CA100+ Oct 2022 Rating

- ExxonMobil October 2022 Assessment
- EM received "partial" or "does not meet criteria" categorization on 8 out of 10 assessed indicators.
- Table explains our view on why CA100+ and ExxonMobil are misaligned on rating categorizations.

CA 100+ Indicator	CA100+ Indicator Description	CA100+ Assessment	ExxonMobil View	ACS Page
CA100+ assessment is aligned				
Governance / TCFD	Indicator 8: Climate Governance Indicator 10: TCFD Disclosure	Company meets all criteria	Company meets all criteria	53–56 93
CA100+ assessment is not accurate				
Expect to achieve	Indicator 3: Medium-term (2026 to 2035) GHG emissions target(s)	CA100+'s view is that the company's emissions target does not represent an "unequivocal commitment." These reductions are viewed as "a knock-on effect of planned actions" and "too vague." New 2030 emission reduction plans were acknowledged; however, it was unclear whether they cover company-wide operations, and they are described as expectations, rather than targets. Thus, the conclusion is that the targets do not cover at least 95% of our total Scope 1 and 2 emissions.	In March 2022, CA100+ recognized ExxonMobil's 2030 emission-reduction plans as meeting their indicator for medium-term goals. CA100+ changed their most recent assessment despite our continued progress. We believe our 2030 emission-reduction plans meet the indicator by covering more than 95% of our total operated Scope 1 and 2 emissions. We can also confirm that our 2030 plans apply to all of our operated assets, corporate-wide. For sites operated by others, we work with our equity partners to advance greenhouse gas reductions to achieve comparable results. The actions needed to advance the company's 2030 greenhouse gas emission-reduction plans are incorporated into our medium-term business plans, which are updated annually, demonstrating our commitment to reducing emissions. We further demonstrated our commitment to reducing emissions intensity by consistently achieving our emission-reduction goals, including our 2025 plans that were met four years ahead of plan. We built upon this success with more aggressive 2030 plans that support our 2050 net-zero ambition. In addition, the meaningful emissions intensity reductions we expect moving forward are backed by comprehensive roadmaps for our major operated assets around the world.	6, 10-20, 87-88

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Target delivery	Indicator 5: Decarbonization strategy	CA100+'s view is that the company did not identify the set of actions it intends to take to achieve its reduction targets.	We have established a specific set of actions to achieve our 2030 emission-reduction plans, which support our net-zero by 2050 ambition. The actions to reduce our greenhouse gas emissions intensity are publicly provided in our Advancing Climate Solutions Report and in other stakeholder communications. We believe these actions are more than sufficient to meet the requirements of CA100+'s benchmark. Our actions to reduce emissions through 2030 include: • Achieving net-zero Scope 1 and 2 greenhouse gas emissions in our Permian Basin unconventional operated assets. • Deploying carbon capture and storage, hydrogen, and lower-emission fuels in our operations. • Further reducing methane emissions at operated assets in alignment with the Global Methane Pledge and the Oil & Gas Climate Initiative's Aiming for Zero initiative by deploying best practices and advanced technologies, including satellite, aerial and ground-sensor networks. • Further reducing flaring in upstream operations to meet the World Bank Zero Routine Flaring Initiative, which mitigates methane and greenhouse gas emissions. • Integrating lower greenhouse gas energy sources into our facilities, for example through long-term renewable power purchase agreements and equipment electrification. • Improving energy efficiency in our businesses by adapting operational and maintenance processes, such as improving furnace efficiency. • Substituting blue hydrogen for natural gas to reduce emissions from our manufacturing operations. We are working to continuously improve our performance, methods to detect and address emissions, as well as our measurement of emissions, with the aim to lower our emissions in support of our greenhouse gas emissions plans.	8-20, 57-77

CA 100+ Indicator	CA100+ Indicator Description	CA100+ Assessment	ExxonMobil View	ACS Page
CA100+ assessment is not relevant				
Target delivery	Indicator 1: Net-zero GHG Emissions by 2050 (or sooner) ambition Indicator 2: Long-term (2036-2050) GHG emissions target(s) Indicator 3: Medium-term (2026 to 2035) GHG emissions target(s) Indicator 4: Short-term (2022 to 2025) GHG emissions target(s) Indicator 5: Decarbonization strategy (Target Delivery)	CA100+'s view is that the company "does not explicitly commit" to align capital expenditure plans with long-term GHG reduction targets OR to phase out planned expenditures in unabated carbon intensive assets or products. The company also "does not explicitly commit" to align capital expenditure plans with the Paris Agreement's objective of limiting global warming to 1.5° Celsius and to phase out investment in unabated carbon intensive assets or products. CA100+ relies on Carbon Tracker's methodology of equating the IEA's Net-Zero Emissions by 2050 Scenario's general demand assumptions to emission reductions by reducing production on a hypothetical least cost basis. Per Carbon Tracker: "ConocoPhillips, a shale specialist, is the oil major most exposed, facing a drop of 69%, followed by Chevron (52%), Eni (49%), Shell (44%), BP (33%), ExxonMobil (33%), and TotalEnergies (30%). Saudi Aramco is the only one of the world's largest oil and gas companies that would see increased production because of its large spare capacity from existing fields."	We do not believe this indicator is appropriate. Informed by Carbon Tracker's methodology, this indicator disregards the growing need for reliable, affordable energy around the world and mandates that companies reduce oil and natural gas production by 50% by 2030 to align with the IEA Net Zero Emissions by 2050 Scenario, despite the IEA's recognition that the world is on a pathway consistent with its Stated Policies Scenario (STEPS). Carbon Tracker's analysis views production cuts as the only way to achieve emission goals and does not consider the critical technologies that the IEA and the IPCC have stated are needed to reach the goals of the Paris Agreement, including carbon capture and storage, hydrogen, and biofuels. A production-cut analysis that does not take into account demand considerations, energy security and affordability, geopolitical realities and technological development is the wrong planning basis for evaluating companies' progress in supporting the goals of Paris and meeting the needs of society. We suggest that ESG raters and rankers accept and embrace the benefits of all technologies with the potential to help achieve a lower-emissions future. We retain flexibility within our portfolio so we can adjust our capital expenditures to changing market conditions and the pace of the energy transition. Tying our capital plans to any single variable or third-party scenario would reduce optionality and adaptability, potentially limiting our ability to meet the energy needs of society while supporting the goals of the Paris Agreement. Through 2027, we plan to invest approximately $17 billion on initiatives to lower greenhouse gas emissions. A significant share is focused on reducing others' emissions through commercializing and scaling carbon capture and storage, hydrogen, and biofuels. To drive investment and deploy these technologies at the pace and scale needed for a net-zero future, governments must establish durable regulatory and legal frameworks as well as incentives, similar to those available for more established lower-emission technologies such as solar and wind. For example, the U.S. Congress recently passed the Inflation Reduction Act (IRA), which provides some of the government support described in this document. We're making real progress. In 2022, we signed the largest-of-its-kind commercial agreement with CF Industries in Louisiana to capture and permanently store CO_2. We're advancing our Baytown hydrogen project, which includes a large-scale carbon capture and storage component. Our advanced recycling operation, also in Baytown, the largest facility in North America, is expected to start up in December 2022.	6, 10-20, 57-77

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Scope 3 / Planning for Paris-aligned 1.5°C scenario (IEA NZE)	Indicator 6: Capital alignment	CA100+'s view is that the company's net-zero GHG emissions ambition does not cover Scope 3 GHG emissions categories for the company's sector, where applicable. In addition, the company has not set a Scope 3 GHG emissions target. The company's latest disclosed GHG emissions intensity figure is not viewed as being aligned with the goal of limiting global warming to 1.5°C. CA100+ relies on Carbon Tracker's straight line least cost methodology to determine alignment with 1.5°C.	We do not believe this indicator is appropriate. Scope 3 targets have unintended consequences. For example, Scope 3 targets do not address the causes of emissions and ultimately may be counterproductive in reaching the goals of the Paris Agreement. A narrow focus on Scope 3 risks limiting supply when these energy sources will clearly continue to be essential, potentially leading to shortages, regressive inflationary pressure, or an increase in societal greenhouse gas emissions because some may resort to more carbon carbon-intense alternatives. On the other hand, for an integrated oil and natural gas company, a full life-cycle approach allows for a more meaningful view of a company's progress and contributions to society across products and industries. To demonstrate this approach, we have modeled and disclosed the expected full life-cycle emission reductions associated with our 2030 plans (18% reduction in absolute and 6% reduction in intensity versus 2016).	6, 10-20, 29-33, 43-47, 57-77
Paris Agreement-aligned climate lobbying	Indicator 7: Climate policy engagement	CA100+'s view is that the company does not have a Paris Agreement-aligned climate lobbying position. The company does not have a specific commitment/position statement to conduct all of its lobbying in line with the goals of the Paris Agreement. The company does not list its climate-related lobbying activities, e.g. meetings, policy submissions, etc. The company does not have a specific commitment to ensure that the trade associations the company is a member of lobby in line with the goals of the Paris Agreement.	In early 2022, we published two new reports on lobbying and climate lobbying, which were developed with guidance from the Environment, Safety and Public Policy Committee (ESPP) and reflect input from a range of ExxonMobil's investors. These reports detail expenditures associated with our direct lobbying, grassroots lobbying and lobbying conducted in the U.S. by third-party organizations. In addition, the Climate Lobbying Report provides our assessment of the alignment of more than 50 key trade organizations with supporting policies that will help society achieve its ambition for a net-zero future. Feedback and public comments from our shareholders indicate that these reports are perceived to be among the best in class. ExxonMobil has been supportive of the goals of the Paris Agreement since its inception, and we have consistently and actively voiced support for the U.S. participation in the agreement with government officials and others. While it would be impractical to expect perfect alignment between our policy positions and those of every trade association, we strongly encourage our trade associations to support initiatives that we believe in, including the goals of the Paris Agreement and cost-effective, technology neutral emission-reduction policies that will help achieve a net-zero future. In assessing trade association memberships and any perceived policy misalignments, we consider potential risks related to shareholder relations, legal, financial and corporate reputation, and we reserve the right to initiate, sustain or withdraw support for an organization at any time.	83-86; Climate Lobbying Report