

Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298
972 444 1202 Telephone
972 444 1221 Facsimile

David S. Rosenthal
Vice President and Controller



August 9, 2016

Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Concept Release on Business and Financial Disclosure Required by
Regulation S-K; Release Nos. 33-10064, 34-77599; File No. S7-06-16

Dear Mr. Fields:

Exxon Mobil Corporation welcomes the opportunity to comment on the referenced Concept Release issued by the Securities and Exchange Commission ("SEC" or "Commission") and commends the Commission for undertaking its effort to review the effectiveness of its corporate disclosure requirements.

ExxonMobil, as subject to Regulation S-K, takes seriously its duty to disclose material information to stakeholders. Excessive disclosure, however, imposes costs on us that ultimately are borne by both shareholders and those who use our products. In addition, excessive disclosure can overload investors with immaterial information that can render more material information difficult to find and evaluate. With that as a backdrop, ExxonMobil offers the following for the Commission's consideration, and supports similar comments made by the American Petroleum Institute, the American Chemistry Council, the Business Roundtable, the National Association of Manufacturers, the U.S. Chamber of Commerce, and other organizations promoting economic growth, in their respective comment letters.

- The SEC should adhere to its foundational mission of protecting investors, maintaining fair, orderly, and efficient markets, and promoting capital formation.
- Consistent with the longstanding U.S. Supreme Court case law, "materiality" – defined generally as omitted information where there is a substantial likelihood disclosure of the information would be viewed by a reasonable investor as significantly altering the total mix of information available -- should be the primary consideration for determining whether certain disclosures, both in and outside the financial statements, are necessary to inform investment and voting decisions.

- The concept of “reasonable investor” should govern the SEC’s consideration of disclosure requirements, which necessarily should exclude disclosures promoted by narrowly-focused special interest groups. The SEC should avoid promoting political, social, and public policy objectives, or attempting to drive related corporate behavior advocated by special interest groups.
- The existing definition of “material” together with a principles-based disclosure regime, form a resilient basis upon which the SEC should consider any proposed change to disclosure regulations. As an example, sustainability-related information that is material under securities laws is already required to be disclosed, thus no expansion of requirements is necessary. Indeed, similar to how the SEC views restatements of financial statements, and as noted in the concept release, “...Commission staff has expressed the view that materiality determinations cannot be reduced to a numerical formula and evaluations of materiality require both quantitative and qualitative considerations.” No prescriptive, line-item set of requirements could ever comprehend the variety of specific facts and circumstances that inform the relative materiality of a given sustainability-related measure to the spectrum of issuers. Should the SEC ultimately decide to require adoption of a disclosure “framework” in this area, we urge the Commission to ensure such a framework reflects input from a wide cross-section of stakeholder representatives, has been developed in a transparent manner, and is not biased toward a particular political, social, or policy viewpoint.
- Existing prescriptive requirements, especially those involving quantitative thresholds such as the requirement to disclose certain government proceedings involving a potential penalty in excess of \$100,000 regardless of the size of the issuer, should be eliminated or indexed consistent with the above described principles of materiality.
- The SEC should implement an ongoing process to compare its ingoing estimate of the cost of new regulations to the actual costs companies report in implementing those regulations. In addition, the SEC should include sunset provisions in rulemaking that periodically force a reassessment of a regulation’s cost-benefit trade-off.

ExxonMobil appreciates the opportunity to provide comments on the SEC’s concept release as it weighs the relative costs and benefits of alternatives and seeks to further its mandate of facilitating capital formation, maintaining the integrity of securities markets, protecting investors, and instilling confidence in the capital markets.

A handwritten signature in black ink, reading "Paul Rosenthal". The signature is written in a cursive, flowing style with a large, prominent initial "P".