



CONTACT:

Susana McDermott

ICCR Director of Communications

212-870-2938

smcdermott@iccr.org

Statement Regarding Investigation of ExxonMobil by the Attorney General of New York

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Recent news of the New York Attorney General's investigation of ExxonMobil for potentially lying to the public and its shareholders about the risks of climate change to its business is a stark reminder of the importance of sound risk management and governance structures in ensuring corporate responsibility.

While members of the Interfaith Center on Corporate Responsibility (ICCR) began their engagement with both Exxon and Mobil over 4 decades ago on a host of corporate responsibility concerns, for the past 20 years these cautions have centered on the company's exposure to climate change risks through its operations, and the lack of formal policies and practices to adequately mitigate those risks. As a community of faith-consistent and values-based investors, our concerns regarding the risks of climate change lie not only with the obvious disruptions for ExxonMobil operations and the corresponding implications for shareholder value, but with the global poor who will be disproportionately impacted and are under-resourced to adapt to an increasingly unpredictable and changing climate.

In 1998, the Province of St. Joseph of the Capuchin Order and the Sisters of St. Dominic of Caldwell, NJ filed the first shareholder resolution with ExxonMobil directly citing the business risks of climate change. The [resolution](#) requested that ExxonMobil ***...create a committee of its outside directors to independently review and make available to shareholders...a full report about the impact of climate change on our company's present policies and practices. Among issues to be treated we recommend that these include 1) any anticipated liabilities our company may incur from its possible contribution to the problem; 2) what the company can do to reduce carbon dioxide emissions from our fossil fuels.***

Needless to say, the shareholder proposal was rejected. As ExxonMobil confronts the wrath of state AGs and the planet creeps perilously closer to a global warming threshold we know we cannot survive, we can't help but wonder how the company and, indeed, the world would be different if management had heeded this prescient call for climate action. Since 1998, ICCR members have filed roughly one hundred resolutions related to the company's ability to manage the risks of climate change in an effort to redirect the company from its disastrous course. From the adoption of GHG reduction targets, climate risk assessments, disclosure of environmental liabilities and lobbying and political expenditures, the

nomination of directors with environmental expertise and the adoption of renewable energy policies, investors' formal requests to management have been a bellwether of the company's ongoing exposure to financial, legal and reputational risk through its governance failures.

Over the years, ExxonMobil management has chosen to largely ignore investor warnings, its focus remaining fixed on pushing the limits of production and profits for as long as it is able, to the detriment of the long-term sustainability of the company and the planet. The investigation initiated by the Attorney General of New York is the result of decades of poor risk management by Exxon's executives, and all shareholders should welcome the transparency and accountability it is intended to yield.

This year ICCR member shareholder resolutions call for leadership in acknowledging the moral imperative of limiting global warming to 2 degrees Celsius, ask for adequate expertise on the Board to understand and assess climate change risk, and request constructive engagement on public policy, especially at the upcoming UN Climate Summit in Paris. Given Exxon's strenuous opposition to previous global climate agreements, now more than ever, a change of course is needed. It's not too late for ExxonMobil to heed the call of concerned shareholders and put comprehensive governance structures in place to not only mitigate current climate risk, but also to position the company for the low carbon future we all know is not only possible, but critical for our planet's survival.

About the Interfaith Center on Corporate Responsibility (ICCR)

Currently celebrating its 44th year, ICCR is the pioneer coalition of active shareholders who view the management of their investments as a catalyst for change. Its 300 member organizations with over \$100 billion in AUM have an enduring record of corporate engagement that has demonstrated influence on policies promoting justice and sustainability in the world. www.iccr.org