ExxonMobil has a robust governance framework designed to identify, manage and oversee risks and opportunities associated with its business and enable the Board and management to exercise oversight responsibilities.

ExxonMobil’s Board of Directors oversees and provides guidance on the Company’s strategy and planning, which include opportunities and risks related to climate change and the energy transition. Directors engage with experts from inside and outside the Company and apply their individual experience and perspective to guide the Company’s capital-allocation priorities with a focus on growing shareholder value and playing a leading role in the transition to a lower-emission future. The independent lead director plays a key role in these engagements and, in consultation with the Chairman, develops Board meeting agendas.

The Management Committee, including the Chief Executive Officer, provides leadership in managing strategic risks and regularly reviews and assesses safeguards and mitigation plans.

**ASSESSING CLIMATE RISK**

The Board, with recommendations from the Public Issues and Contributions Committee (PICC), routinely reviews the Corporation’s environmental approach and performance. This includes briefings with internal and external subject-matter experts on scientific and technical research, public policy positions, greenhouse gas emission-reduction performance, and new technology developments. As part of the business planning process, the Board meets to discuss technology deployment within the business lines and research on new technology to further Scope 1 and Scope 2 emission reductions for ExxonMobil’s operated assets. Throughout the year, the Board also considers multiple potential scenarios as it deliberates Company strategy and capital allocation, and reviews assumptions and sensitivities in testing projects and investments for resiliency across a range of potential outcomes. Informed by this transparency into Company processes, and after discussion and dialogue with ExxonMobil management, the Board exercised its oversight in finalizing the Company’s plans through 2027 that included significantly increasing investments to more than $15 billion over the next six years on lower-emission initiatives. In addition, independent directors engage directly with shareholders to gather insights and share perspectives on issues of importance to the Company, including discussions regarding the risks and opportunities related to climate change.

The Board regularly reviews the strategy and plans for each business, including the key role of technology in mitigating greenhouse gas emissions. The Board's guidance focuses on ensuring each business is well positioned to deliver shareholder value across a wide range of future scenarios.
The Board also uses its committees to oversee a broad spectrum of interrelated risks and opportunities to grow shareholder value, with each committee incorporating aspects of climate-related risks within their purview.

**The Public Issues and Contributions Committee** oversees operational risks associated with safety, security, health, and environmental performance including actions taken to address climate-related risks; lobbying activities and expenditures; and community engagement.

**The Finance Committee** oversees risks associated with the Company’s capital structure, and capital allocation, including actions to enhance resiliency.

**The Audit Committee** oversees ExxonMobil’s overall risk management approach and structure, which is applied to risks related to climate change, among other business risks.

**The Board Affairs Committee** oversees matters of corporate governance, including Board transition and refreshment.

**The Compensation Committee** reviews executive compensation, which is aligned with the long-term interests of shareholders and requires careful consideration of current and future risks, such as those related to climate change.

“Like other committees, the PICC is able to work on key issues in greater detail than possible by the full Board. The PICC plays a central role in the Board’s governance, especially on matters related to climate risk. My experience as an atmospheric scientist and chair of the PICC is complemented by the other member directors who bring expertise in running large complex organizations, strategy development, technology, and research. We share a commitment to see ExxonMobil establish a leadership position among industry in advancing a lower-emissions future and addressing the risks related to climate change.”

— DR. SUSAN AVERY
CHAIR OF THE PUBLIC ISSUES AND CONTRIBUTIONS COMMITTEE