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**The Tri-State Coalition for Responsible Investment expresses concern about President-Elect Trump's nomination of ExxonMobil CEO Rex Tillerson for the position of the Secretary of the State Department.**

The President-Elect, all Cabinet nominees, and the new Administration must be committed to respect for human rights, equality and social inclusion, and mitigation of climate change. It is important that our country and the business community build on the progress that has been made to attend to fair and quality housing, responsible and just financial practices, protection of federal lands, quality of water, food and air, access to affordable healthcare, and protections for workers in the global supply chain.

Following four decades of investor engagement with ExxonMobil, investors are concerned about Mr. Tillerson's recent nomination to lead the State Department. During his eleven-year tenure as Chairman and CEO of ExxonMobil, he [expressed opposition](#) to the low-carbon transition and resisted the urgency of corporate action to address climate change throughout business operations. ExxonMobil's relentless push for new oil and gas reserves flies in the face of climate science. ExxonMobil has opposed strong climate policy and maintains membership in the U.S. Chamber of Commerce and the American Legislative Exchange Council (ALEC), trade associations which oppose policy action to address climate change and drive the climate denier narrative in Congress and the United States.

There have been some helpful steps at ExxonMobil, for example in acknowledging the Paris Climate Agreement, their efforts to reduce greenhouse gas emissions in their operations, and their offer of a revenue-neutral carbon tax as a policy option. Yet, as one of the highest polluting companies in the country, they have failed to lead the transition to a low-carbon economy at the pace required to mitigate the worst impacts of climate change. At the 2016 Annual General Meeting, ExxonMobil opposed our [shareholder resolution](#) calling on the company to acknowledge the moral imperative to limit global warming to 2 °C. In its opposition, ExxonMobil stated that it produces energy to help lift people out of poverty. However, its business as usual trajectory of high-carbon energy

production will contribute to warming in excess of 2 °C, which will have detrimental impacts throughout the world, most adversely impacting vulnerable populations who are least responsible for climate change. We find this perspective on climate justice particularly problematic given the role of the Secretary of State in advancing the international development agenda of the United States.

We are also concerned about potential conflicts of interest related to ExxonMobil's business activities, including exploration of oil in Russia or other countries where ExxonMobil has reserves or is exploring reserves. ExxonMobil may have business interests that are at odds with the sanctions in place against Russia, which were adopted as a result of Russia's human rights abuses. Our concerns about Mr. Tillerson's ties with Russia are heightened by the possible interference with the U.S. electoral process. Potential conflicts with the diplomatic priorities of the United States and the business interests of ExxonMobil may impact Mr. Tillerson's ability to act in the best interests of the United States.

We understand the important role of the State Department in addressing trafficking in persons, protection of workers in the global supply chain, and women's rights, issues that impact companies in our investment portfolios in a meaningful way. We are concerned about Mr. Tillerson's lack of experience related to human rights, women's rights, and democracy.

We therefore encourage the Senate to undertake a robust examination of these issues in the confirmation hearings to ensure that the incoming Secretary of State is well-positioned to advance a national agenda that favors strong action and leadership on climate change, with particular attention to the needs of the world's most vulnerable populations.

### **About the Tri-State Coalition for Responsible Investment**

Founded in 1975, the Tri-State Coalition for Responsible Investment (Tri-State CRI) is a membership organization composed of Roman Catholic religious orders, dioceses and institutions primarily in the New York Tri-State area. Believing that investors' fiduciary duty goes beyond achieving financial results, our members strive to align the mission of their investments with Catholic Social Teaching to create a more just and sustainable world. Through collaboration with the Interfaith Center on Corporate Responsibility, a coalition of 300 institutional investors, Tri-State CRI members are empowered to use their voice as shareholders to engage corporations on social, environmental and governance issues and promote corporate social responsibility.