



WHEREAS:

In recognition of the risks of climate change nearly every national government has agreed “the increase in global temperature should be below 2 degrees Celsius.” We believe resultant political actions and market mechanisms present risks to carbon intensive oil and gas reserves, operations, capital allocation strategies, and financials.

The International Energy Agency (IEA) states that, “No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2° C goal, unless carbon capture and storage technology is widely deployed.”

To achieve a 66 percent probability of not exceeding a global temperature rise above 2° C, the Intergovernmental Panel on Climate Change estimates that approximately 987 gigatons of carbon dioxide can be emitted through 2100. The IEA states that total proven reserves of coal, oil, and natural gas, represent approximately 2,860 gigatons of potential CO2 emissions.

Investment analysts indicate that companies may not be adequately accounting for or disclosing the downside risks that could result from lower-than-expected demand or prices for oil.

- A March 2013 research paper by Citi stated that market forces could “put in a plateau for global oil demand by the end of this decade.”
- HSBC reports that the equity valuation of oil producers could drop by 40 to 60 percent under a low emissions scenario.

Given the growing public concern over climate change, investors are concerned that global actions to significantly address climate change, either through carbon regulation, market forces, or socioeconomic pressure, could reduce the value of Exxon Mobil’s oil and gas reserves and/or related infrastructure before the end of their expected useful life.

Investors require additional information on how Exxon Mobil is preparing for potential scenarios in which demand for oil and gas is greatly reduced due to regulation or other climate-associated drivers. Without additional disclosure, shareholders are unable to determine whether Exxon Mobil is adequately managing these risks or seizing related opportunities.

THEREFORE BE IT RESOLVED:

Shareholders request Exxon Mobil prepare a report by September 2014, omitting proprietary information and prepared at reasonable cost, on the Company’s strategy to address the risk of stranded assets presented by global climate change, including analysis of long and short term financial and operational risks to the company.

SUPPORTING STATEMENT:

We believe a report adequate for investors to assess the Company’s strategy would include:

- The risks and opportunities associated with various low-carbon scenarios, as well as a



- scenario in which global oil demand declines due to evolving policy, technology, or consumer responses to address climate change;
- Whether and how the Company's strategic capital allocation plans account for the risks and opportunities in these scenarios;
 - How the Company will manage these risks, through, for example, diversifying capital investment strategies or returning capital to shareholders;
 - The Board of Directors' role in overseeing capital allocation and climate risk reduction strategies.