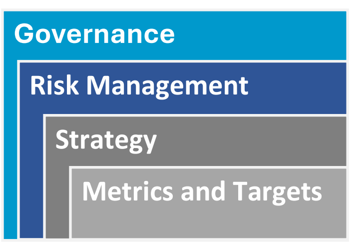
Chevron UK Pension Plan
2025 Climate Change Report

Introduction

Ross Trustees Services Limited (trading as Independent Governance Group "IGG"), as Professional Corporate Sole Trustee ("Trustee") of the Chevron UK Pension Plan (the "Plan"), presents the annual Plan Climate Change Report in response to regulations[1] ("Regulations") that require certain pension plan trustees to produce disclosures that are based on the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures ("TCFD"). This report covers the 2025 Plan year which ended December 31, 2025.

The Plan, which has £1.9 billion in assets and an estimated £1.6 billion in liabilities on a technical provisions basis as of December 31, 2025, remains open to active members but is comprised mostly of pensioners and deferred pensioners. The Trustee's primary objective is to have sufficient and appropriate assets to cover all Plan obligations as they come due. The Trustee recognises that climate-related issues could represent a risk to this objective, but believes the Plan is resilient due to its low-risk asset allocation; its current funding surplus (which makes the Plan more resilient in the face of downside risk); and a strong covenant. The Trustee also believes that the Plan has appropriate governance, risk management, strategy and metrics in place to assess risks, including climate-related risks, which are described in more detail throughout this report.

This report, in alignment with the Regulations, is laid out in four broad categories:



- **Governance:** the Plan's governance with respect to climate-related risks and opportunities
- **Risk management:** the processes to systematically identify, assess, and manage climate-related risks
- **Strategy:** consideration of the actual and potential impacts of climate-related risks and opportunities on the Plan's investment strategy, liabilities and covenant
- **Metrics and targets:** the metrics and targets used to assess and manage climate-related risks and opportunities

Section 1 – Governance

This section describes the governance in place to manage potential climate-related risks and opportunities[2]. The Trustee believes that strong governance is the cornerstone to managing risks, including climate-related risks, and is a core part of the Trustee's ability to react to evolving factors. The Trustee oversees the Plan's strategic planning and risk management, both of which include climate-related issues.

[1] The Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 (legislation.gov.uk) and The Occupational Pension Schemes (Climate Change Governance and Reporting) (Miscellaneous Provisions and Amendments) Regulations 2021

[2] For brevity, where this report refers to the risks and opportunities relating to climate change, it is intended to cover both the risks arising from changes in the climate itself and the risks and opportunities presented by the anticipated transition of economies and society to a lower carbon future.

From October 1, 2025, Ross Trustees Services Limited were appointed as the Professional Corporate Sole Trustee for the Plan. The Trustee is responsible for strategic decision-making related to the Plan's assets, liabilities and risks. The Trustee retains several internal and external advisers in connection with the operation of the Plan, including the following:

- Chevron's internal subject matter experts, including Chevron's Benefit Plan Investment group ("BPI"), who provide investment services on all matters related to retirement plan assets and liabilities, including monitoring the performance of the Plan's assets and fund managers. BPI engages with internal and external resources such as investment consultants, investment managers and the Plan Actuary in this respect.
- Investment Consultant, Mercer, who assists BPI and the Trustee in its formulation of investment principles, policies and strategy. Mercer also assists the Trustee by conducting scenario analyses, advising on how climate-related risks and opportunities might affect the Plan over the short-, medium-, and long-term and provide ad hoc specialist advice on a variety of pension matters, including risk management.
- Investment Managers and other carbon data providers, who manage diverse investment portfolios and provide greenhouse gas ("GHG") emissions data for Plan analyses.
- The Plan Actuary, Willis Towers Watson ("WTW"), who performs actuarial valuations of the Plan and who advises on how variations in future experience, including those arising from climate-related risks and opportunities, might affect the Plan's funding position over the short-, medium-, and long-term.
- The Covenant Adviser, Interpath, who provides advice to the Trustee on the ability of Chevron Energy Limited (the "Sponsor") and other select subsidiaries of Chevron Corporation ("Supporting Companies") to meet Plan obligations, and how climate-related risks and opportunities might affect the Sponsor.

Advisers are selected for their skill and expertise, and the quality of their performance is subject to ongoing assessment. The Trustee sets its Investment Consultant objectives, against which it is formally assessed on an annual basis. It is the expectation of the Trustee that its advisers be competent in the identification, assessment and management of all risks and opportunities relevant to the Plan.

The Trustee's strategic objectives for investments are set forth in the Plan's Statement of Investment Principles[3] (the "SIP"), which lays out the principles and policies governing investments and managing and mitigating investment risk related to the Plan. The SIP provides that the Trustee seeks to take account of all relevant financially material risks and opportunities in consultation with its advisers. The SIP sets out the Trustee's approach to considering sustainable investment factors, such as (but not limited to) those arising from environment, social, and governance ("ESG") considerations, including climate-related risks, in the context of this broader risk framework.

The Trustee implements the SIP in such a way as to achieve the Plan's objectives. The SIP is reviewed at least every three years or after any material changes to any aspects of the Plan or legislation, with assistance from the above-mentioned advisers. The Trustee meets quarterly with BPI. The Trustee delegates the day-to-day management of Plan assets to Investment Managers. On an annual basis, BPI meets with all the Investment Managers to discuss the managers' performance and to receive an update on ESG matters that may be relevant to the Plan, including climate change. Additionally, BPI independently reviews the voting and engagement activities of the Investment Managers to ensure they are in line with the Trustee's principles and policies as set forth in the SIP. Results of this review are discussed with the Trustee and ultimately reported through the Implementation Statement, which provides detail on the extent to which the SIP has been followed by the Investment Managers during the year.

[3] www.chevronukpension.co.uk

The Trustee also provides oversight of the assessment and monitoring of pension risks, including climate-related risks, through its maintenance of a Risk Register. The Trustee considers developments, for example changes in the nature of the risks faced and the policies and procedures in place to mitigate the potential effect of these risks. The Risk Register is reviewed quarterly and updated as necessary. In recognition of the fact that the study of climate-related risks is a developing area, particularly in relation to the availability and quality of climate metrics, the Trustee keeps these matters under review and will continue to question and challenge its Investment Managers and advisers to improve data coverage and data quality as well as risk management techniques appropriate to the Plan.

The Trustee receives periodic updates on climate-related issues relevant to decision-making, such as the potential impact of climate-related issues on pension plans and potential actions that could be taken to help mitigate risk to the Plan portfolio, as well at the Plan's ability to meet objectives in the face of such risks.

Section 2 – Risk Management

Risk management is of fundamental importance to pension management as all pension plans are exposed to multiple risks. As stated in the Chevron UK Pension Plan Annual Report[4], these principally relate to the performance of Plan assets, inflation, fraud, cyber, how long our pensioners will receive benefits, and security provided by the Plan's Sponsor. Climate change, as assessed in the Strategy section, below, may impact these risks.

The Trustee seeks to identify, assess and mitigate relevant risks, including those related to climate change, through its established governance structure detailed in the previous section. A key instrument utilised by the Trustee in managing risk is the Risk Register. The Risk Register is a detailed list of risks identified by the Trustee and its advisers, including potential climate-related risks, as needed. Any developments related to these risks, and the mitigating policies and procedures, are incorporated in the Risk Register and tracked on an ongoing basis.

The Trustee's management of climate related risk for the Plan also includes other tools, such as the climate-related scenario analysis, which considers the impact of both climate-related transition and physical risks, and carbon emission metrics, referenced in sections 3 and 4 below, to help the Trustee to better understand and monitor the potential impact of climate-related risks and opportunities on the Plan's assets. BPI further supports the management of risk by meeting with Investment Managers at least annually to review and provide feedback on their performance.

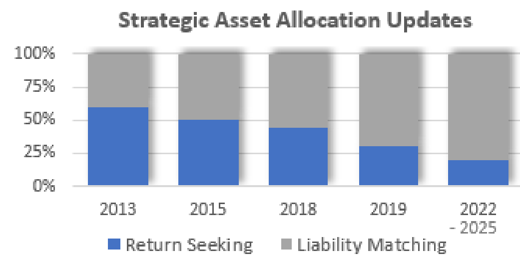
Additionally, the Trustee assesses and manages risks, including those related to climate change, through its consultations with the Plan Actuary on liability valuation and the maintenance of a policy benchmark for the Plan which balances risks arising from the unique characteristics of the Plan's assets and liabilities. The policy benchmark is established using a complex Asset Liability Model ("ALM") which is updated regularly by the Investment Consultant and Plan Actuary and reviewed by the Trustee. Through this analysis, the Trustee receives advice on the investment strategy and carefully considers the implications of adopting different levels of risk (in light of the objectives noted in the Strategy section of this report).

[4] www.chevronukpension.co.uk

Section 3 – Strategy

Strategy Overview:

The Trustee, with guidance from advisers, has designed the Plan's strategy to help ensure that sufficient funds are available to pay all pensioner obligations as they become due, with prudent levels of risk, climate-related or otherwise, as is detailed in the SIP and the Chevron UK Pension Plan Annual Report. Cornerstones of this strategy have historically been a well-diversified portfolio of investments to limit Plan risk and a prudent portfolio weighting to return-seeking asset classes (such as equities) and active investment mandates to best meet Plan expenses and future Plan growth. Over the last decade, as the growth in Plan participation has slowed and uncertainty around future Plan obligations has been reduced, the Plan has purposefully reduced its risk profile: investments have been re-allocated from equities to lower risk fixed income, including a large weighting to UK Gilts; active investment mandates have been replaced by passive mandates; and the schedule of expected income from Plan assets has been more closely calibrated to the schedule of expected Plan payments. As a result of this strategic evolution and the Plan's substantial funding level surplus (estimated at 124% at the end of 2025 on a technical provision basis), the Plan is far less exposed to risks, including climate-related risks, and less reliant on the Sponsor.



Strategy – Identification and Assessment of Climate-Related Risks:

The Regulations require the Trustee to identify and assess climate-related risks and opportunities which may impact the Plan's strategy over short-, medium- and long-term time horizons.

For this purpose, the Trustee selected 2028 to comprise the short-term (reflecting the period of expected near term changes in climate regulations and data quality); 2039 to comprise the medium-term; and 2049 to comprise the long-term (broadly aligning with the timeframe when a new employee hired during the reporting period may retire). The Trustee considered these time frames to be appropriate, taking into account the Plan's liabilities and its obligations to pay benefits.

The Trustee considered two types of climate-related risk: transition risks and physical risks.

Transition risks: Transition risks relate to the potential risks arising from the transition to a lower carbon energy system, such as policy changes, litigation, technology advancements, shifts in supply and demand, and changing stakeholder perceptions. The Trustee believes these risks and opportunities are more likely to begin in the short-term and peak and plateau in the medium-term.

Physical risks: Physical risks include potential physical impacts driven by both acute events and long-term shifts in climate patterns. The Trustee has identified physical risk as a source of climate-related risk over the long-term.

The Trustee has considered the potential impact of transition risks and physical risks on the Plan's investment strategy using scenario analysis (see below). Based on the outcome of that review and the Plan's current significant funding surplus as well as the Plan's current ALM, which balances risks arising from the characteristics of the Plan's assets and liabilities, the Trustee has not made any changes to the Plan's strategic asset allocation or choice of investment mandates at the present time. However, the Plan's ALM is reviewed regularly, and the potential impact of transition risks and physical risks are kept under review within that context.

The Trustee recognises that the Plan's covenant may also be impacted by climate-related transition and physical risks. In 2025, the Plan undertook its annual covenant assessment where the sponsoring employer covenant was graded as ‘Strong’ by Interpath, the selected third-party independent covenant adviser.

Based on the Interpath report and the Trustee’s understanding of the Sponsor and Supporting Companies, as well as the Plan’s reduced reliance on the covenant resulting from the implementation of Plan strategy over the last decade and the Plan’s substantial surplus, the Trustee believes the covenant remains adequate to support the Plan.

Plan Scenario Analysis[5]:

The Trustee engaged Mercer, an independent third-party, in 2026 to carry out hypothetical climate change scenario analysis to assist the Trustee to quantify and assess potential effects of climate change on the Plan’s assets and liabilities, thereby testing the resilience of the investment and funding strategy. The Trustee considered four hypothetical climate-related scenarios, which were developed by Mercer (“Mercer Scenario Analysis”). An analysis of projected mortality impacts under the four hypothetical climate-related scenarios, as provided by the Plan Actuary, WTW, was incorporated into the Mercer Scenario Analysis.

Mercer scenario	**Low Transition**	**Limited Transition**	**Delayed Transition**	**Rapid Transition**
Description	Climate action by governments and companies is low.	Some limited climate action occurs.	A sudden step-up in policy action occurs in 2030.	A rapid decarbonisation of the economy.
Temperature rise in 2100 vs pre-industrial levels	3.7ºC	2.9ºC	1.9ºC	1.6ºC
Share of renewable energy in global electricity generation mix by 2050 (excluding nuclear)	66%	81%	87%	87%
Transition risk level (shorter term)	Low	Medium – Low	Medium - High	High
Physical risk level (longer term)	High	Medium – High	Medium - Low	Low
Combined geometric funding level impact (%) (relative to baseline)[6]	Funding level would decrease by 7.7%	Funding level would decrease by 2.9%	Funding level would increase by 2.1%	Funding level would increase by 5.0%

[5] The Trustee has not undertaken scenario analysis for the investments in the Defined Contribution Element of the Plan, given the immaterial size of non-AVC DC assets relative to the total assets in the Plan (less than 1%) and that it would be disproportionate in terms of time and cost to do so. The statements included in this section represent projections and assumptions of the Mercer scenario analysis, not the Trustee’s own predictions or actual conditions or results at the present time.

[6] Combined impact looks at the expected effect on assets and liabilities, including mortality. Geometric impact is calculated by dividing the funding level in the scenario being analysed by the funding level in the baseline scenario, then subtracting 1. The baseline represents Mercers view of how the market currently prices climate-related risks and opportunities.

Hypothetical Scenario Overview: The Trustee used the Mercer scenarios as the Trustee believes the hypothetical scenarios cover a broad range of potential climate outcomes of varying likelihoods, over short-, medium-, and long-term periods. The scenarios differ in the size of the physical and transition risks based on the resulting temperature impacts. For example, according to the Mercer model, Mercer's Rapid Transition scenario and Mercer's Delayed Transition scenario likely represent bigger transition risks across the economy than Mercer's Limited Transition and Low Transition scenarios.

Scenario Analysis: The Mercer Scenario Analysis identified that while two out of the four scenarios considered are expected to have a negative impact on projected funding level relative to baseline, the Plan's absolute funding level is expected to remain in surplus in all hypothetical scenarios. The most pronounced impact was in Mercer's Low Transition scenario where the funding level would potentially fall 7.7% due primarily to financial market shocks.

The Trustee understands that the Mercer Scenario Analysis uses simplifying assumptions. Selected key assumptions in the Mercer Scenario Analysis include:

- The further into the future a model projects, the less reliable quantitative modelling becomes.
- The current investment strategy (20% return seeking and 80% liability matching assets) does not change over the projection period.
- No change to the level of prudence in the discount rate relative to the yield on government bonds.
- The climate scenarios are defined by assumed impacts on asset returns, yield curves and inflation experience relative to the base case.
- Hypothetical physical risks are regionally differentiated and increase with rising global temperature.
- Gilts will not be materially impacted by climate risk over all time horizons. Global equity is expected to be the most negatively impacted of the Plan's asset classes followed by Property and Investment Grade Fixed Income.
- Return reductions from the base case, by asset class, were assumed to be as follows:

Base Case Return Reduction (%)	Mercer's Low Transition Scenario			Mercer's Limited Transition Scenario			Mercer's Delayed Transition Scenario			Mercer's Rapid Transition Scenario		
Years from 2025	4	15	25	4	15	25	4	15	25	4	15	25
Global Equity	1.1	-38.5	-42.3	2.1	-21.2	-23.3	2.1	-2.9	-1.5	-3.1	4.8	10.1
Corporate Bonds	0.4	-7.6	-1.8	0.5	-4.8	-0.7	0.5	-0.4	-0.1	-1.3	0.1	0.5
Property	0.2	-11.0	-12.2	0.4	-5.6	-5.8	0.6	0.1	0.7	0.2	2.5	3.7
Gov. Bonds	0.0	0.1	-0.2	0.1	-0.2	0.0	0.0	-0.2	0.4	-1.7	-0.3	0.4

Conclusion on Plan resilience to Climate-Related Risks

The Trustee concludes that while the Mercer Scenario Analysis showed a potential negative impact to anticipated funding levels for two of the four scenarios over the next 20 years, none of the scenarios translate into a funding deficit reflecting the Plan's current asset allocation, significant funding surplus and expected positive net return on Plan assets. As a result, the Trustee believes that the Plan's investment and funding strategy is resilient to a broad array of hypothetical futures. Furthermore, the Trustee takes added assurance on the resilience of the Plan covenant from Chevron Corporation's previously reported analysis (in addition to the Interpath advice referenced above) and the Plan's strong funding level.

Nevertheless, the Trustee recognises that there is a great deal of uncertainty around all aspects of hypothetical climate scenario modelling. It is not yet known which energy transition pathway will transpire and the future that materialises could look quite different to the hypothetical scenarios modelled by Mercer, some of which are remote and highly unlikely. The Mercer projections serve only to illustrate hypothetical future ranges of long-term returns from different asset classes and their potential interrelationships. The Trustee recognises that no economic model can be expected to fully capture future uncertainty, particularly the risk of highly uncertain future events.

Section 4 – Plan Metrics and Targets

Metrics:[7]

In order for the Plan to better understand and monitor the carbon emissions attributable to the Plan's assets in accordance with the mandates of the Regulations, the Trustee has selected and gathered data on four metrics: Absolute Carbon Emissions, Carbon Emissions Intensity, Data Coverage and Alignment. Currently, the data gathered to calculate these metrics are related to:

- Scope 1 emissions (direct emissions of a company or emissions under the company's control),
- Scope 2 emissions (indirect emissions that result from a company's use of energy in its operations), and
- Scope 3 emissions (indirect emissions from activities of the entity, other than Scope 2 emissions, which occur from sources that the entity does not directly control).

In preparation for calculating Plan metrics and targets in the 2025 Climate Change Report, the Trustee has engaged Northern Trust Total Portfolio Solutions ("Northern Trust") to provide portfolio results for the Plan's corporate bond and equity holdings. Northern Trust utilises data from a third-party relationship with ISS ESG.

Whilst the analysis has been undertaken to represent the emissions of the Plan's underlying portfolio as accurately as possible, this is a developing area, which gives rise to limitations. Only emissions data for corporate bonds and equity, approximately 40% and 10% of the portfolio assets, respectively, are included in the metrics and as reflected by the Data Coverage metric, a portion of this data, primarily Scope 2 and 3 emissions, has been estimated or not reported. Even for emissions that were reported by individual companies, there is not yet a universally accepted way to calculate emissions, which makes the data more uncertain. Recognising these limitations, the analysis has been carried out on a "best endeavours" basis, with the expectation that data coverage and analytical insight gleaned from the data will improve over time. Additionally, UK Gilts, which represent approximately 40% of the portfolio, have been excluded from this data as the practice of reporting emissions for sovereign bonds varies widely. Moving forward, the Trustee will continue to engage with its investment managers to develop a reliable estimate that better informs the Plan's exposure to climate change within this asset class. Lastly, Private Property, representing approximately 10% of the Plan asset holdings, has been excluded as comparable data is not yet readily available on a portfolio basis.

Metric 1 – Absolute Carbon Emissions

The Absolute Carbon Emissions Metric measures the total amount of carbon emissions released by a company over the course of a year. This metric cannot provide a comparison against peers or asset classes. This metric is calculated in line with the guidance provided by the Greenhouse Gas Protocol. This metric is calculated using underlying company emissions data for direct and indirect emissions, as provided by Northern Trust using data from ISS ESG. Where ISS does not have reported data for a company, they utilise an estimation model based on an approach that relies on company information and a sub-sector model.

[7] The Trustee has not undertaken data collection for the investments in the Defined Contribution Element of the Plan, given the immaterial size of non-AVC DC assets relative to the total assets in the Plan (less than 1%) and that it would be disproportionate in terms of time and cost to do so.

The estimated total Scope 1, 2 and 3 carbon emissions for the equity and corporate bond portfolios as at December 31, 2025 was 433,767 tonnes of carbon dioxide (CO_2) equivalent (tCO2e). The chart below shows this broken down by asset class.

Asset class	Scope 1 & 2 Carbon Emissions (tCO_2e)	Scope 1, 2 & 3 Carbon Emissions (tCO_2e)
Equity	9,543	119,816
Corporate bonds	27,064	313,951

The Trustee expects the total portfolio emissions to increase as coverage of the corporate bonds increases and emissions are attributed to the UK Gilts and Private Property. It is important to note that publicly traded property typically has lower scope 1 and 2 emissions than the average for equity.

Metric 2 – Carbon Emissions Intensity

Carbon Footprint, the selected intensity metric, measures the total carbon dioxide emissions per unit of currency invested by the Plan. This metric can help the Trustee understand which investments and asset classes it invests in have a heavier exposure to carbon emissions on a size adjusted basis. The calculation of this metric takes the total carbon emissions value, as explained above, and divides it by the total enterprise value of the assets to which the emissions refer to. Northern Trust performed the calculation using data from a third-party relationship with ISS ESG.

The table below shows a breakdown for carbon intensity by equity and corporate bonds as at December 31, 2025.

	Scope 1 & 2 Carbon intensity (tCO_2e/£m invested)	Scope 1, 2 & 3 Carbon intensity (tCO_2e/£m invested)
Equity	48	597
Corporate bonds	50	579

Metric 3 – Additional climate change metric – Data Coverage

The chosen metric is Data Coverage. This metric can be used to assess whether a Plan's data reporting is increasing over time.

The table below shows a breakdown of Data Coverage for Scope 1, 2, and 3 emissions by asset class as at December 31, 2025.

	% securities whereby carbon data is reported by company	% securities whereby carbon data is estimated	% securities whereby carbon data is not reported
Scope 1 & 2			
Equity	94.0%	5.9%	0.2%
Corporate bonds	94.7%	1.3%	3.9%
Scope 3			
Equity	68.7%	31.2%	0.2%
Corporate bonds	65.2%	30.9%	3.9%

This metric was provided by Northern Trust using data from a third-party relationship with ISS ESG.

Metric 4 – Alignment – Implied Temperature Rise

The chosen alignment metric is implied temperature rise (ITR). This metric can be used to understand if assets held via investment managers could hypothetically contribute to global temperature rise versus pre-industrial levels. Private Property and UK Gilts are not included in the table below. Both private property managers utilised by the Plan, and the UK government have net zero targets.

	Implied Temperature Rise
Equity	2.7
Corporate bonds	1.9

This metric was provided by Northern Trust using data from a third-party relationship with ISS ESG.

Metric Targets

The quality and comprehensiveness of carbon related data is uncertain; however, the Trustee believes it is improving. As a result, the Trustee has limited its target setting to a short-term objective of reporting data for at least 60% of the assets by 2030 and seeing the percentage of corporate bonds whereby carbon data is reported by company, as measured by Data Coverage Metric 3, improve to 75%. In preparation for measuring performance against this target in the 2025 Climate Change Report, as is noted above, the Trustee has engaged Northern Trust to provide metrics for our equity and corporate bond holdings through their proprietary Climate Focus reporting service that uses data from a third-party relationship with ISS ESG. BPI will continue to monitor the reporting of carbon emissions data, and this target, with Northern Trust and investment managers to receive updates on evolution of their carbon emissions metric collection and reporting. The Trustee will update targets again in future reporting cycles as data quality improves.

The base year for this target is 2022.

2025 Plan Year Targets	Base date 2022	Prior Year 2024	Current Date 2025	Target Date 2030	Variance
% of portfolio included in section 4	47%	54%	55%	60%	5%
% of corporate bond emissions reported by company	56%	69%	72%	75%	3%

Conclusion – Looking Forward

The Trustee recognises the potential impact of climate change on the Plan, in relation to both assets and liabilities. This report highlights the negative financial impact associated with a Low, Limited or Delayed Transition scenario. However, the results set out in this report also highlight that the Plan is well positioned, thanks to its asset allocation, strong funding position and Sponsor covenant, to handle these risks. In addition, the Plan has the appropriate governance in place to adapt to evolving standards and market conditions. The Trustee wishes to reassure members and their beneficiaries that our priority is that all payments due from the Plan are made on time and in full.