



September 22, 2020

On September 15, 2020, Chevron received a request from Israeli Petroleum Commissioner Yossi Wurzbarger inquiring on the accidents and incidents of environmental pollution claimed against the company since 2010. In response, Chevron prepared this report to provide an overview of environmental payments [REDACTED]

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The information in this report is intended to be responsive to the Petroleum Commissioner's inquiry, is limited to the scope discussed between Chevron representatives and the Petroleum Commissioner staff, and is derived from currently available information and summary in nature. The inclusion of information herein is not indicative that such matters are, individually or collectively, material to Chevron or any of its subsidiaries. This report was not prepared with a view toward disclosure to any party other than the Petroleum Commissioner, including whether pursuant to any applicable law, regulation or administrative or judicial proceeding or for any other reason.

For the last 140 years, Chevron has safely and responsibly produced reliable, affordable, ever-cleaner energy enabling human progress globally. After nearly a century and a half in business, the company has operated and partnered with governments in over 100 countries. Over the last ten years, the company has produced more than 9.9 billion barrels of net oil equivalent, and we have done so with an unwavering commitment to protecting people and the environment.

Chevron reports publicly a number of environmental, health and safety indicators. In our annual Sustainability Report, we include the number and cost associated with environmental, health and safety fines paid, and settlements entered on an equity basis over five years. More specifically, the table below includes the fines/penalties/payments (referred to as payments) paid over the past ten years (2010 – 2019) as reported by Chevron's operated global upstream businesses. We have used a threshold for inclusion of \$100,000 USD, which is consistent with current environmental penalty disclosure requirements for U.S. Securities and Exchange Commission filings. The table shows the breakdown of payments made for each category of environmental event by year.

Year	Total	Air	Crude Oil release	Flaring	Gas Leak	Environmental Multimedia*	Sulfur Mgt.	Other*	Waste Mgt.	Wastewater Discharge
2010	5			1		3		1		
2011	4							4		
2012	28	3	2	19		1		1	1	1

Year	Total	Air	Crude Oil release	Flaring	Gas Leak	Environmental Multimedia*	Sulfur Mgt.	Other*	Waste Mgt.	Wastewater Discharge
2013	25	1		23				1		
2014	29			24	1	1		3		
2015	8			4		3		1		
2016	9		1	8						
2017	7			4				3		
2018	2			1				1		
2019	1						1			
Total	118	4	3	84	1	8	1	15	1	1

*Environmental Multimedia is defined as a payment made for multiple environmental issues, which could include air, water, waste, etc.

*Other is defined as unspecified environmental matters as reported by our business.

The 118 payments made over the past ten years are attributed to oil production operations; with 110 of the payments levied by Kazakhstan against our onshore oil operations. Of the 110, 83 were flaring payments levied as emission taxes by the Kazakhstan regulatory authority primarily due to flaring events from equipment malfunctions. Unlike practices in other Organisation for Economic Co-operation and Development countries, Kazakhstan environmental authorities mostly use the indirect method of environmental damage assessment, which is based on pre-established formulas and does not require proof of actual damage to the environment.

Flaring represent more than 50% of the total payments made over the ten-year period. Crude oil releases are approximately 10% of the amount paid and are isolated to three incidents in offshore Brazil oil production. The Other category accounts for just under 20% of the total paid.

In Kazakhstan, our joint venture partnership Tengizchevroil (TCO), has invested over \$3.2 billion since 2000 to eliminate continuous flaring and other environmental protection activities. In recognition of our flaring reduction efforts, in 2012 the World Bank's Gas Flaring Reduction Partnership awarded TCO the Excellence in Flaring Reduction Award.

In addition, over the past decade, Chevron has worked to significantly reduce flaring globally. Since 2016, the company has reduced its upstream flaring intensity by 45%. Methane intensity has a similar reduction trend, with 2019 upstream methane intensity 40% lower than 2016. These results are due to significant investments in infrastructure, technology and data access.

Chevron is proud of its environmental record and the many practices we've employed globally to demonstrate our Chevron Way value of protecting people and the environment.