

Lobbying Expenditures Disclosure - Climate 2017 – Exxon Mobil Corporation

WHEREAS, we believe in full disclosure of ExxonMobil's direct and indirect lobbying activities and expenditures to assess whether ExxonMobil's lobbying is consistent with its expressed goals and in the best interests of shareholders.

Resolved, the shareholders of ExxonMobil request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by ExxonMobil used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. ExxonMobil's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's and the Board's decision making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which ExxonMobil is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on ExxonMobil's website.

Supporting Statement: We encourage transparency and accountability in ExxonMobil's use of corporate funds to influence legislation and regulation. ExxonMobil's lobbying on climate is under scrutiny ("Can ExxonMobil Be Found Liable for Misleading the Public on Climate Change?" Bloomberg, September 7, 2016). ExxonMobil spent \$24.63 million in 2014 and 2015 on federal lobbying (opensecrets.org). These figures do not include lobbying expenditures to influence legislation in states, where ExxonMobil also lobbies in 33 states ("Amid Federal Gridlock, Lobbying Rises in the States," Center for Public Integrity, February 11, 2016), but disclosure is uneven or absent. Exxon also lobbies abroad, reportedly as one of the largest lobbying spenders in the EU ("Biggest Companies Now Spend 40% More on #EULobbying than in 2012," EU Reporter, September 1, 2016).

ExxonMobil is a member of the American Petroleum Institute, Business Roundtable and National Association of Manufacturers, which together spent over \$80 million on lobbying for 2014 and 2015. ExxonMobil is also a member of the Western States Petroleum Association, which spent \$19.83 million on lobbying in California for 2014 and 2015. ExxonMobil does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying.

And ExxonMobil is a member of the American Legislative Exchange Council (ALEC), and its ALEC membership has drawn press scrutiny ("ExxonMobil Is Still Funding Climate Science Denier Groups," Huffington Post, July 13, 2016). Over 100 companies have publicly left ALEC, including BP, ConocoPhillips and Shell.

Transparent reporting would reveal whether company assets are being used for objectives contrary to ExxonMobil's long-term interests.