



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

September 29, 2023

By email: OfficeoftheCorporateSecretary@oxy.com
Investors@oxy.com

Mr. Jack B. Moore
Chair of the Board
c/o Corporate Secretary
Occidental Petroleum Corporation
5 Greenway Plaza, Suite 110
Houston, TX 77046

Dear Mr. Moore:

Re: Chrysotile Asbestos

I am writing to you on behalf of the New York City Fire Pension Fund and the New York City Police Pension Fund, whose members include 117,000 active and retired firefighters and police officers and their beneficiaries, and which together own Occidental Petroleum securities valued at \$61 million as of September 1, 2023.

We urge OxyChem to make a commitment to cease imports of asbestos, and to transition the company's industrial chlorine production in the U.S. from asbestos diaphragms to asbestos-free membrane technology. While we recognize that the company cannot make this conversion overnight, we believe that the company can commit to undertake this transition over an expedited time period that would allow OxyChem to transform your manufacturing process while using up the company's current supply of asbestos and cease additional asbestos imports.

In 2022, the U.S. Environmental Protection Agency (EPA) proposed a rule under section 6(a) of the Toxic Substances Control Act (TSCA). The proposed rule addresses the unreasonable risk presented by the one type of asbestos still used in the U.S., chrysotile asbestos, and will prohibit the manufacture (including import), processing, distribution in commerce and commercial use of chrysotile asbestos for six known uses.ⁱ According to the U.S. Geological Survey, the chlor-alkali industry, which uses chrysotile to manufacture chlorine and caustic soda, has accounted for 100% of importation and use of raw asbestos fibers since 2015.ⁱⁱ There is also some very limited use of asbestos-containing products in other chemical production, in the oil industry, in vehicle friction products and in gaskets. The EPA rule, which is not yet finalized and in effect, presently allows up to 2 years for companies to halt the complete use of asbestos, but whether that deadline will remain in the final rule and when the final rule will be issued are uncertain.

There are three active raw asbestos users in the chlor-alkali industry: Olin, Westlake and Occidental subsidiary OxyChem. The chlor-alkali production method that uses asbestos (diaphragm cell) has largely been replaced worldwide, including in the U.S., by a more modern technology (membrane cell) that does not use asbestos. Westlake ceased asbestos imports in 2016 and Olin ceased asbestos imports in 2021; both are using their stockpiled asbestos during their transition to non-asbestos technology.ⁱⁱⁱ Olin has committed to ending the use of asbestos.^{iv} In 2022, OxyChem imported over 300 metric tons of chrysotile

asbestos from Brazil and China to continue to employ at the company's diaphragm cell plants. OxyChem has opposed an asbestos phase-out and has asserted that elimination of asbestos cannot be accomplished in less than 25 years. OxyChem is the only active asbestos importer in the United States.^v

The deadly and carcinogenic properties of asbestos are well-known and thoroughly documented. As asbestos becomes disturbed or damaged by fire or fire suppression activities its particles can become airborne leading to inhalation by firefighters and other first responders.^{vi} Asbestos inhalation increases the risk of diseases such as mesothelioma, lung cancer and asbestosis. Over 40,000 Americans die each year from preventable asbestos-caused cancers, including lung cancer, mesothelioma and cancers of the larynx and ovaries.^{vii} While these risks have been mitigated somewhat by the elimination of asbestos from most building materials, OxyChem's persistent use of asbestos in the production of industrial chlorine continues to pose a risk to workers and potentially exposes our first responders to the risk of asbestos inhalation. These dangers of asbestos already in place and the continued use of asbestos are acute for first responders to fires such as the brave firefighters and police officers who serve the City of New York and who are owners of Occidental Petroleum shares through their pension funds.^{viii} These pension funds have members who have retired on accidental disability pensions as a result of injuries caused by asbestos exposure in the line of duty.

Given that OxyChem's major competitors in the U.S. have already made this commitment and no longer import raw asbestos, we believe that making this commitment now is prudent and will reduce legal and regulatory risks for OxyChem and ensure that the company's industrial chlorine production remains profitable, sustainable and safe for OxyChem's customers, end-users, employees, and the communities in which the company operates for years to come.

We would be happy to meet to discuss this request further. You may reach out to John Adler, Chief ESG Officer, at jadler@comptroller.nyc.gov to arrange such a discussion. Please respond to this letter no later than November 1, 2023.

Sincerely,



Brad Lander
New York City Comptroller

CC: Ms. Vicki Hollub, President and CEO

ⁱ U.S. EPA's Final Risk Evaluation for Asbestos, Part 1: Chrysotile Asbestos: <https://www.epa.gov/assessing-and-managing-chemicals-under-tsca/final-risk-evaluation-asbestos-part-1-chrysotile>

ⁱⁱ <https://pubs.usgs.gov/periodicals/mcs2023/mcs2023-asbestos.pdf>

ⁱⁱⁱ Reinstein, Linda. *Comprehensive Asbestos Report: The Analysis of Imports, Use, Impact on Human Health, and Current Regulations and Policy*: <https://www.asbestosdiseaseawareness.org/wp-content/uploads/2023/09/2023-Reinstein-Asbestos-Report-New.pdf>

^{iv} September 9, 2023 Olin Corporation Letter to ADAO: <https://www.asbestosdiseaseawareness.org/wp-content/uploads/2023/09/2023-Olin-AAPC-Letter.pdf>

^v Reinstein, op cit.

^{vi} American Public Health Association, "Eliminating Exposure to Asbestos," November 5, 2019: <https://www.apha.org/Policies-and-Advocacy/Public-Health-Policy-Statements/Policy-Database/2020/01/10/Eliminating-Exposure-to-Asbestos>

^{vii} Ibid.

^{viii} *Occupational Exposure as a Firefighter*, IARC Monographs on the Identification of Carcinogenic Hazards to Humans, Volume 13: <https://publications.iarc.fr/Book-And-Report-Series/Iarc-Monographs-On-The-Identification-Of-Carcinogenic-Hazards-To-Humans/Occupational-Exposure-As-A-Firefighter-2023>