WHEREAS: A transition toward a low carbon economy is occurring and trends to reduce global demand for carbon-based energy are accelerating. A failure to plan for this transition may place investor capital at substantial risk.

Goldman Sachs pegs the low carbon economy at a $600 billion-plus revenue opportunity, estimating that solar PV and wind will add more to the global energy supply between 2015 and 2020 than shale oil production did between 2010 and 2015.

Low carbon market forces, including competition from electric cars, will be a "resoundingly negative" threat to the oil industry. In October 2016, Fitch Ratings urged energy companies to plan for "radical change."

Government policies to speed the transition to a low carbon economy, including fuel efficiency standards, carbon pricing, and carbon emission standards, also compel alternative planning. The Paris Agreement's goal of less than 2 degrees warming reinforces the need to transition.

The International Energy Agency provides an energy pathway consistent with limiting global temperature increases to 2° C (450 scenario), where "No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050." Citigroup estimates the value of these unburnable fossil fuel reserves at over $100 trillion through 2050. The CEOs of Statoil and Shell recently predicted that peak oil demand may occur as early as the 2020s.

HSBC analysts estimate that oil producers' valuations could drop 40 to 60 percent under a low demand scenario, making an alternative path increasingly prudent. Carbon Tracker estimates oil majors' combined upstream assets would be worth $140 billion more if restricted to projects consistent with a 2 degree demand level.

Yet, Exxon has moved in the opposite direction. A decade of historic spending on high cost, high carbon assets has eroded profitability, making Exxon increasingly vulnerable to a downturn in demand and a fall in oil prices. (See Unconventional Risks: the Growing Uncertainty of Oil Investments, As You Sow, 2016).

The increasing likelihood of global climate action and low-carbon technological advancements make it vital that Exxon provide transparent disclosures to investors regarding how our company plans to remain successful in an increasingly carbon constrained economy. Total and Statoil have already begun investing in clean energy projects including wind, solar, and renewables storage. Total has a stated goal to increase renewable and low-carbon businesses to 20 percent of the company's portfolio. Statoil has established a new energy unit to capitalize on the growing renewable energy sector.

RESOLVED: Shareholders request Exxon issue a report (at reasonable cost, omitting proprietary information) summarizing strategic options or scenarios for aligning its business operations with a low carbon economy (such as the International Energy Agency's 450 climate change scenario), including for example altering the company's energy mix by separating or selling some of its highest carbon-risk assets, divisions, and subsidiaries; buying, or merging with, companies with assets or technologies in low carbon or renewable energy; or internally expanding its own renewable energy portfolio.