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Chevron's 2008 annual report to its shareholders is a glossy celebration heralding the company's most profitable year in its history. Profits of \$24 billion catapulted Chevron past General Electric to become the second most profitable corporation in the United States. The oil company's 2007 revenues were larger than the gross domestic product (GDP) of 150 nations.

What Chevron's annual report does not reveal is the true cost paid for those financial returns: lives lost, wars fought, communities destroyed, environments decimated, livelihoods ruined, and political voices silenced. Nor does it describe the global resistance movement gaining voice and strength against these operations.

Thus, the communities, and their allies, who bear the consequences of Chevron's oil and

natural gas production, refineries, depots, pipelines, exploration, offshore drilling rigs, coal fields, chemical plants, political control, consumer abuse, false promises, and much more, have prepared an Alternative Annual Report for Chevron.

The alternative account reveals the true impact of just a handful of Chevron's operations in the US in communities across Alaska, California, Colorado, the District of Columbia, Florida, the Gulf Coast, Mississippi, New Jersey, New York, Utah, and Wyoming; and internationally across Angola, Burma, Canada, Chad, Cameroon, Ecuador, Iraq, Kazakhstan, Nigeria, and the Philippines. These accounts are demonstrative, not inclusive. We would need one hundred reports to document all such impacts. These accounts include active lawsuits against the company from around the world, totaling in the tens of billions of dollars, which threaten its vaulted financial gains—for when a company operates in blatant disregard for the health, security, livelihood, safety, and environment of the communities within which it operates, there can be real financial repercussions.

Chevron buys political influence and control at the local and national levels at each of its operational sites, in order to circumvent or trump laws that would protect people and environments from the company's destructive practices.

In California, Chevron is the state's largest corporation and the dominant oil industry force before the state legislature, led by chief lobbyist Jack Coffey, and with the support of the Western States Petroleum Association. As Coffey explained, Chevron's money is spent "to be sure our business opportunities can continue in the way we want them to continue." As one of the major players in what is increasingly recognized as a rogue industry, above any government control, Chevron buys assurances that government representatives will look the other way as the health of communities and environments around the planet are destroyed.

This alternative report shows Chevron's pattern of hiring harsh military "protection" against local residents, evidenced in Iraq, the Niger Delta, Chad, Cameroon, Angola, and Burma, where massive increases in military presence and widespread abuses of human rights—including forced labor, murder, rape, forced relocation of villages, and more—are ongoing against communities living in and around Chevron projects.

In Cabinda, the heart of Angola's oil production, twenty-four-hour oil operations are, as lawyer and journalist Daphne Eviatar wrote, "what financed the government's army during a civil war. . . . And they're the most obvious sign of the West's relentless tentacles reaching into Angola

today.” Like in other Chevron “company towns” around the world, extractive industry practices in Cabinda only stress and deepen poverty levels as Chevron pollutes and destroys the environment, accentuates social injustice, stops development, and sows frustration. The report quoted Angola resident Agostinho Chicaia: “The solution? Discontinue Chevron’s oil exploration in Cabinda, as it is the mother of our disgrace, bringing poverty, environmental problems, and armed conflict.”

Chevron’s Chad–Cameroon project has fueled violence, impoverished people in the oil fields and along the pipeline route, exacerbated pressures on indigenous peoples, and created enormous environmental problems. The money from the oil has paid for arms that have fueled Chad’s civil war and the associated conflict in neighboring Darfur.

In what is likely the Earth’s most oil damaged region, the Niger Delta, Chevron continues to employ the notoriously brutal Nigerian military to provide it with security services. The military is known to violently repress peaceful protest by villagers from the Delta communities.

In Ecuador, Texaco (now Chevron) oil production has irreversibly altered and degraded an environment that people have called home for millennia. Indigenous peoples who knew the forest intimately and lived sustainably off its resources for countless generations have found themselves forced into dire poverty, unable to make a living in their traditional ways when the now toxic rivers and forests are empty of fish and game. The physical ailments they suffer from oil pollution are accentuated by the cultural impoverishment that the oil industry has brought to the region, in many cases amounting to the almost total loss of ancient traditions and wisdom.

As affected Amazon residents battle Chevron for accountability, Chevron has engaged in repeated attempts to subvert the judicial process, ranging from the use of deceptive sampling techniques in scientific studies of the contamination, to lobbying efforts in Washington to tie the renewal of Ecuador’s trade privileges to its dismissal of the case.

In Iraq, one invasion and seven years of occupation later, Chevron negotiated for two oil fields. Iraq’s five trade union federations released a statement rejecting “the handing of control over oil to foreign companies, which would undermine the sovereignty of the state and the dignity of the Iraqi people.” A confidential intelligence report on the Iraq Oil Law prepared for US officials and leaked to ABC News concluded that “if major foreign oil companies were going to go to work in Iraq, they would need to be heavily underwritten by the US government.” The report further concluded that if and when US oil companies got to work in Iraq they would require

protection—most likely that of the US military.

The world sits on a precipice. Oil is running out. The oil that is left is found in more environmentally, socially, and politically sensitive areas and is more hotly contested. Chevron contended in its 2008 annual report that “meeting future demand will be one of the world’s great challenges—but one that Chevron is convinced can be met in an environmentally responsible way.” Nothing in the report actually supports such a contention. Nor does it indicate that Chevron is seeking to do so in a manner that protects social, political, or human rights.

While spending, at best, less than 3 percent of its capital and exploratory budget on green energy in 2008, Chevron marketed itself as an “alternative energy” company that is “part of the solution,” but few truly believe the hype. Rather, the movements to embrace real energy alternatives and to hold Chevron fully accountable for its disastrous actions is gaining far greater currency than the company’s billions can ultimately withstand.

Update by True Cost of Chevron Authors

In April 2010, Chevron released its 2009 annual report. It would not take long for the cover design—Chevron’s Gulf of Mexico ultra-deepwater drillship, the *Discoverer Clear Leader*—to seem a terribly poor choice.

Just days prior to publication, 18,000 gallons of crude oil spilled from a Chevron-operated pipeline in the Delta National Wildlife Refuge in southeastern Louisiana.

A far worse disaster struck less than two weeks later. The largest blowout in thirty years of an oil and gas well in the Gulf of Mexico killed eleven people and saturated the surrounding areas in a blanket of oily destruction. The rig was owned and operated by Transocean, the same company with which Chevron has a five-year contract to operate the *Discoverer Clear Leader*, among other Chevron offshore rigs.

While the cover image of Chevron's annual report features a pristine rig, perhaps the more appropriate photo for Chevron will prove to be the image on page two: the sun setting on the Chevron Way.

Chevron's 2009 annual report celebrated 130 years of Chevron operations. In it, the company declared that the "values of the Chevron Way" include operating "with the highest standards of integrity and respect for human rights," a deep commitment "to safe and efficient operations and to conducting our business in an environmentally sound manner," and the building of "strong partnerships to produce energy and support communities."

We—the communities and our allies who bear the consequences of Chevron's offshore drilling rigs, oil and natural gas production, coal fields, refineries, depots, pipelines, exploration, chemical plants, political control, consumer abuse, false promises, and much more—have a very different account to offer. Thus, we have once again prepared the Alternative Annual Report for Chevron.

Written by dozens of community leaders from sixteen countries and ten states across the US where Chevron operates, the sixty-page report encompasses the full range of Chevron's activities, from coal to chemicals, offshore to onshore production, pipelines to refineries, natural gas to toxic waste, lobbying and campaign contributions to greenwashing.

On May 25, 2010, forty authors of the alternative report authors appeared at a press conference in Houston to address the true cost of Chevron's operations in their communities. On May 26, they delivered the report directly to Chevron inside the company's annual general meeting (AGM) while supporters rallied outside. Chevron had five protesters arrested from the site, including the report's lead author and editor, Antonia Juhasz. Chevron also refused entry to another two dozen people from Chevron-affected countries around the world, like Nigeria, Ecuador, and Burma. Those denied entry held legal shareholder proxies.

See the 2010 Alternative Report at www.TrueCostofChevron.com.