



John S. Watson
Chairman and
Chief Executive Officer

Chevron Corporation

[REDACTED]@chevron.com

December 18, 2015

CLASSIFIED

Mr. Alexander B. Cummings, Jr.
Ms. Linnet F. Deily
Mr. Robert E. Denham
Dr. Alice P. Gast
Mr. Enrique Hernandez, Jr.
Gov. Jon M. Huntsman, Jr.

Mr. Charles W. Moorman
Mr. John G. Stumpf
Dr. Ronald D. Sugar
Mr. Inge G. Thulin
Mr. Carl Ware

Thank you for your participation in last week's Board and committee meetings in San Ramon. I hope that you found the discussions and briefings informative and helpful.

November Earnings

Reported earnings of \$173 million in November were essentially flat with October. Write-offs in the Deepwater and the further weakening in crude prices drove a decline in Upstream's results, while our Downstream business benefited from a generally stronger margin environment and improved earnings from Trading and Chemicals. Foreign exchange impacts also contributed favorably to the month's results. Year-to-date earnings through eleven months were \$5.5 billion or 123% of the full-year objective. As we foreshadowed when we met earlier this month, we expect December earnings will be negatively affected by the continued fall in crude prices and certain non-operating items we'll be recognizing in the month.

Worldwide net OEG production of 2,711 MBD improved 146 MBD on the absence of planned and unplanned downtime across multiple locations, favorable PSC effects, and new volumes at Mid-Continent and in Canada. Through November, production of 2,611 MBD remains within external guidance.

I have enclosed a copy of the [November 2015 Performance Summary](#) booklet.

2015 Board and Board Committee Performance Evaluation

I am enclosing the 2015 Board and Board Committees Performance Evaluation. Chevron's Corporate Governance Guidelines require that the Board conduct an annual self-evaluation to assess the Board's and Board committees' performance and effectiveness. I encourage you to provide written comments when answering the Evaluation questions. [Please complete and return the Evaluation to Mary Francis by January 8, 2016](#). This will allow Mary's team to compile the responses in advance of our January Board and committee meetings.

To assist you with completing the Evaluation, I am enclosing the following items:

- [Instructions for Completing the Evaluation](#);
- [2015 Board Meetings: Mailings and Meeting Materials](#), which summarizes Board activities during 2015;
- [Independent Directors' Retirement, Skills, and Qualifications Matrix](#), which summarizes current Board composition and highlights individual Director skills and qualifications. This document is reviewed periodically by the Board Nominating and Governance Committee;
- [2016 Schedule of Board and Board Committee Meetings](#); and
- [2016 Board Meetings: Presentations & Pre-Read Materials](#), which provides a preview of Board activities for the coming year.

Below is a review of 2015 Board activities and a preview of activities for 2016.

Review of 2015 Board Activities

The Board held six meetings this year and conducted a wide array of business. The major topics covered during the meetings centered on four primary categories: strategy; business performance; risk, liability and compliance; and governance, and included the following:

| | |
|---|---|
| <u>Strategy:</u> <ul style="list-style-type: none">▪ Upstream; Downstream & Chemicals; Gas and Midstream strategy▪ 2015 – 2017 Business Plan, Objectives and 2015 Capital and Exploratory Budget▪ financing and debt strategy▪ dividends▪ asset divestitures, including Caltex Australia▪ commodity prices and forecasts▪ market updates and strategic landscape▪ Major Capital Projects▪ Tengizchevroil Wellhead Pressure Management and Future Growth Project▪ executive succession and development planning▪ 2016 – 2018 Business Plan, Objectives and 2016 Capital and Exploratory Budget | <u>Business Performance:</u> <ul style="list-style-type: none">▪ Upstream; Downstream & Chemicals; Gas and Midstream performance▪ monthly and quarterly earnings▪ Major Capital Projects execution▪ deepwater drilling practices▪ deepwater Gulf of Mexico exploration and development▪ Appalachian/ Michigan Business Unit business performance▪ Chevron North America Exploration and Production Company business performance |
| <u>Risk, Liability and Compliance:</u> <ul style="list-style-type: none">▪ enterprise risk management▪ litigation▪ corporate compliance programs▪ corporate insurance programs▪ Directors and officers insurance program▪ Operational Excellence▪ cybersecurity▪ U.S. Master Pension Trust performance | <u>Governance:</u> <ul style="list-style-type: none">▪ stockholder proposals▪ By-Laws: proxy access; advance notice▪ Corporate Governance Guidelines▪ Executive Committee Charter▪ Board and Board Committees Performance Evaluation |

Particular Board meeting highlights for 2015 included the following:

- In January, Inge Thulin joined the Board.
- The evenings prior to the Board meetings in March, July, and December included the following briefings or poster sessions:

March: Deepwater Drilling Practices; Deepwater Gulf of Mexico Exploration and Development
July: Executive Succession and Development Planning
December: Executive Succession and Development Planning

- In March, the Board met in Houston. While there, the Board visited the Drilling Support Center, received an update on Chevron North America Exploration and Production Company business performance, and attended a farewell dinner and reception for George L. Kirkland.
- In May, all Directors attended the Annual Meeting of Stockholders in San Ramon. Stockholders voted in favor of the Board's position on all matters, except proxy access. In September, the Board adopted amendments to the By-Laws to implement proxy access.
- The July Board meeting focused on our strategic plan, business outlook, opportunities, risks, and challenges. Discussion topics included the strategic landscape, market update, Upstream performance, Major Capital Projects performance improvement, and Downstream & Chemicals performance.
- In September, the Board traveled to the Appalachian/Michigan Business Unit's (AMBU) shale fracturing and operational drill sites in Southwest Pennsylvania. During the trip, Board members participated in poster sessions on the following topics: shale fracturing in Appalachia; Operational Excellence; asset base and strategy; factory and performance improvement; and external environment and license to operate. The Board also met with AMBU's leadership team.
- The December Board meeting focused on our 2016 - 2018 business plan and capital and exploratory budget for 2016.

These Board activities provided opportunities for Directors to interact with senior management.

Review of 2015 Committee Activities

Each Board committee was busy in 2015. For the Board's four standing committees, we held a total of 24 committee meetings.

Audit Committee

The Audit Committee held ten meetings in 2015. As in prior years, the Committee appointed the Company's independent auditor, reviewed the independent auditor's current year work plan and required reports and communications, and approved the independent auditor's non-audit services budget for the current and coming year. In addition, the Committee reviewed the scope and work plan of the Internal Audit function and the results of the prior year's internal audit program. Consistent with its charter, the Committee reviewed all earnings press releases, SEC filings, CEO and CFO certifications, and received quarterly reports from the Chief Compliance Officer on the effectiveness of the Company's compliance program.

During the year, the Committee also received updates on and discussed emerging accounting and financial regulatory issues, financial risk management as a component of the Company's broader Enterprise Risk Management program, cybersecurity and the Company's Cybersecurity Acceleration Program, select tax matters, and the hydrocarbon resources determination process. Similar updates and discussions are planned for next year.

In 2015, the Committee also had a change in leadership, with Wick replacing Ron as Chair. Members of management assisted with the transition by providing additional briefings on select topics.

Board Nominating and Governance Committee

The Board Nominating and Governance Committee held six meetings in 2015, including one joint meeting with the Public Policy Committee during which the committees considered responses to stockholder proposals to be included in the 2015 Proxy Statement.

Board of Directors
December 18, 2015
Page 4

As in prior years, the Committee continued to devote attention to independent Director succession planning, most recently recommending that the Board invite Inge to join the Board. In addition, the Committee considered Board and committee performance evaluations, Director independence, related person transactions, governance disclosure in the 2015 Proxy Statement, committee assignments (including determinations of Audit Committee financial experts), Director and Officer insurance renewal, Section 16 Insider trading transactions, stockholder engagement, and stockholder communications with the Board.

Consistent with its charter, the Committee also reviewed the Company's governance structure and practices and recommended amendments to the Company's By-Laws to address proxy access and add an advance notice provision for stockholder proposals and director nominations (outside of the proxy access process). The Committee also reviewed and recommended amendments to the Corporate Governance Guidelines to amend the Director skills and qualifications criteria and to clarify that the Lead Director will chair executive sessions of the Board if the CEO and Chairman positions are combined, and amendments to the Executive Committee charter to provide for the absence of a Vice Chairman. 2016 Committee plans include the annual review of our corporate governance practices and the biennial review of Director compensation.

In 2015, the Committee also had a change in leadership, with Ron replacing Bob as Chair. Members of management assisted with the transition by providing additional briefings on select topics.

Management Compensation Committee

The Management Compensation Committee held four meetings in 2015. The Committee reviewed and acted upon a number of matters related to its administration of the Company's executive compensation and equity incentive programs, including review and approval of annual salary structure and CIP and LTIP awards, particularly for Chevron's named executive officers (NEOs), and review and approval of salary actions related to executive personnel proposals.

During the year, the Committee also completed a variety of its regularly scheduled tasks, such as a risk assessment of Chevron's executive compensation and equity incentive programs, a review of the Compensation Discussion and Analysis included in the proxy statement, an update of the Committee's charter and annual checklist of activities and best practices, and a review of general industry compensation practices, including Chevron's competitive position relative to industry and general-industry peers. The Committee also conducted an annual performance assessment of its outside compensation consultant, Jim Wolf of Meridian Compensation Partners. Finally, the Committee received updates on annual compensation statements for NEOs, CIP performance metrics, LTIP design mix, stock ownership guidelines and reviewed pending SEC rulemaking in executive compensation disclosure.

In 2015, the Committee also had a change in leadership, with Rick replacing Carl as Chair. Members of management assisted with the transition by providing additional briefings on select topics.

Public Policy Committee

This year the Public Policy Committee increased its number of regularly scheduled meetings from three to four. In January, the Committee held a joint meeting with the Board Nominating and Governance Committee during which the committees considered responses to stockholder proposals to be included in the 2015 Proxy Statement. In March, the Committee reviewed key environmental issues that could affect Chevron's activities and performance, including environmental management, environmental remediation, environmental reserves and liabilities, and water. In July, the Committee reviewed Chevron Employee Political Action Committee political contributions, Company lobbying initiatives, and U.S. legislative, regulatory, policy, and political developments. In December, the Committee received updates on Chevron's Human Rights Policy, revenue transparency, and Chevron's corporate responsibility and social investment program.

Board of Directors
December 18, 2015
Page 5

During the year, the Committee also received updates on major legislative and regulatory issues and 2016 elections. The Committee is scheduled to meet four times next year to receive updates on and discuss these topics and others.

Preview of 2016 Board Activities

The enclosed 2016 Schedule of Board and Board Committee Meetings and schedule of 2016 Board Meetings: Presentations & Pre-Read Materials provide a preview of Board activities for next year. We have scheduled six in-person Board meetings, as well as two telephonic meetings, if needed. In March, we will meet in Houston. In September, we will meet in Australia as part of our planned visit to our operations there.

Our meetings will continue to focus principally on Chevron's strategy, business performance, risk, liability and compliance, and governance. We will continue to provide much of the information for our meetings as pre-read material to allow more meeting time for questions and discussion.

As always, I would appreciate your input, ideas, and suggestions on Board activities and plans.

Public Policy Issues Brief

At its December meeting, the Public Policy Committee received an updated version of the Public Policy Issues Brief, which includes a summary of key financial and operating statistics for and the key public policy and regulatory issues in the top ten countries where we operate. The Brief is an important resource for all Board members, and I have enclosed a copy for your review.

* * *

I hope you have a safe and enjoyable holiday season. I look forward to a strong and productive new year.

Best regards,

John S. Watson
Chairman and CEO
Chevron Corporation

Enclosures

cc: Mr. R. Hewitt Pate
Ms. Mary A. Francis

Instructions
2015 Board and Board Committee Performance Evaluation

1. The “Questionnaires” feature on Diligent Boards is available via iPad and your desktop computer or laptop. For Directors reviewing the letter and completing and returning the 2015 Board and Board Committee Performance Evaluation (questionnaire) via Diligent Boards, please complete one of the following steps.

➤ **Using the Questionnaires feature on the Diligent Boards website from your iPad:**



1. Tap the Section Menu icon to open the section menu.
2. Tap the Questionnaires icon. The Section Menu will close, and a list of questionnaires will open.
3. Access Active Questionnaires.
4. To access the questionnaire, tap on the following:
2015 Board and Board Committee Performance Evaluation
5. Read the instructions and complete the questionnaire.
Tap the “Next” button to proceed to next page or “Save and Finish Later” to save your progress and return to it later.
6. Tap the “Submit” button (“Submission Page” on page 6/6) to submit your questionnaire responses as final.

Note: Once a questionnaire is submitted, you cannot alter or change any of the responses made to it. Questionnaires will automatically appear in the “Inactive” section once submitted. If you need to change your responses for any reason, please contact Irma Rodriguez at [REDACTED] or [\[REDACTED\]@chevron.com](mailto:[REDACTED]@chevron.com).

➤ **Using the Questionnaires feature in the Diligent Boards website from your desktop computer or laptop:**

1. Click the Questionnaires icon at the top navigation bar.
2. To access the questionnaire, click on the following:
2015 Board and Board Committee Performance Evaluation
3. Read the instructions and complete the questionnaire.
Click the “Next” button to proceed to next page or “Save and Finish Later” to save your progress and return to it later.
4. Click the “Submit” button (“Submission Page” on page 6/6) to submit your questionnaire responses as final.

Note: Once a questionnaire is submitted, you cannot alter or change any of the responses made to it. Questionnaires will automatically appear in the “Inactive” section once submitted. If you need to change your responses for any reason, please contact Irma Rodriguez at [REDACTED] or [\[REDACTED\]@chevron.com](mailto:[REDACTED]@chevron.com).

2. For Directors reviewing the materials and completing the questionnaire via hard copy:

- Please complete the questionnaire and return by close of business on Friday, January 8, 2016, to Mary Francis by fax to [REDACTED] or by email to [\[REDACTED\]@chevron.com](mailto:[REDACTED]@chevron.com). For your convenience, we also enclose a self-addressed FedEx envelope to use to return the completed materials to Mary Francis.

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|---------|-----------------|---|---|
| 1/21/15 | Mailing | <p><u>Transmittal Letter from Lydia Beebe:</u></p> <ul style="list-style-type: none"> • January 28 Board Meeting Materials • Insider Trading Window Reminder • Stockholder Proposals and Draft Board Responses • 2014 Performance Summary • Upstream 2014 Performance Summary • Downstream and Chemicals 2014 Performance Summary <p><u>Proposed Resolutions:</u></p> <ul style="list-style-type: none"> • Election, Committee Assignments, and Compensation of New Director Inge G. Thulin • 2014 Annual Meeting of Stockholders • Supplement to the 2014 Consolidated Capital and Exploratory Budget • Consolidated 2015 – 2017 Business Plan, the 2015 Performance Objectives, and the 2015 Consolidated Capital and Exploratory Budget • Dividend Action <p><u>Briefs and Other Items:</u></p> <ul style="list-style-type: none"> • 2015 – 2017 Business Plan Summary • Revised 2015 Schedule of Board and Board Committee Meetings • Results from the 2014 Board and Board Committees' Performance Evaluation Questionnaire • 2014 Reserves Results • Operational Excellence Update • 2014 CIP Report • Financing and Debt Strategy • Fourth Quarter 2014 Performance Summary | n/a |
| 1/27/15 | Dinner Briefing | No Briefing | n/a |
| 1/28/15 | Meeting | <p><u>Topics Covered:</u></p> <ul style="list-style-type: none"> • 2014 Performance Summary • Market Update • Litigation Update • Upstream 2014 Performance Review • Downstream and Chemicals 2014 Performance Review • 2015 – 2017 Business Plan Summary • Questions and Discussion on Financing and Debt Strategy <p><u>Adopted Resolutions:</u></p> <ul style="list-style-type: none"> • Election, Committee Assignments, and Compensation of | Pat Yarrington Joe Naylor Hew Pate George Kirkland Mike Wirth Pat Yarrington Pat Yarrington |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|----------|---------|--|-----------|
| | | <p>New Director Inge G. Thulin</p> <ul style="list-style-type: none"> • 2014 Annual Meeting of Stockholders • Supplement to the 2014 Consolidated Capital and Exploratory Budget • Consolidated 2015 – 2017 Business Plan, the 2015 Performance Objectives, and the 2015 Consolidated Capital and Exploratory Budget • Dividend Action <p><u>Supplemental Materials Distributed at Meeting:</u></p> <ul style="list-style-type: none"> • Pira Energy Group: World Oil Market Forecast • IHS Energy: Market Briefing • The New Oil Order: Lower for Longer to Keep Capital Sidelined | |
| 02/25/15 | Mailing | <p><u>Transmittal Letter from John Watson:</u></p> <ul style="list-style-type: none"> • Earnings Update • January Performance Summary • Stockholder Proposals and Draft Board Responses • Reactions to Chevron 4Q14 Earnings Call • Reactions to LTIP Competitors' 4Q14 Earnings Calls | n/a |
| 3/6/15 | Mailing | <p><u>Transmittal Letter from John Watson:</u></p> <ul style="list-style-type: none"> • Security Analyst Meeting Booklet | n/a |
| 3/18/15 | Mailing | <p><u>Transmittal Letter from Lydia Beebe:</u></p> <ul style="list-style-type: none"> • March 25 Board Meeting Materials <p><u>Proposed Resolutions:</u></p> <ul style="list-style-type: none"> • Endorsing to Stockholders the Ratification of the Audit Committee's Selection of Company Auditor • Nominees for Directors and Director Independence • Committee Assignments • Designation of Section 16 Insiders • Maximum Aggregate Indebtedness and Debt Issuances • Fee for Lead Director • Amendment to Corporate Governance Guidelines – Board Membership Criteria • Resolution of Appreciation for Kevin Sharer <p><u>Briefs and Other Items:</u></p> <ul style="list-style-type: none"> • Annual Report on Form 10-K • 2015 Proxy Statement for Board review • Letter from PricewaterhouseCoopers LLP regarding audit | n/a |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|---------|-----------------|--|--|
| | | of financial statements in Annual Report on Form 10-K <ul style="list-style-type: none"> • Letter from Pillsbury Winthrop Shaw Pittman LLP regarding Annual Report on Form 10-K • Letter from Ron Sugar regarding Audit Committee endorsement of the Annual Report on Form 10-K • Revised 2015 Schedule of Board and Board Committee Meetings • Reactions to Chevron's 2015 Security Analyst Meeting • Reactions to Exxon's 2015 Security Analyst Meeting • February Performance Summary • Appalachian/Michigan Strategic Business Unit Lookback and Summary of Current Plans • Operational Excellence Update • U.S. Master Pension Trust Performance Review Year-End 2014 • Corporate Compliance Program Update • Litigation Summary | |
| 3/24/15 | Dinner Briefing | <u>Poster Session:</u> <ul style="list-style-type: none"> • Deepwater Drilling Practices • Deepwater Gulf of Mexico Exploration and Development | David Payne Bobby Ryan and Steve Thurston |
| 3/25/15 | Meeting | <u>Topics Covered:</u> <ul style="list-style-type: none"> • February Performance Update • Major Capital Projects Update • Report on Significant Litigation • Compliance Program Update • Market Update • CNAEP Update <u>Adopted Resolutions:</u> <ul style="list-style-type: none"> • Endorsing to Stockholders the Ratification of the Audit Committee's Selection of Company Auditor • Nominees for Directors and Director Independence • Committee Assignments • Designation of Section 16 Insiders • Maximum Aggregate Indebtedness and Debt Issuances • Fee for Lead Director • Amendment to Corporate Governance Guidelines Board Membership Criteria • Resolution of Appreciation for Kevin Sharer • Election of Officers (distributed at meeting) • Nominees for Directors and Independence (distributed at meeting) | Pat Yarrington Jay Johnson Hew Pate Beth Claar Joe Naylor Jeff Shellebarger |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|---------|-----------------|--|------------|
| | | <ul style="list-style-type: none"> Committee Assignments (distributed at meeting) <p><u>Supplemental Materials Distributed at Meeting:</u></p> <ul style="list-style-type: none"> Project Albion | Mark Menke |
| 4/22/15 | Mailing | <u>Transmittal Letter from John Watson:</u> <ul style="list-style-type: none"> Earnings Update First Quarter Performance Summary April 29 Dividend Action – Unanimous Written Consent Dividend Recommendation Statement of Retained Earnings 2014 Annual Report 2014 Supplement to Annual Report 2015 Proxy Statement Proxy Voting Instruction Form for Directors Insider Trading Window Reminder Committees of the Board of Directors (effective May 26) Revised 2015 Schedule of Board and Board Committee Meetings | n/a |
| 5/20/15 | Mailing | <u>Transmittal Letter from Mary Francis:</u> <ul style="list-style-type: none"> May 27 Board Meeting Materials Insider Trading Window Reminder <p><u>Proposed Resolutions:</u></p> <ul style="list-style-type: none"> Election of Officers Resolution of Appreciation for George L. Kirkland <p><u>Briefs and Other Items:</u></p> <ul style="list-style-type: none"> Revised 2015 Schedule of Board and Board Committee Meetings High-Level Itinerary for September Board Trip in Pennsylvania Shell's Pending Acquisition of BG Group Shell Kulluk Incident and Chevron Safeguards Cost Reduction Update Operational Excellence Update Major Capital Projects Update Reactions to Chevron 1Q15 Earnings Call Reactions to LTIP Competitors' 1Q15 Earnings Calls 2014 Corporate Responsibility Report | n/a |
| 5/26/15 | Dinner Briefing | Reception and Dinner in Honor of George L. Kirkland | n/a |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|---------|-----------------|--|--|
| 5/27/15 | Meeting | <p><u>Topics Covered:</u></p> <ul style="list-style-type: none"> • Annual Meeting Preview • Market Update • April Performance Update • Major Capital Projects Update • Litigation Update <p><u>Adopted Resolutions:</u></p> <ul style="list-style-type: none"> • Election of Officers • Resolution of Appreciation for George L. Kirkland <p><u>Supplemental Materials Distributed at Meeting:</u></p> <ul style="list-style-type: none"> • April Performance Summary | Steve Green Joe Naylor Pat Yarrington Jay Johnson Hew Pate |
| 6/24/15 | Mailing | <p><u>Transmittal Letter from John Watson:</u></p> <ul style="list-style-type: none"> • Earnings Update • May Performance Summary • Revised 2015 Schedule of Board and Board Committee Meetings | n/a |
| 7/22/15 | Mailing | <p><u>Transmittal Letter from John Watson:</u></p> <ul style="list-style-type: none"> • July 29 Board Meeting Materials • Insider Trading Window Reminder <p><u>Proposed Resolutions:</u></p> <ul style="list-style-type: none"> • Dividend Action <p><u>Briefs and Other Items:</u></p> <ul style="list-style-type: none"> • High-Level Itinerary for September Board Trip in Pennsylvania • Revised 2015 Schedule of Board and Board Committee Meetings • Strategy Discussion Materials • Corporate Insurance Program Renewal • Cybersecurity Update • Major Environmental Remediation Projects with EMC Involvement • Operational Excellence Update • Major Capital Projects Update • 2015 Mid-Year CIP Report • Form S-3 Registration Statement | n/a |
| 7/28/15 | Dinner Briefing | <ul style="list-style-type: none"> • Executive Succession and Development Planning | Joe Laymon |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|---------|---------|--|--|
| 7/29/15 | Meeting | <p><u>Topics Covered:</u></p> <ul style="list-style-type: none"> • First Half 2015 Performance Update and Dividend Action • Litigation Update • Major Capital Projects Performance Improvement • Strategy Discussions: <ul style="list-style-type: none"> ◦ Strategic Update Introduction ◦ Strategic Landscape and Market Update ◦ Upstream ◦ Downstream and Chemicals <p><u>Adopted Resolutions:</u></p> <ul style="list-style-type: none"> • Dividend Action <p><u>Supplemental Materials Distributed at Meeting:</u></p> <ul style="list-style-type: none"> • 2015 Second Quarter Performance Summary | Pat Yarrington Hew Pate Joe Geagea John Watson Joe Naylor Jay Johnson Mike Wirth |
| 8/26/15 | Mailing | <p><u>Transmittal Letter from John Watson:</u></p> <ul style="list-style-type: none"> • Earnings Update • July Performance Summary • Chevron U.S. Master Pension Trust Performance Review • Reactions to Chevron 2Q15 Earnings Call • Reactions to LTIP Competitors' 2Q15 Earnings Calls • Public Policy Issues Brief | n/a |
| 9/23/15 | Mailing | <p><u>Transmittal letter from John Watson:</u></p> <ul style="list-style-type: none"> • September 30, 2015 Board Meeting Materials <p><u>Proposed Resolutions:</u></p> <ul style="list-style-type: none"> • Amendments to By-Laws, Corporate Governance Guidelines, and Executive Committee Charter <p><u>Briefs and Other Items:</u></p> <ul style="list-style-type: none"> • Revised 2016 Schedule of Board and Board Committee Meetings • Operational Excellence Update • Major Capital Projects Summaries • August Performance Summary <p><u>Appalachian/Michigan Business Unit (AMBU) Pre-Read Materials:</u></p> <ul style="list-style-type: none"> • High-Level Itinerary • AMBU Business Overview • Appalachia Field Visit Overview • CNAEP Overview | n/a |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|----------|----------|--|--|
| | | <ul style="list-style-type: none"> • CNAEP – Areas of Operation Map • AMBU – Areas of Operation Map • Organizational Chart – AMBU Leadership Team • Biographies for AMBU attendees • Chevron in Appalachia: Managing Performance, Measuring Results Report • Video – “AMBU Introduction” (Aerial Perspective of the Region’s Topography and Our Operations) | |
| 9/29/15 | Briefing | <u>Optional Field Trip:</u> <ul style="list-style-type: none"> • Southwest Pennsylvania <u>Poster Sessions:</u> <ul style="list-style-type: none"> • Shale Fracturing in Appalachia • Operational Excellence Culture • Asset Base and Strategy • Factory and Performance Improvement • External Environment and License to Operate | Justin Krasa Bev Zabel Nigel Hearne & Marc Payne Alan Pitts & Gary Orr David Kimbrell, John Johnson, & Trip Oliver |
| 9/30/15 | Meeting | <u>Topics Covered:</u> <ul style="list-style-type: none"> • August Performance Update • Major Capital Projects Update • Market Update • Tengizchevroil Wellhead Pressure Management and Future Growth Project Review • Enterprise Risk Management Update • Litigation Update <u>Adopted Resolutions:</u> <ul style="list-style-type: none"> • Amendments to By-Laws, Corporate Governance Guidelines, and Executive Committee Charter | Pat Yarrington Jay Johnson Joe Naylor Tim Miller & Paul Benoit Joe Naylor Hew Pate |
| 10/21/15 | Mailing | <u>Transmittal Letter from Mary Francis:</u> <ul style="list-style-type: none"> • October 28 Dividend Action – Unanimous Written Consent • Dividend Recommendation • Statement of Retained Earnings • Insider Trading Window Reminder • 2015 Directors and Officers Insurance Program • Third Quarter Performance Summary | n/a |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|----------|-----------------|---|--|
| 10/28/15 | Mailing | <u>Transmittal Letter from John Watson:</u> <ul style="list-style-type: none"> • Press release regarding senior leadership changes | n/a |
| 12/2/15 | Mailing | <u>Transmittal Letter from John Watson:</u> <ul style="list-style-type: none"> • December 9 Board Meeting Materials <u>Resolutions Regarding:</u> <ul style="list-style-type: none"> • Consolidated 2016 – 2018 Corporate Business Plan, 2016 Performance Objectives, and 2016 Consolidated C&E Budget <u>Briefs and Other Items:</u> <ul style="list-style-type: none"> • Major Capital Projects Update • Operational Excellence Update • Business Plan Overview • Reactions to Chevron 3Q15 Earnings Call • Reactions to LTIP Competitors' 3Q15 Earnings Calls • October Performance Summary | n/a |
| 12/8/15 | Dinner Briefing | Executive Succession and Development Planning | Joe Laymon |
| 12/9/15 | Meeting | <u>Topics Covered:</u> <ul style="list-style-type: none"> • October Performance Update • Major Capital Projects Update • Market Update and Plan Assumptions • Litigation Update • 2016 – 2018 Business Plan: <ul style="list-style-type: none"> ◦ Introduction ◦ Business Outlook and Assumptions ◦ Upstream ◦ Downstream and Chemicals ◦ Gas and Midstream ◦ Financials ◦ C&E Approval <u>Adopted Resolutions:</u> <ul style="list-style-type: none"> • Consolidated 2016 – 2018 Corporate Business Plan, 2016 Performance Objectives, and 2016 Consolidated C&E Budget | Pat Yarrington Jay Johnson Joe Naylor Hew Pate John Watson Joe Naylor Jay Johnson Mike Wirth Pierre Breber Pat Yarrington |
| 12/18/15 | Mailing | <u>Transmittal Letter from John Watson:</u> <ul style="list-style-type: none"> • 2015 Board and Board Committees' Performance Evaluation • 2015 Board Meetings: Mailing and Meeting Materials | n/a |

**2015 BOARD MEETINGS:
MAILINGS AND MEETING MATERIALS**

Updated: 12/11/2015

| Date | Type | Topic | Presenter |
|------|------|--|-----------|
| | | <p>Schedule</p> <ul style="list-style-type: none"> • Independent Directors' Retirement Skills, and Qualifications Matrix • 2016 Schedule of Board and Board Committee Meetings • 2016 Board Meetings: Presentations & Pre-Read Materials • Earnings Update • November Performance Summary • Public Policy Issues Brief <p><u>Transmittal Letter from Mary Francis:</u></p> <ul style="list-style-type: none"> • Director and Officer Questionnaire • Biographical Information • Powers of Attorney <ul style="list-style-type: none"> ◦ Form 10-K ◦ Section 16 ◦ Form S-3 | |

CHEVRON CORPORATION
NON-EMPLOYEE DIRECTORS' RETIREMENT, SKILLS AND QUALIFICATIONS MATRIX

| DIRECTOR | BOARD RETIREMENT YEAR | DIVERSITY | | EDUCATION | PRIMARY CAREER POSITIONS | PUBLIC COMPANY BOARD SERVICE | LEADERSHIP EXPERIENCE | | | | | | INDEPENDENT | ATTENDANCE FOR 2015 | FINANCIALLY LITERATE | FINANCIAL EXPERT |
|----------------------------|-----------------------|------------------|--------------------|---|--|--|---|--|---|---|---|------|-------------|---------------------|----------------------|------------------|
| | | AGE ON 4/07/2016 | GENDER / ETHNICITY | | | | CEO / SR EXEC / LEADER OF SIGNIFICANT BUSINESS OPERATIONS | SCIENCE / TECHNOLOGY / ENGINEERING / RESEARCH / ACADEMIA | GOVERNMENT REGULATORY / LEGAL / PUBLIC POLICY | FINANCE / FINANCIAL DISCLOSURE / FINANCIAL ACCOUNTING | GLOBAL BUSINESS / ENVIRONMENTAL AFFAIRS | | | | | |
| ALEXANDER B. CUMMINGS, JR. | 2029 | 59 | African American | B.S. in Finance and Economics MBA in Finance | EVP and COO of The Coca-Cola Company; President and COO of The Coca-Cola Africa Group and President of the North & West Africa Division | Coca-Cola Bottling Co. Consolidated | X | X | X | X | Yes | 94% | Yes | Yes | | |
| LINNET F. DEILY | 2018 | 70 | Female | B.A. in Government M.A. in International Management | Deputy US Trade Representative and Ambassador to WTO; Vice-Chairman, The Charles Schwab Group; President, Schwab Institutional Services for Investment Managers; Chairman, President & CEO, First Interstate Bank of Texas; Executive Vice-President, First Interstate Bancorp | Honeywell International, Inc. | X | X | X | X | Yes | 100% | Yes | Yes | | |
| ROBERT E. DENHAM | 2018 | 70 | | B.A. in Government M.A. in Government J.D. | Partner, Munger, Tolles & Olson LLP; Chairman & CEO, Salomon Inc. | Fomento Economico Mexicano, S.A. de C.V., New York Times Company, Oaktree Capital Group, LLC | X | X | X | X | Yes | 100% | Yes | Yes | | |
| ALICE P. GAST | 2030 | 57 | Female | B.S. in Chemical Engineering M.S. in Chemical Engineering Ph.D. in Chemical Engineering | President, Imperial College London; President, Lehigh University; Vice-President, Research, Massachusetts Institute of Technology; Science envoy appointed by U.S. Secretary of State Hillary Rodham Clinton and the U.S. Department of State | | X | X | X | X | Yes | 94% | Yes | No | | |
| ENRIQUE HERNANDEZ, JR. | 2028 | 60 | Hispanic | B.A. in Government and Economics J.D. | Chairman, President and CEO of Inter-Con Systems, Inc.; Co-founder and Principal Partner of Interspan Communications | McDonald's Corporation, Nordstrom, Inc., Wells Fargo & Company | X | X | X | X | Yes | 79% | Yes | Yes | | |
| JON M. HUNTSMAN, JR. | 2032 | 56 | | B.S. International Politics | Chairman, Huntsman Cancer Foundation; Candidate for the Republican nomination for President of the United States in 2011; Ambassador to China; Governor of Utah; Ambassador to Singapore; Deputy U.S. Trade Representative and Deputy Assistant Secretary of Commerce for Asia | Caterpillar Inc., Ford Motor Company, Hilton Worldwide | X | X | X | X | Yes | 80% | Yes | No | | |
| CHARLES W. MOORMAN, IV | 2024 | 64 | | B.S. in Civil Engineering M.B.A. | Chairman, CEO and President, Norfolk Southern Corporation | Norfolk Southern Corporation | X | X | X | X | Yes | 100% | Yes | Yes | | |
| JOHN G. STUMPF | 2026 | 62 | | B.A. in Finance MBA in Finance | Chairman, CEO and President, Wells Fargo & Company | Target Corporation, Wells Fargo & Company | X | | X | | Yes | 81% | Yes | Yes | | |
| RONALD D. SUGAR | 2021 | 67 | | B.S. in Electrical Engineering M.S. in Electrical Engineering Ph.D. in Electrical Engineering | Chairman, CEO and President, Northrop Grumman Corporation; President and COO, Litton Industries, Inc.; President and COO, TRW Aerospace and Information Systems | Air Lease Corporation, Amgen Inc., Apple Inc. | X | X | X | X | Yes | 100% | Yes | Yes | | |
| INGE G. THULIN | 2026 | 62 | | Marketing and Economics from Gothenburg University | Chairman, President and CEO of 3M Company | 3M Company | X | | X | X | Yes | 100% | Yes | Yes | | |
| CARL WARE | 2016 | 72 | African American | B.S. in Political Science M.S. in Public Administration | President and COO, Ware Investment Properties, LLC; Formerly Senior Advisor to the CEO, The Coca-Cola Company; Executive Vice-President, Global Public Affairs and Communications, The Coca-Cola Company; President, The Coca-Cola Company's Africa Group | | X | | X | X | Yes | 100% | Yes | No | | |

Confidential Treatment Requested
Not For Circulation – Committee Members & Staff Only

CHEV-117HCOR-0004458

CHEVRON CORPORATION
2016 SCHEDULE OF BOARD AND BOARD COMMITTEE MEETINGS

| DATE | MEETING | TIME (PACIFIC) | LOCATION |
|---|--|--------------------------|-----------------------|
| January 26 | Board Nominating and Governance Committee | 1:30 p.m. | A4320 |
| | Public Policy Committee/BN&GC (joint session) | 2:30 p.m. | A4330 |
| | Audit Committee | 2:30 p.m. | Board Room |
| | Management Compensation Committee | 4:30 p.m. | A4320 |
| | Board Briefing & Dinner | 6:00 p.m. | Board Room |
| January 27 | Board of Directors | 7:00 a.m. | Board Room |
| | | | |
| February 16 | Board Nominating and Governance Committee (if needed) | 10:00 a.m. | Teleconference |
| | | | |
| February 24 | Audit Committee--summary review of the Form 10-K (all Directors invited at their option) | 8:00 a.m. | Teleconference |
| | | | |
| March 29 | Board Nominating and Governance Committee | 2:00 p.m. CT | Houston, TX |
| | Public Policy Committee | 3:15 p.m. CT | Houston, TX |
| | Management Compensation Committee (senior executive bonuses) | 4:30 p.m. CT | Houston, TX |
| | Board Dinner (Retiring Director) | 6:00 p.m. CT | Houston, TX |
| March 30 | Board of Directors | 7:00 a.m. CT | Houston, TX |
| | | | |
| April 27 | Audit Committee | 7:00 a.m. | Teleconference |
| | Board of Directors (if needed) | 9:00 a.m. | Teleconference |
| | | | |
| May 4 | Audit Committee | 8:00 a.m. | Teleconference |
| | | | |
| May 24 | Board Nominating and Governance Committee | 4:00 p.m. | A4320 |
| | Board Briefing & Dinner | 6:00 p.m. | Board Room |
| May 25 | Breakfast Briefing | 6:30 a.m. | Board Room |
| | Annual Stockholders' Meeting | 8:00 a.m. | Auditorium |
| | Board of Directors | After Annual Mtg. | Board Room |
| | | | |
| July 26 | Board Nominating and Governance Committee | 2:00 p.m. | A4320 |
| | Audit Committee | 2:30 p.m. | A4325 |
| | Public Policy Committee | 3:15 p.m. | A4330 |
| | Management Compensation Committee | 4:30 p.m. | A4320 |
| | Board Briefing & Dinner | 6:00 p.m. | Board Room |
| July 27 | Board of Directors | 7:00 a.m. | Board Room |
| | | | |
| August 3 | Audit Committee | 8:00 a.m. | Teleconference |
| | | | |
| International Board Trip – September 26 – 30, 2016 – Australia | | | |
| September 28 | Board of Directors | TBD | Australia |
| | | | |
| October 26 | Audit Committee | 7:30 a.m. | Teleconference |
| | Board of Directors (if needed) | 9:00 a.m. | Teleconference |
| | | | |
| November 2 | Audit Committee | 8:00 a.m. | Teleconference |
| | | | |
| December 6 | Board Nominating and Governance Committee | 2:00 p.m. | A4320 |
| | Audit Committee | 2:30 p.m. | A4325 |
| | Public Policy Committee | 3:15 p.m. | A4330 |
| | Management Compensation Committee | 4:30 p.m. | A4320 |
| | Board Briefing & Dinner | 6:00 p.m. | Board Room |
| December 7 | Board of Directors | 7:00 a.m. | Board Room |

- *7:00 a.m. in-person Board meetings will end around noon.*
- *9:00 a.m. telephonic Board meetings will end around 10:00 a.m.*

**CHEVRON CORPORATION
2016 BOARD MEETINGS:
PRESENTATIONS & PRE-READ MATERIALS**

12/11/15

| DATE | TOPIC | PRESENTER |
|-------------------------------------|--|---|
| January 26 (Pre-dinner Briefing) | <ul style="list-style-type: none"> • [Topic TBD] | TBD |
| January 27 (Meeting) | <p><u>Presentations</u></p> <ul style="list-style-type: none"> • Fourth Quarter and Full Year 2015 Performance Update and Dividend Action • Excom and Major Capital Projects Update • Market Update • 2015 Performance Overview • Upstream 2015 Performance and Reserves Review • Downstream & Chemicals 2015 Performance Review • Industry Mergers & Acquisitions Environment • Deepwater Gulf of Mexico Performance Lookback • Litigation Update • Financing and Debt Strategy Q&A | Pat Yarrington Jay Johnson Joe Naylor John Watson Jay Johnson Pierre Breber Mark Menke / Jay Pryor TBD Hew Pate Pat Yarrington |

Page 1

18

| DATE | TOPIC | PRESENTER |
|-----------------------------------|--|---|
| | <u>Briefs</u> <ul style="list-style-type: none"> • Financing and Debt Strategy • 2015 Final CIP Report • 2015 Financial Reserves Results • Operational Excellence Update • Major Capital Projects Update | |
| March 29 (Pre-dinner Briefing) | <ul style="list-style-type: none"> • Board Dinner for Retiring Director, Carl Ware | |
| March 30 (Meeting) | <u>Presentations</u> <ul style="list-style-type: none"> • February Performance Update • Excom and Major Capital Projects Update • Market Update • Major Litigation Update • Compliance Program Update <u>Briefs</u> <ul style="list-style-type: none"> • U.S. Master Pension Trust Performance Review Year-End 2015 • Compliance Program Update • Major Litigation Summary • Operational Excellence Update • Major Capital Projects Update | Pat Yarrington Jay Johnson Joe Naylor Hew Pate Beth Claar |

| DATE | TOPIC | PRESENTER |
|---|--|---|
| April 27 (Telephonic, if needed, or via UWC) | <ul style="list-style-type: none"> First Quarter Earnings Review and Dividend Action | Pat Yarrington |
| May 24 (Pre-dinner Briefing) | <ul style="list-style-type: none"> TBD | TBD |
| May 25 (Breakfast Briefing) (Meeting) | <p><u>Presentation</u></p> <ul style="list-style-type: none"> Annual Meeting Preview <p><u>Presentations</u></p> <ul style="list-style-type: none"> April Performance Update Excom and Major Capital Projects Update Market Update Enterprise Risk Management Update Supply Chain Heath Check & Risk Mitigation Plans Litigation Update <p><u>Briefs</u></p> <ul style="list-style-type: none"> 2015 Corporate Responsibility Report Operational Excellence Update Major Capital Projects Update Cybersecurity Update | Steve Green Pat Yarrington Jay Johnson Joe Naylor Joe Naylor TBD Hew Pate |

| DATE | TOPIC | PRESENTER |
|------------------------------------|---|--|
| July 26 (Pre-dinner Briefing) | <ul style="list-style-type: none"> Executive Succession & Development Planning | Joe Laymon |
| July 27 (Meeting) | <p><u>Presentations</u></p> <ul style="list-style-type: none"> First Half 2016 Performance Update and Dividend Action Excom and Major Capital Projects Update Strategy Discussions: <ul style="list-style-type: none"> Strategic Update Introduction Strategic Landscape & Market Update Upstream Strategic Update Downstream & Chemicals Strategic Update Litigation Update <p><u>Briefs</u></p> <ul style="list-style-type: none"> Strategy Overview Corporate Insurance Program Renewal 2016 Mid-Year CIP Report Operational Excellence Update Major Capital Projects Update | Joe Laymon Pat Yarrington Jay Johnson John Watson Joe Naylor Jay Johnson Pierre Breber Hew Pate |
| September (Pre-dinner Briefing) | <ul style="list-style-type: none"> [Topic TBD] | TBD |

| DATE | TOPIC | PRESENTER |
|---|---|--|
| September (Meeting) | <u>Presentations</u> <ul style="list-style-type: none"> August Performance Update Excom and Major Capital Projects Update Market Update Organizational Capability Outlook Litigation Update <u>Briefs</u> <ul style="list-style-type: none"> Operational Excellence Update Major Capital Projects Update | Pat Yarrington Jay Johnson Joe Naylor TBD Hew Pate |
| October 26 (Telephonic, if needed, or via UWC) | <u>Presentation</u> <ul style="list-style-type: none"> Third Quarter Performance Update and Dividend Action <u>Brief</u> <ul style="list-style-type: none"> Directors and Officers Insurance Program Renewal | Pat Yarrington |
| December 6 (Pre-dinner Briefing) | <ul style="list-style-type: none"> Executive Succession and Development Planning | Joe Laymon |
| December 7 (Meeting) | <u>Presentations</u> <ul style="list-style-type: none"> October Performance Update Excom and Major Capital Projects Update 2017-2019 Business Plan: | Pat Yarrington Jay Johnson |

| DATE | TOPIC | PRESENTER |
|------|--|---|
| | <ul style="list-style-type: none"> ▫ Introduction and Key Messages ▫ Market Update & Plan Assumptions ▫ Upstream ▫ Downstream & Chemicals ▫ Midstream & Development ▫ Financials & 2017 C&E • Litigation Update | John Watson Joe Naylor Jay Johnson Pierre Breber Mike Wirth Pat Yarrington Hew Pate |
| | <u>Briefs</u> <ul style="list-style-type: none"> • Business Plan Overview • Operational Excellence Update • Major Capital Projects Update | |



Public Policy Issues Brief Government Affairs

Major Global Issues
Key Country Summaries

Board of Directors
Public Policy Committee

December 8, 2015

KEY COUNTRY SUMMARIES

Financial and Operating Statistics

| | Net PP&E & Equity Investment (12/31/2014) ¹ | | 3-Year C&E (2015-2017) | | Upstream Production OEG ² (MBD, 2014) | | Net Income (2014) ³ | |
|--------------------|---|----------|---------------------------|----------|---|----------|-----------------------------------|----------|
| | <u>\$B</u> | <u>%</u> | <u>\$B</u> | <u>%</u> | <u>Net OEG</u> | <u>%</u> | <u>\$B</u> | <u>%</u> |
| 1. United States | 66.4 | 31.7 | 33.8 | 32.2 | 664 | 25.8 | 3.6 | 19.0 |
| 2. Australia | | | | | | | | |
| 3. Nigeria | | | | | | | | |
| 4. Angola | | | | | | | | |
| 5. Canada | | | | | | | | |
| 6. Kazakhstan | | | | | | | | |
| 7. Thailand | | | | | Redacted – Business Confidential (competitive financial information) (non-U.S.) | | | |
| 8. Indonesia | | | | | | | | |
| 9. Brazil | | | | | | | | |
| 10. United Kingdom | | | | | | | | |
| <i>All Other</i> | | | | | | | | |
| Total | | | | | | | | |

1. Investment reflects Book Value (not Fair Value)
2. Production is expected to increase to 3.1 million oil-equivalent bbls per day in 2017; increase primarily driven by U.S. and Australia
3. Net Income includes interest and foreign exchange impacts, as well as operational earnings
4. The data contained in the chart and following one-pagers has not changed materially since the July 2015 update.

United States

Major Projects/Resource Plays

- Diverse upstream and downstream and chemical assets
- California Upstream - San Joaquin Valley (heavy oil resources)
- Gulf of Mexico (shelf and deepwater)
- West Texas / Colorado / SE New Mexico (shale and tight resources)
- Appalachian/Michigan (shale resources)

Environment

The White House continues to drive an aggressive regulatory agenda designed to cement the President's climate change legacy. Congressional efforts to block President Obama's agenda remain hampered by partisanship. Following the 2016 elections, the House is expected to remain under Republican control, but the Republican Senate could change. The landscape is increasingly politicized on energy and climate issues. The Administration is focused on building momentum to secure a climate agreement, likely a framework, at the December 2015 United Nations (U.N.) summit. The U.N. climate agreement is not expected to impose legally binding greenhouse gas emission reduction targets on the U.S.

Domestic Legislative/Regulatory Risk

The Administration continues to use existing regulatory tools to establish and embed a framework to address a suite of climate and environment issues, in particular through the Climate Action Plan (CAP), which includes regulations on power plants, the oil and gas sector, and the transportation sector. Various CAP initiatives are currently being, and will continue to be, heavily litigated. We expect additional regulatory activity as the Obama Administration moves to finalize and defend rulemakings before leaving office, laying groundwork that can accelerate or impede an incoming Administration's regulatory agenda.

Privileged - First Amendment

Privileged - First Amendment

External Stakeholders/Shareholder Action

Privileged – First Amendment

Geopolitical Risk

U.S. foreign policy continues to center on: (1) critical regional issues in the Middle East, including Afghanistan, Iraq, Syria, ISIS, and the refugee crisis; (2) Russian influence and actions in Ukraine and Syria; and (3) concerns with China's economy and political actions, including land reclamation activity in the South China Sea, cyber-attacks and domestic anti-corruption pursuits. All were key discussion topics during the official visit by President Xi to the U.S. in September 2015. The Obama Administration has also been focused on what they view as key legacy achievements, including implementing the Iran nuclear agreement, re-establishing ties with Cuba, and passage of the Trans-Pacific Partnership (TPP) trade agreement to cement the rebalance to Asia. Passage of TPP in 2016 remains uncertain due to opposition from various sectors.

Revenue Transparency

The U.S. will submit its initial Extractive Industries Transparency Initiative (EITI) report in December 2015. The Securities and Exchange Commission is scheduled to release a new draft Dodd-Frank rule in December 2015 with plans to adopt a final rule in June 2016.

**Redacted – Business Confidential
(non-U.S. operation risk analysis)**

Indonesia

**Redacted – Business Confidential
(non-U.S. operation risk analysis)**

Brazil

**Redacted – Business Confidential
(non-U.S. operation risk analysis)**

United Kingdom

**Redacted – Business Confidential
(non-U.S. operation risk analysis)**



Performance Summary

November 2015

CONFIDENTIAL

**Performance Summary Purpose and
Notice Related to Selective Disclosure and Insider Trading**

This Performance Summary report is prepared to assist the company's "chief operating decision maker" (i.e., the company's Executive Committee) in monitoring the financial performance of the company's upstream and downstream "reportable segments" [terms as defined in FASB ASC 280 "Segment Reporting (ASC 280)"]. This report is also provided to the Board of Directors to assist in its oversight role in monitoring the financial results of the company's reportable segments.

This booklet contains highly confidential information concerning interim company earnings and other performance measurements and developments. This information will not be released publicly or further disseminated within the Chevron group. You are reminded that company policy requires you to use care to safeguard this information from unauthorized use or disclosure, and that you may not trade company stock on the basis of this information to the extent it is material to Chevron investors. Please refer to Chevron's Manual of Compliance Procedures and Guidelines and the Chevron Policy Manual for further information. Any employee who violates these provisions shall be subject to disciplinary action, up to and including discharge, and may also be subject to legal action. In addition, any individual who violates these provisions shall be subject to criminal or civil penalties under the provisions of Federal Securities laws.

CHEVRON CORPORATION PERFORMANCE SUMMARY

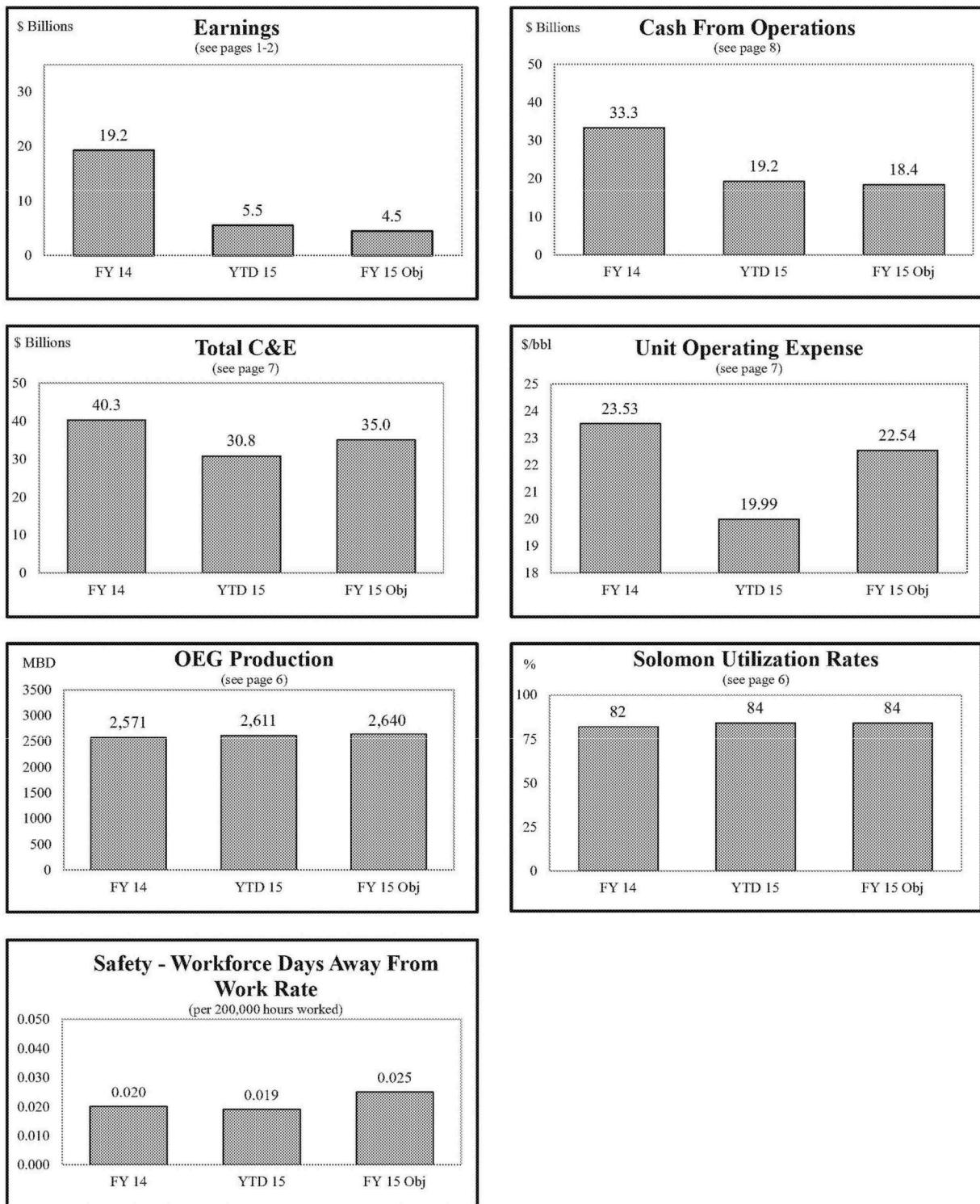
November 2015

Table of Contents

FINANCIAL RESULTS

| | |
|---|----|
| Earnings Summary..... | 1 |
| Summary of Monthly Earnings..... | 2 |
| Prices..... | 3 |
| Downstream Margins..... | 4 |
| Volumes & Capacity Utilization..... | 6 |
| C&E Expenditures & Opex | 7 |
| Cash Flow & Debt | 8 |
| Balance Sheet Comparison | 9 |
| Balance Sheet Commentary | 10 |
| Shareholder Returns & Stock Prices..... | 11 |
| Stock Performance | 12 |

Financial & Operational Summary – November 2015



Earnings

| November 2015 | | Earnings | | | | | | |
|-----------------------------|-----------------|--------------|-------------|--------------|----------------|----------------|----------------|----------------|
| \$ Millions - After Tax | | Sep 2015 | Oct 2015 | Nov 2015 | Monthly Change | YTD 2015 | 2015 Obj | % of Objective |
| Upstream | - U.S. | (321) | (124) | (529) | (405) | (2,754) | (1,239) | 222 |
| | - International | (242) | 160 | 339 | 179 | 1,999 | 4,006 | 50 |
| TOTAL UPSTREAM | | (563) | 36 | (190) | (226) | (755) | 2,767 | - |
| Downstream | - U.S. | 273 | 102 | 205 | 103 | 2,993 | 1,270 | 236 |
| | - International | 466 | 97 | 308 | 211 | 4,309 | 2,052 | 210 |
| TOTAL DOWNSTREAM | | 739 | 199 | 513 | 314 | 7,302 | 3,322 | 220 |
| ALL OTHER | | (49) | (50) | (150) | (100) | (1,014) | (1,584) | 64 |
| TOTAL EARNINGS | | 127 | 185 | 173 | (12) | 5,533 | 4,505 | 123 |
| Basic Earnings Per Share | | \$0.07 | \$0.10 | \$0.09 | (\$0.01) | \$2.96 | \$2.41 | 123 |
| Diluted Earnings Per Share | | \$0.07 | \$0.10 | \$0.09 | (\$0.01) | \$2.95 | \$2.39 | 123 |
| ROCE (%)¹ | | 0.9 | 1.2 | 1.1 | | 3.3 | 2.4 | |
| Memo: | | | | | | | | |
| Impact of Asset Sales | | 9 | 18 | 73 | | 2,325 | 1,401 | |

¹ Capital Employed equals the sum of stockholders' equity, total debt, and noncontrolling interests.

NOVEMBER 2015 vs. OCTOBER 2015

Earnings fell \$12 MM in November on higher exploration expense and lower realizations. A favorable swing in foreign exchange effects, stronger Downstream margins, improved Trading results, and gains on asset sales, partially offset.

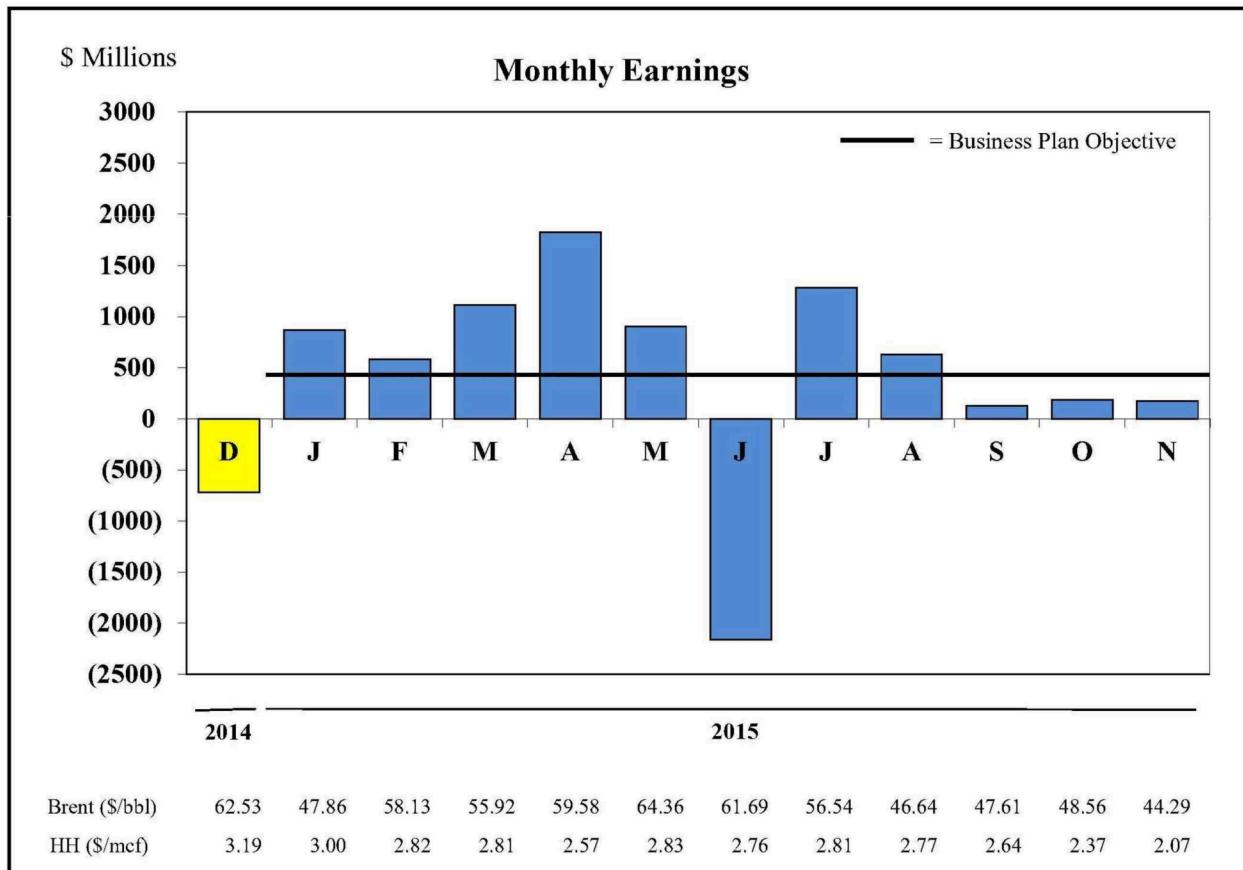
- **U.S. Upstream** earnings fell \$405 MM on higher exploration expense and weaker realizations.
- **International Upstream** earnings increased \$179 MM reflecting asset sale gains, favorable tax-related items, higher liftings, and positive foreign exchange effects. Lower realizations, partly offset.
- **U.S. Downstream** results rose \$103 MM on stronger margins, improved Trading and Chemicals results, and higher volumes.
- **International Downstream** climbed \$211 MM, reflecting strengthened margins, favorable foreign exchange impacts, and better Trading results. Lower volumes and increased operating expense, partly offset.
- **All Other** net charges grew \$100 MM between periods on net unfavorable tax-related impacts and lower cost recoveries of Service and Technology Companies.

YTD 2015 vs. OBJECTIVE 2015

Year-to-date earnings were \$5,533 MM, or 123% of objective, reflecting lower operating expenses, stronger Downstream margins and asset sale impacts, and foreign exchange benefits. Below-Plan realizations and Upstream asset impairments, partly offset.

- **U.S. Upstream** losses of \$2,754 MM were 222% of Objective on weaker realizations, multiple asset impairments, and higher exploration expense. Lower operating expense, partly offset.
- **International Upstream** earnings of \$1,999 MM were 50% of Objective, as the effect of below-Plan realizations, several asset impairments, and unfavorable tax-related impacts more than offset below-Plan operating expense and favorable foreign exchange effects.
- **U.S. Downstream** earnings of \$2,993 MM were 236% of Objective on higher realized margins, lower operating expense, and stronger Trading results.
- **International Downstream** earnings of \$4,309 MM were 210% of Objective reflecting higher gains on asset sales, stronger realized margins, and lower operating expense. Weaker volumes, partly offset.
- **All Other** net charges of \$1,014 MM were 64% of Objective.

Summary of Monthly Earnings



Monthly Earnings

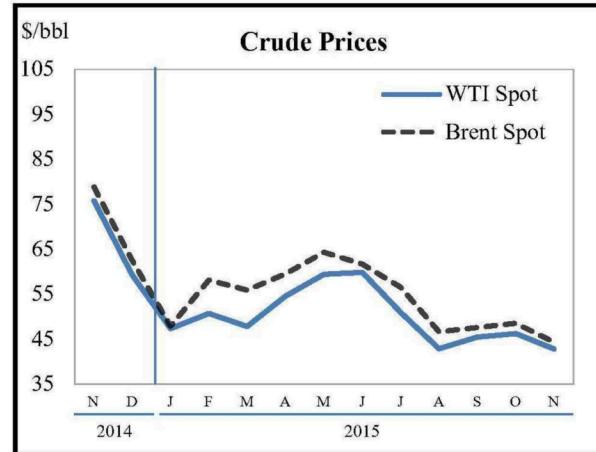
| \$ Millions | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | YTD |
|-------------------------|--------------|------------|------------|--------------|--------------|------------|----------------|--------------|------------|--------------|------------|--------------|--------------|
| | 2014 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 |
| U.S. Upstream | (255) | (68) | (121) | (271) | (111) | (108) | (818) | (82) | (199) | (321) | (124) | (529) | (2,754) |
| Int'l Upstream | (253) | 626 | 569 | 825 | 39 | 372 | (1,594) | 509 | 394 | (242) | 160 | 339 | 1,999 |
| TOTAL UPSTREAM | (508) | 558 | 448 | 554 | (72) | 264 | (2,412) | 427 | 195 | (563) | 36 | (190) | (755) |
| U.S. Downstream | 309 | 214 | 159 | 332 | 252 | 370 | 109 | 575 | 402 | 273 | 102 | 205 | 2,993 |
| Int'l Downstream | (51) | 224 | 37 | 457 | 1,722 | 351 | 151 | 388 | 107 | 466 | 97 | 308 | 4,309 |
| TOTAL DOWNSTREAM | 258 | 438 | 196 | 789 | 1,974 | 721 | 260 | 963 | 509 | 739 | 199 | 513 | 7,302 |
| ALL OTHER | (471) | (125) | (63) | (227) | (74) | (82) | (8) | (108) | (75) | (49) | (50) | (150) | (1,014) |
| TOTAL EARNINGS | (721) | 871 | 581 | 1,116 | 1,828 | 903 | (2,160) | 1,282 | 629 | 127 | 185 | 173 | 5,533 |

Prices

| | Sep | Oct | Nov | Mo/Mo Chg | Year-to-Date | | 2015 Obj | % of Obj |
|--|-------|-------|-------|--------------|--------------|-------|-------------|-------------|
| | | | | | 2014 | 2015 | | |
| Brent Spot (\$/bbl) | 47.61 | 48.56 | 44.29 | (4.27) | 102.22 | 53.73 | 60.00 | 90 |
| WTI Spot (\$/bbl) | 45.46 | 46.26 | 42.79 | (3.47) | 96.13 | 49.87 | 57.00 | 87 |
| Henry Hub Spot (\$/MCF) | 2.64 | 2.37 | 2.07 | (0.30) | 4.40 | 2.70 | 3.75 | 72 |
| U.S. Upstream Gas Sales Price (\$/MCF) | 1.88 | 1.73 | 1.42 | (0.31) | 3.93 | 1.96 | 3.30 | 59 |

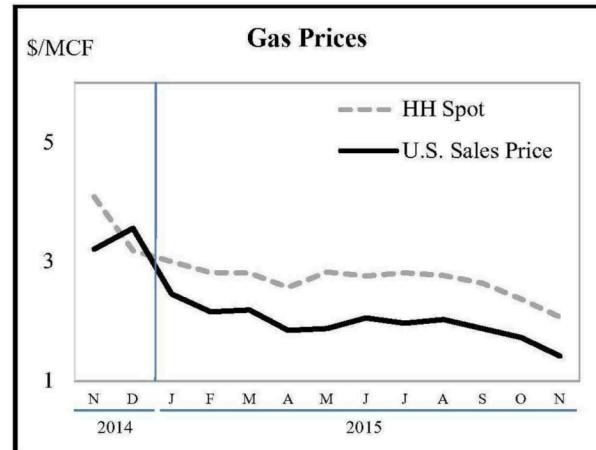
CRUDE PRICES

- Average Brent was down \$4.27/bbl in November, settling to \$44.29/bbl. Global inventories continued to build as the world's largest oil producers, Saudi Arabia and Russia, produced at near record levels. OECD oil stocks expanded to approximately 3.0 billion barrels – levels not seen since the global recession of 2008.
- In the U.S., rising U.S. crude inventory levels on the back of higher imports and a strong U.S. dollar continued to pressure price. WTI fell an average \$3.47/bbl and the WTI-Brent spread narrowed to \$1.50/bbl.
- At the end of November, Cushing and U.S. crude inventories were approximately 68% and 33% above their respective five-year averages.
- Through December 11th, MTD average Brent was down \$2.90/bbl, while WTI prices fell \$4.17/bbl.



NATURAL GAS PRICES

- The average spot price for Henry Hub fell \$0.30/MCF in November to \$2.07/MCF.
- Gas prices remained influenced by historically high storage levels as U.S. inventories achieved a record 4 TCF. While levels receded by November 27th they were 16% higher from the prior year and 7% above the five-year average.
- The Henry Hub Bid-Week price was \$2.21/MCF in December, up from \$2.06/MCF in November.
- Through December 11th, MTD average Henry Hub spot prices were \$2.02/MCF, down \$0.05/MCF from November.

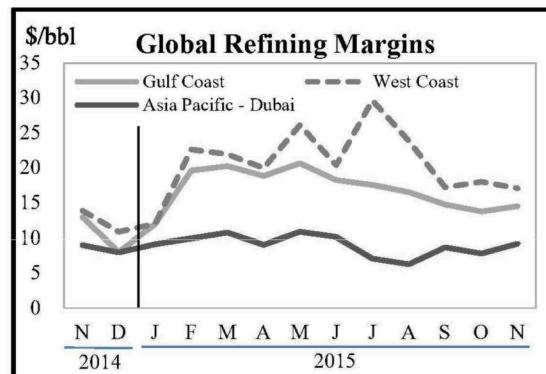


Downstream Margins

GLOBAL REFINING MARGINS¹

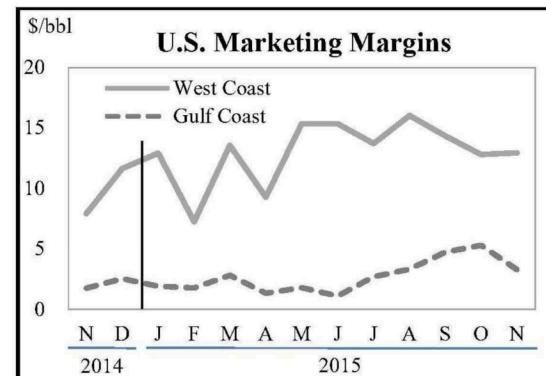
- The **Gulf Coast refining margin** increased \$0.77/bbl to \$14.50/bbl in November, as gasoline and distillate prices fell slower than crude reinforced by stronger demand.
- The **West Coast refining margin** decreased \$0.91/bbl to \$17.08/bbl in November, as gasoline prices fell faster than crude on growing supply.
- The **Asia Pacific refining margin** rose \$1.40/bbl to \$9.19/bbl in November, led by gas and fuel oil on stronger demand supported by cold weather.

¹ U.S. regional refining indicator margins are used for internal purposes to estimate margin potential using market prices and planned refinery input and output volumes.



U.S. MARKETING MARGINS

- The **West Coast marketing margin** was relatively flat, up \$0.14/bbl to \$12.95/bbl in November.
- The **Gulf Coast marketing margin** decreased \$2.01/bbl to \$3.29/bbl in November, as broader market volatility drove selling prices to fall faster than spot prices.



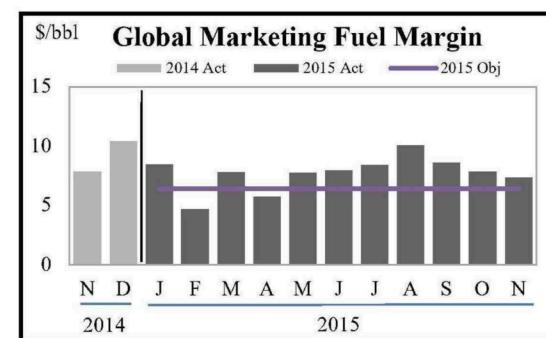
INTERNATIONAL MARKETING MARGINS

- The **Asia Pacific marketing margin** fell \$1.16/bbl to \$9.43/bbl in November on competitive pricing.
- The **Latin America marketing margin** was down \$0.15/bbl to \$6.99/bbl in November mainly on lower LPG product prices in Panama.



GLOBAL MARKETING FUEL MARGIN

- The realized Global Marketing Fuel Margin fell to \$7.32/bbl in November, \$0.90/bbl above the 2015 Objective of \$6.42/bbl.
- The Global Marketing Fuel Margin is the gross margin realized on petroleum product sales. It excludes non-fuel sources and represents a worldwide average based on the weighted average of sales in each region.



This page intentionally left blank

Volumes & Capacity Utilization

NET OEG PRODUCTION

U.S. OEG production increased 2 MBD between months on new production in the MidContinent. Planned and unplanned downtime in the Gulf of Mexico and field declines in Appalachian/Michigan, partly offset.

Year-to-date OEG production was 37 MBD above Objective on strong well performance in the Gulf of Mexico and San Joaquin Valley and production timing differences.

International OEG production rose 144 MBD between months reflecting the absence of planned and unplanned downtime – primarily at Kazakhstan and Canada, and favorable net PSC-related impacts. The absence of a favorable arbitration award in China, partly offset.

Year-to-date OEG production was 66 MBD below Objective driven by unplanned downtime in the Partitioned Zone, Brazil, and Argentina. Delays in new production volumes from project start-ups and ramp-ups in multiple locations also contributed. The timing of planned asset sales, partly offset.

Net OEG Production

| (MBD) | <u>Oct</u> | <u>Nov</u> | <u>YTD</u> | <u>% of Obj</u> |
|-----------------------------|--------------|--------------|--------------|-----------------|
| U.S. | 725 | 727 | 721 | 105 |
| International | | | | |
| Angola | 122 | 120 | 119 | 92 |
| Argentina | 28 | 26 | 27 | 77 |
| Australia | 93 | 100 | 93 | 98 |
| Azerbaijan | 35 | 42 | 34 | 103 |
| Bangladesh | 124 | 122 | 122 | 101 |
| Brazil | 16 | 17 | 18 | 53 |
| Canada | 55 | 85 | 68 | 96 |
| China | 62 | 20 | 24 | 141 |
| Colombia | 26 | 25 | 27 | 104 |
| Denmark | 25 | 24 | 24 | 104 |
| Indonesia | 201 | 226 | 203 | 101 |
| Kazakhstan | 337 | 426 | 388 | 100 |
| Nigeria | 271 | 275 | 271 | 99 |
| Philippines | 27 | 26 | 23 | 96 |
| Middle East (PZ) | - | - | 30 | 42 |
| Thailand | 237 | 254 | 238 | 97 |
| Trinidad | 15 | 20 | 19 | 68 |
| U.K. | 72 | 73 | 59 | 105 |
| Venezuela | 62 | 62 | 64 | 98 |
| Other | 32 | 41 | 39 | 217 |
| Total International | <u>1,840</u> | <u>1,984</u> | <u>1,890</u> | <u>97</u> |
| Total OEG Production | 2,565 | 2,711 | 2,611 | 99 |

TOTAL REFINED PRODUCT SALES

U.S. refined product sales fell 12 MBD between months led by gasoline on an unplanned Continuous Catalytic Reformer shutdown at Pascagoula and lower Gulf and West Coast retail.

International refined product sales rose 24 MBD between months on higher gas oil demand in Thailand and Singapore. Increased fuel oil sales in South Africa also contributed.

Trading refined product sales increased 37 MBD between months on higher fuel oil opportunities in Asia and improved 3rd party jet fuel sales.

| Total Refined Product Sales | <u>Oct</u> | <u>Nov</u> | <u>YTD</u> | <u>% of Obj</u> |
|--|--------------|--------------|--------------|-----------------|
| MBD | | | | |
| U.S. | | | | |
| Mogas | 630 | 612 | 623 | 102 |
| Jet fuel | 231 | 240 | 229 | 115 |
| Gas oil | 194 | 188 | 192 | 92 |
| Fuel oil | 17 | 19 | 17 | 131 |
| Other | 98 | 99 | 101 | 105 |
| U.S. Total¹ | 1,170 | 1,158 | 1,162 | 103 |
| International | | | | |
| Mogas | 201 | 190 | 198 | 101 |
| Jet fuel | 122 | 124 | 124 | 104 |
| Gas oil | 204 | 217 | 216 | 97 |
| Fuel oil | 20 | 33 | 28 | 108 |
| Other | 69 | 67 | 66 | 89 |
| Affiliates | 400 | 409 | 419 | 84 |
| International Total¹ | 1,016 | 1,040 | 1,051 | 92 |
| Trading | 488 | 525 | 525 | 89 |

¹ Excludes Trading.

SOLOMON UTILIZATION RATES

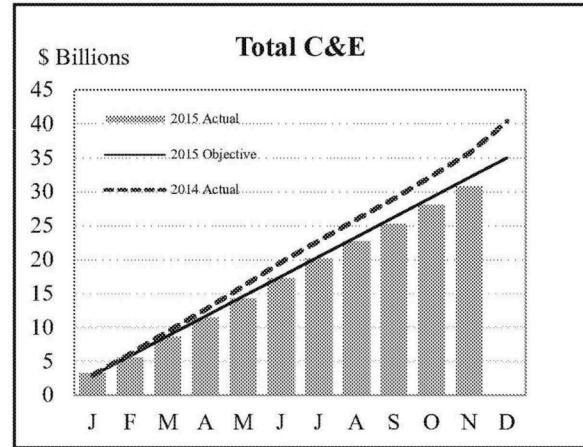
Utilization declined at Cape Town as a result of several short-term unplanned shutdowns.

| Solomon Utilization Rates | <u>Oct</u> | <u>Nov</u> | <u>YTD</u> | <u>% of Obj</u> |
|---------------------------|------------|------------|------------|-----------------|
| Richmond | 59 | 64 | 82 | 103 |
| El Segundo | 89 | 83 | 84 | 105 |
| Pascagoula | 81 | 83 | 80 | 98 |
| Cape Town | 83 | 71 | 68 | 91 |
| Star Petroleum | 96 | 95 | 95 | 102 |
| Singapore Refining | 61 | 59 | 83 | 97 |
| GSC-Caltex | 90 | 90 | 90 | 100 |
| Global Refining | 81 | 81 | 84 | 100 |

Capital & Exploratory Expenditures and Operating Expense

C&E EXPENDITURES

- Worldwide** November year-to-date capital and exploratory expenditures (including affiliates) of \$30,790 MM were 88% of the full-year Objective. Cash capital and exploratory expenditures of \$27,775 MM were 89% of full-year Plan.



- The pace of total spending remained below Plan across all business segments and affiliates (non-cash spend).

| \$ Millions | C&E | | | | |
|----------------------|--------------|--------------|---------------|---------------|-------------|
| | Oct | Nov | YTD 2015 | 2015 Obj | % of Obj |
| Upstream | 2,549 | 2,478 | 28,370 | 31,649 | 90 |
| Downstream | 205 | 194 | 2,079 | 2,806 | 74 |
| Other | 35 | 57 | 341 | 566 | 60 |
| Total C&E | 2,789 | 2,729 | 30,790 | 35,021 | 88 |
| Affiliates | 282 | 277 | 3,015 | 3,976 | 76 |
| Cash C&E | 2,507 | 2,452 | 27,775 | 31,045 | 89 |

OPERATING EXPENSE

- November year-to-date** unit operating expense was \$19.99/bbl, \$2.55/bbl below Objective.
- Absolute dollars** were \$3,380 MM below ratable Objective, primarily reflecting lower spending in Upstream.
- Volumes** were 4 MMbbls above Plan on higher volumes in Downstream. Lower volumes in Upstream, partly offset.

| | Operating Expense | | | % of SMM | |
|--------------------------------------|-------------------|--------------------|---------------------|-----------------------|-----------|
| | YTD 2015 \$MM | YTD 2015 \$/bbl | FY 2015 Obj \$MM | FY 2015 Obj \$/bbl | |
| Upstream | 13,572 | 18.29 | 17,208 | 21.07 | 79 |
| North America | 5,018 | 18.91 | 6,318 | 22.75 | 79 |
| Asia Pacific | 3,656 | 15.15 | 4,603 | 17.43 | 79 |
| Europe, Eurasia, Middle East | 1,523 | 22.39 | 1,852 | 21.34 | 82 |
| Africa, Latin America | 2,839 | 16.97 | 3,596 | 19.09 | 79 |
| Downstream & Chemicals | 10,297 | 17.19 | 11,783 | 18.30 | 87 |
| Americas Products | 6,609 | - | 7,307 | - | 90 |
| International Products | 1,820 | - | 2,105 | - | 86 |
| Other | 1,868 | - | 2,371 | - | 79 |
| Gas and Midstream¹ | 2,594 | - | 2,675 | - | 97 |
| Other | 343 | - | 1,264 | - | - |
| Total OPEX | 26,806 | 19.99 | 32,930 | 22.54 | 81 |

¹ Excludes Trading

Cash Flow & Debt

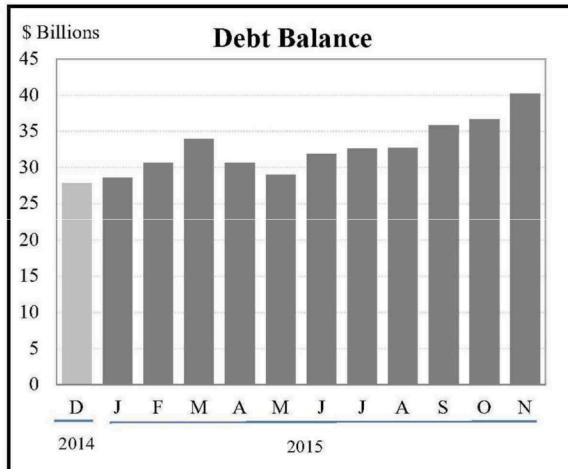
CASH FLOW

- November year-to-date **Cash from Operations** was \$19.2 billion.
- **Working Capital/Other** consumed \$4.9 billion reflecting lower accounts and taxes payable and accrued liabilities, and an increase in inventory. A reduction in accounts receivable and prepaid & other short term assets, partly offset.
- **Uses of cash** through November totaled \$33.8 billion with cash C&E expenditures of \$27.8 billion and dividend payments of \$6.0 billion. There were no share repurchases in the period.
- **Cash flow** through November consumed \$9.0 billion. Debt balances rose by 12.4 billion, while the cash balance increased by \$3.4 billion.

| | Cash Flow | | |
|-----------------------------|---------------|---------------|---------------|
| | Year | Year | 2015 |
| \$ Billions | 2014 | 2015 | Obj. |
| Earnings | 19.2 | 5.5 | 4.5 |
| DD&A | 16.8 | 18.6 | 18.1 |
| Working Capital/Other | (2.7) | (4.9) | (4.2) |
| Cash from Operations | 33.3 | 19.2 | 18.4 |
| Asset Sales Proceeds | 5.7 | 5.6 | 6.0 |
| Available Cash | 39.0 | 24.8 | 24.4 |
| Cash C&E Spending | (36.8) | (27.8) | (31.0) |
| Dividends | (7.9) | (6.0) | (8.1) |
| Share Repurchases | (5.0) | 0.0 | 0.0 |
| Uses of Cash | (49.7) | (33.8) | (39.1) |
| Total Cash Flow | (10.7) | (9.0) | (14.7) |
| Change in Debt | 7.4 | 12.4 | 10.0 |
| Net Change in Cash | (3.3) | 3.4 | (4.7) |
| Cash Balance | 13.2 | 16.6 | 8.5 |
| Debt Balance | 27.8 | 40.2 | 37.7 |

DEBT

- **Debt balances** of \$40.2 billion at the end of November were up \$12.4 billion from December 2014.
- **Commercial Paper debt** increased \$1.4 billion to \$9.9 billion.
- The **debt ratio** rose 5.6% from December 2014 to 20.8%.



| Debt Components | | | |
|---------------------|-------------|-------------|-------------|
| \$ Billions | 12/31/14 | 11/30/15 | Change |
| Commercial Paper | 8.5 | 9.9 | 1.4 |
| Current Portion L/T | 0.0 | 1.5 | 1.5 |
| Other S/T | 0.0 | 0.0 | 0.0 |
| Tax Exempt Bonds | 3.2 | 3.2 | 0.0 |
| L/T Debt | 16.1 | 25.6 | 9.5 |
| Total Debt | 27.8 | 40.2 | 12.4 |
| Debt Ratio % | 15.2 | 20.8 | 5.6 |

Balance Sheet Comparison

Chevron Corporation
Consolidated Balance Sheet
 (\$ Millions)

| Assets | December 31, 2014 | November 30, 2015 (unaudited) | Change |
|---|----------------------|----------------------------------|----------------|
| Cash and Cash Equivalents | 12,785 | 16,317 | 3,532 |
| Time Deposits | 8 | - | (8) |
| Marketable Securities | 422 | 315 | (107) |
| Accounts and Notes Receivable | 16,736 | 14,270 | (2,466) |
| Inventories | 6,505 | 6,798 | 293 |
| Prepaid Expense & Other Current Assets | 5,776 | 4,605 | (1,171) |
| Total Current Assets | 42,232 | 42,305 | 73 |
| Long-Term Receivables | 2,817 | 2,456 | (361) |
| Investments and Advances | 26,912 | 26,887 | (25) |
| Properties, Plant and Equipment, At Cost | 327,289 | 344,742 | 17,453 |
| Accumulated DD&A | (144,116) | (155,466) | (11,350) |
| Net Properties, Plant and Equipment | 183,173 | 189,276 | 6,103 |
| Goodwill | 4,593 | 4,588 | (5) |
| Deferred Charges and Other Assets | 6,299 | 7,105 | 806 |
| Assets Held for Sale | - | 898 | 898 |
| Total Assets | 266,026 | 273,515 | 7,489 |
| Liabilities and Equity | | | |
| Short-term Debt | 3,790 | 6,615 | 2,825 |
| Accounts Payable | 19,000 | 14,913 | (4,087) |
| Accrued Liabilities | 5,328 | 7,069 | 1,741 |
| Federal and Other Taxes on Income | 2,575 | 2,067 | (508) |
| Other Taxes Payable | 1,233 | 1,150 | (83) |
| Total Current Liabilities | 31,926 | 31,814 | (112) |
| Long-term Debt | 23,960 | 33,510 | 9,550 |
| Capital Lease Obligations | 68 | 80 | 12 |
| Deferred Credits & Other L-T Obligations | 23,549 | 23,567 | 18 |
| Deferred Income Taxes | 21,920 | 21,828 | (92) |
| Reserves For Employee Benefit Plans | 8,412 | 8,117 | (295) |
| Total Liabilities | 109,835 | 118,916 | 9,081 |
| Common Stock | 1,832 | 1,832 | - |
| Capital in Excess of Par Value | 16,041 | 16,302 | 261 |
| Retained Earnings | 184,987 | 182,525 | (2,462) |
| Accumulated Other Comprehensive Loss | (4,859) | (4,423) | 436 |
| Deferred Compensation and Benefit Plan Trust | (240) | (240) | - |
| Treasury Stock | (42,733) | (42,502) | 231 |
| Total Chevron Corporation Stockholders' Equity | 155,028 | 153,494 | (1,534) |
| Noncontrolling Interests | 1,163 | 1,105 | (58) |
| Total Equity | 156,191 | 154,599 | (1,592) |
| Total Liabilities and Equity | 266,026 | 273,515 | 7,489 |

Balance Sheet Commentary

NOVEMBER 30, 2015 vs. DECEMBER 31, 2014

ASSETS

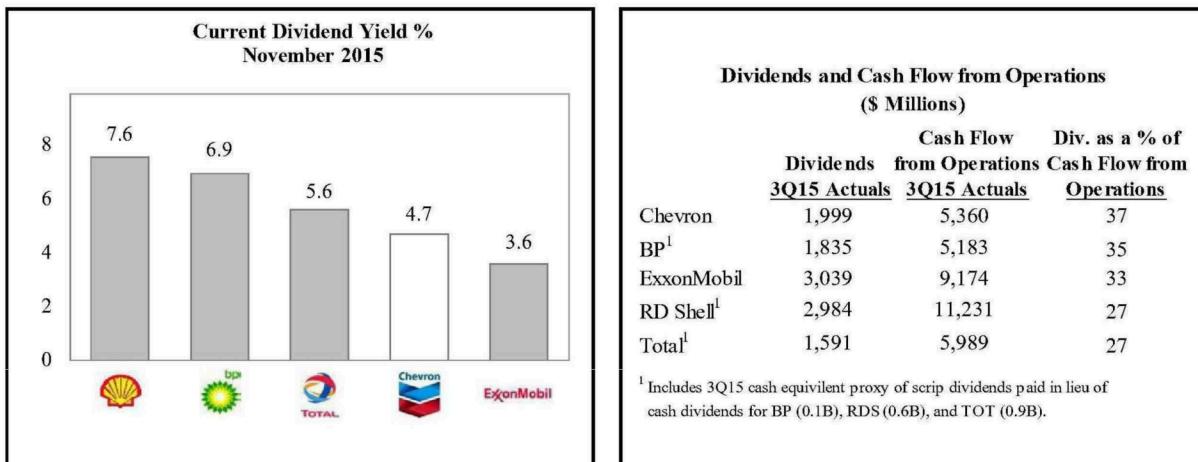
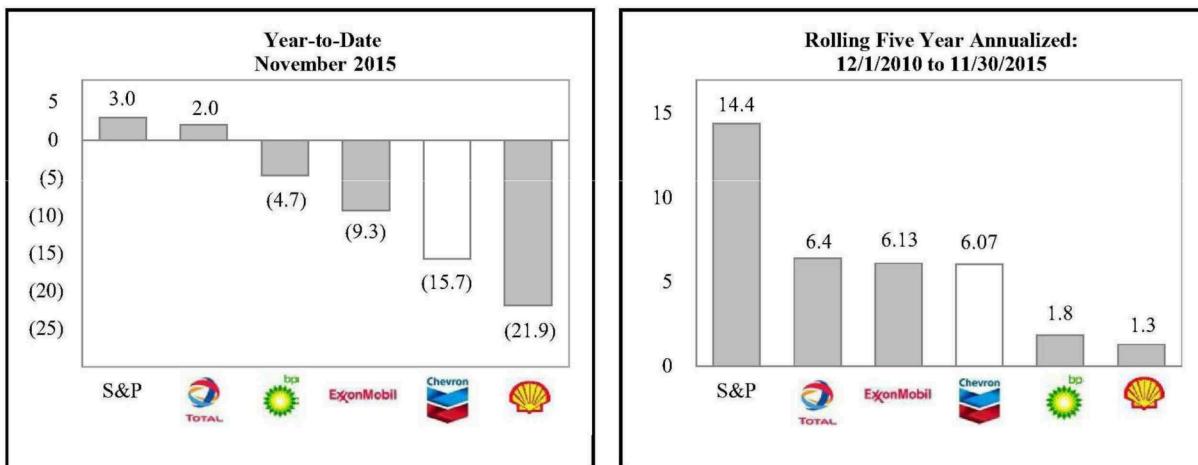
- **Current Assets** increased \$73 MM from December 2014 on increased cash and cash equivalents and inventories. Decreased accounts and notes receivable, prepaid expense & other current assets, and marketable securities, partly offset.
- **Non-Current Assets** rose \$7,416 MM from December 2014. Net property, plant and equipment rose in-line with current year capital and exploratory expenditures.

LIABILITIES & EQUITY

- **Current Liabilities** were \$112 MM lower than December 2014 on reduced accounts payable and federal and other taxes on income. Increased short term debt and accrued liabilities, partly offset.
- **Non-Current Liabilities** were up \$9,193 MM compared to December 2014 driven by higher long-term debt. Reserves for employee benefit plans, partly offset.
- **Total Equity** decreased \$1,592 MM from December 2014 reflecting dividends of \$8.0 billion, partly offset by net income of \$5.5 billion.

Shareholder Returns & Stock Prices

TOTAL SHAREHOLDER RETURN %



| Stock Prices and Dividends | | | | | | | | | |
|--|----------|----------|----------|----------------------|------------------|-------------------------------|-------------|------------------------------|------------------|
| 52-week Intraday Stock Prices as of 11/30/2015 | | | | | Dividends | | | | |
| Company | High | Low | Close | Fwd P/E ² | Current Dividend | Yield % ³ at 11/30 | Last Period | Change % Action ⁴ | 5-yr Div CAGR |
| Chevron | 114.82 | 69.58 | 91.32 | 24.5 | 1.07 | 4.7 | 2Q14 | 7.0 | 8.2 |
| BP | 43.85 | 29.35 | 34.60 | 17.5 | 0.60 | 6.9 | 4Q14 | 2.6 | n/a ⁵ |
| ExxonMobil | 95.33 | 66.55 | 81.66 | 21.3 | 0.73 | 3.6 | 2Q15 | 5.8 | 10.7 |
| RD Shell | 69.50 | 45.81 | 49.76 | 11.6 | 0.94 | 7.6 | 2Q14 | 4.4 | 2.3 |
| Total | 57.78 | 40.93 | 49.45 | 13.9 | 0.69 | 5.6 | 2Q14 | 3.4 | (0.1) |
| S&P 500 | 2,134.72 | 1,867.01 | 2,080.41 | 16.7 | - | 2.1 | - | - | 13.8 |

² Trailing 20-day average closing price divided by ThomsonOne consensus EPS estimate for FY2016.

³ Current quarter per-share dividend rate (annualized) as a % of month-end price.

⁴ TOT's Dividend "% Action" based on announcement in euros, all others in USD. TOT's % Action on USD basis is (15.4)% due to FX.

⁵ BP did not pay a dividend from 2Q10-4Q10 following the Macondo incident, so a 5-yr CAGR will not be available again until 1Q16.

Stock Performance

INSTITUTIONAL HOLDINGS SUMMARY

Chevron Institutional Holdings Summary

TOP 20 INSTITUTIONAL HOLDERS OF CVX

| (shares in 000's) | CVX Shareholdings Summary | | | | # of Shares @ 9/30/15 | Fund Type | |
|---|---------------------------|------------------|-----------------|---------------|--------------------------|-----------|--|
| | 9/30/2015 | | Shares Variance | | | | |
| | # (000's) | SMM | % Owned | Q-o-Q | Y-o-Y | | |
| 1 The Vanguard Group, Inc. | 115,088 | \$ 9,078 | 6.1% | 1,597 | 12,492 | | |
| 2 State Street Global Advisors (US) | 105,206 | \$ 8,299 | 5.6% | 1,916 | 3,006 | | |
| 3 BlackRock Institutional Trust Co., N.A. | 78,551 | \$ 6,196 | 4.2% | 584 | 2,486 | | |
| 4 Wellington Management Company, LLP | 52,637 | \$ 4,152 | 2.8% | 4,848 | 3,783 | | |
| 5 Fidelity Management & Research Co. | 45,365 | \$ 3,578 | 2.4% | (1,857) | 1,999 | | |
| 6 Capital World Investors | 36,970 | \$ 2,916 | 2.0% | 2,931 | 8,290 | | |
| 7 Franklin Advisers, Inc. | 17,837 | \$ 1,407 | 1.0% | 3,681 | 6,566 | | |
| 8 State Farm Insurance Companies | 16,281 | \$ 1,284 | 0.9% | - | - | | |
| 9 Northern Trust Investments, Inc. | 16,111 | \$ 1,271 | 0.9% | (315) | (714) | | |
| 10 Norges Bank Investment Mgt. (NBIM) | 15,460 | \$ 1,734 | 0.8% | - | 193 | | |
| 11 Geode Capital Management, L.L.C. | 15,393 | \$ 1,214 | 0.8% | 48 | 989 | | |
| 12 Mellon Capital Management Corporation | 14,570 | \$ 1,149 | 0.8% | (842) | (985) | | |
| 13 Dimensional Fund Advisors, L.P. | 13,774 | \$ 1,087 | 0.7% | (122) | 1,581 | | |
| 14 T. Rowe Price Associates, Inc. | 11,966 | \$ 944 | 0.6% | (403) | (4,407) | | |
| 15 JP Morgan Asset Management | 11,680 | \$ 921 | 0.6% | 5,000 | (3,468) | | |
| 16 TIAA-CREF | 11,402 | \$ 899 | 0.6% | (755) | (3,181) | | |
| 17 Morgan Stanley Wealth Management | 11,259 | \$ 888 | 0.6% | (1,398) | (40) | | |
| 18 Bank of America Merrill Lynch (US) | 11,030 | \$ 870 | 0.6% | 408 | (1,326) | | |
| 19 Columbia Threadneedle Investments (US) | 9,919 | \$ 782 | 0.5% | (118) | (3,401) | | |
| 20 Legal & General Investment Mgt Ltd. | 9,312 | \$ 735 | 0.5% | 372 | 691 | | |
| TOTAL | 619,813 | \$ 49,406 | 33.0% | 15,576 | 24,555 | | |

| Top 10 Buyers (shares in 000's) | # of Shares Purchased @ 9/30/15 | Fund Type | # of Shares | | Fund Type |
|--|------------------------------------|-----------|----------------|-----------|-----------|
| | | | Sold @ 9/30/15 | Fund Type | |
| 1 Institutional Capital, LLC | 6,693 | 7,107 | Deep Value | | |
| 2 JP Morgan Asset Management | 5,000 | 11,680 | GARP | | |
| 3 Wellington Management Company, LLP | 4,848 | 52,637 | Core Value | | |
| 4 Franklin Advisers, Inc. | 3,681 | 17,837 | Income Value | | |
| 5 Capital World Investors | 2,931 | 36,970 | Core Value | | |
| 6 Templeton Investment Counsel, L.L.C. | 1,955 | 4,152 | Core Value | | |
| 7 State Street Global Advisors (US) | 1,916 | 105,206 | Index | | |
| 8 Pioneer Investment Management, Inc. | 1,893 | 1,284 | Core Growth | | |
| 9 The Vanguard Group, Inc. | 1,597 | 115,088 | Index | | |
| 10 BNP Paribas Securities Corp. N.A. | 1,263 | 2,115 | Broker-Dealer | | |

| Top 10 Sellers (shares in 000's) | # of Shares Sold @ 9/30/15 | Fund Type | # of Shares | | Fund Type |
|--|-------------------------------|-----------|----------------|-----------|-----------|
| | | | Sold @ 9/30/15 | Fund Type | |
| 1 Dodge & Cox | (10,738) | 654 | Deep Value | | |
| 2 BlackRock Investment Mgt. (UK) Ltd. | (2,516) | 8,356 | Core Growth | | |
| 3 ClearBridge Investments, LLC | (2,389) | 3,376 | GARP | | |
| 4 Deutsche Asset Management Americas | (2,174) | 1,316 | Core Growth | | |
| 5 Fidelity Management & Research Co. | (1,857) | 45,365 | GARP | | |
| 6 Morgan Stanley Wealth Management | (1,398) | 11,259 | Core Growth | | |
| 7 Morgan Stanley & Co. LLC | (1,139) | 668 | Broker-Dealer | | |
| 8 Bahl & Gaynor Investment Counsel, Inc. | (1,078) | 386 | Core Growth | | |
| 9 ClearBridge, LLC | (909) | - | Core Growth | | |
| 10 Fisher Investments | (908) | 2,624 | Core Value | | |

Source: ThomsonOne, as of November 19, 2015

Price Movement %

Volume — CVX — Peer Group Average — S&P



Prepared by:
Corporation Comptroller's
Financial Reporting & Analysis

If you have any questions, please contact:
Clint Fenimore
CTN: [REDACTED]
email: [REDACTED]@chevron.com