

OCCIDENTAL'S CLIMATE ADVOCACY AND ENGAGEMENT

VISION AND POSITION

As of December 31, 2021





Occidental set a target to reach net-zero emissions associated with our operations and direct energy use before 2040 and an ambition to achieve net-zero emissions associated with the use of our products before 2050. Our industry-leading enhanced oil recovery expertise uniquely positions us to achieve these goals by deploying innovative technologies to capture human-made or atmospheric carbon dioxide (CO₂) emissions and create a variety of products and services critical to a low-carbon world.

To advance our vision from a policy perspective, we advocate and engage on climate issues individually and through trade associations, coalitions and other organizations of which we are members. We understand the importance of our commitment to decreasing emissions while providing access to affordable, reliable energy. We use our influence to encourage organizations that we support to achieve similar goals in a manner that safeguards human health and well-being and the environment.

Our climate positions are generally consistent with the positions held by the associations, coalitions and other organizations with which we participate and that are listed below. While Occidental does not control, and may not always agree with, positions taken by trade associations, coalitions and other organizations of which it is a member, we believe membership is important in order to engage other companies and industry experts in discussing industry practices and standards across a wide breadth of issues, including, but not limited to, climate-related standards and policies. Where the positions held by the associations, coalitions and other organizations with which we participate differ from our own, we offer our views and engage in constructive conversations to encourage those organizations to incorporate or reflect our views. The positions of the organizations stated below, and our assessment of consistency with our climate policy positions, are summarized as of December 2021 and are subject to change.

We routinely compare our views with the positions of associations and coalitions in which we participate and will take action, including expanding our participation or, conversely, terminating our membership, where appropriate.

Occidental's policies and guidelines relating to climate advocacy and engagement – including related trade association and coalition memberships – have been established by Occidental's management and are overseen by the Sustainability and Shareholder Engagement Committee of Occidental's Board of Directors.

ORGANIZATIONS

- [American Chemistry Council \(ACC\)](#)
- [American Petroleum Institute \(API\)](#)
- [Carbon Capture Coalition](#)
- [Carbon Utilization Research Council](#)
- [U.S. Chamber of Commerce \(Chamber\)](#)
- [Oil and Gas Climate Initiative \(OGCI\)](#)



Association, Coalition or Other Organization	Alignment	Positions or Public Statements on Climate Change
<p>American Chemistry Council (ACC)</p>	<p>Generally Consistent</p>	<p>As Congress develops policies to fight climate change, ACC has developed a set of policy recommendations to enable dramatic reductions in greenhouse gas (GHG) emissions while preserving U.S. chemical industry competitiveness.</p> <ul style="list-style-type: none"> • Increase government investment and scientific resources to develop and deploy lower emissions technologies in the manufacturing sector. • Adopt transparent, predictable, technology- and revenue-neutral market-based, economy-wide carbon price signals. • Encourage adoption of emissions-avoiding solutions and technologies to reduce emissions throughout the economy to achieve significant emissions savings. <p>Read more about the ACC's policy recommendations for a lower emissions future.</p>



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<p style="text-align: center;">American Petroleum Institute (API)</p>	<p style="text-align: center;">Generally Consistent</p> <p>API endorses a carbon price policy to drive economy-wide, market-based solutions, although API has not yet defined the carbon price policy it will endorse.</p> <p>In general, Oxy focuses on key enabling features of policy to help efficiently meet society's climate goals rather than narrowing to one proposed solution.</p> <p>A range of policy alternatives can be implemented effectively to support the aims of the Paris Agreement. We also recognize the growing consensus of international <i>(continued)</i></p>	<p>API and its members support climate actions in the following five areas:</p> <p>Accelerate technology and innovation to reduce emissions while meeting growing energy needs.</p> <ul style="list-style-type: none"> • Advocate for federal funding for low-carbon research, development and deployment. • Fast-track the commercial deployment of carbon capture, utilization and storage (CCUS). • Advance hydrogen technology, innovation and infrastructure. <p>Further mitigate emissions from operations to advance additional environmental progress.</p> <ul style="list-style-type: none"> • Advance direct regulation of methane from new and existing sources. • Develop methane detection technologies. • Promote reductions in refinery GHG emissions and mitigate upstream flaring emissions. <p>Endorse a carbon price policy by government to drive economy-wide, market-based solutions.</p> <ul style="list-style-type: none"> • Potential approach would price CO₂ emissions across the economy. • Support policies that provide transparency for consumers. • Minimize duplicative regulations and help maintain U.S. competitiveness. • Avoid carbon leakage and integrate with global carbon markets, while focusing on net emissions. <p>Advance cleaner fuels to provide lower-carbon choices for consumers.</p> <ul style="list-style-type: none"> • Develop markets for differentiated U.S. natural gas. <i>(continued)</i>



	<p>organizations and scientists regarding the need for significant removal of atmospheric CO₂ over the next 10 years in order to meet the Paris Agreement's goal of holding temperature increases to well below 2°C and pursuing efforts to limit it to 1.5°C. Accordingly, we are focused on the design of proposed policies seeking to ensure technological solutions are included and the incentives necessary for their development and deployment are adequately addressed.</p> <p>See Oxy's Position on Climate-Related Policies.</p>	<ul style="list-style-type: none"> • Support policies to advance lower-carbon electricity. • Reduce lifecycle emissions in the transportation sector. <p>Drive climate reporting to provide consistency and transparency.</p> <ul style="list-style-type: none"> • Expand use of ESG reporting guidance for the natural gas and oil industry. • Report comparable climate-related indicators in a new template. • Build on API's compendium of GHG emissions methodologies for the natural gas and oil industry. <p>Read more about the API's climate action framework.</p>
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<p>Carbon Capture Coalition</p>	<p>Generally Consistent</p>	<p>The Carbon Capture Coalition believes carbon capture is essential to managing industrial emissions to meet midcentury climate goals and uses the information below to advocate for policies that will lead to an increase in the use of the technology:</p> <ul style="list-style-type: none"> • Nearly every global climate mitigation scenario put forth by international organizations and agreements requires dramatically accelerated use of carbon capture and removal to meet its goals. • Underscoring carbon capture's central role in mitigating climate change, the Intergovernmental Panel on Climate Change (IPCC) finds that climate mitigation cost under the 2°C scenario would be more than double if carbon capture were not included as an emissions reduction strategy. • In modeling of scenarios to limit warming below 2°C, the International Energy Agency (IEA) concludes that a total of 15 percent of all emissions reductions to meet net-zero by 2070 must come from carbon capture, with the largest relative emissions reduction contributions coming from carbon capture at industrial facilities. • A faster transition to net zero increases the need for carbon capture. • Moving the net-zero goalposts from 2070 to 2050 would require 50 percent more carbon capture deployment. • Post-2050, direct air capture will play an increasing role in offsetting any remaining anthropogenic emissions in particularly hard-to-abate sectors such as aviation. <p>Read more about the Carbon Capture Coalition's views on carbon capture's role in addressing climate change.</p>



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<p style="text-align: center;">Carbon Utilization Research Council</p>	<p style="text-align: center;">Generally Consistent</p>	<p>The Carbon Utilization Research Council recognizes that CCUS or low-carbon fuels will be needed for all industrial sources of GHG emissions. Any U.S. policy designed to reduce GHG emissions must:</p> <ul style="list-style-type: none"> • Ensure consumers have access to secure, low-cost and accessible energy. • Contain a robust and complementary set of incentives to develop and deploy low-carbon technology. • Recognize CCUS technology must be cost-competitive with other zero- and low-carbon technologies for it to be commercially viable and applicable in any industry sector. • Create a clear and harmonized set of requirements and incentives to facilitate pipeline transportation of captured CO₂ and the infrastructure needed to support carbon capture, transport and storage. <p>Read more about the Carbon Utilization Research Council and their advocacy.</p>



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<p>U.S. Chamber of Commerce (Chamber)</p>	<p>Generally Consistent</p>	<p>The climate is changing and humans are contributing to these changes. The Chamber believes that there is much common ground on which all sides of this discussion could come together to address climate change with policies that are practical, flexible, predictable and durable. The Chamber believes in a policy approach that acknowledges the costs of action and inaction and the competitiveness of the U.S. economy. The Chamber believes that an effective climate policy should:</p> <ul style="list-style-type: none"> <p>Support a market-based approach to accelerate GHG emissions reductions across the U.S. economy: Durable climate policy must be made by Congress, and it should encourage innovation and investment to ensure significant emissions reductions, while avoiding economic harm for businesses, consumers and disadvantaged communities. Such policy should include well designed market mechanisms that are transparent and not distorted by overlapping regulations. U.S. climate policy should recognize the urgent need for action, while maintaining the national and international competitiveness of U.S. industry and ensuring consistency with free enterprise and free trade principles.</p> <p>Leverage the power of business: It will be largely up to the business community to develop, finance, build and operate the solutions needed to power economic growth worldwide, mitigate GHG emissions and build resilient, lower-carbon infrastructure.</p> <p>Maintain U.S. leadership in climate science: The U.S. should continue to be the world leader in climate change science and the major sponsor of the research used in multi-lateral scientific forums.</p> <p>Embrace technology and innovation: Policy should allow the U.S. to maintain a leadership role in technologies, such as advanced nuclear, energy efficient systems and building materials and large-scale renewables, energy storage and <i>(continued)</i></p>



batteries, high-efficiency low-emission power plants and CCUS by supporting a broad-based public- and private-sector technology portfolio. Advanced technologies and innovation offer the best solution for managing climate risks and reducing GHG emissions. Breakthroughs in commercially-viable technologies are necessary to enable significant cuts in GHG emissions without harming economic growth or the competitiveness of energy-intensive trade-exposed industries. Technology-neutral climate change policy offers the best opportunity to deliver cost-effective, achievable and meaningful GHG reductions.

- **Aggressively pursue greater energy efficiency:** Improving energy efficiency on supply and demand sides can bring almost immediate benefits to business operations and the environment.
- **Promote climate resilient infrastructure:** Adaptation and resilience is critical to minimizing the risk and impacts of climate change. Business is ready to design and build the resilient, low-carbon infrastructure of the future.
- **Support trade in U.S. technologies and products:** Demand for advanced technologies will offer opportunities for growing exports of American technologies, products and services. Technology cooperation, public-private partnerships, innovative financing and capacity building are necessary for facilitating commerce in climate solutions stamped “Made in the USA.” Trade rules should protect intellectual property.
- **Encourage international cooperation:** The Paris Agreement established a comprehensive framework for international action. Greater collaboration between governments and businesses is essential to build the best models to tackle climate challenges.

[Read more](#) about the Chamber's approach to climate change.



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<p style="text-align: center;">Oil and Gas Climate Initiative (OGCI)</p>	<p style="text-align: center;">Generally Consistent</p>	<p>OGCI has a set of guiding principles to help member companies contribute towards achieving a low-carbon future. Those principles are:</p> <ul style="list-style-type: none"> • Support the Paris Agreement and its aims. • Seek to reduce further the methane and CO₂ intensity of member operations. • Seek to be a catalyst for reducing emissions in the oil and gas industry and the wider economy. • Assess climate change risks and opportunities in business planning. • Publish accurate and consistent indicators and utilize third-party data review. • Support government policies that consider a value for carbon, explicitly or implicitly. • Support the implementation of regulations tackling methane emissions reduction. • Engage responsibly with stakeholders. • Foster candid and constructive dialogue with a broad range of stakeholders. <p>Read more about the OGCI's guiding principles and commitments.</p>