



AFL-CIO

AMERICA'S UNIONS

**American Federation
of Labor and
Congress of Industrial
Organizations**

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Plaza NW
Washington, DC 20006

202-637-5000

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August 30, 2021

Dr. Susan K. Avery
Chair, Public Issues and Contributions Committee
Board of Directors
Attn: Office of the Secretary
Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298

Dear Dr. Avery:

I am writing to express concern that the Exxon Mobil Corporation ("ExxonMobil") has locked out its trained and experienced workforce at its petrochemical manufacturing complex in Beaumont, Texas. We believe that ExxonMobil's decision to continue to operate these facilities with temporary replacement workers creates potential safety risks. I urge you to review ExxonMobil's labor relations practices at the Beaumont complex and seek to resolve the lockout for the mutual benefit of all parties.

On May 1, 2021, ExxonMobil locked out approximately 650 workers at the Beaumont refinery and its blending and packaging plant. These highly-skilled, trained and experienced workers are represented by the United Steelworkers Union (USW) Local 13-243. The USW has filed Unfair Labor Practice charges with the National Labor Relations Board, alleging that ExxonMobil illegally made unilateral changes to the continuing terms and conditions of employment and supported a union decertification campaign.

As has been reported, the refinery facility has been operating at about 60 percent of its capacity with management supervisors and temporary replacement workers.¹ By definition, temporary replacement workers lack the training and experience of a permanent workforce. According to the USW, ExxonMobil has also sought to curtail the seniority rights that are important for maintaining a safe workplace. Taking seniority into account when making decisions about job transfers, promotions, and layoffs can help reduce the risk of industrial accidents.

¹ Erwin Seba, "Exxon Beaumont, Texas refinery operating at 60% capacity," Reuters, June 30, 2021.

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I urge the Board of Directors to review the safety risks of continuing to operate the Beaumont complex with temporary replacement workers during the lockout. Needless to say, the safe operation of the Beaumont complex is of great importance to ExxonMobil shareholders as well as the community that it operates in. According to one academic study, each casualty resulting from a petrochemical industrial accident corresponds to a market capitalization loss of \$164 million, and that each toxic release corresponds to a loss of \$1 billion.²

As the Chair of the Public Issues and Contributions Committee, you are responsible for advising the Board of Directors on ExxonMobil's policies and practices as they relate to safety, security, health and the environment. We believe that the risk of an industrial accident at the Beaumont complex can be best mitigated by negotiating a mutually agreeable end to the lockout. I ask that you review this matter for the Board of Directors and take action so that ExxonMobil's experienced permanent workforce may return to work at the Beaumont complex.

Thank you for your attention to this matter and I look forward to your response.

Sincerely,



Elizabeth H. Shuler
President

EHS/BS/BR/sdw
opeiu#2, afl-cio

² Gunther Capelle-Blancard and Marie-Aude Laguna, "How does the stock market respond to chemical disasters?" Journal of Environmental Economics and Management, Volume 59, Issue 2, 2010, p. 192-205.