

**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 shareholder interests.

**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, including in each case the amount of the payment and the recipient.
3. Description of management’s and the Board’s decision-making process and oversight for making payments described 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**

ExxonMobil spent \$110,700,000 from 2010 – 2018 on federal lobbying. This does not include state lobbying expenditures, where ExxonMobil also lobbies but disclosure is uneven or absent. For example, ExxonMobil spent \$4,055,093 on lobbying in California from 2010 – 2018. Exxon also lobbies abroad, spending between €3,250,000 – €3,499,999 on lobbying in Europe for 2018.

ExxonMobil belongs to the American Petroleum Institute, Business Roundtable (BRT), Chamber of Commerce and National Association of Manufacturers (NAM), which altogether spent \$260,638,048 on lobbying for 2017 and 2018. Both the BRT and NAM are lobbying against shareholder rights to file resolutions. ExxonMobil does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying.

We are concerned that ExxonMobil’s lack of disclosure presents reputational risks when its lobbying contradicts company public positions. For example, ExxonMobil supports the Paris climate agreement, yet a 2019 InfluenceMap report found Exxon has spent millions lobbying to undermine it.<sup>1</sup>

Investors participating in the Climate Action 100+ representing more than \$34 trillion in assets are asking companies to align their lobbying, including through their trade associations, with the goals of the Paris agreement. Peer Shell produced an “Industry Associations Climate Review” report to ensure its trade association participation aligned with its views.<sup>2</sup> ExxonMobil uses the Global Reporting Initiative (GRI) for sustainability reporting, yet fails to report “any differences between its lobbying positions and any stated policies, goals, or other public positions” under GRI Standard 415.

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<sup>1</sup> <https://thehill.com/policy/energy-environment/436117-top-oil-firms-spend-millions-on-lobbying-to-block-climate-change>

<sup>2</sup> <https://www.reuters.com/article/us-shell-afpm-idUSKCN1RE0VB>

We believe the reputational damage stemming from this misalignment between general policy positions and actual direct and indirect lobbying efforts harms long-term value creation by ExxonMobil. Thus, we urge ExxonMobil to expand its lobbying disclosure.