

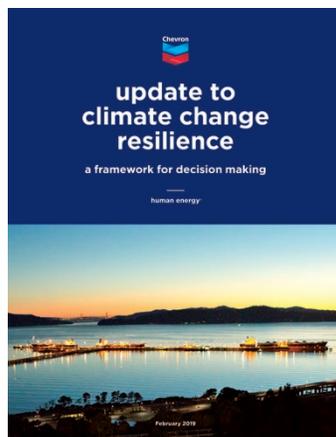
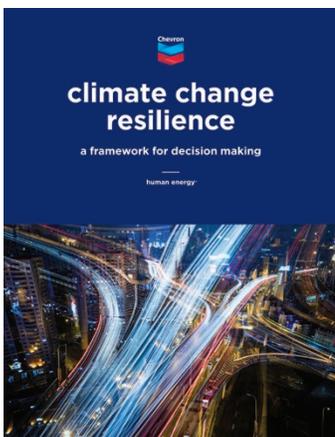


addressing climate change

we take prudent and cost-effective actions to
manage climate change business risks,
pursue opportunities to lower our emissions
and develop lower-carbon energy

human energy®

explore more on our
ongoing efforts to
address climate change



addressing concerns about climate change

Chevron shares the concerns of governments and the public about a rapidly changing climate. We integrate climate change into our business decisions to help us analyze potential risks and identify new opportunities to lower emissions and develop cleaner energy. In February 2019, we published *Update to Climate Change Resilience: A Framework for Decision Making*. The update builds upon our two previous reports and describes our voluntary reporting on climate-related issues involving governance, risk management, business strategy, actions and investments. As the world's energy needs grow and change, we remain focused on improving current sources of energy and scaling future solutions to deliver greater benefit to communities, with fewer environmental impacts.

Managing greenhouse gases

We're seeking ways to reduce emissions while improving our operations. In 2018, our Board of Directors established greenhouse gas emissions performance measures, targeting a 20 to 25 percent reduction in methane emissions intensity and a 25 to 30 percent reduction in flaring intensity by 2023, in line with the first "stock-take" under the Paris Agreement. Beginning in 2019, we will tie compensation for executives and nearly all other employees to the results of these efforts. We will report our progress in the 2020 Annual Proxy Statement.

learn more at [chevron.com/climatechange](https://www.chevron.com/climatechange)

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Chevron has invested approximately \$1.1 billion in carbon capture, utilization and storage projects. These projects are expected to reduce greenhouse gas (GHG) emissions by about 5 million metric tons per year, roughly equivalent to the GHG emissions of 620,000 U.S. homes' annual electricity usage. In 2018, we joined the Oil and Gas Climate Initiative, a global collaboration to address energy industry climate change issues.

Investing in emerging energy sources

To help us make the best decisions about emerging energy sources, we are conducting research and development and collaborating with government, academia and other stakeholders on alternative fuels and emission reduction opportunities. Renewable energy sources are part of the equation. Biofuels, such as renewable diesel, complement conventional transportation fuels and can help reduce overall carbon emissions. For example, in 2018 we began selling a renewable diesel product, R99, to commercial customers. It is made of nonpetroleum sources, such as natural fats, vegetable oils and greases.

Chevron Technology Ventures established the Future Energy Fund to invest in emerging technologies that reduce carbon emissions. An initial commitment of \$100 million launched the fund. A first investment went to ChargePoint, one of the largest operators of electric-vehicle charging networks, with 57,000 locations. ChargePoint is using this investment to expand its network in North America and Europe.

We are scanning the landscape for the next opportunity to lower our emissions, discover smarter and cleaner energy, and apply talent and expertise to push the boundaries of energy's next frontier.

~45,000
of our employees around the world will have a portion of their variable compensation tied to reducing GHG emissions intensity through our flaring and methane metrics



See Pages 35–36 of our **2018 Corporate Responsibility Report Highlights** for climate-related performance data.



researching carbon capture technologies

Betty Pun (pictured), a carbon capture specialist in Chevron's Energy Technology Company, is part of a team that researches carbon capture and storage as a way of effectively reducing the footprint of hydrocarbons. Her team focuses on capturing CO₂ directly from the air, and they work with other oil companies on research they hope one day will have broad applications for industry.

"We're simply trying to put the carbon back where we got it from," she says. The scale of the CO₂ challenge will require more than one solution and more than one technology. "Our research could benefit everyone," she says.

Much of Pun's work is on joint industrial projects, which involves strategic thinking to ensure good outcomes for all participating companies. Another part of her job is the evaluation of new technologies, including those funded by government, that need additional work before finding applications in oil and gas and other industries.

"I like to look at things from many angles," she says of the value she brings to the job. "That is how we find win-win solutions to complicated challenges."