

Greetings,

Trillium Asset Management Corporation and the New York State Common Retirement Fund have crafted the investor sign-on statement (appended below) and we invite you to add your institution's name as a signatory. It urges Chevron to take a fresh look at how to handle its multi-billion dollar environmental liabilities in Ecuador, including the consideration of whether to settle with the plaintiffs rather than pursue endless rounds of appeals in an attempt to delay the inevitable. Earlier this year, an Ecuadorian court imposed an \$18 billion dollar penalty on Chevron.

The deadline for signing is Friday, May 20.

If you wish to sign, please include with your reply your AUM.

Thank you.

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## INVESTOR STATEMENT ON CHEVRON AND AGUINDA V. TEXACO

May 2011

The undersigned shareholders of Chevron collectively represent \$XX billion in assets under management. We are long term shareholders of Chevron stock.

We urge Chevron to use the occasion of the *Aguinda v. Texaco* verdict earlier this year to take a fresh look at its options to address Texaco's legacy in the Ecuadorian rainforest.

In February 2011, the Ecuadorian Provincial Court found Chevron liable for over \$18 billion in compensatory and punitive damages for polluting vast areas of the Amazonian rainforest from oil drilling and its waste products.[1] This is a historically high judgment comparable in size only to BP's promised \$20 billion compensation fund for the victims its 2010 Gulf of Mexico oil spill.

Chevron has appealed *Aguinda* in Ecuador, and the company's public statements since the verdict assert management's intention to challenge it at every opportunity in every available forum. While Chevron has obtained a preliminary injunction from the U.S. District Court in Manhattan barring the enforcement any judgment in the *Aguinda* case, it appears unlikely that this injunction could be enforced outside the United States to prevent seizures of Chevron's assets based abroad even if the injunction survives appeal.

The original lawsuits that were later consolidated into *Aguinda v. Texaco* made their first appearance nearly two decades ago, and in that time, Chevron has suffered grave reputation damage from its attempts to defend Texaco's limited pollution remediation efforts. Chevron has admitted in sworn legal statements that the company is at risk of "irreparable injury to [its] business reputation and business relationships" from potential enforcement of the Ecuadorian court judgment[2]. In fact, that injury has already been incurred and grows more severe every day that the company delays the adoption of a new approach to this case and keeps *Aguinda v. Texaco* in the public eye with last-ditch attempts to undo the verdict.

In failing to negotiate a reasonable settlement prior to the Ecuadorian court's ruling against the company, Chevron displayed poor judgment that has led investors to question whether our company's leadership can properly manage the array of environmental and human rights challenges and risks that it faces. We call upon Chevron to fully disclose to shareholders the risks to its operations and business from the potential enforcement of the *Aguinda* verdict, and we call upon the company to reevaluate whether endless litigation is the best strategy for the company and its shareholders, or whether a more productive approach, such as reaching a settlement, could be employed to begin to provide for a proper remediation for past environmental damages. In so doing, Chevron can once and for all put this controversy behind it.

Signed,

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[1] "Summary of Judgment Entered in *Aguinda et al v. Chevron Corporation*"

<http://chevrontoxico.com/assets/docs/2011-02-14-summary-of-judgment-Aguinda-v-ChevronTexaco.pdf>.

[2] Declaration of Chevron Deputy Comptroller Rex Mitchell in support of Chevron Corporation Motion for a Preliminary Injunction, filed 2/5/11, p. 4.