

You Have A Friend In Me!

Environmental Justice Case Study

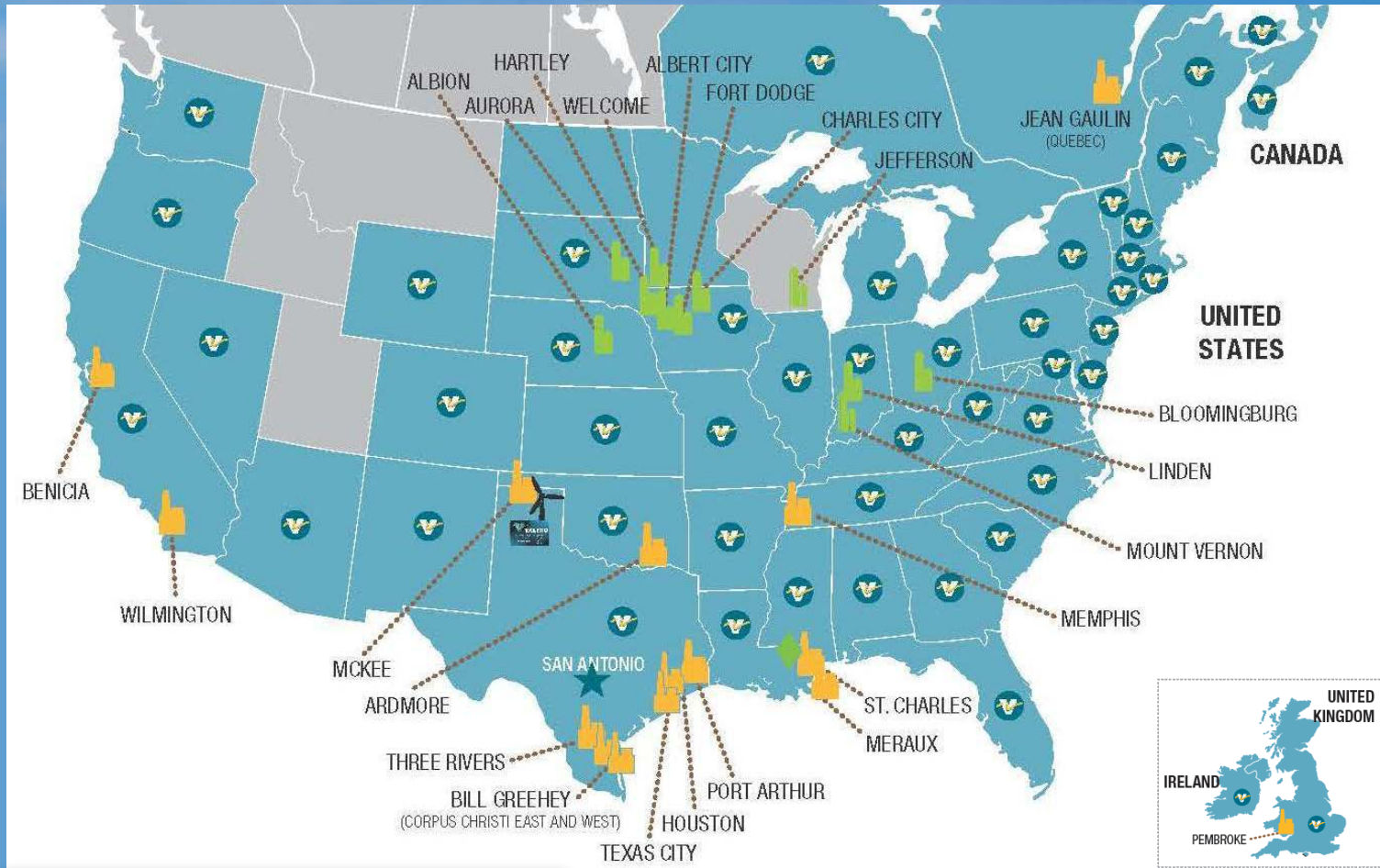


Who Is Valero?

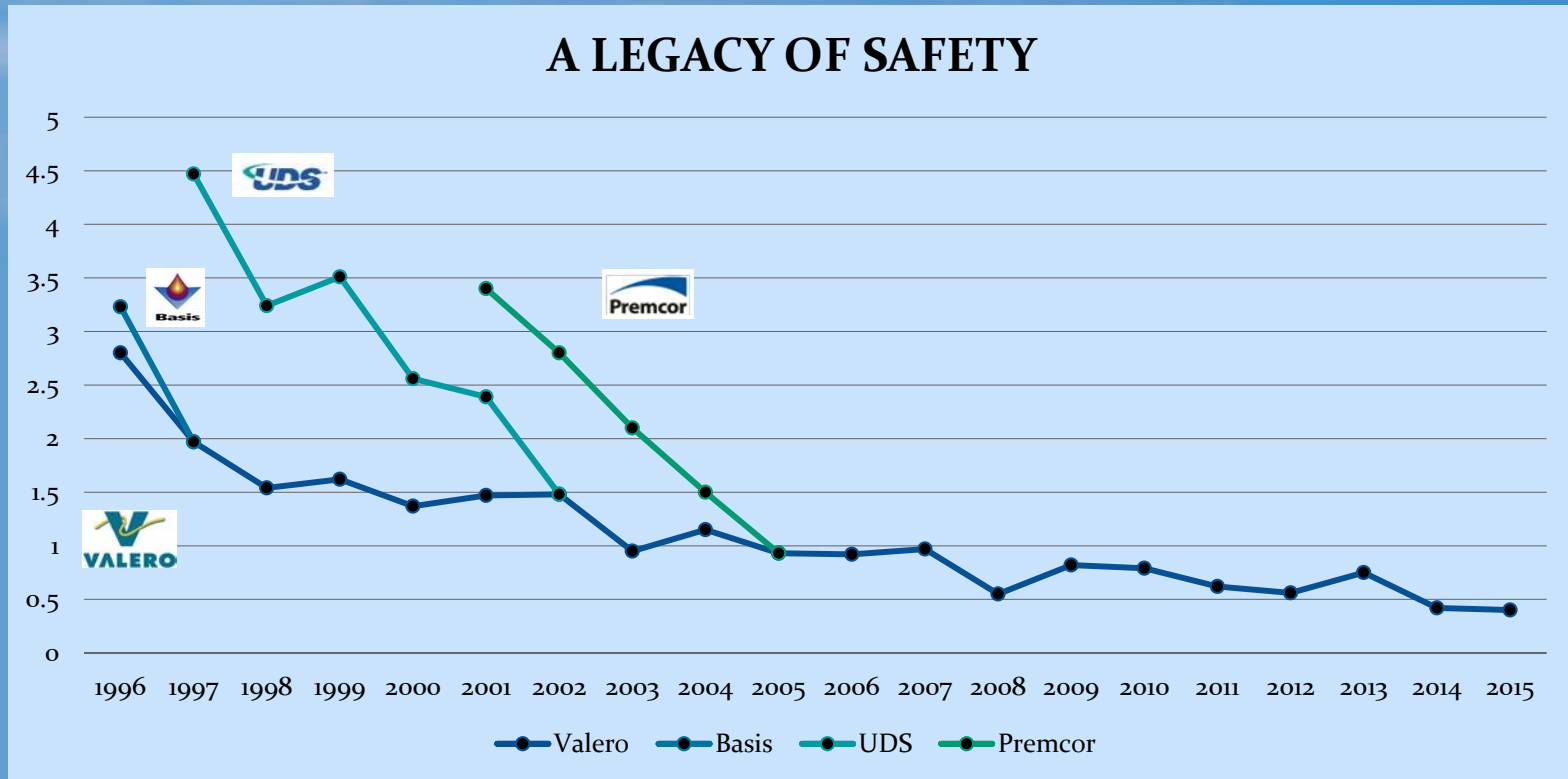
- Valero is the world's largest independent refiner. We manufacture and market transportation fuel & petrochemical products.
- Valero performs no exploration or production. We are not an oil company.
- Valero has 15 petroleum refineries with throughput capacity of 3MM barrels.
- Valero is the 3rd largest ethanol producer in the United States.
- Valero is the largest advanced biodiesel producer in the United States.
- Valero is a major wind power producer.



Valero – Map of Operations



Investment in Safety



- Valero is committed to safe operations.
- Across the board, injury rates at refineries are down after Valero acquires them.



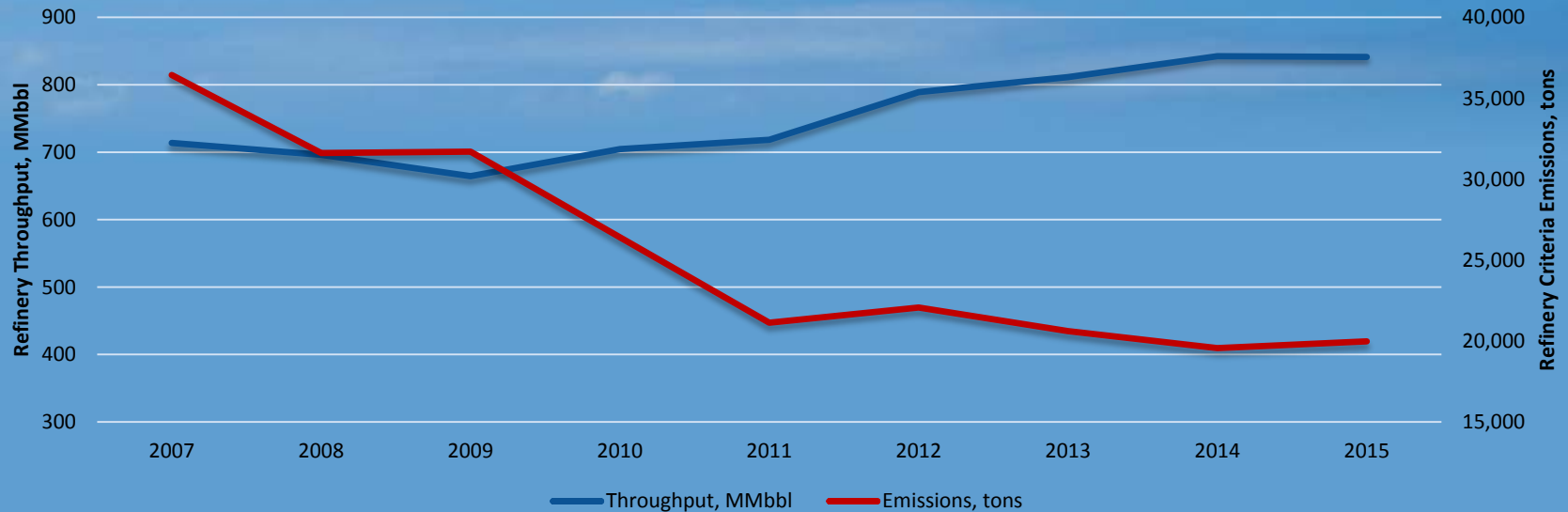
Being a Good Neighbor Is . . .

- Being a Good Investor
 - \$2.5 billion invested over the past 5 years on environmental projects
- Being a Good Operator
 - Emissions reductions, flare gas recovery, best technology
 - Increased efficiency and reliability
 - Energy stewardship
 - Solomon ranking in 1st quartile
 - Lowest cost operator in peer group

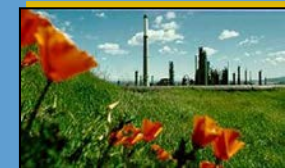


Being a Good Neighbor Results in Real Emission Reductions

Valero Emissions Decrease Though Throughput Increases

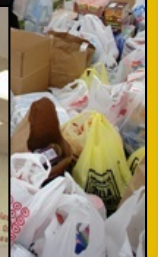


- 59% reduction in environmental incidents since 2006
- 63% reduction in reportable refinery flaring events since 2007
- 70% reduction in flaring events since 2012



Valero Invests In Its Communities

- **\$40 million** – Amount raised overall in 2015 through direct donations or fundraising
- **\$11.8 million** – Amount raised by 2015 United Way Campaign
- **\$10.4 million** – Amount raised during 2015 Valero Texas Open and Benefit for Children Golf Classic
- **\$100.9 million** – Amount raised since becoming the VTO event sponsor in 2002
- **100,000** – Number of hours employees volunteer each year on community projects



EPA's Definition of “*Environmental Justice*”:

“Environmental Justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. EPA has this goal for all communities and persons across this Nation. It will be achieved when everyone enjoys the same degree of protection from environmental and health hazards and have equal access to the decision-making process to have a healthy environment in which to live, learn, and work.”



Valero's Environmental Justice Policy

Valero strives to operate as a good neighbor and to look for opportunities to work with local officials and directly with its fence-line neighbors to improve quality of life of its neighbors and communities.

Valero aims to treat its fence-line neighbors fairly, regardless of race, color, national origin, culture or income. We work to ensure that our neighbors have an opportunity to understand our proposed activities, and to provide them with a meaningful opportunity to have their concerns heard, with the goal of providing them with greater comfort in our operations.



How Do You Translate This into Practice?



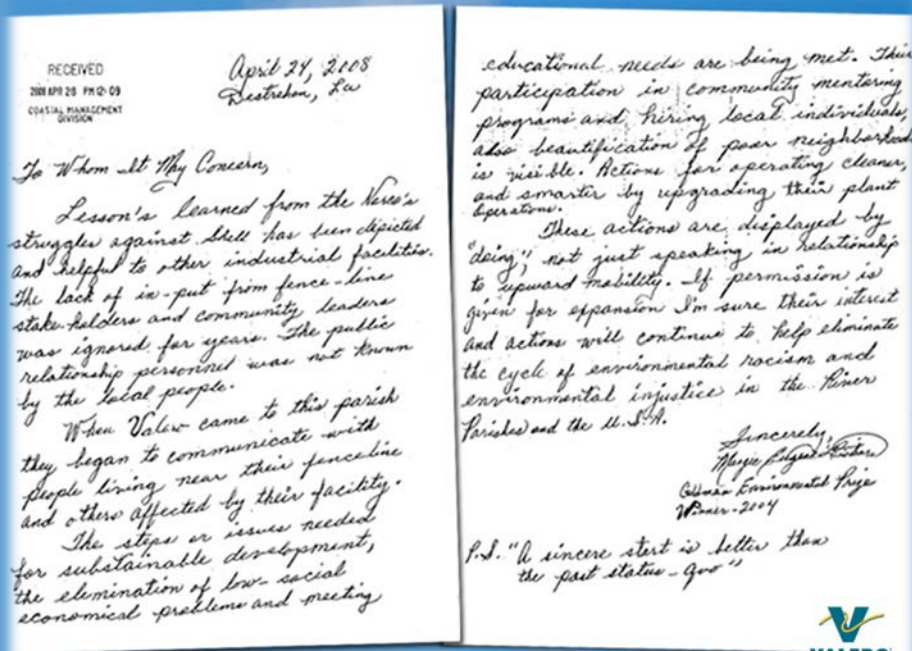
Valero's Early Exploration into EJ

Corpus Christi Experiment



Valero's Early Exploration into EJ

St. Charles Model



"The barriers that existed [prior to Valero between the refinery and the fence line community] have been addressed. The gaps for building relationships between stakeholders, community and industry have been closed. It's not just words of false promises, actions speak for themselves. Valero is a friendly plant. You have built relationships. The community sees you as a friend. Valero doesn't follow the status quo; they seek out opportunities to work with the community. They are constantly working on ways to cut back on emission for air, water and land."

--Ms. Margie Richard,
Environmental Activist/President,
Truth Community Outreach



Valero, EJ and the Port Arthur Challenge

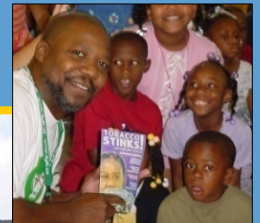


PORT ARTHUR REFINERY

"The Community In-power and Development Association Inc. and the Valero Port Arthur Refinery have found that through our good neighbor agreement and our open communication and transparency with one another, the level of trust between Valero and the community has risen to a new level of understanding. Because of our willingness to work together to get pass issues that may arise we have created a win/win environment for local residents the community and Valero, although our relationship is at present still evolving, the future looks bright." --**Hilton Kelley**

Executive Director and Founder of CIDA, Inc.

❖ **2011 Goldman Award Recipient**



Donation of C.I.D.A. Van



Assisting and partnering with our local communities is a privilege made easier with a friend like Hilton.

← Van presented to CIDA by Valero.

Van driver (Marie) helping a woman enter the van which is used to transport the elderly to doctor visits and adult day care.



Gulf Coast Health Center



Performing Arts Building



Funds (\$50,000) presented to Hilton and CIDA to assist with renovation of the performing arts building.



Home Repairs, Music Events, Karate



CIDA and Valero partnered to repair homes damaged by Hurricane Rita.



CIDA, along with support from Valero, sponsored a community unity fair to provide hope, education and entertainment.



With support from CIDA and Valero, Tiger Karate provides kids with exercise, discipline, self-confidence, and purpose.



Lion Hearted Boxing



CIDA and Valero have partnered to provide the youth of Port Arthur with a place for recreation and a place for dreams. Lion Hearted Boxing is more than a gym – it is an alternative to hanging out on the streets. Even the media has recognized the difference the gym is making in the community.



Carver Terrace Apartments

Port Arthur, Texas

Housing Project Legacy Ended

Valero, working with Community In-Power Development Association (CIDA), coordinated and helped underwrite an effort with U.S. Department of Housing and Urban Development, US Environmental Protection Agency and City of Port Arthur and other state and local governmental entities to get the Carver Terrace Section 8 housing projects closed. With this successful joint and concerted effort, we helped the Port Arthur Housing Authority and the City of Port Arthur receive financing to provide alternate single and duplex housing away from industrial sources. Now obsolete and blighted housing that had been located on the fence-lines of some of the largest industrial facilities in the US is vacant and ready to bulldoze. *“No one cared about it [Carver Terrace], no one did anything about it, until Valero came to town. If Valero hadn’t bought the Port Arthur Refinery, over 800 people would still be ignored and living in Carver Terrace”* said EJ activist Hilton Kelley. We pulled together activists, business, local, State and Federal government officials, and several agencies for the benefit of society’s neediest. Valero is very proud of this.



Keys to EJ Success

- Do not let rhetoric prevent progress.
- Respect comes before trust.
- Agree to disagree on causes, but then look for the common ground and solutions to agreed upon problems.
- Don't be bullied (this goes for both sides). Don't bully.
- Think way outside the box, but have realistic expectations.
- Be positive!

