

SANFORD J. LEWIS, ATTORNEY

Via electronic mail
February 5, 2021

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to Exxon Mobil Corporation Regarding Stranded Asset Risk from Environmental Impacts of Petrochemical Investments on Behalf of As You Sow and Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner

Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

Jeffrey M. Schubiner INH IRA, Bene of Lorraine Schubiner (the “Proponent”) is a beneficial owner of common stock of Exxon Mobil Corporation (the “Company” or “Exxon”). As You Sow has submitted a shareholder proposal (the “Proposal”) on behalf of the Proponent to the Company. This letter hereby responds to the letter dated January 5, 2021 (“Company Letter”) sent to the Securities and Exchange Commission by Louis L. Goldberg, Davis Polk & Wardwell LLP. In that letter, the Company contends that the Proposal may be excluded from the Company’s 2021 proxy statement.

Based upon a review of the Proposal, the letter sent by the Company, and the relevant rules, the Proposal is not excludable and must be included in the Company’s 2021 proxy materials under Rule 14a-8. A copy of this letter is being emailed concurrently to Louis L. Goldberg.

SUMMARY

The Proposal (Appended as Exhibit A) asks the Company to issue a report describing if and how it is responding to the risk of stranded assets of its petrochemical investments given intensifying public response to the environmental impacts of those assets. The Proposal is a response to the Company’s inadequate existing reporting on the growing risk of stranded petrochemical assets and, in its Whereas clauses, highlights the primary shortcomings in the company’s existing disclosures. The essential purpose of the proposal is clear in seeking better responses to those highlighted gaps in reporting.

The Company nevertheless argues for exclusion on the basis of substantial implementation claiming that its existing reporting adequately addresses the underlying concerns and satisfies the Proposal’s essential objective. While the Company makes reference to limited specific actions relating to topics framed in the Proposal, the disclosures are not responsive to the concerns highlighted by the Proposal. As described in further detail below, notable deficiencies include:

- Exxon does not describe how global pressure to reduce plastic pollution may reduce demand for plastics and lead to stranded asset risk for its petrochemical investments;
- Exxon does not describe how global pressure to mitigate climate change may reduce demand for plastics and lead to stranded asset risk for its petrochemical investments. Its disclosures relating to relative climate benefits of plastic are misleading and omit relevant information on climate impacts;
- Exxon's disclosures regarding community health impacts of its petrochemical operations are insufficient and do not discuss the stranded asset risk associated from a loss of social license to operate.

As such, the Proposal is not substantially implemented.

ANALYSIS

The Proposal is not excludable under Rule 14a-8(i)(10)

The Company's disclosures do not substantially implement the Proposal because the information provided does not satisfy the guidelines or "essential objective" of the proposal.

The Proposal requests that Exxon publish a report describing if and how it is reducing the risk of stranded assets related to certain environmental impacts of its petrochemical assets. The supporting statement asks, in particular, that the Company address the likely impacts to its petrochemical business from the growing public, market, and government response to plastic pollution, climate change, and health harms. In the Whereas clauses of the Proposal, the key gaps in Company reporting are outlined. The Company has not demonstrated that it has addressed these gaps.

In the Staff's view, a determination that the Company has substantially implemented the proposal depends upon whether its particular policies, practices, and procedures compare favorably with the guidelines of the proposal. *Texaco, Inc.* (Mar. 28, 1991). Substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed *both* the proposal's guidelines and its essential objective. See, e.g., *Exelon Corp.* (Feb. 26, 2010). The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." [Exchange Act Release No. 12598 \(July 7, 1976\)](#). Substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed both the proposal's underlying concerns and its essential objective. In the present instance, the Company's reporting has done neither.

Company's Version of Essential Purpose

The Company Letter asserts it has fulfilled the Proposal's essential objective:

Taken in its entirety, the goal of the Proposal is to have the Company describe the viability of

its petrochemical investments in light of the Proponent's concern that the impact of these environmental issues could make current petrochemical products and facilities obsolete. In other words, the Proposal's "essential objective" is for the Company to issue a report on how environmental issues which include "plastic pollution, community health, and climate change" are affecting the viability of the Company's petrochemical investments.

The Company claims that its *existing* disclosures substantially implement that defined essential objective. **However, examination of the proposal reveals that the essential purpose of the proposal is to fill major gaps in those existing disclosures. The Company has not done so.**

Essential Purposes Delineated by Proposal are Not Satisfied

The Company has developed a reputation with investors, analysts, media and the public for concealment of environmental issues that create downside risks to its investment practices and business plans. These concerns underlie the Proposal's focus on better disclosure of stranded asset risks. For instance, the 2020 Report of the National Whistleblower Center, *Exposing a Ticking Time Bomb: How fossil fuel industry fraud is setting us up for a climate & financial implosion – and what whistleblowers can do about it*,¹ identified fossil fuel industry financial disclosure practices that are likely to be fraudulent, and identified several such instances regarding Exxon. Given the Company's history of under-reporting on the nature of environmental risks, the Proposal's request for comprehensive disclosures beyond existing reporting is warranted.

Staff Legal Bulletin 14K and numerous no action decisions have made it clear that the Staff looks to the entirety of a proposal, including its supporting statement and whereas clauses, to discern the underlying concerns.²

The Proposal here highlights and acknowledges the Company's existing disclosures, and their inadequacy. The motivating concern and essential purpose of the Proposal is demonstrated by the text in the Proposal's Whereas clauses:

Whereas: Exxon's existing disclosures are insufficient to assure investors how the company can reconcile its petrochemical expansion plans with increasingly urgent global goals to mitigate certain environmental crises. Shareholders are concerned that Exxon's planned growth in petrochemicals, rather than reducing risk from climate change, will expose the company and its investors to stranded asset risk, as global action on environmental crises, including climate and plastic pollution, lead to reduced demand for its petroleum-based products.³

¹ <https://www.whistleblowers.org/wp-content/uploads/2020/07/NWC-Climate-Risk-Disclosure-Report.pdf>

² Staff Legal Bulletin 14K states: "When analyzing a proposal to determine the underlying concern or central purpose of any proposal, we look not only to the resolved clause but to the proposal in its entirety."

³ <https://carbontracker.org/reports/the-futures-not-in-plastics/>

Plastic pollution has become one of society's most intractable problems with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems.⁴ A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing recycling infrastructure is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices.⁵ Industry response through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern.⁶ In response, Consumer Goods companies are increasingly looking to reduce reliance on virgin plastic.⁷

While Exxon reports that plastic products can help reduce global greenhouse gas (GHG) emissions,⁸ recent reports show that emissions across the petrochemical and plastics supply chain contribute significantly to climate change.⁹ For example, plastic disposal results in high levels of emissions through incineration or other end of life outcomes (these emissions are currently unaccounted for in Exxon's reporting). Research has found the plastic industry could use as much as 19 percent of earth's remaining carbon budget, jeopardizing chances of keeping global warming below 1.5 degrees Celsius.¹⁰

Exxon's disclosures indicate the company is continuing to invest in expensive petrochemical-related infrastructure with increasing risk of stranding,¹¹ as plastic demand growth is likely to slow due to government and consumer action to reduce its use. Furthermore, planned infrastructure in the Gulf Coast Plastics Production Corridor, where catastrophic weather events associated with climate change occur frequently,¹² risk hazardous emissions releases harmful to human health, and community opposition to petrochemical projects is growing.¹³ Already, similar projects have stalled or lost value.¹⁴

Shareholders seek to understand if, and how, Exxon is reducing the risk of stranded assets of its petrochemical-based investments as the global response to climate and plastic pollution intensifies. The energy and petrochemical sectors must play a critical role in mitigating

⁴ <https://www.nytimes.com/2020/08/30/climate/oil-kenya-africa-plastics-trade.html>

⁵ <https://www.nytimes.com/2020/10/30/climate/plastic-pollution-oceans.html>

⁶ <https://www.npr.org/2020/09/11/897692090/how-big-oil-misled-the-public-into-believing-plastic-would-be-recycled>

⁷ <https://www.businessgreen.com/news/4024412/pepsico-switch-recycled-plastic-bottles-european-nations>

⁸ <https://corporate.exxonmobil.com/-/media/Global/Files/energy-and-carbon-summary/Energy-and-carbon-summary.pdf>

⁹ <https://www.ciel.org/wp-content/uploads/2019/05/Plastic-and-Climate-FINAL-2019.pdf>

¹⁰ https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf

¹¹ <https://corporate.exxonmobil.com/energy-and-environment/where-we-work/growing-the-gulf/20-billion-gulf-investment-to-create-tens-of-thousands-of-high-paying-jobs#beaumont>

¹² <https://planet-tracker.org/tracker-programmes/materials/plastics/#stormy-outlook>

¹³ <https://www.npr.org/sections/health-shots/2020/08/28/906822940/millions-of-pounds-of-extra-pollution-were-released-before-laura-made-landfall>

¹⁴ <https://apnews.com/article/technology-science-new-orleans-environment-louisiana-0a6353662b4b3019f0b83f577ab21df2>

environmental impacts related to plastic manufacturing, use, and disposal. [Emphasis added]

These Whereas clauses articulate the proponent's specific concerns that the Company's existing reporting and disclosures are inadequate. The Company's existing reporting includes discussion of general actions the Company is taking related to environmental and resiliency concerns associated with its operations, as well as a more detailed discussion of the climate-related risk of depressed demand associated with its oil and gas operations. The Company's reporting is not adequately responsive to the petrochemical-focused risks that are the focus of this Proposal.

Exxon's Discussion of Actions Related to Plastic Pollution Fail to Address Requested Disclosure on Stranded Asset Risk from Global Waste Pressures on Plastics Markets

Exxon does not acknowledge that corporations are committing to use less plastic, assess the impacts of organized actions to reduce plastic use, or discuss how this would impact demand for its products

Pollution concerns regarding plastics are leading to corporate policies involving greater reuse and the elimination of single-use plastics. Recent commitments from corporates include:

- Unilever committed to halve its use of virgin plastic by 2025.¹⁵
- McDonald's and YUM! Brands agreed to phase out polystyrene foam by 2022.¹⁶
- P&G committed to halve its use of virgin petroleum plastic packaging by 2030.¹⁷
- Starbucks committed to start a gradual shift from single-use to reusable packaging and cut packaging waste globally by 50% by 2030.¹⁸

Such corporate trends may continue, as reputational damage from being associated with plastic pollution continues to mount, especially regarding ocean plastic, and as customers demonstrate their desire for alternatives.^{19,20} Exxon's reporting does not discuss these corporate trends or the public backlash and consumer goods movements away from single-use plastic. The impact that such trends to stem plastic pollution may have on demand for Exxon's plastic feedstock products remains undisclosed by the Company.

Exxon does not acknowledge that governments are restricting the use of plastic or discuss how this would impact demand for its products

The Company makes no mention of public policy trends that reduce plastic use. In a 2019 report, Principles for Responsible Investment (PRI) found that over 60 countries have introduced bans

¹⁵ <https://www.asyousow.org/press-releases/2019/10/7/unilever-plastic-recycling-goals>

¹⁶ <https://www.asyousow.org/press-releases/yum-brands-phase-out-polystyrene-styrofoam-packaging>

¹⁷ <https://www.pggodeveryday.com/good-news/how-pg-is-reducing-plastic-in-packaging/>

¹⁸ <https://www.asyousow.org/press-releases/starbucks-sustainability-goals-plastic-waste>

¹⁹ <https://www.ellenmacarthurfoundation.org/assets/downloads/Global-Commitment-2020-Progress-Report.pdf>

²⁰ <https://www.ipsos.com/en/throwaway-world-challenge-plastic-packaging-and-waste>

and levies on plastic packaging and single-use plastic waste,²¹ while the World Economic Forum notes that 170 have pledged to reduce the use of plastic significantly by 2030.²² China is set to ban and restrict single-use and disposable plastics over the next five years.^{23,24} Europe is on a similar trajectory, with plans for the EU to soon release the latest update of its single-use plastic directive, which seeks to ban certain single-use products, set recycled content targets, and issue a plastic production levy.^{25,26} The U.S. is starting to see similar policy movements with the introduction of the Break Free from Plastic Pollution Act of 2020, which sought to ban certain single-use plastics, promote Extended Producer Responsibility, and put a temporary pause on new plastic production facilities.²⁷

This growing movement away from and against plastic consumption has caused some to predict the coming of “peak plastic” in the near future.²⁸ Peers like BP have taken note and reduced exposure to the petrochemical industry. First, by including a global single-use plastic ban scenario in its 2019 Energy Outlook and then by selling a large part of its petrochemical assets in 2020.²⁹ Exxon, in contrast, has yet to discuss how such global pushback against plastic may threaten to strand its petrochemical assets.

Exxon points to limited efforts to improve recycling that, as noted in the Proposal, fall short

Exxon’s limited discussion of improved recycling efforts does not answer the question of whether, and to what degree, such efforts will have any ability to preserve demand for plastics. Exxon points to its membership in the Alliance to End Plastic Waste (AEPW), support for mechanical recycling, and research into “advanced recycling” to claim it is sufficiently addressing concerns regarding plastic pollution. However, Exxon does not quantify or clarify what scale or impact it assumes such efforts may have. For example, the AEPW has not publicly announced how much money it has raised or spent on its projects, or progress it has made on achieving its goals. Furthermore, Renew Oceans, a flagship project of the AEPW, is no longer in operation.³⁰

In regard to advanced recycling, Exxon has invested a relatively small \$8 million into Agilyx for a 25% stake in the company.³¹ However, if advanced recycling efforts such as Agilyx’ were

²¹ <https://www.unpri.org/download?ac=9630>

²² <https://www.weforum.org/agenda/2020/10/canada-bans-single-use-plastics/>

²³ <https://www.icis.com/explore/resources/news/2020/01/20/10460342/china-to-ban-restrict-production-sale-and-use-of-disposable-plastic-products>

²⁴ <https://carbontracker.org/reports/the-futures-not-in-plastics/>, p. 33-34

²⁵ https://rethinkplasticalliance.eu/wp-content/uploads/2019/05/ZWE_Unfolding-the-SUP-directive.pdf

²⁶ <https://carbontracker.org/reports/the-futures-not-in-plastics/>, p. 32-33

²⁷ <https://www.surfrider.org/coastal-blog/entry/federal-break-free-from-plastic-pollution-act-introduced>

²⁸ <https://www.triplepundit.com/story/2020/peak-plastic-petrochemicals/201101>

²⁹ <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/energy-outlook/bp-energy-outlook-2019.pdf>, p. 35

³⁰ <https://www.reuters.com/article/environment-plastic/big-oils-flagship-plastic-waste-project-sinks-on-the-ganges-idUSKBN29N028>

³¹ https://resource-recycling.com/plastics/2020/12/23/pyrolysis-firm-signs-deals-with-prime-plastic-producers/?utm_medium=email&utm_source=internal&utm_campaign=Dec+23+PRU

indeed to have considerable impact, the need for virgin plastic—and therefore Exxon’s products—would shrink; an impact that Exxon does not discuss. Importantly, Exxon also does not clarify to what extent its petrochemical investments are intended to meet demand growth tied to single-use plastics, a highly visible and highly damaging category of petrochemical products. Exxon has not provided sufficient information to understand whether its noted commitments are at the pace, scale, and scope required to substantially mitigate fundamental issues with plastic use and waste disposal, with the concomitant exposure to growing social license concerns and regulatory risks.

Exxon’s Discussion of the Climate Impacts of Plastic is Misleading and Fails to Include Requested Disclosure of Stranded Asset Risk related to Climate Change Pressures on Plastics Markets

Exxon does not discuss the significant greenhouse gas emissions footprint of plastics

Exxon has not sufficiently acknowledged that plastic value chains (from feedstock extraction to disposal) have a massive carbon footprint and therefore may be limited in the future. Using data from the EPA’s GHG Reporting Program, the Environmental Integrity Project (EIP) found that the Chemical sector accounts for more emissions than the Refining sector in 2018, with the “plastics and other petrochemicals” subsector accounting for more than 30 percent of the Chemical sector’s total emissions.³² Furthermore, EIP’s report forecasts a 79% increase in total emissions from this subsector (baseline of 80.1 million metric tons CO₂e in 2018) from 37 planned projects, with more than half of the projected emission increase from new or expanding petrochemical infrastructure (ethylene crackers).³³

Exxon does not acknowledge that its plans to increase plastic production may come under significant pressure as the world races to meet the Paris climate goals, which require global CO₂ emissions to halve by 2030.³⁴ Using data from *Breaking the Plastic Wave*, Carbon Tracker concluded that the current carbon emissions rate for plastic is on average over 5 tonnes of CO₂ per tonne of plastic, roughly double that of oil in 2019 (2.6 tonnes of CO₂ per tonne of oil).³⁵ The implication is that if plastic production continues under business-as-usual growth, the plastic industry alone is estimated to account for 19% of the remaining global carbon budget by 2040 to stay under 1.5 degrees,³⁶ bringing it into clear focus as a target for regulation and voluntary greenhouse gas emission reductions measures across the plastics value chain. Other peer-reviewed studies similarly found that the global plastic footprint, under business-as-usual growth, would use 15% of the remaining carbon budget.³⁷

³² <https://www.environmentalintegrity.org/wp-content/uploads/2020/01/Greenhouse-Gases-from-Oil-Gas-and-Petrochemical-Production.pdf>

³³ <https://www.environmentalintegrity.org/wp-content/uploads/2020/01/Greenhouse-Gases-from-Oil-Gas-and-Petrochemical-Production.pdf>

³⁴ <https://carbontracker.org/reports/the-futures-not-in-plastics/>, p. 10

³⁵ <https://carbontracker.org/reports/the-futures-not-in-plastics/>, p. 9-10

³⁶ https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf

³⁷ <https://www.nature.com/articles/s41558-019-0459-z>

Exxon relies on misleading, cherry-picked examples to support broad claims regarding the climate benefits of plastic, downplaying negative climate impacts

Exxon's disclosures understate the considerable greenhouse gas emissions caused throughout the Company's plastics and other petrochemical value chains. Its Energy and Carbon Summary (2021 ECS) makes the broad assertion that "recognition of the lower greenhouse gas emissions of plastics versus alternatives, correspond[s] to an increase in demand for a variety of everyday products from food packaging to appliances, vehicle parts to clothing."³⁸ To support this claim, Exxon's 2021 ECS points to one Life Cycle Assessment (LCA) on plastic packaging substitution in the U.S. and Canada from the American Chemistry Council (ACC).³⁹ Exxon's use of this study to support its conclusion that a growth in global plastic production will help reduce greenhouse gas emissions to levels consistent with the Paris agreement is problematic and likely to be misleading to investors as discussed below.

First, the study states that the results "are not intended to be used as the basis for comparative environmental claims."⁴⁰ Furthermore, the relevancy of the ACC's LCA study is limited, because its results depend heavily on regional production and end-of-life characteristics for North America, but evidence shows that demand for plastics in OECD countries has saturated and even started to decrease, leaving the bulk of predicted demand growth for plastics to developing, non-OECD countries where a lack of recycling infrastructure makes the burning of plastics more likely.⁴¹ Exxon does not provide relevant examples to back up its claim that plastics (especially single-use) could be better for climate than alternatives in the markets where it expects plastic demand to grow—a misleading omission.

Exxon does not consider scenarios where climate concerns restrict the demand for plastics and expose its petrochemical assets to risk of stranding

As highlighted in the Proposal, there is significant concern that the Company is downplaying the risk of climate-caused plastics market constriction. In contrast to the Company's projection of demand growth, public, market, and governmental responses to combating negative climate impacts could well lead to the elimination of massive amounts of demand for plastics. The Pew Trust's report, *Breaking the Plastic Wave*, sets forth a "System Change" scenario in which the world would respond to the environmental and climate impacts of plastics by applying policy levers that would result in a 55% reduction in virgin plastic demand by 2040 relative to business-as-usual growth.⁴² Peer oil and gas major BP notes in its *Energy Outlook 2020* that a "Net Zero" transition pathway would result in a 7 mbpd reduction in demand for oil feedstocks for plastic and fibres by 2050 relative to business-as-usual growth.⁴³

³⁸ 2021 ECS, p. 21

³⁹ <https://plastics.americanchemistry.com/Reports-and-Publications/LCA-of-Plastic-Packaging-Compared-to-Substitutes.pdf>

⁴⁰ <https://plastics.americanchemistry.com/Reports-and-Publications/LCA-of-Plastic-Packaging-Compared-to-Substitutes.pdf>, p. 2

⁴¹ <https://carbontracker.org/reports/the-futures-not-in-plastics/>, p. 18-19

⁴² https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf

⁴³ <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/energy->

Exxon's existing reporting does not give credence to the greenhouse gas justifications for market and governmental efforts to globally constrict demand for plastics and petrochemicals as the world transitions to a net zero emission economy to align with Paris goals and stave off the worst impacts of the climate crisis. Omitting this discussion and only focusing on selected examples where plastic use might result in fewer emissions than historical alternatives is misleading. There is evidence, as demonstrated above, that policy leaders are pointing in a different direction that would more significantly depress plastics demand. The Proposal asks Exxon to respond directly to this risk that the world's drive to reduce greenhouse gas emissions may strand petrochemical assets into which Exxon is investing.

Exxon's Discussion of Actions Related to Community Health Fail to Address Requested Disclosure on Stranded Asset Risk from Pressures from Loss of Social License to Operate

Exxon's disclosures do not adequately discuss negative health impacts of emissions associated with petrochemical production

Exxon's discussion of health-related harms from its petrochemical operations and how those harms might impact its investments also contain misleading omissions that preclude a finding of substantial implementation. In particular, the Company's current reports fail to provide investors with a balanced discussion of the concerns about health impacts of petrochemical operations on communities and therefore significantly understates the related risks to its social license to operate.

Residents in "Cancer Alley" of the Gulf Coast, where Exxon operates significant petrochemical infrastructure, face higher-than-average exposures to at least 15-20 hazardous chemicals.⁴⁴ Research has found significant human health risks caused from emissions of certain hazardous chemicals like Volatile Organic Compounds, notably benzene, in oil and gas operations.⁴⁵ As the U.S. generally, and the incoming Biden Administration particularly, increase focus on environmental justice issues, the health risks to low-income communities surrounding Exxon's petrochemical plants are likely to pose an increasing threat to the company's social license to build out additional petrochemical investments and even to continue operations as usual in areas with concentrations of exposed and marginalized populations. Yet, despite the highlighting of these issues in the Proposal's Whereas clauses, the referenced reporting by the Company provides limited insight to investors about these risks⁴⁶ or how the company's planned expansion

outlook/bp-energy-outlook-2020.pdf

⁴⁴ <https://news.bloomberglaw.com/environment-and-energy/poor-gulf-coast-exposed-to-worst-chemical-risks-groups-say?context=article-related>

⁴⁵ <https://www.tandfonline.com/doi/full/10.1080/10962247.2019.1680459>

⁴⁶ The few relevant quantitative indicators provided by Exxon's Performance data table are provided without context to understand the impacts of such emissions or if amounts of chemicals released are significantly beyond allowable levels, what community health consequences occurred as a result, or what actions the Company took to remedy such releases. In the table, Exxon discloses emissions of hazardous substances: sulfur dioxide (SO₂), nitrogen oxides (NO_x), volatile organic compounds (VOCs)—but does not discuss how these emissions impact community health, leaving investors in the dark. <https://corporate.exxonmobil.com/-/media/Global/Files/sustainability->

of petrochemical operations would contribute to risks of stranded assets, as public health measures respond to protect these communities from such public health impacts.

Exxon's disclosures indicate it complies with standards regarding physical risk and resilience, but standards have proven insufficient to protect community health

Instead, Exxon points to disclosures stating its Gulf Coast Growth Venture is compliant with various regulatory standards. It does not discuss the extent to which such standards have proven inadequate to protect communities in the past, including preventing chemical releases during climate-induced extreme weather events which are increasing in number and impact.⁴⁷ The EPA's Inspector General issued a report following Hurricane Harvey concluding that lack of communication and air quality monitoring left impacted communities unaware of risks.⁴⁸ More recently, Hurricane Laura shut down more than 6 ethylene crackers in the Gulf Coast (including Exxon's Beaumont refinery)⁴⁹ and caused significant pollution even before making landfall.⁵⁰ Discussion of existing regulatory standards met by Exxon are misleading to the extent they cause investors to significantly underestimate the risk that, despite complying with existing standards, local communities will continue to suffer unpermitted, unsafe levels of pollutants and Exxon will be held accountable, potentially limiting its ability to operate existing plants or successfully invest in new petrochemical infrastructure.

Exxon's disclosures regarding how it assesses mitigation of health risks to "acceptable levels" are high-level and do not discuss exposure to risk of loss of social license to operate

An analysis conducted by Environment Texas found that unauthorized industrial air pollution in Texas had risen 155% from 2015 to 2019 (174 million pounds of pollutants in 2019).⁵¹ Specifically, Exxon's Baytown Olefins Plant in Harris county was identified as the 2nd and 3rd largest source of unauthorized butadiene and benzene (both known human carcinogens) emissions, respectively, in 2019.⁵²

One study found that the health impacts of direct and indirect particulate matter emissions from startup, shutdown, and malfunction events in Texas were estimated to cost \$148 million in 2015, impacts most heavily felt by the fence-line communities near Exxon's operations.⁵³ As the public is increasingly concerned with how disadvantaged communities are disproportionately impacted by petrochemical pollution^{54,55} investors should reasonably be allowed to seek enhanced

[report/publication/Sustainability-Report.pdf](#), p. 40

⁴⁷ <https://environmentalintegrity.org/wp-content/uploads/2018/08/Hurricane-Harvey-Report-8.16.18-final.pdf>

⁴⁸ https://www.epa.gov/sites/production/files/2019-12/documents/epaig_20191216-20-p-0062.pdf

⁴⁹ <https://www.foxbusiness.com/lifestyle/exxon-starting-shutdown-of-beaumont-texas-refinery>

⁵⁰ <https://www.npr.org/sections/health-shots/2020/08/28/906822940/millions-of-pounds-of-extra-pollution-were-released-before-laura-made-landfall>

⁵¹ https://environmenttexas.org/sites/environment/files/reports/TX_Pollution_2020_scrn.pdf, p. 4

⁵² https://environmenttexas.org/sites/environment/files/reports/TX_Pollution_2020_scrn.pdf, p. 14-15, 19

⁵³ https://www.epa.gov/sites/production/files/2019-12/documents/epaig_20191216-20-p-0062.pdf, p. 3-4

⁵⁴ <https://www.sciencedirect.com/science/article/abs/pii/S0048969720326395>

⁵⁵ <https://www.npr.org/sections/health-shots/2020/08/28/906822940/millions-of-pounds-of-extra-pollution-were-released-before-laura-made-landfall>

disclosure on these issues as they may impact the company's social license. Yet, the Company's reporting does not provide a fair presentation of this concern.

Exxon states it uses advanced computer modeling and other processes to "implement measures to avoid" environmental, socioeconomic and health risks and reduce them to acceptable levels, or remedy the impacts.⁵⁶ However, such high-level statements do little to assure investors that meaningful steps are being taken, and Exxon has yet to identify which of its investments face heightening extreme weather risks from physical climate impacts that can result in community impacts. Importantly, the company has yet to clarify what it considers an "acceptable level" of risk to community health. Meanwhile, public opposition for similar projects has been growing, and investors are paying increasing attention to environmental and social justice issues like pollution in disadvantaged communities.⁵⁷ This year has seen petrochemical projects delayed or prevented. Most notable is the indefinite delay of Formosa's \$9.4 billion Sunshine Project after the US Army Corps of Engineers suspended one of its key permits due to lawsuits filed by the Center for Biological Diversity, RISE St. James, Louisiana Bucket Brigade, and Healthy Gulf on inadequate environmental impact assessment.^{58,59} Another is the multiple delays encountered by PTT's \$10 billion ethane cracker project in Belmont, Ohio.⁶⁰ The project has faced opposition from groups like the Concerned Ohio River Residents and has already lost two partner companies, including its major financial backer, Daelim.⁶¹

Exxon has yet to distinguish how measures it has taken to date are remotely close to adequate to protect community health or prevent a loss of social license to operate. As pushback against negative health effects grows, investors seek transparent disclosure from Exxon as to how it is assessing and addressing such risks. The Proposal is not substantially implemented by existing company reporting on the issue of community impact and how this may reduce Exxon's social license to operate while it continues to increase its investments, exposing it to further risk of asset stranding.

Physical Climate Change Impacts Heighten Stranded Asset Risk to Exxon's Petrochemical Plants in the Gulf Coast

The Fourth National Climate Assessment 2018 indicates extensive risk of sea level rise threatening US coastal regions, especially the southeast. The southeast chapter notes that:

"Under higher emissions scenarios (RCP8.5), global sea level rise exceeding 8 feet

[released-before-laura-made-landfall](#)

⁵⁶ 2021 ECS. p 41

⁵⁷ <https://www.nytimes.com/2020/08/27/climate/hurricane-laura-fire-pollution.html>

⁵⁸ <https://www.spglobal.com/platts/en/market-insights/latest-news/petrochemicals/112320-formosa-taiwan-unit-indefinitely-delays-94-billion-louisiana-petrochemical-complex>

⁵⁹ <https://biologicaldiversity.org/w/news/press-releases/army-corps-suspends-permit-for-formosa-plastics-controversial-louisiana-plant-2020-11-04/>

⁶⁰ <https://ieefa.org/ieefa-update-foot-dragging-over-ptt-gca-petrochemical-complex-project-in-ohio/>

⁶¹ <https://www.theintelligencer.net/news/top-headlines/2020/11/ptt-global-chemical-america-delays-cracker-investment-decision-again/>

(and even higher in the Southeast) by 2100 cannot be ruled out...⁶²

“Higher sea levels will cause the storm surges from tropical storms to travel farther inland than in the past, impacting more coastal properties. The combined impacts of sea level rise and storm surge in the Southeast have the potential to cost up to \$60 billion each year in 2050 and up to \$99 billion in 2090 under a higher scenario (RCP8.5). Even under a lower scenario (RCP4.5), projected damages are \$56 and \$79 billion in 2050 and 2090, respectively (in 2015 dollars, undiscounted).”⁶³

The report *Stormy Outlook for US Plastic Refiners: Risk of Stranded Assets in The Gulf Of Mexico*⁶⁴ provides a significant demonstration of the risk of stranded assets of plastic refiners in the Gulf of Mexico, including Exxon Mobil facilities. The report analyzes a range of factors that are combining to create a stranded asset risk, leading with the risk of storm damage associated with increasing severe weather events caused by climate change. The report notes that most of U.S. plastics refining capacity is in the Gulf of Mexico region, including a number of Exxon’s operations. The Company’s operations in Baytown and Beaumont Texas are listed on the table of operations that were either damaged or shut down in Hurricane Harvey 2017. As noted in the Proposal and in the discussion above, these incidents threaten community health due to the potential for releasing large amounts of toxic materials to the community.

The closest that the Company Letter comes to addressing these stranded asset risks in the Gulf Coast is the discussion of “resiliency” in the Energy and Carbon Summary, where the report describes the company’s experience in working in challenging environments including flood prone areas and assessing potential impacts on its operations following industry standards. It also describes, as an example, how a recent \$10 billion operation -- Gulf Coast Growth Venture (GCGV), a new petrochemical manufacturing facility near Corpus Christi, Texas -- is compliant with federal and state standards, and acknowledges that stormwater handling is a risk factor and the operation has basins for retention.

From this disclosure, investors would be unable to ascertain how much sea level rise the operation will be able to withstand before the stormwater basins, along with the rest of the operation, will be underwater, or whether the company’s hardening or siting strategies have precluded such asset stranding risks. The claim of substantial implementation simply has no basis.

Reconsidering Recent Staff Decisions on Substantial Implementation

To the extent that the Staff views recent precedents cited by the company, such as Exxon Mobil Corporation (March 20, 2020), Hess Corporation (April 11, 2019), Exxon Mobil Corporation (April 3, 2019) as justifying exclusion of the current proposal as substantially implemented, we urge the Staff to rethink its approach to substantial implementation to realign with the publicly

⁶² National climate assessment <https://nca2018.globalchange.gov/chapter/19/>

⁶³ National climate assessment <https://nca2018.globalchange.gov/chapter/19/>

⁶⁴ <https://planet-tracker.org/tracker-programmes/materials/plastics/#stormy-outlook>

stated policies of the Commission on substantial implementation. Recent changes in the Staff approach to substantial implementation have been perceived by proponents as producing inappropriate obstruction of a number of proposals meriting a shareholder vote. Leaving shareholders' specific disclosure requests unanswered, is not consistent with the long-standing position of the Staff and commission that "[the company's] particular policies, practices and procedures must compare favorably with the guidelines of the proposal."

To the extent that those recent Staff rulings at oil and gas companies found substantial implementation, despite the failure of the companies to meet the guidelines of the proposals, the present Proposal represents an opportunity to reverse those substantial implementation precedents, which undercut proposals seeking to address the climate change concerns of investors.

We call attention, in particular, in the above-cited determinations in Exxon and Hess to the proposals asking the companies to discuss "if and how" the companies would align with the Paris agreement's temperature goals. The decisions by the Staff to allow exclusion of these proposals ignored the essential purpose of the proposal from the standpoint of the proponents. The Staff exclusion decisions treated the Company's volume of reporting as responsive to the proposal, even though that reporting ignored the clear "essential purpose" evident in the language of the proposals.

Instead of responding to the "if" question -- "would they or wouldn't they align with the Paris agreement?" — the companies asserted substantial implementation while avoiding a yes or no response to the proposals' core question and guideline; instead, the companies pointed to a volume of complex and unresponsive reporting which occasionally mentioned the Paris agreement, without characterizing the company's intent to align or not. Based on the determinations allowing exclusion on the basis of substantial implementation, it appears that the Staff took an inappropriately broad view of the essential purpose in order to allow voluminous but noncompliant reporting to suffice.

Looking at the essential purpose from the perspective of the proponents, the proponents request a simple and clear response from the company on a central, material benchmark of concern – does the board or management believe that business plans are aligned or will be aligned with Paris, and if so, how will it accomplish that alignment? Despite the companies' voluminous reporting, these essential questions went unanswered. As such we believe that the proposals should not have been excludable. Whether the shortcoming of the companies' reporting is understood as a failure to meet the guidelines, or failure to address the essential purpose of the proposal, it is evident to us that the determination to allow exclusion of the proposals and to deny shareholders the opportunity to vote on this critical issue was both unnecessary and ill-advised.

We note, in addition, that the Biden administration's executive orders of January 20 and January 27 call on all federal agencies to look for opportunities to reverse agency actions of the last four years that have undercut responsiveness to climate change and public health responses. We suggest that the current proposal reflects one such opportunity.

In examining the essential purpose of the current Proposal, it is clear that the Company's existing reporting does not come anywhere near to fulfilling its essential purpose.

Relation to Executive Order of January 20, 2021

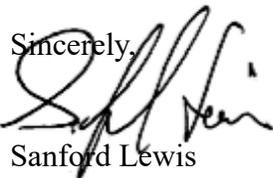
Notably, on January 20, 2021, President Biden issued an Executive Order calling for greater attention to public health, climate change, and environmental justice. The Executive Order asks all federal agencies to immediately begin looking for and implementing opportunities to protect public health and mitigate climate change. Allowing shareholders to vote on the Proposal, and thereby to exercise their private ordering leverage to encourage better disclosure and performance by issuers, is an important means of implementing the Executive Order, and therefore non-exclusion of the present Proposal has an additional and appropriate policy impetus.

CONCLUSION

Ultimately, disclosures provided by the Company do not address the core concerns raised in the Proposal regarding whether or how Exxon is sufficiently reducing the stranded asset risk to its petrochemical investments from a range of significant environmental impacts. Available disclosures do not indicate that the Company has adequately assessed nor addressed the rapidly intensifying responses from the public, markets, and governments to limit the use and production of petroleum-based products that exacerbate such impacts.

The risk embedded in this omission is compounded by Exxon's apparent plans to massively grow its petrochemical investments, thereby increasing its exposure and providing no more assurance as to how it will sufficiently reduce stranded asset risk.

We believe that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2021 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the company that it is denying the no action letter request.

Sincerely,

Sanford Lewis

Cc: Louis L. Goldberg

Resolved: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing the risk of stranded assets related to environmental impacts of its petrochemical investments.

Supporting Statement: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

Whereas: Exxon's existing disclosures are insufficient to assure investors how the company can reconcile its petrochemical expansion plans with increasingly urgent global goals to mitigate certain environmental crises. Shareholders are concerned that Exxon's planned growth in petrochemicals, rather than reducing risk from climate change, will expose the company and its investors to stranded asset risk, as global action on environmental crises, including climate and plastic pollution, lead to reduced demand for its petroleum-based products.¹

Plastic pollution has become one of society's most intractable problems with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems.² A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing recycling infrastructure is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices.³ Industry response through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern.⁴ In response, Consumer Goods companies are increasingly looking to reduce reliance on virgin plastic.⁵

While Exxon reports that plastic products can help reduce global greenhouse gas (GHG) emissions,⁶ recent reports show that emissions across the petrochemical and plastics supply chain contribute significantly to climate change.⁷ For example, plastic disposal results in high levels of emissions through incineration or other end of life outcomes (these emissions are currently unaccounted for in Exxon's reporting). Research has found the plastic industry could use as much as 19 percent of earth's remaining carbon budget, jeopardizing chances of keeping global warming below 1.5 degrees Celsius.⁸

¹ <https://carbontracker.org/reports/the-futures-not-in-plastics/>

² <https://www.nytimes.com/2020/08/30/climate/oil-kenya-africa-plastics-trade.html>

³ <https://www.nytimes.com/2020/10/30/climate/plastic-pollution-oceans.html>

⁴ <https://www.npr.org/2020/09/11/897692090/how-big-oil-misled-the-public-into-believing-plastic-would-be-recycled>

⁵ <https://www.businessgreen.com/news/4024412/pepsico-switch-recycled-plastic-bottles-european-nations>

⁶ <https://corporate.exxonmobil.com/-/media/Global/Files/energy-and-carbon-summary/Energy-and-carbon-summary.pdf>

⁷ <https://www.ciel.org/wp-content/uploads/2019/05/Plastic-and-Climate-FINAL-2019.pdf>

⁸ https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf

Exxon's disclosures indicate the company is continuing to invest in expensive petrochemical-related infrastructure with increasing risk of stranding,⁹ as plastic demand growth is likely to slow due to government and consumer action to reduce its use. Furthermore, planned infrastructure in the Gulf Coast Plastics Production Corridor, where catastrophic weather events associated with climate change occur frequently,¹⁰ risk hazardous emissions releases harmful to human health, and community opposition to petrochemical projects is growing.¹¹ Already, similar projects have stalled or lost value.¹²

Shareholders seek to understand if, and how, Exxon is reducing the risk of stranded assets of its petrochemical-based investments as the global response to climate and plastic pollution intensifies. The energy and petrochemical sectors must play a critical role in mitigating environmental impacts related to plastic manufacturing, use, and disposal.

⁹ <https://corporate.exxonmobil.com/energy-and-environment/where-we-work/growing-the-gulf/20-billion-gulf-investment-to-create-tens-of-thousands-of-high-paying-jobs#beaumont>

¹⁰ <https://planet-tracker.org/tracker-programmes/materials/plastics/#stormy-outlook>

¹¹ <https://www.npr.org/sections/health-shots/2020/08/28/906822940/millions-of-pounds-of-extra-pollution-were-released-before-laura-made-landfall>

¹² <https://apnews.com/article/technology-science-new-orleans-environment-louisiana-0a6353662b4b3019f0b83f577ab21df2>

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January 5, 2021

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**” or “**Exxon Mobil**”), 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**”) received from As You Sow on behalf of Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner (the “**Proponent**”) for inclusion in the proxy materials the Company intends to distribute in connection with its 2021 Annual Meeting of Shareholders (the “**2021 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 2021 Proxy Materials. In accordance with Rule 14a-8(j), this letter is being filed with the Securities and Exchange Commission (the “**Commission**”) not less than 80 days before the Company plans to file its definitive proxy statement.

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 2021 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’s Resolved clause and Supporting Statement state:

Resolved: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing

the risk of stranded assets related to environmental impacts of its petrochemical investments.

Supporting Statement: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

REASONS FOR EXCLUSION OF THE PROPOSAL

The Company believes that the Proposal may be properly omitted from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal.

1. 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 20, 2020) (permitting exclusion of a proposal requesting that the Company issue a report describing how it will reduce its contribution to climate change and align with the Paris Agreement where the requested information was available in a public report from the Company); *Dominion Energy*, *PNM Resources* and *Sempra Energy* (March 6, 2020) (permitting exclusion of a proposal sent to each of these companies requesting that such company issue a report describing how it is positioning its natural gas assets to avoid them becoming obsolete or stranded); *Hess Corporation* (April 11, 2019) (permitting exclusion of a proposal requesting that the company issue a report on how it can reduce its carbon footprint in alignment with greenhouse gas reductions necessary to achieve the Paris Agreement's goal where the company had already provided the requested information in its sustainability report and CDP (formerly known as Carbon Disclosure Project) report); *Exxon Mobil Corporation* (April 3, 2019) (permitting exclusion of a proposal requesting the Company issue a report on how it can reduce its carbon footprint in alignment with greenhouse gas emissions reductions in line with the Paris Agreement where the requested information was readily available in the Company's public disclosures); *Exxon Mobil Corporation* (March 23, 2018) (permitting exclusion of 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); and *Entergy Corp.* (February 14, 2014) (permitting exclusion of 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). “[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 proposal requesting that the company adopt the Valdez Principles where the company had already adopted policies, practices and procedures regarding the environment).

The Proposal asks the Company to produce a report describing how it is responding to the risk of its petrochemical investments becoming stranded due to governmental regulation or changes in market demand resulting from environmental issues (including plastics pollution, community health and climate change). Taken in its entirety, the goal of the Proposal is to have the Company describe the viability of its petrochemical investments in light of the Proponent's concern that the impact of these environmental issues could make current petrochemical products and facilities obsolete. In other words, the Proposal's "essential objective" is for the Company to issue a report on how environmental issues, which include "plastic pollution, community health, and climate change" are affecting the viability of the Company's petrochemical investments. The Company has already made extensive disclosures that address the Proposal. The Company published its annual Energy and Carbon Summary (the "**2021 ECS**")¹ and Sustainability Report (the "**2021 Sustainability Report**") on January 5, 2021.² As described further below, the 2021 ECS and the 2021 Sustainability Report demonstrate that the Company has substantially implemented the Proposal by satisfying its essential objective, and thus the Proposal is excludable under Rule 14a-8(i)(10).

In the table below we have succinctly demonstrated how the 2021 ECS and the 2021 Sustainability Report is responsive to the Proposal's request for a report on how environmental issues, which include "plastic pollution, community health, and climate change" are affecting the viability of the Company's petrochemical investments. A detailed discussion of the disclosures contained in the 2021 ECS and 2021 Sustainability Report that address the essential objective of the Proposal is set forth following the summary table.

| Proposal request | Relevant Reporting |
|--|--|
| How "climate change" issues are affecting the Company's "petrochemical investments" | Providing products to help customers reduce their emissions, 2021 ECS, p 31 Positioning for a lower-carbon energy future – Chemical, 2021 ECS, p 21 Frequently asked questions – What is ExxonMobil doing to prepare for a lower-carbon future while meeting energy needs of a growing population?, 2021 ECS, p 46 |
| How "community health" issues are affecting the Company's "petrochemical investments" | Resiliency: Protection of assets, the community and the environment, 2021 ECS, p 41 Local Emergency Planning Committee, 2021 ECS, p 42 |
| How "plastic pollution" issues are affecting the Company's "petrochemical investments" | Plastic waste management, 2021 Sustainability Report, pp 11-14 |

¹ <https://corporate.exxonmobil.com/-/media/Global/Files/energy-and-carbon-summary/Energy-and-Carbon-Summary.pdf>

² <https://corporate.exxonmobil.com/-/media/Global/Files/sustainability-report/publication/2019-Sustainability-Report.pdf>

The 2021 ESC and the 2021 Sustainability Report taken together make clear that the Company acknowledges the concerns surrounding climate change, community health and plastics pollution. These reports describe the measures the Company is taking to protect community health and mitigate plastic pollution. They also describe the Company's research and analysis on the need for petrochemicals and plastics even under a carbon constrained economy and address the question of whether the Company anticipates that its petrochemical investments will become obsolete or stranded due to these environmental impacts. To the contrary, as discussed in more detail below, the referenced reports find that petrochemical products, and therefore Exxon Mobil's petrochemical investments, will continue to play a significant role in helping to achieve global emission reduction goals.

The 2021 ECS explores how climate change issues will affect the viability of the Company's petrochemical investments, and concludes decidedly that they will not. The 2021 ECS analyzes the United Nation's Intergovernmental Panel for Climate Change's seventy-four different "Lower 2°C" scenarios, "which are pathways limiting peak warming to below 2°C during the entire 21st century with greater than 66 percent likelihood."³ The report discloses that over "the next few decades, population and income growth, and an unprecedented expansion of the global middle class, are expected to create new demand for energy and hydrocarbon-based products, even under 2°C scenarios."⁴ The 2021 ECS continues by predicting that "[d]emand for auto parts, housing materials, electronics and other products made from petrochemicals continues to grow."⁵ Even under the Lower 2°C scenarios, the 2021 ECS describes how "[w]orldwide demand for chemicals is expected to rise by approximately 45 percent by 2030" and how "together with a recognition of the **lower greenhouse gas emissions of plastics versus alternatives**, corresponds to an increase in demand for a variety of everyday products, from food packaging to appliances, vehicle parts to clothing", all of which rely on petrochemicals as a raw material (emphasis added).⁶ As a result, the 2021 ECS states that among the "**[n]ear-term actions the Company is taking to prepare for a lower-carbon future, include . . . [d]eveloping products such as . . . light-weight plastics . . . to help consumers improve efficiency and reduce emissions.**" (emphasis added).⁷

The 2021 ECS and 2021 Sustainability Report also substantially implement the part of the Proposal that asks for a report on how "community health" issues are affecting the Company's petrochemical investments. The Company, as a long-term operator of petrochemical facilities understands intimately how such facilities can impact community health. As a threshold matter, the 2021 Sustainability Report describes how the Company engages with communities on various common areas of interest by "[d]edicat[ing] personnel responsible for community engagement as well as receiving, tracking, analyzing and responding to potential community concerns."⁸ The 2021 ECS elaborates and describes the Company's compliance with applicable environmental laws promulgated to protect community health from accidental releases such as the federal "U.S. Emergency Planning and Community Right-to-Know Act of 1986[, pursuant to which] local emergency planning committees must develop an emergency response plan, review

³ 2021 ECS, p 14.

⁴ 2021 ECS, p 31.

⁵ 2021 ECS, p 31.

⁶ 2021 ECS p 21.

⁷ 2021 ECS p 46.

⁸ 2021 Sustainability Report, p 7.

it annually, and provide information to citizens about chemicals in the community . . . [and how these] plans are developed by the committees with stakeholder participation.”⁹

The 2021 ECS includes a section entitled “Resiliency: Protection of assets, the community and the environment” which discusses generally the steps the Company takes with respect to all its operations, including its petrochemical investments, to protect community health.¹⁰ In this section, the Company discloses that “[p]ublic consultation is . . . undertaken through community meetings and other outreach mechanisms...”¹¹ The 2021 ECS continues, stating “[i]n doing so, a comprehensive understanding of potential impacts is developed and the information is used to implement measures to avoid environmental, socioeconomic and health risks, reduce them to acceptable levels, or remedy the impacts.”¹² With respect to environmental impacts of its petrochemical investments, the 2021 ECS describes how the Company “[w]hen considering physical environmental risks, including risks for . . . petrochemical facilities, the type and location of current and planned facilities are evaluated.”¹³ Further, the 2021 ECS describes with respect to the Company’s Beaumont, Texas petrochemical complex how the power of engaging with communities led to the development of “shelter-in-place guidance to help strengthen the connection between industry and community emergency responders.”¹⁴ The community health efforts described in the 2021 ECS and 2021 Sustainability Report indicate how the Company is positively protecting community health with respect to its petrochemical investments and, as a result, strengthening the viability of such investments.

Finally, the 2021 Sustainability Report, which includes a section dedicated solely to, and entitled, “Plastic waste management” substantially implements the part of the Proposal that asks for a report on how plastic pollution issues could affect the viability of its petrochemical investments.¹⁵ While the Company’s acknowledgment of “society’s concern about plastic waste in the environment” underpins the section, it also acknowledges that, because “[p]lastics provide significant sustainability benefits versus alternative materials . . . [plastics] will continue to play an important role in helping society mitigate greenhouse gas emissions[.]”¹⁶ Given the dual challenge of an expected increase reliance on plastics in a carbon constrained economy, the 2021 Sustainability Report details the numerous ways in which the Company is working to mitigate plastic pollution in its operations and industry-wide. For instance, the Company is “taking action to help address plastic waste in the environment by increasing plastic recyclability and supporting improvements in plastic waste recovery, for example through . . . [its] founding membership in the Alliance to End Plastic Waste.”¹⁷ The Alliance to End Plastic Waste, as disclosed in the 2021 Sustainability Report, is “an organization committed to advancing potential scalable solutions to reduce plastic waste in the environment.”¹⁸ The 2021 Sustainability Report further states that the Company is “working on advanced recycling solutions that create and

⁹ 2021 ECS, p 42.

¹⁰ 2021 ECS p 41.

¹¹ 2021 ECS, p 41.

¹² 2021 ECS, p 41.

¹³ 2021 ECS, p 41.

¹⁴ 2021 ECS, p 42.

¹⁵ 2021 Sustainability Report, pp 11-14.

¹⁶ 2021 Sustainability Report, p 11.

¹⁷ 2021 Sustainability Report, p 11.

¹⁸ 2021 Sustainability Report, p 14.

capture value from plastic waste with opportunities for lower overall greenhouse gas emissions over the full life cycle of the plastic”¹⁹ and that it is “developing options for integrating advanced recycling solutions at [its] petrochemical facilities.”²⁰

The 2021 Sustainability Report notes that in “both 2018 and 2019, ExxonMobil had no reportable plastic pellet losses” and that the Company has “put in place a global [plastic pellet loss] standard across all of [its] resin-handling facilities.”²¹ The 2021 Sustainability Report details the Company’s active participation in industry initiatives relating to plastic pellet loss, including its membership in “Operation Clean Sweep, a voluntary international industry program for plastic manufacturing facilities that encourages the use of best practices for pellet management and containment to reduce pellet loss.”²² The report describes how the Company has “incorporated Operation Clean Sweep principles into [its] Supplier Relationship Management process to inform third-party logistics suppliers about [its] commitment[.]”²³

Substantial implementation does not require implementation in full or exactly as presented by a proposal, and the Staff has found proposals related to environmental matters excludable pursuant to Rule 14a-8(i)(10) even if the Company’s actions were not identical to the guidelines of the proposal. Both *Entergy Corp.* and *Duke Energy Corp.* permitted exclusion of a shareholder proposal pursuant to Rule 14a-8(i)(10), even though the requested disclosures were not made in precisely the manner contemplated by the proponent. Numerous other letters reinforce this approach. See, e.g., *Merck & Co., Inc.* (March 14, 2012) (permitting exclusion of a shareholder proposal requesting a report on the safe and humane treatment of animals because the company had already provided information on its website and further information was publicly available through disclosures made to the United States Department of Agriculture); *ExxonMobil Corp.* (March 17, 2011) (permitting exclusion of a shareholder proposal requesting a report on the steps the Company had taken to address ongoing safety concerns where the Company’s “public disclosures compare[d] favorably with the guidelines of the proposal”); and *ExxonMobil Corp.* (January 24, 2001) (permitting exclusion of a shareholder proposal requesting the review of a pipeline project, the development of criteria for involvement in the project and a report to shareholders because it was substantially implemented by prior analysis of the project and publication of such information on the Company’s website).

The Company believes that the essential objective of the Proposal for the Company to provide a report on how environmental issues, which include “plastic pollution, community health, and climate change” are affecting the viability of the Company’s petrochemical investments has been substantially implemented as shown by the disclosures contained in the 2021 ECS and the 2021 Sustainability Report. The public disclosure by the Company compares favorably with the essence of the Proposal, and thus the Proposal is excludable under Rule 14a-8(i)(10).

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 2021 Proxy Materials. If

¹⁹ 2021 Sustainability Report, p 11.

²⁰ 2021 Sustainability Report, p 13.

²¹ 2021 Sustainability Report, p 14.

²² 2021 Sustainability Report, p 14.

²³ 2021 Sustainability Report, p 14.

you should have any questions or need additional information, please contact the undersigned at (212) 450-4539. 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

Enclosure As You Sow
cc w/ enc: James E. Parsons & David A. Kern, Exxon Mobil
VIA Email

Proposal

Resolved: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing the risk of stranded assets related to environmental impacts of its petrochemical investments.

Supporting Statement: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

Whereas: Exxon's existing disclosures are insufficient to assure investors how the company can reconcile its petrochemical expansion plans with increasingly urgent global goals to mitigate certain environmental crises. Shareholders are concerned that Exxon's planned growth in petrochemicals, rather than reducing risk from climate change, will expose the company and its investors to stranded asset risk, as global action on environmental crises, including climate and plastic pollution, lead to reduced demand for its petroleum-based products.¹

Plastic pollution has become one of society's most intractable problems with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems.² A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing recycling infrastructure is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices.³ Industry response through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern.⁴ In response, Consumer Goods companies are increasingly looking to reduce reliance on virgin plastic.⁵

While Exxon reports that plastic products can help reduce global greenhouse gas (GHG) emissions,⁶ recent reports show that emissions across the petrochemical and plastics supply chain contribute significantly to climate change.⁷ For example, plastic disposal results in high levels of emissions through incineration or other end of life outcomes (these emissions are currently unaccounted for in Exxon's reporting). Research has found the plastic industry could use as much as 19 percent of earth's remaining carbon budget, jeopardizing chances of keeping global warming below 1.5 degrees Celsius.⁸

¹ <https://carbontracker.org/reports/the-futures-not-in-plastics/>

² <https://www.nytimes.com/2020/08/30/climate/oil-kenya-africa-plastics-trade.html>

³ <https://www.nytimes.com/2020/10/30/climate/plastic-pollution-oceans.html>

⁴ <https://www.npr.org/2020/09/11/897692090/how-big-oil-misled-the-public-into-believing-plastic-would-be-recycled>

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Exxon's disclosures indicate the company is continuing to invest in expensive petrochemical-related infrastructure with increasing risk of stranding,⁹ as plastic demand growth is likely to slow due to government and consumer action to reduce its use. Furthermore, planned infrastructure in the Gulf Coast Plastics Production Corridor, where catastrophic weather events associated with climate change occur frequently,¹⁰ risk hazardous emissions releases harmful to human health, and community opposition to petrochemical projects is growing.¹¹ Already, similar projects have stalled or lost value.¹²

Shareholders seek to understand if, and how, Exxon is reducing the risk of stranded assets of its petrochemical-based investments as the global response to climate and plastic pollution intensifies. The energy and petrochemical sectors must play a critical role in mitigating environmental impacts related to plastic manufacturing, use, and disposal.

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Shareholder Correspondence



VIA FEDEX & EMAIL

December 9, 2020

Mr. Stephen A. Littleton,
Secretary,
Exxon Mobil Corporation.

RECEIVED
DEC 10 2020
S.M. ENGLANDE

Dear Mr. Littleton,

As You Sow is filing a shareholder proposal on behalf of Andrew Behar ("Proponent"), a shareholder of ExxonMobil for inclusion in ExxonMobil's 2021 proxy statement and for consideration by shareholders in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

A letter from the Proponent authorizing *As You Sow* to act on its behalf is enclosed. A representative of the Proponent will attend the stockholder meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent's concerns.

To schedule a dialogue, please contact me at
with a copy to

Please send all correspondence

Sincerely,

Lila Holzman
Energy Program Manager

Enclosures

- Shareholder Proposal
- Shareholder Authorization

cc:

Resolved: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing the risk of stranded assets related to environmental impacts of its petrochemical investments.

Supporting Statement: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

Whereas: Exxon's existing disclosures are insufficient to assure investors how the company can reconcile its petrochemical expansion plans with increasingly urgent global goals to mitigate certain environmental crises. Shareholders are concerned that Exxon's planned growth in petrochemicals, rather than reducing risk from climate change, will expose the company and its investors to stranded asset risk, as global action on environmental crises, including climate and plastic pollution, lead to reduced demand for its petroleum-based products.¹

Plastic pollution has become one of society's most intractable problems with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems.² A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing recycling infrastructure is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices.³ Industry response through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern.⁴ In response, Consumer Goods companies are increasingly looking to reduce reliance on virgin plastic.⁵

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December 8, 2020

Andrew Behar
CEO
As You Sow

Re: Authorization to File Shareholder Resolution

Dear Mr. Behar,

The undersigned ("Stockholder") authorizes *As You Sow* to file or co-file a shareholder resolution on Stockholder's behalf with the named Company for inclusion in the Company's 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. The resolution at issue relates to the below described subject.

Stockholder: Andrew Behar

Company: ExxonMobil Corporation

Annual Meeting / Proxy Statement Year: 2021

Subject: Report on Petrochemical Risks

The Stockholder has continuously owned over \$2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2021.

The Stockholder gives *As You Sow* the authority to address, on the Stockholder's behalf, any and all aspects of the shareholder resolution, including drafting and editing the proposal, representing Stockholder in engagements with the Company, entering into any agreement with the Company, and designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name in relation to the resolution.

The Stockholder further authorizes *As You Sow* to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

DocuSigned by:
ANDREW BEHAR
A1E21D06EE57E4E1

Name: ANDREW BEHAR

Title: Shareholder



VIA FEDEX & EMAIL

December 9, 2020

Mr. Stephen A. Littleton,
Secretary,
Exxon Mobil Corporation,
5959 Las Colinas Boulevard,
Irving, TX 75039-2298

RECEIVED

DEC 10 2020

S.M. ENGLANDE

Dear Mr. Littleton,

As You Sow is co-filing a shareholder proposal on behalf of the following ExxonMobil shareholder for action at the next annual meeting of ExxonMobil.

- Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner's

Shareholder is a co-filer of the enclosed proposal with Andrew Behar who is the Proponent of the proposal. *As You Sow* has submitted the enclosed shareholder proposal on behalf of Proponent for inclusion in the 2021 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. *As You Sow* is authorized to act on Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner's behalf with regard to withdrawal of the proposal.

A letter authorizing *As You Sow* to act on co-filer's behalf is enclosed. A representative of the lead filer will attend the stockholders' meeting to move the resolution as required.

To schedule a dialogue, please contact me at lholzman@asyousow.org. Please send all correspondence with a copy to shareholderengagement@asyousow.org.

Sincerely,

Lila Holzman
Energy Program Manager

Enclosures

- Shareholder Proposal
- Shareholder Authorization

cc:

December 8, 2020

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

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Company: ExxonMobil Corporation

Annual Meeting / Proxy Statement Year: 2021

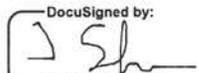
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The Stockholder further authorizes *As You Sow* to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

DocuSigned by:

E94366E5A8C24C3

Name: JEFFREY M SCHUBINER

Title: Shareholder

Resolved: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing the risk of stranded assets related to environmental impacts of its petrochemical investments.

Supporting Statement: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

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While Exxon reports that plastic products can help reduce global greenhouse gas (GHG) emissions,⁶ recent reports show that emissions across the petrochemical and plastics supply chain contribute significantly to climate change.⁷ For example, plastic disposal results in high levels of emissions through incineration or other end of life outcomes (these emissions are currently unaccounted for in Exxon's reporting). Research has found the plastic industry could use as much as 19 percent of earth's remaining carbon budget, jeopardizing chances of keeping global warming below 1.5 degrees Celsius.⁸

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¹² <https://apnews.com/article/technology-science-new-orleans-environment-louisiana-0a6353662b4b3019f0b83f577ab21df2>



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BERKELEY, CA 94704
UNITED STATES US

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CAD: 103055598/MET4280

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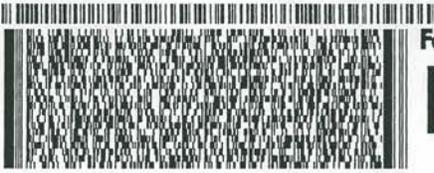
TO STEPHEN LITTLETON CORP SEC.
EXXON MOBIL CORPORATION
5959 LAS COLINAS BOULEVARD

IRVING TX 75039

(800) 243-9966
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Broussard, Jenifer L

From: Gail Follansbee
Sent: Thursday, December 10, 2020 8:38 AM
To: Littleton, Stephen A; Shareholder Relations /SM; Englande, Sherry M
Cc: Lila Holzman
Subject: ExxonMobil - Shareholder proposal - report on petrochemical risks
Attachments: 21.XOM.1 Lead_Petrochemicals filing docs pkg.pdf; 21.XOM.1 CoFilers_Petrochemicals - filing docs pkg.pdf

External Email - Think Before You Click

Dear Mr. Littleton,

Attached please find filing documents submitting a shareholder proposal for inclusion in the company's 2021 proxy statement. A paper copy of these documents was sent by FedEx yesterday, Wednesday 12/9 and will be received at your office today, Thursday 12/10.

It would be much appreciated if you could please confirm receipt of this email.

Thank you very much,
Gail

Gail Follansbee (she/her)
Coordinator, Shareholder Relations
As You Sow



VIA FEDEX & EMAIL

December 9, 2020

Mr. Stephen A. Littleton,
Secretary,
Exxon Mobil Corporation,
5959 Las Colinas Boulevard,
Irving, TX 75039-2298

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A letter from the Proponent authorizing *As You Sow* to act on its behalf is enclosed. A representative of the Proponent will attend the stockholder meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent’s concerns.

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Sincerely,

Lila Holzman
Energy Program Manager

Enclosures

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- Shareholder Authorization

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Plastic pollution has become one of society's most intractable problems with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems.² A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing recycling infrastructure is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices.³ Industry response through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern.⁴ In response, Consumer Goods companies are increasingly looking to reduce reliance on virgin plastic.⁵

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December 8, 2020

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Mr. Behar,

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Annual Meeting / Proxy Statement Year: 2021

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The Stockholder further authorizes *As You Sow* to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

DocuSigned by:

AE21D05EE57E4E1

Name: ANDREW BEHAR

Title: Shareholder



VIA FEDEX & EMAIL

December 9, 2020

Mr. Stephen A. Littleton,
Secretary,
Exxon Mobil Corporation,

Dear Mr. Littleton,

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To schedule a dialogue, please contact me at
with a copy to

Please send all correspondence

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Energy Program Manager

Enclosures

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⁷ <https://www.ciel.org/wp-content/uploads/2019/05/Plastic-and-Climate-FINAL-2019.pdf>

⁸ https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf

Exxon's disclosures indicate the company is continuing to invest in expensive petrochemical-related infrastructure with increasing risk of stranding,⁹ as plastic demand growth is likely to slow due to government and consumer action to reduce its use. Furthermore, planned infrastructure in the Gulf Coast Plastics Production Corridor, where catastrophic weather events associated with climate change occur frequently,¹⁰ risk hazardous emissions releases harmful to human health, and community opposition to petrochemical projects is growing.¹¹ Already, similar projects have stalled or lost value.¹²

Shareholders seek to understand if, and how, Exxon is reducing the risk of stranded assets of its petrochemical-based investments as the global response to climate and plastic pollution intensifies. The energy and petrochemical sectors must play a critical role in mitigating environmental impacts related to plastic manufacturing, use, and disposal.

⁹ <https://corporate.exxonmobil.com/energy-and-environment/where-we-work/growing-the-gulf/20-billion-gulf-investment-to-create-tens-of-thousands-of-high-paying-jobs#beaumont>

¹⁰ <https://planet-tracker.org/tracker-programmes/materials/plastics/#stormy-outlook>

¹¹ <https://www.npr.org/sections/health-shots/2020/08/28/906822940/millions-of-pounds-of-extra-pollution-were-released-before-laura-made-landfall>

¹² <https://apnews.com/article/technology-science-new-orleans-environment-louisiana-0a6353662b4b3019f0b83f577ab21df2>

December 8, 2020

Andrew Behar
CEO
As You Sow

Re: Authorization to File Shareholder Resolution

Dear Mr. Behar,

The undersigned ("Stockholder") authorizes *As You Sow* to file or co-file a shareholder resolution on Stockholder's behalf with the named Company for inclusion in the Company's 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. The resolution at issue relates to the below described subject.

Stockholder: Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner

Company: ExxonMobil Corporation

Annual Meeting / Proxy Statement Year: 2021

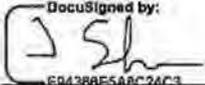
Subject: Report on Petrochemical Risks

The Stockholder has continuously owned over \$2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2021.

The Stockholder gives *As You Sow* the authority to address, on the Stockholder's behalf, any and all aspects of the shareholder resolution, including drafting and editing the proposal, representing Stockholder in engagements with the Company, entering into any agreement with the Company, and designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name in relation to the resolution.

The Stockholder further authorizes *As You Sow* to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

DocuSigned by:

E04388E5A8C24C3

Name: JEFFREY M SCHUBINER

Title: Shareholder

Broussard, Jenifer L

From: Broussard, Jenifer L on behalf of Shareholder Relations /SM
Sent: Thursday, December 17, 2020 10:48 AM
To:
Cc:
Subject: Shareholder Proposal: Report on Risks of Petrochemical Investment
Attachments: 2021_Petrochemical Investments_Behar_Ack Letter_SIGNED.pdf; Attachments_SEC Rule 14a-8_SLB 14_July-13-2001 (\$2000 market value stoc..._.pdf; Attachments_SEC Rule 14a-8_Apr-1-2013 and SLB 14F_Oct-18-2011.pdf

Dear Ms. Holzman,

Please see attached, sent on behalf of Stephen Littleton.

Thank you.

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

Stephen A. Littleton
Vice President, Investor Relations
and Secretary

ExxonMobil

VIA EMAIL

December 17, 2020

Ms. Lila Holzman
Energy Program Manager
As You Sow

Dear Ms. Holzman:

This will acknowledge receipt of the proposal concerning a Report on Risks of Petrochemical Investment (the "Proposal"), which you have submitted on behalf of Andrew Behar (the "Proponent") in connection with ExxonMobil's 2021 annual meeting of shareholders. However, proof of share ownership was not included with your December 9, 2020, 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 9, 2020, 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 9, 2020.

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 9, 2020; 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 9, 2020.
- 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 9, 2020. 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 9, 2020, 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 _____ or by email to _____

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.

Lila Holzman
Page 4

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Steph Chittin".

SAL/tlb

Enclosures



VIA EMAIL

December 18, 2020

Ms. Lila Holzman
Energy Program Manager
As You Sow
2150 Kittredge St. Suite 450
Berkeley, CA 94704

Dear Ms. Holzman:

This will acknowledge receipt of your letter indicating that you wish to co-file on behalf of Jeffrey M Schubiner INH IRA, Bene of Lorraine Schubiner's (the "Co-filer"), the proposal previously submitted by Andrew Behar (the "Proponent") concerning a Report on Risks of Petrochemical Investments (the "Proposal") in connection with ExxonMobil's 2021 annual meeting of shareholders. However, proof of share ownership was not included with your December 9, 2020, submission.

In order to be eligible to submit a shareholder proposal, Rule 14a-8 (copy enclosed) requires a co-filer 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 as of the date the shareholder proposal was submitted. For this Proposal, the date of submission is December 9, 2020, which is the date the Proposal was received electronically by email.

The Co-filer does not appear in our records as a registered shareholder. Moreover, to date we have not received proof that the Co-filer has satisfied these ownership requirements. To remedy this defect, the Co-filer must submit sufficient proof verifying their continuous ownership of the requisite number of ExxonMobil shares for the one-year period preceding and including December 9, 2020.

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

- a written statement from the "record" holder of the Co-filer's shares (usually a broker or a bank) verifying that the Co-filer continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 9, 2020; or
- if the Co-filer 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 Co-filer'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 Co-filer continuously held the requisite number of ExxonMobil shares for the one-year period.

If you intend to demonstrate ownership by submitting a written statement from the "record" holder of your 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 Co-filer 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 may be 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 Co-filer's broker or bank is a DTC participant, then the Co-filer needs to submit a written statement from its broker or bank verifying that the Co-filer continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 9, 2020.
- If the Co-filer's broker or bank is not a DTC participant, then the Co-filer needs to submit proof of ownership from the DTC participant through which the securities are held verifying that the Co-filer continuously held the requisite number of ExxonMobil shares for the one-year period preceding and including December 9, 2020. The Co-filer should be able to find out who this DTC participant is by asking the Co-filer's broker or bank. If the Co-filer's broker is an introducing broker, the Co-filer may also be able to learn the identity and telephone number of the DTC participant through the Co-filer's account statements because the clearing broker identified on the Co-filer's account statements will generally be a DTC participant. If the DTC participant that holds the Co-filer's shares knows the Co-filer's broker's or bank's holdings, but does not know the Co-filer's holdings, the Co-filer 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 9, 2020, the required amount of securities were continuously held – one from the Co-filer's broker or bank, confirming the Co-filer'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:

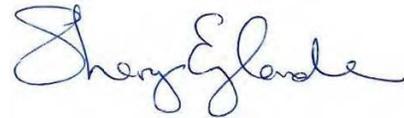
- identify the shareholder-proponent and the person or entity selected as proxy;
- identify the company to which the proposal is directed;
- identify the annual or special meeting for which the proposal is submitted;
- identify the specific proposal to be submitted (e.g., proposal to lower the threshold 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 _____ by email to _____

In light of the SEC Staff Legal Bulletin No. 14F dealing with Co-filers of shareholder proposals, it is important to ensure that the Proponent, Andrew Behar, has clear authority to act on behalf of all Co-filers, including with respect to any potential negotiated withdrawal of the Proposal. Unless the Proponent 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 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.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sherry Eglar". The signature is written in a cursive style with a large initial "S".

SME/tlb

Enclosures

Broussard, Jenifer L

From: Lila Holzman
Sent: Friday, December 18, 2020 2:32 PM
To: Broussard, Jenifer L
Cc: Joshua Romo
Subject: RE: ExxonMobil Would Like to Schedule a Teleconference to Discuss Your Shareholder Proposal re Report on Risks of Petrochemical Investments

Categories: External Sender

External Email - Think Before You Click

Jenifer,
Good to hear from you and thank you for providing these options. The Wednesday 1/13 and Friday 1/15 options both look good, with a slight preference for the Friday option.
Would you like to go ahead and send out a calendar invitation or would you like me to?
Thank you,
Lila

Lila Holzman
Energy Program Manager
As You Sow

From: Broussard, Jenifer L
Sent: Thursday, December 17, 2020 10:49 AM
To: Lila Holzman
Subject: ExxonMobil Would Like to Schedule a Teleconference to Discuss Your Shareholder Proposal re Report on Risks of Petrochemical Investments

Dear Ms. Holzman,

We hope that this email finds you well. Stephen Littleton would like to schedule a call to discuss your proposal regarding a report on risks of petrochemical investments for inclusion in the 2021 Proxy Statement. We would like for Mr. Andrew Behar, as proponent, to participate in the engagement as well.

Below you will find suggested date/time (Central Time) slots. We plan for the call to be no longer than 50 minutes. We believe proponent engagement is important and value your perspective on this proposal, so we appreciate your willingness to meet. Please respond to Jenifer Broussard at _____ with your preferred timing as soon as convenient.

Wednesday, 1/13/2021
4:00-4:50PM

Friday, 1/15/2021

11:30AM-12:20PM

Monday, 1/18/2021

11:00-11:50AM

We look forward to talking with you soon.

Kind Regards,

Jenifer L. Broussard
Shareholder Relations Team
Exxon Mobil Corporation

Englande, Sherry M

From: Shareholder Engagement
Sent: Monday, December 21, 2020 10:37 AM
To: Bates, Tamara L; Lila Holzman
Subject: Re: ExxonMobil 2021 Co-Filer Acknowledgement Letter

Categories: External Sender

External Email - Think Before You Click

Hello Tamara,

Confirming receipt of this Deficiency notice. We will respond within 14 days of receipt of this notice, so by 1/1/21- New Year's Day..

Best,
Gail

Gail Follansbee (she/her)
Coordinator, Shareholder Relations
As You Sow

From: "Bates, Tamara L"
Date: Friday, December 18, 2020 at 1:36 PM
To: Lila Holzman, Shareholder Engagement
Subject: ExxonMobil 2021 Co-Filer Acknowledgement Letter

Sent on Behalf of Sherry M. Englande

Dear Ms. Holzman,

Please see the attached acknowledgement letter concerning your co-filer status.

Regards,

Tamara L. Bates
ESG Engagement Analyst
Investor Relations