to drive continual improvement toward world-class performance. This process is linked to business planning and begins with defining a vision of success and setting objectives. Gaps between current performance and these objectives are identified during annual assessments. We develop plans to close gaps, and we then thoroughly review implementation performance.

We adopt and share best practices with our business and industry partners and continually take action to improve our practices and meet our commitments. In 2015, we continued to emphasize our focus on serious incident and fatality prevention as our most important priority.

*Attestation: In 2015, Lloyd’s Register Quality Assurance Ltd. (LRQA) attested that our OEMS meets the requirements of the International Organization for Standardization’s environmental management system standard and the Occupational Health and Safety Assessment Series’ management system specification and verified that the OEMS is implemented throughout the corporation. Chevron has engaged LRQA for independent verification of the OEMS since 2004.

5

operational excellence objectives

Chevron’s OEMS provides a disciplined approach toward managing process safety, personal safety and health, the environment, reliability, and efficiency. We rigorously deploy our processes, standards and regulatory requirements to assure compliance, identify and manage risk of incidents, ensure preparedness for emergency response, and improve overall performance, focusing on five areas:

Safety: Achieve an incident- and injury-free workplace.

Health: Promote a healthy workforce and mitigate significant workplace health risks.

Environment: Identify and mitigate environmental and process safety risks.

Reliability: Operate with industry-leading asset integrity and reliability.

Efficiency: Efficiently use natural resources and assets.

Our commitment to OE extends beyond our employees to include our contractor workforce, our supply chain partners and the communities where we operate.



additional resources

chevron.com/OEMS
chevron.com/OEtenets

protecting people and the environment

preventing serious incidents

chevron is committed to preventing serious incidents and fatalities, which requires operational discipline among our more than 58,000 employees and our full-time-equivalent contractor workforce of 214,000

learn more > chevron.com/healthsafety

Kelly Gray, Chevron Australia production technician, monitors operating units in the Gorgon Operations central control room on Barrow Island, Western Australia.



We identify and mitigate risk by applying policies, processes and technologies to maintain our focus on achieving zero incidents. We also build leader fluency in human performance—the way people, culture, equipment, work systems and processes interact. Leaders are integrating these concepts to improve procedures and incident investigation quality and learning.

personal safety

Personal safety is managed by multiple processes within our Operational Excellence Management System (OEMS). Written safe-work practices are a core part of our comprehensive safety program. These safe-work practices help ensure that potentially hazardous work, such as electrical work and entry into a confined space, is properly planned, permitted, executed and closed out to prevent workplace injuries and incidents. We take steps to ensure that our contractors meet the same safety principles by making our expectations clear and verifying compliance with requirements for safe-work practices.

We eliminate or mitigate risks by identifying potential hazards, taking actions to reduce them and sharing what we know throughout our operations. To accomplish this, we have many tools—including our Preventing Serious Injuries and Fatalities Field Guide—to help our workforce identify potential hazards prior to starting work. These tools help those involved in high-risk activities identify and control the significant potential hazards unique to each job activity. We also started implementing worker-level training to increase awareness of error-likely situations.

Although we have achieved industry-leading performance in preventing injuries, we still experienced three contractor fatalities in 2015, which is not acceptable to us. Each incident is thoroughly investigated so we can understand and learn from the root causes and put solutions in place to help prevent similar incidents. We share lessons learned throughout the Company and apply them in our work practices. We have intensified management focus on assuring that critical safeguards are in place and functioning for high-risk activities.

In 2015, we introduced the Serious Injury and Fatality Metric throughout the Company to help our operations reduce the potential for high-consequence events. We analyze actual incidents and near-miss events to gauge whether they had the potential to cause a fatality or serious injury. The metric helps facilitate dialogue and drive our operational focus on events with the highest potential consequence and the application of safeguards that keep us operating safely.

We are working with other companies in our industry to improve work processes that will help us prevent these serious incidents. We continue to maintain our sharp focus on verifying and validating that safeguards are in place, functioning and effective.

process safety

We also apply our OEMS to manage process safety as we work to prevent serious incidents, such as explosions, fires and accidental releases. To identify hazards and reduce risk, we conduct systematic reviews of facilities and projects, engaging third-party reviewers in certain cases, and we conduct in-depth hazard analyses to prevent injury and loss of containment. Multiple layers of protection are engineered into our designs to safeguard our operations and prevent or mitigate the possible effects of human mistakes and mechanical failures.

In 2015, we achieved a new low in combined Tier 1 and Tier 2 loss-of-primary-containment incidents.* Programs aimed at improving these metrics involved enhancements to asset integrity management, effective operating procedures and risk management, process safety performance tracking, well safety, and the building of process safety competency at all levels of the organization.

Despite our success in reducing loss-of-containment events, serious incidents in 2015 remind us that we must continue to work toward zero process safety incidents. Through what we learn, we improve our procedures, training, maintenance programs and designs to avoid repeating incidents. We share lessons learned throughout the Company and with industry organizations, such as the American Petroleum Institute and the Center for Chemical Process Safety.

*American Petroleum Institute Recommended Practice 754 defines Tier 1 loss-of-primary-containment (LOPC) incidents as certain significant unplanned or uncontrolled releases of material from primary containment, including nontoxic and nonflammable materials. A Tier 2 Process Safety Event is an LOPC with lesser consequence.



Please refer to page 26 for an in-depth look at our health and safety performance data.

preparing for potential emergencies

chevron has processes and tools in place to effectively manage emergency response, business continuity and crisis management efforts, which are focused on prevention, preparedness, response and recovery

learn more > chevron.com/emergencymanagement

Chevron uses a tiered approach to emergency management. Operating units develop site-specific emergency response and business continuity plans to prepare for all identified significant risks. Chevron's Center for Emergency Preparedness and Response (CEPR) is responsible for providing guidance and expertise in emergency response, crisis management and business continuity. The CEPR develops and maintains emergency notification procedures; trains and supports emergency response teams; conducts drills; and routinely practices with organizations that provide emergency response support. Chevron also maintains Corporate Emergency Response Teams, composed of well-trained personnel, to assist our operating units worldwide with emergency response preparedness.

In 2015, a major oil spill response drill conducted in Richmond, California, demonstrated how our Corporate Emergency Response Team worked effectively with local authorities to improve oil spill response in San Francisco Bay. The exercise included the use of cutting-edge drone technology to map the path of a simulated spill to improve response capabilities. These exercises met the certification requirements of the voluntary National Preparedness for Response Exercise Program,* in which Chevron participates annually.

Chevron also participates in international oil spill cooperatives and has relationships with outside experts and contractors. We sit on the boards of directors of the two largest global oil spill cooperatives, the Marine Preservation Association and Oil Spill Response, Ltd. We also work with trade associations, including the American Petroleum Institute and IPIECA, the global oil and gas industry association for environmental and social issues, to advance oil spill preparedness worldwide.

We contract with spill response experts and organizations that can support us in areas such as incident management, wildlife management, oil spill and air dispersion modeling, toxicology, chemistry, fire-fighting, communications, shipping, and salvage.

Our executive crisis management committee conducts annual exercises to prepare for a range of scenarios that may affect the Company or require coordination across multiple operating companies.

*The National Preparedness for Response Exercise Program (PREP) was developed to establish a workable exercise program that meets the intent of section 4202(a) of the Oil Pollution Act of 1990. PREP is a unified federal effort and satisfies the exercise requirements of the Coast Guard, the Environmental Protection Agency, the Research and Special Programs Administration Office of Pipeline Safety, and the Minerals Management Service.

In 2015, Chevron conducted a major oil spill response drill in Richmond, California, in coordination with local, state and federal agencies.



protecting people and the environment

advancing environmental stewardship

protecting people and the environment
is a chevron way value that guides
our actions so that we get
results the right way, every time

learn more > chevron.com/environment



Great hornbills (*Buceros bicornis*), a large bird species from the hornbill family, found near Chevron's Dumai Camp, Sumatra, Indonesia.

Every day, our employees strive to responsibly manage the environmental aspects of our operations, which include:

- Accidental releases prevention and response
- Air emissions
- Energy efficiency and greenhouse gas
- Natural resources, including water
- Site residual impacts
- Waste
- Wastewater

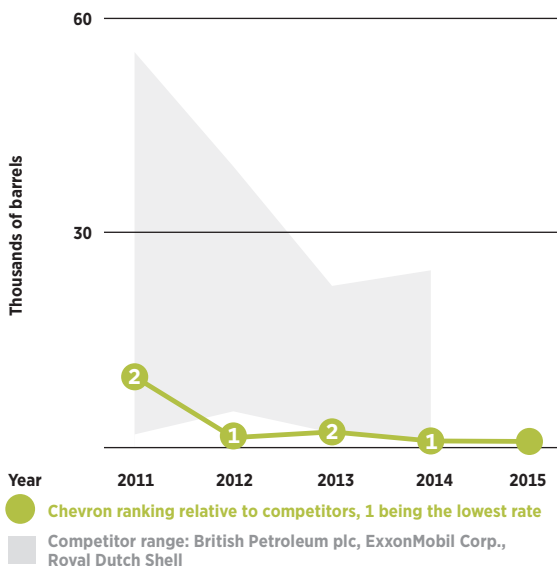
We make continual improvements in our environmental performance by following our Operational Excellence Management System and our Environmental Stewardship Corporate Standard Process, which require our businesses to systematically identify, assess and prioritize environmental risk and improvement opportunities. We also measure our environmental performance, which enables us to make informed business decisions around protection of the environment.

accidental releases

In 2015, Chevron's petroleum spill volume was the lowest ever recorded. These are some of the safeguards we use to prevent accidental releases, including petroleum spills:

- Assurance of the integrity of our equipment design
- Execution of maintenance programs
- Personnel training

oil spills to land or water*



*Source: Annual company sustainability reports: British Petroleum plc, ExxonMobil Corp. and Royal Dutch Shell. When needed, units converted to thousands of barrels (bbl) based on the following assumptions: 1 ton = 7.3 bbl; 1 bbl = 0.16 cubic meters; 1 bbl = 159 liters.

4 environmental principles

We have four environmental principles that define our commitment to doing business in an environmentally responsible manner, as we believe that protecting the environment is compatible with providing energy. These principles are implemented across the life of our assets:

- **Include the environment in decision making**
We all make decisions that may affect the environment. From our everyday actions to major capital investments, we make better decisions when we consider the environment.
- **Reduce our environmental footprint** We use our business processes to identify and manage risks to the environment and reduce potential environmental impacts throughout the life of our assets.
- **Operate responsibly** We apply our Tenets of Operation and improve reliability and process safety to prevent accidental releases.
- **Steward our sites** We work to decommission, remediate and reclaim operating and legacy sites with the aim of beneficial reuse.

Recent examples of how our environmental principles have been implemented include:

Reducing our footprint in Australia

On Barrow Island, Australia, where we operate the Gorgon liquefied natural gas project, we carry out the world's largest nongovernmental quarantine initiative that seeks to preserve the unique ecosystems on and around the island. Learn more at chevron.com/barrowisland.

Site stewardship in New Mexico

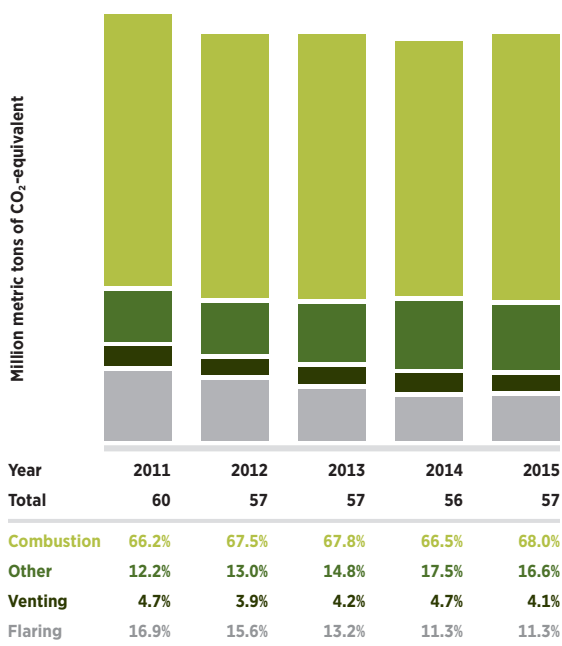
In Questa, New Mexico, at the site of a century-old molybdenum mine, we worked to restore Eagle Rock Lake, a key recreational resource for the local community. The project involved remediation of impacted sediment and a redesign of the surface to enable improved access and better represent the region's aesthetic.

addressing climate change and energy efficiency

as the world works to address climate risks, we must create
solutions that achieve environmental objectives
without undermining growth of the global economy and
our aspirations for a better quality of life for all

learn more > chevron.com/climatechange

GHG emissions by source*



*Equity basis. Please see footnotes 6 and 7 on page 28 for additional information.

99 points

We received an overall
score of 99 out of 100 points
in the 2015 CDP S&P 500
Climate Change Report—
the highest among all integrated
oil and gas companies.

This score reflects
Chevron's transparency in
disclosing our GHG emissions
and climate policies.

Chevron shares the concerns of governments and the public about climate change risks and recognizes that the use of fossil fuels to meet the world's energy needs is a contributor to rising greenhouse gases (GHGs) in the earth's atmosphere. GHGs contribute to an increase in global temperature. We believe that taking prudent, practical and cost-effective action to address climate change risks is the right thing to do. Mitigation of GHG emissions, adaptation to climate change, and continuation of scientific and technological research should all be considered.

greenhouse gas management

We are committed to managing our GHG emissions by reducing flaring and venting and improving energy efficiency in our day-to-day operations. We compile inventories of our emissions, we undertake projects to manage operating emissions and we apply innovative technologies to continually improve the energy efficiency of our operations. We also assess the GHG emissions of our capital projects. When developing and approving major capital projects, we estimate a project's incremental emissions profile, assess the financial impact of GHG regulations, and describe the emissions reduction options considered and implemented. We have developed tools to identify, assess and rank emissions reduction methods; conduct economic analysis; and integrate GHG factors into decision making and overall project development and management.

The primary sources of our GHG emissions are combustion of fuels for electricity and steam generation during our operations and, in some locations, flaring and venting of the natural gas that is extracted along with crude oil.

Reductions in flaring and venting

Chevron is reducing natural gas flaring and venting and the GHG emissions that result from this practice. We are a member of the World Bank-led Global Gas Flaring Reduction Partnership, and we have developed internal country-specific plans to minimize gas flaring. Where feasible, we seek opportunities to reduce flaring and venting in our global operations.

Over the past five years, our upstream operations have made significant progress in reducing routine flaring through the completion of various gas gathering and flare reduction projects. In 2015, our Nigeria/Mid-Africa Business Unit commenced operation of the Escravos Gas Plant Phase 3B, which will reduce flaring from nine offshore production platforms. In addition, our Southern Africa Strategic Business Unit completed the Nemba Enhanced Secondary Recovery Project, which will reduce our flaring volumes in Angola.

Carbon dioxide injection

Chevron Australia commenced operation of the first train* of the Gorgon liquefied natural gas (LNG) project on Barrow Island at the beginning of 2016. Construction continues on the second and third trains, which will include execution of one of the largest carbon dioxide injection projects in the world.

*A train in this case refers to an LNG plant's liquefaction and purification facility.

energy efficiency

Of all the ways to meet the world's expanding energy needs, efficiency and conservation are the most cost effective and beneficial to the environment. Using energy more efficiently helps preserve our finite natural resources, lower energy costs and reduce carbon emissions.

Some of our upstream operations are making sustained improvements in energy efficiency through implementation of their Surface Facilities Optimization Process, which facilitates identification, evaluation and implementation of projects that will conserve energy resources. In our IndoAsia Business Unit Sumatra operations, optimization efforts have resulted in a 7.5 percent improvement in fuel gas use efficiency. In the Gulf of Mexico, use of a fuel gas dashboard and systematic energy surveys significantly improved fuel efficiency at more than 18 offshore platforms. In the Saudi-Kuwaiti Partitioned Zone, more than 150 wells were tied in to the local power grid, eliminating the need for numerous low-efficiency diesel-fired generators. In our San Joaquin Valley Business Unit, projects to optimize steam generation and distribution resulted in a mitigation of 20,000 metric tons of GHGs through reduced fuel use.

Building on examples like these from across the corporation, Chevron began development and implementation of a more systematic energy management practice, targeting operations that have the highest energy intensity.



additional resources

chevron.com/climateprinciples
chevron.com/GHGmanagement
chevron.com/energyefficiency



Please refer to pages 24 and 25 for methane, other GHG emissions and energy consumption data.

protecting people and the environment

managing water resources

**chevron recognizes the value of water
as a fundamental social,
environmental and economic resource**

learn more > chevron.com/water

A water recycling plant at Chevron's Cape Town, South Africa, refinery has reduced the facility's water withdrawals by 75 percent.



As a global company, we know that access to adequate supplies of water, both fresh water and water of lower quality, is essential for the communities where we operate as well as for our ability to produce energy around the world. As users of this critical natural resource, we must manage it responsibly.

water management

We communicate our commitment to responsible management of freshwater resources in our Freshwater Position Statement, which states that we strive to do the following:

- Continually improve environmental performance and reduce impacts from our operations.
- Integrate freshwater conservation and efficiency drivers into our business decision-making processes and operational management.
- Conserve our use of fresh water in freshwater-constrained areas by reusing and recycling water and reducing the amount used.
- Account for the use of fresh water in our operations with appropriate metrics.
- Engage with governments, partners, local communities and other stakeholders on significant freshwater resource issues in areas where we operate.
- Build partnerships and participate in industry initiatives to share and promote best practices, assist with the development of industry standards, and shape and influence relevant freshwater resource policy.

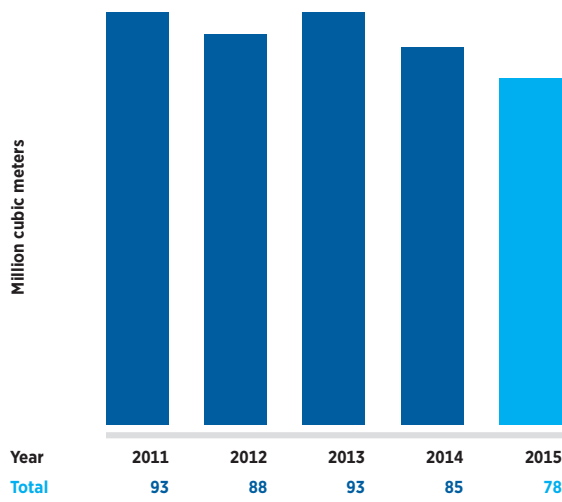
We have continued to look for accurate ways of measuring our performance against these commitments. Over the past five years, we have incorporated water-related metrics, including collecting data on the amounts of fresh and nonfresh water withdrawn from the environment and the amount of fresh water returned to freshwater sources. In 2015, we began reporting fresh water consumed in alignment with the IPIECA* Reporting Standard.

*The global oil and gas industry association for environmental and social issues.

beneficial reuse

We responsibly manage our water resources by reusing water that is available to us. Our upstream operations reuse approximately 75 percent of the water that is brought to the surface when extracting oil and gas. One example of how we reuse this water is by heating and reinjecting it into another well to aid in our production processes, rather than using fresh water. In addition, most of our refineries around the world reuse treated wastewater at their locations. By reusing water, we reduce the amount of fresh water we withdraw from the environment.

fresh water withdrawn



water recycling in South Africa

In Cape Town, South Africa, we partnered with Improchem on a water-recycling project that has reduced the amount of water withdrawn each day by our Cape Town Refinery by approximately 75 percent. This reduction made water available for an additional 6,000 homes in Western Cape Province. Our refinery achieved this reduction by building a reverse osmosis plant that purifies treated wastewater from the Potsdam Wastewater Treatment Works to nearly drinking water quality. This purified water is subsequently reused onsite at our refinery.



Please refer to page 24 for an in-depth look at our water performance data.

partnership

creating prosperity

through decades of experience, we have learned that our business success is deeply linked to society's progress and prosperity

learn more > chevron.com/creatingprosperity



Above: Contract workers at Nigerdock Fabrication Yard, an indigenous subcontractor to Hyundai Heavy Industries, hired by Chevron Nigeria Limited to fabricate more than 7,000 tons of steel for the Meren gas gathering compression platform and Sonam Field Development Project.

\$54B

in total goods and services globally in 2015

In the United States, we spent nearly \$800 million with woman- and minority-owned businesses and more than \$2 billion on goods and services from small businesses. See page 25 for an in-depth look at our goods and services spend.

We invest significantly in major projects and local goods and services, create jobs, and generate revenues for local communities. Beyond our direct business investments and taxes, we make strategic social investments in three core areas: health, education and economic development.

building local capacity

Chevron has an unwavering commitment to being a good partner, which extends to our supply chain. We are focused on building productive and lasting relationships with local suppliers that provide goods and services for our major capital projects and ongoing operations. We use customized approaches to develop national and local content through collaborative partnerships with national and local governments, national oil companies, nongovernmental organizations (NGOs), and development agencies. Together, we identify high-impact, sustainable supplier and workforce development opportunities within our own and also our contractors' supply chains.

Once local companies are identified, we design and implement programs to help them meet industry standards and provide goods and services to Chevron and other oil and gas producers. Metrics are agreed upon with our partners and suppliers to make sure that quality, timeliness and cost objectives are achieved.



partnership in Kazakhstan

In Kazakhstan, where Chevron has a 50 percent interest in the Tengizchevroil (TCO) joint venture, the country's largest private oil producer, we work with local companies to improve their ability to qualify as a TCO supplier. For example, TCO has worked extensively with MontazhSpetsStroy JSC (MSS), a 100 percent Kazakhstani-owned and -operated engineering, procurement and construction company, to upgrade the firm's health, environment and safety practices to meet TCO's standards. As a result of that effort, MSS recently won a second contract with TCO and is on track to further build its safety capabilities and skills. In 2015, TCO spent \$2.4 billion on goods and services that qualify as local content, which represents 51 percent of TCO's total goods and services spend in Kazakhstan.

local economic impact

Chevron partners with independent research and analysis firms to quantify the economic contributions associated with our operations. These studies evaluate Chevron's direct and indirect spending throughout our supply chain and demonstrate the positive impact on local employment and economies, which improves livelihoods.



contributions in Indonesia*

From 2009 through 2013, every Chevron job supported an average of 36 other jobs in Indonesia, and in 2013 alone, Chevron supported more than 260,000 jobs across a broad range of industries. Also in 2013, our operations contributed more than \$11.9 billion (Rp120 trillion) to Indonesia's economy, accounting for 1.4 percent of the country's gross domestic product (GDP).



benefits in Australia*

Chevron's development of the Gorgon and Wheatstone natural gas projects, together with other activities in Australia, are delivering significant direct and indirect economic benefits to the Australian economy. From 2009 through 2014, nearly 19,000 workers were directly employed, and close to 1,000 contracts were awarded to Australian companies. Over the period of 2009 through 2040, more than AU\$1 trillion is expected to be added to Australia's GDP—nearly AU\$32 billion per year.

*Results for Indonesia are based on a 2014 study commissioned by Chevron and conducted by the Institute for Economic and Social Research, the University of Indonesia, and the research firm IHS. Results for Australia are based on a 2015 study commissioned by Chevron and conducted by ACIL Allen Consulting. The economic forecast is based on an indicative estimate for the period of 2009 through 2040 as of January 2015.



\$233 million+
in global social
investments in 2015



Above: Teachers participate in a training-of-trainers event in preparation for the launch of an extracurricular life-skills program for youth in Atyrau, Kazakhstan, as part of the Atyrau Youth Development Initiative.

Facing page: Students at a Chevron Enjoy Science Project family camp in Bangkok, Thailand, experience the connection between science and everyday life through hands-on activities related to science, technology, engineering and math.

social investment

Our large-scale social investments focus on education, health and improving access to economic development opportunities in the areas where we operate. These investments aim to foster economic stability and improve the quality of life in the communities where we work.

Education

We champion science, technology, engineering and math (STEM) education and help provide career and technical training that can lead directly to well-paying jobs. Through our programs and strategic partnerships, we help both students and teachers get the tools and resources they need for success. For example, we partner with the California State University system and support its STEM Teacher and Researcher (STAR) Program. The STAR Program engages aspiring and early-career teachers in cutting-edge research projects, primarily at national laboratories, and helps them translate their research experience into classroom practice.

Health

Chevron invests in programs aimed at improving access to health care. Working with partners, we support initiatives that build local capacity and deliver real and lasting gains in the fight against devastating diseases. 2015 marked the third year of Chevron's partnership with the international NGO Pact to help prevent mother-to-child transmission of HIV/AIDS in Bayelsa State, Nigeria. At the end of three years, the project has achieved impressive results by helping to educate close to 300,000 people about HIV prevention and testing more than 53,000 pregnant women for HIV.

Economic development

We make social investments in programs that promote self-sufficiency, job growth and economic development. We start by working closely with communities and our partners to assess local needs, and we then take action to help remove barriers to economic growth.

chevron humankind

Chevron Humankind is a giving and volunteer program that supports U.S. employees and retirees in their efforts to help the causes they care about. In 2015,

15,500+
employees and retirees contributed
329,000+
volunteer hours to
2,500+
charitable organizations in
the United States. In addition,
\$20 million+
was contributed by Chevron employees
and retirees to U.S. nonprofits,
which Chevron matched, for
a total of \$41 million

Global partnership initiatives

We work with local governments, NGOs and community leaders to create long-term programs that address critical education, health and economic development needs in communities across the globe. These programs strengthen local economies by providing microloan services, enterprise and workforce development training, and resources and tools to improve health services and education. By leveraging our partners' resources and expertise, we can help drive scalable and sustainable impact in these communities.



Thailand partnership initiative

In 2015, Chevron Thailand announced a \$30 million commitment to create the Thailand Partnership Initiative (TPI), known locally as the Chevron Enjoy Science Project, a five-year program to strengthen Thailand's competitiveness by improving STEM and vocational education across the country.

Over the next five years, the TPI will work in partnership with leading NGOs, academia, key government organizations in science and education, and the private sector to increase the quality of science and math teaching in Thailand, establish 18 training hubs nationwide, and promote the study of science, technology, engineering and math.



community engagement in Nigeria

In 2005, Chevron and joint venture partner the Nigerian National Petroleum Corporation (NNPC) pioneered the global memorandum of understanding (GMOU) as a new approach to community engagement in the Niger Delta.

Designed to create participatory development processes that manage conflict and address community needs near Chevron's areas of operations, the GMOU has empowered more than 500,000 people across 400 communities. In collaboration with NGOs and state and local governments, eight Regional Development Committees were created to represent communities' interests across five states.

Over the past 10 years, the NNPC/Chevron joint venture has spent more than \$100 million on roughly 600 development projects and programs in health, education, economic development and local capacity building. These activities focus on education (40,000 scholarships), agriculture, medical facilities and supplies, schools, water, housing, bridges, jetties, drains, and roads.



united nations sustainable development goals

In September 2015, the United Nations General Assembly adopted 17 Sustainable Development Goals (SDGs), which will frame countries' development agendas through 2030. Governments around the world are preparing to implement the SDGs, and business will play a role in the achievement of the goals. Chevron demonstrates its commitment to sustainable development by safely and reliably producing and delivering affordable energy, protecting people and the environment, and investing in communities' health, education and economic development. Many of our business and corporate responsibility activities support the SDGs, particularly the following:

Goal 3: Ensure healthy lives and promote well-being for all at all ages.

Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.

Goal 17: Strengthen means of implementation and revitalize the global partnership for sustainable development.

performance data

These tables include our quantitative environmental, safety and social performance data. For complete reporting, including performance data, visit chevron.com/reporting.

Environmental performance ¹	2011	2012	2013	2014	2015
Petroleum spills to land and water (volume in barrels)^{2, 3}	10,169	1,703	2,135	838	778
Total volume recovered	6,071	1,212	1,378	396	636
Petroleum spills to land and water (number of spills)^{2, 3}	180	146	133	79	62
Fresh water withdrawn (million cubic meters)⁴	93	88	93	85	78
Fresh water consumed (million cubic meters)⁴					77
Nonfresh water withdrawn (million cubic meters)⁴	31	35	37	41	43
Average oil concentration in discharges to surface water (parts per million)⁵					
Upstream	9	10	10	9	11
Refining and other oil and gas processing	2	4	2	1	1
Total equity greenhouse gas (GHG) emissions (million metric tons of CO₂-equivalent)^{6, 7, 8}	60	57	57	56	57
By source:^{6, 7}					
Combustion	66.2%	67.5%	67.8%	66.5%	68.0%
Flaring ⁹	16.9%	15.6%	13.2%	11.3%	11.3%
Venting ⁹	4.7%	3.9%	4.2%	4.7%	4.1%
Other	12.2%	13.0%	14.8%	17.5%	16.6%
By sector:^{6, 7}					
Upstream	56.7%	58.0%	57.4%	56.5%	56.4%
Downstream and chemicals	38.5%	37.7%	38.4%	39.3%	39.8%
Midstream and other	4.8%	4.3%	4.2%	4.2%	3.8%
Direct (Scope 1) equity GHG emissions (million metric tons of CO₂-equivalent)^{6, 7}	62	58	57	56	58
Indirect (Scope 2) equity GHG emissions (million metric tons of CO₂-equivalent)^{6, 7}	4	5	5	4	4
Equity methane (CH₄) emissions (million metric tons of CO₂-equivalent)^{6, 7}	5	4	5	5	4
GHG emissions from third-party use of our products (million metric tons of CO₂)¹⁰	396	364	363	358	366

Environmental performance, ¹ continued	2011	2012	2013	2014	2015
Upstream equity GHG emissions intensity (metric tons of CO ₂ -equivalent per 1,000 barrels of net oil-equivalent production) ^{6, 7}	35	35	34	34	33
Downstream equity GHG emissions intensity (metric tons of CO ₂ -equivalent per 1,000 barrels of crude oil refinery feed) ^{6, 7}	37	37	39	38	37
Total energy consumption, operated assets and nonoperated joint venture refineries (trillion BTUs)	900	870	881	879	830
Total energy consumption for operated assets	720	690	697	702	675
Total energy consumption, operated assets and nonoperated joint venture refineries (million gigajoules)	950	918	929	927	875
Total energy consumption for operated assets	760	728	735	741	713
Total volatile organic compounds (VOCs) emitted (thousand metric tons) ¹¹	276	159	147	134	142
Upstream	87.8%	83.2%	84.6%	85.5%	80.5%
Refining ¹	4.5%	6.4%	6.1%	6.2%	9.2%
Midstream and other	7.7%	10.4%	9.3%	8.3%	10.3%
Total sulfur oxides (SO _x) emitted (thousand metric tons) ¹¹	154	123	141	112	83
Upstream	80.7%	81.5%	83.7%	81.8%	62.4%
Refining ¹	8.7%	6.4%	6.0%	6.3%	8.8%
Midstream and other	10.6%	12.1%	10.3%	11.9%	28.8%
Total nitrogen oxides (NO _x) emitted (thousand metric tons) ¹¹	133	146	147	138	149
Upstream	68.1%	76.5%	78.2%	77.8%	62.9%
Refining ¹	6.0%	4.7%	4.6%	5.6%	4.6%
Midstream and other	25.9%	18.8%	17.2%	16.6%	32.5%
Hazardous waste disposed of (million metric tons) ¹²	0.5	0.5	0.8	0.8	0.3
Hazardous waste generated (million metric tons) ¹²	1.0	0.9	0.9	1.0	0.5
Hazardous waste recycled (million metric tons) ¹²	0.5	0.4	0.1	0.1	0.2
Number of environmental, health and safety fines paid and settlements entered into ¹³	268	339	284	292	135

Local content and supply chain management	2011	2012	2013	2014	2015
Total goods and services spend (billions of dollars)	\$41	\$52	\$59	\$63	\$54
Total goods and services spend with U.S.-based small businesses (billions of dollars)	\$2.2	\$2.6	\$2.8	\$2.6	\$2.3
Goods and services spend with U.S.-based woman- and minority-owned small businesses (billions of dollars)	\$0.78	\$0.88	\$0.99	\$0.96	\$0.79

Health and safety performance	2011	2012	2013	2014	2015
Total Recordable Incident Rate (incidents per 200,000 work-hours)¹⁴					
Workforce	0.24	0.24	0.21	0.18	0.18
Benchmark	0.39	0.38	0.35	0.33	N/A
Employees	0.23	0.20	0.15	0.10	0.10
Benchmark	0.33	0.31	0.29	0.28	N/A
Contractors	0.24	0.25	0.23	0.21	0.20
Benchmark	0.42	0.42	0.38	0.36	N/A
Lost-Time Incident Frequency (Days Away From Work incidents and fatalities per million work-hours)¹⁴					
Workforce	0.20	0.15	0.13	0.11	0.10
Benchmark	0.43	0.41	0.38	0.36	N/A
Employees	0.31	0.13	0.14	0.06	0.09
Benchmark	0.42	0.39	0.42	0.39	N/A
Contractors	0.16	0.16	0.12	0.12	0.10
Benchmark	0.43	0.42	0.36	0.35	N/A
Days Away From Work Rate (incidents per 200,000 work-hours)¹⁴					
Workforce	0.038	0.027	0.020	0.020	0.018
Benchmark	0.083	0.075	0.072	0.070	N/A
Employees	0.061	0.024	0.026	0.010	0.019
Benchmark	0.083	0.075	0.083	0.067	N/A
Contractors	0.030	0.027	0.018	0.023	0.018
Benchmark	0.082	0.074	0.067	0.077	N/A
Number of work-related fatalities					
Workforce	5	8	16	3	3
Employees	1	1	2	0	0
Contractors	4	7	14	3	3
Work-related fatal accident rate (work-related employee or contractor fatalities per 100 million work-hours)¹⁴					
Workforce	0.99	1.48	2.71	0.49	0.51
Benchmark	1.02	1.47	1.83	0.78	N/A
Employees	0.80	0.76	1.44	0.00	0.00
Contractors	1.05	1.71	3.11	0.64	0.67
Work-related fatal incident rate (work-related incidents with employee or contractor fatalities per 100 million work-hours)	0.40	1.11	0.85	0.49	0.51
Motor Vehicle Crash Rate (workforce vehicle incidents per million miles driven)¹⁵	0.07	0.07	0.04	0.04	0.02
Number of process safety Tier 1 events (ANSI/API Recommended Practice 754 guidance)¹⁶	90	76	38	19	29
Upstream	55	58	24	15	18
Downstream and chemicals	30	15	10	3	10
Midstream	5	3	4	1	1

Global employee diversity	2011	2012	2013	2014	2015
Number of regular employees at year-end	57,376	58,286	61,345	61,456	58,178
Number of service station employees at year-end	3,813	3,656	3,205	3,259	3,316
Number of U.S. employees at year-end	26,525	27,471	28,974	28,666	26,448
Percent U.S. employees represented by unions	11.2	10.4	10.4	9.6	10.0
Percent women in total workforce	23.4	23.8	24.3	24.7	24.3
Percent women represented at mid-level and above	12.4	12.5	13.4	14.2	14.1
Percent women and non-Caucasian men represented at senior executive levels	27.5	26.9	29.7	30.6	31.3
Percent employees working in their home country			91	92	93
Percent workforce in North America	45.5	45.8	46.2	45.8	44.9
Percent workforce in Asia-Pacific	28.4	28.1	28.4	29.3	28.9
Percent workforce in Africa	13.8	13.5	13.1	12.8	13.2
Percent workforce in Europe/Middle East	6.3	6.4	6.4	6	7.0
Percent workforce in South America	4	4.1	3.9	3.9	3.9

U.S. equal employment opportunity commission statistics	2011	2012	2013	2014	2015
Percent minorities among total employees	35.9	36.2	35.9	36.3	37.0
Percent women among total employees	29.3	29.7	29.3	29.7	29.9
Percent minorities among executives and senior managers	11.6	11.1	12.1	11.6	13.1
Percent minorities among first- and mid-level managers	27.7	27.9	27.4	28.6	29.5
Percent women among executives and senior managers	16.3	15.9	16.4	16.3	17.0
Percent women among first- and mid-level managers	27.4	28.1	27.5	28.8	28.3
Percent minorities among professionals (women and men)	31.8	32.3	33	33.9	34.5
Percent women among professionals	32.2	32	31.8	32.3	32.5

notes to pages 24 through 26

- 1 This section reflects data collected as of April 15, 2016.
- 2 Chevron reports petroleum spills to land and water to conform to the 2015 IPIECA Reporting Guidance. Spills to land and water that are greater than or equal to one barrel are included. Spills to secondary containment and chemical spills are excluded.
- 3 In addition, Chevron reports “spills of significance.” For purposes of conforming to the 2015 IPIECA Reporting Guidance, Chevron defines a spill of significance as a process safety Tier 1 loss-of-primary-containment (LOPC) event (as defined by American National Standards Institute/ American Petroleum Institute [ANSI/API] Recommended Practice [RP] 754) with a consequence of a release of material greater than the threshold quantities described in Table 1 of ANSI/API RP 754 in any one-hour period. Refer to footnote 16 for the definition of an LOPC event. Spills to secondary containment, regardless of actual environmental impact, are included, as are chemical spills.

In 2015, Chevron experienced 13 spills of significance. Twelve of those spills ranged in size from 7 barrels to 217 barrels. The other spill was 49,000 barrels of gasoline blend stock to secondary containment at our Pascagoula Refinery. Response actions followed the emergency response plans that are specific to the site where each spill occurred.
- 4 Fresh water withdrawn totals decreased in 2015 (relative to prior years) due to refinements made in the data reporting. In 2015, Chevron began reporting fresh water consumed to conform to the 2015 IPIECA Reporting Guidance. Produced water is excluded from fresh water withdrawn, fresh water consumed and nonfresh water withdrawn.
- 5 Oil concentration is determined by the sampling of effluent streams.

Chevron reports the total cumulative amount of oil discharged to surface water excluding spills, which are reported separately. In 2015, Chevron’s operated upstream facilities recorded a cumulative discharge of 1,276 metric tons of oil to surface water, and our operated refining and other oil and gas processing facilities recorded a cumulative discharge of 42 metric tons of oil to surface water.
- 6 The World Resources Institute/World Business Council for Sustainable Development *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* defines three “scopes” that Chevron uses to report GHG emissions. Scope 1 includes direct emissions from sources within a facility. Scope 2 includes indirect emissions from electricity and steam that Chevron imports. Scope 3

includes all other indirect emissions. Chevron reports information related to two types of Scope 3 emissions: emission credits from electricity and steam that Chevron exports to third parties and emissions from third-party use of our products.

- 7 The GHG performance data that reference this footnote were calculated by adding direct (Scope 1) emissions to indirect (Scope 2) emissions and subtracting indirect (Scope 3) emissions (e.g., credits) from electricity and steam that Chevron exports. Direct GHG emissions related to production of energy in the form of electricity or steam exported or sold to a third party have been included in the reported Scope 1 emissions to conform to the 2015 IPIECA Reporting Guidance.

All six Kyoto GHGs—carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride, perfluorocarbons and hydrofluorocarbons—are included in Chevron’s Scope 1 emissions. CO₂, CH₄ and N₂O are accounted for in Chevron’s Scope 2 emissions and in Chevron’s Scope 3 emissions related to the electricity and steam that Chevron exports to third parties.
- 8 In 2015, emissions were 57 million metric tons of CO₂-equivalent. Chevron’s chosen base-year emissions in 2010, which account for adjustments like acquisitions and divestitures, would have been 56 million metric tons. Therefore, Chevron’s 2015 emissions are higher than the base year.
- 9 In 2015, facilities under Chevron’s operational control generated an average flare gas volume of 551 million standard cubic feet per day and an average venting volume of 41 million standard cubic feet per day.
- 10 Chevron calculated emissions from third-party use of our products by multiplying total 2015 upstream liquids and gas production by emissions factors from API’s *Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry* (2004, 2009).
- 11 VOC emissions increased in our refining sector (relative to prior years), primarily due to an incident that occurred at our Pascagoula Refinery. This incident was counted as one of the 13 spills of significance discussed in footnote 3.

SO_x emissions decreased in our upstream sector primarily due to the shut-in of production at facilities in the Partitioned Zone between Saudi Arabia and Kuwait.

VOC, SO_x and NO_x emissions increased in our midstream and other sector because we began reporting emissions from time-chartered vessels and from shipping of liquefied natural gas.

For compiling and reporting air emissions data, Chevron follows regulatory definitions

of VOC. SO_x emissions include SO₂ and SO₃, reported as SO₂-equivalent. NO_x emissions include NO and NO₂ (reported as NO₂-equivalent) and exclude N₂O.

- 12 Corrections were made to the amounts of hazardous waste generated and disposed of by our IndoAsia Business Unit that resulted in a decrease in the total hazardous waste generated and disposed of by Chevron in 2015.

To conform to the 2015 IPIECA Reporting Guidance, our hazardous waste numbers exclude all remediation waste generated, disposed of and recycled by Chevron’s Environmental Management Company.

Waste amounts are quantified using methods required or recommended by regulatory agencies or authorities where applicable. In other instances, similar methods are used, including direct measurement onsite or at the point of shipping, engineering estimates, and process knowledge.

Chevron follows the regulatory definitions of hazardous waste applicable to the jurisdictions within which we operate, including *de minimis* specifications (below which hazardous waste quantities do not need to be reported).

- 13 2015 environmental, health and safety fines paid and settlements entered into were \$3.9 million. Health and safety fines paid and settlements entered into accounted for \$353,820, representing 9.0 percent of the total fines paid and settlements entered into. Some prior years’ fines paid and settlements entered into are restated in this report due to corrections that were made to the reporting dates for these data.
- 14 Health and safety performance rates include both injury- and illness-related incidents.

API’s *Benchmarking Survey of Occupational Injuries, Illnesses and Fatalities in the Petroleum Industry* data are used as industry benchmarks. Benchmark data on competitor-average performance for 2015 were not available at the time of publication.
- 15 Data include catastrophic and major incidents only.
- 16 LOPC incidents are unplanned or uncontrolled releases resulting in consequences equivalent to those specified by ANSI/API RP 754 and International Oil & Gas Producers (IOGP) Report 456: Process Safety Recommended Practice on Key Performance Indicators.

IPIECA/API/IOGP content index

This index refers to the IPIECA/API/IOGP* sector-specific reporting guidance for the oil and gas industry. For 2015, Chevron reported on all 34 indicators included in the third edition of the guidance. An expanded IPIECA/API/IOGP index is available at chevron.com/IPIECA.

Topic	IPIECA/API/IOGP	Page/s	Website
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A message from our chairman and CEO		1	
Issue prioritization process		3	chevron.com/reporting
Performance data		24–28	
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Health and safety issues and indicators			
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Business ethics and transparency	SE11 SE12 SE13 SE14	4–5	chevron.com/ethicsgovernance
Labor practices	SE15 SE16 SE17 SE18	5	chevron.com/diversity chevron.com/BCEC

*IPIECA (the global oil and gas industry association for environmental and social issues)/American Petroleum Institute/International Association of Oil & Gas Producers.

LRQA Assurance Statement

Relating to Chevron Corporation's Corporate Responsibility Report for the Calendar Year 2015

This Assurance Statement has been prepared for Chevron U.S.A. Inc. in accordance with our contract, but is intended for the readers of this Report.

Terms of Engagement

Lloyd's Register Quality Assurance Inc. (LRQA) was commissioned by Chevron U.S.A. Inc. on behalf of Chevron Corporation (Chevron) to provide independent assurance on its processes used in the creation of the Corporate Responsibility Report (CRR) for calendar year 2015 to a reasonable level using LRQA's verification approach.

Our assurance engagement covered Chevron's operations and activities worldwide and specifically covered the following requirements:

- Reviewing the effectiveness of the processes for reporting health, environmental and safety (HES) IPIECA performance indicators.
- Confirming consistency with the IPIECA/API/IOGP *Oil and gas industry guidance on voluntary sustainability reporting* (2015) industry guidelines.

Our assurance engagement did not include verifying the accuracy of data and information reported in the CRR.

LRQA's responsibility is only to Chevron. LRQA disclaims any liability or responsibility to others, as explained in the end footnote. Chevron's management was responsible for preparing the CRR and for maintaining effective internal controls over the reporting processes and the CRR. LRQA's responsibility was to carry out an assurance engagement on the reporting processes in accordance with our contract with Chevron. Ultimately, the CRR has been approved by, and remains the responsibility of, Chevron.

LRQA's Opinion

Based on LRQA's approach, we believe that Chevron's reporting processes were effective in delivering HES indicators that are useful for assessing corporate performance and reporting information consistent with common reporting elements in the IPIECA/API/IOGP *Oil and gas industry guidance on voluntary sustainability reporting* (2015).

The opinion expressed is formed on the basis of a reasonable level of assurance and at the materiality of the professional judgment of the Verifier.

LRQA's Approach

LRQA's assurance engagement was carried out in accordance with our verification procedure; the following tasks, though, were undertaken as part of the evidence-gathering process for this assurance engagement:

- Visiting Chevron Corporation in San Ramon, California, to review data collection and checking processes.
- Conducting remote reviews of Chevron upstream and Chevron downstream and chemicals to assess business-unit understanding and implementation of Chevron's HES reporting requirements.
- Visiting two Chevron upstream operations, in Nigeria and the San Joaquin Valley Business Unit in the United States, and one Chevron downstream facility, the Pascagoula (MS) Refinery, to assess local understanding and implementation of Chevron's HES reporting requirements.
- Interviewing key personnel, including key persons responsible for drafting the CRR, to identify and gain an understanding of Chevron's reporting requirements.

- Reviewing Chevron's documented reporting requirements to validate consistency of scope, definition and reporting requirements for each of the HES performance indicators.
- Reviewing Chevron's primary data collection tools to assess use in the reporting processes.
- Evaluating consistency with the IPIECA/API/IOGP *Oil and gas industry guidance on voluntary sustainability reporting* (2015).

Observations

Further observations and findings, made during the assurance engagement, are as follows:

- Processes were in place to ensure that sites contributing to HES metrics understood corporate reporting procedures and requirements.
- Methods used for calculating each HES performance metric were clearly defined and communicated.
- Chevron's reporting requirements for HES metrics were understood and carried out. Data collected at the site/local and business-unit levels were checked and aggregated into corporationwide metrics.
- Responsibility for annually reviewing and updating reporting guidelines was clear, with improvement in methodology regularly undertaken.
- Chevron conducted a more in-depth issue prioritization review that included both internal and external stakeholder comments to Chevron.

Recommendations

Additional areas for improvement were provided in a separate report to Chevron Management. These recommendations do not affect our opinion.

LRQA's Competence and Independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is Chevron's certification body for ISO 9001, TS 16949 and Emission Trading Schemes (ISO 14064). The certification assessments and verification are the only work undertaken by LRQA for Chevron and as such do not compromise our independence or impartiality.



Andrea M. Bockrath

LRQA Lead Verifier

On behalf of Lloyd's Register Quality Assurance, Inc.

April 14, 2016

LRQA Reference: UQA4000679

*LRQA's verification procedure is based on current best practice and uses the principles of AA1000AS (2008) – Inclusivity, Materiality, Responsiveness and Reliability of performance data and processes defined in ISAE 3000.



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2015 corporate responsibility reporting glossary

API American Petroleum Institute.

Biodiversity Refers to the diversity of life on the planet. It encompasses genera, species, habitats and ecosystems and the processes that support them.

Biofuel Any fuel that is derived from biomass—recently living organisms or their metabolic byproducts—from sources such as farming, forestry, and biodegradable industrial and municipal waste.

Capacity building A key area of focus for Chevron's social investment efforts, which means targeting support toward programs that help individuals and institutions develop the skills, capabilities and expertise they need to succeed.

Center for Chemical Process Safety A non-profit corporate membership organization within the American Institute of Chemical Engineers that identifies and addresses process safety needs within the chemical, pharmaceutical and petroleum industries.

The Chevron Way Explains our values: who we are, what we do, what we believe and what we plan to accomplish.

Corporate responsibility Putting The Chevron Way values into action across environmental, social and governance issues and priorities.

Downstream The industry term for operations related to refining crude oil into finished petroleum products and for marketing crude oil and the many products derived from petroleum.

Energy efficiency Using less energy to provide the same service.

ESHIA Chevron's Environmental, Social and Health Impact Assessment is a process designed to logically and consistently identify potentially significant project-related environmental, social and health impacts.

Flaring and venting The burning or release of natural gas that is often produced in association with crude oil, a process that typically occurs when there is no market or onsite use for the gas.

Geothermal energy A renewable source of energy that uses the heat energy of the earth for heating or to create electricity.

Globally Harmonized System of Classification and Labelling of Chemicals (GHS) A system for standardizing and harmonizing the classification and labeling of chemicals.

Greenhouse gases (GHGs) Gases that trap heat in the atmosphere; such gases include water vapor, ozone, carbon dioxide, methane, nitrous oxides, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.

IOGP International Association of Oil & Gas Producers.

IOIECA The global oil and gas industry association for environmental and social issues.

ISO 14001:2004 Environmental management system standard developed by the International Organization for Standardization.

Nongovernmental organization (NGO) An organization that is independent from government, generally a nonprofit organization devoted to advancing or providing assistance to a particular cause or issue.

OHSAS 18001:2007 An international Occupational Health and Safety Assessment Series management system specification.

Operational Excellence Management System (OEMS) Chevron's standard approach to systematic management of safety, health, the environment, reliability and efficiency in order to achieve world-class performance.

Renewable energy Energy resources that are not depleted when consumed or converted into other forms of energy (for example, solar, geothermal, ocean and tide, wind, hydroelectric, and biofuels).

Revenue transparency Refers to the practice of disclosing certain financial arrangements related to energy industry operations by industry and host governments.

Social investment The resources Chevron provides with the objectives of benefiting our external stakeholders and of building and maintaining relationships to support our business.

Stakeholder At Chevron, defined as those who affect, are affected by or have a legitimate interest in our Company's performance.

Upstream The industry term for operations related to exploring for, developing and producing crude oil and natural gas; for marketing natural gas; and for transporting crude oil, natural gas and petroleum products by pipeline and marine vessel.

partner

In Chevron's corporate responsibility reporting, "partner" is used in its broad sense to mean a person or organization associated with another in a common activity or one in which they share a mutual interest. It does not imply a member of a contractual partnership in which the partners jointly own and carry on a business and proportionally share in liabilities, profits or losses of the business.

Right: Chevron's partnership with Pact and the PROMOT Project in Bayelsa State, Nigeria, has established a sustainable, community-based and government-supported outreach program to help prevent mother-to-child transmission of HIV/AIDS. Learn more about our health partnerships at chevron.com/health.



about this report

This report covers 2015 data and activities. We also occasionally mention activities that took place before 2015 and in early 2016 when they help provide a clearer picture of our performance. This report covers our owned and our operated businesses and does not address the performance of our suppliers, contractors and partners unless otherwise noted. All financial information is presented in U.S. dollars unless otherwise noted. Our previous report was published in May 2015 and covers 2014 data and activities.

We continue to be informed by reporting frameworks and guidelines that include the *Oil and gas industry guidance on voluntary sustainability reporting*, third edition, published in 2015 by IPIECA (the global oil and gas industry association for environmental and social issues), the American Petroleum Institute (API), and the International Association of Oil & Gas Producers (IOGP). An index to help readers find information corresponding to IPIECA/API/IOGP indicators can be found on page 29 of this report and at chevron.com/IPIECA.

This report, previous editions of our report and additional information can be found at chevron.com/cr. We welcome your comments and feedback.

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our complete reporting
on environmental,
social and governance
indicators can be found at
chevron.com/reporting

cautionary statement relevant to forward-looking information

This Corporate Responsibility Report by Chevron Corporation contains forward-looking statements relating to the manner in which Chevron intends to conduct certain of its activities, based on management's current plans and expectations. These statements are not promises or guarantees of future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control.

Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecast in this report, may differ materially in the future. The statements of intention in this report speak only as of the date of this report. Chevron undertakes no obligation to publicly update any statements in this report.

As used in this report, the term "Chevron" and such terms as "the Company," "the corporation," "their," "our," "its," "we" and "us" may refer to one or more of Chevron's consolidated subsidiaries or affiliates or to all of them taken as a whole. All these terms are used for convenience only and are not intended as a precise description of any of the separate entities, each of which manages its own affairs.

awards and recognition

corporate responsibility

American Fuel & Petrochemical Manufacturers' Distinguished Safety Award—
Platinum, Chevron El Segundo (CA) Refinery, 2015

Corporate Responsibility Magazine 100 Best Corporate Citizens

Dow Jones Sustainability Index North America

Louisiana Wildlife Federation Business Conservationist of the Year Award

Newsweek Green Rankings

S&P 500 Climate Disclosure Leadership Index

Society for International Development Leadership in Development

workforce

No. 1, Business Insider 25 Best Energy Companies to Work For in America

Catalyst Award 2015

The Economist Global Diversity List Top 10 LGBT Employee Networks

Glassdoor Best Places to Work 2016

Human Rights Campaign Corporate Equality Index 100 Percent 2015

select memberships and associations

American Bar Association's Center for Human Rights' Project
on Business & Human Rights

American Fuel & Petrochemical Manufacturers

American Petroleum Institute

Business for Social Responsibility

Business Roundtable

Center for Strategic and International Studies

Center for Sustainable Shale Development

Extractive Industries Transparency Initiative

International Association of Oil & Gas Producers

International Bar Association Corporate Social Responsibility Committee

IPIECA, the global oil and gas industry association for
environmental and social issues

National Association of Manufacturers

United States Chamber of Commerce

Voluntary Principles on Security and Human Rights

Western States Petroleum Association

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2015 Supplement to the Annual Report



2015 Corporate Responsibility Report



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