



# OIL AND GAS INDUSTRY

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# ETHICAL PROBLEMS IN THE INDUSTRY

- Environmental Concerns
- Price Fixing
- Bribery



# PRESSURES FACING THE INDUSTRY

- Environmental laws (EPA)
  - Kyoto Protocol
- Environmental groups
- Government pressure
- Existing wells are drying up rapidly
  - New sites are difficult to drill on
- Shortage of skills (drilling techniques)



# CSR CASES IN THE INDUSTRY

- Exxon
  - Sustainability
- Sunoco
  - Local and Nationwide Partnerships
- Chevron
  - Human Rights
- BP
  - Audit system



# EXXON

- CSR Plan
  - Six areas focused on sustainability
- Environmental, Socioeconomic, and Health Impact Assessments
- Increased environmental investments
- \$296 million in community investment (2013)
- Economic and societal development abroad



**ExxonMobil**

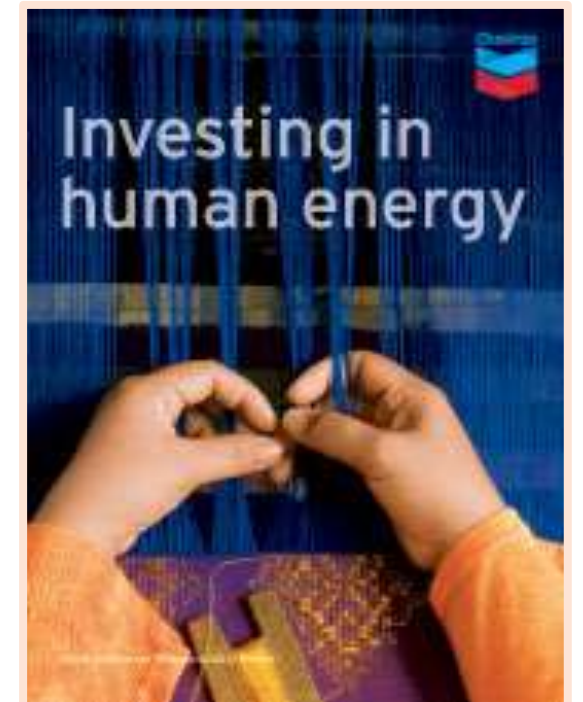
# SUNOCO

- SunocoSERVES
  - Four faceted community investment plan
- The Sunoco Foundation
- American Red Cross and Sunoco Fuel-Up Program
- Local community initiatives
  - Philadelphia/Delaware
- \$2.6 million community donations (2010)



# CHEVRON

- Operational Excellence Management System
  - Reduce environmental impact and process safety risks
  - Efficiently use natural resources
  - Achieve an injury-free workplace
- “The Chevron Way”
- Human Rights Policy in 2009
- Leader in IPIECA



# BRITISH PETROLEUM

- Screening and Impact assessments
  - Water availability
  - Air quality
  - Protect areas
  - Protected species
- Yearly performance reviews at project sites
  - Pollution prevention
  - Reducing impact on biodiversity
  - Flaring reduction





# IMPLEMENTING CSR IN THE VTF

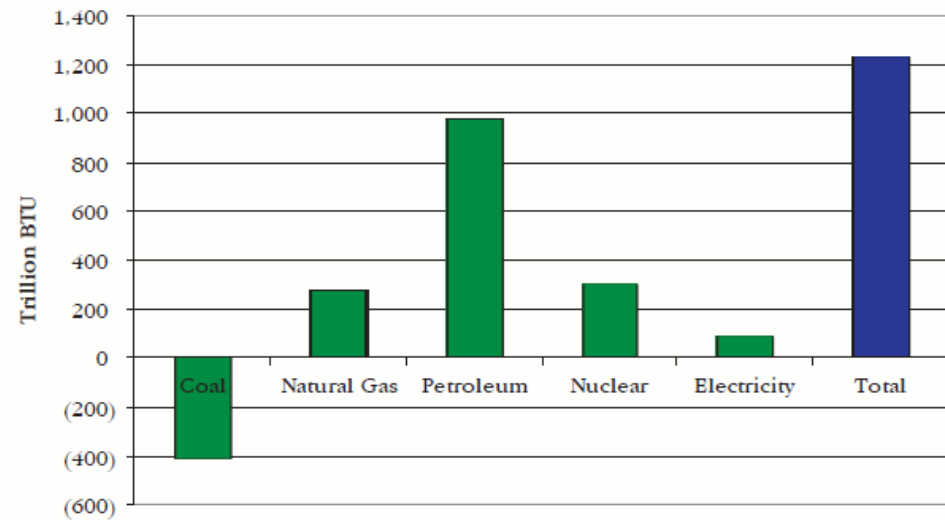
- Add five more members to the Board of Directors
  - SMEs from the Office of Sustainability
  - SMEs in business ethics
- Board must come to 75% majority to invest
  - 30/40 board members



# INVESTING IN OIL

- Pros
  - Lucrative
  - Virginia's major energy import
- Cons
  - Environmental concerns
  - More viable energy resources

Figure 1-1 Net Imports of Energy into Virginia



# INDUSTRY INVESTMENT RECOMMENDATIONS

- Do not invest in oil and gas industry
- Invest in coal
  - Virginia Center for Coal and Energy Research
  - Campus reliance on coal
  - Extensive systems in place
- Invest in sustainable energy
  - Green School – Princeton Review





THANK YOU!

Questions?

# WORKS CITED

- Graph:
  - <http://virginiaplaces.org/energy/index.html>
- <http://hesreport.sunocoinc.com/fw/main/overview-1307.html>
- [http://cdn.exxonmobil.com/~media/Reports/Corporate%20Citizenship%20Report/2013/news\\_pub\\_2013ccr\\_highlights.pdf](http://cdn.exxonmobil.com/~media/Reports/Corporate%20Citizenship%20Report/2013/news_pub_2013ccr_highlights.pdf)
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- <http://www.chevron.com/corporateresponsibility/environment/>
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