

Reduce Greenhouse Gas Emissions 2015

WHEREAS:

The 2014 *Synthesis Report* of the Intergovernmental Panel on Climate Change (IPCC) warns that continued greenhouse gas (GHG) emissions and subsequent global warming will have “severe, pervasive and irreversible impacts for people and ecosystems.” The *Risky Business* report forecasts significant economic costs to agriculture, labor productivity, and property.

To mitigate the worst impacts of climate change and limit warming to below 2°C, as agreed in the Copenhagen Accord, the IPCC estimates that a fifty percent reduction in GHG emissions globally is needed by 2050, relative to 1990 levels.

Climate regulations are already here. In the United States, President Obama recently committed to reduce emissions 26-28% by 2025; and EPA Fuel Efficiency Standards require autos to average 54.5 MPG by 2025, calling for a new generation of low-carbon fuels. EU countries pledged to reduce emissions by 40% below 1990 levels by 2030. China, seen as the primary driver of future global demand for oil, made a commitment to peak its carbon emissions by 2030. These initial commitments foreshadow the global climate treaty to be negotiated in Paris in December 2015.

A business plan with clear GHG reduction goals will strengthen ExxonMobil’s competitive position, protect shareholder value, and effectively manage climate risk. Sixty percent of Fortune 100 companies have set GHG reduction goals or renewable energy targets. CDP, which represents 767 institutional investors holding \$92 trillion in assets, found that of the 386 companies in the S&P 500 that report to CDP, 79% earn a higher return on their carbon reduction investments than on their overall corporate capital investments.

We believe the failure of ExxonMobil’s management to set public goals has impacted the company’s ability to reduce overall emissions: between 2011 and 2013, ExxonMobil’s emissions increased 3.7%, even as production fell 6.1%. ExxonMobil’s long-standing strategy of setting an internal price of carbon has not led to emissions reductions. As ExxonMobil itself notes, proper management of environmental performance requires that “key strategies and objectives” be established and that “results are regularly stewarded against prior commitments.”

Nearly 90% of ExxonMobil’s GHG emissions are associated with the combustion of its products. A strategy to manage climate risk that does not limit GHG emissions from its products is incomplete.

The evolution of ExxonMobil’s management strategy in response to the severity of the climate crisis has been wholly inadequate. We urge the company to create a disciplined business strategy with goals to reduce GHG emissions.

RESOLVED: Shareholders request that the Board of Directors adopt quantitative goals for reducing total greenhouse gas emissions from the Company's products **and** operations; and that the Company report to shareholders by November 30, 2015, on its plans to achieve these goals. Such a report will omit proprietary information and be prepared at reasonable cost.

Co-filers

American Baptist Home Mission Society; Benedictine Sisters of Baltimore - Emmanuel Monastery; Benedictine Sisters of Virginia; Brainerd Foundation; Carol Masters; Christian Brothers Investment Services; Congregation of St. Joseph of La Grange Park, IL; Congregation of the Sisters of St. Joseph of Chestnut Hill; Congregation of Sisters of St. Joseph of Nazareth MI; Convent Academy of the Incarnate Word; Dignity Health; Dominican Sisters of Hope; Dominican Sisters of San Jose; Ellen Sarkisian; Glenmary Home Missioners; Maryknoll Sisters; Mercy Health; Mercy Investment Services; Missionary Oblates of Mary Immaculate; Oneida Tribe of Indians Trust Fund for the Elderly; Peter O'Neill; Presbyterian Church USA; Saint Joseph Health System; School Sisters of Notre Dame; Sisters of Charity of St. Elizabeth; Sisters of Charity of St. Vincent DePaul of NY; Sisters of Our Lady of Christian Doctrine; Sisters of Providence, Mary Joseph Province; Sisters of St. Dominic of Amityville; Sisters of St. Dominic of Blauvelt; Sisters of St. Dominic of Caldwell, NJ*; Sisters of St. Dominic of San Rafael; Sisters of St. Francis of Philadelphia; Sisters of St. Joseph of Orange; Sisters of St. Joseph of Peace; Sisters of the Holy Cross; Sisters of the Holy Family, CA; Sisters of the Holy Name of Jesus and Mary (Congregation des Soeurs des Saints Nom de Jesus et de Mary); Sisters of the Holy Name of Jesus and Mary US Ontario Province; State of Connecticut; Trinity Health; Unitarian Universalist Service Committee; United Church Funds; United Methodist Church; Ursuline Sisters of Tildonk; Vermont Pension Investment Committee; Walden Asset Management

* lead filer