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NEW EXXONMOBIL REPORT PROVIDES COMPREHENSIVE INFORMATION ON LOBBYING

Today ExxonMobil released an extensive **2020 Lobbying Report** detailing their lobbying oversight, philosophy, positions and details on their lobbying and expenditures. They disclosed details on their indirect lobbying expenditures through various trade associations, think tanks and coalitions they support. The report also provides details on state lobbying broken down by state as well as “grassroots lobbying”, including ExxonMobil’s online grassroots community called Exxchange, which is comprised of supporters willing to engage lawmakers on specific legislation or policy.

The report is in response to a shareholder resolution led by the United Steelworkers, which received a majority vote over 55% in 2021. The Steelworkers had led this engagement since 2013, filing nine resolutions which received support ranging from 21% to 38% until investors like BlackRock and Vanguard pushed it into majority vote territory last year. Numerous investors participated as co-filers of this resolution over the years. ExxonMobil management and investors leading the proposal had had multiple dialogues over the years discussing ways in which the company could strengthen its disclosure. The current ExxonMobil Board supported full and complete disclosure in meetings with management.

Investors have been urging companies to expand lobbying disclosure for over a decade filing nearly 500 proposals since 2011. For example, in the 2022 proxy season over 35 companies received lobbying disclosure resolutions. ExxonMobil’s report is certainly one of the most complete and comprehensive disclosures issued by any company. It responded to each element of the resolution including listing all U.S. based trade associations or social welfare groups that reported a portion of ExxonMobil’s payments as a lobbying expense (i.e. nine pages of disclosure with approximately 120 organizations listed). This report will certainly be seen as a model both by investors and companies of expanded lobbying disclosure.

At the same time, the disclosure opens up a number of new questions. For example, the company’s 2020 federal lobbying is detailed on 14 pages in the report describing the issues (e.g. plastic, clean energy, etc.), but does not state the position ExxonMobil was promoting. And of note, the resolution and report

didn't address how a company might seek to impact public policy through social media or advertising which would not be strictly described as "lobbying". Clearly topics worth more examination with many companies.

Hopefully expanded transparency such as this report will stimulate deeper reflection by management and investors on the way companies can and do influence public policy debates.

An ExxonMobil report on climate lobbying is expected in the near future.

Primary filer: United Steelworkers (Sabrina Liu, sliu@usw.org)

Boston Trust Walden (Tim Smith, tsmith@bostontrustwalden.com) and Seventh Generation Interfaith (Francis Sherman, francisxsherman@gmail.com) played a central role in discussions with the company. John Keenan of AFSCME (JKeenan@afscme.org) coordinates the work of investors doing outreach and engagement on lobbying disclosure, together with Tim Smith.