The Advancing Climate Solutions - 2022 Progress Report, formerly the Energy & Carbon Summary, outlines ExxonMobil’s commitment to driving emission reductions in support of a net-zero future.

The move to a lower-emission future requires multiple solutions that can be implemented at scale to address some of the highest-emitting sectors of the economy. This is where we are focused, leveraging our experience and long history of meeting vast, complex challenges.

**INNOVATIVE SOLUTIONS MEETING SOCIETY’S NEEDS, DELIVERING VALUE**

ExxonMobil leverages its core capabilities to meet society’s needs for products essential for modern life, while addressing the challenge of climate change. Our strategy uses our advantages in scale, integration, technology and people to build globally competitive businesses that lead industry in earnings and cash flow growth across a broad range of scenarios. We plan to play a leading role in the energy transition, while retaining investment flexibility across a portfolio of evolving opportunities to maximize shareholder returns.

Our focus areas include: driving industry-leading safety and reliability; lowering greenhouse gas emission intensity; developing and sustaining lowest cost of supply through aggressive management of cost and capital efficiency; improving the mix and resiliency of our asset and product portfolios with industry-advantaged technology and investments along with targeted divestments; and engineering new approaches and breakthroughs to reduce cost and accelerate large-scale deployment of lower-emission opportunities.

For more than 130 years, we’ve been a leader in innovation, supplying products people need to live healthy, prosperous lives in an ever-changing world. We’re committed to continuing to provide these critical products, working toward the goals of the Paris Agreement, and creating value for all stakeholders.

**NET-ZERO AMBITION**

ExxonMobil aims to achieve net-zero emissions from its operated assets by 2050 and is taking a comprehensive approach centered on developing detailed emission-reduction roadmaps for major operated assets. This ambition applies to Scope 1 and Scope 2 greenhouse gas emissions. It builds on the Company’s 2030 emission-reduction plans, which include plans to reach net-zero emissions in our Permian Basin operations by 2030, and ongoing investments in lower-emission solutions, including carbon capture and storage, hydrogen and biofuels.
ACCELERATING EMISSIONS REDUCTIONS

Our 2030 emission-reduction plans are consistent with Paris-aligned pathways, the U.S. and European Union’s Global Methane Pledge, and the U.S. Methane Emissions Reduction Action Plan. Compared to 2016 levels, these plans are expected to achieve:

- 20-30% reduction in corporate-wide greenhouse gas intensity and an absolute reduction of approximately 20% (or approximately 23 million metric tons).
- 40-50% reduction in upstream greenhouse gas intensity and an absolute reduction of approximately 30% (or approximately 15 million metric tons).
- 70-80% reduction in corporate-wide methane intensity.
- 60-70% reduction in corporate-wide flaring intensity.

These plans are also expected to achieve World Bank Zero Routine Flaring by 2030. Similarly, absolute flaring and methane emissions are expected to decrease by 60% and 70%, respectively. These emission-reduction plans cover Scope 1 and Scope 2 emissions from assets the Company operates. For non-operated assets, the Company works with its equity partners to advance greenhouse gas reductions to achieve comparable results.

INVESTING $15 BILLION IN LOWER-EMISSION OPPORTUNITIES

Over the next six years, we plan to invest more than $15 billion on initiatives to lower greenhouse gas emissions. A significant share is focused on scaling up carbon capture and storage, hydrogen and biofuels. Stronger policy further accelerates development and deployment of lower-emission technologies, and would provide ExxonMobil additional investment opportunities to reduce greenhouse gas emissions. The Company’s robust research and development process, continued evaluation of emerging technologies, and global collaborations will be key to identifying and growing lower-emission opportunities.

ADVOCATING FOR SUPPORTIVE POLICIES

Sound government policies are needed to accelerate the deployment of key technologies at the pace and scale required to support a net-zero future. Supportive policies can provide direct investment and incentives in the same way they have accelerated growth for wind, solar and electric vehicles. We have long supported an explicit price on carbon to establish market incentives and provide the stability required for investments. In the absence of economy-wide carbon-pricing systems, well-designed, sector-based policy options to drive innovation and investment could also be an effective way to reduce emissions. We’ve also played a leadership role in advocating for high-impact policies to reduce methane emissions from oil and gas operations while implementing methane-reducing technologies and processes in our operations.

RESILIENT UNDER NET-ZERO PATHWAYS

This report includes an analysis of ExxonMobil’s business and investment portfolio under the International Energy Agency’s (IEA) Net Zero Emissions by 2050 (NZE) scenario. The scenario illustrates the dramatic societal changes and massive levels of investment required – in a very short period of time – to achieve net-zero emissions by 2050. Although governments are not implementing changes at the level and pace assumed in the IEA NZE scenario, the detailed assumptions contained in the report enable us to further test the resiliency of our businesses and strategy. The IEA’s assumptions demonstrate the significant role ExxonMobil can play in the transition and the growth potential for chemicals, low-emission fuels, carbon capture and storage, and hydrogen. ExxonMobil is positioned to successfully compete in these businesses by leveraging its capabilities and repurposing assets. Throughout the modeled period, IEA NZE’s assumed carbon price supports attractive investments in key growth areas that drive increases in cash flow. The Company’s core capabilities, experience and advantages in scale, integration, technology, project execution and people would remain critical success factors in this assumed transition path. As the energy system evolves, ExxonMobil will continue to test the resiliency of its business strategy to ensure the Company can deliver shareholder value across a wide range of future scenarios.