



BE IT RESOLVED: Shareholders request that ExxonMobil Corporation issue a report, at reasonable cost and omitting proprietary information, describing if and how it is reducing the risk of stranded assets related to environmental impacts of its petrochemical investments.

SUPPORTING STATEMENT: The report should consider the potential impact of public, market, and governmental responses to environmental impacts including plastic pollution, community health, and climate change.

WHEREAS: Exxon's existing disclosures are insufficient to assure investors how the company can reconcile its petrochemical expansion plans with increasingly urgent global goals to mitigate certain environmental crises. [Shareholders are concerned](#) that Exxon's planned growth in petrochemicals, rather than reducing risk from climate change, will expose the company and its investors to stranded asset risk, as global action on environmental crises, including climate and plastic pollution, lead to reduced demand for its petroleum-based products.

Plastic pollution has become one of society's [most intractable problems](#) with consumers, corporations, and policy makers struggling to address the growing quantities of plastic waste polluting oceans and other ecosystems. A recent study found plastic use in the U.S. alone contributed up to 2.2 million metric tons of pollution into the ocean in 2016, more than previously estimated. Existing [recycling infrastructure](#) is equipped to recycle only a fraction of plastic waste produced, leaving most plastics to more harmful disposal practices. [Industry response](#) through groups including the American Chemistry Council (of which Exxon is a member) has been insufficient to stem growing consumer and government concern. In response, Consumer Goods companies are [increasingly looking](#) to reduce reliance on virgin plastic.

While Exxon [reports](#) that plastic products can help reduce global greenhouse gas (GHG) emissions, recent [reports](#) show that emissions across the petrochemical and plastics supply chain contribute significantly to climate change. For example, plastic disposal results in high levels of emissions through incineration or other end of life outcomes (these emissions are currently unaccounted for in Exxon's reporting). [Research has found](#) the plastic industry could use as much as 19 percent of earth's remaining carbon budget, jeopardizing chances of keeping global warming below 1.5 degrees Celsius.

Exxon's [disclosures](#) indicate the company is continuing to invest in expensive petrochemical-related infrastructure with increasing risk of stranding, as plastic demand growth is likely to slow due to government and consumer action to reduce its use.



Furthermore, [planned infrastructure](#) in the Gulf Coast Plastics Production Corridor, where [catastrophic weather events](#) associated with climate change occur frequently, risk hazardous emissions releases harmful to human health, and community opposition to petrochemical projects is growing. Already, [similar projects](#) have stalled or lost value.

Shareholders seek to understand if, and how, Exxon is reducing the risk of stranded assets of its petrochemical-based investments as the global response to climate and plastic pollution intensifies. The energy and petrochemical sectors must play a critical role in mitigating environmental impacts related to plastic manufacturing, use, and disposal.