Environmental Stewardship Through Chevron’s Operational Excellence Management System

Wesley E. Lohec
Vice President, Health, Environment and Safety
Chevron Corporation
October 7, 2014
More Than 135 Years in California
Chevron
A Global Overview

61,000 employees in dozens of countries spread across five continents

2nd largest energy company in U.S.

3rd largest base of global oil reserves

8,000 retail stations in U.S.; 1,500 of them in California
Investing in California
California
Fueling California’s Global Mobility

50%
Portion of aviation fuel Chevron provides for flights leaving San Francisco and Los Angeles
Chevron
El Segundo Refinery

10,000 people employed in California

65,000 additional jobs indirectly supported in California

1 in 220 jobs in California is supported by Chevron

290,000 barrels of oil produced daily at El Segundo, supporting 1,400 jobs there

© 2014 Chevron
Chevron Richmond Refinery

250,000 barrels of oil processed daily

3,000 jobs supported in Richmond

750 berth visits each year at the largest marine terminal in the state

100% portion of vessels boarded and inspected for safety before entering berths
Rigorous Inspections Ensure Safe Cargo Transfer
Chevron Shipping

119 years at sea
100 vessels under our control
28 ships we operate
2,200 sea voyages each year

1895
Tanker George Loomis

2012
Tanker Antares Voyager
Chevron
San Joaquin Valley Business Unit

10,000 jobs supported
180,000 barrels of oil produced per day in California
#1 producer of oil in California
#1 concern is safety, always
Sustaining Production With Advanced Technology
Recognizing Risks Takes Constant Awareness
Operational Excellence
Rooted in The Chevron Way

The Chevron Way is publicly available at: chevron.com/about/chevronway/
What Is Operational Excellence?

Our blueprint to deliver world-class performance

1. Ensure the personal safety and health of our workforce and community
2. Maintain environmental stewardship
3. Maintain the reliability of our operations
4. Ensure process safety
5. Build efficiency throughout our enterprise
Operational Excellence Management System
Key Components

Leadership Accountability

Management System Process

Operational Excellence Expectations

Chevron’s overview of the OEMS document is publicly available at: chevron.com/about/operationalexcellence
Leadership Accountability
Driving Performance

Senior executives
lead, align and cascade OE

Managers
lead the implementation

Frontline supervisors
lead the execution of the OE processes governing daily work activities in each of our business units
Leadership Engagement Drives Operational Discipline
Management System Process

- Vision and Objectives
- Review
- Leadership Accountability
- Assessment
- Implementation
- Planning
Operational Excellence
Setting Expectations

Leadership Accountability

Management System Process

OE Expectations

13 Elements

- Security of personnel and assets
- Facility design and construction
- Safe operations
- Management of change
- Reliability and efficiency
- Third party services
- Environmental stewardship
- Product stewardship
- Incident investigation
- Community and stakeholder engagement
- Emergency management
- Compliance assurance
- Legislative and regulatory advocacy
Focus
on prevention and response efforts

Relationships
with regulatory agencies at the local, state and federal levels

Joint
deployments and exercises
Training
with our response partners

Incident Command System
allows quick and effective response within the Unified Command model used by state and federal on-scene coordinators

Tiered Response Model
prepares us to draw on our response resources from across the enterprise
Advanced Spill Response
Capabilities and Assets

Well-positioned
with oil spill response vessels and trained personnel ready to respond at any time

Standing by
with a support vessel and tug whenever a vessel is at berth

Pre-staged
with boom boxes at several locations and additional response equipment housed at each refinery
Apply practical knowledge gained around the world to enhance our safety and environmental stewardship in California.

Thoroughness and realism are promoted in our training to test our capabilities across the incident response function.

Reinforce the importance of operating in seamless partnership with governmental authorities.

© 2014 Chevron
Partnership
Central to Preparedness

A trusted partner everywhere we work around the world and nowhere is this value more important than in California.

A shared mission of stewardship for California’s natural environment — one of the most diverse and dynamic places on earth.
Questions and Answers
Environmental Stewardship Through Chevron’s Operational Excellence Management System

Wesley E. Lohec
Vice President, Health, Environment and Safety
Chevron Corporation
October 7, 2014