

American Federation of Labor and Congress of Industrial Organizations



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August 9, 2005

VIA FACSIMILE AND OVERNIGHT

Sam Nunn
Chair, Public Policy Committee
Chevron Corporation Board of Directors
6001 Bollinger Canyon Road
San Ramon, CA 94583-2324

Dear Senator Nunn:

I am writing you in your capacity as the Chair of the Public Policy Committee of Chevron's Board of Directors to call on you to establish an enforceable human rights policy. As you are aware, I expressed concern to about Chevron's human rights policies in a July 22nd letter to Chevron Chairman and CEO David O'Reilly. Subsequent revelations regarding Chevron's possible culpability for human rights abuses resulting from its operations in Nigeria further exacerbate our concerns. A copy of this correspondence is enclosed.

I was disappointed by Chevron Vice Chairman Peter Robertson's July 28th response as he declined to discuss the risks of operating in Burma, a country with an extremely poor human rights record. The need for the Public Policy Committee to establish a comprehensive human rights policy will take on new urgency as a result of the Unocal merger, as Chevron will acquire Unocal's assets in Burma. The Public Policy Committee is responsible for monitoring the social, political and environmental risks that affect Chevron's international operations and recommending to the Board policies to effectively address these issues.

Chevron's brand name and corporate reputation may be harmed if it continues to operate in countries with inadequate human rights protections. Managing Chevron's operations and increasing shareholder value depend in part on public and governmental goodwill. The importance of human rights issues in political arena was underscored by CNOOC's decision to withdraw its bid for Unocal, citing "unprecedented political opposition." The lack of respect for human rights and democracy in China contributed to this political climate.

Senator Sam Nunn

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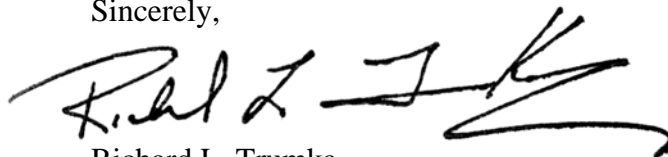
Unocal's partnership with the Burmese military dictatorship in the Yadana pipeline project has been a source of contention between Unocal and many of its institutional investors. These institutional investors are concerned with the potential impact on shareholder value from operating in Burma, a country that has been widely condemned for its systematic human rights abuses. Operating in countries with human rights abuses can create contingent legal liabilities. Unocal recently settled a lawsuit reportedly for \$30 million brought by sixteen Burmese villagers who were victims of forced labor on the Yadana pipeline, and Unocal may be subject to additional claims.

Chevron's own human rights track record in unstable countries is decidedly mixed and the company's ability to protect human rights in its international operations has been called into question. Chevron currently faces litigation in the United States under the Alien Tort Claims Act for its alleged involvement in human rights abuses in Nigeria. As you are aware, Chevron is being sued by the survivors of a massacre by state security forces who allegedly used a Chevron-provided helicopter to attack their village in the Niger Delta. Recently released invoices purportedly show that these soldiers were being paid by Chevron's subsidiary in Nigeria.

As the first step to establish an enforceable human rights policy, the Public Policy Committee should recommend when Chevron should divest from a country with untenable human rights abuses. It is our view that investment in the Yadana pipeline is an unacceptable legal and political risk, and that Chevron should divest from Burma just as Texaco did in 1997 prior to its merger with Chevron. This process should be conducted in a transparent manner, and the results should be disclosed in a report to shareholders. We urge the Public Policy Committee to meet with concerned institutional investors as part of this process to establish an enforceable human rights policy.

Thank you for your attention to this matter. I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard L. Trumka". The signature is stylized and fluid, with a long horizontal stroke at the end.

Richard L. Trumka

Enclosures