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25 February 2021

By Electronic Mail (shareholderproposals@sec.gov)

Office of the Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549
CC: Christopher Butner, Corporate Secretary, Chevron Corporation

Re: Shareholder Proposal to Chevron requesting emissions reductions

Dear Sir/Madam,

We are writing in response to the no-action letter (the 'Company Letter') sent on January 18th, 2021 by Chevron (the 'Company'). In their letter, the Company asserts that it may exclude the shareholder proposal (the 'Proposal') submitted by *Follow This* (the 'Proponent') from the Company's proxy materials on the basis that it contravenes SEC regulations relating to micromanagement and duplicity laid out in Rule 14a-8(i)(7) and 14a-8(i)(11). The Company has requested that the Commission's Division of Corporation Finance (the 'Staff") shall not recommend enforcement action if the Company omits the Proposal from their proxy materials. We respectfully disagree and ask that you do not affirm this request.

In accordance with Staff Legal Bulletin 14D (CF), a copy of this letter is being sent to the Company's corporate secretary, Christopher Butner, by electronic mail.

Summary

The Proposal requests the Company to 'substantially reduce the greenhouse gas (GHG) emissions of their energy products (Scope 3) in the medium- and long-term future, as defined by the Company.'

The Company claims the Proposal may be excluded on the following ground:

- 'Rule 14a-8(i)(7)[,] Because The Proposal Deals With Matters Relating To The Company's Ordinary Business Operations.'

A request to reduce greenhouse gas (GHG) emissions on a company-wide level, by nature, does not micromanage the Company. It addresses a high-level, general policy issue, leaving the minutia up to the Company. The Proposal was deliberately worded to grant management maximum flexibility, and simply asks shareholders to affirm or deny that the Company should reduce the emissions of its products.

Alternatively, should the Staff deny exclusion based on the above, the Company argues the Proposal may be excluded based on the following:

- 'Rule 14a-8(i)(11) [,] Because It Substantially Duplicates [another shareholder proposal], Which Was Received Earlier'

The other proposal, submitted by Stewart Taggart, requests a report about GHG emissions of the company's liquid natural gas (LNG) operations (Scope 3), which constitute around . of the Company's total emissions.[1] This leaves a bulk of the Company's emissions unaddressed. The Follow This proposal seeks company-wide Scope 3 GHG emissions reductions, and therefore cannot duplicate a proposal that seeks reporting on the emissions of a comparatively small part of the company's operations, and does not directly ask for reductions.

This letter shall expand on the rebuttal of the arguments of the Company in detail, conclusively demonstrating that all arguments put forth by the Company are not valid, and that the Proposal must be included in the Company's proxy materials, to be voted upon by fellow shareholders at the Company's 2021 AGM.

Analysis

1. Ordinary Business

The Company Letter argues that the Proposal may be excluded on the grounds of 14a-8(i)(7), as it seeks to address matters related to the Company's ordinary business operations in a way which impermissibly micromanages the Company. Specifically, the Company contends that the Proposal focuses on company-wide, rigid, quantitative emission reductions which would interfere with complex operating

[1] Chevron 2019 Corporate Sustainability Report: Chevron has LNG projects in Africa (Angola) and Western Australia. Based on their equity stakes in these projects, and estimated output and emissions factors, the Scope 3 annual emissions are approximated to be about 28 MtCO2e, out of a company GHG total of 412 MtCO2e. This is on a production basis for 2019, the last year of full reporting.<https://www.chevron.com/-/media/shared-media/documents/2019-corporate-sustainability-report.pdf>

decisions and micromanage the Company's response to an important policy issue. They further assert that the Proposal is prescriptive in its stated goal as it requests the Company to reduce the emissions associated with the use of their products. However, this is arrantly false. The Proposal does not focus on intricate details, but on much more high-level, general issues and policies concerning the Company's approach to climate change. In fact, the Proposal was deliberately worded to grant management maximum flexibility in terms of how the goal of the Proposal is implemented, leaving matters such as the timing and reduction amounts under the discretion of management.

1.1 Company Wide Reductions are not Micromanagerial

The Company asserts that reducing emissions requires complex decisions to be made by experts and management. Referencing Staff Legal Bulletin 14K, they state that the proposal 'seeks to change the Company's complex GHG management strategy by 'impos[ing] a specific strategy, method, action, outcome or timeline for addressing the issue' and 'prescribing specific timeframes'. This is an evident mischaracterization of the Proposal. The only decision taken out of the hands of management is whether or not to reduce emissions; the specifics of timing and reduction levels are left to their discretion.

To put it clearly: The company argues that the reduction of Scope 3 emissions is a **specific method** for addressing the company's GHG reduction measures (the **complex policy**). Instead, it should be understood that reducing Scope 3 emissions is the **complex policy**, leaving the **specific method** up to the Company.

Had the Proponent not been required to draft this proposal with pointed consideration of the potential for exclusion on grounds of micromanagement, the Proponent would have requested much more specific and progressive reductions. This is evidenced the Proposal's lack of reference to any sort of external metric or guidelines, such as the Paris Agreement. This was done to increase the level of flexibility granted to management. The only qualifying statement provided in the proposal is that the reductions be 'significant'; this term can be defined by the Company, and was included to prevent the proposal from being rendered meaningless by the Company adopting insignificant reductions. The company cites this wording as evidence of the micromanagerial nature of the proposal. If shareholders are limited to only requesting insignificant or trivial action from management, the institution of shareholder democracy has been compromised.

1.2 Wording of the Proposal is Purposefully Non-prescriptive

The wording of the Proposal is not prescriptive. Affirming this no-action request could establish a dangerous pattern, muting the voices of shareholders who request that a company reduces its impact on society. This is affirmed consistently by SEC practice, and enshrined in the Commission's 1998 release.[2] In this release, contrary to what is asserted by the Company, the Commission states that they did not intend for all proposals which seek detail, timeframes or methods to be considered to inherently interfere with management's ability to conduct their daily business operations. For example, concerning level of detail, there could be a significant social policy issue at stake if there are large differences between current company policy and what is sought by the proposal.

[2] Amendments to Rules on Shareholder Proposals, Release No. 34-40018 (May 28, 1998)

In the present case, such a large difference exists. The Proposal requests company-wide emission reductions for emissions associated with the Company's products. The Company does not have an emission reduction policy for these emissions, which constitute approximately 85% of the Company's total emissions(Scope 1, 2 and 3). This undoubtedly constitutes a large difference. The Proposal requests the Company to address this issue in a manner which leaves as much discretion to the management as possible.

1.3 The Proposal is Appropriate for Shareholder Decision and Unrestrictive in Manner of Implementation

Further, the Company asserts that one of the underlying principles for allowing exclusion on the basis of ordinary business is that it presents complex policy issues that shareholders, as a group, would not be in a place to make an informed judgement. The question of the Proposal is one which investors, board, and management can easily understand and respond to; it is construed in a broad and intelligible way, which simply asks shareholders to affirm or deny that the Company should reduce the emissions of their products. Indeed, with the current consensus and wide coverage on the dangers of fossil fuel, any reasonable member of society has the resources and information available to decide whether major emitters should significantly reduce their emissions.

The Company also makes reference to other proposals which were not found to be excludable on the grounds of micromanagement. The main distinction between those and the Proposal is that the others were precatory in nature. This line of argumentation is problematic on a number of levels. First, in the US, all proposals included in the company's proxy materials are precatory in nature; unless shareholders solicit their own proxy and distribute the proposals themselves, management may reject the proposal even if it receives a majority of the votes. Including wording which requests a company to consider 'if and how' or 'whether' they implement a given proposal is meaningless. As an aside, this facet of US corporate law makes the veracity with which these companies fight to exclude shareholder proposals especially perplexing. Further, such proposals have a high likelihood of running into exclusion based on substantial implementation; it is quite easy for a company to claim they have considered any number of different policies. Finally, shareholders do not want 'if and how'; shareholders want concrete action. If the Company does not want to address the needs of its shareholders, other forms of business are available; however, the possibility of capital formation with these forms is likely limited. It is for this very reason that the company is publicly listed and traded; it allows an inflow of capital through share purchase. We must not allow the corresponding rights afforded to shareholders to be compromised.

1.4 Staff Procedure Dictates Case-By-Case Approach; Nevertheless Precedent Recognises the Importance of Climate Resolutions

The Company cites a number of examples as evidence that the SEC has upheld exclusion of proposals which prescribe specific methods for addressing a complex policy. However, the proposals in these instances were probing far more into the day-to-day business of the respective companies than the current Proposal does. For example, one proposal specified the exact year for the company to reach net-zero for

certain parts of their operations.[3] Another proposal prescribed specific timeframes and required alignment with the Paris Agreement.[4] The proposals referred to by the Company were very specific in terms of details and methods for achieving the intended goal. This contrasts strongly with the Proposal, which does not stipulate an exact timeframe and does not prescribe what the reduction levels should be; these decisions are left up to management.

While the Company does provide a number of examples, almost all examples cited occured over the past four years. Notably, during that period, the Commission was overseen by an administration which considered climate change to be a 'hoax' and routinely upended measures meant to curb GHG emissions. While we must not be hasty and jump to conclusions, it is also improper to deny the tacit influence an administration may have on its organs. The administration that currently presides over the Commission is wholly contrary to the previous on these matters.

There are a substantial number of proposals over the past decades in which the Staff has denied excludability of proposals that were more prescriptive than the current proposal. For instance, a proposal requesting the adoption of quantitative, time bound, carbon dioxide reduction goals to reduce the emissions of a company was found not to be excludable.[5] The Staff also did not concur with a no-action request for another proposal requesting the adoption of quantitative goals for reducing total GHG emissions from the Company's products and operations.[6] Clearly, there are instances when the Staff *has* allowed proposals which request emission reductions, even in a prescriptive way.

Nevertheless, the Staff is to address each proposal on a case-by-case basis; they are not bound by decisions taken on no-action requests in the past.[7] For this reason, the legitimacy of the decisions rendered over the past years becomes a moot point; we are closer than ever before to impending climate collapse and the necessary action has not been taken. One of the points of consideration for the Staff are the specific circumstances of the company. The Company is the largest emitter in the US, and one of the largest emitters in the world.[8] We are continually passing benchmarks on the way to an unsustainable world; what may not have constituted the large differences which permitted excludability in the past will constitute them today. The urgency of this is affirmed by the President's recent executive order, passed on his first day in office, requiring all agencies to review and address all regulation and other actions which contravene the national objective of responding to the threat of climate change, which specifically includes reference to a reduction in GHG emissions.[9]

1.5 Proposal is Vital for Upholding Shareholder Democracy on Important Social Policy Issues

The Company emphasizes the excludability of the Proposal in spite of its relation to a significant social policy issue by asserting the Proposal is micromanagerial; proposals which touch upon a significant social

[3] Paypal Holdings Inc. No-action letter (March 6, 2018)
[4] ExxonMobil Corporation No-action letter (April 2, 2019)
[5] Great Plains Energy Incorporated No-Action Letter (February 5, 2015)
[6] Exxon Mobil Corporation No-action letter (March 23, 2007)
[7] Supra (n2)
[8] *Carbon Majors 2018 Data Set* Climate Accountability Institute (December 2020) <https://climateaccountability.org/carbonmajors_dataset2020.html>
[9] Executive Order 13990 Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis, 86 FR 7037, (7037-7043) 2021-01765 Signed 20 January 2021

policy issue without micromanaging are not excludable. This is why the company performs such awkward gymnastics of rhetoric in an attempt to classify the proposal as micromanagerial; in absence of such classification, the social policy addressed by the proposal would undoubtedly warrant inclusion. The SEC has routinely affirmed that such topics are appropriate for a shareholder vote, and case law demonstrates that it is not only a right of shareholders to voice their opinion on such issues, but in fact a duty.[10] The Proposal leaves management the maximum amount of discretion possible without compromising on the essential objective of the Proposal.

With the argument that the Proposal probes too deeply into the Company's policy and inhibits managerial discretion, the Company gives little value to the understanding and visibility of investor sentiment about changing the Company's behavior. This would be an affront to shareholder democracy and affirm an unjust standard: that decisions of the Company which have wide-ranging impacts for all members of society are under the exclusive purview of management.

For these reasons, the Proposal is not excludable pursuant to Rule 14a-8(i)(7).

2. Duplicative

The Company Letter asserts that the Proposal may be excluded because it substantially duplicates another proposal previously submitted to the Company by another proponent (the 'Taggart Proposal') which they intend to include in their proxy materials for their 2021 AGM. The Proposal does not substantially duplicate the Taggart proposal. We agree with the Company that both proposals deal broadly with the Company's emissions. The similarities end there. The two proposals have different goals and ask the Company to take different actions. The Taggart proposal is not directly asking the Company to reduce emissions; instead, it requests increased disclosure on the Scope 3 emission associated with a specific sector of the Company, their liquid natural gas operations.

2.1 Allowing a Vote on Both Proposals Serves a 'Useful Purpose'

When the rule was adopted, the corresponding release from the Commission indicated that its purpose was to 'eliminate the possibility of shareholders having to consider two or more substantially identical proposals…'.[11] Further stating that deliberating over redundant proposals would serve 'no useful purpose.' A reasonable shareholder would comprehend that these proposals are not identical. One (the Proposal) seeks a significant decrease in the total emissions associated with all of the company's products, while the other (the Taggart Proposal) requests a report on the emissions associated with one sector of the Company's operations. Accordingly, such distinctions indicate that each proposal serves a 'useful purpose' in its own right, and therefore shareholders should be allowed to have their voices heard.

2.2 Previous Interpretations of 14a-8(i)(11) do not Supplant Commission's Guidance

The Company asserts that the metric for determining whether or not a proposal is substantially duplicative of another concerns whether the proposals share the same 'principal thrust' or 'principal focus'. However,

[10] Medical Committee for Human Rights v. SEC 432 F.2d 659 United States Court of Appeals, District of Columbia Circuit
[11] Exchange Act Release No. 12999 (November 22, 1976)

the example the Company refers to, a no-action letter from PG&E, does not supplant the Commission's guidance.[12] In the PG&E no-action letter, the Staff was considering if any of three subsequently received proposals duplicated the first. All of the proposals addressed remuneration; the first submitted proposal requested that the non-salary remuneration of management be tied to their performance. The second received proposal requested a limit on the total remuneration of management. The third proposal, which requested that management compensation be tied to performance, was almost identical to the first.

The staff allowed exclusion of the third proposal, but not the second. In delivering their decision, the staff noted that the second proposal requested a reduction and limitation of the total remuneration of executives and directors; it aimed at limiting the total amount paid. Accordingly, it had a different 'principal thrust' than the first proposal, the 'principal focus' of which was tying pay to performance; this does not impose an inherent limit on the amount paid. When rendering their decision, the Staff used the terms 'principal thrust' and 'principal focus'. This was done to draw attention to the distinctions between the two proposals, not to create a new interpretive approach; Staff decisions do not take precedence over the Commission's guidance on interpretation of the standard. The Staff has not used these terms since their original appearance in the PG&E letter, a fact made more perplexing by the number of companies which rely upon this standard when seeking no-action relief.

2.3 The Proposals Request Different Actions, With Entirely Different Outcomes On Significantly Different Scales

The Proposal and the Taggart Proposal are distinct enough to warrant a place on the ballot; no reasonable person could conclude that 'no useful purpose' would be served by allowing shareholders to vote on both. While both proposals focus on the Scope 3 emissions of the Company, other fundamental elements of the proposals differ enough to preclude the proposals being considered 'substantially identical'. The Proposal focuses on the Company's strategy: it asks for company-wide emission reductions associated with the use of the Company's products. It does not, by contrast, ask for any reporting or disclosure of these reductions.

The Taggart proposal, on the other hand, does not directly focus on the Company's strategy. Instead, it requests specific disclosure about the Scope 3 emissions associated with only one sector of the Company, as well as an analysis concerning the Company's strategy for addressing these emissions. It does not request a change in action or policy by the company.

The immediate outcome of these Proposals are entirely different. One would result in a report, while the other would result in reduced emissions. Whatever subsequent action may be taken can only be speculated upon, and should not be relied upon to show duplicity. For example, one could argue that disclosing the emissions associated with a given sector of the company would lead to emission reductions. This can be countered on two grounds; first, it could very well be that the emissions of this particular sector are not significant enough to warrant reductions. Further, as evidenced by the Company's claim that they have reported on their Scope 3 emissions for over two decades, **disclosure of emissions does not necessarily entail meaningful reductions**.

[12] Pacific Gas and Electric Company No-action letter (February 1, 1993)

Furthermore, besides the key difference between the focus and outcome of these proposals, there is a significant difference in scale. The Proposal focuses on the Scope 3 emissions of the **entire** company, focusing on all products (100% of the emissions associated with the products of the Company). The resulting action would be much more comprehensive and lead to reductions in the emissions associated with a wide range of products. By only focusing on one sector, the Taggart proposal only engages with the Scope 3 emissions associated with the Company's LNG operations (about 7%).

2.4 Previous Cases Provide Clear Guidance That The Proposals in Question Diverge Sufficiently To Warrant A Vote On Each

Though decisions rendered in no-action letters do not set precedent, they can provide some guidance. There are a number of key examples which provide evidence as to why the Proposal cannot be excluded as duplicative.

A proposal which sought a report on lobbying contributions and expenditures was found to be distinct from a proposal seeking a report on political disclosure; the company argued excludability as they were both 'political'. This parallels the present case; though the subject matter is similar with regard to a focus on emissions, there is an entirely different 'thrust'.[13]

Likewise, a proposal which sought an end to political spending on elections and referenda was found to be distinct from a proposal which asked the company to disclose its political spending in a variety of categories.[14] This is a key example, and perfectly mirrors the case at present. The distinction between the current two proposals is analogous; one (the Proposal) requests and 'end' to the current amount of GHG emitted by company products(end meaning an end to the current amount; to be replaced by reduced amounts in the future), the other proposal(the Taggart proposal) seeks *disclosure* on product emissions from a specific sector, the company's LNG operations.

In another example, two proposals, which sought the issuance of dividends, were allowed onto the proxy materials. One wanted quarterly dividends, the other sought special cash dividends.[15] This provides useful insight, as it shows how two proposals which were much more similar than the current ones were still found to be distinct for purposes of 14a-8(i)(11) and therefore put forth for a 'reasonable' vote.

Lastly, there was a proposal which requested a report to determine if customer use of the company's surveillance and computer vision products would contribute to human rights violations. The second requests a report on a particular initiative of the company, looking at if use of the associated technology could endanger, *inter alia*, civil rights.[16] The staff found they were not duplicative. This also provides a salient example. Here, we have two proposals requesting a report on the danger the company could pose to human or civil rights. That reflects the current situation: both proposals focus on Scope 3 emissions, with the underlying goal of addressing climate change. However, with the Amazon proposals, one focused on the company more broadly, while the other focused on one particular segment or sector of the company. Moreover, the aforementioned proposals sought the same action, a report. Yet the difference in

[13] AT&T Inc. No-action letter (February 3, 2012)
[14] Bank of America No-action letter (January 7, 2013)
[15] Pharma-bio Serv Inc. No-action letter (January 17, 2014)
[16] Amazon No-action letter (February 24, 2020)

scope was great enough to warrant both being included. In the case at present, not only do the proposals differ in scope, but also in action sought: the Proposal focuses on reducing the emissions of the entire company, while the Taggart proposal focuses on producing a report of only one sector.

2.5 Claiming that Shareholders would be Confused by the Similarities in the Proposals is Derisive

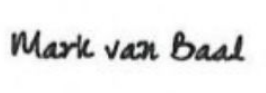
The company's final claim is that because the proposals are duplicative, shareholders might be confused. The company leaves this claim completely unsubstantiated. It is quite a rueful image the Company paints of its shareholders, construing them as so witless that they are unable to differentiate between a request for a report on the Scope 3 emissions of one sector of the company and and a request for a reduction in Scope 3 emissions on a company-wide level. Shareholders can clearly observe such a difference.

For these reasons, the Proposal may not be excluded pursuant to 14a-8(i)(11).

Conclusion

Based on the aforementioned arguments, the Proposal should not be excluded based on Rule 14a-8(i)(7) or 14a-8(i)(11). We request the Staff not to concur with the Company's no-action request, thereby requiring the Proposal be included in the Company's proxy materials to be distributed in anticipation of their 2021 AGM. If you have any questions, I am available at +31 6 40 16 26 72, or mckenzieursch@follow-this.org.

Sincerely,



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January 18, 2021

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Chevron Corporation*
Stockholder Proposal of Follow This
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Chevron Corporation (the "Company"), intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Stockholders (collectively, the "2021 Proxy Materials") a stockholder proposal, including statements in support thereof (the "Proposal"), submitted by Follow This (the "Proponent").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and

- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

FISMA & OMB Memorandum M-07-16

THE PROPOSAL

The Proposal states in relevant part:

> RESOLVED: Shareholders request the Company to substantially reduce the greenhouse gas (GHG) emissions of their energy products (Scope 3) in the medium- and long-term future, as defined by the Company.

A copy of the Proposal, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

For the reasons discussed below, we believe the Proposal may be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(7) because it deals with matters relating to the Company's ordinary business operations, as it impermissibly seeks to impose prescriptive methods for implementing complex policies related to the Company's strategy for addressing greenhouse gas ("GHG") emissions.

Alternatively, if the Staff does not concur that the Proposal may be excluded pursuant to Rule 14a-8(i)(7), we believe that the Proposal also may be excluded pursuant to Rule 14a-8(i)(11) because (1) the Proposal substantially duplicates a different stockholder proposal received from a stockholder (Stewart Taggart) by the Company before the Proposal (the "Taggart Proposal"), and (2) if the Staff does not concur with the exclusion of the Taggart Proposal pursuant to a separate no-action request, the Company expects to include the Taggart Proposal in the 2021 Proxy Materials.

ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Deals With Matters Relating To The Company's Ordinary Business Operations.

The Proposal directs the Company to implement specific methods that would change its emissions management strategy by requiring targets for substantially reducing GHG emissions with respect to its energy products over the medium- and long-term. By prescribing this strategy, the Proposal restricts the Company's discretion to direct its GHG emissions management program. As discussed below, the Staff has concurred that proposals seeking to direct a company's specific actions with respect to complex policy matters and restrict the discretion or flexibility of the company's management or board to act on those matters may be excluded. Under well-established precedent, we believe that

the Proposal is therefore excludable under Rule 14a-8(i)(7) because it seeks to micromanage the Company's actions to direct its GHG emissions management program.

A. Overview Of Rule 14a-8(i)(7)

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a stockholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word, but instead the term "is rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release").

In the 1998 Release, the Commission explained that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. The second consideration, which is applicable to the Proposal, relates to "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976) (the "1976 Release")).

The 1998 Release further states, "[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." In Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"), the Staff explained that "[u]nlike the first consideration [of the ordinary business exclusion], which looks to a proposal's subject matter, the second consideration looks only to the degree to which a proposal seeks to micromanage. Thus, a proposal that may not be excludable under the first consideration may be excludable under the second if it micromanages the company." Moreover, as is relevant here, under Rule 14a-8(i)(7) a stockholder proposal that seeks to micromanage a company's business operations is excludable even if it involves a significant policy issue.

In addition, Staff Legal Bulletin No. 14K (Oct. 16, 2019) ("SLB 14K") indicates that a "proposal framed as a request that the company consider, discuss the feasibility of, or evaluate the potential for a particular issue generally would not be viewed as micromanaging matters of a complex nature," but that "a proposal, regardless of its precatory nature, that prescribes specific timeframes or methods for implementing

complex policies, consistent with the Commission's guidance, may run afoul of micromanagement."

B. Company Approach To Energy Transition

The Company addresses the risks and opportunities presented by the global transition towards a lower emissions energy system by proactively advancing three actions: (1) lowering carbon intensity cost efficiently; (2) increasing renewables and offsets in support of the Company's business; and (3) investing in low-carbon technologies to enable commercial solutions. The Company addresses Scope 3 emissions by: (1) supporting a price on carbon through well-designed policies; (2) having transparently reported emissions from use of the Company's product for nearly two decades; and (3) enabling customers to lower their emissions through increasing the Company's renewable products, offering offsets, and investing in low-carbon technologies. These actions with respect to Scope 3 work in concert to support a global approach to achieve the goals of the Paris Agreement as efficiently and cost-effectively as possible for society.

The Company's strategy is to be among the most efficient and responsible producers of energy and it believes such producers of oil and gas should be encouraged to produce a greater share of overall production. The International Energy Agency, World Energy Outlook 2018 estimates global average carbon intensity of 46 tonnes CO_2e/MBOE for oil production and 71 tonnes CO_2e/MBOE for gas production whereas the Company's carbon intensity of production is 31 tonnes CO_2e/MBOE for oil and 30 tonnes CO_2e/MBOE for gas.[1]

The Company has established equity-basis GHG emission reduction targets to achieve goals related to activities over which it has financial or operational influence. The Company believes in establishing metrics on an equity-basis, per commodity and on an intensity basis, up to the point of sale, in a verifiable, tradable manner to transparently measure the efficiency of production for each product. The Company set upstream equity net GHG intensity reduction goals for 2028 for Scope 1 and 2 emissions of 24 tonnes CO_2e/MBOE for oil or gas production carbon intensity, zero routine flaring by 2030 and 3 tonnes CO_2e/MBOE for flaring intensity, and 2 tonnes CO_2e/MBOE for methane

[1] International Energy Agency, *World Energy Outlook 2018*, Nov. 2018, https://www.iea.org/reports/world-energy-outlook-2018. Note: For comparison with Chevron data, IEA WEO methane has been re-baselined from the IPCC AR5, which uses a conversion factor for methane to CO_2e of 30, to the AR4, which uses 25. IPCC AR4 is used by the U.S. Environmental Protection Agency and the European Commission.

intensity along with a methane detection plan.[2] The timeline for achieving these metrics continues the Company's practice of aligning its targets with the Paris Agreement's every five-year global stock-take. Successfully achieving these emission reduction metrics is linked to most Company employees' variable compensation.

The Company believes that continued or increased fossil fuel production by the most efficient and responsible producers is not inconsistent with a decrease in overall fossil fuel emissions. If demand shifts to products from the most efficient producers, then companies like the Company could see an increase in their Scope 3 emissions, while overall global emissions decrease. The Company does not support establishing targets associated with the use of the Company's products (emissions related to the energy demand of consumers) as this would only shift demand to other (and likely less responsible) producers and would require a portfolio change away from the Company's competitive strengths of efficiently producing hydrocarbons. The Company supports well-designed policy frameworks, including a price on carbon, as the most efficient way to reduce overall Scope 3 emissions. The Company supports transparency and has been reporting Scope 3 emissions from the use of its products for nearly two decades.

The Company's Board of Directors and senior management believe that the Company's actions and reporting are appropriate, and that the Company's strategy for managing GHG emissions well positions the Company to address future opportunities and risks.

C. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Seeks To Micromanage The Company

The Proposal seeks to change the Company's complex GHG emissions management strategy by "impos[ing] a specific strategy, method, action, outcome or timeline for addressing an issue" and "prescrib[ing] specific timeframes." SLB 14K. Specifically, in order to "curb[] climate change," the Proposal directs the Company to implement a specific GHG emissions strategy ("substantially reduc[ing]" the Company's Scope 3 GHG emissions levels) on a specific timeline ("in the medium- and long-term future"). Although the Proposal claims that "nothing in this resolution shall serve to micromanage the Company by seeking to impose methods for implementing complex policies," the Proposal has already decided on the one specific method that the Company must follow to "curb[] climate change."

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[2] Scope 1 refers to direct emissions from sources within a facility. Scope 2 refers to indirect emissions from imported electricity and steam. Scope 3 emissions include all other indirect emissions, of which the combustion of product (e.g., gasoline or diesel in cars and natural gas in electricity generation and industrial use) is considered the largest component.

As a result, the Proposal has the effect of asking the Company to set quantitative targets to reduce GHG emissions from its products. By prescribing targets that limit the use of the Company's products, which would likely require a portfolio change, the Proposal restricts the Company's discretion to pursue its existing GHG emissions management strategy, which, among other things, focuses on lowering the carbon intensity of production to address climate change. As a result, and as supported by the precedent discussed below, the Proposal impermissibly micromanages the Company and thus is excludable under Rule 14a-8(i)(7).

Consistent with the guidance in the 1998 Release and as described in SLB 14J and SLB 14K, the Staff has consistently concurred that stockholder proposals similar to the Proposal that seek to direct how a company evaluates complex policies and impose specific prescriptive methods to implement those policies attempt to micromanage a company and are excludable under Rule 14a-8(i)(7). For example, in *EOG Resources, Inc.* (avail. Feb. 26, 2018 *recon. denied* Mar. 12, 2018), the Staff concurred with the exclusion of a stockholder proposal requesting that the company "adopt company-wide, quantitative, time-bound targets for reducing [GHG] emissions and issue a report, at reasonable cost and omitting proprietary information, discussing its plans and progress towards achieving these targets." Even though the stockholder proposal did not specify a time frame for achieving those targets, the Staff concurred that the proposal "micromanage[d] the [c]ompany by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." Similarly, in *Wells Fargo & Co.* (avail. Mar. 5, 2019), the Staff concurred with the exclusion of a stockholder proposal requesting that the company "adopt a policy for reducing the greenhouse gas emissions resulting from its loan and investment portfolios to align with the Paris Agreement's goal of maintaining global temperatures substantially below 2 degrees Celsius, and issue annual reports . . . describing targets, plans and progress under this policy." In its response, the Staff noted:

> In our view, the [p]roposal would require the [c]ompany to manage its lending and investment activities in alignment with the goals of the Paris Agreement of maintaining global temperatures substantially below 2 degrees Celsius. By imposing this overarching requirement, the [p]roposal would micromanage the [c]ompany by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors.

See also The Goldman Sachs Group, Inc. (avail. Mar. 12, 2019) (same).

The express language of the Proposal is more prescriptive than the proposals in *EOG*, *Wells Fargo* and *The Goldman Sachs Group* because, as discussed above, it expressly

dictates a specific method and outcome: addressing climate change by requiring a substantial reduction in the quantity of the Company's Scope 3 emissions. Notably, the Proposal does not ask if and how, or whether, the Company will reduce its carbon footprint, help "curb[] climate change" or reduce GHG emissions.[3] Instead, the Proposal requires that the Company take action to address its carbon footprint by reducing its GHG footprint and specifically by "significantly" reducing Scope 3 emissions—despite there being other methods and strategies for "reducing GHG emissions to levels consistent with curbing climate change," which the Company addresses in a different manner. Additionally, the Proposal prescribes a particular timeline for achieving the desired outcome of "reducing GHG emissions to levels consistent with curbing climate change." As discussed above in Section B, the Company has gone to great lengths to develop the Company's approach to managing the Company's GHG emissions strategy. By mandating that the Company "substantially reduce" its Scope 3 emissions "in the medium- and long-term," the Proposal impermissibly seeks to replace management's informed and reasoned judgments and imposes specific time-frames for doing so. Thus, as with the proposals in *EOG, Wells Fargo* and *Goldman Sachs*, the Proposal "micromanage[s] the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors."

The Proposal is also similar in substance and scope to other recent climate change-related precedent where the Staff concurred that a proposal was excludable because it impermissibly micromanaged the company. For example, in *Exxon Mobil Corp. (New York State Common Retirement Fund)* (avail. Apr. 2, 2019) and *Devon Energy Corp.* (avail. Mar. 4, 2019, *recon. denied* Apr. 1, 2019), the Staff concurred with the exclusion of substantially similar stockholder proposals requesting annual reports that "would require the [c]ompany to adopt [short-, medium- and long-term GHG] targets aligned with the goals established by the Paris Climate Agreement" as "micromanag[ing] the [c]ompany by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by [the companies'] board[s] of directors."

The Proposal parallels the proposals in *Exxon Mobil* and *Devon Energy*, each of which sought adoption of an emission strategy, including time-bound goals. Specifically, the Proposal requires adoption of a GHG emissions strategy to be measured in the medium- and long-term, thereby effectively requiring the adopting of quantitative, time-bound goals in order to achieve the requested substantial reduction of Scope 3 emissions. Despite the fact that the proposal in *Devon Energy* did not specifically define the time

[3] Accordingly, it disregards the significant actions the Company is already taking with respect to carbon sequestration and storage and technologies that lower emissions from other sources.

frames at issue (which is also the case with the Proposal), the Staff nonetheless determined that the proposal impermissibly micromanaged the company by "requiring the adoption of time-bound targets (short, medium and long) that the company would measure itself against and changes in operations to meet those goals, thereby imposing a specific method for implementing a complex policy." SLB 14K. Likewise, here the Proposal impermissibly micromanages the Company by effectively requiring the adoption of time-bound Scope 3 emissions goals (medium and long) that the Company would measure itself against and changes in operations to meet those goals. As such, the Proposal impermissibly micromanages the Company under Rule 14a-8(i)(7). *See also PayPal Holdings, Inc.* (avail. Mar. 6, 2018) (concurring with the exclusion of a stockholder proposal requesting that the company "prepare a report to shareholders that evaluates the feasibility of the [c]ompany achieving by 2030 'net-zero' emissions of greenhouse gases from parts of the business directly owned and operated by the [c]ompany . . . as well as the feasibility of reducing other emissions associated with the Company's activities," with the Staff noting that the stockholder proposal sought to "micro-manage the company by probing too deeply into matters of a complex nature"); *Deere & Co.* (avail. Dec. 27, 2017); *Apple Inc. (Jantz)* (avail. Dec. 21, 2017) (both concurring with the exclusion of a stockholder proposal requesting that the company prepare a report that sought to impose a specific time frame and method for implementing complex policies related to climate change where the company had already made complex business decisions related to that issue); *Apple Inc.* (avail. Dec. 5, 2016) (concurring with the exclusion of a stockholder proposal requesting that the company "generate a feasible plan for the [c]ompany to reach a net-zero GHG emission status by the year 2030 for all aspects of the business which are directly owned by the [c]ompany and major suppliers" where the company already had a plan to reduce its carbon footprint).

The Company is aware that the Staff has been unable to concur with the exclusion of climate change proposals under Rule 14a-8(i)(7) where the proposal, as drafted, is not overly prescriptive and the action requested provides significant management discretion. For example, in *Anadarko Petroleum Corp.* (avail Mar. 4, 2019), the proposal requested a report "describing if, and how, [the company] plans to reduce its total contribution to climate change and align its operations and investments with the Paris Agreement's goal . . . ." The Proposal is notably distinguishable because, rather than deferring to the Company to consider "if and how" or "whether" it can or will adopt a Paris-aligned strategy, the Proposal dictates the adoption of a specific emissions strategy: that the Company substantially reduce its Scope 3 emissions as measured in both the medium- and long-term. Unlike in *Anadarko Petroleum*, where the proposal deferred to management's discretion to consider "if and how" the company could reduce its carbon footprint, here the Proposal leaves no other option for reducing the Company's GHG emissions but to adopt quantitative goals that would substantially reduce the Company's

Scope 3 emissions in the medium and long-term. Even where the supporting statement in *Anadarko Petroleum* set forth a list of actions to consider, it did so without actually directing the company to undertake those actions. As described above, the language used in the Proposal affords the Company no similar discretion and therefore impermissibly micromanages the Company such that relief is appropriate.

Additionally, outside of the climate change context, the Staff consistently has concurred that stockholder proposals like the Proposal that attempt to micromanage a company by providing specific details for implementing a proposal as a substitute for the judgment of management are excludable under Rule 14a-8(i)(7). *See Amazon.com, Inc. (Sacks)* (avail. Mar. 27, 2020) (concurring with the exclusion of a proposal requesting the company have a department category on its website concerning sustainability products to address climate change); *RH* (avail. May 11, 2018) (concurring with the exclusion of a proposal requesting that the board enact a policy that would ensure no down products were sold by the company, noting that "the [p]roposal micromanages the company by seeking to impose specific methods for implementing complex policies"); *SeaWorld Entertainment, Inc.* (avail. Mar. 30, 2017, recon. denied Apr. 17, 2017) (concurring with the exclusion of a proposal requesting the replacement of live orca exhibits with virtual reality experiences as micromanagement); *Marriott International, Inc.* (avail. Mar. 17, 2010, *recon. denied* Apr. 19, 2010) (concurring with the exclusion of a proposal requiring the installation of low-flow showerheads at certain of the company's hotels, noting that "although the proposal raises concerns with global warming, the proposal seeks to micromanage the company to such a degree that exclusion of the proposal is appropriate").

Finally, the Proposal's attempt to disclaim micromanagement does not negate that fact that the Proposal is overly prescriptive. In this regard, we note that the Proposal states "[t]o allow maximum flexibility, nothing in this resolution shall serve to micromanage the Company by seeking to impose methods for implementing complex policies in place of the ongoing judgement of management as overseen by its board of directors." However, the foregoing language is not a cure and does not, by its mere presence, resolve the Proposal's prescriptive nature. For the reasons noted above, the actual language used in the Proposal limits the Company's flexibility to implement the Company's GHG emissions management strategy and impermissibly seeks to micromanage the Company by seeking to impose a specific method for implementing complex policies in place of the ongoing judgement of management. Consistent with well-established precedent, including *EOG Resources*, Wells *Fargo*, *Devon Energy*, *Exxon Mobil*, and the Staff's guidance in SLB 14K, the Proposal is properly excludable under Rule 14a-8(i)(7) because it dictates the particular Company strategy to be implemented.

II. Alternatively, The Proposal May Be Excluded Under Rule 14a-8(i)(11) Because It Substantially Duplicates The Taggart Proposal, Which Was Received Earlier.

A. Background

The Company initially received the Taggart Proposal in June 2020, and in amended form on August 5, 2020, which is before the Company received the Proposal on December 4, 2020. *See* Exhibit B. Please note that the Company has separately submitted a no-action request asking the Staff to concur that the Taggart Proposal can be excluded for other reasons.

The Taggart Proposal states:

> **RESOLVED:** Investors seek a report on the Scope Three emissions from *Chevron's* Liquid Natural Gas operations and how the company plans to offset, pay carbon taxes on or eliminate via technology these emissions to meet post-2050 Paris Accord carbon emission reduction goals to which Chevron is publicly committed and fellow oil major British Petroleum has pledged to meet.

B. Analysis

Rule 14a-8(i)(11) provides that a stockholder proposal may be excluded if it "substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." The Commission has stated that "the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." 1976 Release.

The standard that the Staff has traditionally applied for determining whether a proposal substantially duplicates an earlier received proposal is whether the proposals present the same "principal thrust" or "principal focus." *See Pacific Gas & Electric Co.* (avail. Feb. 1, 1993). A proposal may be excluded as substantially duplicative of another proposal despite differences in terms or breadth and despite the proposals requesting different actions. *See, e.g.*, *Exxon Mobil Corp.* (avail. Mar. 13, 2020) (concurring with the exclusion of a proposal as substantially duplicative where the Staff explained "the two proposals share a concern for seeking additional transparency from the [c]ompany about its lobbying activities and how these activities align with the [c]ompany's expressed policy positions" despite the proposals requesting different actions); *Wells Fargo & Co.* (avail. Feb. 8, 2011) (concurring with the exclusion of a proposal seeking a

review and report on the company's loan modifications, foreclosures and securitizations as substantially duplicative of a proposal seeking a report that would include "home preservation rates" and "loss mitigation outcomes," which would not necessarily be covered by the other proposal); *Chevron Corp.* (avail. Mar. 23, 2009, *recon. denied* Apr. 6, 2009) (concurring with the exclusion of a proposal requesting that an independent committee prepare a report on the environmental damage that would result from the Company's expanding oil sands operations in the Canadian boreal forest as substantially duplicative of a proposal to adopt goals for reducing total GHG emissions from the company's products and operations); *Bank of America Corp.* (avail. Feb. 24, 2009) (concurring with the exclusion of a proposal requesting the adoption of a 75% hold-to-retirement policy as subsumed by another proposal that included such a policy as one of many requests); *Ford Motor Co. (Leeds)* (avail. Mar. 3, 2008) (concurring with the exclusion of a proposal to establish an independent committee to prevent Ford family stockholder conflicts of interest with non-family stockholders as substantially duplicative of a proposal requesting that the board take steps to adopt a recapitalization plan for all of the company's outstanding stock to have one vote per share).

The principal thrust and focus of the Proposal and the Taggart Proposal are the same: directing the Company's GHG emissions management program to reduce Scope 3 GHG emissions. Although the requests are slightly different—the Proposal seeks a substantial reduction in the Company's Scope 3 emissions, while the Taggart Proposal addresses the Company reporting on achieving carbon emission reduction goals with respect to certain of the Company's Scope 3 emissions—the principal thrust and focus of each is that the Company include the reduction of Scope 3 GHG emissions in its overall GHG emissions management program. For example, the Taggart Proposal asks for a report on the Scope 3 emissions of the Company's Liquid Natural Gas ("LNG") operations and how those will be addressed to "meet post-2050 Paris Accord *carbon emission reduction goals*" (*i.e.*, by "offset[ting], pay[ing] carbon taxes on or eliminat[ing] via technology *these emissions*") (emphasis added). Similarly, the Proposal refers to the Company's actions and strategy for "reducing GHG emissions," and specifically requests that the Company address the Scope 3 emissions of its energy products by "substantially reduc[ing]" them.

Moreover, other language in the Proposals demonstrates that they share the same focus:

- *Both Proposals express concern for the financial risks of climate change.* The Proposal repeatedly refers to the need to "protect our assets against devastating climate change," and notes that "[c]limate-related risks are a source of financial risk." Similarly, the Taggart Proposal notes "financial risk from broadening carbon pricing," the impact of "climate change in investment decisions" and the Company's expenditures and net income.

- *Both Proposals address Scope 3 emissions in the context of broad emissions reductions*. The Proposal "encourage[s] [the Company] to reduce *emissions*," refers to "support[ing] oil and gas companies to change course; to substantially reduce *emissions*," and notes that "[a]n increasing number of investors insist on reductions of *all emissions*" and are "uniting behind visible and unambiguous support for reductions of *all emissions*" (emphasis added). Similarly, the Taggart Proposal addresses the role of LNG's Scope 3 emissions within the overall scope of how the Company will "meet post-2050 Paris Accord carbon emission reduction goals" and contrasts "*set[ting] internal Scope Three targets*" with the Company's inclusion of "unspecified internal carbon emission reduction incentives" (emphasis added).

- *Both Proposals address an anticipated energy transition.* The Proposal anticipates there will be an "energy transition" for the Company to participate in, while the Taggart Proposal identifies possible "displacement risk" to LNG from cheaper alternative energies ("falling cost renewable energy") and refers to "researchers [who] now conclude wind and solar [energies] will out-compete" LNG.

- *Both Proposals refer to the actions of competitors.* Both Proposals note emissions reduction commitments adopted by BP, as the Proposal notes that BP and other companies "have already adopted Scope 3 ambitions," and the Taggart Proposal notes "fellow oil major British Petroleum has pledged to meet" post-2050 Paris Accord carbon emission reduction goals.

Moreover, while the Proposal and the Taggart Proposal request slightly different actions, that does not change the fact that they have the same principal focus. In this regard, the Proposal and the Taggart Proposal are similar to the proposals at issue in *Exxon Mobil Corp.* (avail. Mar. 8, 2017), where the Staff concurred with the exclusion of a proposal requesting that the company "summariz[e] strategic options or scenarios for aligning its business operations with a low carbon economy (such as International Energy Agency's 450 climate change scenario)" because it substantially duplicated a prior proposal requesting that the company publish an "annual assessment of the long-term portfolio impacts of technological advances and global climate change policies" that (i) "analyze[d] the impacts on [the company's] oil and gas reserves and resources under a scenario in which reduction in demand results from carbon restrictions and related rules or commitments adopted by governments," (ii) "assess[ed] the resilience of the company's full portfolio of reserves and resources through 2040 and beyond," and (iii) "address[ed] the financial risks associated with such a scenario." Exxon Mobil successfully argued that "although the [proposals] differ in their precise presentation of the issue, the principal thrust of each requests the [c]ompany to prepare and publish a

report concerning the impact of lower demand on carbon resulting from climate change and related regulations on the [c]ompany's assets and operations." Similarly, in *Ford Motor Co.* (avail. Feb. 19, 2004), the Staff concurred that Ford could exclude a proposal requesting that the company "*adopt* (as internal corporate policy) *goals concerning fuel mileage or [GHG] emissions reductions* similar to those which would be achieved by meeting or exceeding the highest standards contained in recent congressional proposals" because it substantially duplicated a prior proposal requesting that the company "report to shareholders . . . (a) performance data from the years 1994 through 2003 and ten-year projections of *estimated total annual [GHG] emissions from its products in operation*; (b) *how the company will ensure competitive positioning* based on emerging near and long-term GHG regulatory scenarios at the state, regional, national and international levels; (c) *how the [c]ompany can significantly reduce [GHG] from its fleet of vehicle products* (using a 2003 baseline) by 2013 and 2023" (emphasis added). Ford successfully argued that "although the terms and the breadth of the two proposals are somewhat different, the principal thrust and focus are substantially the same, namely to encourage the [c]ompany to adopt policies that reduce greenhouse gas emissions in order to enhance competitiveness." *See also Chevron Corp.* (avail. Mar. 28, 2019) (concurring with the exclusion of a proposal requesting disclosure of quantitative "targets aligned with the greenhouse gas reduction goals established by the Paris Climate Agreement" as substantially duplicating a proposal asking that the Company report on steps it can take to reduce its carbon footprint); *Exxon Mobil Corp. (Neva Rockefeller Goodwin)* (avail. Mar. 19, 2010) (concurring with the exclusion of a proposal requesting a report on how reduced demand for fossil fuels would affect the company's long-term strategic plan as substantially duplicative of a proposal asking for a report to assess the financial risks associated with climate change where the company argued "both seek an assessment of and report on the risks that the [c]ompany faces as a result of climate change and the [b]oard's related activities").

Here, the Proposals have the same principal thrust and focus: directing the Company's GHG emissions management program to reduce Scope 3 GHG emissions. The Proposal requests that the Company reduce Scope 3 emissions (*i.e.*, those of its energy products). The Taggart Proposal requests that the Company report on the Scope 3 emissions related to its LNG operations and *how* they will be addressed in the Company's strategy to meet "carbon emission reduction goals." As demonstrated in the precedent above, the Proposals' shared focus is not changed by these variations in the nature of each request or their scope. Finally, because the Proposal substantially duplicates the Taggart Proposal, if the Company were required to include both Proposals in its proxy materials, there is a risk that the Company's stockholders would be confused when asked to vote on both. As noted above, the purpose of Rule 14a-8(i)(11) "is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." 1976 Release.

Accordingly, the Company believes that the Proposal may be excluded as substantially duplicative of the Taggart Proposal.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287, or Christopher A. Butner, the Company's Assistant Secretary and Supervising Counsel, at (925) 842-2796.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Christopher A. Butner, Chevron Corporation
Mark van Baal, Follow This

EXHIBIT A

From: Mark van Baal | Follow This <markvanbaal@follow-this.org>
Sent: Friday, December 04, 2020 5:23 AM
To: Francis, Mary A. (MFrancis) <MFrancis@chevron.com>; Butner, Christopher A (CButner) <CButner@chevron.com>
Cc: Rubio, Michael <MichaelRubio@chevron.com>; maartenvandeweijer@follow-this.org; Betsy Middleton <betsymiddleton@follow-this.org>
Subject: [**EXTERNAL**] Shareholder proposal for 2021 annual meeting

Dear Mary and Chris,

We hope this mail finds you well in these extraordinary times.

We hereby submit the attached shareholder resolution for inclusion in the proxy materials of the 2021 AGM.

Attached to this email are:
• One document containing a cover letter, the shareholder resolution, and proof of ownership from our broker.
• Digital signature logs for verification of the signed documents.

We look forward to hearing from you soon.

Kindly confirm receipt of this e-mail.

For now: have a nice weekend.

With best regards, Mark

Mark van Baal | Follow This | + 31 6 22 42 45 42

04 December 2020

Mary Francis
Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583, USA
cc: Christopher Butner, Michael Rubio

Re: Shareholder proposal for 2021 annual meeting

Dear Ms. Francis,

We submit the enclosed shareholder proposal for inclusion in the proxy statement that Chevron Corporation plans to circulate to shareholders in anticipation of the 2021 annual meeting. The proposal is being submitted in accordance with SEC Rule 14a-8 and relates to climate change policies.

Follow This is located at Anthony Fokkerweg 1, 1059 CM Amsterdam, The Netherlands. Follow This has beneficially owned more than $2,000 worth of Chevron common stock for longer than a year.

A letter from BinckBank, the record holder, confirming that ownership, is enclosed. Follow This intends to continue ownership of at least $2,000 worth of Chevron common stock through the date of the 2021 annual meeting, which a representative is prepared to attend.

We would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please advise.

Sincerely,

Mark van Baal

Mark van Baal
Founder-Director
Follow This

Attachments: Shareholder proposal, proof of ownership documentation

Resolution at 2021 AGM of Chevron Corporation ("the company")

Filed by Follow This

WHEREAS: We, the shareholders, must protect our assets against devastating climate change, and we therefore support companies to substantially reduce greenhouse gas (GHG) emissions.

RESOLVED: Shareholders request the Company to substantially reduce the greenhouse gas (GHG) emissions of their energy products (Scope 3) in the medium- and long-term future, as defined by the Company.

To allow maximum flexibility, nothing in this resolution shall serve to micromanage the Company by seeking to impose methods for implementing complex policies in place of the ongoing judgement of management as overseen by its board of directors.

You have our support.

SUPPORTING STATEMENT: The policies of the energy industry are crucial to curbing climate change. Therefore, shareholders support oil and gas companies to change course; to substantially reduce emissions.

Fiduciary duty

As shareholders, we understand this support to be part of our fiduciary duty to protect all assets in the global economy from devastating climate change. Climate-related risks are a source of financial risk, and therefore limiting global warming is essential to risk management and responsible stewardship of the economy.

We therefore support the Company to reduce the emissions of their energy products (Scope 3). Reducing emissions from the use of energy products is essential to limiting global warming.

An increasing number of investors insist on reductions of all emissions

Shell, BP, Equinor, and Total have already adopted Scope 3 ambitions. Backing from investors that insist on reductions of all emissions continues to gain momentum; in 2020, an unprecedented number of shareholders voted for climate resolutions. It is evident that a growing group of investors across the energy sector is uniting behind visible and unambiguous support for reductions of all emissions.

Nothing in this resolution shall limit the Company's powers to set and vary their strategy or take any action which they believe in good faith would best contribute to reducing GHG emissions.

We believe that the Company could lead and thrive in the energy transition. We therefore encourage you to reduce emissions, inspiring society, employees, shareholders, and the energy sector, and allowing the company to meet an increasing demand for energy while reducing GHG emissions to levels consistent with curbing climate change.

You have our support.

BinckBank N.V.
Barbara Strozzilaan 310
Postbus 75047
1070 AA Amsterdam
T (020) 606 26 66
E info@binck.nl
I www.binckbank.nl

BINCK*BANK

Subject: Proof of ownership for submission of shareholder proposal for 2021 AGM

Date: Dec 4, 2020

To whom it may concern,

We write in connection with the shareowner proposal submitted by Follow This. This will confirm that on the date the proposal was submitted, the shareholder beneficially held at least $2,000.00 of stock in your company to be eligible to submit a proposal as per SEC regulation and relevant law. The shares have been held since at least December 01, 2019 through the present date. The position of Follow This is listed below:

ISIN-code	Company	Number of Shares
US1667641005	Chevron	26

For purposes of Depository Trust Company (DTC) participant confirmation, these shares are held for BinckBank by Pershing International Nominees Limited, Pershing Nominees Limited, Pershing Securities Limited or Pershing Limited, wholly owned subsidiaries of The Bank of New York Mellon Corporation (BNY Mellon).

Per the contractual agreement between BinckBank and Pershing, Pershing, as BinckBank's DTC provider, holds at least the above listed number of shares in your company in BinckBank's account on behalf of BinckBank as record holder in your company.

Accordingly, Pershing, as BinckBank's DTC provider and record holder, holds, and has continuously held, on behalf of BinckBank, at least the above listed amount of shares in your company since at least December 01, 2019 through the present day.

Sincerely,

Stephan Lugtenburg
Business Leader Client Services

SignRequest

Signing Log

Document ID: W3JK4QP4

info@follow-this.org

Document name:	Binck - Proof of ownership - Chevron SHA256 security hash: 45af7ba993ecb32fb426f5e87cb6936ce3251b3a0808fc4f282a9ba939193ac8
Sent on:	Dec. 2, 2020, 2:48 p.m. (UTC)
From:	SignRequest <no-reply@signrequest.com> on behalf of (info@follow-this.org)
To:	slugtenburg@binck.nl
Subject:	info@follow-this.org has sent you a SignRequest
Message:	

> Dear Stephan,
>
> Could you kindly sign this Friday afternoon?
>
> Sincerely,
>
> McKenzie Ursch

IP address:	77.165.172.29
User agent:	Mozilla/5.0 (Macintosh; Intel Mac OS X 10_14_6) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/87.0.4280.67 Safari/537.36

info@follow-this.org

Email address verification:	Verified by SignRequest

slugtenburg@binck.nl

Email address verification:	Verified by SignRequest
Signature added, page 1:	
Text added, page 1:	Dec 4, 2020
IP address:	185.16.141.5
User agent:	Mozilla/5.0 (Windows NT 10.0; Win64; x64) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/70.0.3538.102 Safari/537.36 Edge/18.18363
Document signed:	Dec. 4, 2020, 12:55 p.m. (UTC)

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Signing Log

Document ID: 92KJ11J8

info@follow-this.org

Document name:	Chevron - Cover letter - Follow This.pdf SHA256 security hash: 77ac42c1fb79d7e4e74e7d54ed603263a0cd1d6dc665ffca4251cf2b556f3623
Sent on:	Dec. 4, 2020, 12:36 p.m. (UTC)
From:	SignRequest <no-reply@signrequest.com> on behalf of (info@follow-this.org)
To:	markvanbaal@follow-this.org
Subject:	info@follow-this.org has sent you a SignRequest
Message:	

> Mark,
>
> Could you double check and sign AUB?
>
> mvg
>
> Mck

IP address:	87.214.117.142
User agent:	Mozilla/5.0 (Macintosh; Intel Mac OS X 10_14_6) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/87.0.4280.67 Safari/537.36

info@follow-this.org

Email address verification:	Verified by SignRequest

markvanbaal@follow-this.org

Email address verification:	Verified by SignRequest
Signature added, page 1:	
IP address:	83.219.72.138
User agent:	Mozilla/5.0 (Macintosh; Intel Mac OS X 10_13_6) AppleWebKit/605.1.15 (KHTML, like Gecko) Version/13.1.2 Safari/605.1.15
Document signed:	Dec. 4, 2020, 12:37 p.m. (UTC)

From:	Butner, Christopher A (CButner)
To:	Mark van Baal | Follow This
Cc:	maartenvandeweijer@follow-this.org; Betsy Middleton
Subject:	RE: [**EXTERNAL**] Shareholder proposal for 2021 annual meeting
Date:	Monday, December 14, 2020 1:54:53 PM
Attachments:	image001.png Follow This 12 14 20.pdf

Mark, please see the attached.

Best regards,
Chris

Christopher A. Butner
Assistant Secretary and Securities/Corporate Governance Counsel

December 14, 2020

Sent via email and overnight delivery:

markvanbaal@follow-this.org

Mark van Baal
Follow This
Anthony Fokkerweg 1
1059 CM Amsterdam, The Netherlands

Re: Stockholder Proposal

Dear Mr. Van Baal,

On December 4, 2020, we received by email your letter submitting a stockholder proposal on behalf of Follow This (the "Proponent") for inclusion in Chevron's proxy statement and proxy for its 2021 annual meeting of stockholders. By way of rules adopted pursuant to the Securities Exchange Act of 1934, the U.S. Securities and Exchange Commission has prescribed certain procedural and eligibility requirements for the submission of proposals to be included in a company's proxy materials. I write to provide notice of certain defects in your submission, specifically proof of ownership of Chevron stock.

Pursuant to Exchange Act Rule 14a-8(b), to be eligible to submit a proposal, the Proponent must be a Chevron stockholder, either as a registered holder or as a beneficial holder (i.e., a street name holder), and must have continuously held at least $2,000 in market value or 1% of Chevron's shares entitled to be voted on the proposal at the annual meeting for at least one year as of the date the proposal is submitted. Chevron's stock records for its registered holders do not indicate that the Proponent is a registered holder. Exchange Act Rule 14a-8(b)(2) and SEC staff guidance provide that if the Proponent is not a registered holder the Proponent must prove share position and eligibility by submitting to Chevron either:

1. a written statement from the "record" holder of the Proponent's shares (usually a broker or bank) verifying that the Proponent has continuously held the required value or number of shares for at least the one-year period preceding and including the date the proposal was submitted, which was December 4, 2020; or

2. a copy of a filed Schedule 13D, Schedule 13G, Form 3, Form 4, Form 5, or amendments to those documents or updated forms, reflecting Proponent

Corporate Governance
Chevron Corporation
6001 Bollinger Canyon Road T3188, San Ramon CA 94583
Tel 925 842 2796 Fax 925 842 2846

ownership of the required value or number of shares as of or before the date on which the one-year eligibility period begins and any subsequent amendments reporting a change in ownership level, along with a written statement that the Proponent has owned the required value or number of shares continuously for at least one year as of the date the proposal was submitted (December 4, 2020).

Your letter did not include sufficient proof of the Proponent's ownership of Chevron stock because the proof of ownership dated December 4, 2020 was signed by BinckBank, and BinckBank is not a DTC participant; further although this proof of ownership states that "BinckBank's DTC provider" is "Pershing International Nominees Limited, Pershing Nominees Limited, Pershing Securities Limited or Pershing Limited," we did not receive any proof of the Proponent's ownership of Chevron stock from any of these entities. By this letter, I am requesting that you provide to us acceptable documentation that the Proponent has held the required value or number of shares to submit a proposal continuously for at least the one-year period preceding and including the December 4, 2020 date the proposal was submitted.

In this regard, I direct your attention to the SEC's Division of Corporation Finance Staff Legal Bulletin No. 14 (at C(1)(c)(1)-(2)), which indicates that, for purposes of Exchange Act Rule 14a- 8(b)(2), written statements verifying ownership of shares "must be from the record holder of the shareholder's securities, which is usually a broker or bank." Further, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.), and the Division of Corporation Finance advises that, for purposes of Exchange Act Rule 14a-8(b)(2), only DTC participants or affiliates of DTC participants "should be viewed as 'record' holders of securities that are deposited at DTC." (Staff Legal Bulletin No. 14F at B(3) and No. 14G at B(1)-(2)). (Copies of these and other Staff Legal Bulletins containing useful information for proponents when submitting proof of ownership to companies can be found on the SEC's web site at: http://www.sec.gov/interps/legal.shtml.) You can confirm whether the Proponent's broker or bank is a DTC participant by asking the broker or bank or by checking DTC's participant list, which is available at http://www.dtcc.com/~/media/Files/Downloads/client-center/DTC/alpha.pdf

Please note that because BinckBank (the Proponent's broker or bank) is not a DTC participant, you need to submit proof of ownership from the DTC participant (which BinckBank states is "Pershing International Nominees Limited, Pershing Nominees Limited, Pershing Securities Limited or Pershing Limited") through which the shares are held verifying that the Proponent has continuously held the requisite number of Chevron shares for at least the one-year period preceding and including the date the proposal was submitted (December 4, 2020). You should be able to find out or confirm the identity of the DTC participant by asking the Proponent's broker or bank. If the broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements, because the clearing broker identified on the account statements will generally be a DTC participant.

Consistent with the above, if the Proponent intends to demonstrate ownership by submitting a written statement from the "record" holder of the Proponent's shares, please provide to us a written statement from the DTC participant record holder of the Proponent's shares verifying (a) that the DTC participant is the record holder, (b) the number of shares held in the Proponent's name, and (c) that the Proponent has continuously held the required value or number of Chevron shares for at least the one-year period preceding and including the December 4, 2020 date the proposal was submitted. Additionally, if the DTC participant that holds the Proponent's shares is not able to confirm individual holdings but is able to confirm the holdings of the Proponent's broker or bank, then the Proponent will need to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that, for at least the one-year period preceding and including the date the proposal was submitted (December 4, 2020), the requisite number of Chevron shares were continuously held. The first statement should be from the Proponent's broker or bank confirming the Proponent's ownership. The second statement should be from the DTC participant confirming the broker or bank's ownership.

Your response may be sent to my attention by U.S. Postal Service or overnight delivery at the address above or by email (cbutner@chevron.com). Pursuant to Exchange Act Rule 14a-8(f), your response must be postmarked or transmitted electronically no later than 14 days from the date you receive this letter.

Copies of Exchange Act Rule 14a-8 and Staff Legal Bulletin No. 14F are enclosed for your convenience. Thank you, in advance, for your attention to this matter.

Sincerely,

Christopher A. Butner

From: Mark van Baal | Follow This <markvanbaal@follow-this.org>
Sent: Tuesday, December 15, 2020 5:29:50 AM
To: Butner, Christopher A (CButner) <CButner@chevron.com>
Cc: maartenvandeweijer@follow-this.org <maartenvandeweijer@follow-this.org>; Betsy Middleton <betsymiddleton@follow-this.org>
Subject: [**EXTERNAL**] Re: Shareholder proposal for 2021 annual meeting

Dear Chris,

Thank you so much for your e-mail, and for clarifying what exactly is needed. Please find attached the requested documentation: proof of ownership of the DTC participant of our broker, BinckBank.

Kindly confirm receipt of this letter.

Could you subsequently let us know if we now rectified all deficiencies and that our shareholder proposal is now eligible.

We look forward to hearing from you and discuss the content of our proposal.

With best regards, Mark

Pershing

One Pershing Plaza
Jersey City, New Jersey 07399
pershing.com

December 8, 2020

OWNERSHIP LETTER

RE: CHEVRON CORP NEW COM

To whom it may concern:

This letter certifies that BINCKBANK N.V. has held at least 26 shares of CHEVRON CORP NEW COM, CUSIP 166764100, continuously from November 25, 2019 up to and including December 7, 2020. The shares are held at DTCC participant number 443 on behalf of Pershing LLC as Custodian.

SIGNATURE GUARANTEED
MEDALLION GUARANTEED
PERSHING LLC
AUTHORIZED SIGNATURE
(4110) Z0004432
NYSE, INC MEDALLION SIGNATURE PROGRAM

Authorized Signature,

Joseph LaVara
Vice President

EXHIBIT B

Office of the Corporate Secretary
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583
Phone: (925) 842 1000

MAF
JUN 29 2020

Stewart Taggart
***

June 19, 2020

Dear Secretary

Enclosed please find a resolution below to be submitted to a vote by shareholders at the company's 2021 Annual General Meeting.

The resolution seeks elaboration on the competitive longevity of the company's Liquid Natural Gas (LNG) investments given the *Paris Accords'* objective of attaining 'net zero' global emissions post 2050. Such elaboration is critical for investors to make long-term fair value assessments for the company's shares if investors consider carbon emissions relevant to corporate valuation.

An expanding number of credible, independent parties routinely quantify 'social costs' of carbon. There's also an expanding history of traded market costs such as those from the *European Union Emissions Trading Scheme*, the *California Cap and Trade* system, the *US Regional Greenhouse Gas Initiative* and others.

What's missing is detailed discussion from companies in the Liquid Natural Gas industry how these credible and rising carbon price estimates generate substitution risk from renewable energy led by falling wind and solar prices, government mandated emissions reductions and/or civil society divestment pressure.

At the *Federal Energy Regulatory Commission (FERC),* commissioner Richard Glick and commissioner Cheryl LaFleur (during her time at *FERC*) both have stressed the merits of broadening *FERC's* focus from *Scope One* emissions to *Scopes Two* and *Three* in evaluating LNG projects. To this investor, it looks like writing on the wall.

Central bankers, multilateral institutions and ratings agencies also care. The *Bank of France* has created the *Network for Greening the Financial System.* The *International Monetary Fund* advises investors to take heed of climate change risks in investment decisions. *Moodys* warns climate change threatens fossil fuel producer creditworthiness.

If central bankers, *FERC,* the *IMF* and *Moodys* see issues, shareholders would be dilatory not see a few, too. Such shared interest between monetary and regulatory bodies as well as individual and institutional investors (like *Blackrock*) demonstrates resolutions like this are *not* efforts at 'micro-management' or frivolous interference.

They represent legitimate, existential longevity concerns requiring answers *in detail* and *with numbers.*

In sum, I seek more information about declining-value and obsolescence risks to the company's sunk and/ or proposed LNG investments as markets inevitably shift away from the company's LNG product over time.

Finally, given how early I have submitted this resolution, I may present a revised version later in the year depending upon events.

I have already contacted my share custodian. I will be confirming my shareholding in coming days date-marked after your *Fedex* receipt of this letter and the resolution. The *only* way to reach me is via email.

Sincerely,

Stewart Taggart

WHEREAS: *Chevron* sees global Liquid Natural Gas demand rising by 130% to 2035, and is considering new investments lasting beyond mid century.

But Liquid Natural Gas faces displacement risk from falling cost renewable energy, financial risk from broadening carbon pricing and technology risk from (among others) hydrogen.

As an Oil and Gas Climate Alliance member publicly aligned with the Paris Climate Accord, Chevron is committed to accelerating industry's response to climate change, including reaching net zero emissions after 2050.

But -- to cite one example -- Chevron's US$25 billion Gorgon Liquid Natural Gas project in Australia -- one of the world's largest energy projects -- is expected by Chevron to export fossil fuel until at least 2056, six years beyond 2050.

Meanwhile, Chevron is still considering *new* LNG investments with operating life spans potentially stretching to 2100.

Liquid Natural Gas' Scope Three (or life cycle) carbon emissions amount to roughly .66 tonnes of carbon per megawatt-hour equivalent of electricity generated, according to the US Department of Energy.

While that is roughly one-fifth lower than coal's Scope Three emissions of .8 tonnes per megawatt-hour equivalent, it is 16 times higher than solar's Scope Three emissions of .04 tonnes per megawatt-hour and 66 times higher than wind's Scope Three emissions of .01 tonnes per megawatt-hour, according to the *US Energy Department,* the *Union of Concerned Scientists* and others.

Those are large differences.

Pricing *Chevron's* Scope One (or internal) emissions at the US Social Cost of Carbon yields a number equal to a fifth of Chevron's net income, representing an uncounted negative externality that flatters Chevron's true financial performance.

Credible researchers (*Bloomberg New Energy Finance, Lazard, the International Energy Agency* and the *US Energy Department,* among others) now conclude wind and solar will out-compete Liquid Natural Gas by the mid-2030s in Scope Three carbon adjusted terms.

This matters because the *International Monetary Fund* now admonishes investors to take increasing heed of climate change in investment decisions.

Making things harder here is *Chevron's* refusal to set internal Scope Three targets, instead preferring unspecified internal carbon emission reduction incentives.

These look inadequate to meet post-2050 net zero targets, suggesting *Chevron* views such targets as either satisfiable though unspecified future offsets or likely to prove retroactively non-binding.

RESOLVED: Investors seek a report on the Scope Three emissions from *Chevron's* Liquid Natural Gas operations and how the company plans to offset, pay carbon taxes on or eliminate via technology these emissions to meet post-2050 Paris Accord net zero carbon emission goals to which Chevron has publicly committed and fellow oil major British Petroleum has pledged to meet.

MAF

AUG 05 2020

Stewart Taggart
***

Corporate Secretary
Chevron Corp
6001 Bollinger Canyon Road
San Ramon, CA 94583, USA
Telephone: +1 925.842.1000

Dear Secretary

Please accept the resolution below for a vote by shareholders at the company's 2021 Annual General Meeting. It will replace the one I filed recently but missed a deadline for proving share ownership.

The resolution seeks the company's views on the competitive longevity of the Liquid Natural Gas (LNG) industry and the company's LNG investments given the Paris Accord's 2C objective of attaining 'net zero' emissions after 2050.

Such insight is critical for investors to develop long-term fair value assessments for the company's shares should investors deem carbon emissions relevant to corporate valuation.

In coming days I will send confirmation of my company share holdings from *Fiduciary Trust Company International. JP Morgan*, DTC Participant #902, acting as custodian for *FTCI,* holds the shares in an 'omnibus structure' that does not allow identification of individual share holdings. As such, *JP Morgan* advises FTCI is the only party that can confirm my holding of the required number of shares for the required amount of time.

Should this prove insufficient, please include that in your no action request to the SEC. That way, the SEC can rule whether shares held by *JP Morgan* as custodian are ineligible for use in shareholder resolutions. It's an important clarification for investors to know.

I commit to holding my existing shares through the next Annual General Meeting and beyond. Given its early submission, I may update the resolution between now and the resolution filing deadline.

***

The best -- and ONLY way -- to contact me is by email at

Sincerely

Stewart Taggart

SHAREHOLDER RESOLUTION

WHEREAS: *Chevron* sees global Liquid Natural Gas demand rising by 130% to 2035, and is considering new investments lasting beyond mid century.

But Liquid Natural Gas faces displacement risk from falling cost renewable energy, financial risk from broadening carbon pricing and technology risk from (among others) hydrogen.

As an *Oil and Gas Climate Alliance* member publicly aligned with the *Paris Climate Accord*, *Chevron* is committed to accelerating industry's response to climate change, including reaching net zero emissions after 2050.

But -- to cite one example -- *Chevron's* US$25 billion *Gorgon* Liquid Natural Gas project in Australia,one of the world's largest energy projects -- is expected to export fossil fuel until at least 2056, six years beyond 2050.

Meanwhile, *Chevron* is considering *new* LNG investments with operating life spans potentially stretching to 2100.

Liquid Natural Gas' Scope Three (or life cycle) carbon emissions amount to roughly .66 tonnes of carbon per megawatt-hour equivalent of electricity generated, according to the US *Department of Energy.*

While that is about 14 percent lower than coal's emissions of .8 tonnes per megawatt-hour equivalent, it is 16 times higher than solar's .04 and 66 times higher than wind's .01 tonnes per megawatt-hour equivalent, according to the *Union of Concerned Scientists.*

Those are large differences.

Pricing Chevron's Scope One (or internal) emissions at the US Social Cost of Carbon, for example, yields a number equal to nearly 15-25% a fifth of Chevron's net income, an uncounted negative externality obscuring Chevron's true financial performance.

Credible researchers (*Bloomberg New Energy Finance, Lazard, the International Energy Agency* and the *US Energy Department,* among others) now conclude wind and solar will out-compete Liquid Natural Gas by the mid-2030s in Scope Three carbon adjusted terms.

The *International Monetary Fund* now admonishes investors to take increasing heed of climate change in investment decisions.

Making things harder here is *Chevron's* refusal to set internal Scope Three targets, instead preferring unspecified internal carbon emission reduction incentives.

These appear inadequate to meet post-2050 net zero targets, suggesting Chevron views such targets as satisfiable either though unspecified future offsets or likely to prove retroactively non-binding.

RESOLVED: Investors seek a report on the Scope Three emissions from *Chevron's* Liquid Natural Gas operations and how the company plans to offset, pay carbon taxes on or eliminate via technology these emissions to meet post-2050 Paris Accord carbon emission reduction goals to which Chevron is publicly committed and fellow oil major British Petroleum has pledged to meet.