



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

April 2, 2019

Louis L. Goldberg
Davis Polk & Wardwell LLP
louis.goldberg@davispolk.com

Re: Exxon Mobil Corporation
Incoming letter dated January 21, 2019

Dear Mr. Goldberg:

This letter is in response to your correspondence dated January 21, 2019 concerning the shareholder proposal (the "Proposal") submitted to Exxon Mobil Corporation (the "Company") by the National Center for Public Policy Research (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

M. Hughes Bates
Special Counsel

Enclosure

cc: Justin Danhof
National Center for Public Policy Research
jdanhof@nationalcenter.org

April 2, 2019

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Exxon Mobil Corporation
Incoming letter dated January 21, 2019

The Proposal requests that the board adopt a policy that the Company not undertake any energy savings or sustainability project based solely on alarmist climate change concerns, except where required by law, but that each project should meet financial return on investment metrics.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(10). Based on the information you have presented, it appears that the Company's policies, practices and procedures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(10). In reaching this position, we have not found it necessary to address the alternative bases for omission upon which the Company relies.

Sincerely,

Eric Envall
Attorney-Adviser

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

New York
Northern California
Washington DC
London
Paris
Madrid
Tokyo
Beijing
Hong Kong

Davis Polk

Louis L. Goldberg

Davis Polk & Wardwell LLP 212 450 4539 tel
450 Lexington Avenue 212 701 5539 fax
New York, NY 10017 louis.goldberg@davispolk.com

January 21, 2019

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549
via email: shareholderproposals@sec.gov

Ladies and Gentlemen:

On behalf of Exxon Mobil Corporation, a New Jersey corporation (the “**Company**”), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), we are filing this letter with respect to the shareholder proposal (the “**Proposal**”) submitted by the National Center for Public Policy Research (the “**Proponent**”) for inclusion in the proxy materials the Company intends to distribute in connection with its 2019 Annual Meeting of Shareholders (the “**2019 Proxy Materials**”). The Proposal is attached hereto as Exhibit A.

We hereby request confirmation that the Staff of the Division of Corporation Finance (the “**Staff**”) will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from the 2019 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (CF), Shareholder Proposals (November 7, 2008), Question C, we have submitted this letter and any related correspondence via email to shareholderproposals@sec.gov. Also, in accordance with Rule 14a-8(j), a copy of this submission is being sent simultaneously to the Proponent as notification of the Company’s intention to omit the Proposal from the 2019 Proxy Materials. This letter constitutes the Company’s statement of the reasons it deems the omission of the Proposal to be proper.

THE PROPOSAL

The Proposal states:

RESOLVED: The shareholders request that the Board of Directors adopt a policy that ExxonMobil not undertake any energy savings or sustainability project based solely on alarmist climate change concerns (except where required by law), but that each project should meet financial return on investment metrics.

REASONS FOR EXCLUSION OF THE PROPOSAL

The Company believes that the Proposal may be properly omitted from the 2019 Proxy Materials pursuant to:

- Rule 14a-8(i)(3), because the Proposal is so inherently vague and indefinite as to be materially misleading in violation of Rule 14a-9;
- Rule 14a-8(i)(7), because the Proposal relates to the Company's ordinary business operations;
- Rule 14a-8(i)(10), because the Proposal has been substantially implemented; and
- Rule 14a-8(i)(11), because the Proposal substantially duplicates a prior proposal submitted to the Company, if that prior proposal is included in the Company's 2019 Proxy Materials.

1. The Company may omit the Proposal pursuant to Rule 14a-8(i)(3) because the Proposal fails to define a key term and therefore is so inherently vague and indefinite as to be materially misleading.

Under Rule 14a-8(i)(3), a proposal may be excluded if the resolution or supporting statement is contrary to any of the Commission's proxy rules or regulations. The Staff has consistently taken the view that shareholder proposals that are "so inherently vague or indefinite that neither the shareholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires" are materially false and misleading. Staff Legal Bulletin No. 14B (CF) (September 15, 2004). *See also Dyer v. SEC*, 287 F.2d 773, 781 (8th Cir. 1961) ("[I]t appears to us that the proposal, as drafted and submitted to the company, is so vague and indefinite as to make it impossible for either the board of directors or the shareholders at large to comprehend precisely what the proposal would entail.").

The Staff has consistently concurred in the exclusion of proposals that fail to define key terms. *See Cisco Systems, Inc.* (October 7, 2016) (proposal where several key terms were left undefined and subject to numerous possible interpretations); *Alaska Air Group, Inc.* (March 10, 2016) (proposal requiring the company to honor shareholder right "to disclosure identification and contact information" while failing to provide a standard by which to measure those rights); *General Electric Company* (January 15, 2015) (proposal that encouraged the company to follow "SEC Staff Legal Bulletin No. 14C"); *Home Depot, Inc.* (March 12, 2014) (proposal requiring publication of an annual Sustainability Report establishing metrics and "benchmark objective footprint information" while failing to define the meaning of that phrase); *Wendy's International Inc.* (February 24, 2006) (proposal where the term "accelerating development" was found to be unclear); *Peoples Energy Corporation* (November 23, 2004) (permitting exclusion of a proposal where the term "reckless neglect" was found to be unclear); and *Exxon Corporation* (January 29, 1992) (proposal regarding board member criteria subject to exclusion because vague terms were subject to differing interpretations).

A proposal may also be vague, and thus materially misleading, when it fails to address essential aspects of its own implementation. For example, the Staff has allowed the exclusion of several executive compensation proposals where a crucial term relevant to implementing the proposal was not clear. See *The Boeing Company* (January 28, 2011, recon. granted March 2, 2011) (proposal requesting, among other things, that senior executives relinquish certain “executive pay rights” because the proposal did not sufficiently explain the meaning of the phrase); *General Electric Company* (January 21, 2011) (proposal requesting that the compensation committee make specified changes was vague because, when applied to the company, neither the shareholders nor the company would be able to determine exactly what actions or measures the proposal required); and *General Electric Company* (January 23, 2003) (proposal seeking an individual cap on salaries and benefits of one million dollars failed to define the critical term “benefits” or otherwise provide guidance on how benefits should be measured for purposes of implementing the proposal).

The Proposal fails to define “alarmist” climate change concerns, a critical term that is the focus of the Proposal and the policy the Proposal requests. The range of concerns held by policymakers and others on the subject of climate change covers the broadest imaginable spectrum, from views that the risk of climate change demands immediate and drastic restructuring of the global energy system and dislocation of the economy regardless of cost; to views that the risks of climate change warrant action while the world also addresses the growing demand for energy and alleviation of poverty; to views that any concern regarding climate change is unwarranted; and virtually every varied degree of concern within that spectrum.

Shareholders asked to vote on the Proposal, as well as the Board in attempting to implement the Proposal, must understand which climate change issues and concerns represent “alarmist” concerns subject to the Proposal. Given the extremely wide range of concerns on the subject of climate change, such an understanding is impossible without a clear definition of the term “alarmist” as used in the Proposal. The Proposal provides no such definition and is therefore inherently vague and misleading because “any action ultimately taken by the Company upon implementation [of the Proposal] could be significantly different from the actions envisioned by the shareholders voting on the Proposal” (*Fuqua Industries, Inc.* (March 12, 1991)). The Company has no way to know with reasonable certainty what climate change concerns fit the definition of “alarmist” within the intent of the Proposal and shareholders will not know with reasonable certainty what policy they would be supporting were they to vote for the Proposal.

For all the reasons stated above, the Company believes the Proposal is properly excludable under Rule 14a-8(i)(3).

2. The Proposal may be excluded under Rule 14a-8(i)(7) because the Proposal deals with matters related to the Company's ordinary business operations.

Rule 14a-8(i)(7) allows a company to omit a shareholder proposal from its proxy materials if such proposal deals with a matter relating to the company's ordinary business operations. The general policy underlying the "ordinary business" exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at annual shareholders meetings." Exchange Act Release No. 34-40018 (May 21, 1998) (the "**1998 Release**"). This general policy reflects two central considerations: (i) "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" and (ii) the "degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

A proposal generally will not be excludable under Rule 14a-8(i)(7) where it raises a significant policy issue. Staff Legal Bulletin 14E (October 27, 2009). However, the Staff has indicated that even proposals relating to social policy issues may be excludable in their entirety if they do not "transcend the day-to-day business matters" discussed in the proposals. 1998 Release. In line with the 1998 Release, the Staff has permitted the exclusion of proposals that, while addressing a significant social policy issue, nonetheless relate to ordinary business matters. For instance, in *FMC Corp.* (February 25, 2011, recon. denied March 16, 2011), the Staff concurred that a company could exclude a proposal requesting that the company implement a "product stewardship program" that would pause the sale of certain pesticides that were allegedly harmful to wildlife and humans. Even though the relevant proposal in *FMC Corp.* touched on issues of environmental harm, the Staff concluded that the Proposal "relates to the products offered for sale by the company." See also *FedEx Corporation* (July 14, 2009) (proposal requesting establishment of an independent committee to prepare a report on compliance with regulations classifying employees and independent contractors); *Apache Corporation* (March 5, 2008) (proposal requesting implementation of equal employment opportunity policies with a list of specific non-discrimination requirements to be included); *The Walt Disney Company* (November 30, 2007) (proposal requesting a report on steps taken to avoid the use of racial, ethnic and gender stereotypes, one of the elements being a description of the existing process to ensuring non-discriminatory depictions and images in all its products).

A. The Proposal Dictates How the Company Allocates Resources and Develops Products

The Staff has consistently permitted the exclusion of proposals under Rule (i)(7) that are directed at specific resource allocation choices by management or specific products produced by the company. See *TJX Companies, Inc.* (April 16, 2018) (proposal requesting an animal welfare policy be applied to all stores, merchandise and suppliers); *Home Depot, Inc.* (March 21, 2018) (proposal encouraging the company to end the sale of glue traps); *Comcast Corporation* (March 2, 2017) (proposal requesting report on the company's use of funds on politicized news media); *Amgen Inc.* (January 13, 2017) (proposal requesting report on company's top ten prescription drugs, including rationales and criteria for price increases); *The Walt Disney Company* (November 20, 2014) (proposal requesting company continue acknowledging the Boy Scouts of America as a charitable organization); *Dominion Resources, Inc.* (February 19, 2014) (proposal requesting the creation of a committee that includes renewable energy experts and gives information about use of renewable energy); and *The Home Depot, Inc.* (March 18, 2011) (proposal requesting that the company list the recipients of corporate charitable contributions of \$5,000 or more on the company website). Even a

proposal that is ostensibly general in scope may be excludable where its supporting statement makes clear that the proponent is seeking to influence the company's financial choices with respect to specific projects. *Pfizer, Inc.* (February 12, 2007) (proposal requesting that the company publish all charitable contributions on its website, where the supporting statement specifically mentioned Planned Parenthood and other charitable groups involved in abortions and same-sex marriages); *General Electric Co.* (January 10, 2005) (proposal setting executive compensation, where the supporting statement showed intent to discuss alleged link between teen smoking and depictions in movies).

The Proposal suggests some of the Company's projects that result in energy savings or have sustainability components have no financial benefit to the Company and that such projects are undertaken solely due to "alarmist" climate change concerns. This is not correct. These are commercial investments that are part of management's day-to-day running of the Company. These investments are undertaken after consideration of the potential benefit to the Company's operating performance or competitive position. For example, the Company's subsidiary XTO Energy recently announced a comprehensive enhanced methane emissions reduction program which will include phasing out "high bleed pneumatic" devices, enhanced leak detection and repair technologies, enhanced employee training, advances in facility design, and continued research and development of further emissions reduction opportunities.¹ These actions will provide additional gas for sale and support the long-term use of natural gas, in addition to improved environmental performance and reduced emissions. Even if the actions were commercially unsuccessful, as all business decisions carry some risk of adverse outcomes, these commercial decisions are a fundamental responsibility reserved for management.

B. The Proposal Does Not Relate to a Social Policy Issue

A plain reading of the Proposal's text suggests that the principal concern of the Proposal is not the social issue of climate change, but instead management's ordinary business decisions regarding investments in specific energy savings or sustainability projects. The Proposal specifically questions the business rationale and financial benefits of this subset of projects to the Company, implicating fundamental business issues and thus failing to transcend the Company's ordinary business operations.

For all the reasons stated above, the Company believes the Proposal is properly excludable under Rule 14a-8(i)(7).

3. The Company may omit the Proposal pursuant to Rule 14a-8(i)(10) as it has been substantially implemented and its practices, policies and procedures compare favorably to the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if the company has already substantially implemented the proposal. The Commission has stated that "substantial" implementation under the rule does not require implementation in full or exactly as presented by the proponent. See *Exchange Act Release No. 34-40018* (May 21, 1998, n.30). The Staff has provided no-action relief under Rule 14a-8(i)(10) when a company has substantially implemented and therefore satisfied the "essential objective" of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail or exercised discretion in determining how to implement the proposal. See *Exxon Mobil Corporation* (March 23,

¹ <https://corporate.exxonmobil.com/en/energy/natural-gas/environment-and-safety/xto-energy-methane-emissions-reduction-program>.

2018) (permitting exclusion of a shareholder proposal requesting that the company issue a report describing how the company could adapt its business model to align with a decarbonizing economy where the requested information was already available in two published reports describing the company's long term outlook for energy and how it would position itself for a lower-carbon energy future); *Ford Motor Company* (February 22, 2016) (permitting exclusion of a shareholder proposal requesting that the company adopt a policy disclosing the gender, race/ethnicity, skills and experiences of each board nominee where the requested information was already available in a chart disclosing the aggregate gender and minority status of the company's directors in its sustainability report and the specific qualifications required of board nominees as well as each director's actual skills and experiences as it relates to those qualifications in its proxy materials); *Wal-Mart Stores, Inc.* (March 25, 2015) (permitting exclusion of a shareholder proposal requesting an employee engagement metric for executive compensation where a "diversity and inclusion metric related to employee engagement" was already included in the company's management incentive plan); *Entergy Corp.* (February 14, 2014) (permitting exclusion of a shareholder proposal requesting a report "on policies the company could adopt . . . to reduce its greenhouse gas emissions consistent with the national goal of 80% reduction in greenhouse gas emissions by 2050" where the requested information was already available in its sustainability and carbon disclosure reports); *Duke Energy Corp.* (February 21, 2012) (permitting exclusion of a shareholder proposal requesting that the company assess potential actions to reduce greenhouse gas and other emissions where the requested information was available in the Form 10-K and its annual sustainability report); and *Exelon Corp.* (February 26, 2010) (concurring in the exclusion of a proposal that requested a report on different aspects of the company's political contributions when the company had already adopted its own set of corporate political contribution guidelines and issued a political contributions report that, together, provided "an up-to-date view of the [c]ompany's policies and procedures with regard to political contributions"). "[A] determination that the company has substantially implemented the proposal depends upon whether [the Company's] particular policies, practices, and procedures compare favorably with the guidelines of the proposal." See *Texaco, Inc.* (March 28, 1991) (permitting exclusion on substantial implementation grounds of a proposal requesting that the company adopt the Valdez Principles where the company had already adopted policies, practices and procedures regarding the environment).

The Proposal requests that the Company undertake only energy savings or sustainability projects that meet financial return on investment metrics rather than responding to "alarmist" climate change concerns, and that Company decisions for those projects are guided by common business metrics and seek reasonable returns on investment. The Company has already substantially implemented these practices and carries them out routinely in its business decisions.

As publicly disclosed in the Company's Annual Report on Form 10-K² for the fiscal year ended December 31, 2017, the Company analyzes both the short-term and long-term financial impacts of its projects, including those that contain a potential energy savings or sustainability component:

- The Company considers the financial impact of legal and policy actions and requirements related to the risk of climate change that could, for example, make its products more expensive, lengthen project implementation times, affect demand for the Company's products, and increase compliance costs (*page 3*).
- The Company notes actions by governments to encourage the use of alternative energy as well as evolving consumer preferences and explains that the Company's "future results may depend in part on the success of...our ability to adapt and apply the strengths of our current business models to providing the energy products of the future in a cost-competitive manner" (*page 3*).
- The Company's efforts to develop technologies to reduce greenhouse gas emissions help "maintain [the Company's] competitive position, especially in light of the technological nature of our businesses and the need for continuous efficiency improvement" (*page 4*).
- The Company's investment decisions are based on its long-term business outlook, using a disciplined approach in selecting and pursuing the most financially attractive investment opportunities. Near-term operating and capital objectives, along with longer-term economic assumptions, are used to evaluate investments financially, and investment opportunities are evaluated over a range of economic scenarios, with ongoing stewardship of performance (*page 40*).

As the Company explains on its website³, climate change risk is not only a societal issue, but also represents potential business opportunities as the Company's customers are seeking solutions to mitigate those risks as well. The Company is providing and developing products that help customers reduce their emissions and improve their energy efficiency, consistent with projected demand for these products over coming decades.

For all the reasons stated above, the Company believes the Proposal is properly excludable under Rule 14a-8(i)(10).

4. The Company may omit the Proposal pursuant to Rule 14a-8(i)(11) if the Company includes a prior proposal in its 2019 Proxy Materials because it substantially duplicates that prior proposal.

Rule 14a-8(i)(11) provides that a shareholder proposal may be excluded if it "substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." The Commission has stated that "the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." Exchange Act Release No. 12999 (Nov. 22, 1976).

² <https://www.sec.gov/Archives/edgar/data/34088/000003408818000015/xom10k2017.htm>.

³ <https://corporate.exxonmobil.com/en/community/sustainability-report/managing-risks-of-climate-change/providing-solutions-for-customers>.

The Company submitted a letter to the staff requesting the staff's concurrence that a shareholder proposal submitted by Steven Milloy (the "**Prior Proposal**") (see Exhibit B) may be excluded from the 2019 Proxy Materials. Accordingly, the Company's request for concurrence that it may exclude the Proposal under Rule 14a-8(i)(11) is contingent upon a Staff decision that the Prior Proposal may not be excluded (as the Company would then include the Prior Proposal in its 2019 Proxy Materials). The Prior Proposal states:

RESOLVED: Shareholders request that, beginning in 2020, ExxonMobil publish an annual report of the incurred costs and associated significant and actual benefits that have accrued to shareholders, the public health and the environment, including the global climate, from the company's environment-related activities that are voluntary and that exceed U.S. and foreign compliance and regulatory requirements. The report should be prepared at reasonable cost and omit proprietary information.

The standard the Staff has applied for determining whether proposals are substantially duplicative is whether the proposals present the same "principal thrust" or "principal focus." *Pacific Gas & Electric Co.* (avail. Feb. 1, 1993). A proposal may be excluded as substantially duplicative of another proposal despite differences in terms or breadth and despite the proposals requesting different actions. See, e.g., *Wells Fargo & Co.* (avail. Feb. 8, 2011) (concurring that a proposal seeking a review and report on the company's internal controls related to loan modifications, foreclosures and securitizations was substantially duplicative of a proposal seeking a report that would include "home preservation rates" and "loss mitigation outcomes"); and *Chevron Corp.* (avail. Mar. 23, 2009, recon. denied Apr. 6, 2009) (concurring that a proposal requesting that an independent committee prepare a report on the environmental damage that would result from the company's expanding oil sands operations in the Canadian boreal forest was substantially duplicative of a proposal to adopt and report on its goals for reducing total greenhouse gas emissions from the company's products and operations).

The Proposal is duplicative of the Prior Proposal because of the similarity in the principal thrust and focus of the two proposals, as both are predicated upon an assumption that (a) the Company may be undertaking activities and expenditures beyond legal requirements related to the risk of climate change that fail to meet financial performance criteria and (b) the benefits of those efforts are questionable and should be curtailed or further evaluated. The similarities include:

- *Company's activities to mitigate climate risks beyond legal requirements have questionable benefits.* The Prior Proposal questions the benefits associated with the Company's expenditures related to climate change risks "that exceed US and foreign compliance and regulatory requirements" – characterizing such activities in the Proposal's own wording as "greenwashing" -- and asks that the Company publish a report of its "environment-related activities that are voluntary" along with the "incurred costs and associated significant and actual benefits" that have "accrued to shareholders, the public health and the environment." Similarly, the Proposal challenges whether the Company's energy savings or sustainability projects "except as required by law" are based on "alarmist" climate change concerns without corresponding financial benefits;

- *Company's activities are not grounded in valid science.* The Prior Proposal questions whether any benefits have resulted from the Company's efforts to reduce greenhouse gas emissions. Similarly, the Proposal accuses the Company of undertaking and investing in projects based solely on "alarmist" climate change concerns that the Proponent appears to believe are false or misleading;
- *Company's activities are not undertaken to improve financial performance.* The Prior Proposal alleges that the Company's support of environment-related activities is "merely for the purpose of improving the company's or management's public image," not with the intent to yield financial benefits. The Proposal similarly alleges that the Company undertakes energy savings or sustainability projects in reaction to "alarmist climate change concerns," and without the intent to improve financial returns;
- *Company's activities are harming shareholders through increased costs without related financial or operating benefits.* The Prior Proposal alleges that the Company "spent precious and significant shareholder assets" to voluntarily reduce greenhouse gas, claiming that these activities are wasteful and unnecessary. The Proposal similarly alleges that Company decisions to invest in energy savings and sustainability projects are not "guided by common business metrics," and are therefore not in "the Company's long-term interests."

For all the reasons stated above, should the staff not concur with the Company's request to exclude the Prior Proposal from the Company's 2019 proxy materials, the Company believes the Proposal is properly excludable under Rule 14a-8(i)(11).

CONCLUSION

The Company requests confirmation that the Staff will not recommend any enforcement action if, in reliance on the foregoing, the Company omits the Proposal from its 2019 Proxy Materials. If you should have any questions or need additional information, please contact the undersigned at (212) 450-4539 or louis.goldberg@davispolk.com. If the Staff does not concur with the Company's position, we would appreciate an opportunity to confer with the Staff concerning these matters prior to the issuance of its response.

Respectfully yours,



Louis L. Goldberg

Attachment

cc w/ att: James E. Parsons, Exxon Mobil Corporation
National Center for Public Policy Research

Exhibit A

Proposal

Climate and Business Priorities

Resolved:

The shareholders request that the Board of Directors adopt a policy that ExxonMobil not undertake any energy savings or sustainability project based solely on alarmist climate change concerns (except where required by law), but that each project should meet financial return on investment metrics.

Supporting Statement:

As a for-profit corporation, we shareholders encourage Company decisions guided by common business metrics rooted in capitalist principles. This includes seeking reasonable returns on investments. Investments made strictly out climate alarmist concerns might harm the Company's long-term interests and viability.

In many cases, sustainability can enhance profitability. As shareholders, we encourage ExxonMobil's board adopt a policy to only pursue those investments and eschew sustainability projects that are dedicated towards climate change pursuits untethered from basic free-market capitalism.

Prior Proposal

Resolved:

Shareholders request that, beginning in 2020, ExxonMobil publish an annual report of the incurred costs and associated significant and actual benefits that have accrued to shareholders, the public health and the environment, including the global climate, from the company's environment-related activities that are voluntary and that exceed U.S. and foreign compliance and regulatory requirements. The report should be prepared at reasonable cost and omit proprietary information.

Supporting Statement:

The resolution is intended to help shareholders monitor and evaluate whether the company's voluntary activities and expenditures touted as protecting the public health and environment are producing actual and meaningful benefits to shareholders, the public health and the environment, including global climate.

Corporate managements sometimes engage in the practice of "greenwashing," which is defined as the expenditure of shareholder assets on ostensibly environment-related activities but possibly undertaken merely for the purpose of improving the company's or management's public image. Such insincere "green" posturing and associated touting of hypothetical or imaginary benefits to public health and the environment may harm shareholders by wasting corporate assets, and deceiving shareholders and the public by accomplishing nothing real and significant for the public health and environment

ExxonMobil has spent more than \$9 billion since 2000 on efforts to reduce emissions of greenhouse gases. But what are the actual benefits to shareholders, the public health and the environment of the money spent? What specific adverse climate change or weather events have been avoided or mitigated by these corporate expenditures?

In its most recent Sustainability Report, ExxonMobil claims to have avoided emitting 23.4 million tons of greenhouse gas emissions in 2017. But so what? The United Nations recently reported that manmade emissions of greenhouse gases amounted to 53.5 BILLION tons in 2017. ExxonMobil spent precious and significant shareholder assets to voluntarily reduce global greenhouse gas emissions by a whopping 0.044%.

Other than greenwashing, what are the real-world benefits of ExxonMobil's emissions reductions to anyone or anything? Any lives saved? Any weather catastrophes avoided or mitigated? Has the weather been improved somewhere? What? And what did it cost to accomplish whatever was accomplished?

The information requested by this proposal is not already contained in any ExxonMobil report available to shareholders.

ExxonMobil should identify and report to shareholders on the actual benefits being produced by its voluntary and highly touted environmental activities. Are they real and worthwhile? Or are they just greenwashing?

Exhibit C

Shareholder Correspondence



Received

DEC 11 2018

N.A. HANSEN

Via FedEx

December 10, 2018

Mr. Jeffrey J. Woodbury,
Secretary
Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298

Dear Mr. Woodbury,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the ExxonMobil Corporation (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as General Counsel of the National Center for Public Policy Research, which has continuously owned ExxonMobil stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2019 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof", written over a horizontal line.

Justin Danhof, Esq.

Enclosure: Shareholder Proposal

Climate and Business Priorities

Whereas:

The Securities and Exchange Commission has recognized the business risk for companies from climate change regulations and legislation.

And climate change regulations need not come from a governmental body but can be adopted voluntarily.

And ExxonMobil (the "Company") has indeed adopted a philosophy that promotes sustainability. To wit, the Company's website states that, "We are also dedicated to working to reduce the risks of climate change in the most efficient way for society, while recognizing the importance of abundant and affordable energy in supporting economic growth."

Furthermore, the Company has invested significant resources in promotion of climate change policies that would increase the cost of its own products. This includes promotion of a costly carbon tax scheme.

Given this, shareholders are concerned that some Company decisions are made out of a primary concern to address unsubstantiated climate change alarmism, and not necessarily concerned with ensuring reasonable financial returns.

Resolved:

The shareholders request that the Board of Directors adopt a policy that ExxonMobil not undertake any energy savings or sustainability project based solely on alarmist climate change concerns (except where required by law), but that each project should meet financial return on investment metrics.

Supporting Statement:

As a for-profit corporation, we shareholders encourage Company decisions guided by common business metrics rooted in capitalist principles. This includes seeking reasonable returns on investments. Investments made strictly out climate alarmist concerns might harm the Company's long-term interests and viability.

In many cases, sustainability can enhance profitability. As shareholders, we encourage ExxonMobil's board adopt a policy to *only pursue those investments and eschew sustainability projects that are dedicated towards climate change pursuits untethered from basic free-market capitalism.*

FedEx®

12/10/18, 8:49 AM

ORIGIN ID:TSGA (603) 557-3873
JUSTIN DANHOF
NCPFR
20 F STREET, NW
SUITE 700
WASHINGTON, DC 20001
UNITED STATES US

SHIP DATE: 10DEC18
ACTWGT: 0.10 LB
CAD: 100230591/INET4040

BILL SENDER

ess

TO JEFFREY WOODBURY
EXXONMOBIL
5959 LAS COLINAS BLVD
ATTN: CORPORATE SECRETARY
IRVING TX 75039

552J2/E4/FDCA6

(972) 444-1000
INV:
PO:

REF:

DEPT:

Extremely Urgent

TUE - 11 DEC 3:00P
STANDARD OVERNIGHT

TRK#
0201

XH DALA ***

75039
TX-US DFW

130-234

This Package Has
Been X-Rayed By
Central Mail

RT 429
ST 63
8 15:01
6800 12.11

Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, Texas 75039-2298

Neil A. Hansen
Vice President, Investor Relations
and Corporate Secretary



VIA UPS – OVERNIGHT DELIVERY

December 17, 2018

Mr. Justin Danhof, Esq.
General Counsel
National Center for Public Policy Research
20 F Street, NW Suite 700
Washington, D.C. 20001

Dear Mr. Danhof:

This will acknowledge receipt of the proposal concerning Climate and Business Priority Policy (the "Proposal"), which you have submitted on behalf of the National Center for Public Policy Research (the "Proponent") in connection with ExxonMobil's 2019 annual meeting of shareholders. However, proof of share ownership was not included with your December 10, 2018, submission.

In order to be eligible to submit a shareholder proposal, Rule 14a-8 (copy enclosed) requires a proponent to submit sufficient proof that he or she has continuously held at least \$2,000 in market value, or 1%, of the company's securities entitled to vote on the proposal for at least one year through and including the date the shareholder proposal was submitted. For this Proposal, the date of submission is December 10, 2018, which is the date the Proposal was received by the overnight delivery service.

The Proponent does not appear in our records as a registered shareholder. Moreover, to date we have not received proof that the Proponent has satisfied these ownership requirements. To remedy this defect, the Proponent must submit sufficient proof verifying their continuous ownership of the requisite number of ExxonMobil shares for the one-year period preceding and including December 10, 2018.

As explained in Rule 14a-8(b), sufficient proof must be in the form of:

- a written statement from the "record" holder of the Proponent's shares (usually a broker or a bank) verifying that the Proponent continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 10, 2018; or
- if the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting the Proponent's ownership of the requisite number of ExxonMobil shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite number of ExxonMobil shares for the one-year period.

If the Proponent intends to demonstrate ownership by submitting a written statement from the "record" holder of their shares as set forth in the first bullet point above, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Such brokers and banks are often referred to as "participants" in DTC. In Staff Legal Bulletin No. 14F (October 18, 2011) (copy enclosed), the SEC staff has taken the view that only DTC participants should be viewed as "record" holders of securities that are deposited with DTC.

The Proponent can confirm whether its broker or bank is a DTC participant by asking its broker or bank or by checking the listing of current DTC participants, which is available on the internet at: <http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>. In these situations, shareholders need to obtain proof of ownership from the DTC participant through which the securities are held, as follows:

- If the Proponent's broker or bank is a DTC participant, then the Proponent needs to submit a written statement from its broker or bank verifying that the Proponent continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 10, 2018.
- If the Proponent's broker or bank is not a DTC participant, then the Proponent needs to submit proof of ownership from the DTC participant through which the securities are held verifying that the Proponent continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 10, 2018. The Proponent should be able to find out who this DTC participant is by asking the Proponent's broker or bank. If the Proponent's broker is an introducing broker, the Proponent may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements because the clearing broker identified on the Proponent's account statements will generally be a DTC participant. If the DTC participant that holds the Proponent's shares knows the Proponent's broker's or bank's holdings, but does not know the Proponent's holdings, the Proponent needs to satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that for the one-year period preceding and including December 10, 2018, the required amount of securities were continuously held – one from the Proponent's broker or bank, confirming the Proponent's ownership, and the other from the DTC participant, confirming the broker or bank's ownership.

Pursuant to SEC Staff Legal Bulletin 14I, the submission of a proposal by proxy (i.e., by a representative rather than by the shareholder directly) must include proper documentation describing the shareholder's delegation of authority to the proxy. This documentation must:

- identify the shareholder-proponent and the person or entity selected as proxy;
 - identify the company to which the proposal is directed;
 - identify the annual or special meeting for which the proposal is submitted;
 - identify the specific proposal to be submitted (e.g., proposal to lower the threshold for calling a special meeting from 25% to 10%); and
 - be signed and dated by the shareholder.
-

The SEC's rules require that any response to this letter must be postmarked or transmitted electronically to us no later than 14 calendar days from the date this letter is received. Please mail any response to me at ExxonMobil at the address shown above. Alternatively, you may send your response to me via facsimile at 972-940-6748, or by email to shareholderrelations@exxonmobil.com.

You should note that, if the Proposal is not withdrawn or excluded, the Proponent or the Proponent's representative, who is qualified under New Jersey law to present the Proposal on the Proponent's behalf, must attend the annual meeting in person to present the Proposal. Under New Jersey law, only shareholders or their duly constituted proxies are entitled as a matter of right to attend the meeting.

If the Proponent intends for a representative to present the Proposal, the Proponent must provide documentation that specifically identifies their intended representative by name and specifically authorizes the representative to act as the Proponent's proxy at the annual meeting. To be a valid proxy entitled to attend the annual meeting, the representative must have the authority to vote the Proponent's shares at the meeting. A copy of this authorization meeting state law requirements should be sent to my attention in advance of the meeting. The authorized representative should also bring an original signed copy of the proxy documentation to the meeting and present it at the admissions desk, together with photo identification if requested, so that our counsel may verify the representative's authority to act on the Proponent's behalf prior to the start of the meeting.

In the event there are co-filers for this Proposal and in light of the guidance in SEC Staff Legal Bulletin No. 14F dealing with co-filers of shareholder proposals, it is important to ensure that the lead filer has clear authority to act on behalf of all co-filers, including with respect to any potential negotiated withdrawal of the proposal. Unless the lead filer can represent that it holds such authority on behalf of all co-filers, and considering SEC staff guidance, it will be difficult for us to engage in productive dialogue concerning this Proposal.

Note that under Staff Legal Bulletin No. 14F, the SEC will distribute no-action responses under Rule 14a-8 by email to companies and proponents. We encourage all proponents and any co-filers to include an email contact address on any additional correspondence to ensure timely communication in the event the Proposal is subject to a no-action request.

We are interested in discussing this Proposal and will contact you in the near future.

Sincerely,



NAH/ljg

Enclosures

Attachments 14F and Rule 14a-8 have been omitted for copying and scanning purposes only.

Gilbert, Jeanine

From: UPS Quantum View <pkginfo@ups.com>
Sent: Tuesday, December 18, 2018 1:23 PM
To: Gilbert, Jeanine
Subject: UPS Delivery Notification, Tracking Number ***

Categories: External Sender



Your package has been delivered.

Delivery Date: Tuesday, 12/18/2018
Delivery Time: 02:09 PM

At the request of EXXON MOBIL GLOBAL SERVICES CO this notice alerts you that the status of the shipment listed below has changed.

Shipment Detail

Tracking Number: ***

Ship To: Justin Danhof, Esq.
National Center Public Policy Resea
20 F ST NW
ROOM 7TH FL
WASHINGTON, DC 20001
US

UPS Service: UPS NEXT DAY AIR SAVER

Number of Packages: 1

Shipment Type: Letter

Delivery Location: FRONT DESK
PATTERSON

Reference Number 1: 6401

Reference Number 2: XOM-ACK-LTR C&B Priority Policy



Hundreds of deals & offers,
updated daily.

START SAVING NOW ▶

UPS My Choice



[Download the UPS mobile app](#)

© 2018 United Parcel Service of America, Inc. UPS, the UPS brandmark, and the color brown are trademarks of United Parcel Service of America, Inc. All rights reserved.

All trademarks, trade names, or service marks that appear in connection with UPS's services are the property of their respective owners.

Please do not reply directly to this e-mail. UPS will not receive any reply message.
For more information on UPS's privacy practices, refer to the UPS Privacy Notice.
For questions or comments, visit Contact UPS.

This communication contains proprietary information and may be confidential. If you are not the intended recipient, the reading, copying, disclosure or other use of the contents of this e-mail is strictly prohibited and you are instructed to please delete this e-mail immediately.

[UPS Privacy Notice](#)

[Help and Support Center](#)



RECEIVED
DEC 19 2018
BOARD SECRETARIAT

Via FedEx

December 17, 2018

Mr. Jeffrey J. Woodbury,
Secretary
Exxon Mobil Corporation
5959 Las Colinas Boulevard
Irving, TX 75039-2298

Dear Mr. Woodbury,

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research to Exxon Mobil Corporation on December 10, 2018.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof", written over a horizontal line.

Justin Danhof, Esq.

Enclosure: Ownership Letter



UBS Financial Services Inc.
1501 K Street NW, Suite 1100
Washington, DC 20005
Tel. 855-594-1054
<http://www.ubs.com/team/cfsgroup>

CFS Group

Anthony Connor
Senior Vice President – Wealth Management
Portfolio Management Program

Bryon Fusini
Senior Vice President – Wealth Management
Financial Advisor

Richard Stein
Senior Wealth Strategy Associate

Dianne Scott
Sr. Registered Client Service Associate

www.ubs.com

Jeffrey J. Woodbury
Secretary
Exxon Mobil Corporation
5959 Las Colinas Blvd.
Irving, TX 75039-2298

December 17, 2018

Confirmation: Information regarding the account of The National Center for Public Policy Research

Dear Mr. Woodbury,

The following client has requested UBS Financial Services Inc. to provide you with a letter of reference to confirm its banking relationship with our firm.

The National Center for Public Policy Research has been a valued client of ours since October 2002 and as of the close of business on 12/10/2018, the National Center for Public Research held, and has held continuously for at least one year 40 shares of the Exxon Mobil Corporation common stock. UBS continues to hold the said stock.

Please be aware this account is a securities account not a "bank" account. Securities, mutual funds and other non-deposit investment products are not FDIC-insured or bank guaranteed and are subject to market fluctuation.

Questions

If you have any questions about this information, please contact Dianne Scott at (202) 585-5412.

UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

Sincerely,

Dianne Scott
UBS Financial Services Inc.

cc: Justin Danhof, Esq., National Center for Public Policy Research

FedEx

Express

RT 429
ST 75
8 16:30
F 3174
12.19

12/17/18, 2:53 PM

ORIGIN ID:TSGA (603) 557-3873
JUSTIN DANHOF
NCPPR
20 F STREET, NW
SUITE 700
WASHINGTON, DC 20001
UNITED STATES US

SHIP DATE: 17DEC18
ACTWGT: 0.10 LB
CAD: 100230591/NET4040

BILL SENDER

TO JEFFREY WOODBURY
EXXONMOBIL
5959 LAS COLINAS BLVD
ATTN: CORPORATE SECRETARY
IRVING TX 75039

553LJE4AFDC#5

(972) 444-1000 REF DEPT
INV ***
PO

WED - 19 DEC 4:30P

** 2DAY **

TRK#
0201

SH DALA ***

75039
TX-US DFW

**This Package Has
Been X-Rayed By
Central Mail**

130-234