

Regular Meeting of the Board of Directors
of
Chevron Corporation
Tuesday and Wednesday, July 24-25, 2018

A regular meeting of the Board of Directors of Chevron Corporation was held at the Casa Palmero in Pebble Beach, California, on July 24, 2018, at 1:45 p.m.

Present Directors:

Wanda M. Austin
John B. Frank
Alice P. Gast
Enrique Hernandez, Jr.
Charles W. Moorman IV
Dambisa F. Moyo
Ronald D. Sugar
Inge G. Thulin
D. James Umpleby III
Michael K. Wirth

Absent Directors:

None

Hew Pate and Mary Francis were also present.

The meeting was called to order by the Chairman of the Board, Mike Wirth. Mr. Wirth referred to the strategy discussion that would occur the next day. He then previewed the agenda and the focus of the meeting, highlighted several of the pre-read materials, and responded to questions.

The minutes of the regular meeting of the Board and the Annual Meeting of Stockholders held on May 30, 2018, were reviewed and, on motion duly seconded, approved.

Wick Moorman reported on the July 24, 2018, meeting of the Audit Committee. He reviewed the significant items of business discussed during the meeting, including second quarter financial results and the earnings press release to be filed and earnings call to be held on July 27, 2018, the second quarter compliance report provided by the Corporation's Chief Compliance Officer, and the Corporation's financial risk management. He referred to their discussion of tax matters, impairments, and enterprise risk management. He referred to their discussion with the outside auditor regarding possible changes in reporting standards. He referred to the privileged report from the General Counsel on litigation matters and to a report by Clay Neff on matters in Venezuela. He also referred to the Committee's meeting scheduled for August 1, 2018, to discuss the Corporation's quarterly report on Form 10-Q for the second quarter.

Ron Sugar reported on the July 24, 2018, meeting of the Board Nominating and Governance Committee. He reviewed the significant items of business discussed during the meeting, including the recommendation of a 2018 retainer stock option award and amendments to the Chevron Corporation's Non-Employee Directors' Equity Compensation and Deferral Plan Rules. Upon the recommendation of the Committee, on motion duly seconded, and with Mr. Moorman abstaining, the Board adopted the following resolutions:

WHEREAS, the Chevron Corporation Non-Employee Directors' Equity Compensation and Deferral Plan, as amended ("Directors' Plan"), and Rules Governing Awards under the Directors' Plan ("Directors' Plan Rules") provide for the grant of retainer options to directors who made prior elections to receive retainer options in lieu of all or any portion of their annual cash retainer, with such grants to occur on the date of the Annual Meeting of Stockholders;

WHEREAS, at its May 29, 2018 meeting (the "May Meeting"), the Board Nominating and Governance Committee (the "Committee") approved the grant of retainer options on May 30, 2018 to Messrs. Frank, Hernandez and Thulin (each a "Director" and collectively, the "Directors"), each of whom timely elected to receive retainer options in lieu of all or a portion of the annual cash retainer for the term beginning with the 2018 Annual Meeting of Stockholders;

WHEREAS, due to an inadvertent clerical error made by the Corporation, at the May Meeting, the Committee did not approve a retainer option grant to Mr. Moorman, who also timely elected to receive retainer options in lieu of an annual cash retainer for the term beginning with the 2018 Annual Meeting of Stockholders;

WHEREAS, to rectify this clerical error, and to efficiently put Mr. Moorman in the same position that he would have occupied had he been granted a retainer option at the May Meeting, the Board wishes to approve a retainer option to Mr. Moorman on the terms and conditions recommended by the Committee in its resolutions dated July 24, 2018, for which the grant date shall be the first date, on or after July 24, 2018, that the Corporation's closing stock price on the New York Stock Exchange ("Closing Price") is less than or equal to \$125.16 (the "Grant Date");

WHEREAS, the Board approves the amendment to the Directors' Plan recommended by the Committee in its resolutions dated July 24, 2018, which permits the grant to Mr. Moorman and similar grants should similar circumstances arise in the future;

WHEREAS, the Board wishes to delegate to the Committee the authority to rescind the Board's approval of the retainer option to be granted to Mr. Moorman and take such further action as it deems appropriate to award options to Mr. Moorman, if by November 30, 2018, the Closing Price has not been less than or equal to \$125.16;

NOW, THEREFORE, BE IT

RESOLVED: That the Board approves the retainer option to be granted to Mr. Moorman on the terms and conditions recommended by the Committee in its resolutions dated July 24, 2018, which option shall be granted on the Grant Date using the form of 2018 Retainer Option Agreement attached hereto as **Appendix A**; and be it further

RESOLVED: That the Board approves the Amendment Number Two to the Directors' Plan recommended by the Committee in its resolutions dated July 24, 2018, and attached hereto as **Appendix B**, which permits the grant to Mr. Moorman and similar grants should similar circumstances arise in the future; and be it further

RESOLVED: That the Board hereby delegates to the Committee the authority to rescind the Board's approval of the retainer option to be granted to Mr. Moorman and take such further

action as it deems appropriate to grant options to Mr. Moorman, if by November 30, 2018, the Closing Price has not been less than or equal to \$125.16.

Dr. Sugar then reported on the Committee's review of the 2018 proxy season and the Corporation's annual stockholders' meeting and the Committee's annual assessment of the Corporation's governance practices. Dr. Sugar referred to the detailed discussion the Committee had regarding the mandatory retirement age, a term limitation for Director service, and the service limitation on the number of public company boards under the Corporate Governance Guidelines. Discussion among Directors on these topics followed, with a focus on possibly extending the mandatory retirement age. He reported on the directors' and officers' insurance renewal limit. Dr. Sugar also reported on the Committee's discussion on Director succession planning and, in particular, the Committee's discussion of [Redacted – Business Confidential] Debra Reed, [Redacted – Business Confidential] A thorough discussion occurred regarding these individuals.

Rick Hernandez reported on the July 24, 2018, meeting of the Management Compensation Committee. He reviewed the significant items of business discussed during the meeting, including management personnel proposals, a review of the Committee's Charter, the Chevron Incentive Plan mid-year performance review, non-oil peer review and recommendation for the 2019 cycle, a discussion with the independent compensation consultant, standard restricted stock units vesting, and mid-career hires.

Wanda Austin reported on the July 24, 2018, meeting of the Public Policy Committee. She reviewed the significant items of business discussed during the meeting, including the Corporation's and the Chevron Employee Political Action Committee's political contributions, lobbying expenditures, policy priorities for 2018 and 2019, U.S. legislative, regulatory, and political developments and implications for the Corporation, an assessment of the value the Corporation receives from participation in various trade associations in government affairs activities, and the policy and political issues for the Corporation's top ten operating areas. Questions and discussion among Directors occurred throughout her report.

Jay Johnson and Pat Yarrington joined the meeting.

Mr. Johnson presented the summaries of the minutes of the meetings of the Executive Committee held on May 24, 2018 and June 21, 2018. He offered comments and answered questions on a several of the projects referred to in the Executive Committee minutes and materials provided in advance to the Board, including that the Corporation was successful in its bid with Shell for the Tres Marias block, the sale of Chevron Denmark Inc. to Total S.A., a bid for the Pasadena Refining System Inc., and a supplemental appropriation for the Big Foot project. Mr. Johnson responded to various questions.

On motion duly seconded, all actions taken at the Executive Committee meetings were ratified and approved.

Ms. Yarrington reported on financial performance and a full year 2018 outlook. She discussed, among other things, the financial performance for the first half of the year, impairments and other charges, earnings, analysts' estimates of earnings, and production levels. Ms. Yarrington then reported on operating expense, capital and exploratory expense, cash flow and the full year forecast for these items. She discussed topics likely to arise on the second quarter earnings call

and also the Corporation's position in the Permian. Questions and discussion occurred throughout this presentation.

Ms. Yarrington then offered a recommendation regarding the third quarter dividend. After discussion, on motion duly seconded, the Board adopted the following resolutions:

RESOLVED: That in the opinion of the Board of Directors, based on the financial statement duly certified by the Comptroller of the Corporation and presented to this meeting, the Corporation has sufficient earned surplus and cash on hand from which the following dividend may properly be declared and paid; therefore be it further

RESOLVED: That a dividend No. 370 of one dollar and twelve cents (\$1.12) per share be declared payable September 10, 2018, to all holders of Common Stock as shown by the transfer records of the Corporation at the close of business August 17, 2018.

Ms. Yarrington then continued the discussion of the financial position of the Corporation, and presented on the Corporation's surplus cash position and management's recommendation to initiate stock repurchases under the 2010 stock repurchase program authorized by the Board by standing resolutions dated July 28, 2010. She responded to questions and discussion occurred throughout her presentation, which included a discussion on the appropriate amount of repurchases over the next 12 months given the Corporation's surplus position. Following a thorough discussion, the Board concurred with management's recommendation.

Mr. Johnson and Ms. Yarrington left the meeting.

Mr. Pate provided a privileged litigation update.

Mr. Wirth then declared a recess of the meeting and noted that the Board would reconvene and continue the meeting the following morning, Wednesday, July 25, 2018, at 7:00 a.m. in the same location.

On July 25, 2018, at 7:00 a.m., the Board reconvened to continue the meeting from the prior day at the Casa Palmero in Pebble Beach, California.

All Directors were present. Hew Pate, Mary Francis, Pierre Breber, Joe Geagea, Jay Johnson, Mark Nelson, Bruce Niemeyer, and Pat Yarrington were also present.

The meeting was called to order by the Chairman of the Board, Mike Wirth. Mr. Wirth thanked the Directors for their participation in the previous day's Board meeting and dinner briefing and discussion with guest speakers, [REDACTED] and [REDACTED]. [REDACTED] presented the case for a deliberate energy evolution and [REDACTED] on a more accelerated transition. The Directors had a robust discussion on the different views on energy transition. He then previewed the agenda and the focus of day two of the Board meeting and introduced the strategy discussion, highlighted several of the pre-read materials, and responded to questions.

Ms. Yarrington then introduced [REDACTED] and [REDACTED] from Goldman Sachs as they joined the meeting. They presented an external view on shareholder activism and reviewed the activism simulation they conducted with the Corporation in June. They responded to various questions.

Messrs. [REDACTED] and [REDACTED] left the meeting.

Joe Naylor and Barbara Burger joined the meeting.

Mr. Niemeyer introduced a discussion on energy demand and supply. He was joined by Ms. Burger and Mr. Naylor. They presented on key energy transition headlines and signposting implications, total energy, oil and gas end uses, and development of renewable energy sources. They discussed energy transition with respect to technology, policy, and consumer behavior. They responded to questions and discussion occurred throughout their presentation.

Mr. Nelson updated the Board on key strategic implications, including metrics, asset class positioning and portfolio management, LTIP peer group competitive assessments, future energy actions and engagements, and next steps.

Mr. Wirth gave a closing summary of the strategy discussions that occurred throughout the two days. Further discussion followed.

Messrs. Breber, Geagea, Johnson, Naylor, Nelson, Niemeyer, Pate, and Mses. Burger, Francis, and Yarrington left the meeting.

Mr. Wirth met privately with the non-employee Directors. He then left the meeting and the non-employee Directors met in executive session.

There being no further business, the meeting was adjourned.

[REDACTED]
Secretary

**CHEVRON CORPORATION
NON-EMPLOYEE DIRECTORS' EQUITY COMPENSATION AND DEFERRAL PLAN**

2018 Retainer Option Agreement

Name of Director: [Name]

Please sign below and return this Agreement.

Chevron Corporation has made the following grant to you, subject to the terms of the Chevron Corporation Non-Employee Directors' Equity Compensation and Deferral Plan, as amended (the "Plan"), and rules adopted under it (the "Rules"). Both documents are incorporated into this Agreement and copies are available to you on the Chevron Diligent Boards portal or on request. By signing this Agreement and accepting this grant, you are agreeing to all the terms and conditions of the Plan and the Rules.

1. Date of Grant: [TO BE DETERMINED] ⁽¹⁾
2. The Exercise Price is \$125.16 ⁽²⁾ per share, which was the Fair Market Value of the Shares subject to this Retainer Option on May 30, 2018.
3. The number of Shares subject to this Retainer Option is 10,332 Shares, subject to adjustment as provided in Section X of the Plan.
4. This Retainer Option is a nonstatutory stock option.
5. This Retainer Option vests as follows: 50 percent on November 30, 2018, and the remaining 50 percent on the earlier of the last day of the Annual Compensation Cycle to which the Grant relates or May 30, 2019.
6. This Retainer Option becomes exercisable on May 30, 2019.
7. This Retainer Option is transferable as provided in Section VI of the Plan and Section VII of the Rules.
8. This Retainer Option will expire on May 30, 2028, or such earlier date as it expires or is forfeited pursuant to Section III of the Rules under the Plan.

IN WITNESS WHEREOF, Chevron Corporation has caused this Agreement to be executed on its behalf by its duly authorized representative and the Director has executed the same on the day and year indicated below.

Date: _____

By: _____
Mary A. Francis

Date: _____

By: _____
[Director Name]

⁽¹⁾ The Grant Date will be the first date on or after July 24, 2018 that Chevron's closing stock price on the New York Stock Exchange is equal to or less than \$125.16.

⁽²⁾ The Exercise Price is the closing price of Chevron Corporation common stock on May 30, 2018.

**AMENDMENT NUMBER TWO
TO THE CHEVRON CORPORATION
NON-EMPLOYEE DIRECTORS' EQUITY COMPENSATION AND
DEFERRAL PLAN**

WHEREAS, Chevron Corporation (the "Corporation") maintains the Chevron Corporation Non-Employee Directors' Equity Compensation and Deferral Plan (the "Plan");

WHEREAS, pursuant to Section XII.(a) of the Plan, the Board of Directors of the Corporation (the "Board") has the authority to amend the Plan; and

WHEREAS, the Board desires to amend the Plan, pursuant to this Amendment Number Two, to permit the issuance of stock options so long as the exercise price is not less than the fair market value of a share on the grant date.

NOW, THEREFORE, be it resolved, the Plan is hereby amended, effective July 24, 2018, as follows:

1. Section VI (Options) is amended by modifying the second sentence of subsection (b) to read as follows:

The exercise price of each Option shall not be less than the Fair Market Value of a Share on the date the Option is granted.

* * *

Date: July 24, 2018

By: _____
Ronald D. Sugar, Lead Director
Chevron Corporation