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U.S. and European Investors Support Climate Change Resolutions with ExxonMobil

Institutional Investors Cite Risk Exposure as Cause for Concern

Several leading U.S. and European institutional investors, representing nearly $400 billion in invested assets, announced today that they are supporting shareholder resolutions requesting greater analysis and disclosure from ExxonMobil Corp. about its policies and strategies for managing the significant financial risks posed by global climate change. The resolutions will be voted on at the company's May 25 annual meeting.

The shareholders, who collectively own more than $3.5 billion of ExxonMobil stock, include state treasurers and pension fund leaders from Connecticut, California, North Carolina and London.

Citing the far-reaching impacts that climate change will have on their investments and the world economy, the investors will be supporting two resolutions:

- The first resolution calls for cost projections, compliance timelines and other strategies for complying with the Kyoto Protocol, an international treaty that requires greenhouse gas reductions in dozens of countries where ExxonMobil does business.
- The second resolution requests an explanation of the differences between the company's stated position on climate change and those of the Intergovernmental Panel on Climate Change, an international body of experts that has concluded that human activity is contributing to climate change.

The resolutions come as many of ExxonMobil's leading domestic and foreign competitors are acknowledging the impact of global warming on their bottom lines and moving more aggressively to assess and disclose their potential financial exposure and improve their strategic positioning, especially as Kyoto greenhouse gas reduction requirements are already taking effect. About 37 percent of Exxon's annual revenues in 2003 came from five countries that participate in the Kyoto Treaty (Canada, Japan, UK, Germany, Italy).

"As a long-term investor and fiduciary, I encourage ExxonMobil and its board to evaluate and report on the company's financial exposure from climate change," said Connecticut State Treasurer Denise L. Nappier. "The scientific community has told us that climate change is a fast-approaching reality, and there is a growing consensus in the business community that mandatory carbon constraints could come sooner rather than later. We want ExxonMobil to plan accordingly to protect the long-term value of the company and our investment."

"ExxonMobil shareholders need to know how the company they own is responding to challenges that will impact its bottom line and our environment," said Phil Angelides, California state treasurer

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and a board member of the California Public Employees Retirement System (CalPERS) and the California State Teachers Retirement System (CalSTRS), the nation's largest and third largest public pension funds with about $311 billion of assets.

"ExxonMobil could be misleading itself and investors by failing to recognize the liabilities of climate change," said North Carolina State Treasurer Richard Moore.

In just the past few months, Anadarko Petroleum, Apache, ChevronTexaco and several other leading U.S. oil and gas companies have agreed to a wide range of actions to reduce their climate risk exposure, including: measuring and disclosing greenhouse gas emissions and setting reduction targets; increasing investments in low- and no-carbon energy technologies, integrating climate risk and carbon costs into capital allocation decision making; and assigning boards direct responsibility to oversee climate change corporate strategies. The actions come in the wake of record-high voting support last year for shareholder resolutions seeking more climate risk disclosure from oil and gas companies.

"Most of the oil and gas companies are taking climate change much more seriously than they were just a year ago, but ExxonMobil is a big glaring exception," said Mindy Lubber, president of Ceres, an investor coalition that has helped coordinate the shareholder filings with the oil and gas companies. "While peers like Conoco Phillips and British Petroleum are slashing emissions and investing in alternative energy sources, ExxonMobil is in denial on the science and making little or no effort to prepare for carbon limits and the growing demand for cleaner energy sources."

"Investors globally recognize the uncertain environment in which the companies we invest in operate, but we cannot afford to ignore both risks and the opportunities arising from climate change that impact the value of our investments," said Peter Scales, chief executive of the London Pensions Fund Authority. "ExxonMobil needs to join its peers in addressing these issues positively if they are to retain shareholder support."

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