



2017 corporate responsibility report  
**chevron in Nigeria**

human energy







“We are the partner of choice not only for the goals we achieve but how we achieve them”

At the heart of The Chevron Way is our vision ... to be the global energy company most admired for its people, partnership and performance.

We make this vision a reality by consistently putting our values into practice. The Chevron Way values distinguish us and guide our actions so that we get results the right way.

Our values are diversity and inclusion, high performance, integrity and trust, partnership, protecting people and the environment.



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**the chevron way**

explains who we are, what we do,  
what we believe and what we plan  
to accomplish





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## a message from *jeffrey ewing*

In over five decades of operations in Nigeria, Chevron has continued to distinguish itself as a responsible company by conducting business in a socially and environmentally responsible manner; respecting the laws, and contributing to the socio-economic development of the communities where we work. We are guided by our values anchored on our vision to be the global energy company most admired for its people, partnership and performance. Against the backdrop

of rapid change in the oil and gas industry, our focus remains on delivering that vision in an ethical and sustainable way.

Our corporate responsibility focus areas are aligned with our business strategy of delivering industry-leading returns while developing high-value resource opportunities. We make the difference in the energy sector by building solid partnerships with the government, our suppliers and the community. We are committed to continually improving the quality of life of the people of Nigeria through our social investments and community engagement initiatives.

Chevron remains focused on operational excellence, which drives our delivery of industry leading performance through safe, reliable, efficient and environmentally sound practices. We continue to be recognized for our efforts as a responsible, equal opportunity employer as reflected in our commitment to our people, who are our best assets and ambassadors. Our workforce is dedicated to our purpose of developing the energy that improves lives and powers the world forward.

Our 2017 Corporate Responsibility Report highlights activities and accomplishments from the year through the support of the Nigerian National Petroleum Corporation (NNPC), our partners, suppliers, employees, contractors, and other stakeholders. It provides details of how Chevron is delivering positive social and economic programmes in Nigeria through effective partnerships and our achievements in the key focus areas of Stakeholder Engagement and Social Investments; Health, Safety and the Environment; Human Resource Development; and Nigerian Content Development.

At Chevron, we strive to build lasting relationships to create prosperity now and for generations to come. This report reflects that commitment.

A handwritten signature in black ink, reading "Jeffrey Ewing". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Chairman and Managing Director  
Chevron Nigeria/Mid-Africa Business Unit

# about chevron in Nigeria



our company's  
foundation is built on  
our values,  
which distinguish us  
and guide our actions  
to deliver  
**results**

Chevron is the third largest oil producer in Nigeria and one of the largest investors in the country, with billions in annual capital investments.

Chevron companies in Nigeria have varying interests in nine Deepwater blocks offshore, with the company operating three of these blocks. Chevron's interests in Nigeria include the Agbami Field, which is Nigeria's largest discovery. The Agbami Field lies 70 miles (113 km) off the coast of the central Niger Delta region, spanning 45,000 acres (182 sq. km). Chevron also has a 30 percent non-operated working interest in the Usan Field, located in 2,461 feet (750 m) of water, 62 miles (100 km) off the coast of the eastern Niger Delta region.

A Chevron company also operates and holds a 40 percent interest in eight concessions in the onshore and near-offshore regions of the Niger Delta, operated under a joint-venture arrangement with the NNPC, which holds a 60 percent interest.

Chevron is continuing its efforts to monetize recoverable natural gas resources of approximately 17 trillion cubic feet in the Escravos area through a combination of domestic and export sales and use as fuel in

company operations. The company operates the Escravos Gas Plant which is the processing facility for the Sonam Development Field. The 40 percent-owned and operated Sonam natural gas field is expected to deliver a total of 215 million cubic feet of the natural gas per day to the domestic gas market and produce a total of 30,000 barrels of liquids per day.

Chevron takes its role as a member of the Nigerian community seriously, and is active in many corporate responsibility projects promoting health, education and economic development.

In 2005, Chevron pioneered a new approach to community engagement in the Niger Delta to improve community participation in determining the social and economic needs of our neighboring communities. This model, called the Global Memorandum of Understanding (GMOU), gives communities a greater role in managing their own development through Regional Development Committees (RDCs). The objective is to bring peace, sustainable development and stability to areas where Chevron operates. In 2015, the company launched GMOU+ to

build on the communities' focus on growing small businesses, increasing household income and employment, and aligning with the United Nations' Sustainable Development Goals.

## the chevron way

### vision

At the heart of The Chevron Way is our vision: to be the global energy company most admired for its people, partnership and performance.

### enabling human progress

We develop the energy that improves lives and powers the world forward.

### values

Our company's foundation is built on our values, which distinguish us and guide our actions to deliver results the right way. We conduct our business in a socially and environmentally responsible manner, respecting the law and universal human rights, to benefit the communities where we work.

Chevron's core values are:

- diversity and inclusion
- high performance;
- integrity and trust;
- partnership; and
- protecting people and the environment.

# social investments



**60,000**

school children benefited from our mass deworming programme

**49,808**

community members benefitted from the River Boat Clinic services

**N1.18 billion**

worth of projects were initiated by 3 RDCs under the GMoU programme

## social investments

# health interventions

Chevron adds significant value to Nigeria by supporting improved access to health care, education and socio-economic development opportunities

*We believe that good health is central to social progress. It is for this reason that we have committed substantial resources over the years toward improving access to quality health care for people in our areas of operation and beyond. We support programmes and partnerships to fight HIV/AIDS, Malaria, Tuberculosis and other diseases.*

### mass deworming

In 2017, the company launched its deworming campaign in Idanre, Owo and Okitipupa Local Government Areas of Ondo State. About 60,000 school children benefited from the medicinal exercise, which contributes to their good health and nutrition.

### roll back malaria

In 2017, NNPC and Chevron carried out its annual Roll Back Malaria programme in Yenagoa, Bayelsa State, in partnership with the State Ministry of Health and the National Malaria Elimination Programme (NMEP). The four-month programme focused on Environmental Sanitation, Community Awareness, Prevention and Capacity Building. During the programme, 8,000 community members and

other key stakeholders received environmental sanitation/hygiene and malaria control education; 44 health workers and 74 sanitation officers were trained; and 3,500 long-lasting insecticide-treated nets and 205 refuse bins were distributed.

### HIV/AIDS campaign

In 2016, Chevron announced an additional \$1.4 million in funding to support the second phase of the Prevention of Mother-to-Child Transmission (PMTCT) project known as PROMOT II in Bayelsa State. Led by Pact Nigeria in partnership with Community Based Organizations (CBOs) and Chevron, the primary goal of the project is educating and mobilizing the population in targeted communities to reduce mother-to-child transmission of HIV. PROMOT II focuses on healthcare-seeking behaviors amongst women of reproductive age, particularly those living with HIV.

Overall, PROMOT II's activities reached 7,085 direct beneficiaries in 2017. The project counseled and tested 1,020 pregnant women. 19 HIV-positive women were provided

comprehensive clinical care. The project also reached 6,844 women of reproductive age with HIV/antenatal care and PMTCT messages.

### river boat clinic

In 2017, over 49,808 community members benefitted from the River Boat Clinic (RBC) services and improved access to health care. The RBC is a mobile clinic that serves communities located along the creeks and islets in the Escravos areas of the Western Niger Delta where there is no access to health care. In 2017, about 19,273 patients received treatment for illnesses and injuries; 8,937 people received preventive health education; and 1,298 children under the age of five were vaccinated or immunized.

Established in 2001, the RBC remains the first of its kind in Nigeria. Under this programme, the Delta State government provides the medical personnel while NNPC and Chevron provide the boat and medical supplies.

### other health interventions

Chevron continued to help strengthen the nation's health care system through advocacy and awareness



Malaria screening for children below the age of five was a major feature of the Roll Back initiative funded by the NNPC/CNL JV in 2017

campaigns throughout the country during 2017.

- Star Deepwater Petroleum, a Chevron company, and its parties in the Agbami field, donated fully furnished and equipped Chest Clinics.
- Immanuel General Hospital in Akwa Ibom State, one of the benefitting institutions of the Chest Clinics, reported a 26 percent increase in the Tuberculosis cure rate from 2015 to 2017.
- Chevron and its Agbami parties partnered with local non-governmental organizations (NGOs) on campaigns to raise awareness on the dangers of

Tuberculosis and provided training and counselling on treatment and management of the infection. These campaigns were held in four local government areas in Akwa Ibom, Nasarawa and Oyo States.

- To ensure the safety of Nigerian doctors, nurses and technicians, Agbami parties worked with the Federal Ministry of Health to publish Standard Operating Procedures and National Guidelines on Biosafety for Tuberculosis Laboratories. These critical manuals were developed by Nigeria's top medical practitioners to standardize the TB health care management system in Nigeria.

“

*We thank Chevron for the continued successful implementation of the PROMOT project and we assure you of our commitment to ensuring its sustainability in Bayelsa State.... Going forward, the State chapter of the Nigerian Medical Association will collaborate with PROMOT and the Niger Delta University to explore capacity building in Polymerase Chain Reaction (PCR) testing, which is a key component of the project.*

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*Prof. Ebitimitula Etebu,  
Commissioner for  
Health, Bayelsa State*

## Focus Story

# ‘PROMOT, a Life Saver,’ says beneficiary

Two days in the life of a young mother and her unborn child; one, causing dread, denial and hopelessness, the other, bringing hope, joy and salvation.

Kaiama is a small town in Bayelsa State in the Niger Delta region of Nigeria, about half an hour’s drive from the capital, Yenagoa. Sampo Inemotimi, the community health extension worker in the Primary Healthcare Centre, is also a Prevention of Mother-to-Child Transmission of HIV (PMTCT) mentor with PROMOT II project. She conducts health education programmes to reach out to mothers and young women in the semi-rural community where early marriages are common.

Ebi Patrick, a young mother of four who was pregnant with her fifth child, had heard about the outreach Sampo was conducting and volunteered for HIV testing. Ebi Patrick’s results came back positive. At first Ebi did not believe the results, but Sampo encouraged her to take a follow-up test, which confirmed her HIV status.

Having dealt with other cases before Ebi’s, Sampo knew support and follow up were critical to ensure a successful outcome. However, Ebi’s case was a bit more complex. She was also one of four wives. Ebi couldn’t believe her HIV status and had many questions begging for answers. How did she get infected? Who passed it on to her? How long has she had the virus? How would her husband react? What would the community and the other wives say? What should she do now?

For Sampo, the priority was clear - get Ebi into treatment and prevent transmission of the virus to her unborn baby. She enrolled Ebi in antenatal care and antiretroviral therapy at the health facility. Ebi also began the “adherence counseling” to make sure she stayed on treatment.

When Ebi went into labour, she knew what to do. She went straight to a health center so her baby girl could immediately be given the drug Nevirapine. Today, Ebi remains on treatment, and she was ecstatic when her baby’s early infant test came back HIV-negative six months after she was born.

“I am very, very happy for the mother and that the baby’s results came back unreactive,” said Sampo.

“I am so happy because my baby is not infected,” said Ebi with a wide

smile. “I was told that nothing would happen to me or my baby if I took my medication. I am healthy and my baby is, too,” she added.

Pact’s partnership with Chevron began in 2012, and to date, over 400,000 individuals in Bayelsa State have received HIV messaging under the programme. About 1,000 HIV-positive women who knew their status through the programme have been linked to comprehensive HIV care.

While much of Pact’s work to stop the spread of HIV has been publicly funded, private-sector partnerships like the one with Chevron have played a critical part in Pact’s response to the epidemic - both in accelerating impact and in making sure interventions are successful.



Ebi Patrick and her baby

# social investments

## education

Chevron believes that if people and communities are to thrive, education and job training are of critical importance. The thrust of our educational support strategy is improved access to education for all Nigerians. Chevron and NNPC partner on many of these programmes.



Pupils of Regency College during the STEM Quiz competition

### community scholarship award:

This award is exclusively for communities located in the company's areas of operation. Scholarships are awarded to students in both secondary and tertiary institutions – 60 percent for students in secondary schools and 40 percent for those

in higher institutions of learning. Between 2008 and 2017, the company spent N2.48 billion on this program, which has attracted 11,499 beneficiaries in the last 10 years. In 2017, 1,214 undergraduate and post-primary school scholarships were added to the pool of Community scholarship programmes.

### national university scholarship:

This is a merit-based programme for full-time, second-year undergraduates in Nigerian universities (Federal, State and Private) in all states of the Federation including the Federal



Winners of the 2017 National Art Competition for Nigerian Secondary Schools in a group photograph with dignitaries during the Award and Exhibition

Capital territory (FCT).

In 2017, 300 scholarships were awarded comprising 231 males and 69 females (33 percent of the beneficiaries are studying engineering while 20 percent are in medicine). Also in 2017, 279 scholarship beneficiaries graduated. Out of this number, 35 emerged with First Class Honours, 128 had Second Class Honours and 39 graduated in different branches of the medical field.

### **scholarships for the visually impaired and physically challenged:**

These scholarships are for the visually impaired and physically challenged who are indigenes of states where Chevron operates. In 2017, 19 new beneficiaries were added to the existing 47. The company has invested a total sum of N18 billion on the various scholarship programmes during the year.

### **agbami medical and engineering professionals scholarship:**

In 2017, Star Deepwater Petroleum Limited, a Chevron company, and its parties in the Agbami field, added 235 scholarships to the pool of high-performing university students to this program which commenced in 2009. Also in 2017, 2,334 beneficiaries graduated from their various universities. Out of this number, 298 emerged with First Class Honours, 1,416 graduated with Second Class Honours and 619 graduated in different branches of the medical field.

### **libraries and laboratory complexes:**

Agbami parties commissioned and handed over fully equipped Science Laboratories to schools in Abia, Delta,

Edo, Enugu and Zamfara states to enable high performance in the sciences. Since 2008, 33 such complexes have been donated to institutions across Nigeria.

Star Ultra Deep Petroleum Limited and its partners in the Oil Mining License (OML) 140 provided textbooks, computers, laboratory equipment to five secondary schools in Imo state which impacted over 400 school children in 2017. Teacher-training sessions were also carried out.

### **chevron employee volunteer programme:**

The Chevron Employee Volunteer Programme is an initiative that encourages employees to give back to society in line with the company's tradition of care. In 2017, employees made significant contributions to various institutions and communities,



Star Ultra Deep Petroleum Limited (a Chevron company) and its partners in the Oil Mining License (OML) 140 during the donation of teaching aids to schools in Ogun State

including the donation of educational materials to Government College (Boys) and Government Girls College, both in Maiduguri; the construction of a potable water borehole to the Command Secondary School, Iyana Ipaja; the renovation and furnishing of the school library at Stella Maris College Okitipupa, Ondo State; the provision of desks, chairs, windows and doors at Ugbomro Primary School Effurun Warri, Delta State; and the provision of relief materials, food and clothing to Internally Displaced Persons (IDPs) in Makurdi, Benue State.

### support for STEM education:

To encourage the teaching and learning of the science, technology, engineering and mathematics (STEM), Agbami parties hosted over 150 students to the second edition of the STEM Symposium at the Honeywell Auditorium of the Lagos Business School.

There was also a science project competition for graduates of STEM disciplines (specifically engineering graduates under the Agbami scholarship scheme) and secondary school students who made innovative contributions to STEM.

The event, which attracted students from both public and private secondary schools in Lagos, also featured an insightful panel discussion on “STEM Education - Empowering the Next Generation of Game Changers.”

### competitions:

In 2017, Chevron Nigeria continued its sponsorship of several competitions: National Art Competition for Nigerian Secondary Schools, with the aim of raising and sustaining students’ interest in the creative arts; Chris Ikomi Essay Competition; Awokoya Chemistry Competition for secondary schools in Delta State; the Nigerian Media Merit Award; and the Wole Soyinka Award for Investigative Reporting.

“  
Between  
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**N2.48 billion**  
on community  
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last 10 years.

”



Vincent Ajilo

## Focus Story

### scholar turns company owner

He graduated in 2014, but today, Vincent Ajilo is not only a successful engineer, he has also emerged as a fast-growing employer of labor in the Nigerian oil and gas industry. His story is a lesson in hard work and perseverance that inspires hope.

He was born into a relatively comfortable family. At the age of eight, the family hit a rough patch which threatened the future of the precocious child. As young as he was at the time, Vincent was not deterred. Even as a child, he realized that the only way to get his family out of the pangs of poverty was by working hard in school. He remained top of the class and though this was impressive and encouraging, he needed help or his dream of being an engineer would suffer. This is where his relationship with the Agbami Medical and Engineering Professionals Scholarship (AMEPS) programme started.

In 2009, the Agbami parties, including, FAMFA Oil Nigeria Limited, Statoil, Petrobras and the NNPC, established AMEPS to encourage science education in the country. Vincent, then a 200-Level undergraduate engineering student at the University of Ibadan, emerged as one of its pioneer beneficiaries.

The scholarship lifted a major burden off his shoulders, which enabled him to concentrate on his studies. "With this scholarship and other grants that I received, the distraction of wondering where my next meal would come from was no longer there and I could focus on my academics. AMEPS had a positive impact on my career development and supported my academic pursuits," Vincent said.

After graduating with a First-Class Honours degree in Engineering, Vincent went on to obtain his Master of Science degree in Petroleum Engineering.

He is now the Chief Executive Officer of Ajivin Integrated Solutions, a private firm that delivers services to the oil and gas industry. His company is currently contracted to manage the construction of a 46-kilometer export pipeline as well as the installation of a Floating Storage and Offloading (FSO) vessel for a local company.

His family now has a support line through his business endeavours. The scholarship, according to him, acted as a 'spark toward his life and career achievements.' He said, "The Agbami Scholarship programme is highly needed by students. I am a living proof of its importance. It helps beneficiaries secure their educational needs - tuition, accommodation, food, and course materials. It also encourages them to study harder to remain on the scholarship programme, which is a requirement for continuous reimbursement. Ultimately, it helps beneficiaries achieve career goals. And for parents, the financial burden is totally removed or reduced. The Agbami scholarship program is a practical act of giving back to society."

# social investments economic development

Multi stakeholder partnerships are at the heart of our innovative and strategic socio-economic investments in Nigeria.



Dividend of the GMoU: A Jetty at Ajama Zion, constructed by the Egbema Gbaramatu Communities Development Foundation to facilitate ease of transportation

## global memorandum of understanding (GMoU):

In 2005, Chevron introduced the Global Memorandum of Understanding (GMoU) a multi-stakeholder participatory partnership model for community engagement and community development to address community needs near our

areas of operation. Working through Regional Development Committees (RDCs), the GMoU gives communities greater roles in management of their development. The principles of the GMoU are:

- participatory partnership
- transparency and accountability
- sustainability assurance
- peace building
- capacity building

- community ownership of projects and programmes
- promoting a sense of belonging in the business of the company
- monitoring and evaluation

The GMoU process has benefitted about 600,000 people in more than 400 communities, villages and chiefdoms. Since 2005, Chevron and the NNPC have contributed about



The Chevron booth at the 2017 Society of Petroleum Engineers (SPE) Exhibition in Lagos

N19.9 billion to fund the GMOUs. In 2017, three RDCs (Ilaje, KEFFES, Egbema-Gbaramatu Communities Development Foundation) initiated 41 projects including electricity, health, transportation, and social infrastructure worth over N1.18 billion. Of those projects, 24 (worth over N517 million) were completed and commissioned, benefitting over 48,400 community members

#### **support for local businesses:**

Chevron continues to help secure a productive future for Nigerians by providing economic empowerment initiatives to start up and support local businesses. We recognize that skills acquisition is the bedrock of job creation.

#### **training and capacity building:**

Star Ultra Deep Petroleum Limited (a Chevron company) and its partners in the OML 140 asset trained 55 young persons from 12 local Government

Areas of Rivers State in technical vocations such as welding and fabrication, fashion and design, automobile works, plumbing, and computer repairs. The training also focused on agriculture-based skills acquisition in fish, snail and poultry farming.

#### **donations and sponsorships:**

As a demonstration of the company's commitment to responsible environmental stewardship, Chevron provides an annual subvention for the maintenance of the Lekki Conservation Centre (LCC), the 78-hectare facility built by Chevron for the Nigerian Conservation Foundation (NCF), as a reserved sanctuary for the rich flora and fauna of the Lekki Peninsula. N60.1 million was released in 2017 to the NCF for both capital and recurrent expenditures. We also supported the Foundation's activities including the Chief S.L. Edu Memorial Lecture, annual grants to two

Nigerian PHD students to undertake research work in fields related to nature conservation and sustainable livelihood and the Walk for Nature programme in commemoration of the World Environment Day.

Other reputable charities, professional organizations, non-governmental and nonprofit organizations supported by the company include; the Institute of Chartered Accountants of Nigeria (ICAN); the Chartered Institute of Personnel Management (CIPM); the Nigerian Institute of Public Relations (NIPR); the Nigerian Mining and Geosciences Society (NMGS); the Nigerian Association of Petroleum Explorers (NAPE); the Society of Petroleum Engineers (SPE); Women in Management, Business and Public Services (WIMBIZ); and the Musical Society of Nigeria (MUSON).



**N867 million**

leveraged in new investments from  
government and private sector

**2,021**

farmers trained  
via Aquaculture  
Service Providers  
(ASPs)

# partnership initiatives in the Niger Delta

The Foundation for Partnership Initiatives in the Niger Delta (PIND) was established in 2010 as a non-profit foundation in Nigeria to serve as the operational entity funded by the Washington, D.C.-based Niger Delta Partnership Initiative (NDPI).

PIND develops new solutions to the economic and social development challenges in the Niger Delta, and complements Chevron's GMoU process, which has been an effective model for building relationships and managing risks from communities close to the company's operations.

PIND's regional social risk management strategy focuses on four main areas: Economic Development; Capacity Building; Peace Building; and Analysis and Advocacy.

## **economic development:**

PIND's agricultural value chain interventions worked to improve the agronomic and business practices of farmers. By the end of 2017, it had leveraged over 841 million naira in new investments from both the government and private sector through partnerships in its supported aquaculture, cassava and palm oil sectors.

These investments catalyzed adoption of best practices and use of efficient technologies, which increased the agricultural productivity of 13,279 farmers; led to a net increased income of over N1.9 billion for 3,787 smallholder farmers and Small-to-Medium Enterprises (SMEs); and facilitated the creation of 1,990 full-time jobs across the sectors.

## **aquaculture:**

PIND's aquaculture programme increased the sustainability of its demonstration ponds by training aquaculture service providers (ASPs) to make a business out of training new entrants and existing fish farmers on best agronomic practices.

Training includes: how to select appropriate catfish species; how to prepare, screen, and lime ponds; how to effectively use fertilizer, feed, medicine, and water testing kits; and how to maintain proper records.

The 20 ASPs trained by PIND reached another 7,025 farmers by September, up from the 3,610 reached in 2016, and facilitated 782 full time jobs in the process. It also catalyzed private sector fish feed companies to invest in grants and loans totaling over 284 million naira to run demonstration ponds as part of their marketing strategy to reach new markets.

These improvements have had a significant impact on the profitability of fish farmers. Following PIND's interventions, fish farmers had a combined net additional income of over 187 million naira in 2017.

## **agronomics:**

PIND continued its work to improve agronomic practices, increase access to efficient technologies, and improve farmers' access to quality seedlings. The seminars, trainings

and workshops for palm oil farmers, processors and equipment fabricators reached a total of 7,305 participants in 2017.

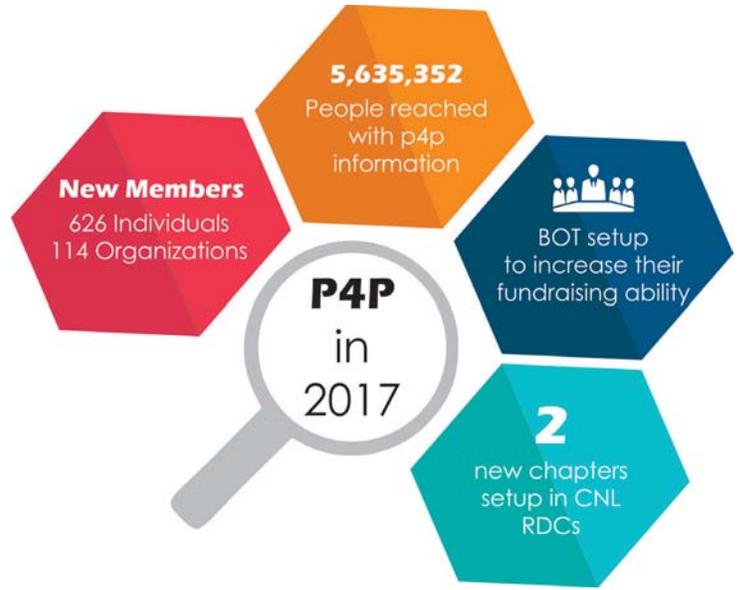
Since 2010, PIND trained 17,795 farmers on Best Management Practices to improve field access, ground cover management, herbicide application, fertilizer application, pruning, canopy management, harvesting, yield taking, record keeping, and work rate systems.

Through engagements with palm oil stakeholders, including farmers and processors, 20 agro-dealers and 37 local fabricators trained by PIND continued promoting the Mechanical Adjustable Harvester (MAH) and Malaysian Knife (MK), for more efficient harvesting of palm fruits, and the use of Small Scale Processing Equipment (SSPE) for increased efficiency in processing palm oil.

By the end of 2017, PIND facilitated 337 new full-time employment opportunities in palm oil, increased the availability of more efficient technologies through the sale



Capacity Building- Bridget Affiah of Ideal Women's Empowerment Initiative (center) in a workshop with local businesswomen in Warri, Delta State



of 74 SSPEs, 155 MKs and 57 MAHs (compared to 18, 110 and 28 respectively during the same period in 2016). The improvements in practices and access to technologies helped increase 800 farmers' net additional income by over 767 million naira which surpassed the 2017 target by 53%.

**cassava**

Following the successful pilot of a cassava demonstration plot in Ubulu Uku, Delta State, PIND set-up additional demonstration plots in Mbiri, Delta State, and Umukabia, Imo State. This work was done in partnership with agricultural input companies Notore, Jubaili, and Harvest Field, leveraging over 74 million naira from these private sector investments. This project targets improving farmers' agronomic practices, such as land preparation, use of improved cassava stems, weed management, herbicides and fertilizer application for higher productivity. After the harvest, a post-pilot survey showed improved practices in Delta and Imo states and increased farmers' output from 8.33 tons per hectare to 18.6 tons per hectare (a 123 percent increase).

To expand outreach to farmers, demonstration plots were established in Akwa Ibom, Abia, Edo, Delta, Imo and Ondo states, facilitating 204 jobs and reaching 2,451 farmers, of which 1,389 saw increased net additional income of over 209 million naira by the end of 2017.

A key focus of the cassava programme was to ensure at least 30 percent participation of women. The assessment of trainings done in Mbiri and Umukabia showed that out of a total of 795 beneficiaries, 415 were women (52 percent).

**business linkages**

PIND's economic development work also helped improve the business outcomes and competitiveness of small businesses via access to markets, finances, technical support and business advisory services for select Niger Delta-based SMEs. The working capital was provided through a Technical Assistance Fund.

Working with nine business service providers (BSPs) trained by PIND, the foundation reached 1,502 small businesses with technical assistance.

It also leveraged 274 million naira in investments in small businesses. By September 2017, 513 SMEs reported that new sales had increased their net additional income by over 788 million naira. Additionally, 337 new full-time jobs were created.

**water, sanitation and hygiene**

PIND's Water, Sanitation and Hygiene (WASH) programme garnered support from international bodies during 2017.

PIND continued its partnership with International Rotary Club's Water Sanitation and Hygiene Rotarian Action Group (WASHRAG) to improve WASH access in 30 Niger Delta schools. Toilet facilities were built or refurbished in 14 schools. While building these WASH facilities, PIND worked with each school to set up student-led WASH clubs, which help to raise awareness of better hygiene practices. PIND also worked with WASHRAG to build local organizations' capacity by hosting a training of trainers for government and civil society actors on how to effectively improve WASH practice in their areas.

PIND also completed delivery of its Cooperation Agreement with the UNICEF to enhance peacebuilding in 10 Local Government Areas in five Niger Delta states. This was achieved by developing systems to mainstream conflict sensitivity in WASH programming and build the capacities of local institutions to use these systems to strengthen social bonding and mitigate conflict in project communities.

The partnership produced standard national training manuals on Delivering Effective WASH Training (DEWT) and Community Water Safety Planning, and trained over 100 trainers on the methodologies. During the year, there was an increase in the number of agencies and organizations requesting and attending the DEWT training, including the National Water Resource Institute; the Federal Ministry of Water Resources; United Purpose; Action Against Hunger; and Save the Children.

The partnership also built the capacity of two factories to produce standard clay filters for treating water at the point of use to improve the availability of affordable water filtration technology in Niger Delta homes.

**peace building:**

Initiated by PIND in August 2013, the Partners for Peace (P4P) Network has continued to grow. By the end of 2017, 843 individuals and 125 organizations had been newly-identified as peace agents, bringing the total of peace agents to 5,703 since inception. These peace builders are working in tandem with public and private sector stakeholders to mitigate conflicts at state and community levels throughout the Niger Delta. Information on the dynamics of conflict and the importance of peace reached over five million people in 2017. Efforts initiated in 2016 to assure P4P’s independence and ability to self-govern continued with the setting up of its Board of Trustees and the facilitation of numerous chapter-level trainings on resource mobilization to enable the respective state chapters to raise funds effectively.

PIND facilitated the opening of P4P sub-chapters in two remote riverine areas where CNL’s Ilaje and KEFFES Regional Development Committees (RDCs) are located. This effort involved local actors being trained in conflict mitigation and assessment. PIND’s Integrated Peace and Development Unit conflict incident reporting and novel Short Message Service (SMS)-based early warning platform increased its positioning as a center for innovation and research for peace building practices for the role it is playing in reducing violence in the region. In 2017, 157 stakeholders utilized its peace building data for diverse purposes.

**capacity building:**

Through its Capacity Building programme, PIND continued to help transform government, civil society and local communities into forces for social and economic change by improving their capabilities to deliver social services and engage in public decision-making, local governance and economic development project management.

During the year, PIND’s Capacity Building for Local Empowerment (CAPABLE) programme trained 492 people from 44 organizations

in grant making, ICT skills, financial management, monitoring and evaluation, resource mobilization, fundraising and social media, as well as the Making Markets Work for the Poor (M4P) development approach, done in collaboration with UK Department for International Development (DFID)-funded Market Development (MADE) project.

PIND also boosted the ability of trained institutions to deliver improved services to communities by providing them with small grants. These grants enabled them to procure more robust information technology tools which, in turn, improved their work efficiency and productivity. It also linked the organizations to mentors to help improve their practices in key areas, and created a Community of Practice to encourage peer-to-peer learning among the various civil society organizations.

By the third quarter of the year, 44 organizations had created and applied new policies to improve their organizational effectiveness. PIND also supported local civil society organizations through the Strengthening Advocacy for Civic Engagement (SACE) program that it co-funds with USAID.



PIND’s, Integrated Peace and Development Unit Capacity Building Coordinator, David Udofia facilitating a training to members of various RDCs on early warning response systems at the ATED Centre

A remarkable outcome of the capacity strengthening support provided by PIND's CAPABLE and SACE projects is the award of a grant for £2 million from DFID to the Youth Alive Foundation (YAF), a Niger Delta-based non-governmental organization. The grant supports work in pursuit of the anti-corruption pillar of the Open Government Partnership. YAF is collaborating in a consortium with two other SACE beneficiary CSO partners - Center for Information Technology and Development and Social Development Integrated Center - to implement the anti-corruption work.

**analysis and advocacy:**

In 2017, PIND advanced its partnerships with Cross River and Delta states on a 30-year Growth and Development Plan as well as a job creation policy. PIND also signed a Memorandum of Understanding (MoU) with the Ondo State Oil

Producing Area Development Commission (OSOPADEC) on organizational strengthening and targeted investments for economic development in the state.

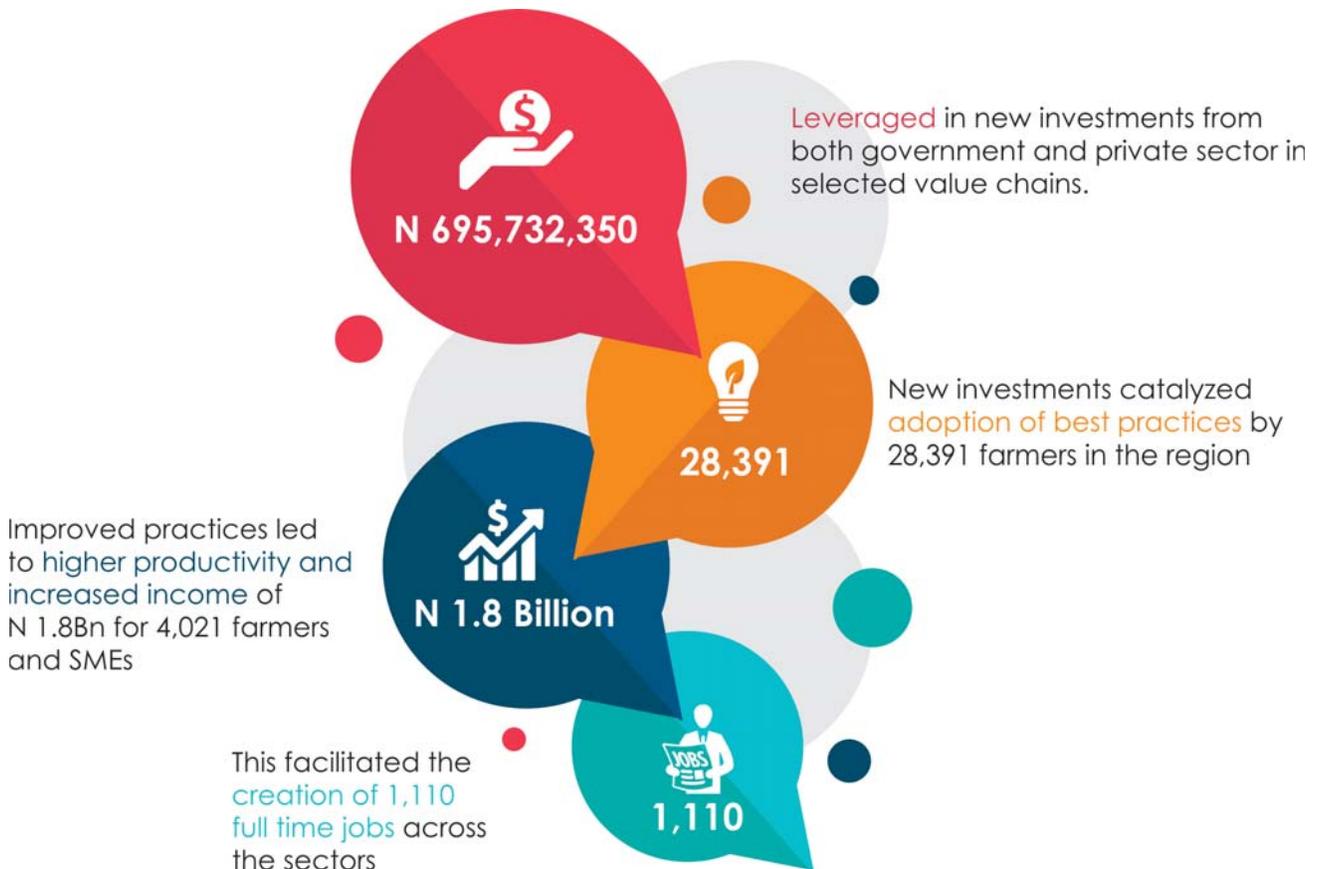
PIND also partnered with the Nigerian Economic Summit Group (NESG) to produce the group's annual summit - a first-ever discussion session on the Niger Delta. The outcome of the panel discussions and breakout sessions became part of the policy recommendations made to the presidency and fed into the 2017 edition of PIND's annual Niger Delta Development Forum (NDDF), thereby linking the NESG at the federal level with this regional audience for the first time.

The NDDF also showcased PIND's convening power as an organization as it brought together key actors from all states in the Niger Delta, along with private sector and civil society actors, to create short, medium- and

long-term development plans for each State.

Through advocacy and stakeholder engagements such as these, PIND facilitated 7.7 million naira in direct investments to the region and nine collaborations among public and private stakeholders in the region in 2017, contributing to five policy briefs. To ensure the availability of credible data to drive development programmes, PIND relaunched the NDLink, its website for sharing development-related information on the Niger Delta. It diversified the variety of content featured on the platform, which resulted in nearly two million visits.

Working through its SACE project, PIND made its mark on public discourse on governance issues in the region by facilitating 44 public engagements on governance issues.





Participants at the PIND-facilitated CAPABLE business service providers training at the ATED Demonstration Centre in Warri, Delta State



Chevron consistently involves various arms of government in the execution of the company's social investment programmes

In 2017, the company facilitated trainings and participation in both local and international conferences for its government stakeholders to broaden their understanding of the oil and gas industry.



# engaging stakeholders

To remain a good corporate citizen and a welcome member of the community, Chevron builds trusting and mutually beneficial relationships by collaborating with various tiers of government in Nigeria.

## productive stakeholder engagement:

During the year, Chevron continued to sustain its partnership with government stakeholders and:

- Held regular meetings with government officials and partners, and shared information and best practices;
- Involved representatives of the various arms of government in the execution of Chevron's social investment programmes;
- Sponsored participation of government officials to workshops and conferences within and outside of Nigeria; and
- Engaged and consulted with communities to plan work programs and capital projects.

In 2017, the company facilitated and coordinated the visit of Dr. Ibe Kachikwu, Minister of State for Petroleum Resources to Chevron's Corporate headquarters in San Ramon, California, where he met with the immediate past Chairman and Chief Executive Officer, John Watson, and some members of the executive leadership to discuss issues of mutual benefit.

There was also an engagement session between the Chairmen of Senate and House of Representatives Petroleum Upstream Committees and the Senate Gas Committee and Clay Neff, President, Chevron Africa & Latin America Exploration & Production Company (CALAEP) on May 1, 2017 in Houston, Texas.

## building strong partnerships:

Chevron facilitated trainings and participation in both local and international conferences for its government stakeholders, including:

- The Chevron Government Affairs strategy session titled; "The Reform Agenda in the Oil and Gas Industry" had about 50 key officials from the executive and legislative arms of the Nigerian Federal government; representatives of State governments and international oil companies; and community leaders from three of the GMoU Regional Development Committees in attendance. The session gave participants the opportunity to deliberate on prevailing reform agenda of the Federal government.
- The company sponsored four members of the National Assembly to the 2017 Offshore Technology Conference (OTC) in Houston, where they gained insights into the nature and scope of issues, technologies and innovations related to the oil and gas industry.



The Government Affairs group held a strategy meeting with critical stakeholders in 2017 to discuss The Reform Agenda in the Oil and Gas Industry

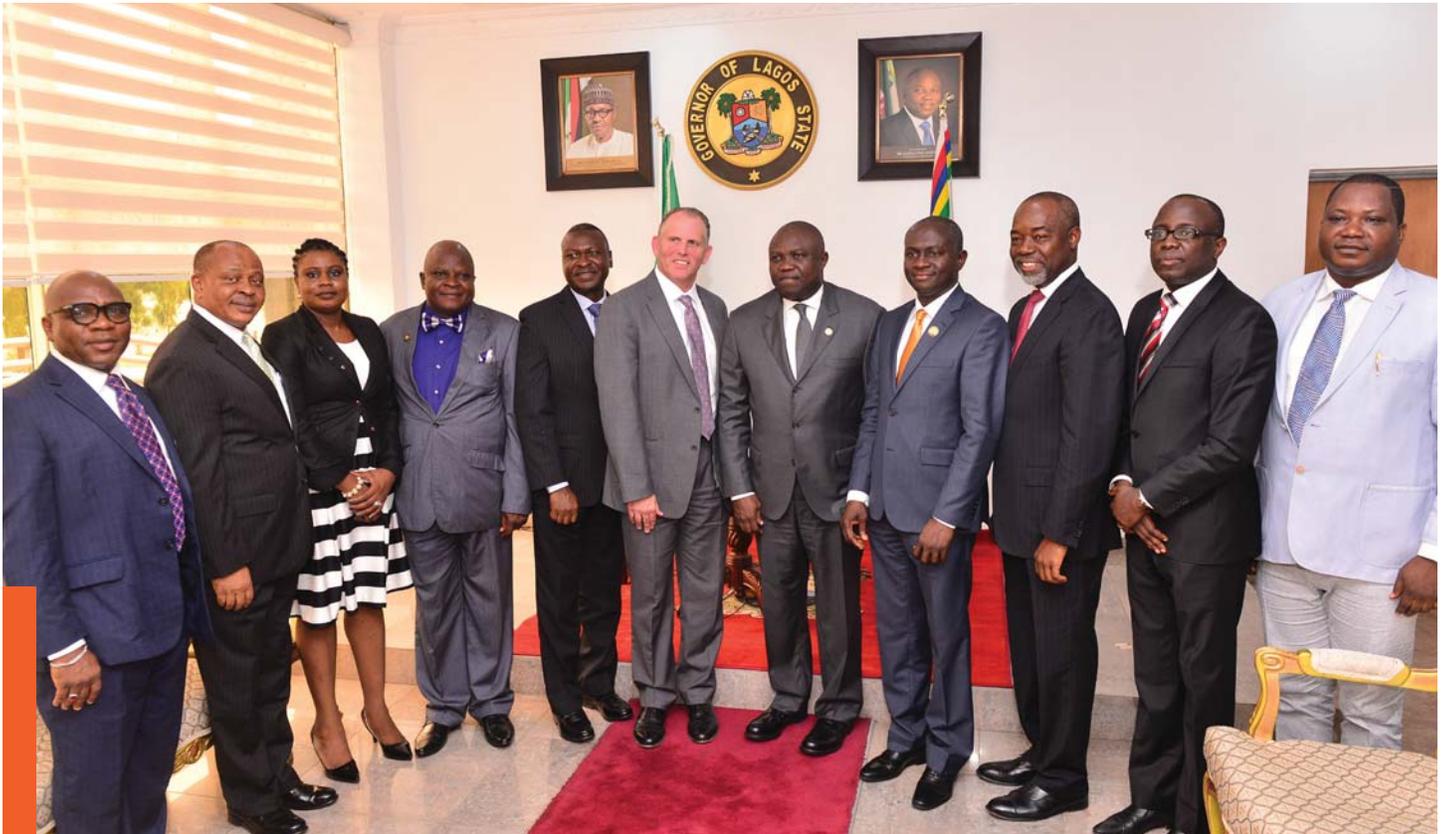
- The clerk of the Senate Gas Committee was also sponsored to attend the 2017 Nigeria Oil and Gas Conference, and five Immigration officers were trained on Basic Offshore Safety Induction and Emergency Training (BOSIET) in Lagos.
- Chevron facilitated visits to the Escravos Tank Farm by the Delta State Comptroller of Immigration and members of the House of Representatives Committee on Environment and the Senate Committee on Gas Resources. These visits strengthened the relationships between the company and these critical stakeholders, and provided opportunities for the stakeholders to familiarize themselves with the company's operations.

### support for advocacy initiatives:

Chevron sponsored and partnered with relevant stakeholders on key government/ community advocacy initiatives in Education, Health and Environmental campaigns. Specifically, the company supported the Ondo State Ministry of Environment's Oil and Gas Awareness campaign for schools in oil producing/impacted communities in the State. It also donated over 12,000 Science and Mathematics textbooks to 37 government secondary schools in Ondo and Delta States in collaboration with the State ministries of education and the Africa chapter of the Jewels of Africa Foundations, a U.S. Non-Governmental Organization.



Members of the Chevron Executive Leadership team during an engagement meeting with NAPIMS leadership in Lagos



Jeff Ewing, Chairman and Managing Director and the Chevron team during a visit to the Lagos State Governor, Mr. Akinwumi Ambode

“

*I must commend Chevron for being in the forefront of regular tax payment and an industry leader in terms of corporate social responsibility, especially in the areas of education, health and economic empowerment*

*-His Excellency, Mr. Akinwunmi Ambode, Governor of Lagos State*

”



our  
people

**5,377**

total number of Nigerian employees and contractors as at the end of 2017

**45**

employee's children benefited from the Chevron International REACH (Recognizing Excellence and Achievement) Scholarship Programme

# our people

One of our enabling strategies for business growth is investing in our employees, our greatest assets. We invest in people to develop and empower a highly competent workforce that delivers results the right way. We maintain a fair and consistent recruitment process that embraces human resources best practices and upholds organizational confidence. At Chevron, every employee is a leader.



Jeff Ewing, Chairman/Managing Director with members of the "Chevron Orchestra" singing on stage during the NMA Employee Week

## recruitment:

Chevron provides career opportunities for Nigerians hired as employees and contractors.

Our employees are united by common values and our drive to develop the energy that improves lives and powers the world forward. Delivering energy to the world requires a wide range of technologies and the best and brightest minds.

By the end of 2017, the total number of Nigerian employees and contractors was 5,377. The company's recruitment policy is based on its people strategy framework – the right people, with the right skills, in the right place, at the right time, and at the right cost. "Hiring right" is critical to the health of our business. Open jobs in the organizations are posted on the company's internal

Recruiting Management System, a web-based tool to provide equal access to opportunities for all qualified employees to expand their horizons, build competencies and grow their experiences.

Externally, vacancies are advertised on a global recruitment tool to provide equal access to opportunities for all qualified candidates, regardless

of their location. The use of video conferencing to interview candidates outside Nigeria further demonstrates the equal opportunity, transparency and fairness of the company's recruitment process.

**employee development:**

Our employee development philosophy is anchored on the need to equip employees with the right skills that enable organizational growth and support business success. We invest in people to strengthen organizational capability and develop a talented global workforce that gets results the right way.

Career development at Chevron combines individual aspirations with business objectives to invest in employees' professional growth.

The company has a policy on Study Leave, which grants leave to employees who desire to pursue higher academic or professional qualification. The jobs of employees on Study Leave are guaranteed until employees return.

For career enhancement, Chevron funds employee memberships in many local and foreign professional organizations and encourages employees to join.

Some key trainings that have been developed to increase employee competencies include:

**structured leadership development:**

These programmes are designed to provide the opportunity for growth, learning and strengthening of the company's organizational capability, covering skills and competencies required to become an effective leader. Some of the programs are open-enrollment while others require nomination.

**technical and soft skills:**

These include programmes in the areas of Communication; Personal Effectiveness; Emotional

Intelligence; and Safety Awareness, as well as training on Operations and Maintenance; Human Rights; Compliance; and other competencies to develop capabilities. We also help pay examination fees in some cases.

**new-to-chevron:** This is a year-long programme that starts from the first week of employment. It is a combination of formal classroom training, e-learning, mentoring and guidance to ensure that new personnel understand the company's operations, values and objectives.

**horizons and pathways:** Many Petrotechs and some functional professionals are enrolled in a structured technical competency development programme called Horizons for the first five years of their employment. Those who graduate from Horizons go through the Pathways programme to help deepen their technical and business skills.

**training and development for stakeholders:** Chevron sponsors and supports training and other forms of development for students,

community members, the media, partners, government officials and other members of society.

**employee educational assistance:**

As part of our efforts to encourage employee self-development, the company reimburses 75 percent of course fees and the cost of books to employees who enroll for part-time courses at tertiary institutions in Nigeria. The employees are also granted time off to attend lectures and take examinations. A Scholarship Board oversees the process and determines the suitability of such part-time courses to the employee's current role and development plan. A total of 15 employees benefitted from this programme in 2017.

The company also offers educational scholarship programmes to support children of employees and retirees. In 2017, 45 children benefitted from the REACH scholarship programme while 21 others were awarded the Chairman/Managing Director's scholarship.



All for a Healthy Heart... A Peer Health Educator examining an employee during the Red for a Reason campaign

**workforce health:**

In 2017, we continued to invest in world-class medical facilities and health programmes for our employees to promote healthy lifestyles, prevent ill-health and disability, and treat existing medical conditions. Examples include:

**clinical medical care:** Employees have year-round access to Chevron hospitals in Lagos, Warri and Escravos. These facilities provide general and specialized medical care, including pediatric, surgical, obstetric and gynecological, nutrition, and physiotherapy services. Employees in Abuja also have access to external health facilities. Access to external specialists for dental and eye care is also provided in all locations.

**preventive periodic medical screening (PPMS):** The PPMS programme provides medical screening for employees, spouses and dependents. The goal is to proactively manage health through early detection of disease. The screenings also provide opportunities to promote healthy life choices and track patients with chronic medical conditions.

**fitness for duty (FFD):** This is a standardized medical evaluation process used by Chevron worldwide designed to determine if an employee is mentally and physically capable of performing the essential functions of a job without risk of injury to the worker, co-workers or the environment. It ensures medical fitness for work that optimizes safety, increases productivity, retains experienced workers, and improves employee morale. The process specifically identifies health-sensitive and physically demanding jobs, and develops appropriate evaluations for the various job categories.



Health is Wealth... Employees during the launch of the Operation Move campaign



CNL's Sam Adoki and Amos Fortune during the Nigeria Oil and Gas Industry Games (NOGIG) Tennis finals



Members of the Executive Leadership Team and some of the Star awardees at the 2017 Long Service Award ceremony

**occupational hygiene:**

Occupational hygiene and medical surveillance programmes are in place and continue to protect workers from workplace exposures.

**health promotion and opportunities:**

Programmes on communicable and non-communicable diseases are offered throughout the year. Webinars, seminars, lunch and learn sessions, and “health moments” are held on relevant and topical issues including healthy lifestyle, high blood pressure, mental health, drug abuse and stress. Chevron joined the global community to participate in activities on days designated by the World Health Organization to highlight HIV/AIDS, Malaria, Tuberculosis, Heart Health and Diabetes. Automated blood pressure machines are provided at office and offshore locations to encourage employees to self-monitor and track their readings. Employees are also encouraged to use stations located in offices to self-monitor weight and body mass index.

**healthy heart programme:**

The Human Resources and Medical Department organized ‘Red for a Reason’ in 2016 as a follow up to the Healthy Heart Programme to help employees improve long-term health by supporting healthy lifestyle choices through heart and cardiovascular education and activities. The programme provides mitigation against individual risk factors identified through the Health Risk Assessment tool. Online access to educational information, telephonic health coaching and education, specialist referrals and other support services provide integrated care. In 2017, Chevron launched ‘Operation Move,’ focused on cardiovascular health education and activities.

**physical fitness:** Employees have access to fitness centers in various locations. Group health walks and

aerobic exercise programmes occurred in all Chevron locations throughout 2017 to prevent obesity, assist in weight reduction, enhance wellness and optimize heart health.

**peer health educators (PHEs):** This programme is an integral part of the company’s commitment to the wellbeing of its employees and community members in its areas of operations. The PHEs provide peer-to-peer health education within the workforce on HIV, Malaria, Tuberculosis and cardiovascular health. Peers also organize community outreach programmes.

**employee assistance programme and work-life services:**

The Employee Assistance Programme (EAP) promotes and sustains a psychologically healthy and resilient workforce to support safe and successful operations. It provides confidential consultation for work-related, personal and family problems. In 2017, EAP continued to provide support and interventions regarding people and work group problems. Management of change, critical incident debriefing, and stress management provides significant value to the organization through health, safety and the mental well-being of employees.



Capacity Building.... Participants after a Manager Essentials training

“  
*the right people, with the right skills, in the right place, at the right time, and at the right cost. “Hiring right” is critical to the health of our business.*  
 ”



**90%**

reduction of  
routine flaring  
from 2008 to  
2017

**38%**

supply of total  
domestic gas sales  
in Nigeria in 2017

# operational excellence

Everything we do begins with our fundamental commitment to safety. We are committed to protecting the safety and health of our employees and contractor workforce.

The Chevron Way places the highest priority on protecting people and the environment. As such, Chevron has a rigorous Operational Excellence Management System (OEMS) that translates this priority into world-class operational performance.

## OE performance

In 2017, we maintained our focus on preventing serious incidents and fatalities. Our safety performance record included a Total Recordable Incident Rate of 0.086 and a Days Away from Work Incident Rate of 0.023. We continued to implement programmes to drive our OE performance with emphasis on Preventing Serious Injuries and Fatalities, Process Safety, Environmental Stewardship, Operational Discipline and OE Assurance.

## 2017 global OE focus campaign

Our annual OE Focus campaign is a week-long initiative that increases OE awareness and provides learning and fluency improvement opportunities for the workforce. The campaign, themed 'Operational Discipline on High Potential Consequence Tasks - Preventing Serious Incidents,' was held at all Chevron locations in Nigeria. During the campaign, the

company reviewed the activities representing the highest potential consequences, continued developing workforce skills, and encouraged commitment to hazard recognition and safeguard verification during work execution.

Chevron Nigeria also deployed fatality prevention tools. The Save Your Life Actions (SYLA) are the safeguards designed to prevent serious injuries and fatalities while performing work. The Start Work Checks (SWC) are verification tools designed to help workers confirm that safeguards designed to prevent serious injuries and fatalities are in place and functioning prior to starting work. The SYLA program covers nine high-risk areas:

- Isolating Hazardous Energy
- Lifting and Rigging
- Excavation
- Working at Heights
- Confined Space Entry
- Commercial Diving
- Hot Work
- De-Energized Electrical Work
- Energized/Live Electrical Work

These new tools complement our existing Managing Safe Work standards and tools to help ensure that everyone goes home safely at the end of each work day.

## contractor health, environment, safety management (CHESM)

As part of Chevron's efforts to partner with contractors on OE, we held several events aimed at sharing best practices and disseminating information to eliminate health, environmental and safety incidents, and provided opportunities for contractors to engage with Chevron leaders on OE topics. We also increased the fluency of contract owners and contractors on the refreshed CHESM process and Information Technology tool, and conducted performance reviews for 104 medium- and high-work-risk-profile contractors.

## emergency management

Chevron places the highest priority on incident prevention. However, a robust emergency management system is in place to manage emergencies if they do occur. In 2017, the company deployed the refreshed Emergency Management (EM) Process, including Incident Command System (ICS) 100, 200 and 300 training, to Asset Emergency Management Teams across the business unit.

## process safety

In 2017, Chevron progressed the implementation of four key process

safety standards: Asset Integrity Management, Operating Procedures, Technical Codes and Standards, and Process Safety Information.

Chevron enhanced the Operations Field Verification programme to help foster the OE culture, verify that key safeguards are in place and functioning, and reinforce overall ownership and accountability of facilities by broadening frontline supervisors' engagements and adding experienced Health, Environment and Safety (HES) resources to the team.

The HES Risk Management Process is the foundation for the successful management of process safety in our facilities. We conducted 12 Process Hazard Analysis (PHA) studies for existing facilities in 2017, which systematically identify and evaluate hazards and related accident scenarios to ensure that adequate safeguards are in place to prevent high consequence events. They also assure that the company fully understands its risk profile and that efforts are properly focused on implementing appropriate risk reduction measures. These studies are conducted by multi-functional teams with expertise in Operations, Engineering, HES, Maintenance, Mechanical Integrity and other relevant areas.

Also during the year, the company deployed Frontline Field Supervisor Engagement to supervisors and other leaders, and took new leaders in the field through the Process Safety onboarding program. We matured the Safeguard Verification programme across all assets, and deployed structured governance for continuous improvement.

### OE assurance

In 2017, the OE Assurance Process was deployed to assure that critical safeguards to prevent serious injuries and fatalities are in place and functioning effectively as designed.



Support for the environment... Chevron is a major sponsor of the World Environment Day activities in Lagos

The OE Priorities and Assurance Plan was also developed and implemented across Chevron Nigeria to improve commitment to executing high-potential-consequence tasks safely.

Other OE Assurance activities conducted as part of an Integrated Assurance program included a Level 2 OE Audit and Functional Reviews focused on Managing Safe Work, Environmental Stewardship, Base Business and Facilities Engineering. A focused audit on the Hazard Communication Process was also carried out to validate the effectiveness of safeguards and provide assurance on compliance with requirements.

### environmental stewardship

Environmental Stewardship (ES) continued to be an OE focus area through 2017. This process identifies, assesses and manages environmental risk from project inception, through operations, and on to decommissioning. It also allows us to understand the potential environmental risks from our activities

and proactively identify and mitigate risks. Environmental sustainability actions in compliance with regulatory requirements, stakeholder expectations, and best practices help ensure that operations are carried out responsibly.

We conducted several environmental assessments during the year. In the onshore area, we conducted Environmental Impact Assessments for a drilling campaign and conducted Environmental Evaluation Studies (EES) in line with regulatory requirements. In the deepwater area, we conducted an EES of the Agbami Field as well as a Post-Drilling Seabed Survey of drilled exploratory wells in Ofigbo and Nsiko.

Chevron continued to invest in available technology for tracking and managing its ecological footprint in areas of operation. The theme for the 2017 World Environment Day, "Connected to Nature," resonated with the workforce and employees continued to support biodiversity conservation through several rescues

of sea turtles caught up in fishing nets that were safely returned to their natural habitats.

**gas flare-out strategy**

Chevron remains committed to eliminating routine flares from our operations and building a profitable gas business through a portfolio of domestic, regional and export supply facilities that fulfill our joint venture Domestic Gas Supply Obligation (DGSO) and support the Nigerian Gas Master Plan. These facilities include: the Escravos Gas Plant; the Escravos Gas-to-Liquids plant; the Sonam Gas Development field; and the Abiteye and Makaraba Non-Associated Gas Development projects.

Chevron remains an industry leader in growing the supply of high quality gas for domestic and regional markets. In 2017, the company worked collaboratively with the Escravos Gas Plant and the Nigerian Gas Processing and Transportation Company to manage incidences of breach to the Escravos-Lagos Pipeline System in such a manner that the environment was not adversely impacted.

Chevron and NNPC have been pioneers in associated gas commercialization in Nigeria through the “Zero Flare” operations drive. Routine flaring has been reduced by over 90 percent from 2008 to 2017.

There is zero routine gas flare in almost all currently operated leases and assets. However, recorded gas flares in some locations are either operational flares or due to the impact of third-party pipeline outages and there are solutions in place.

**gas utilization**

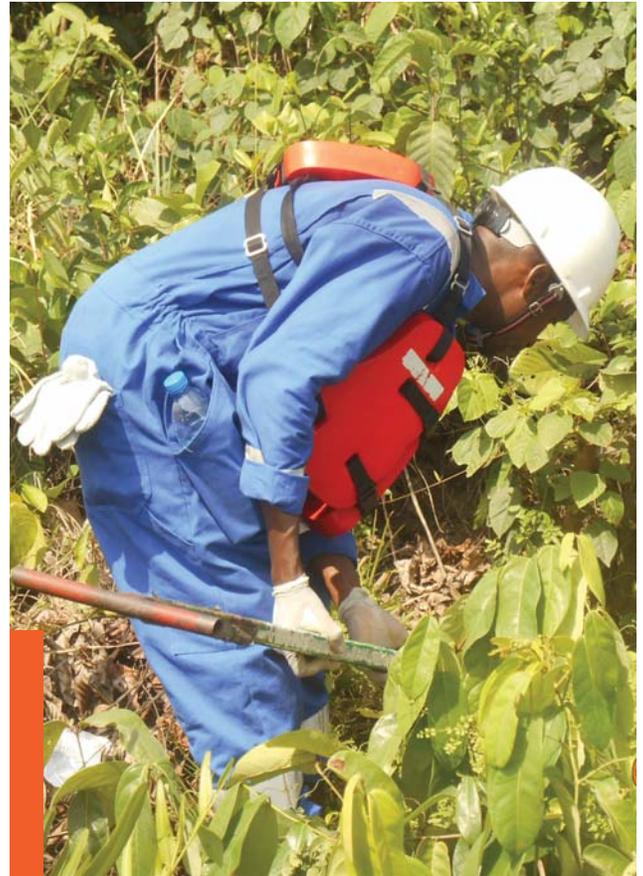
Chevron supports the Federal Government of Nigeria’s (FGN) goals to meet domestic gas supply obligations in accordance with the government’s Gas Master Plan, including implementation of the Gas Sale and Aggregation Agreement contract regime and the eventual transition to a willing-buyer-willing-seller contract regime.

As evidence of Chevron’s support

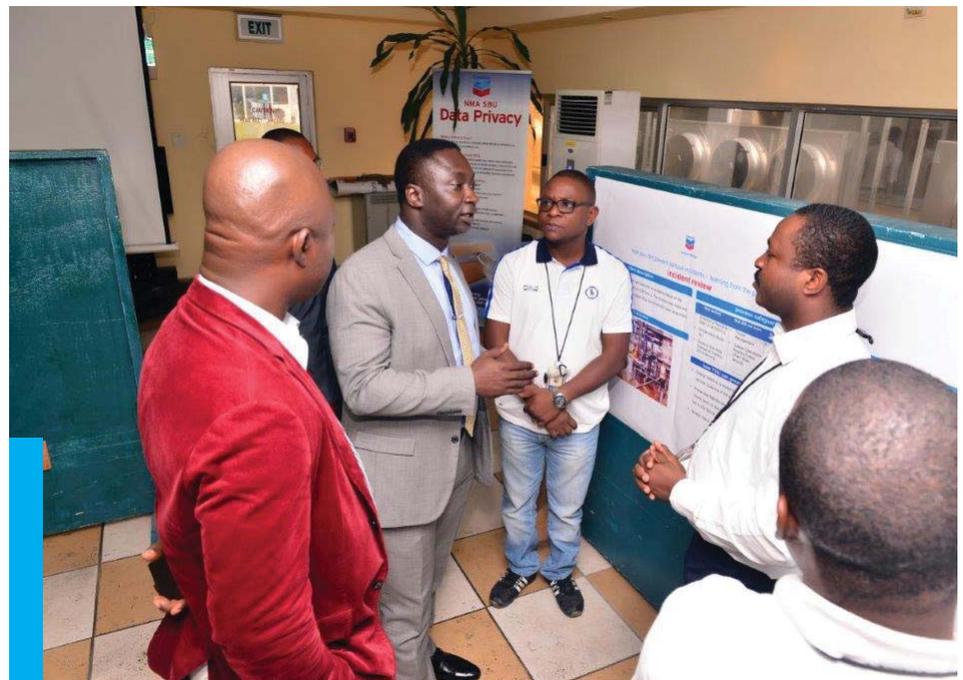
for FGN policies, the company supplied 38 percent of total domestic gas sales in Nigeria in 2017.

Chevron also retained its leadership position as a gas supplier to the power sector with at least 70 percent of total domestic gas supply going to the power sector in 2017.

The company is a member of many organizations in Nigeria, including the Nigerian Gas Association (NGA) and the Oil Producers Trade Section (OPTS) gas subcommittee. These organizations actively engage in advocacy and participate in policy review and dialogue aimed at improving the Nigerian gas industry.



Soil sampling to support Environmental Evaluation Study of Onshore Area



Mr. Monday Ovuede, Director, NNPC/CNL Joint Venture (2nd left), engaging presenters during the 2017 OE Week poster session



**\$60  
million**

well drilling  
contract awarded  
to indigenous  
Oando Energy  
Services (OES)

**\$2  
billion**

approximately  
invested in Nigeria  
Content in 2017

# developing Nigerian content

Chevron remains an industry leader in the development of indigenous capacity in Nigeria's oil and gas industry thus boosting local economies, creating job opportunities, and generating related multiplier effects.

Chevron continues to play a leading role in building and sustaining the capacity of indigenous companies and contractors in Nigeria's oil and gas industry. We consistently demonstrate our commitment to empowering Nigerian service providers and suppliers through human and institutional capacity development, creation of local jobs, developing and sourcing from local suppliers, employing local workforces, local patronage, and the reservation of work scope to benefit local community contractors.

Chevron also provides technical support, support for asset acquisition, and partnership on research and development to local community contractors. This has helped Nigerians benefit from the proceeds of the oil and gas industry while developing local commerce.

Our investment in Nigerian Content was approximately US\$2 billion, while Local Community Contractors spend on materials procurement was \$74 million (with \$284 million expended on services).

To execute an onshore drilling programme, Chevron patronized local contractors through a Third-Party Funding scheme. Oando Energy Services (OES) Limited was awarded an onshore well drilling contract worth over US\$60 million which utilized the rig OES Respect. OES is 100-percent Nigerian-owned with 100-percent shore-based national rig management, and more than 96-percent rig-based Nigerian personnel running the OES Respect. The rig completed its 25th Chevron well in December 2017, achieving record performance with an average of one well in each of the last 25 months of the current contract.

Chevron Nigeria also awarded a contract worth over US\$7 million to SOWSCO Well Services (Nig.) Limited for cementing and pumping services on another drilling campaign. Chevron partnered with the contractor to increase capacity related to the handling of pumping equipment by using Human Machine Interface (HMI) and service. The company also helped SOWSCO improve its processes and

recommended simulation software for improved results.

## 2017 nigerian content key achievements (projects)

Chevron consistently reserves significant portions of job scopes for Nigerian contractors on its small, medium and major capital projects. Highlights of Nigerian content success stories include:

- Partnership with Jemtech Global Engineering Services Limited, a fully indigenous company, to fabricate the wellhead jacket for the Abiteye Non-Associated Gas (NAG) Development Project. The project was completed incident and injury free.
- Procurement of locally assembled Zinox desktops and laptops from local manufacturer Task Systems Ltd. and OEM - Zinox Systems.
- Hiring of Hamilton Technologies Limited, a Nigerian manufacturing company, in partnership with Baker Hughes, an American General Electric company, to

upgrade the Chemical Blending Plant and Product Laboratory in Escravos. Benefits included job creation and value creation arising from the elimination of the importation of finished chemical products.

- Use of Nigerian banks – Standard Chartered Bank and United Bank for Africa (UBA) – to secure a US\$1.2 billion loan for drilling 23 onshore and 13 offshore wells.
- Awarding of contracts valued at over US\$26 million to more than 16 Nigerian contractors for various services.

### training

Chevron Nigeria, in partnership with the Nigerian Content Human Capacity Development Initiative (NCHCDI), equipped Nigerians to deliver value through executive and management training, technical and professional skills training, and on-the-job training during project execution.

In March 2017, Chevron commenced training of 26 Nigerians on its Sonam - Okan Pipeline Pig Receiver Fabrication Project. The 12-month classroom and on-the-job training covered: HES; Information and Communication Technology; Project Management; Quality Management; Fabrication and Assembly processes; Fabrication Engineering; Welding/Fitting/Rigging/Scaffolding processes; Entrepreneurship; and Material Management. The training was conducted in partnership with NCDMB and Idmon Engineering Services Ltd.

A US\$180,000 contract was awarded to local consulting firm Lonadek to develop and pilot a Human Capacity Development Initiative training plan for Chevron Nigeria's Drilling and Completions Unit.



One of the Agbami subsea manifolds fabricated at Grinaker-LTA Port Harcourt, Rivers State



Soga Oduselu (2nd right) and Debo Lukanmbi (right) sharing Chevron's Nigerian Content Development (NCD) success stories at a Technical Business Forum organized by the Oil and Gas Trainers Association of Nigeria (OGTA)

The \$180,000 contract awarded to local consulting firm, Lonadek to develop and pilot a Human Capacity Development Initiative (HCDI) training plan for CNL’s Drilling and Completions Unit is ongoing.

**key local community content (LCC) accomplishments**

Chevron, in collaboration with PIND, facilitated connections between large companies operating in the Niger Delta region and local subject matter experts on a pilot capacity development initiative in the poultry business with active participation of five Local Community Contractors (LCCs). Perfect Works Limited, the contractor that laid the foundation for a poultry broiler processing plant in Okitipupa, Ondo State, completed its administrative block and conducted training for out-growers in 2017.

Chevron Nigeria, in collaboration with the NCDMB, registered over 600 community graduates in the Nigerian Oil and Gas Industry Content Joint



CNL’s Debo Lukanmbi receiving an award at the inaugural edition of the Business Technical Forum organized by the Oil and Gas Trainers Association of Nigeria (OGTAN) in 2017

**some notable trainings executed in 2017**

Facilitating Institution/ Company	Number of Beneficiaries	Area of Training Received
Star Deep Water Petroleum Limited (a Chevron company) in partnership with the Nigerian Content Development and Monitoring Board (NCDMB) and FMC Technologies	6 young engineers successfully trained in France	The training was focused primarily on subsea engineering on the Agbami Phase 3 project
Star Deep Water Petroleum Limited (a Chevron company) in partnership with NCDMB and Marine Platforms Limited	4 Nigerian graduates	Subsea engineering on its Agbami Phase 3 Project Transportation and Installation scope
CNL in partnership with NCDMB	7 Nigerian graduates	12-month Earth-Science internship program gave the students first-hand practical experience in Geosciences and Drilling & Completions (D&C)
Dorman Long in collaboration with NCDMB & Hyundai Heavy Industries	150 Nigerians	Non-Destructive Testing and Project Management
NCDMB, CNL & OCO Industrial Services	14 Nigerians	Tank fabrication and fitting on the Escravos Diesel Storage Tank Project
Chevron Nigeria Limited under its Facilities Engineering University Human Capacity Development Initiative (FUHCADI)	90 student participants	Weekly lectures at the University of Lagos from the nine programmes in the Faculty of Engineering
CNL in partnership with NCDMB and Gramen Petrosolve, a 100% indigenous company with 100% Nigerian workforce	10 Nigerians (comprising five graduates and five artisans)	Trained in Engineering, Welding and Fabrication on the Escravos System Project (EESP)
CNL in partnership with NCDMB, NETCO and IESL	4 Nigerian graduates	12-months training in Engineering Designs and Entrepreneurship on CNL’s Meji GGCP Debottlenecking Project
CNL in partnership with NCDMB, NETCO and First Fossils Limited	6 Nigerian graduates	Six months training in engineering related disciplines on the back of the Detailed Engineering Design (DED) scope of the Okan GGCP Debottlenecking Project
CNL in partnership with NCDMB and Hommaston Limited	5 young engineering graduates	Trained on the Abiteye NAG Development Project.
<b>TOTAL BENEFICIARIES</b>	<b>296</b>	

“Chevron remains an industry leader in the development of indigenous capacity in Nigeria’s oil and gas industry”

Qualification System (NOGIC JQS) portal to help position community graduates for capacity building opportunities in the oil and gas industry. The objective is to provide opportunities for these graduates to benefit from the project related trainings.

### Industry collaborations

Chevron and its affiliated companies sponsored industry forums and fairs in partnership with the NCDMB and other industry stakeholders, including:

- Sponsorship of and participation at the first Nigeria Oil and Gas Industry Research and Development Fair and Conference, organized by NCDMB
- Inaugural edition of the Business Technical Forum, organized by the Oil and Gas Trainers Association of Nigeria (OGTAN)
- Nigeria Annual International Conference and Exhibition (NAICE) of the Society of Petroleum Engineers
- Sponsorship of the Practical Nigerian Content Forum, organized by NCDMB

“  
Chevron continues to play a leading role in building and sustaining the capacity of indigenous companies and contractors in Nigeria’s oil and gas industry  
”

## Summary of 2017 Nigerian Content Success stories

Area	Contractor(s)	Brief Description of Services
Labor	BeneProjecti Nig. Ltd; Baklang Consultants Ltd; Ariosh Limited, Sigmund Engineering, Bell Oil & Gas Ltd. etc.	Provision of highly skilled/ professional labor
Labor	NUGA Consultants Ltd.; Micronet Int'l Ltd.; Avidor Oil & Gas Co. Ltd.; Joceco Nig. Ltd.; Ozma Nig. Ltd. etc.	Provision of medium skilled/ unskilled labor
Engineering Services	NETCO, Cakasa, IESL, Ariosh, Westfield Energy Resources Ltd. etc.	CNL's Facilities Engineering/ Major Capital Projects leverage these Engineering Services Agreements (ESAs) for Front End Engineering Design and Detailed Engineering Design
Fabrication & Construction	<ul style="list-style-type: none"> <li>• Jemtech Global Engineering Services</li> <li>• Idmon Eng. Services etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Jemtech Global Engineering Services Limited, a fully indigenous company, to fabricate Wellhead Jacket for its Abiteye Non-Associated Gas (NAG) Project. Project was completed incident and injury free.</li> <li>• Okan Pig Receiver Platform (PRP) project Hook-up and Commissioning by Idmon Engineering &amp; Construction Company, an indigenous contractor</li> </ul>
Tank repair & Upgrade	<ul style="list-style-type: none"> <li>• OCO Industries</li> <li>• HOPIC Nigeria Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Repair and upgrade of Tanks 1 &amp; 8 in Escravos.</li> <li>• Escravos Diesel tank repair and upgrade</li> </ul>
Manufacturing / Assembly	FMC Technologies Limited	Installation of subsea equipment like flexible flowlines, umbilicals and jumpers for the first time by a Nigerian Contractor
Transportation, installation and pre-commissioning	Marine Platforms Limited (MPL)	Trained in Engineering, Welding and Fabrication on the Escravos System Project (EESP)
Human Capacity Development Initiatives (HCDI)	<ul style="list-style-type: none"> <li>• Lonadek</li> <li>• PEM Offshore</li> </ul>	<ul style="list-style-type: none"> <li>• Contract of \$180 thousand awarded for development of world class Human Capacity Development Initiative (HCDI) training plan/curriculum for CNL's Drilling &amp; Completions unit and the Nigerian Oil &amp; Gas industry in general continued.</li> <li>• Scholarship to Nigerian seamen for training in Dynamic Positioning continued at PEM Offshore Limited, a marine training facility. Contract is worth \$200 thousand per annum</li> </ul>
Logistics	<ul style="list-style-type: none"> <li>• Marine Platforms Limited</li> <li>• Awaritse Nigeria Limited</li> <li>• Zukus Industries Limited</li> </ul>	Supply of vessels for Agbami & Escravos- Gas-To-Liquids operations
Procurement	<ul style="list-style-type: none"> <li>• Samdpin Maritime Limited</li> <li>• Coastal Consults Ltd</li> <li>• Bila Integrated Services Ltd. Desmobuk Rocket Nig. Ltd.</li> </ul>	Coastal supply of Automotive Gas Oil (AGO) to Escravos.
Local Community Content (LCC)	Perfect Works Integrated Services	Pilot poultry capacity development initiative in collaboration with the Foundation for Partnership Initiatives in the Niger Delta (PIND) - 5 Local Community Contractors are participating in the scheme

# awards

*good corporate citizen and a partner of choice. The various recognitions and acknowledgements of our contributions to the socio-economic development of the country validate our vision of being the global energy company most admired for its people, partnership and performance.*



Jeff Ewing, Chairman and Managing Director receiving an award from the Nigerian Business Coalition Against Aids (NIBUCAA) for the company's support in the fight against the spread of HIV/AIDS in Nigeria

Some of the awards and recognitions Chevron received in 2017 include the following:

- TruContact Limited, organizer of the Sustainability, Enterprise and Responsibility Report and Awards (SERAs) announced Chevron Nigeria as winner of the coveted 'Best Company in Education' award for its various social investment projects in education geared toward improving the quality of teaching and learning in Nigeria.
- The Nigerian Business Coalition Against AIDS (NiBUCCA), the voice of the Nigerian private sector response to HIV/AIDS, acknowledged the leading role of Chevron Nigeria in the fight against the spread of HIV/AIDS in Nigeria with an award presented to the Chairman and Managing Director, Mr. Jeff Ewing.
- Chevron Nigeria received 'Best Exhibitor' at the Nigeria Annual International Conference and Exhibition (NAICE) of the Society of Petroleum Engineers. Frank Ogbuagu, Chevron reservoir simulation engineer, also earned the prize for 'Best Technical Paper.'
- Chevron Nigeria's Legal team was awarded a place on The Legal 500's GC Powerlist which identifies the most influential and innovative in-house teams working across Africa. The team was recognized for its ever-increasing ability to utilize strategic thinking, innovation, adaptation to changing business needs in Nigeria, and ability to

influence Chevron's strategy in the wider region.

- St. Kizito's Clinic in Lekki recognized Chevron Nigeria for its commitment to excellence and support for Tuberculosis prevention in the country. The recognition came at the Genexpert Launch and Award Giving Day, organized by Loving Gaze Nigeria. Chevron helped renovate and has donated a Direct Observe Treatment Therapy center, Tuberculosis and Malaria drugs, mobile X-ray machine and chemistry auto-analyzer to the clinic.
- The company was honoured with the 'Exceptional Support Award' at the inaugural Lagos University Teaching Hospital (LUTH) Amity and Benefits Awards for its contribution to medical research and analysis in Nigeria. In 2014, Chevron and the NNPC donated an ultra-modern Molecular Research Laboratory to the hospital, which aids in the diagnosis, management, treatment and counseling of people with genetic disadvantages.
- Chevron Nigeria won the 'Corporate Distinguished Achievement Award' from the Petroleum Technology Association of Nigeria for its innovative funding scheme that provided capacity building opportunities for Nigerian contractors.
- The Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) presented an 'Award of

Excellence' to Chevron Nigeria as part of the activities, marking its 5th Triennial National Delegates' Conference. Comrade Olabode Johnson, National President of PENGASSAN, said the award was in recognition of Chevron's commitment to partnership and labour relations in the oil and gas sector.

- In February 2018, Chevron received the "Best Performing Upstream International Company in Social Contribution" and the "Top Domestic Gas Producer" for 2016/2017" awards from the Nigerian Ministry of Petroleum Resources.

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## PHOTO CAPTIONS

- A** Esimaje Brikinn, General Manager, Policy, Government and Public Affairs (PGPA) receiving an award from the Nigeria-America Chamber of Commerce and Industry
  - B** Members of the NMA Legal Team awarded a place on The Legal 500's GC Powerlist for its increasing ability to utilize strategic thinking and innovation to adapt to changing business needs in Nigeria
  - C** Mrs. Ihuoma Onyearugha, Director, Human Resources & Medical (3rd left) receiving the Exceptional Support Award at the inaugural Lagos University Teaching Hospital (LUTH) Amity and Benefits Awards for CNL's contribution to medical research and analysis in Nigeria
  - D** Jeff Ewing, receiving the Corporate Distinguished Achievement Award from the Petroleum Technology Association of Nigeria (PETAN) for providing capacity building opportunities for Nigerian contractors
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## **Cautionary Statement Relevant to Forward-Looking Information**

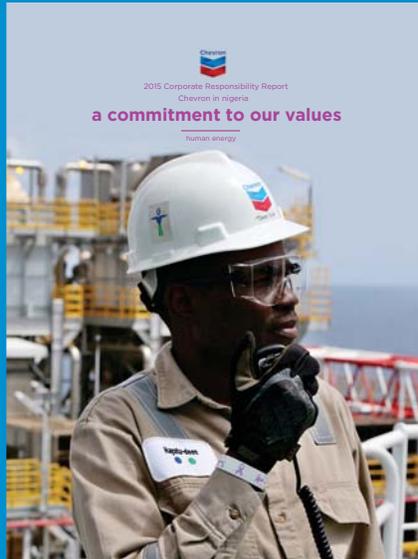
This Corporate Responsibility Report by Chevron contains forward-looking statements relating to the manner in which it intends to conduct certain of its activities, based on its management's current plans and expectations. These statements are not promises or guarantees of future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control.

Therefore, the actual conduct of our activities, including the development, implementation or continuation of any programme, policy or initiative discussed in this report, may differ materially in the future. The statements of intention in this report speak only as of the date of this report. Chevron undertakes no obligation to publicly update any statements in this report.

As used in this report, the term "Chevron" and such terms as "the company," "their," "our," "its," "we," and "us" may refer to one or more of the Chevron companies in Nigeria or to all of them taken as a whole. All these terms are used for convenience only and are not intended as a precise description of any of the separate entities.



2014 corporate responsibility report



2015 corporate responsibility report



2016 corporate responsibility report



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