



an overview for chevron leaders and OE practitioners

operational excellence management system



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Left, top to bottom: Workers on a storage tank walkway overlooking Tengiz Field facility in western Kazakhstan.

A mariner stands watch on the bridge of one of the company's liquefied natural gas (LNG) carriers.

Worker verifying that a pressure relief device is properly tagged, dated and set to the correct pressure at the Pascagoula Refinery, Mississippi.

Cover: Workers at the Gorgon LNG facility on Barrow Island, Western Australia.



values

“Our Chevron Way values guide our actions and underpin strong OE performance that is fundamental to our company’s success.”

— Mike Wirth

Chairman of the Board and CEO

When we launched our Operational Excellence Management System (OEMS) in 2004, we put in place a comprehensive and prescriptive system to improve our health, environmental and safety performance. The results speak for themselves — we’ve made dramatic improvements in important measures of personal and process safety, reliability, and environmental performance.

In fact, on many metrics we lead the industry. We should be proud of our progress in living up to our commitment to protect people and the environment.

OEMS has given us a solid foundation, but we know there remain areas for improvement. Specifically, we need to eliminate high-consequence personal and process safety events. This means no fatalities or serious injuries and no fires, spills or explosions that can affect people or communities. To achieve this objective, we’ve developed the first significant update to OEMS. This update retains many of the core elements of the original, but is simpler in structure and easier to understand.

Leaders are accountable for performance and are expected to apply increased focus on three key areas with the workforce:

- Understand the high-consequence risks that we and our contractors manage every day
- Clearly identify the safeguards that mitigate these risks
- Assure that the safeguards are in place and functioning as intended

Our Chevron Way values guide our actions and underpin strong OE performance that is fundamental to our company’s success. OE is a competitive advantage in hiring and retaining the best workforce and vital to building trust with communities and governments.

We all have a role to understand and mitigate risks and to maintain and assure safeguards. I encourage you to read and understand OEMS and to implement it with the passion and commitment I know we share.

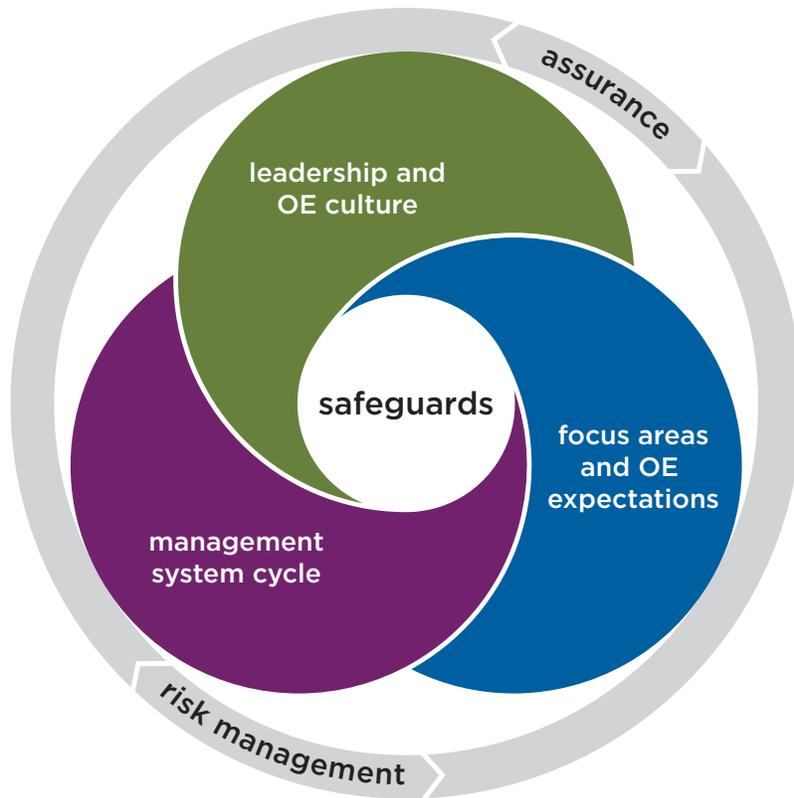
Sincerely,

A handwritten signature in blue ink that reads "Mike". The signature is written in a cursive, slightly stylized font.

operational excellence management system

**Operational Excellence (OE) puts into action
our Chevron Way value of protecting
people and the environment and helps us
achieve Chevron's vision to be the
global energy company most admired
for its people, partnership and performance**

**Operational Excellence systematically
manages workforce safety and health, process
safety, reliability and integrity, environment,
efficiency, security, and stakeholders
in order to meet our OE objectives**



OE objectives

The OE objectives set the priorities:

- Eliminate fatalities, serious injuries and illnesses
- Eliminate high-consequence process safety incidents and operate with industry-leading reliability
- Assess and manage significant environmental risks
- Use energy and resources efficiently
- Prevent high-consequence security and cybersecurity incidents
- Address OE business risks through stakeholder engagement and issues management

Leadership and OE culture

Through the Operational Excellence Management System (OEMS), our leaders engage employees and contractors to build and sustain our OE culture and deliver OE performance.

Focus areas and OE expectations

Focus areas align with critical OE risks and include:

- Workforce safety and health
- Process safety, reliability and integrity
- Environment
- Efficiency
- Security
- Stakeholders

The OE expectations guide us to design, manage, and assure the presence and effectiveness of safeguards.

Management System Cycle

Through application of the Management System Cycle, our leaders make risk-based and data-driven decisions, prioritize activities, and direct improvements.

Risk management

OEMS is a risk-based and systematic approach to identify, assess, prioritize and manage OE risks.

Safeguards

We establish and sustain safeguards and assure they are in place and functioning in accordance with legal and OE requirements.

Safeguards are the hardware and human actions designed to directly prevent or mitigate an incident or impact. Typical safeguards include facility designs, mechanical devices, engineered systems, protective equipment and execution of procedures.

Assurance

Through the execution of assurance programs, we have confidence the safeguards are in place and functioning.

leadership and OE culture

**effective leadership is a critical success factor for OE –
leaders cultivate and drive our OE culture
through their values, competencies and behaviors**

Leaders demonstrate consistent and rigorous application of OE to drive performance and meet OE objectives. The actions and visibility of leaders make evident their genuine care and concern and the company's commitment to place the highest priority on the safety and health of our workforce, and on the protection of communities, the environment and our assets.

Leaders must:

- Build and sustain OE culture
- Focus on preventing high-consequence incidents and impacts by understanding and mitigating risks and managing and assuring safeguards
- Define clear OE roles and be accountable

**focus on preventing
high-consequence incidents and impacts**
by understanding and mitigating risks
and maintaining and assuring safeguards



Understand OE risks, including hazards, potential consequences and the safeguards to prevent or mitigate them

Reinforce the hierarchy of controls when selecting safeguards

Prioritize resources to mitigate risks based on the risk profile

Execute processes and standards with the appropriate level of rigor for the risks

Focus on the design, effectiveness and quality of safeguards

Maintain, access and analyze safeguard performance data

Establish clear accountability for safeguard performance

Establish and execute a safeguard assurance program for high-consequence incidents and impacts

Verify and validate that safeguards are in place and functioning

Monitor assurance results and address gaps



Above: Workers review the Preventing Serious Injuries and Fatalities Field Guide during a field walk in the alkylation unit at the Richmond Refinery, California.

build and sustain OE culture

Our OE culture is foundational to our business success

To build and maintain this culture across the workforce, leaders need to understand and role-model OE behaviors, including:

- Focusing their organization on the consistent and disciplined execution and performance of safeguards
- Instilling and maintaining a sense of vulnerability throughout the workforce
- Encouraging the workforce to learn by seeking, sharing and integrating knowledge from internal and external sources
- Encouraging the reporting of incidents, near misses and potential noncompliance, and positively responding to feedback
- Fostering trust across the company
- Creating open two-way engagements with the workforce and addressing their concerns
- Building and strengthening workforce OE culture through the application of programs appropriate for their organization

define clear OE roles and be accountable

Leaders have the responsibility to:

- Provide clear direction on OE roles aligned with We Lead
- Confirm people are equipped with the technical, functional and OE leadership competencies and skills to execute their OE roles
- Monitor, coach and hold people accountable on their OE roles
- Provide resources to effectively and efficiently execute the OEMS
- Direct and monitor compliance with legal requirements
- Build partnerships, create alignment and access functional expertise

Operational Excellence Leadership Teams (OELTs) steward the Management System Cycle for their organization. OELTs confirm that the full scope of the OEMS is effective.

Everyone in the workforce contributes to our OE culture and performance. Everyone has the responsibility to:

- Maintain a sense of vulnerability
- Understand the hazards and risks of our work
- Assure safeguards are in place and functioning
- Follow required practices and procedures
- Apply the Tenets of Operation
- Perform Start-Work Checks
- Exercise Stop-Work Authority

focus areas and OE expectations

the OEMS establishes expectations organized into six focus areas aligned to the OE objectives

The expectations state the desired outcomes to manage the OE risks. Consistent with company policy and based on identified risks, leaders are responsible for evaluating the applicability, priority and scale of each expectation,

and the rigor in its execution. Reporting units are expected to prioritize the execution of OE processes and actions to meet expectations, with increased rigor and focus applied to mitigate high risks.

focus areas



workforce safety and health



process safety, reliability and integrity



environment



efficiency



security



stakeholders

common expectations

- Legal, regulatory and OE compliance
- Risk management
- Assurance
- Competency
- Learning
- Human and organizational performance
- Technology
- Product stewardship
- Contractor OE management
- Incident investigation and reporting
- Emergency management

individual focus area expectations

<ul style="list-style-type: none"> • Control of work (formerly managing safe work)* • Occupational hygiene • Fitness for duty and worker health* • Transportation 	<ul style="list-style-type: none"> • Codes and standards* • Materials and equipment management • Process safety information • Life-cycle investment analysis* • Procedures* • Operational readiness • Management of change* • Well control • Well reliability and integrity • Asset integrity • Equipment reliability • Maintenance 	<ul style="list-style-type: none"> • Environmental management • Environmental information • Property transfer* 	<ul style="list-style-type: none"> • Energy efficiency • Resource efficiency and asset optimization 	<ul style="list-style-type: none"> • Security management 	<ul style="list-style-type: none"> • Stakeholder engagement and issues management • Non-operated joint ventures (NOJVs) and third-party aviation and marine activities
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* This expectation applies primarily to its focus area, but may also apply to other focus areas.

common expectations

Common expectations support the OE objective of each focus area.

Legal, regulatory and OE compliance

Systematically understand, manage and comply with all applicable health, environment and safety laws and regulations, and OE policy and requirements.

- Identify and comply with internal and external requirements
- Identify and report noncompliance issues to management in a timely manner and track corrective actions to closure
- Enable the workforce to freely and anonymously report existing and potential violations of law and company policy, without fear of retribution or any adverse company action because of reporting. Include appropriate and timely investigation to address the report

Risk management

Systematically assess risks and identify safeguards. Develop a risk profile to prioritize risk reduction and assurance programs, taking into account the expectations of our stakeholders. Evaluate facility-, activity- and product-related risks across the life cycle of the business, including:

- Safety and health risks from physical, chemical and biological workplace exposures
- Process safety, reliability and integrity risks of facilities, wells and the subsurface
- Environmental risks, including current and emerging environmental issues and related social and community health issues
- Security risks to personnel, assets and the business
- Social, community, political and reputational risks to the business and potential impacts from our business

Assurance

Execute an assurance program prioritized by the risk profile, to confirm that safeguards are in place, functioning, and meet internal and external requirements. Use the outputs of risk management studies to establish assurance priorities across focus areas. The assurance program includes:

- Verifying the OEMS, processes and safeguards through business unit, functional and corporate assurance programs and audits
- Analyzing and acting on safeguard performance data identified through assurance activities
- Applying learning from assurance analyses to improve risk assessment quality and support risk-based decision making

Competency

Identify, build and sustain competency standards for roles critical to OE performance based on risk, consequence and operational complexity. In order to demonstrate role competency, assess, manage and document the qualifications and skills required.

Learning

Systematically integrate and support organizational practices to seek, share and apply knowledge to strengthen safeguards and mitigate OE risks.

Human and organizational performance

Apply human and organizational performance principles and concepts to build and maintain error-tolerant systems that decrease reliance on people as safeguards and reduce the risk of error.

Technology

Apply technology and digital tools to increase the effectiveness, reliability and efficiency of safeguards, deliver safer designs, and reduce risk.

Product stewardship

Manage and communicate potential health, environment, safety and integrity hazards, and risks of our products from development through end use, including raw materials, manufacturing, distribution, storage, use, transportation, recycling and disposal.

Contractor OE management

Assess and manage OE risks from:

- Contracted activities executed on Chevron premises or within reporting boundaries
- Contracted activities that deliver facility design and fabrication services to our businesses

Incident investigation and reporting

Identify, report, record and investigate incidents, analyze root causes and trends, correct deficiencies, and share and adopt relevant lessons learned.

Emergency management

Prepare for and respond to incidents and manage crises that could affect personnel, the environment, assets, communities and the business.



workforce safety and health

We provide a safe and healthy workplace for our employees and contractors. Our highest priorities are to eliminate fatalities and prevent serious injuries and illnesses.

Control of work (formerly managing safe work)

Assess workplace safety and health hazards and manage risks associated with the execution and control of work. Address work activities that utilize safe work practices and procedures, including:

- Bypassing critical protections
- Confined space entry
- Diving
- Electrical work
- Excavation
- Hot work
- Isolation of hazardous energy
- Lifting and rigging
- Permit to work
- Portable gas detection
- Simultaneous operations
- Work at heights
- Others as identified by enterprise or local operations

Occupational hygiene

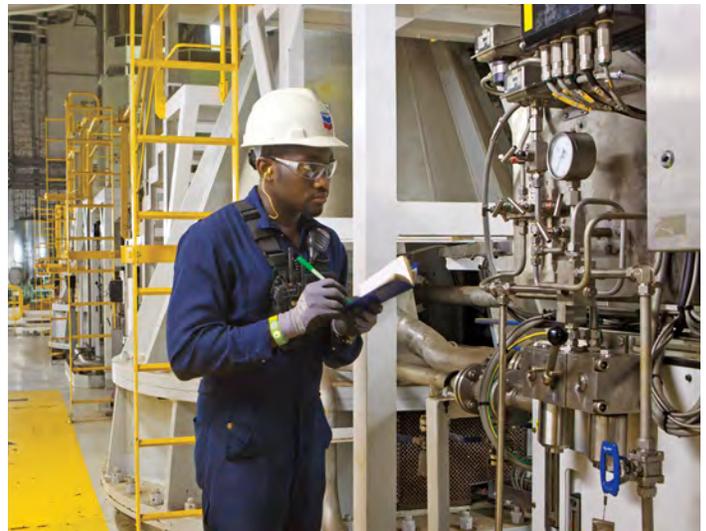
Manage risks associated with workplace exposures to physical, chemical and biological agents that may adversely affect workforce health.

Fitness for duty and worker health

Promote a workforce that is physically, psychologically and cognitively fit to perform essential work tasks and is not impaired by the effects of fatigue, drugs or alcohol. Promote worker health through health education and health protection activities.

Transportation

Manage risk in the use of aviation equipment, marine vessels, motor vehicles, mobile construction equipment and other modes of transportation.



Above: Worker checks controls on the Agbami facility, offshore Nigeria.

the process approach

Expectations should be systematically addressed using a process approach. This enables consistency and standardization across the enterprise.

Many expectations are addressed through OE processes and standards. Processes follow the Chevron standardized five-component model, which should be written as simply and clearly as possible. For these expectations to be

successfully executed by the workforce, and for safeguards to be effectively applied, the requirements of processes and standards should be integrated into practical work instructions, training, procedures, tools and other methods.



process safety, reliability and integrity

We manage the integrity of operating systems through design principles and engineering and operating practices to prevent and mitigate process safety incidents. We execute reliability programs so that equipment, components and systems perform their required functions across the full asset life cycle.

Codes and standards

Apply company and Chevron-adopted industry codes and standards for the design, construction, modification, operation, maintenance, decommissioning and restoration of facilities.

Materials and equipment management

Manage OE risks to Chevron that are related to materials and equipment we procure for use in our facilities.

Process safety information

Develop, maintain and use process safety information and asset data, including information on hazards of materials, process technology and equipment. Apply the information to enable effective risk assessments and engineering, operations and maintenance activities.

Life-cycle investment analysis

In capital investment and expense decisions, assess life cycle risks and trade-offs considering safety, the environment, reliability, efficiency, security and our reputation.

Procedures

Develop, maintain and reinforce consistent use of procedures for activities that support safe and reliable operations, health, and the environment across the life cycle of the business. These include, but are not limited to:

- Operating procedures for all phases of operation, including startup, shutdown, routine operations, addressing abnormal conditions and preparation for/return from maintenance
- Maintenance procedures to safely maintain equipment in order to enable its continued service in support of reliable operations

Operational readiness

Conduct reviews prior to startup for all new and modified facilities, including:

- An Operational Readiness Review to confirm adherence to standards and the suitability for startup
- A Pre-Startup Safety Review to confirm compliance with applicable technical codes and standards and that applicable process safety systems are in place, equipment is in safe condition and people are competent to execute a safe startup

Management of change

Manage proposed changes to design, equipment, operations, products and organizations prior to implementation. Evaluate OE risks associated with changes, notify and train affected workforce of the change, and update documentation.

Well control

Manage the prioritized OE risks of wells activities by:

- Developing, maintaining and using wells standards and guidelines to plan and execute work
- Verifying that the requirements for WellSafe** certification are in place and effective

Well reliability and integrity

Maintain the integrity and reliability of wells:

- Determine potential well failure mechanisms and actions to prevent or mitigate their occurrence
- Perform standardized operation, data acquisition, surveillance, condition monitoring, maintenance and well intervention activities
- Prioritize, plan and schedule well work, including reducing idle wells through return-to-service or plugging and abandonment as guided by the asset retirement strategy

Asset integrity

Maintain the integrity of equipment, structures and protection devices for the prevention and mitigation of potential incidents. Perform analysis of failure modes and effects, and complete necessary inspection and testing programs.

Equipment reliability

Identify and resolve facility and equipment reliability performance gaps and repetitive or recurring failures to improve reliability and optimize life-cycle costs. Use failure analysis to determine causes of failures. Take action to resolve system-level root causes and appropriately share lessons learned.

Maintenance

Prioritize, plan, schedule and complete necessary maintenance for all structures, equipment and protective devices.

**WellSafe is a federally registered service mark of Chevron Intellectual Property LLC.



environment

We protect the environment through responsible design, development, operations and asset retirement.

Environmental management

Protect the environment and community health using a risk- and data-driven approach that addresses potential acute and cumulative impacts. Identify environmental risks and apply mitigation hierarchy across an asset life cycle to guide selection of safeguards that:

- Prevent accidental releases
- Reduce air emissions
- Conserve energy and reduce greenhouse gases
- Manage wastes and wastewater, including those disposed of at third-party facilities
- Conserve and protect water and natural resources
- Retire idle assets and reclaim impacted sites

Conduct monitoring, analyze performance, and identify and address gaps.

Environmental information

Develop and maintain current and historical asset and environmental condition information, including facility designs, operational practices, regulatory requirements and monitoring results. Use environmental information in the assessment and management of environmental risks across the asset life cycle, from initial investment through retirement, divestment or relinquishment.

Property transfer

For potential transaction projects involving the transfer of real property, identify and manage OE risks from early in the project through closing and transition. Track and manage post-transaction OE obligations.



Above: Sunrise on the Kern River in the San Joaquin Valley business unit.

chevron's environmental principles

Our environmental principles are embedded in our enterprise strategy and risk management processes to guide our decisions and our actions. The entire workforce plays an important role in meeting our commitment to do business in environmentally responsible ways.

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.



efficiency

We use energy and resources efficiently to continually improve and drive value.

Energy efficiency

Address energy efficiency in facility design and systematically manage throughout the life cycle of assets to improve operational performance.

Resource efficiency and asset optimization

Maximize value, increase profitability and drive asset life-cycle management through the efficient utilization of assets and resources (materials, people and time), including:

- Establishing metrics and targets
- Applying process improvement methods such as Lean Sigma and optimization reviews
- Measuring and monitoring performance



security

We protect personnel, facilities, information, systems, business operations and our reputation. We proactively identify security risks, develop personnel and sustainable programs to mitigate those risks, and continually evaluate the effectiveness of these efforts.

Security management

Provide a secure physical and cyber environment in which business operations can be successfully conducted. Develop, implement and integrate risk-based security management and assurance plans into emergency management, business continuity and information security plans in order to address and mitigate security risks to personnel, assets and the business.



stakeholders

We engage stakeholders to foster trust, build relationships, and promote two-way dialogue to manage potential impacts and create business opportunities. We work with our stakeholders in a socially responsible and ethical manner, consistent with our respect for human rights, to create a safer, more inclusive business environment.

Stakeholder engagement and issues management

Manage social, political and reputational risks to the company, address potential business impacts, and generate business value by:

- Building and maintaining relationships with external stakeholders, including governments and the communities where we operate
- Identifying, assessing and prioritizing issues
- Developing and executing issue management, stakeholder engagement and social impact management plans, systematically tracking engagements and issues, and validating effectiveness of plans

We work with our partners to responsibly manage Chevron's non-operated joint venture partnerships and third-party aviation and marine activities.

Non-operated joint ventures (NOJVs) and third-party aviation and marine activities

Manage Chevron's interests while conducting business with other operators by:

- Assessing and monitoring operators' health, environment and safety management system execution in the NOJV
- Using the Complex Well Tool for the assessment of NOJV well operations
- Assessing and confirming risk management of aviation activities and marine vessels and facilities

management system cycle

the management system cycle (MSC) is a systematic approach to set and align objectives; identify, prioritize and close gaps; strengthen safeguards and improve OE results



The MSC is managed by OELTs who have the authority and the accountability to execute the OEMS effectively. The MSC is coordinated at various levels in the company for effective and efficient management of OE risks.

Leaders direct the MSC for their organization and are responsible for:

- Setting objectives and cascading them to the workforce
- Making sure the full scope of the OEMS is effective
- Integrating their organization's OE risk profile and assurance program into the MSC to focus on highest priorities and performance opportunities
- Prioritizing OE plans to focus on and provide resources to the highest-impact gaps and opportunities
- Monitoring performance, reviewing the progress of OE plans to achieve results effectively and efficiently, and taking corrective action as needed



Above: Workers conducting a Managing Safe Work field engagement in the San Joaquin Valley business unit.

establish or validate objectives

OE objectives, metrics and targets are established and/or validated, integrated into the business plan, and cascaded to the workforce.

Organizations should:

- Establish, validate and/or update OE objectives, metrics and targets. These should be based on the enterprise OE objectives and benchmarking data, and focused on risks and critical business drivers
- Integrate OE objectives into the organization’s business plan cycle
- Cascade OE objectives, metrics and targets to all levels of the organization

conduct assessment

An annual assessment is conducted to evaluate the performance and effectiveness of the OEMS against the established OE objectives.

Organizations should:

- Evaluate performance against OE objectives
- Analyze performance data to identify gaps in leadership and OE culture, focus areas, and execution of OE processes linked to OE expectations
- Validate, remove or close gaps from the prior year’s assessment
- Consider future risks, changes in business conditions and changes to business plans
- Prioritize assessed gaps based on the risk profile across the focus areas, efficiency opportunities and business plan priorities

OELTs direct the scope, frequency and rigor applied to the assessment step based on the level of risk and the effectiveness of OE execution.

develop plan

An OE plan is developed to close the prioritized gaps and identify resourcing requirements. It is integrated into business plans.

Organizations should:

- Develop OE plans with milestones and completion dates
- Evaluate and prioritize OE plans based on the risk profile, and consider competency, learning, human and organizational performance and technology in order to improve safeguard effectiveness
- Identify and allocate resources to successfully execute OE plans, incorporate them into business plans and communicate them to the organization
- Validate or update the OE assurance plan priorities
- Establish performance agreements and accountabilities

execute and review

Periodic reviews are scheduled to evaluate OE performance and the effectiveness of the execution of the OEMS and to verify progress on the OE plans.

Organizations should:

- Execute OE plans to close gaps, along with other business plan activities
- Monitor to verify progress and effectiveness of OE plans and adjust as necessary
- Conduct periodic reviews of OEMS performance and safeguard effectiveness
- Identify and manage new corrective actions to improve safeguards as appropriate

governance

there are essential leadership team roles and individual roles for enabling effective and efficient execution of the OEMS

title	description of role	key responsibilities
operational excellence leadership teams	Steward the OEMS at the segment, operating company and unit levels	<ul style="list-style-type: none"> Understand the risk profile for their organization and proactively monitor safeguards Assign integration and focus area sponsors Confirm that the full scope of the OEMS is working as defined Fulfill responsibilities to direct the MSC Build and sustain OE culture
functional and technical authorities	Fulfill their assigned authorities on technical standards and processes	<ul style="list-style-type: none"> Provide technical input to support decision quality on specific high-consequence mitigations and deviations from standards Maintain technical competency and share knowledge and lessons learned through communities of practice (CoPs) <p>Note: Additional responsibilities for functional authorities and global and local technical authorities are defined in Functional Excellence Framework documents.</p>
integration sponsors	Coordinate and prioritize common expectations	<ul style="list-style-type: none"> Oversee and monitor performance and lead the stewardship of the MSC for the common expectations Confirm integration of common expectations into the appropriate focus areas Include the responsibilities below that apply to focus area sponsors
focus area sponsors	Coordinate and prioritize within the focus area	<ul style="list-style-type: none"> Oversee and monitor performance and lead the stewardship of the MSC in the focus area Understand and support the integration of the risk profile and assurance program for the focus area and prioritize gaps and OE plans Provide direction to promote effective execution of process requirements and associated safeguards across the focus area Coordinate with other focus area sponsors to support the execution of the entire OEMS, prioritize OE plans and link with the business plan Monitor process efficiency and adjust to align with priorities, risks and potential consequences Determine the need for process-specific sponsors based on risk, scope and complexity and assign appropriate accountability
process sponsors	Sponsor processes that address risk areas as determined by the OELT or the designated integration/ focus area sponsor	<ul style="list-style-type: none"> Oversee and provide direction to confirm effective execution of process requirements and associated safeguards Prioritize gaps and action plans within the process and support the integration and focus area sponsors with the MSC Monitor the process efficiency and adjust to align with priorities, risks and consequences
process advisors	Provide subject matter expertise for a specific OE process or standard; one individual may be advisor for multiple processes	<ul style="list-style-type: none"> Confirm efficient and effective execution of the process requirements and associated safeguards through verification and monitoring of metrics Confirm that the process requirements have been integrated into practical work instructions, training, procedures and tools Identify and close gaps in performance Advise the focus area and/or process sponsor on performance of the process and provide input for the MSC Maintain technical competency and engage with functional experts Maintain process and standards documentation in as simple and clear a form as possible

Chevron’s Board of Directors provides oversight and monitors performance of all corporate policies, including Policy 530. Corporate leaders shape the OE policy and steward the OEMS at the enterprise and segment levels.

title	description of role	key responsibilities
chevron board of directors	Direct the affairs of the corporation	Monitor and oversee: <ul style="list-style-type: none"> • Overall corporate performance • Integrity of the corporation’s controls • Effectiveness of legal compliance programs • Strategic and business planning process • Corporation’s risk assessment and risk management policies and practices
executive leadership	Carry out company strategies and policies in managing Chevron’s business	<ul style="list-style-type: none"> • Align and inspire the workforce on OE • Shape the values and OE culture of the company • Understand enterprise-level risk profile and align corporatwide strategies, priorities and policies • Demonstrate accountability for OE objectives
corporate OE governance board	Assess and oversee overall health of the OEMS in Chevron Members include the corporate vice president of HSE and operating company presidents, and designees	Understand the enterprise-level risk profile and approve: <ul style="list-style-type: none"> • High-level strategy and policy changes • Enterprise-level MSC priorities and business plan • Corporate OE business plan guidance • Corporate OE processes and standards Align and inspire our OE culture
HSE functional leadership team	Steward the enterprise-level OEMS Led by the corporate vice president of HSE; members include functional and business unit leaders	<ul style="list-style-type: none"> • Understand the enterprise-level risk profile and proactively monitor the safeguards to ensure they are present and effective • Direct the enterprise-level MSC using perspectives from inside and outside the company • Advise and recommend changes in OE priorities, strategy, metrics and targets to Corporate OE Governance Board

safeguards

safeguards are the hardware and human actions designed to directly prevent or mitigate an incident or impact

Typical safeguards include facility designs, mechanical devices, engineered systems, protective equipment and execution of procedures.

OE processes and standards establish and sustain the safeguards but are not by themselves safeguards.

OEMS is a management system designed to establish and sustain preventive and mitigative safeguards and to assure that these safeguards manage risks and achieve OE objectives. There are two critical aspects of managing safeguards: **establishing safeguards** and **sustaining and assuring safeguards**.

1. establishing safeguards

The selection of safeguards involves important decision points for long-term, effective management of OE risks.

Application of the hierarchy of controls minimizes or eliminates exposure to hazards and guides the selection of safeguards by recognizing the variation in the effectiveness of safeguard alternatives.

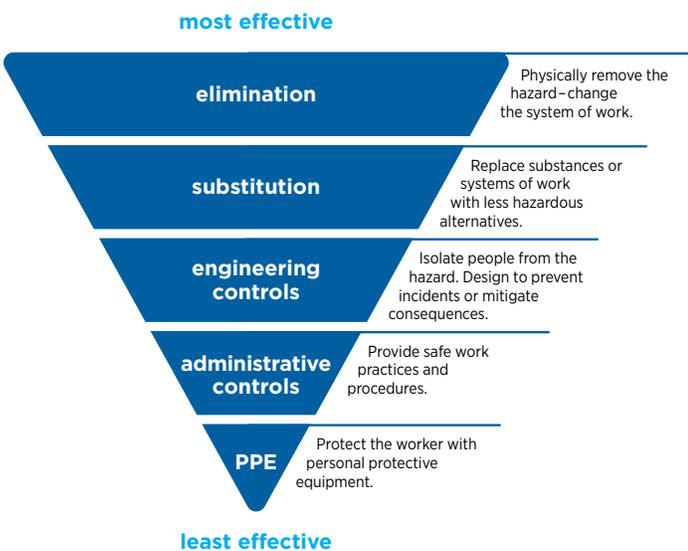
Industry and company codes and standards form the basis for the design of most safeguards.

2. sustaining and assuring safeguards

OE processes work together as an integrated structure to sustain the presence and assure the effectiveness of both preventive and mitigative safeguards.

Safeguards may vary in effectiveness over time and in the work environment in which they are placed. Hardware safeguards are subject to degradation over time, and human safeguards are vulnerable to human error. OEMS provides a systematic structure to identify and respond to the deterioration of safeguards and to strengthen the execution of OE processes to sustain and assure the effectiveness of safeguards.

hierarchy of controls illustrated for workforce safety and health risks*



Safeguard visualization tools

The risk management expectation requires the formal identification and assessment of preventive and mitigative safeguards for risk scenarios for each focus area.

Bow tie models can be applied to assist with the visualization of scenarios and help stakeholders understand how safeguards manage risk.

simplified bow tie model



*Process safety, environment and security have the same or a similar hierarchy of controls for managing risks.

tenets of operation

Tenets are a code of conduct used by the workforce as a tool to guide daily decisions. Leaders play an important role in setting expectations and reinforcing behaviors consistent with the tenets.

Our work is guided by two key principles:

Do it safely or not at all

There is always time to do it right

1. Always operate within design and environmental limits
2. Always operate in a safe and controlled condition
3. Always ensure safety devices are in place and functioning
4. Always follow safe work practices and procedures
5. Always meet or exceed customers' requirements
6. Always maintain integrity of dedicated systems
7. Always comply with all applicable rules and regulations
8. Always address abnormal conditions
9. Always follow written procedures for high-risk or unusual situations
10. Always involve the right people in decisions that affect procedures and equipment

protect people and the environment



Worker checks a control panel in a substation at Oronite's additive manufacturing plant on Jurong Island, Singapore.



Workers monitor river conditions in the San Joaquin Valley business unit.



Chevron supports social investment projects that enhance local education and community nutrition.



Workers perform a pipeline inspection at the Malongo Terminal in Angola.



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