

Environmental Justice & Racial Equity Analysis
Chevron, 2021

Resolved, Shareholders request the Board of Directors commission an independent third-party report, at reasonable cost and omitting proprietary information, analyzing how Chevron’s policies, practices, and the impacts of its business, perpetuate racial injustice and inflict harm on communities of color in the United States.

Supporting Statement: This report should:

- Align with the UN Guiding Principles on Business and Human Rights to identify, assess, prevent, mitigate, and remedy human rights impacts;
- Assess long-term cumulative contributions to climate change and disparate impacts on the health of communities of color; and
- Examine alignment of the company’s public policy advocacy and respect for civil rights.

In June 2020, Chevron tweeted its view that “black lives matter,”¹ and stated that diversity and inclusion are foundational to The Chevron Way.² Chevron faces reputational risk if its practices contribute to systemic racism, in conflict with its own statements.³ Emissions from the use of Chevron’s products contribute to the climate crisis, which disparately impacts people of color,⁴ reinforcing and even furthering systemic racism.⁵ Chevron’s operations, discharges, and leaks also harm human health. These harms fall heavily on environmental justice communities, which are communities disproportionately impacted by multiple sources of pollution and social vulnerabilities, that oftentimes are people of color or low-income communities.⁶

For example, 80% of residents living adjacent to Chevron’s Richmond, CA refinery are people of color, and they experience higher rates of cardiovascular disease, cancer, and asthma.⁷ Long-term exposure to air pollution causes more severe COVID-19 symptoms and higher mortality rates.⁸ Chevron’s Richmond facility is the city’s largest polluter and the company has spent millions of dollars to influence city politics and funding.⁹ Meanwhile, it did not pay any taxes in 2018.¹⁰

¹ <https://emagazine.com/environmental-justice-a-black-lives-matter-priority/>

² <https://twitter.com/Chevron/status/1268984687927705600>

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<https://www.washingtonpost.com/business/2020/06/13/after-years-marginalizing-black-employees-customers-corporate-america-says-black-lives-matter/>

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

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

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

⁶ <https://www.epa.gov/environmentaljustice>

⁷ <https://www.theguardian.com/environment/2019/oct/09/richmond-chevron-california-city-polluter-fossil-fuel;>

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

⁸ <https://www.hsph.harvard.edu/biostatistics/2020/04/linking-air-pollution-to-higher-coronavirus-death-rates/>

⁹ <https://echo.epa.gov/detailed-facility-report?fid=110020506460;>

[https://www.eastbaytimes.com/2014/10/10/chevron-unleashes-campaign-spending-to-influence-richmond-election/;](https://www.eastbaytimes.com/2014/10/10/chevron-unleashes-campaign-spending-to-influence-richmond-election/)

<https://www.latimes.com/business/hiltzik/la-fi-mh-chevron-deluge-of-campaign-money-20141013-column.html>

¹⁰<https://www.motherjones.com/politics/2020/01/chevron-made-4-5-billion-in-2018-so-why-did-the-irs-give-them-a-refund/>

Failure to adequately assess and mitigate impacts on communities often results in litigation, project delays, and significant fines.¹¹ This “cost of doing business” for the company has disparate and significant costs for community members, in the United States and globally.¹² A 2012 refinery explosion cost Chevron \$5 million;¹³ this incident sent 15,000 residents to the hospital where the community continues to suffer negative health outcomes.¹⁴ Chevron now faces a lawsuit for health impacts, economic losses, and environmental harm due to its lapses in maintenance and disregard for public safety.¹⁵

Chevron’s Human Rights Policy and Operational Excellence Management System do not address how systemic racism is replicated through its business.¹⁶ A commitment to human rights requires a commitment to non-discrimination. The opposition and fines Chevron faces demonstrate that its policies are not effectively implemented to identify risks, ensure meaningful stakeholder engagement and consultation, reduce negative impacts on communities and the environment, or ensure access to remedy.¹⁷ Analysis on how these impacts uniquely affect communities of color is warranted in order to reduce additional harm and avoid perpetuating further racial inequity.

¹¹<https://www.desertsun.com/story/news/2019/10/02/california-fines-chevron-2-7-million-cymric-oil-spills-kern/3848335002/>; <https://cen.acs.org/safety/industrial-safety/Chevron-reaches-160-million-settlement/96/web/2018/10>

¹² <https://onezero.medium.com/chevrons-slick-statement-on-racial-injustice-makes-no-sense-90d7e604875a>;
<https://www.reuters.com/article/nigeria-oil-idCNL8N1AR5DF>

¹³

<https://www.kqed.org/news/11665999/chevron-richmond-move-to-settle-lawsuit-over-2012-refinery-fire-that-sickened-thousands>

¹⁴ <https://ehjournal.biomedcentral.com/articles/10.1186/s12940-019-0484-4>

¹⁵ https://www.cpmlegal.com/media/cases/147_RICHMOND%20CHEVRON%20COMPLAINT.pdf

¹⁶ <https://theenergymix.com/2020/06/23/chevron-anti-racism-tweet-sparks-accusations-of-hypocrisy/>

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https://www.corporatebenchmark.org/sites/default/files/chrb_2019_pdfs/Chevron%20Corporation%20CHRB%202019%20Results%20on%2020190926%20at%20090450.pdf