

RESOLVED: Shareholders request that ExxonMobil issue a report (at reasonable cost, omitting proprietary information) describing if, and how, it plans to reduce its total contribution to climate change and align its operations and investments with the Paris Agreement's goal of maintaining global temperature rise well below 2 degrees Celsius.

Supporting Statement: Shareholders seek information, at board and management discretion, on the relative benefits and drawbacks of integrating the following actions:

- Disclosing Scope 3 product emissions;
- Adopting greenhouse gas emission reduction targets for the company's full carbon footprint, inclusive of product-related emissions;
- Reducing non-Paris aligned capital investments in oil and/or gas resource development;
- Investing at scale in low carbon energy or other reduction measures.

WHEREAS: The Intergovernmental Panel on Climate Change warns that global warming above 1.5 degrees Celsius will create catastrophic impacts. Specifically, it instructs that global emissions of carbon dioxide must reach "net zero" by 2050. If warming is kept to 1.5 degrees Celsius versus 2 degrees, studies point to estimated savings of \$20 trillion to the global economy by 2100.

The energy industry is one of the largest contributors to climate change and ExxonMobil is the fourth largest global emitter in the sector.[\[1\]](#) ExxonMobil's investment choices matter. Every dollar invested in fossil fuel resources increases risk to the economy and investor portfolios.

Investors recognize this growing risk. Norway's sovereign wealth fund announced divestment from oil and gas exploration and production companies. The European Investment Bank and the World Bank announced they will cease funding fossil fuel projects.[\[2\]](#) Other investors are seeking Paris Alignment from large emitters.[\[3\]](#) Criteria for alignment include: disclosure of Scope 1 through 3 emissions; adoption of a net zero by 2050 or equivalent target; a business plan for becoming Paris Aligned; and a declining carbon footprint.[\[4\]](#)

Peer companies are taking steps to align with Paris goals. Shell announced Scope 3 greenhouse gas intensity reduction ambitions[\[5\]](#) and has decreased reserves life below the industry standard.[\[6\]](#) Total has invested substantially in renewable energy and storage. Equinor rebranded itself from 'StatOil' and is diversifying into

renewables. Orsted, previously a Danish oil and gas company, sold its fossil fuel portfolio. Repsol announced a net zero by 2050 target.^[7]

In contrast, ExxonMobil does not report Scope 3 product emissions. Its greenhouse gas reduction goals are short term, limited to certain operations, and do not address Scope 3 emissions. Exxon has no long term business plan to align operations with Paris 1.5 degree goals, instead announcing plans for substantial growth in its reserves base, including carbon intensive oil sands.^[8] A recent Carbon Tracker analysis finds that 55 percent of Exxon's production to 2040 is outside Paris' below 2 degree objective.^[9] The Transition Pathway Initiative also indicates Exxon's carbon intensity trajectory is far above Paris goals.^[10]

Investors seek information to address these concerns.

[1] <https://www.theguardian.com/environment/2019/oct/09/revealed-20-firms-third-carbon-emissions>

[2] <https://www.reuters.com/article/us-climate-europe-eib/european-investment-bank-to-cess-funding-fossil-fuel-projects-by-end-2021-idUSKBN1XO2OS>;

<https://www.worldbank.org/en/topic/climatechange/brief/qa-the-world-bank-group-and-upstream-oil-and-gas>

[3] <https://climateaction100.wordpress.com/faq/>

[4] Paris Aligned Investor Statement;

<https://www.carbontracker.org/reports/balancing-the-budget/>

[5] https://www.shell.com/sustainability/sustainability-reporting-and-performance-data/performance-data/greenhouse-gas-emissions/_jcr_content/par/tabbedcontent/tab/textimage.stream/1564572084204/fbfb66b7e35c8ee49204f6e53be4a0144e35d275/climate-change-submission-royal-dutch-shell-final-31.pdf, C4.1b

[6] <https://www.bloomberg.com/opinion/articles/2019-06-05/shell-spending-plans-show-oil-s-end-is-no-longer-talk>

[7] https://www.repsol.com/en/press-room/press-releases/2019/repsol-will-be-a-net-zero-emissions-company-by-2050.cshtml?utm_campaign=zero_201912_sost-climatico&utm_source=twitter&utm_medium=social

[8] <https://corporate.exxonmobil.com/-/media/Global/Files/energy-and-carbon-summary/Energy-and-carbon-summary.pdf>

[9] <https://www.carbontracker.org/reports/balancing-the-budget/>

[10] http://www.lse.ac.uk/GranthamInstitute/tpi/wp-content/uploads/2018/11/Oil_and_gas_discussion_paper_061118.pdf, Ex.5.