

Resolved: Shareholders request the Board of Directors commission and publicly disclose the findings of an independent racial equity audit, analyzing the adverse impacts of Chevron’s policies and practices that discriminate against or disparately impact communities of color, above and beyond legal and regulatory matters. The report should clearly identify, and recommend steps to eliminate, business activities that further systemic racism, environmental injustice, threaten civil rights, or present barriers to diversity, equity, and inclusion (DEI), both internally in its workforce and externally in impacted communities. Input from impacted workers, community members, customers, and other relevant stakeholders should inform the audit and report. The report should exclude information relevant to any pending legal proceeding or threatened proceeding of which Chevron has notice.

Whereas: Racial inequity and environmental racism are systemic risks that threaten society and the economy.¹ Companies that fail to correct policies and practices that further racist, discriminatory, or inequitable impacts face legal, financial, reputational, and human capital management risks. Companies that commit to holistically advance racial justice and foster DEI benefit from stronger performance, employee satisfaction, innovation, and positive social impact.²

Chevron is one of the highest greenhouse gas emitting companies in the world.³ Its emissions contribute to the climate crisis, which disparately impacts people of color and furthers systemic racism.⁴ Chevron’s operations, discharges, and leaks disproportionately burden communities of color with pollution and human health risks.⁵

For example, 80% of fenceline residents living near Chevron’s Richmond, CA refinery are people of color, and they experience higher rates of cardiovascular disease, cancer, and asthma.⁶ Chevron’s Richmond facility is the city’s largest polluter and has received 150 environmental violations since 2016,⁷ most recently including a \$200,000 settlement related to a 600 gallon oil spill in 2021.⁸ Additionally, the Company has spent millions of dollars influencing city politics and funding.⁹ Chevron faces recent accusations of potentially illegal political advocacy in Richmond supporting a “race-baiting” redistricting campaign.¹⁰

Furthermore, Chevron’s business disparately impacts Indigenous Peoples. Over 60% of publicly reported abuses from Chevron’s operations impacted Indigenous Peoples, including violation of land rights, allegations of genocide, and violence against Indigenous women.¹¹ Chevron also faces scrutiny for financing

¹ <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/racial-inequity-a-systemic-risk-8211-state-street-global-advisors-ceo-62047105>

² <https://www.forbes.com/sites/forbeshumanresourcescouncil/2021/05/19/15-key-benefits-of-dei-to-communicate-with-team-members/?sh=78cbb835195c>

³ <https://www.theguardian.com/environment/2019/oct/09/revealed-20-firms-third-carbon-emissions>

⁴ <https://e360.yale.edu/features/unequal-impact-the-deep-links-between-inequality-and-climate-change> ;

<https://blog.ucsf.edu/kathy-mulvey/six-ways-chevron-imperils-climate-human-rights-and-racial-justice/>

⁵ <https://www.scientificamerican.com/article/pollution-poverty-people-color-living-industry/>

⁶ <https://www.theguardian.com/environment/2019/oct/09/richmond-chevron-california-city-polluter-fossil-fuel;>

<https://ej4all.org/life-at-the-fenceline>

⁷ <https://accountable.us/wp-content/uploads/2022/07/20220517-AUS-Report-Environmental-Racism-V2.pdf>

⁸ <https://www.theguardian.com/environment/2021/feb/11/richmond-california-chevron-oil-spill> ;

<https://www.kqed.org/news/11931168/chevron-agrees-to-pay-200000-for-2021-bay-fuel-spill-at-richmond-refinery>

⁹ <https://www.eastbaytimes.com/2014/10/10/chevron-unleashes-campaign-spending-to-influence-richmond-election/>

¹⁰ https://www.richmondprogressivealliance.net/is_it_chevron ; <https://eastbayexpress.com/race-baiting-in-richmond-1/>

¹¹ https://chevronglobaldestruction.com/chevrons_global_destruction_report.pdf

police institutions in major U.S. cities that have been linked to police brutality,¹² as well as for financing U.S. politicians with failing civil rights grades issued by the NAACP.¹³

While Chevron has made DEI and philanthropic commitments to support Black employees and communities, its practices have historically exacerbated racial inequities.¹⁴ An independent 2021 report documented dozens of outstanding legal cases against Chevron for alleged environmental damage and human rights violations, noting that the company has only paid .006% of associated fines, court judgements, and settlements.¹⁵ A racial equity audit would help Chevron identify, prioritize, remedy, and avoid adverse impacts on people of color while reducing reputational risk and liabilities.

¹² <https://www.theguardian.com/us-news/2020/jul/27/fossil-fuels-oil-gas-industry-police-foundations> ; <https://www.security.org/resources/police-brutality-statistics/>

¹³ <https://www.globalwitness.org/en/campaigns/oil-gas-and-mining/chevron-stop-funding-racism/>

¹⁴ <https://insideclimatenews.org/news/20062020/chevron-black-lives-matter-twitter/>

¹⁵ https://chevronglobaldestruction.com/chevrons_global_destruction_report.pdf