



engaging our stakeholders

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right and responsible way

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5 insights

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risk and operate the
right and responsible way

In this feature, Dave Payne, vice president, Health, Environment and Safety, speaks with Lina Saenz (left), Risk Management advisor, and Sucheta Tiwari, Stakeholder Engagement advisor, about Chevron's new approach to stakeholder engagement.

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1. Tell us about risk management and stakeholder engagement at Chevron.



We recently updated our standardized, risk-based approach to managing Operational Excellence (OE)—or health, environment and safety—risk. As part of the update, we looked at how we engage with our stakeholders. We streamlined two related processes into one—the new Stakeholder Engagement and Issues Management (SEIM) process. This helps business units identify, assess, prioritize and manage OE risk holistically, while thoughtfully considering likely stakeholders' perceptions. Potential social, community, political and reputational risks and management strategies are identified throughout the process.



2. What behaviors will make the SEIM's application a success?



In many ways, we're strengthening our current behaviors. The SEIM process operationalizes our Chevron Way values such as trust, partnership and protecting people by designing our stakeholder engagement systems around them. We also provided a new mechanism designed to anticipate potential community impact throughout an asset's lifecycle. This will help us proactively manage community concerns, grievances and expectations.



3. How are stakeholders' risks integrated with other OE risks?



Business units create a prioritized risk profile that integrates all the OEMS focus areas—workforce safety and health, process safety, reliability and integrity, environment, efficiency, security, and stakeholders. The integrated profile builds a common understanding of all risk, but also helps us highlight the stakeholder-related risk and measures designed to prevent incidents and mitigate consequences. Significant stakeholder risks are reported through our Enterprise Risk Management process, which presents an overview to the corporate-level leadership team and Board of Directors.



4. The SEIM process has undergone changes in the past 12 months. Tell us about the business impact of the changes and the process.



Most business units already have processes to request and respond to stakeholder feedback in a timely manner, but we added a grievance mechanism requirement in line with industry best practices. We also formalized how we communicate with our colleagues running day-to-day operations. This ensures we have the right safeguards in place to prevent and mitigate OE risks to our business and potential impacts to communities. For example, new traffic management plans have been created based on conversations that happened as a result of this process. It has led to a better understanding of community impacts with our operations team.



5. How does Chevron track and analyze elements that might signal change, such as potential policy developments?



As part of our day-to-day work, we continuously engage local, regional and national governments, communities, international development organizations, and business leaders to identify emerging issues and policy trends. We participate in multiple industry and business associations and benefit from memberships with policy think tanks and forums. We also use data analytics to monitor and assess public perceptions about our company and industry.



In each business unit, a leadership-level committee helps prioritize the social, political and reputational issues that emerge from these various inputs. At the enterprise level, there is a committee composed of executive leaders to address these ongoing and emerging policy issues.


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