

Climate Change Board Committee

RESOLVED: Shareholders request the Board of Directors charter a new Board Committee on Climate Change to evaluate Exxon Mobil's strategic vision and responses to climate change, and better inform Board decision making on climate issues. The charter should explicitly require the committee to engage in formal review and oversight of corporate strategy, above and beyond matters of legal compliance, to assess the company's responses to climate related risks and opportunities, including the potential impacts of climate change on business, strategy, financial planning, and the environment.

Supporting Statement: The proponent believes an independent committee would better provide focused fiduciary oversight of climate related risks and opportunities and should include board members with climate change expertise in areas such as policy, carbon pricing, renewable energy, adaptation, and climate science.

WHEREAS: Major oil companies face unprecedented disruption to their business driven by global imperatives to limit global warming and competition from non-carbon-emitting technologies. The Intergovernmental Panel on Climate Change projects dramatic drops in industry emissions of 50 to 90 percent by 2050 are necessary to limit global warming to between 1.5 and 2 degrees Celsius.

Board oversight of climate change strategy and planning is essential to address the existential threat of climate change to the fossil fuel industry and our Company. 84 percent of companies in the energy sector have adopted some level of board oversight of climate change, but only 6 percent provide board incentives (monetary and non-monetary) for managing this critical threat, the lowest of all industries.

Effective governance of climate change risk, opportunity, adaptation and transition is essential to the long term success of Exxon. Investors believe a commitment to good climate change governance should be formalized in the board charter.

As fiduciaries, our Board is responsible for stewardship of business performance and long term strategic plans, while reviewing specific risk factors like developments in climate science and policy. Evidence from other companies demonstrates that committee charter language helps define the scope of fiduciary duties of board members.

Currently, there is no specialized committee to help the Board carry out its responsibility for Climate Change oversight like there is for the Audit, Board Affairs, Compensation, Public Issues and Contributions, and Finance Committees, despite the existential nature of climate change for our Company.

Exxon has stated that "climate risk oversight ultimately is the responsibility of the Board of Directors," yet climate appears a tangential focus of the full board, as it is among approximately 17 other duties. And despite reporting that the Public Issues and Contributions Committee assists in oversight of climate risk, the committee's charter does not list climate change among its approximately 6 other duties.

A failure to adequately plan for a low carbon transition, including climate change policy, competition from renewables, peak oil demand, and unburnable fossil fuel reserves, may place investor capital at substantial risk. It vital that our Company formalize board level oversight of climate change strategy to remain successful in an increasingly decarbonizing economy.