

EXXON MOBIL CORP  
Form PX14A6G  
April 20, 2017

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Dear Exxon Mobil Corporation Shareowner:

Support Shareowner Proposal #12 on Climate Change Reporting

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CalPERS is the largest state public pension fund in the United States with \$316<sup>1</sup> billion in total assets under management and long-term owner of approximately 11,573,000 shares in Exxon Mobil Corporation. CalPERS will be voting **FOR** shareowner proposal #12 at the company's May 31, 2017 annual meeting of shareowners. This proposal is co-filed by CalPERS along with a coalition of other large asset owners assembled by lead filers New York State Common Retirement Fund and Church of England.

Request for an Assessment of the Company's Portfolio under a 2 Degree Scenario

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Consistent with the CalPERS Investment Beliefs, we believe effective management of environmental factors, including those related to climate change risk increase the likelihood that companies will perform well over the long-term. We support proposal #12 requesting that ExxonMobil publish an annual assessment of the long-term portfolio impacts of technological advances and global climate change policies, at reasonable cost and omitting proprietary information. The assessment can be incorporated into existing reporting and should analyze the impacts on ExxonMobil's oil and gas reserves and resources under a scenario in which reduction in demand results from carbon restrictions and related rules or commitments adopted by governments consistent with the globally agreed upon 2 degree target. This reporting should assess the resilience of the company's full portfolio of reserves and resources through 2040 and beyond, and address the financial risks associated with such a scenario.

Systemically Important Carbon Emitters (SICEs)

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After completing a review of the CalPERS global equity portfolio, we identified 100 companies as significant carbon emitters responsible for over 50% of the portfolio's total carbon emissions<sup>2</sup>. CalPERS defines these companies as systemically important carbon emitters (SICEs) – with ExxonMobil being one of them. Further, we believe proposal #12 is of particular significance in light of the global consensus regarding climate change and emission reduction targets reflected in the Paris Agreement. The importance of the proposal's request is also underscored by the efforts of Financial Stability Board (FSB), an international body mandated by G-20 leaders to develop efficient climate-related financial risk disclosures.

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<sup>1</sup>CalPERS total assets under management as of April 19, 2017.

<sup>2</sup> Based upon CalPERS ownership portion of total scope 1 + scope 2 emissions.

PLEASE NOTE: The cost of this solicitation is being borne entirely by CalPERS and is being done through the use of the mail and telephone communication. CalPERS is not asking for your proxy card. Please do not send us your proxy card. For additional information, please contact Garland Associates, Inc. at (561) 366-1165.

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History of Engagement on Climate Change Reporting – CERES Carbon Asset Risk Initiative

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The request for Climate Risk Reporting at ExxonMobil has been built on a history of engagement. In September 2013, CERES launched the Carbon Asset Risk Initiative with a group of 75 investors including CalPERS requesting ExxonMobil and other companies review and provide reporting related to climate change risk. Through the leadership of CERES and efforts of long-term investors we are hopeful companies will begin to recognize the importance of providing shareowners a better understanding of how they plan to address climate change consistent with the Paris Agreement.

Vote FOR Shareowner Proposal #12 Requesting a Climate Change Policy and Reporting

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CalPERS believes investors will benefit if the company provides accurate and timely disclosure surrounding environmental risks and opportunities associated with climate change. As a significant ExxonMobil investor we encourage shareowners to support proposal #12.

For questions about the CalPERS vote please contact Todd Mattley, CalPERS Investment Officer at [INVO GE Corporate Governance Engagements@calpers.ca.gov](mailto:INVO_GE_Corporate_Governance_Engagements@calpers.ca.gov) or 916-795-0565.

Thank you for your support.

Sincerely,  
Simiso Nzima  
Investment Manager, CalPERS

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