



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
1 CENTRE STREET  
NEW YORK, N.Y. 10007-2341

WILLIAM C. THOMPSON, JR.  
COMPTROLLER

December 2, 2008

Ms. Lydia I. Beebe  
Corporate Secretary and  
Chief Governance Officer  
Chevron Corporation  
6001 Bollinger Canyon Road  
San Ramon, CA 94583

Dear Ms. Beebe:

The Office of the Comptroller of New York City is the custodian and trustee of the New York City Employees' Retirement System, the New York City Teachers' Retirement System, the New York City Police Pension Fund, and the New York City Fire Department Pension Fund, and custodian of the New York City Board of Education Retirement System (the "funds"). The funds' boards of trustees have authorized the Comptroller to inform you of their intention to offer the enclosed proposal for consideration of stockholders at the next annual meeting.

I submit the attached proposal to you in accordance with rule 14a-8 of the Securities Exchange Act of 1934 and ask that it be included in your proxy statement.

Letters from The Bank of New York certifying the funds' ownership, continually for over a year, of shares of Chevron Corporation common stock are enclosed. The funds intend to continue to hold at least \$2,000 worth of these securities through the date of the annual meeting.

We would be happy to discuss this initiative with you. Should the board decide to endorse its provisions as company policy, our funds will ask that the proposal be withdrawn from consideration at the annual meeting. Please feel free to contact me at (212) 669-2651 if you have any further questions on this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Patrick Doherty'.

Patrick Doherty

Enclosures

Chevron Corp. - 2009



## Stockholder Proposal: Report on Global Environmental Standards

### WHEREAS:

The *Chevron Business and Ethics Code* places the highest priority on the safety of its staff, community members and the environment where it operates. Corporate Policy 530 “commits Chevron to comply with the spirit and letter of all environmental, health and safety laws and regulations, regardless of the degree of enforcement.”

Our company operates in 180 countries, including Africa, Asia and Latin America nations where environmental regimes may be less protective of human health and the environment than in other countries where Chevron operates.

CEO David O’Reilly has recognized the importance of our company’s relationships with oil producing nations in Africa and Latin America. (*International Petroleum Finance*, 03/09/05, “Chevron Chief Believes the Surplus is Over.”)

Notwithstanding Chevron’s efforts to comply with environmental laws and regulations in developing countries, our company has repeatedly been cited for practices that allegedly have caused environmental damage and harmed the health and welfare of local communities.

- Chevron is on trial in Ecuador for widespread contamination of Amazonian land and water resources in the 1970s. (“Ecuador Keeps Up Oil Cleanup Fight Against Chevron,” *Los Angeles Times*, 11/17/08)
- A court-appointed expert in the Ecuadorian litigation has recommended that Chevron be held liable for up to \$27.3 billion in damages. This amount includes \$18.9 billion for environmental remediation and compensation to local people, and \$8.3 billion in unjust enrichment penalties. (*Technical Summary Report*, Engineer Richard Cabrera, Expert for the Court of Nueva Loja- November, 2008)
- Chevron is accused of polluting land and water resources in its ongoing operations in the Niger Delta. According to observers, these persistent environmental problems have fueled civil unrest, protests against our company and a related lawsuit alleging Chevron’s complicity in security forces’ killing of two protestors. (“Chevron Faces Suit Over Nigerian Violence,” *San Francisco Chronicle*, 10/26/08)
- Unocal’s pipeline operations in Burma contributed to the deforestation of the last primary tropical rainforest on mainland Asia, a recognized ‘biodiversity hot spot.’ (“Unocal-Total Oil Pipeline in Burma Threatens Indigenous People, Animals,” *Environmental News Network*, 4/27/02)

Chevron’s Environmental, Health and Safety Fines and Settlements have increased from

## Stockholder Proposal: Report on Global Environmental Standards

\$3.99 million in 2003 to \$14.06 million in 2007, according to the company's latest Corporate Responsibility Report.

Chevron's three strategic priorities for environmental performance are: "Defining world-class standards, measuring and communicating performance and demonstrating continual performance improvement," toward the goal of being "recognized and admired everywhere for having a record of environmental excellence."

**RESOLVED:** The shareholders request that the Board prepare a report by November 2008, prepared at reasonable cost and omitting proprietary information, on the policies and procedures that guide Chevron's assessment of host country laws and regulations with respect to their adequacy to protect human health, the environment and our company's reputation.

### SUPPORTING STATEMENT:

We believe that Chevron's record to date demonstrates a gap between its international environmental aspirations and its performance, which would be narrowed by a commitment to apply the highest environmental standards wherever the company operates. The requested report would play a role in illuminating and addressing the factors accounting for this gap.