

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 28, 2020

Chevron Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-00368

(Commission File Number)

94-0890210

(I.R.S. Employer
Identification No.)

6001 Bollinger Canyon Road, San Ramon, CA

(Address of Principal Executive Offices)

94583

(Zip Code)

Registrant's telephone number, including area code: **(925) 842-1000**

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common stock, par value \$.75 per share

Trading Symbol

CVX

Name of each exchange on which registered

New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers;
Compensatory Arrangements of Certain Officers.**

(e)

2020 Base Salaries

On January 29, 2020, the independent Directors of the Board of Directors (the “Board”) of Chevron Corporation (“Chevron”) conducted an annual review of the base salaries of Chevron’s executive officers. Following such review, the independent Directors of the Board approved an annual base salary of \$1,650,000 for Michael K. Wirth, Chairman and Chief Executive Officer, an increase of \$50,000, and ratified the decision of the Management Compensation Committee of the Board (the “Committee”) to increase the annual base salaries of the principal financial officer and the other named executive officers of Chevron identified in Chevron’s 2019 proxy statement (the “Named Executive Officers”), as follows: (i) Pierre R. Breber, Vice President and Chief Financial Officer, by \$20,000, resulting in an annual base salary of \$1,020,000; (ii) James W. Johnson, Executive Vice President, Upstream, by \$10,000, resulting in an annual base salary of \$1,210,000; and (iii) Joseph C. Geagea, Executive Vice President, Technology, Projects and Services, by \$20,000, resulting in an annual base salary of \$1,020,000. These base salary increases will be effective April 1, 2020.

2020 Equity Awards

On January 29, 2020, the independent Directors of the Board also approved the grant of 70,220 performance shares, 298,100 stock options, and 35,110 restricted stock units to Mr. Wirth and ratified the following grants by the Committee under the Long-Term Incentive Plan (“LTIP”): (i) Mr. Breber, 18,130 performance shares, 77,000 stock options, and 9,070 restricted stock units; (ii) Mr. Johnson, 23,550 performance shares, 100,000 stock options, and 11,770 restricted stock units; and (iii) Mr. Geagea, 18,130 performance shares, 77,000 stock options, and 9,070 restricted stock units.

The stock options have a ten-year term, and one-third of the options granted vest on each of January 31, 2021, January 31, 2022 and January 31, 2023, except as described further herein. The exercise price for the stock options is \$110.37 per share, the closing price of Chevron’s common stock on January 29, 2020, the date of grant. The number of stock options granted was determined based on grant date inputs, including stock price and Black-Scholes valuation.

The performance shares may result in a cash payout at the end of the three-year performance period (January 1, 2020 through December 31, 2022) depending upon Chevron’s Total Stockholder Return (“TSR”) for the performance period as compared to the TSR of the following Chevron LTIP Performance Share Peer Group: BP p.l.c., Exxon Mobil Corporation, Royal Dutch Shell p.l.c., Total S.A., and the S&P 500 Total Return Index. The cash payout, if any, will occur in an amount equal to the number of performance shares granted multiplied by the 20-day trailing average price of Chevron common stock at the end of the performance period multiplied by a performance modifier. The performance modifier is based on Chevron’s TSR ranking for the three-year performance period compared to the TSR of each competitor in the LTIP Performance Share Peer Group as follows (from best TSR to lowest TSR): 200 percent, 160 percent, 120 percent, 80 percent, 40 percent or zero percent. If the difference between Chevron’s TSR and the TSR of any higher or lower competitor of the LTIP Performance Share Peer Group is less than one percentage point (rounded to one decimal point), the results will be considered a tie, and the performance modifier will be the average of all of the performance modifiers for Chevron and for such other competitors of the LTIP Performance Share Peer Group that fall less than one percentage point (rounded to one decimal point) higher or lower than Chevron. The performance shares will accrue dividend equivalents that will be reinvested as additional performance shares and will vest on December 31, 2022, subject to the payout modifier, except as described further herein. The Committee may, in its discretion, adjust the cash payout of performance shares downward if it determines that business or economic considerations warrant such an adjustment.

The restricted stock units were awarded under the form of standard restricted stock unit agreement approved by the Committee. The award vests on January 31, 2025, will pay out in cash based on the closing price of Chevron common stock on the date of vesting (or, if not a trading day, on the last preceding trading day), and will accrue dividend equivalents that will be reinvested as additional restricted stock units, except as described further herein.

Under the LTIP, if these individuals' employment terminates for any reason prior to January 31, 2021, the above-described stock option, performance share, and restricted stock unit awards will be forfeited. Since Messrs. Wirth, Johnson and Geagea each have reached 90 points (the sum of years of age and years of service) under the LTIP, on January 31, 2021, 100 percent of the unvested portion of the above-described stock options will vest upon the termination of their employment on or after that date for any reason other than for misconduct (as defined under the LTIP rules), and such options will be exercisable through the remainder of the original 10-year term. In addition, 100 percent of the unvested portion of the above-described performance share awards will continue to vest upon the termination of their employment on or after January 31, 2021, for any reason other than for misconduct (as defined in the LTIP rules), but will not be fully vested and will not be paid out prior to December 31, 2022. Further, 100 percent of the unvested portion of the above-described restricted stock unit awards will continue to vest upon the termination of their employment on or after January 31, 2021, for any reason other than for misconduct (as defined under the LTIP rules), but will not be fully vested and will not be paid out prior to January 31, 2025.

Since Mr. Breber has more than 75 points but less than 90 points (the sum of years of age and years of service) under the LTIP, on January 31, 2021, a portion of the unvested portion of the above-described stock option will vest upon the termination of his employment on or after that date for any reason other than for misconduct (as defined under the LTIP rules) and remain exercisable for five years from the date of termination or the remaining term of the award, if less. A portion of the unvested portion of Mr. Breber's above-described performance share awards will continue to vest upon the termination of his employment on or after January 31, 2021, for any reason other than for misconduct (as defined in the LTIP rules), but will not be vested and will not be paid out prior to December 31, 2022. Further, a portion of the unvested portion of the above-described restricted stock unit awards will continue to vest upon the termination of his employment on or after January 31, 2021, for any reason other than for misconduct (as defined under the LTIP rules), but will not be vested and will not be paid out prior to January 31, 2025. The portion of Mr. Breber's unvested stock options that will vest will be determined by multiplying the number of stock options granted, as applicable, by the number of completed months from the grant date to the date of termination, up to a maximum of 36 months, divided by 36 months, and the rest will be forfeited. The portion of Mr. Breber's unvested performance shares that will vest will be determined by multiplying the number of performance shares granted, as applicable, by the number of completed months from the performance period start date to the date of termination, up to a maximum of 36 months, divided by 36 months, and the rest will be forfeited. The portion of Mr. Breber's unvested restricted stock units that will vest will be determined by multiplying the number of restricted stock units granted by the number of completed months from the grant date to the date of termination, up to a maximum of 60 months, divided by 60 months, and the rest will be forfeited.

Effective January 28, 2020, the Committee approved new forms of award agreements to be used for the award of performance shares, stock options, and restricted stock units under the LTIP on a going-forward basis to executive officers and other eligible employees of Chevron, including the awards to the Named Executive Officers described above. These new forms of agreement provide that European Union countries shall be as defined in the LTIP rules as of the date of an employee's termination. Copies of such forms of award agreements are filed as exhibits hereto and are hereby incorporated by reference herein.

Chevron Incentive Plan

On January 28, 2020, the Committee amended the rules governing awards under the Chevron Incentive Plan ("CIP"), with effect as of January 1, 2020. The CIP is designed to recognize annual performance achievement. Under the amended CIP plan rules, the CIP award for years beginning January 1, 2020, will be calculated as follows:

Corporate Performance Rating	X	Individual Bonus Component (salary x bonus percentage)
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The Committee has capped the CIP award at 200 percent of target for each pay grade.

Corporate Performance Rating: After the end of the performance year, the Committee sets the Corporate Performance Rating. This rating reflects the Committee's overall assessment of Chevron's performance for that year, based on a range of measures used to evaluate performance against business plan ("Plan") in four broad categories, which are weighted: financials; capital management; operating performance; and health, environmental and safety. When determining the Corporate Performance Rating, the Committee may apply discretion when assessing Chevron's absolute performance against Plan and Chevron's performance relative to competitors. The minimum Corporate Performance Rating is zero and the maximum is 200 percent.

Individual Bonus Component: The Individual Bonus Component is determined by multiplying a Named Executive Officer's ("NEO") base salary by a bonus percentage, as determined by the Committee and described further below:

- Before the beginning of each performance year, for each NEO, the Committee establishes a target as a percentage of the NEO's base salary, which is set with reference to target opportunities found across Chevron's Oil Industry Peer Group. The Committee then establishes an individual opportunity range ("Individual Opportunity Range"), which for the 2020 performance year, the Committee set as 75 to 125 percent of the target. All CIP participants in the same salary grade have the same target and Individual Opportunity Range, which provides for internal equity and consistency.
- At the end of the performance year, the Committee determines the Individual Bonus Component for each NEO by selecting a percentage within such NEO's Individual Opportunity Range based on an assessment of individual performance. In making this assessment, the Committee uses its judgment in analyzing the individual performance of each NEO, his or her enterprise and business unit leadership, and how the business units reporting to the NEO performed. Under extraordinary circumstances, the bonus percentage may be adjusted upward or downward, including to zero percent, for a particular performance year for any CIP participant at the sole discretion of the Committee.

On January 29, 2020, the independent Directors of the Board approved a target of 160 percent for Michael K. Wirth, Chairman and Chief Executive Officer, an increase from 150 percent for 2019, and ratified the decision of the Committee to set the targets for the other NEOs, which did not change from 2019, as follows: (i) Mr. Breber at 110 percent; (ii) Mr. Johnson at 120 percent, and (iii) Mr. Geagea at 110 percent.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Performance Share Award Agreement under the Long-Term Incentive Plan of Chevron Corporation
10.2	Form of Non-Qualified Stock Options Agreement under the Long-Term Incentive Plan of Chevron Corporation
10.3	Form of Standard Restricted Stock Unit Award Agreement under the Long-Term Incentive Plan of Chevron Corporation
104	Cover Page Interactive Data File, formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 3, 2020

CHEVRON CORPORATION

By: /s/ Christine L. Cavallo

Christine L. Cavallo

Assistant Secretary

Chevron Corporation
Long-Term Incentive Plan Award
Performance Share Award



1. NOTICE OF PERFORMANCE SHARE AWARD.

You have been granted a Performance Share Award, subject to the terms and conditions of the Long-Term Incentive Plan ("Plan") and this Award agreement. By accepting this Performance Share Award, you agree to all terms and conditions of the Plan, its Rules, and any provisions within this agreement. Defined terms that are not defined herein shall have the meaning ascribed to them in the Plan or Rules. In the event of any conflict between the provisions of this agreement and the terms of the Plan or Rules, the terms of the Plan and/or Rules shall govern. For a copy of the plan documents, go to the Executive Plans website, the Global Executive Plans website, or contact the Executive Compensation Group at [email address] or [phone number].

1.1 NAME OF EMPLOYEE:

1.2 GRANT DATE:

1.3 NUMBER OF SHARES GRANTED:

1.4 PERFORMANCE PERIOD:

1.5 VESTING: The Performance Share Award shall vest at the end of the Performance Period, adjusted as of Termination as described in Sections 2.1 and 2.2.

2. TERMS AND CONDITIONS OF PERFORMANCE SHARE AWARD.

2.1 EFFECT OF TERMINATION ON VESTING. Termination of employment impacts Vesting. However the payment will be calculated and paid after the end of the Performance Period.

a. Termination in a Non-European Union Payroll Country.

If you are on a non-European Union country's payroll at Termination of employment, your Performance Share Award is affected as follows:

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Performance Shares will be forfeited as of your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you are at least age 65, have at least 90 points (sum of age and service at Termination), or have retired due to Mandatory Retirement, 100% of the Performance Share Award will vest.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you are at least age 60 or have at least 75 points (sum of age and service at Termination): A portion of the Performance Share Award will vest. The number of the vested Performance Share Award is determined by multiplying the number of Performance Shares granted by the number of completed months from the Performance Period start date to your Termination date, up to a maximum of 36 months, divided by 36 months. The unvested portion of your Performance Shares Award will be forfeited.
- iv. Notwithstanding the foregoing, with the exception of Section 2.1a.ii, if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended, the vested Performance Share Award will be determined by multiplying the number of Performance Shares granted by the number of completed months from the Performance Period start date to your Termination date, up to a maximum of 36 months, divided by 36 months. The unvested portion of your Performance Shares Award will be forfeited.

b. Termination in a European Union Payroll¹ Country.

If you are on a European Union country's payroll at Termination of employment, your Performance Share Award is affected as follows.

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Performance Shares will be forfeited as of your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you have at least 30 years of service: 100% of the Performance Share Award will vest.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you have at least 25 years of service but less than 30 years of service: A portion of the Performance Share Award will vest. The vested portion of your Performance Share Award is determined by multiplying the number of Performance Shares granted by the number of completed years from the performance period start date to your Termination date, up to a maximum of three years, divided by three years. The unvested portion of your Performance Shares Award will be forfeited.
- iv. Notwithstanding the foregoing, with the exception of Section 2.1b.ii, if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended, the vested portion of the Performance Share Award will be determined by multiplying the number of Performance Shares granted by the number of completed months from the Performance Period start date to your Termination date, up to a maximum of 36 months, divided by 36 months. The unvested portion of your Performance Shares will be forfeited.

2.2 DISABILITY. For purposes of the Vesting and the forfeiture of your Performance Share Award, you are deemed to have Terminated upon the earlier of twenty-nine (29) months after the commencement of long-term disability benefits under a plan or program sponsored by the Corporation, or the date you fail to qualify, or no longer qualify for such long-term disability benefits, provided that you do not return to active employment with the Corporation at that time.

2.3 DIVIDEND EQUIVALENTS. If the dividend record date and the accompanying dividend payment date of Chevron common stock occur on or before the applicable Performance Period end date, your Performance Shares will earn Dividend Equivalents in the form of additional Performance Shares, subject to the vesting and Termination provisions described above. If the dividend record date is on or before the applicable Performance Period end date, but the accompanying dividend payment date is after the applicable Performance Period end date, your Performance Share Award will earn Dividend Equivalents only in the form of cash.

2.4 PERFORMANCE SHARE AWARD PAYOUT. The payout amount of your Performance Share Award is equal to the number of your vested Performance Shares, including Dividend Equivalents, multiplied by Average 20-day Closing Price of Common Stock (as listed on the New York Stock Exchange) at the end of the Performance Period, multiplied by the Payout Modifier, as described below.

2.5 PAYOUT MODIFIER. The Payout Modifier is determined as follows based on Chevron's total stockholder return (TSR) compared with the TSR for the Peer Group for the three-year Performance Period:

Relative TSR Rank	1	2	3	4	5	6
Payout Modifier	200%	160%	120%	80%	40%	0%

The Peer Group for your Performance Share Award is BP, ExxonMobil, RD Shell, Total and S&P 500 Total Return Index. In the event Chevron's measured TSR is less than 1 percent of the nearest member(s) of the Competition, the results will be considered a tie, and the Payout Modifier will be determined by dividing the sum of the Payout Modifiers in the tied positions by the number of members of the Competition in the tie.

Notwithstanding anything herein to the contrary, the Committee retains the discretion to adjust the payout of Performance Shares downward if business or economic conditions warrant, as the Committee determines.

¹ As defined in the LTIP Rules as of the date of termination.

- 2.6 PAYMENT DATE.** The non-deferred Performance Share Award will be paid in cash, less all applicable withholding taxes, within two and a half months after the end of the Performance Period as described in subsection 1.4.
- 2.7 DEFERRAL.** You may defer payment of up to 90 percent of your payout attributable to your Performance Share Award, provided you are in salary grade 28 or above, on the U.S. Payroll and subject to U.S. taxes on the deferral election due date. Deferral elections may not be cancelled or changed after the deferral election due date or upon Termination of employment. Deferred amounts will be further subject to all terms and conditions of the Deferred Compensation Plan II and its Rules.
- 2.8 MISCONDUCT.** Performance Share Awards may be forfeited for Misconduct as defined in the Plan, and the Corporation may demand repayment of amounts received on or after the date of the Misconduct. See the terms of the Plan for additional information.
- 2.9 TAXATION.** You are responsible for all taxes with respect to the Performance Share Award. The Corporation makes no guarantees regarding the tax treatment of your Award and the tax consequences of Performance Share Awards vary, depending on the country's laws that govern this Performance Share Award. Consult the prospectus or prospectus supplement and your tax advisor for more information regarding the tax consequences of your Performance Share Award. For a copy of the prospectus or prospectus supplement, go to Executive Plans website or the Global Executive Plans website.
- 2.10 ADJUSTMENTS.** In the event of any change in the outstanding shares of Common Stock by reason of any stock dividend or split, recapitalization, reclassification, merger, consolidation, or other similar corporate change, the number of Performance Shares under this agreement shall be adjusted, in accordance with the terms of the Plan.
- 2.11 NON-TRANSFERABILITY OF AWARD.** You are not permitted to sell, transfer, pledge, assign or encumber this Performance Share Award during your lifetime. Notwithstanding the foregoing, this Performance Share Award may be transferred or assigned after your death to your beneficiary.
- 2.12 BENEFICIARY DESIGNATION.** You may designate a beneficiary for your Performance Share Award on the Benefit Connection website. Benefit Connection can be accessed on the Chevron U.S. Benefits website [WEBSITE LINK]. Non-U.S. payroll employees may download a Beneficiary Designation form from the Global Executive Plans website. Beneficiary designations for deferred Performance Share Awards are made under the terms of the Deferred Compensation Plan II.
- 2.13 NO RIGHT TO CONTINUED EMPLOYMENT.** The granting of the Performance Share Award shall impose no obligation on the Corporation or its affiliate to continue your employment.
- 2.14 RIGHTS AS A STOCKHOLDER.** You will have none of the rights of a stockholder of the Corporation with respect to the Performance Share Award.
- 2.15 AMENDMENT.** This Award agreement may not be altered, modified or amended except by written instrument signed by both parties and in accordance with the terms of the Plan.

Chevron Corporation
Long-Term Incentive Plan Award
Non-Qualified Stock Options



1. NOTICE OF STOCK OPTION AWARD.

You have been granted an option to purchase Chevron Corporation Common Stock, subject to the terms and conditions of the Long-Term Incentive Plan ("Plan") and this Award agreement. By accepting this Stock Option Award, you agree to all terms and conditions of the Plan, its Rules, and any provisions within this agreement. In the event of any conflict between the provisions of this agreement and the terms of the Plan or Rules, the terms of the Plan and/or Rules shall govern. Defined terms that are not defined herein shall have the meaning ascribed to them in the Plan or Rules. For a copy of the plan documents, go to the Executive Plans website, the Global Executive Plans website, or contact the Executive Compensation Group at [email address] or [phone number].

1.1 NAME OF EMPLOYEE:

1.2 GRANT DATE:

1.3 NUMBER OF OPTIONS GRANTED:

1.4 EXERCISE PRICE PER SHARE:

1.5 VESTING SCHEDULE. Subject to the Participant's continued service on each vesting date, the Stock Option Award shall vest as follows:

- (i) One third (1/3) of the Stock Option Award shall vest on [DATE]
- (ii) One third (1/3) of the Stock Option Award shall vest on [DATE]
- (iii) The remaining one third (1/3) of the Stock Option Award shall vest on [DATE]

1.6 EXPIRATION DATE: Unless otherwise described herein and provided you remain employed by the Corporation, your vested stock options may be exercised until [DATE], the tenth anniversary of the Grant Date. If the expiration date falls on a day that the New York Stock Exchange (NYSE) is closed, stock options may be exercised only up until the last day that the NYSE is open immediately prior to the Expiration Date.

2. TERMS AND CONDITIONS OF STOCK OPTION AWARD.

2.1 EFFECT OF TERMINATION ON VESTING AND EXERCISE PERIOD. Termination of employment impacts your Stock Option Award's Vesting Schedule and Expiration Date.

a. Termination in a Non-European Union Payroll Country

If you are on a non-European Union country's payroll at Termination of employment, your Stock Option Award is affected as follows:

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Stock Options will be forfeited as of your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you are at least age 65, have at least 90 points (sum of age and service at Termination), or have retired due to Mandatory Retirement, then one hundred percent (100%) of the Stock Option Award will vest as of your date of Termination. The vested portion of your Stock Option Award will be exercisable until the Expiration Date as described in Section 1.6.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you are at least age 60 or have at least 75 points (sum of age and service at Termination), then a portion of the Stock Option Award will vest as follows: the vested portion of your Stock Option Award is determined by multiplying the number of Stock Options granted by the number of completed months from the Grant Date to your termination date, up to a maximum of 36 months, divided by 36 months. The

unvested portion of your Stock Option Award will be forfeited as of your date of Termination. The vested portion of your Stock Option Award will be exercisable until the earlier of the last day that the NYSE is open that is no more than five years after your Termination date or the Expiration Date as described in Section 1.6.

- iv. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you are less than age 60 or have less than 75 points (sum of age and service at Termination), then the unvested portion of your Stock Option Award will be forfeited as of your date of Termination. The vested portion of your Stock Option Award will be exercisable until the earlier of the last day that the NYSE is open that is no more than 180 days after your termination date or the Expiration Date as described in Section 1.6.
- v. Notwithstanding the foregoing, one hundred percent (100%) of the Stock Option Award will vest if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended. The vested portion of your Stock Option Award will be exercisable until the Expiration Date as described in Section 1.6.

b. Termination in a European Union Payroll¹ Country.

If you are on a European Union country's payroll at Termination of employment, your Stock Option Award is affected as follows:

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Stock Options will be forfeited as of your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you have at least 30 years of service: Your Stock Option Award will continue to vest according to the Vesting Schedule as described under Section 1.5. The vested portion of your Stock Option Award will be exercisable until the Expiration Date as described in Section 1.6.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you have at least 25 years of service but less than 30 years of service, then: the unvested Stock Options will be forfeited as of your date of Termination. The vested portion of your Stock Option Award will be exercisable until the earlier of, the last day that the NYSE is open that is no more than five years after your Termination date or the Expiration Date as described in Section 1.6.
- iv. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you have less than 25 years of service, then any unvested Stock Options are forfeited as of your date of Termination. The vested portion of your Stock Option Award will be exercisable until the earlier of the last day that the NYSE is open that is no more than 180 days after your termination date or, the Expiration Date as described in Section 1.6.
- v. Notwithstanding the foregoing, one hundred percent (100%) of the Stock Option Award will vest if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended. The vested portion of your Stock Option Award will be exercisable until the Expiration Date as described in Section 1.6.

2.2 DISABILITY. For purposes of the Vesting Schedule and the Expiration Date of your Stock Option Award, you are deemed to have Terminated upon the earlier of twenty-nine (29) months after the commencement of long-term disability benefits under a plan or program sponsored by the Corporation, or the date you fail to qualify, or no longer qualify for such long-term disability benefits, provided that you do not return to active employment with the Corporation at that time.

2.3 FAILURE TO EXERCISE. Unexercised Stock Option Awards will be forfeited upon the market close of the NYSE on the Expiration Date of the Grant.

¹ As defined in the LTIP Rules as of the date of termination.

- 2.4 METHOD OF EXERCISE.** You may exercise the vested portion of your Stock Option Award in the following ways: (i) same day sale; (ii) sell-to-cover; (iii) cash exercise; or (iv) stock swap. For more information, please refer to “Exercise Choices and Examples” on the Global Executive Plans website.
- 2.5 NO DEFERRAL.** You may not defer payment of proceeds as a result of the exercise of your Stock Option Award.
- 2.6 MISCONDUCT.** Stock Option Awards may be forfeited for Misconduct as defined in the Plan, and the Corporation may demand repayment of amounts received upon exercise on or after the date of the Misconduct. See the terms of the Plan for additional information.
- 2.7 TAXATION.** You are responsible for all taxes with respect to the Stock Option Award. The Corporation makes no guarantees regarding the tax treatment of your Award and the tax consequences of Stock Option Awards vary, and depending on the country’s laws that govern this Stock Option Award, taxation can be triggered upon events such as the grant, vest, and/or exercise of such Stock Option Award. Consult the prospectus or prospectus supplement and your tax advisor for more information regarding the tax consequences of your Stock Option Award. For a copy of the prospectus or prospectus supplement, go to Executive Plans website or the Global Executive Plans website.
- 2.8 ADJUSTMENTS.** In the event of any change in the outstanding shares of Common Stock by reason of any stock dividend or split, recapitalization, reclassification, merger, consolidation, or other similar corporate change, the number of stock options and the Exercise Price of the Stock Option Award under this agreement shall be adjusted, as appropriate.
- 2.9 NON-TRANSFERABILITY OF AWARD.** You are not permitted to sell, transfer, pledge, assign or encumber this Stock Option Award during your lifetime. Notwithstanding the foregoing, this Stock Option Award may be transferred or assigned after your death to your beneficiary.
- 2.10 BENEFICIARY DESIGNATION.** You may designate a beneficiary for your Stock Option Award on the Benefit Connection website. Benefit Connection can be accessed on the Chevron U.S. Benefits website [WEBSITE LINK]. Non-U.S. payroll employees may download a Beneficiary Designation form from the Global Executive Plans website.
- 2.11 ABILITY TO SUBSTITUTE.** The Management Compensation Committee shall have the ability to substitute, without receiving participant permission, Stock Appreciation Rights (SARs) paid only in stock for outstanding options; provided, that the number of substituted SARs equals the number of shares underlying the options and the Exercise Price of the SARs is equal to the Exercise Price of the options.
- 2.12 NO RIGHT TO CONTINUED EMPLOYMENT.** The granting of the Stock Option Award shall impose no obligation on the Corporation or its affiliate to continue your employment.
- 2.13 RIGHTS AS A STOCKHOLDER.** You will have none of the rights of a stockholder of the Corporation with respect to the Stock Option Award until shares of Common Stock are received upon exercise, if applicable.
- 2.14 AMENDMENT.** This Award agreement may not be altered, modified or amended except by written instrument signed by both parties and in accordance with the terms of the Plan.

Chevron Corporation
Long-Term Incentive Plan Award
Standard Restricted Stock Unit Award



1. NOTICE OF RESTRICTED STOCK UNIT AWARD.

You have been granted a Restricted Stock Unit Award, subject to the terms and conditions of the Long-Term Incentive Plan (“Plan”) and this Award agreement. By accepting this Restricted Stock Unit Award, you agree to all terms and conditions of the Plan, its Rules, and any provisions within this agreement. In the event of any conflict between the provisions of this Award agreement and the terms of the Plan or Rules, the terms of the Plan and/or Rules shall govern. Defined terms that are not defined herein shall have the meaning ascribed to them in the Plan or Rules. For a copy of the plan documents, go to the Executive Plans website, the Global Executive Plans website, or contact the Executive Compensation Group at [email address] or [phone number].

1.1 NAME OF EMPLOYEE:

1.2 GRANT DATE:

1.3 NUMBER OF UNITS GRANTED:

1.4 VESTING DATE: The Restricted Stock Units shall vest on [DATE] following the fifth (5th) anniversary of the Grant Date, adjusted as of Termination as described in Sections 2.1 and 2.2.

2. TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD.

2.1 EFFECT OF TERMINATION ON VESTING.

a. Termination in a Non-European Union Payroll Country.

If you are on a non-European Union country’s payroll at Termination of employment, your Restricted Stock Unit Award is affected as follows:

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Restricted Stock Units will be forfeited as of your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date; and if, upon Termination, you are at least age 65, have at least 90 points (sum of age and service at Termination), or have retired due to Mandatory Retirement, then your Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date; and if, upon Termination, you are at least age 60 or have at least 75 points (sum of age and service at Termination), then a portion of the Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date. The number of Restricted Stock Units that shall vest is determined by multiplying the number of Restricted Stock Units granted by the number of completed months from the Grant Date to your Termination date, up to a maximum of 60 months, divided by 60 months. The portion of your Restricted Stock Unit Award that does not vest in accordance with this formula will be forfeited as of your date of Termination.
- iv. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination you are less than age 60 or have less than 75 points (sum of age and service at Termination), then all Restricted Stock Units will be forfeited as of your date of Termination.
- v. Notwithstanding the foregoing, if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended, then one hundred percent (100%) of the Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date.

b. Termination in a European Union Payroll¹ Country.

If you are on a European Union country's payroll at Termination of employment, your Restricted Stock Unit Award is affected as follows:

- i. If your employment Terminates prior to [DATE] of the year following the Grant Date, then all Restricted Stock Units will be forfeited upon your date of Termination.
- ii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you have at least 30 years of service, then your Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date.
- iii. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you have at least 25 years of service but less than 30 years of service, then a portion of the Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date as follows: the number of Restricted Stock Units that shall vest is determined by multiplying the number of Restricted Stock Units granted by the number of completed years from the Grant Date to your Termination date, up to a maximum of 5 years, divided by 5 years. The unvested portion of your Restricted Stock Award that does not vest in accordance with this formula will be forfeited as of your date of Termination.
- iv. If your employment Terminates on or after [DATE] of the year following the Grant Date and if, upon Termination, you have less than 25 years of service, then all Restricted Stock Unit Award will be forfeited upon your date of Termination.
- v. Notwithstanding the foregoing, if you Terminate employment after a Change in Control and are eligible for a severance pay benefit under the Chevron Corporation Change in Control Surplus Employee Severance Program for LTIP Eligible Participants in Salary Grades 43 and Below, as may be amended, then one hundred percent (100%) of the Restricted Stock Unit Award will vest on [DATE] following the fifth (5th) anniversary of the Grant Date.

2.2 DISABILITY. For purposes of the Vesting Date and the forfeiture date of your Restricted Stock Unit Award, you are deemed to have Terminated upon the earlier of twenty-nine (29) months after the commencement of long-term disability benefits under a plan or program sponsored by the Corporation, or the date you fail to qualify, or no longer qualify for such long-term disability benefits, provided that you do not return to active employment with the Corporation at that time.

2.3 DIVIDEND EQUIVALENTS. If the dividend record date and accompanying dividend payment date of Chevron common stock occur on or before the applicable Vesting Date, the Restricted Stock Unit Award will earn Dividend Equivalents in the form of additional Restricted Stock Units, subject to the vesting and termination provisions described above. If the dividend record date is on or before the applicable Vesting Date but the accompanying dividend payment date is after the applicable Vesting Date, the vested Restricted Stock Unit Award will earn Dividend Equivalents only in the form of cash.

2.4 RESTRICTED STOCK UNIT AWARD PAYOUT. The gross payout amount of your Restricted Stock Unit Award is equal to the number of vested Restricted Stock Units, including any vested Dividend Equivalents, multiplied by the Closing Price of Common Stock as listed on the New York Stock Exchange (NYSE) on the applicable Vesting Date. If the NYSE is closed on the Vesting Date, the price will be based on the Closing Price of Common Stock on the last day the NYSE is open prior to the Vesting Date.

2.5 PAYMENT. Your net vested Restricted Stock Unit Award will be paid in cash, less all applicable withholding taxes no earlier than the [DATE] following the fifth (5th) anniversary of the Grant Date, and in no event later than March 15 following the Vesting Date.

2.6 DEFERRAL. You may not defer payment of your Restricted Stock Unit Award.

2.7 MISCONDUCT. Restricted Stock Unit Awards may be forfeited for Misconduct as defined in the Plan, and the Corporation may demand repayment of amounts received on or after the date of the Misconduct. See the terms of the Plan for additional information.

¹ As defined in the LTIP Rules as of the date of termination.

2.8 TAXATION. You are responsible for all taxes with respect to the Restricted Stock Unit Award. The Corporation makes no guarantees regarding the tax treatment of your Award and the tax consequences of Restricted Stock Unit Awards vary, depending on the country's laws that govern this Restricted Stock Unit Award. Any tax obligations arising upon lapse of a substantial risk of forfeiture or other requirement per applicable U.S. or non-U.S. tax rules prior to the Vesting Date shall be satisfied in the year such tax is due. Any such U.S. tax obligations shall be satisfied by withholding the number of Restricted Stock Units sufficient to cover the tax obligations. Any such non-U.S. tax obligations shall be satisfied by any lawful method chosen by the Corporation, including but not limited to withholding the number of Restricted Stock Units sufficient to cover the tax obligations, withholding from your regular wages, or collecting the amounts directly from you; provided, however, if you are then a director or Section 16 officer of the Corporation, the Corporation will satisfy your tax obligation by withholding a portion of your Restricted Stock Units unless such withholding is prohibited by the laws or regulations of the applicable jurisdiction.

Any units withheld for taxes are themselves treated as taxable income in the U.S. and some non-U.S. jurisdictions, and will be valued based on the Closing Price of Common Stock as listed on the New York Stock Exchange (NYSE) on the applicable tax processing date. If the NYSE is closed on the tax processing date, the price will be based on the Closing Price of Common Stock on the last day the NYSE is open prior to the tax processing date.

Consult the prospectus or prospectus supplement and your tax advisor for more information regarding the tax consequences of your Restricted Stock Unit Award. For a copy of the prospectus or prospectus supplement, go to Executive Plans website or the Global Executive Plans website.

2.9 ADJUSTMENTS. In the event of any change in the outstanding shares of Common Stock by reason of any stock dividend or split, recapitalization, reclassification, merger, consolidation, or other similar corporate change, the number of Restricted Stock Units under this agreement shall be adjusted in accordance with the terms of the Plan.

2.10 NON-TRANSFERABILITY OF AWARD. You are not permitted to sell, transfer, pledge, assign or encumber this Restricted Stock Unit Award during your lifetime.

2.11 BENEFICIARY DESIGNATION. You may designate a beneficiary for your Stock Option Award on the Benefit Connection website. Benefit Connection can be accessed on the Chevron U.S. Benefits website [WEBSITE LINK]. Non-U.S. payroll employees may download a Beneficiary Designation form from the Global Executive Plans website.

2.12 NO RIGHT TO CONTINUED EMPLOYMENT. The granting of the Restricted Stock Unit Award shall impose no obligation on the Corporation or its affiliate to continue your employment.

2.13 RIGHTS AS A STOCKHOLDER. You will have none of the rights of a stockholder of the Corporation with respect to the Restricted Stock Unit Award.

2.14 AMENDMENT. This Award agreement may not be altered, modified or amended except by written instrument signed by both parties and in accordance with the terms of the Plan.