

# Stockholder Proposals *(Continued)*

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## **STOCKHOLDER PROPOSAL ON AN ANIMAL WELFARE POLICY**

*(Item 6 on the proxy form)*

WHEREAS, the Company conducts tests on animals as part of its product research and development; and

WHEREAS, the Company also retains independent laboratories to conduct tests on animals as part of product research and development; and

WHEREAS, abuses in independent laboratories have recently been revealed and disclosed by the media; and

WHEREAS, the Company has no published animal welfare or animal care policy prominently posted on its website; NOW THEREFORE,

BE IT RESOLVED, that the shareholders request that the Board adopt and post an Animal Welfare Policy online which addresses the Company's commitment to (a) reducing, refining and replacing its use of animals in research and testing, and (b) ensuring superior standards of care for animals who continue to be used for these purposes, both by the Company itself and by all independently retained laboratories, including provisions to ensure that animals' psychological, social and behavioral needs are met. Further, the shareholders request that the Board issue an annual report to shareholders on the extent to which in-house and contract laboratories are adhering to this policy, including the implementation of the psychological enrichment measures.

### **Supporting Statement:**

The Boards of many companies have adopted and prominently published animal welfare

policies on their websites relating to the care of animals used in product research and development. Our Company should be an industry leader with respect to animal welfare issues, and yet it has no publicly, available animal welfare policy.

The recent disclosure of atrocities recorded at Covance, Inc. has made the need for a formalized, publicly available animal welfare policy that extends to all outside contractors all the more relevant, indeed urgent. Filmed footage showed primates being subjected to such gross physical abuses and psychological torments that Covance sued to stop PETA Europe from publicizing it. The Honorable Judge Peter Langan, in the United Kingdom, who denied Covance's petition, stated in his decision that the video was "highly disturbing" and that just two aspects of it, namely the "rough manner in which animals are handled and the bleakness of the surroundings in which they are kept ... even to a viewer with no particular interest in animal welfare, at least cry out for explanation."<sup>1</sup>

Shareholders cannot monitor what goes on behind the closed doors of the animal testing laboratories so the Company must. Accordingly, we urge the Board to commit to ensuring that basic animal welfare measures are an integral part of our Company's corporate stewardship.

We urge shareholders to support this Resolution.

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<sup>1</sup> The case captioned *Covance Laboratories Limited v. PETA Europe Limited* was filed in the High Court of Justice, Chancery Division, Leeds District Registry, Claim No. 5C-00295. In addition to ruling in PETA's favor, the Court ordered Covance to pay PETA £50,000 in costs and fees.

# Stockholder Proposals *(Continued)*

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## **YOUR BOARD'S RECOMMENDATION AGAINST THE PROPOSAL ON AN ANIMAL WELFARE POLICY**

Chevron's use of animal testing is limited and is done to meet regulatory and legal requirements and to ensure its products and processes are safe. Your Board believes that Chevron's current practices regarding laboratory animal use meet or exceed all legal and regulatory requirements for the humane treatment and care for laboratory animals. Also, Chevron has controls and audit processes in place to ensure that these standards are rigorously met. Given the limited scope of animal testing that we do and the existence of clear standards and legal requirements, adopting and posting a corporate animal welfare policy are neither warranted nor necessary. Therefore your Board recommends voting AGAINST this proposal.

Chevron conducts its worldwide operations with the highest regard to protecting people and the environment by working to ensure the safety of its products for its employees, customers, and the community. Chevron complies with all applicable laws in countries where it conducts business and has policies to manage the potential risks of its operations and products. Current regulations in the U.S., Canada, European Union, and many other countries require the Company to use laboratory animal methods.

Chevron does no in-house laboratory animal testing. The limited amount of laboratory testing is performed for the Company by qualified external laboratories and is required to ensure the health and safety of our products to the public. Chevron mammalian animal testing is primarily limited to a small

number of chemical additives and lubricants per year.

When laboratory animal studies are required, Chevron selects accredited testing laboratories to conduct this work based on factors including the quality of the laboratory facilities and staff, their accreditations, results of past governmental inspections, scientific record, staff training, safety procedures, and technical expertise. Only testing laboratories specifically accredited for humane animal use by the American Association for the Accreditation of Laboratory Animal Care International are accepted for mammalian animal testing by Chevron. In addition, toxicology studies are conducted in compliance with Federal Good Laboratory Practices regulations.

Furthermore, our contract toxicology tests are audited onsite by Chevron toxicologists to confirm the integrity of the testing procedures and the welfare of the research animals. Any indication of the misuse of animals is required to be reported immediately to the management of the testing laboratory and Chevron.

For both ethical and scientific reasons, good science requires that animals used in research are healthy and well cared for. Test animals for our studies are at all times under the direction of trained veterinarians and their staff.

Given the limited scope of our testing and the existence of long-standing and effective practices and regulations, adopting and posting a corporate animal welfare policy are neither warranted nor necessary. **Your Board recommends voting AGAINST this proposal.**