

**CHEVRON CORPORATION
AUDIT COMMITTEE
CHARTER**

PURPOSE

The purpose of the Audit Committee (the “Committee”) of the Board of Directors of Chevron Corporation (the “Corporation”) is:

1. To assure that the Corporation’s financial statements are properly and cost effectively audited by qualified accountants who are independent;
2. To assist the Board of Directors in fulfilling its oversight responsibility with respect to the Corporation’s maintenance of an effective internal audit function;
3. To assist the Board of Directors in fulfilling its oversight responsibility with respect to the Corporation’s compliance with the requirements of the Securities Exchange Act of 1934 regarding accurate books and records;
4. To assist the Board of Directors in fulfilling its oversight responsibility with respect to financial risk exposures as part of the Corporation’s broad enterprise risk management program;
5. To assist the Board of Directors in fulfilling its oversight responsibility with respect to the Corporation’s fair dissemination of accurate information in compliance with securities laws;
6. To prepare the report required by the rules of the Securities and Exchange Commission (SEC) to be included in the Corporation’s proxy statement for the annual meeting of stockholders;
7. To assist the Board of Directors in fulfilling its oversight responsibility with respect to the implementation and effectiveness of the Corporation’s compliance program; and
8. To perform such other duties and responsibilities enumerated in and consistent with this Charter.

The Committee’s function is one of oversight, recognizing that the Corporation’s management is responsible for preparing the Corporation’s financial statements, and the independent auditor is responsible for auditing those statements. In adopting this Charter, the Board of Directors acknowledges that the Committee members are not employees of the Corporation and are not providing any expert or special assurance as to the Corporation’s financial statements or any professional certification as to the external auditor’s work or auditing standards. Each member of the Committee shall be entitled to rely on the integrity of those persons and organizations within and outside the Corporation that provide information to the Committee and the accuracy and completeness of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary.

MEMBERSHIP AND PROCEDURES

Membership and Appointment

The Committee shall comprise not fewer than three members of the Board of Directors, as shall be determined from time to time by the Board of Directors based on recommendations, if any, from the Board Nominating and Governance Committee.

The members of the Committee shall be appointed by the Board of Directors upon the recommendation of the Board Nominating and Governance Committee.

Removal

The entire Committee or any individual Committee member may be removed from office without cause by the affirmative vote of a majority of the Board of Directors. Any Committee member may resign effective upon giving oral or written notice to the Chairman of the Board of Directors, the Corporate Secretary or the Board of Directors (unless the notice specifies a later time for the effectiveness of such resignation). If the resignation of a Committee member is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

Chairperson

A chairperson of the Committee (the “Chairperson”) may be designated by the Board of Directors based upon recommendations by the Board Nominating and Governance Committee, if any. In the absence of such designation, the members of the Committee may designate the Chairperson by majority vote of the full Committee membership. The Chairperson shall determine the agenda, the frequency and the length of meetings and shall have unlimited access to management and information. The Chairperson shall establish such other rules as may from time to time be necessary and proper for the conduct of the business of the Committee.

Secretary

The Committee may appoint a Secretary whose duties and responsibilities shall be to keep full and complete records of the proceedings of the Committee for the purposes of reporting Committee activities to the Board of Directors and to perform all other duties as may from time to time be assigned to him or her by the Committee, or otherwise at the direction of a Committee member. The Secretary need not be a Director.

Independence and Other Qualifications

Each member shall meet the objective test of “independence” which has been established by the Board of Directors or in the absence of such test, the Board of Directors shall make an individual determination that such Director is independent within the meaning of any applicable law or any listing standard or rule established by the New York Stock Exchange (NYSE). Each member of the Committee shall also meet any additional independence or experience requirements as may be established from time to time by the NYSE and applicable to the Committee.

The Board of Directors shall endeavor to appoint at least one member to the Committee who is a “financial expert” as such term may be defined from time to time by the SEC.

Delegation

The Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of one or more members of the Committee. Any such subcommittee to the extent provided in the resolutions of the Committee, and to the extent not limited by applicable law or listing standard, shall have and may exercise all the powers and authority of the Committee. Each subcommittee shall have such name as may be determined from time to time by resolution adopted by the Committee. Each subcommittee shall keep regular minutes of its meetings and report the same to the Committee or the Board of Directors when required.

Authority to Retain Advisers

In the course of its duties, the Committee shall have the authority, at the Corporation’s expense, to retain and terminate such advisers as it deems necessary.

Evaluation

The Committee shall undertake an annual evaluation assessing its performance with respect to its purposes and its duties and tasks set forth in this Charter, which evaluation shall be reported to the Board of Directors.

DUTIES AND RESPONSIBILITIES

The following shall be the common recurring duties and responsibilities of the Committee in carrying out its oversight functions. These duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable law or listing standard.

With respect to the independent auditors:

1. Annually, the Committee shall select and employ the Corporation’s independent auditor, subject to stockholder ratification of the selection, if such ratification is required or sought. The Committee shall fulfill the oversight responsibility of the Board of Directors with respect to the independent auditor’s audit of the books and accounts of the Corporation and its subsidiaries for the fiscal year for which it is appointed.
2. The Committee, or a subcommittee to which the Committee shall have delegated its authority for this purpose, shall approve the provision of all auditing and non-audit services by the independent auditor to the Corporation and its subsidiaries in advance of the provision of those services and shall also approve the fees and terms of all non-audit services provided by the independent auditor.
3. In connection with the Committee’s approval of non-audit services, the Committee shall consider whether the independent auditor’s performance of any non-audit services is compatible with the external auditor’s independence.

4. At least annually, the Committee shall obtain and review a report by the independent auditor describing:
 - a) the independent auditor's internal quality control procedures;
 - b) any material issues raised by the most recent internal quality control review or peer review of the independent auditor's firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor's firm, and the steps taken to deal with those issues; and
 - c) all relationships between the independent auditor and the Corporation, in order to assess the auditor's independence.
5. The Committee shall also review any report by the independent auditor describing:
 - a) critical accounting policies and practices used by the Corporation;
 - b) alternative treatments of financial information as required to be discussed by the independent auditors with the Committee; and
 - c) any other material written communication between the independent auditor's firm and the Corporation's management.

With respect to the Corporation's financial statements:

6. The Committee shall discuss the annual audited financial statements and quarterly financial statements with management and the independent auditor, including the Corporation's disclosures under the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Corporation's reports filed with the SEC.
7. The Committee shall review disclosures made to the Committee by the Corporation's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation's internal controls.
8. In connection with its review of the Corporation's financial statements, the Committee shall review and discuss with the independent auditor the matters relating to the conduct of the audit required to be discussed by Statements on Accounting Standards Nos. 61 and 90 (Communications with Audit Committees), as they may be modified or supplemented, including, but not limited to, significant judgments, significant estimates, critical accounting policies and unadjusted differences.
9. Based on its review and discussions with management, the internal auditors and the independent auditor, the Committee shall recommend to the Board of Directors whether the Corporation's financial statements should be included in the Corporation's Annual Report on Form 10-K (or the annual report to stockholders if distributed prior to the filing of the Form 10-K).

10. The Committee shall prepare the report required by SEC rules to be included in the Corporation's proxy statement for the annual meeting of stockholders.
11. The Committee shall discuss press releases related to the Corporation's earnings, as well as financial information and earnings guidance provided to financial analysts and rating agencies.

With respect to periodic reviews and reports:

12. Periodically, the Committee shall meet separately with each of management, internal auditors and the independent auditors.
13. The Committee shall review with the independent auditor any audit problems or difficulties and management's response to them.
14. The Committee shall discuss the Corporation's policies with respect to risk assessment and risk management.
15. Periodically, the Committee shall meet with representatives of the Corporation's Compliance Policy Committee to receive information sufficient to allow oversight of the Corporation's compliance program. The Committee shall receive reports regarding serious allegations of misconduct on a prompt basis.
16. The Committee shall communicate to the Board of Directors any issues with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the Corporation's independent auditors or the performance of the internal audit function.
17. Periodically (no less than annually), the Committee shall meet with the Corporation's Chief Compliance Officer to receive information regarding the implementation and effectiveness of the Corporation's compliance policies and procedures. The Committee shall also meet separately with the Chief Compliance Officer on a periodic basis as appropriate.

With respect to other matters:

18. The Committee shall establish procedures for:
 - a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - b) the confidential, anonymous submission by the Corporation's employees of concerns regarding accounting or auditing matters.
19. The Committee shall review, based on the recommendation of the independent auditors and the General Manager-Corporation Auditing, the scope and plan of the work to be done by the Corporation Auditing Department, and the results of such work.
20. The Committee shall establish the Corporation's hiring policies for employees or former employees of the Corporation's independent auditors.

AMENDMENT

This Charter and any provision contained herein may be amended or repealed by the Board of Directors.

APPROVED: Board of Directors
DATE: December 7, 2011