

ExxonMobil

2018 SUSTAINABILITY REPORT HIGHLIGHTS



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Addressing the United Nations Sustainable Development Goals

The United Nations adopted the [Sustainable Development Goals](#) (SDGs) to achieve significant progress on global economic, social and environmental challenges by 2030. Although directed at governments, the private sector and civil society play an important role in support of governments' national plans. ExxonMobil contributes to certain aspects of all 17 SDGs. In this report, we feature eight SDGs to which ExxonMobil is making significant contributions. We include the most relevant SDG icons (below) that correspond with each section of this *2018 Sustainability Report Highlights* at the top of each section page.



Outlooks, projections, estimates, goals, descriptions of business and community plans, research efforts and other statements of future events or conditions in this report are forward-looking statements. Actual future results, including future earnings, returns to investors and other areas of financial and operating performance; future global energy supply and mix; future distributions; proved and other reserves; reserve and resource additions and recoveries; the future effectiveness of safety, health, environmental and other sustainability risk and impact management processes; efficiency gains; and the timing and impact of future technologies could differ materially due to factors, including:

- Changes in demand, supply and pricing for oil and natural gas and other factors affecting the oil, gas, petroleum and petrochemical industries;
- Political and regulatory factors, including war, security disturbances, national tax policies, trade policies, environmental policies and the impact of international accords and treaties;
- Changes in population size, purchasing power and consumer preferences;
- The timely completion of current exploration, development and construction projects;
- Actions of competitors, including the development of competing technologies;
- The outcome of current and future research efforts and the ability to bring new technologies to scale on a cost-competitive basis;
- Technical and operating factors; and
- Other factors discussed in the document, [Factors Affecting Future Results](#).

Exxon Mobil Corporation has numerous affiliates, with many names including ExxonMobil, Exxon, Mobil, Esso and XTO Energy. For convenience and simplicity, those terms (and terms such as corporation, company, our, we and its) are sometimes used as abbreviated references to specific affiliates or affiliate groups. ExxonMobil is a publicly traded company. The New York Stock Exchange is the principal exchange on which Exxon Mobil Corporation common stock (symbol XOM) is traded. References to the resources, resource base, and recoverable resources, along with similar terms refer to the total remaining estimated quantities of oil and natural gas that are expected to be ultimately recoverable. ExxonMobil refers to new discoveries and acquisitions of discovered resources as resource additions. The resource base includes quantities of oil and natural gas classified as proved reserves as well as quantities that are not yet classified as proved reserves, but that are expected to be ultimately recoverable. The term "resource base" is not intended to correspond to SEC definitions such as "probable" or "possible" reserves. The term "in-place" refers to those quantities of oil and natural gas estimated to be contained in known accumulations and includes recoverable and unrecoverable amounts. "Potential" resource amounts are not currently included in the resource base. The term "project" as used in this release can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports.

CHAIRMAN'S LETTER

I'm proud to share our *Sustainability Report* for 2018. It details our company's commitment to responsibly manage our environmental, social and governance performance.

Our industry plays a critical role providing the energy that supports economic growth and improves the quality of life for billions of people around the world. Over the next several decades, populations are projected to grow and the middle class will continue to expand – dynamics that will further the demand for energy.

Meeting this demand will require significant investment and new production in the energy sector. Increased demand for energy will also impact emission levels, which underscores the need to continue to pursue emission reduction efforts to mitigate the risks of climate change.

ExxonMobil is helping address this dual challenge in a variety of ways through researching and developing next-generation technologies, developing products that help customers reduce their emissions, improving energy efficiency and advancing public policy solutions.

On the technology front, we're stepping up efforts to research potential breakthrough technology to reduce emissions through collaborations with governments, more than 80 universities, civil society groups and other industry partners.

Recently, we entered into an agreement with the U.S. National Laboratories to commit up to \$100 million to research lower-emissions solutions, including carbon capture and storage. Our decade of research and development of lower-carbon biofuels from algae is progressing through large-scale outdoor testing. We are also furthering our research into evaluating the use of cellulosic sugars from agricultural waste to produce biofuel.

In addition, we reached agreements with carbon capture technology companies such as Mosaic Materials and Global Thermostat to evaluate ways to scale these promising technologies. And we're continuing research into how fuel cells might play a role in significantly reducing the costs of carbon capture.

On the policy front, we support the Paris Agreement as a global framework to coordinate government policies. We also support market-based approaches to reduce greenhouse gas emissions, including further regulation of methane emissions and a carbon tax. We believe market-based policies that place a uniform, predictable cost on greenhouse gas emissions more effectively drive consumer behavior and support technology innovation.

In 2018, we provided financial support for "Americans for Carbon Dividends," a national education and advocacy campaign to promote the policy goals of the Climate Leadership Council. The CLC calls for the adoption of a carbon fee with the revenues returned to citizens, coupled with regulatory simplification. We also joined the Oil and Gas Climate Initiative, an international CEO-led energy company effort dedicated to developing practical solutions to climate change in areas such as carbon capture and storage, methane emission reductions and energy and transportation efficiency.

While the dual challenge is a critical issue for our company and industry, we are also actively focused on other key sustainability issues including:

- Advancing worker safety, where we've seen an almost 80 percent reduction in our lost-time incident rate since 2000;
- Reducing plastic waste, where we recently became a founding member of the Alliance to End Plastic Waste;
- Advancing human rights by helping to train nearly 17,000 people on the Voluntary Principles on Security and Human Rights; and
- Creating positive economic development in the communities where we operate.

On this last point, two examples of recent developments stand out. In Papua New Guinea, we've increased the percentage of Papua New Guineans in our workforce to 68 percent. In Guyana, the percentage of Guyanese in our local workforce has reached 54 percent, and is expected to increase as oil production begins. Also in Guyana, we've established a Centre for Local Business Development to help local businesses enhance their skills, improve competitiveness and participate in the development of the country's new resource. More than 1,500 Guyanese companies are registered with the center. ExxonMobil and its contractors spent nearly \$60 million with almost 500 Guyanese vendors in 2018.

This year's *Sustainability Report* contains many more examples of how ExxonMobil is making a positive contribution to society, and I hope you find this report helpful in understanding our approach.

I appreciate your interest and engagement in these shared priorities, and welcome your feedback.

Sincerely,



Darren W. Woods

Chairman and Chief Executive Officer



Darren W. Woods, Chairman and Chief Executive Officer

EXXONMOBIL AND SUSTAINABILITY

ExxonMobil is committed to producing the energy and chemical products that are essential to modern life, economic development and improved standards of living. In doing this, we are also committed to protecting our people, the environment and the well-being of communities where we operate. This 2018 *Sustainability Report Highlights* provides a summary of key dimensions of sustainability, including our environmental, social and governance performance. For additional information, please visit our [website](#).



2018 GLOBAL OPERATIONS

ExxonMobil maintains a diverse portfolio of resources, projects and assets across our businesses. For information on our financial performance and investment decisions, visit our [Digital Annual Report](#).

PRODUCTION

UPSTREAM: We are one of the largest producers of oil and gas, and have an active presence in 41 countries where we explore, develop, produce and/or market hydrocarbons.

3.8M

OIL-EQUIVALENT
BARRELS OF NET
OIL AND GAS
PRODUCTION
PER DAY[†]

Oil
Natural Gas
Natural Gas Liquids



CRUDE OIL AND NATURAL GAS

5.5M
BARRELS OF
PETROLEUM
PRODUCT SALES
PER DAY[‡]

REFINING + SUPPLY

DOWNSTREAM: We are one of the largest integrated refiners and manufacturers of fuels and lubricants, as well as a leading marketer of petroleum products and finished lubricants. We have refining and lubricant blending facilities in 25 countries.

FEEDSTOCKS

Gasoline
Diesel
Fuel Oil
Jet Fuel
Lubricants
Asphalt
Chemical Feedstocks



CHEMICAL

CHEMICAL: ExxonMobil is one of the world's largest chemical companies. We have operations in 16 countries and a unique portfolio of high-performance products.

Basic Chemicals
Intermediates
Synthetics
Plastics & Resins
Specialty Elastomers & Butyl

26.9M

TONNES OF
CHEMICAL PRIME
PRODUCT SALES[§]



STAKEHOLDER ENGAGEMENT

Our goal is to foster mutual understanding, trust and cooperation with stakeholder groups on sustainability topics. We interact with a variety of stakeholders via community meetings, digital and social media, corporate publications and one-on-one discussions. Maintaining an open dialogue provides opportunities to listen to concerns, discuss approaches and share plans. Across stakeholder groups, from communities and nongovernmental organizations to employees and shareholders, we continue to see broad interest in our environmental, social and governance performance. The table below highlights our key stakeholder groups, their typical areas of interest and ExxonMobil's engagement approach.

STAKEHOLDER GROUPS	COMMON AREAS OF INTEREST		ENGAGEMENT APPROACH
COMMUNITIES	Air emissions Community investments Economic development Education Employment opportunities	Environmental performance Grievance management Human rights Operational impacts	Communicate with local residents in areas where we operate through direct correspondence and group meetings Dedicate personnel responsible for community engagement as well as receiving, tracking, analyzing and responding to potential community concerns Establish channels for communities to provide input or seek information Use social media platforms to share project updates with a diverse audience Contributed \$211 million to communities around the world in 2018
CUSTOMERS	Developing innovative products and technology Safety	Supply chain management Sustainability and environmental issues	Collaborate across industries to identify customer solutions to sustainability issues Cultivate an open dialogue with our customers and provide education on the market-based approach to sustainable solutions Provide customer service numbers and support marketing teams in responding to customer questions
EMPLOYEES	Benefits Diversity and inclusion Health and wellness	Professional development Safety Workplace security	Support the professional development of our more than 71,000 employees globally Invest in worker health by providing voluntary health programs Share feedback and raise topics of interest through managers, internal surveys, company forums and a confidential hotline Support employee-led resource groups that foster a culture of diversity and inclusion Use social media platforms to share information
GOVERNMENTS	Energy supply and security Environmental performance Climate change Employment opportunities Ethics and integrity Impact assessments Local supplier development	Safety Taxes and other revenue sources Human rights Health and wellness Diversity and inclusion Education	Engage host governments to maintain the safety and security of operations while respecting human rights Monitor and participate in transparency initiatives in countries where we operate Meet with representatives and leaders to provide information and insights on policies that may affect our business Work to support responsible economic, energy and environmental policies and help identify solutions
NGOVERNMENTAL ORGANIZATIONS	Climate change Environmental performance Human rights Social issues	Transparency Economic development Health Education	Collaborate on technical projects of mutual interest Conduct one-on-one meetings Engage in corporate and foundation philanthropic activities with nongovernmental organizations Participate in conference events to exchange views, information and expertise Participate in multi-stakeholder initiatives to enable progress on key policy issues Partner with grantees to improve health, education and job opportunities in local communities
SHAREHOLDERS	Board composition Business performance Climate change Environmental performance	Governance practices Policy engagement Risk management	Engage directly with shareholders to understand input and feedback, including shareholder proposals Disseminate information to our shareholders through SEC filings, investor days, investor presentations and other publications Enable engagement between non-employee directors and shareholders, and facilitate communication from any interested party to non-employee directors via our corporate governance page Host annual shareholder meetings to share information on company highlights and answer questions from shareholders
SUPPLIERS	Local business opportunities Local supplier development Operational integrity Safety Environmental performance	Expectations for suppliers Diversity and inclusion Education Human rights	Hold forums with suppliers to provide information on our safety, environmental and human rights practices Participate in organizations dedicated to building local supplier capabilities Share our supplier, vendor and contractor expectations Conduct regular supplier audits and anti-corruption due diligence in relevant countries Support U.S. businesses owned by traditionally underrepresented groups through ExxonMobil's U.S. supplier diversity database and supplier forums

EXTERNAL SUSTAINABILITY ADVISORY PANEL STATEMENT

ExxonMobil's External Sustainability Advisory Panel independently reviews our sustainability activities, including this report. We formed the panel in 2009 to understand additional external perspectives related to environmental, social and governance topics.

Introduction

ExxonMobil's External Sustainability Advisory Panel (ESAP) publishes an annual independent review of the company's *Sustainability Report*. The ESAP is composed of academics, nongovernmental organization representatives and former government officials with expertise in environmental, social and governance issues.

ESAP statement

This statement represents our views on the progress and quality of ExxonMobil's sustainability reporting and transparency. In recognition of our time and efforts, ExxonMobil provided a donation on behalf of panelists to nonprofit organizations of our choice and reimbursed relevant travel expenses. This ESAP statement is not an official endorsement of ExxonMobil's *Sustainability Report*, the corporation, or its policies and strategies.

During our review of this year's report, the panel identified a number of common themes and provided a summary of our general feedback as well as specific feedback on ExxonMobil's climate reporting. ExxonMobil's *Sustainability Report* and *Energy & Carbon Summary* (ECS) together offer a window into the complexities involved in managing climate change issues for a global oil and gas company. The ECS provides a robust analysis of global progress toward a 2°C scenario, and its conclusions about the pace of progress to date are generally consistent with the concerns outlined in the 2018 Special Report from the Intergovernmental Panel on Climate Change.

We were pleased to see that ExxonMobil provided additional information on some of its new partnerships to expand the company's investments in long-term greenhouse gas emissions reduction efforts and increase collaboration to pursue lower-emission technologies.

These range from participation in industry-wide platforms such as the Oil and Gas Climate Initiative to alliances with public and private research and innovation organizations. In particular, investments in emerging technologies such as quantum computing and research to bring biofuels and carbon capture to commercial scale could provide significant opportunities for investors, society, and the company itself.

However, assessing whether the level of such R&D investments in lower-carbon technologies is at an adequate scale, given the magnitude of the societal risk and the size of the company, requires additional context and data in ExxonMobil's disclosures. We believe a discussion of the overall industry context and challenges associated with ExxonMobil's operations, exploration, research and development, and long-term planning would facilitate better understanding of the scale and pace of the company's climate change response as well as other sustainability activities. To that end, we believe that ExxonMobil's discussion of each sustainability topic in its future reports should provide:

- Business Context: How does the company's performance on the topic contribute to its long-term strategy?
- Societal Context: How much of a difference can the company make on key societal issues? Are the company's sustainability actions and investments commensurate with their potential impact, both to the business and to society? Are there opportunities to identify areas of improvement and enhance the effectiveness of the company's programs and partnerships?

For example, further understanding ExxonMobil's strategy for engagement with communities where it operates would provide both societal and performance context; how does ExxonMobil ensure adequate community representation in regions where specific groups are commonly underrepresented? For complex or high-profile engagements involving multiple stakeholder groups, providing more insight into the decision-making process would demonstrate ExxonMobil's commitments to local communities in practice. The company also has an opportunity to provide additional data and examples on how its activities are contributing to the UN's Sustainable Development Goals in the countries where it operates through its investments in local communities, institutions, and infrastructure.

Increased transparency and commitment will be essential to ExxonMobil's ongoing sustainability progress. We believe ExxonMobil has an opportunity to further develop quantifiable goals that reflect current economic realities about energy demand, but also demonstrate the company's R&D, operational, and public policy commitments to address the enormous global climate challenge. The goals may not be simple and may change over time. We believe ExxonMobil made progress in 2018 and is positioned to play a leadership role in setting bolder goals and engaging the broader public through more transparency and dialogue about the most pressing challenges we all face.

Sincerely,

Craig H. Benson
Dean, School of Engineering and Applied Science
University of Virginia

Mark A. Cohen
Professor of Management and Law
Vanderbilt University
Owen Graduate School of Management

Frank Loy
Former Under Secretary of State for Global Affairs
U.S. Department of State

Jane Nelson
Director of Corporate Responsibility Initiative
Harvard University Kennedy School of Government

Salil Tripathi
Senior Adviser, Global Issues
Institute for Human Rights and Business

August 2019

For past panel feedback statements, visit: exxonmobil.com/sustainabilityreport



The External Sustainability Advisory Panel met with employees at ExxonMobil's Research and Engineering Technology Center in Clinton, New Jersey, in 2018. From left: Mark Cohen; Craig Benson; Vijay Swarup, vice president of research and development at ExxonMobil's Research and Engineering Company; Kelsey McNeely, biofuels program leader at ExxonMobil; Jane Nelson; Frank Loy; and Salil Tripathi.



ENVIRONMENT

ExxonMobil's diverse portfolio of projects requires us to work in remote and sensitive environments including deepwater and biodiverse locations. Our environmental management approach is guided by an understanding of the potential environmental impacts of our operations and a commitment to sustainably develop, maintain and operate projects using appropriate standards that enable us to '*Protect Tomorrow. Today.*'

Tanya Hintz, Cold Lake environmental and regulatory lead, collects native plant seeds from Imperial's Cold Lake operation site in Canada for reclamation and restoration projects.



A Synthetic Genomics Inc. researcher tests algae samples. Algae has the potential to become a biofuel of the future. Advanced biofuels represent one of many potential breakthrough technologies in which ExxonMobil is investing to seek ways to reduce emissions.

MANAGING CLIMATE CHANGE RISKS

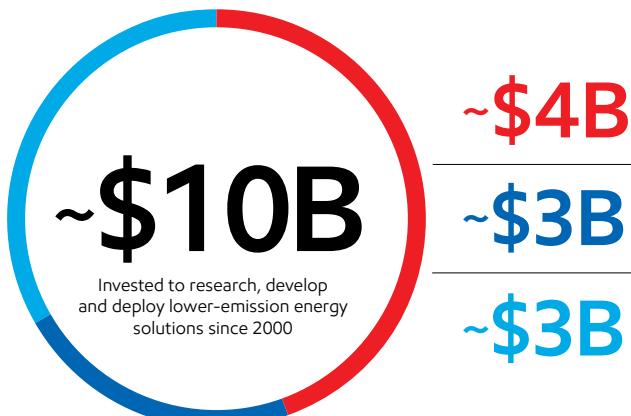
ExxonMobil works to meet the world's growing demand for energy while reducing environmental impacts and the risks of climate change. To mitigate greenhouse gas emissions from our operations, ExxonMobil focuses on increasing energy efficiency and reducing flaring, venting and other emissions. We deploy proven technologies, such as cogeneration and carbon capture and storage, and we conduct and support research to develop breakthrough, lower-emission technologies.

Since 2000, ExxonMobil has invested nearly \$10 billion in projects to research, develop and deploy lower-emission energy solutions. ExxonMobil also continues to expand collaborative efforts with other companies and academic institutions focused on these areas.

Recent additions include a commitment to spend up to \$100 million over 10 years on research with the U.S. Department of Energy's National Renewable Energy Laboratory and National Energy Technology Laboratory to bring lower-emission technologies to commercial scale.

Others involve agreements with companies, such as Global Thermostat, which is working on technology that pulls CO₂ molecules directly from the air, and Mosaic Materials, which is using porous solids, known as metal-organic frameworks, to separate CO₂ from air or flue gas. We also work with more than 80 universities around the world to explore next-generation energy technologies. For more information, please see the Developing Innovative Products and Technology section of this report.

While we continue to make progress in finding ways to mitigate greenhouse gas emissions from our operations, emissions may increase or decrease over time as a result of the changing nature of our business. For example, in 2018 ExxonMobil's net equity greenhouse gas emissions totaled 124 million CO₂-equivalent metric tons, which was a slight increase over the previous year, 2017, but lower than 2016 emissions. The slight increase was due to growth in our operations. In 2018, greenhouse gas emissions avoided from ExxonMobil actions equaled 21.5 million metric tons. Over the past 10 years, we have avoided 162 million metric tons of greenhouse gas emissions.



Invested since 2000 at our Upstream facilities around the world on emission reduction efforts, including energy efficiency and flare mitigation

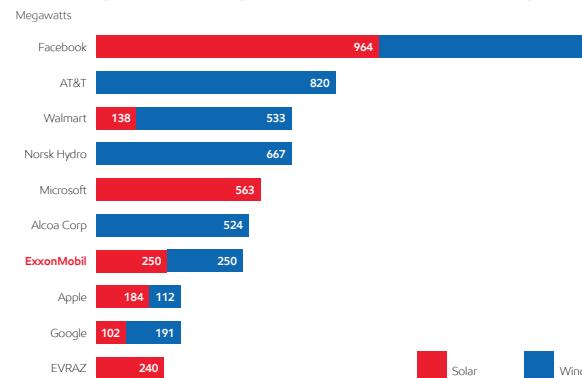
Invested since 2000 in our refining and chemical facilities and enabling research around the world to reduce greenhouse gas emissions

In support of upstream, downstream and chemical cogeneration facilities since 2000 to more efficiently produce electricity and reduce greenhouse gas emissions

We report greenhouse gas emissions on a net equity basis, demonstrating a share of emissions from any facility or operation in which ExxonMobil holds a financial interest, with the share reflecting the equity interest.

ExxonMobil seeks to improve energy efficiency and mitigate emissions in a variety of ways. We also evaluate opportunities to purchase renewable energy for our operations. In 2018, for example, we signed 12-year agreements with Lincoln Clean Energy, under which ExxonMobil will purchase 500 megawatts of electricity generated by wind and solar to power our operations in Texas. Purchasing this renewable power is expected to avoid an estimated 800,000 metric tons of CO₂ per year and put ExxonMobil in the top 10 global corporate wind and solar buyers in 2018.

2018 top global corporate wind and solar buyers*



*The data were downloaded from BloombergNEF on December 13, 2018, and are based on total wind and solar power purchase agreements signed in 2018.

Energy efficiency

Using energy more efficiently is a powerful tool to reduce emissions and costs. ExxonMobil works to improve efficiency across all its operations. The electricity used in ExxonMobil's operations in 2018 represents more than 10 percent of our net equity greenhouse gas emissions. According to the Solomon Refining Industry Survey, ExxonMobil is among the world's most energy-efficient refining companies.

Cogeneration is a process that improves efficiency by simultaneously producing electricity while capturing useful heat or steam for industrial processes. We have interests in approximately 5,400 megawatts of cogeneration capacity in more than 100 installations around the world. This capacity is equivalent to the annual energy needed to power 4.3 million U.S. homes.

We are also working to reduce flaring, venting and fugitive emissions in our operations. Since 2000, we eliminated or captured and stored 400 million metric tons of CO₂, equivalent to the energy-related CO₂ emissions of about 55 million U.S. homes over the same period, using a variety of technologies.

Methane emissions

ExxonMobil is taking a leadership role in methane emission reduction efforts. In 2018, we announced our intention to reduce corporate-wide methane emissions by 15 percent by 2020, compared with 2016. As of August 2019, methane emissions from our U.S. unconventional production and midstream operations were down by nearly 20 percent, compared to 2016, and we are on track to meet our company-wide methane reduction commitments by 2020.

To achieve this progress, we implemented cost-effective methods that included structured leak detection and repair programs, which use optical natural gas imaging cameras to identify leaks for prompt repair, and replacement of high-bleed, pneumatic devices with lower-emission technology. Since 2017, ExxonMobil has replaced more than 80 percent of the approximately 1,250 high-bleed pneumatic devices across our U.S. unconventional operations.

In 2018, methane emissions from our global operations totaled 7 million CO₂-equivalent metric tons, which on a company-wide basis was the same as the previous year.



Yvette Longonje, project manager, at ExxonMobil's cogeneration facility in Beaumont, Texas.

Although reductions were achieved in U.S. unconventional production and midstream operations, increases were seen in other areas due to production growth. Overall, the company remains on track to meet its 15 percent methane reduction commitment by 2020.

We support the Methane Guiding Principles for reducing methane emissions across the natural gas value chain, which we signed in 2017. The guiding principles are being implemented in collaboration with many stakeholders, including the Environmental Defense Fund, the International Energy Agency, the International Gas Union, the Oil and Gas Climate Initiative Climate Investment Fund, the Rocky Mountain Institute, the Sustainable Gas Institute, the Energy and Resources Institute, and United Nations Environment. The principles provide a framework for reducing methane emissions, improving accuracy of methane emissions data and advocating for sound policies and regulations on methane emissions.

We have advocated in the United States for a cost-effective, federal regulatory standard to manage methane emissions for both new and existing oil and natural gas facilities. We will continue to work constructively with state and federal regulators, industry and nongovernmental organizations to develop and implement effective methane-emission regulations.

Flaring

Flaring from our combined upstream, downstream and chemical operations totaled 4.0 million metric tons in 2018, representing an increase of 200,000 metric tons compared with 2017. The increase in 2018 was primarily due to the start-up of growth projects in our upstream business. 2018 flaring was down more than 1 million metric tons, or 19 percent, from 2016. We continue to focus our efforts to reduce flaring associated with oil and natural gas production and processing across ExxonMobil operations to meet our target of a 25 percent reduction by 2020, compared with 2016.

2018 performance highlights

REDUCING METHANE EMISSIONS

In 2018, our methane emissions totaled 7 million CO₂-equivalent metric tons and we are on track to reduce methane emissions by 15% by 2020, compared with 2016.

**21.5M
METRIC TONS
AVOIDED**

In 2018, greenhouse gas emissions avoided as a result of actions taken by ExxonMobil equaled 21.5 million metric tons. Over the past 10 years, we have avoided 162 million metric tons of greenhouse gas emissions.

**ELIMINATED
OR CAPTURED
AND STORED
400M
METRIC TONS
SINCE 2000**

Since 2000, we have eliminated or captured and stored 400 million metric tons of CO₂, which is equivalent to the energy-related CO₂ emissions associated with about 55 million U.S. homes.

**5,400
MEGAWATTS
COGENERATION
CAPACITY**

We have interests in approximately 5,400 megawatts of cogeneration capacity in more than 100 installations around the world, which helps generate power more efficiently and leads to reduced greenhouse gas emissions.

Spotlight

Imperial plans to reduce greenhouse gas emissions intensity at oil sands facilities



Imperial's Cold Lake operation in Canada.

ExxonMobil's Canadian affiliate, Imperial, plans to apply advanced technologies and improvements in efficiency to reduce the greenhouse gas emissions intensity of its operated oil sands facilities.

Imperial's goal is to achieve a 10 percent decrease in greenhouse gas emissions intensity by 2023, using 2016 as a baseline.* The application of next-generation oil recovery technology at its Cold Lake operation and improvements in reliability at its Kearl site are two of the key drivers behind the planned reductions.

Imperial is also evaluating the first commercial application of a breakthrough cyclic solvent process for producing oil from an oil sands deposit at its Cold Lake site. The process could help eliminate the use of steam and reduce emissions intensity by up to 90 percent in certain areas of the field, compared to existing technology.

* Governmental, legal or regulatory changes could directly or indirectly delay or otherwise impact greenhouse gas emissions intensity-reduction measures.



Daniel Vertucci, senior engineer, tests high-performance lubricant products for motor vehicles at ExxonMobil's testing grounds in Nevada.

DEVELOPING INNOVATIVE PRODUCTS AND TECHNOLOGY

We are conducting scientific research to develop the next generation of energy technologies and products. Our work includes advanced biofuels, carbon capture and storage, natural gas technologies and new energy efficiency processes. In addition to our in-house capabilities, we collaborate with leading research and technology companies, national laboratories and universities, and others involved in breakthrough energy research. ExxonMobil's Emerging Technologies program brings together executives, scientists and engineers from across our businesses to identify and evaluate long-term, strategic research opportunities.

ExxonMobil invests about \$1 billion annually in research and development across our businesses, an ongoing commitment to fundamental science and innovation. ExxonMobil employs more than 20,000 scientists and engineers, including more than 2,200 with Ph.D.s. We collaborate with approximately 80 universities around the world to explore new energy technologies. In particular, we collaborate with broad-based energy centers at the Massachusetts Institute of Technology, Princeton University, Stanford University, the University of Texas and in Singapore at the Nanyang Technological University and National University of Singapore.

We are also working with the U.S. Department of Energy's National Renewable Energy Laboratory and National Energy Technology Laboratory to bring lower-emission technologies to commercial scale. We have agreements with technology companies such as Global Thermostat and Mosaic Materials on advanced carbon capture technologies, and with IBM, where we agreed to jointly research the use of quantum computing to develop next-generation energy and manufacturing technologies.

Natural gas

Natural gas is a versatile, abundant and lower-emission fuel. The use of natural gas in power generation plays an important role in reducing global emissions. When considering lifecycle emissions, natural gas emits up to 60 percent lower greenhouse gas emissions and produces significantly fewer air pollutants than coal for power generation. Natural gas also provides a reliable source of power to supplement renewable energy when wind or solar power is not available. ExxonMobil is one of the largest natural gas producers in the world and a leader in liquefied natural gas technology. Liquefied natural gas enables us to transport natural gas from supply centers to customers safely and cost effectively. We are working to expand access to liquefied natural gas around the world. Information on methane management associated with our natural gas production can be found in the Managing Climate Change Risks section of this report and on our [website](#).

Advanced fuels and lubricants

ExxonMobil's family of high-performance and synthetic lubricants delivers improved vehicle efficiency and helps our customers reduce their emissions. Our synthetic lubricants require less frequent replacement than conventional motor oils.

For example, our Mobil 1™ Advanced Fuel Economy synthetic motor oil can improve fuel economy compared to other motor oils. Premium fuels such as Synergy™ gasoline and diesel can also help consumers improve gas mileage. ExxonMobil is progressing several multi-billion-dollar refinery expansion projects. For example, at our facility in Singapore, we are working to produce higher-value products and increase production of lubricant base stocks to meet growing demand. Once complete, the project will also produce cleaner marine fuels that will comply with the International Maritime Organization's 0.50 percent sulfur cap. Engineering, procurement and construction activities have begun, and startup is anticipated in 2023.

Chemical materials

ExxonMobil's chemical business develops materials that are used to provide a wide range of benefits in many consumer applications. For example, automotive manufacturers use ExxonMobil's advanced, lightweight plastics to reduce vehicle weight and deliver greater fuel efficiency. For every 10 percent decrease in vehicle weight, fuel economy improves by an estimated 7 percent. Products made from our resins also help extend the shelf life of fresh food by days or even weeks, thereby improving food safety and reducing waste. Visit ExxonMobil's [Energy & Carbon Summary](#) and the Waste Management section of this report for more information.

Advanced biofuels

ExxonMobil funds a broad portfolio of advanced biofuels research programs. For example, ExxonMobil recently signed a joint research agreement with Clariant to evaluate the use of cellulosic sugars from sources such as agricultural waste and residues to produce biofuel. This partnership expands on an existing joint research agreement between ExxonMobil and Renewable Energy Group, Inc. (REG), in which the companies successfully validated the ability of REG technology to convert sugars from cellulosic biomass into biodiesel through a single-step process. The agreement with Clariant enables ExxonMobil and REG to advance a key stage in the overall cellulosic conversion process, which could potentially lead to the development of scalable biodiesel technology.

2018 performance highlights

20K SCIENTISTS AND ENGINEERS

ExxonMobil employs more than 20,000 scientists and engineers, including more than 2,200 Ph.D.s.

\$1B INVESTED ANNUALLY

ExxonMobil invests an estimated \$1 billion a year in research and development across our businesses.

TARGETING 10K BARRELS PER DAY OF ALGAE BIOFUEL

ExxonMobil is working on the technological capability needed to produce 10,000 barrels of algae biofuel per day by 2025.

1/5 OF WORLD'S CARBON CAPTURE CAPACITY

We maintain a working interest in more than one-fifth of the world's total carbon capture capacity.

ExxonMobil also has an extensive research program related to algae-based biofuels. Algae biofuels have the potential to supplement petroleum-based fuels with minimal modifications to current transportation infrastructure. They also have the potential to yield more energy per area of land than other biofuels and can be grown on land considered unsuitable for agriculture. In addition, algae can be grown using only saltwater, unlike traditional ethanol, which requires large volumes of freshwater. ExxonMobil is targeting the technical capability to produce 10,000 barrels of algae biofuels per day by 2025.

Carbon capture and storage

Carbon capture and storage (CCS) is the process of capturing and injecting CO₂ into underground geological formations for permanent storage. This process helps reduce the amount of CO₂ released into the atmosphere. Since 1970, ExxonMobil has cumulatively captured more CO₂ than any other company, accounting for more than 40 percent of cumulative CO₂ captured.* We maintain a working interest in more than one-fifth of the world's total carbon capture capacity.

In 2018, we captured approximately 7 million metric tons of CO₂ for storage. While already a leader in CCS, we are working toward expanding our capacity and are evaluating multiple opportunities that have the potential to be commercially viable through the convergence of advantaged technologies and a supportive policy environment. Visit ExxonMobil's [Energy & Carbon Summary](#) for more information on ExxonMobil's efforts on CCS.

Please visit our [website](#) for information on spill performance, managing impacts to air and water, and operating in sensitive environments.

* Source: Global CCS Institute. Data updated as of April 2018 and based on cumulative anthropogenic carbon dioxide capture volume. Anthropogenic CO₂, for the purposes of this calculation, means CO₂ that without carbon capture and storage would have been emitted to the atmosphere, including, but not limited to: reservoir CO₂ from gas fields, CO₂ emitted during production and CO₂ emitted during combustion. It does not include natural CO₂ produced solely for enhanced oil recovery.



Nurfzailah Binte Razali, laboratory technician, inspects plastic pellets at ExxonMobil's olefins plant in Singapore.

WASTE MANAGEMENT

Reducing plastic waste within our operations

ExxonMobil recognizes the public's concern regarding plastic waste and prioritizes eliminating unnecessary waste from our operations to increase efficiency and minimize potential impacts to the environment. As a large energy company with a chemical business, we recognize the importance of responsibly managing plastic pellet loss within our operations.

Although laws and regulations related to reporting of plastic pellet loss to the environment vary by jurisdiction, we are working to implement a common global reporting standard across our operations, which we plan to have in place in 2020. In 2018, ExxonMobil had no reportable plastic pellet losses. Our aim is to have zero pellet loss to the environment.

Plant personnel monitor our facilities via routine daily rounds. When a loss of containment is discovered, loose pellets are promptly contained and cleaned up. Pellet recovery equipment, such as skimmers and sieves, is also in place to recover pellets captured in our drainage systems.

ExxonMobil also actively participates in industry initiatives related to pellet loss. For example, since 2008, we have been a member of Operation Clean Sweep (OCS), a product stewardship program of the American Chemistry Council and the Plastics Industry Association. OCS helps drive implementation of best practices, including working toward achieving zero pellet loss to the environment across the industry. ExxonMobil has incorporated OCS principles into our [Operations Integrity Management System](#) (OIMS), which is applied at our plastics production facilities around the world.

OIMS requires a regular assessment of our procedures to ensure they are effective, and the implementation of improvement measures if needed.

ExxonMobil's chemical business also encourages third-party logistics suppliers delivering resins from our facilities to implement similar processes to prevent pellet loss, for example by incorporating OCS principles into our Supplier Relationship Management process.

ExxonMobil was a founding member of the Chemical Industry Responsible Care program, which we implement through OIMS. Responsible Care focuses on helping chemical companies achieve and sustain operational excellence in the areas of safety, environment, product stewardship, security, community engagement and health management. In 2018, ExxonMobil Chemical Company was awarded a Responsible Care Exceptional Merit award in the Energy Efficiency category. In June 2019, ExxonMobil received the Responsible Care Company of the Year award, which included performance achievements during 2018.

Helping customers reduce their plastic waste

Over the next few decades, population and income growth are expected to create more demand for plastics, which help support safety, convenience and improved living standards. Plastic packaging can make food more convenient to transport, help reduce spoilage and improve food safety for consumers. ExxonMobil recognizes post-consumer plastic waste is an environmental challenge in parts of the world due to lack of effective waste collection and management. Society's solutions to this challenge will require collective support, innovation and collaboration on a global basis.

We are continuing to develop polymers that enable customers to use less plastic and make the plastic they use easier to recycle. For example, our new performance polyethylene resins enable our customers to meet their performance needs, often with more than 20 percent thinner, lighter-weight products, thus reducing materials consumption and waste. Our Vistamaxx™ performance polymers help customers increase the amount of recycled content in plastics without degrading performance. We are also assessing technology options to economically convert plastic waste to petrochemical feedstock by leveraging reliable, large-scale chemical processes.

In 2018, ExxonMobil became the first energy company to join [The Recycling Partnership](#), a nonprofit organization dedicated to increasing recycling in the United States. The Recycling Partnership uses corporate investments to improve recycling practices across the country. We have committed \$1.5 million to help develop sustainable solutions and support activities such as curbside recycling programs. The partnership has supported more than 1,000 communities, including 50 million homes, and has diverted 180 million pounds of recyclable waste away from landfills to recycling centers.

In 2018, ExxonMobil also became a member of [Materials Recovery for the Future](#), a nonprofit research program focused on identification and demonstration of single-stream curbside recycling solutions for flexible plastic packaging materials. The primary objective of the program is to demonstrate the technical and economic feasibility of recycling household flexible plastic packaging through community municipal recycling. Plans include recycling of polyethylene and other flexible films, wraps, bags and pouches.

In January 2019, ExxonMobil became a founding member of the [Alliance to End Plastic Waste](#), an organization consisting of more than 40 companies from across the plastics and consumer goods value chain that is committed to advancing potential scalable solutions to reduce plastic waste in the environment. Members of the alliance have already collectively committed more than \$1 billion to fund those activities.

Solutions to address the challenge of post-consumer plastic waste will require collective support, innovation and collaboration on a global basis – from resin producers, waste management companies, consumer brands and retailers to nongovernmental organizations, governments and consumers. ExxonMobil is committed to working with members of the alliance and other key stakeholders to help address the challenge.

2018 performance highlights

ALLIANCE TO END PLASTIC WASTE FOUNDING MEMBER

ExxonMobil is a founding member of the Alliance to End Plastic Waste, an organization that is committed to advancing potential scalable solutions to reduce plastic waste in the environment.

DIVERTED 50K TONS OF WASTE

ExxonMobil's lubricant operations achieved Zero Waste to Landfill Silver Validation from Underwriters Laboratories, diverting more than 50,000 tons of waste from our global facilities.

NO REPORTABLE PLASTIC PELLET LOSSES TO THE ENVIRONMENT IN 2018

ExxonMobil is working to implement a common global reporting standard across our operations.

1ST ENERGY COMPANY TO JOIN THE RECYCLING PARTNERSHIP

ExxonMobil became the first energy company to join The Recycling Partnership, a nonprofit organization dedicated to increasing recycling in the United States.

Spotlight

Achieving validation for waste reduction initiatives at our lubricant plants



Nina Bass, coordination supervisor, at the Port Allen terminal in Louisiana.

ExxonMobil is the first petroleum products company to achieve a [Zero Waste to Landfill Silver designation](#) from Underwriters Laboratories (UL), a company that tests, inspects, audits and certifies safety and environmental aspects of products and operations worldwide. UL's Zero Waste to Landfill designation reflects increasing percentages of waste being diverted away from landfill. UL audited ExxonMobil's global lubricant operations in 2018 and verified waste diversion rates of more than 90 percent, representing more than 50,000 tons of waste kept out of landfill, through source reduction, reuse and recycling. ExxonMobil and UL plan to repeat audits in future years.

Our waste management program establishes innovative techniques and processes across 14 waste categories. For example, our Port Allen lubricant plant in Louisiana developed a process that ensures aerosol cans are safely drained to enable recycling of both the metal and remaining liquid. At multiple plants, we took steps to minimize generation of waste lubricants and worked with suppliers to extend the useful life of pallets for product transportation.

SOCIAL

Around the world, ExxonMobil aims to be a preferred business partner, neighbor, employer and supplier. ExxonMobil maintains a corporate-wide commitment to safeguarding the health and security of our employees and the public, responsibly managing our social impacts and upholding respect for human rights in our operations.



Members of the community near ExxonMobil's Hides gas conditioning plant in Papua New Guinea.



ExxonMobil employees participate in helicopter escape training in Newfoundland, Canada.

SAFETY

Safety is a core value at ExxonMobil. We operate in a manner that helps protect our employees, contractors, customers and the communities where we operate. Our approach to safety includes identifying possible risks, implementing measures to prevent potential incidents, and educating employees and contractors about unsafe behaviors. For 26 years, our Operations Integrity Management System (OIMS) has established a set of worldwide expectations for addressing risks inherent to our business, including safety risks. Our work procedures embed OIMS into our everyday work processes at all levels of the organization.

Personnel safety

ExxonMobil maintains a strong safety culture with a clear objective: *Nobody Gets Hurt*. We promote a safety-first mentality for ExxonMobil employees and contractors to reach our goal of zero workplace injuries and illnesses. Our global workforce is empowered to intervene or stop work when they observe an at-risk situation or unsafe behavior. We have achieved a nearly 80 percent improvement in our workforce lost-time incident rate since the Exxon and Mobil merger in 2000.

Thousands of contract workers support our operations every day. It is essential that third-party contractors follow our policies and meet our business objectives. Since 2000, we have held safety leadership forums with contractors working on our major projects. These promote a strong safety partnership with contract workers, improving our safety performance and supporting our goal for an injury-free workplace.

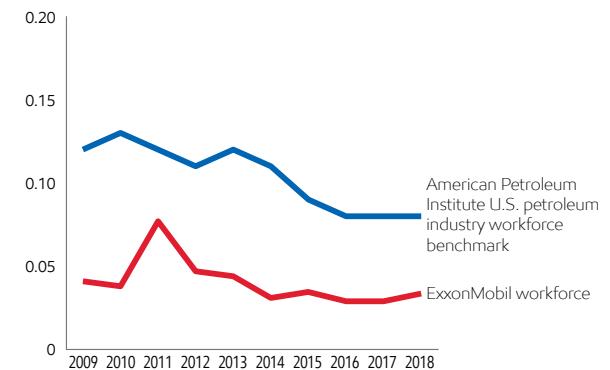
Process safety

ExxonMobil aims to prevent the uncontrolled release of hazardous substances to avoid potential significant health incidents, safety and environmental impacts and property damage. Through our process safety efforts, we employ rigorous design, construction and operating standards at our facilities.

OIMS serves as the foundation for identifying process safety risks associated with our operations. We conduct inspection and maintenance programs to test critical equipment regularly and maintain compliance with applicable regulations.

Lost-time incident rate*

Incidents per 200,000 work hours



ExxonMobil's 2018 total workforce (employees and contractors) lost-time incident rate per 200,000 work hours was 0.034, an increase of 14 percent from 2017. In 2018, our employee total lost-time incident rate per 200,000 work hours was 0.037 and our contractor lost-time incident rate per 200,000 work hours was 0.031. When compared with the American Petroleum Institute U.S. petroleum industry workforce benchmark, ExxonMobil continues to be among the industry leaders in safety performance.

*Incidents include injuries and illnesses. We base our safety data on information available at the time of publication. Workforce includes employees and contractors. Depending on the reporting year, around 2 to 13 percent of the incidents are illness-related.

We also use technologies such as optical imaging cameras at many of our manufacturing facilities to monitor the integrity of our operations. When we identify risks, we implement appropriate preventive measures for equipment, processes and people.

We collaborate with our peers and industry associations to share lessons learned. For example, ExxonMobil is actively engaged in the Advancing Process Safety initiative, a collaborative effort between the American Fuel and Petrochemical Manufacturers and the American Petroleum Institute. The initiative aims to improve process safety performance across the industry by sharing experiences and knowledge about process safety events, hazard identification metrics and industry-proven practices.

Emergency preparedness

ExxonMobil is prepared to respond to a wide array of emergency events, including natural disasters and operational incidents. Regardless of the size, severity or cause of an event, each ExxonMobil facility and business unit can access trained responders and resources. Cross-functional teams develop and practice emergency response tactics through emergency support groups and incident management teams we support around the world. For example, in 2018, the ExxonMobil Americas Regional Response Team conducted an emergency response exercise in the Houston area in coordination with the Texas General Land Office. The training exercise simulated a response to an offshore oil spill where the oil reached shore.

This preparation enables ExxonMobil's global operations to provide a robust response in emergency situations to help protect the safety of people, the environment, our assets and our reputation. A recent example took place in Papua New Guinea where a magnitude 7.5 earthquake impacted the Hela Province, tragically resulting in loss of life and massive damage to roads, houses and infrastructure. Following the earthquake, ExxonMobil personnel immediately assisted communities affected by the disaster, and also donated \$1 million to the Salvation Army in support of local agencies providing supplies and ongoing relief to impacted areas. ExxonMobil's facilities in the area had been designed to withstand major earthquakes and were soon able to resume operations.

2018 performance highlights

80% IMPROVEMENT IN LOST-TIME INCIDENT RATE SINCE 2000

Since 2000, we achieved a nearly 80 percent improvement in our workforce lost-time incident rate.

26 YEARS OF OIMS

For 26 years, our Operations Integrity Management System has established a set of worldwide expectations for addressing risks inherent to our business, including safety risks.

\$1M DONATION FOR DISASTER RELIEF IN PAPUA NEW GUINEA

ExxonMobil donated \$1 million to provide supplies and ongoing relief to Papua New Guinea following a major earthquake.

VIRTUAL REALITY TRAINING

ExxonMobil piloted virtual reality training programs at our facilities in Baytown and Beaumont, Texas.

Spotlight

Using technology to improve safety in ExxonMobil operations

We use digital tools to support the safety of our workforce and improve safety practices in our operations. ExxonMobil is creating training modules that improve the efficiency and effectiveness of field training. The technology enables operators and engineers to engage in virtual "hands-on" training inside a simulated plant or facility that mimics what they experience on the job. Managers are able to simulate a variety of scenarios such as routine operations, emergency response, critical procedures and low-probability, high-consequence events in a safe and controlled environment.

In 2018, ExxonMobil piloted virtual reality (VR) training programs at our facilities in Baytown and Beaumont, Texas, which proved more effective than traditional training methods. We also recently announced the implementation of VR training modules at our new polypropylene production unit in Baton Rouge, Louisiana. We are also partnering with Baton Rouge Community College to support a VR training laboratory, where local students learn about industry-related scenarios, including process safety and emergency response.



Khadya Kichauhi, laboratory technician at the Antwerp refinery in Belgium, tests diesel samples.

HEALTHY AND ENGAGED WORKFORCE

Worksite health and wellness

The success of ExxonMobil's operations depends on a healthy and competent workforce. Our health policy communicates corporate expectations for identifying and managing health risks related to our operations. In each country, we develop workplace health programs that consider local health care systems and health needs.

Improvements in worker health increase quality of life and employee productivity. ExxonMobil supports voluntary health programs that promote employee well-being while reducing health-plan costs. Through our *Culture of Health* program, we enable the provision of services including health education, disease management assistance and fitness programs. The *Culture of Health* program is currently implemented in 22 countries, and our team continues to look for new opportunities to expand the program's reach. We have recently added programs in Angola, Australia, Cameroon, China, the Czech Republic, Egypt, Guyana, Hungary, India, Indonesia, Mozambique, the Netherlands, Papua New Guinea, Saudi Arabia and Thailand.

ExxonMobil also works to address broader health issues and endemic diseases in the locations where we operate, for example, malaria in sub-Saharan Africa. In 2018, the Corporate Alliance on Malaria in Africa named ExxonMobil a Champion in Sustainability Malaria Programming. The alliance is a cross-industry group for companies working in Africa that aims to expand malaria-control efforts across the continent. ExxonMobil was recognized for its efforts to protect employees, contractors, suppliers and communities from malaria. The alliance's board noted ExxonMobil's efforts to build health facilities and improve clinical skills in malaria-endemic countries.

Diversity and inclusion

Diversity of thought, ideas, perspectives, skill, knowledge and culture makes ExxonMobil more innovative, resilient and better able to navigate the complex and changing global energy business. Creating an inclusive workplace enables our global employees to bring their unique perspectives to help achieve ExxonMobil's business objectives.

Our global workforce reflects the local communities and cultures where we operate. Our objectives are to seek and hire talented, dedicated employees and give them opportunities to learn, grow and succeed. The result is a diverse and multi-faceted employee base representing different perspectives and ideas. ExxonMobil encourages participation in employee-led resource groups that assist in fostering a culture of diversity and inclusion through development programs, community service opportunities and mentoring.

We consider and monitor diversity through all stages of employment, including recruitment, training and development of our employees.

For example, in 2018, 36 percent of our campus engineering hires in the United States were women, which is higher than the average annual percentage of female engineering graduates. Over the past decade, 40 percent of our worldwide management, professional and engineer hires were female. In the United States, 31 percent of management, professional and engineer hires were U.S. minorities over the same time period. In 2018, 20 percent of ExxonMobil's global executive employee population were women, and 17 percent of our U.S. executives were minorities.

Our [Global Diversity Framework](#) and [Standards of Business Conduct](#) govern ExxonMobil employment practices, including policies for recruitment, hiring, promotions and salary administration. The Standards support our commitment to provide equal employment opportunities, prohibit discrimination in the workplace and align with applicable laws in the countries where we operate. ExxonMobil uses a series of training programs and tools to help our employees understand cultural sensitivities across a diverse workforce. We do not tolerate harassment in any form. Employees are subject to disciplinary action, up to and including termination, for any act of harassment.

ExxonMobil has been recognized for our commitment to diversity. In March 2019, the company received the Keeper of the Flame Legacy Award from the United Negro College Fund (UNCF) at its 75th anniversary event. The award recognizes companies that have supported UNCF since its inception in 1944.

Employee attraction and retention

We prioritize the development of each one of our employees. It begins with recruiting exceptional talent and continues with individually planned assignments and experiences that lead to broad skill development and a deep understanding of our businesses. This career-oriented, personalized approach results in a retention rate of 96 percent and an average length of service of 30 years for our career employees. It also facilitates development of the next generation of leaders from within the company.

Through a combination of work assignments, on-the-job experiences, and focused training and education, employees acquire the necessary skills and competencies to take on increasing levels of responsibility and job complexity.

ExxonMobil invests in our people for a long-term career. We spend an average of \$100 million per year on training and in 2018 had more than 25,000 job rotations in support of employee development plans.

2018 performance highlights

CULTURE OF HEALTH PROGRAM IN 22 COUNTRIES

We implemented the *Culture of Health* program in 22 countries, and our team continues to look for new opportunities to expand the program's reach.

43% INCREASE IN FEMALE EXECUTIVES SINCE 2008

Twenty percent of ExxonMobil's executive employee population are women, an increase of 43 percent over the past decade.

55% INCREASE IN MINORITY EXECUTIVES SINCE 2008

Seventeen percent of our U.S. executives are minorities, an increase of 55 percent over the past 10 years.

25K JOB ROTATIONS WORLDWIDE

ExxonMobil had more than 25,000 job rotations in support of employee development plans.



Local workforce training at the Juni Training Center in Mozambique.

HUMAN RIGHTS

ExxonMobil is committed to respecting human rights as a fundamental principle in our operations, implemented through training and the application of our policies and practices. Our business presence can and should have a positive influence on the people in the communities where we operate. Our practices reflect the spirit and intent of the United Nations' [Universal Declaration of Human Rights](#). Elements of the United Nations' [Guiding Principles on Business and Human Rights](#) also guide our approach to managing human rights.

ExxonMobil conducts human rights training to help build an understanding of human rights issues and an awareness of potential human rights risks. More than 1,600 employees in 47 countries have completed the training since 2015. ExxonMobil utilizes a risk screening tool to assess potential human rights impacts associated with our activities, and integrates it into our Environmental, Socioeconomic and Health Impact Assessment process so that the risks are appropriately mitigated.

Our efforts to manage human rights issues reflect evolving international initiatives. ExxonMobil works closely with IPIECA to monitor business and human rights trends, and to share and develop practices in human rights supply chain management from the oil and gas industry and other extractive industries.

ExxonMobil contributed to a set of practical guidance documents and tools issued by IPIECA on [Company and Supply Chain Labour Rights in the Oil and Gas Industry](#).

The series of guidance documents addresses the potential human rights impacts and issues that may occur through business relationships, particularly in the industry supply chain.

Security and human rights

ExxonMobil's Statement of Principles on Security and Human Rights establishes the expectation that all business units provide security for personnel, facilities and operations in a manner that respects human rights. The framework guides our majority-owned operating affiliates on how to manage interactions with both host government-assigned security and private security providers. It also provides guidance for documenting allegations of human rights abuses by public or private security personnel and any incidents of inappropriate physical force used by security providers in the protection of company assets. Depending on the nature of an incident, our procedures include reporting to host governments.

Where appropriate, our standard security services contracts include provisions requiring that personnel receive training to understand and comply with the following:

- ExxonMobil's Statement of Principles on Security and Human Rights
- Local laws and regulations
- Provisions of the Universal Declaration on Human Rights
- The Fundamental Principles and Rights at Work of the 1998 International Labour Organization Declaration
- U.N. Code of Conduct for Law Enforcement Officials
- U.N. Principles on the Use of Force and Firearms by Law Enforcement Officials



These standard security services contract provisions require contractors to monitor, report and investigate allegations of human rights abuses. Contractors are required to immediately remove any of their personnel credibly alleged to have committed a human rights abuse.

Since 2016, nearly 17,000 personnel have been trained on the Voluntary Principles on Security and Human Rights, a multi-stakeholder initiative that focuses on ways to maintain the safety and security of operations while respecting human rights. Using the Voluntary Principles on Security and Human Rights to train on-the-ground security personnel can help reduce human rights risks.

In some instances, ExxonMobil is required by host governments to provide security services. ExxonMobil has signed agreements with governments in Chad, Colombia, Indonesia, Papua New Guinea and Mozambique that include expectations for respecting human rights consistent with the Voluntary Principles, as well as compliance with relevant local, U.N. and other security-related frameworks.

Human rights in the supply chain

ExxonMobil clearly communicates its [expectations](#) on human rights to its suppliers on an annual basis. These expectations include references to key international human rights frameworks, including the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

ExxonMobil also complies with all relevant laws and regulations regarding human rights. For example, in compliance with the UK Modern Slavery Act 2015, we prepare an [annual slavery and human trafficking statement](#). ExxonMobil's annual [conflict minerals filing](#) to the U.S. Securities and Exchange Commission provides disclosures regarding supply sources of gold, tin, tungsten and tantalum.

2018 performance highlights

COMPUTER-BASED HUMAN RIGHTS TRAINING IN 47 COUNTRIES SINCE 2015

Since 2015, more than 1,600 key employees in 47 countries completed our human rights computer-based training module.

UTILIZED A RISK SCREENING TOOL

We use a risk screening tool prior to conducting broader Environmental, Socioeconomic and Health Impact Assessments to mitigate potential human rights impacts.

~17K TRAINED ON VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS SINCE 2016

We have helped train nearly 17,000 personnel on the Voluntary Principles.

220 PROCUREMENT PROFESSIONALS TRAINED ON HUMAN RIGHTS SINCE 2016

Since 2016, 220 procurement professionals have completed human rights awareness training.

In 2016, we developed human rights awareness training tailored to procurement professionals to help improve their understanding of human rights. Since then, we completed training for more than 220 ExxonMobil procurement employees.

Our procurement department reviews goods purchased in countries that are included in the [U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor](#). The list calls attention to goods and countries that may use child or forced labor in production. While our review does not assess a material's country of origin, it enables us to assess purchases of higher-risk commodities. In addition, we use data from our global purchasing systems and the Department of Labor's list to prioritize mitigation efforts in our direct supply chain.

For information on supply chain management, including supplier diversity, visit our [website](#).



COMMUNITY INVESTMENTS

ExxonMobil works closely with local communities where we operate to help support their needs. We collaborate with governments and local stakeholders to invest in programs that promote local economic growth and improve social conditions.

Local economic growth and development

ExxonMobil adds economic value to countries where we operate by employing and training the local workforce and supporting local suppliers. We develop a local content plan specific to each country or area to establish long-term economic benefits. When we hire local employees, they may receive additional training to develop technical and leadership skills, improving their overall employability. Our development program includes training on relevant technical and vocational skills, health and safety, environmental protection, management skills and business conduct.

ExxonMobil also helps drive local and regional economic progress. An example is ExxonMobil's Growing the Gulf initiative. Growing the Gulf is expected to create more than 45,000 high-paying jobs by building and expanding manufacturing facilities along the U.S. Gulf Coast. The production of natural gas in U.S. shale basins, including those found in the Permian Basin in West Texas and New Mexico, has grown significantly in recent years and has enabled Gulf Coast development. A recent study estimates the company's development of Permian Basin resources in New Mexico will generate approximately \$64 billion in net economic benefits for the state and local communities over the next 40 years, creating thousands of new jobs and providing increased funding for education, health and human services, and infrastructure improvements.

2018 local hiring

PERSONNEL LOCALLY HIRED

PERSONNEL LOCALLY HIRED IN SUPERVISORY OR MANAGERIAL POSITIONS

ANGOLA

91% 77%

CHAD

92% 80%

EQUATORIAL GUINEA

77% 30%

INDONESIA

97% 93%

MALAYSIA

98% 90%

NIGERIA

94% 88%

PAPUA NEW GUINEA

68% 19%

Social investments

Our social investments address key needs such as access to health care, disaster relief, education and economic development. In 2018, we contributed \$211 million to communities around the world, which includes donations from Exxon Mobil Corporation, our divisions and affiliates, the ExxonMobil Foundation, employee and retiree giving through ExxonMobil's matching gift and volunteer programs, and disaster relief.

For example, in Angola, educational challenges include the shortage of appropriate facilities. In partnership with RISE International and Educate A Child, ExxonMobil plans to build 25 new primary schools in Angola for 24,000 children currently out of school in the provinces of Luanda, Benguela and Bié. At the end of 2018, seven schools were completed and the program began enrolling students. In January 2019, ExxonMobil celebrated the opening of two additional primary schools.

Our employees are passionate about engaging in their communities, and we encourage them to contribute to the communities where they live and work. Through our U.S. volunteer involvement program, we provide a \$500 donation to the employee's charity of choice for every 20 hours a volunteer works, up to four times per year. Over 15,000 ExxonMobil employees, retirees and their families volunteered more than 440,000 hours at 3,500 charitable organizations in 33 countries in 2018. More than 4,200 employees and retirees donated nearly \$17 million to approximately 830 colleges and universities, as well as minority scholarship programs. The ExxonMobil Foundation matched that amount with nearly \$33 million in 2018.

For information on working with local communities, please visit our [website](#).

2018 performance highlights

\$1.3B CONTRIBUTED TO EDUCATION SINCE 2000

Since 2000, we have contributed more than \$1.3 billion to education programs around the world, including approximately \$58 million in 2018.

\$170M INVESTED TO COMBAT MALARIA SINCE 2000

Since 2000, ExxonMobil has invested nearly \$170 million to support malaria research, education and treatment programs.

\$120M CONTRIBUTED TO IMPROVE WOMEN'S ECONOMIC OPPORTUNITIES SINCE 2005

Since 2005, we have invested approximately \$120 million in programs that develop female entrepreneurs and business leaders and improve access to technology for women.

CREATING 45K+ JOBS IN THE GULF COAST

Growing the Gulf is expected to create more than 45,000 jobs by building and expanding manufacturing facilities.

Spotlight

XTO Energy co-founds the Permian Strategic Partnership



Melissa Leroy, XTO Energy operations engineer, in Midland, Texas.

ExxonMobil's XTO Energy subsidiary aims to balance growing energy production in the Permian Basin with the needs of communities in the area. In 2018, XTO Energy co-founded the Permian Strategic Partnership, an alliance of 20 energy companies developing oil and natural gas resources in the Permian Basin. The partnership collaborates with trade associations, chambers of commerce, local governments and philanthropic groups to address community challenges in western Texas and southeastern New Mexico. The partnership opened an office in 2019 to guide this multi-year effort.

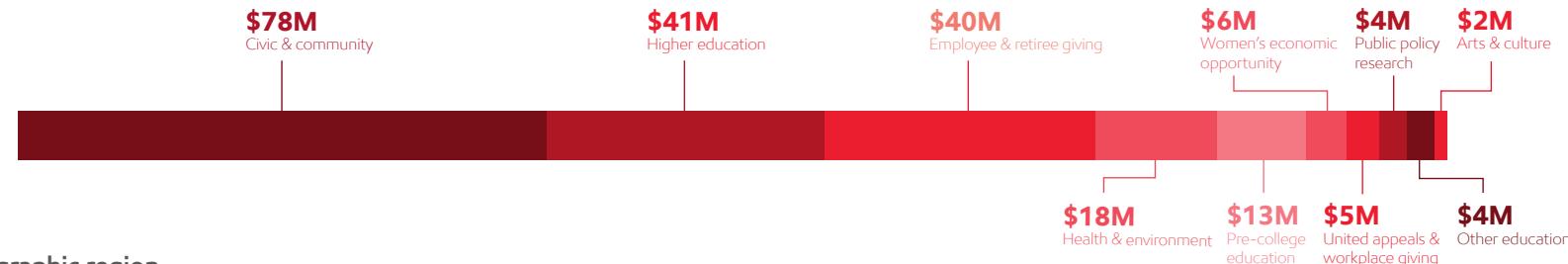
Partnership members have collectively pledged more than \$100 million to improve the quality of life for families in the area. Members are collaborating with local leaders to understand specific needs of individual communities. Through this initial engagement, the partnership identified the need for safer roads, better schools, quality health care, affordable housing and a trained workforce. It is in the process of identifying and supporting programs to help manage these needs.

2018 COMMUNITY INVESTMENTS

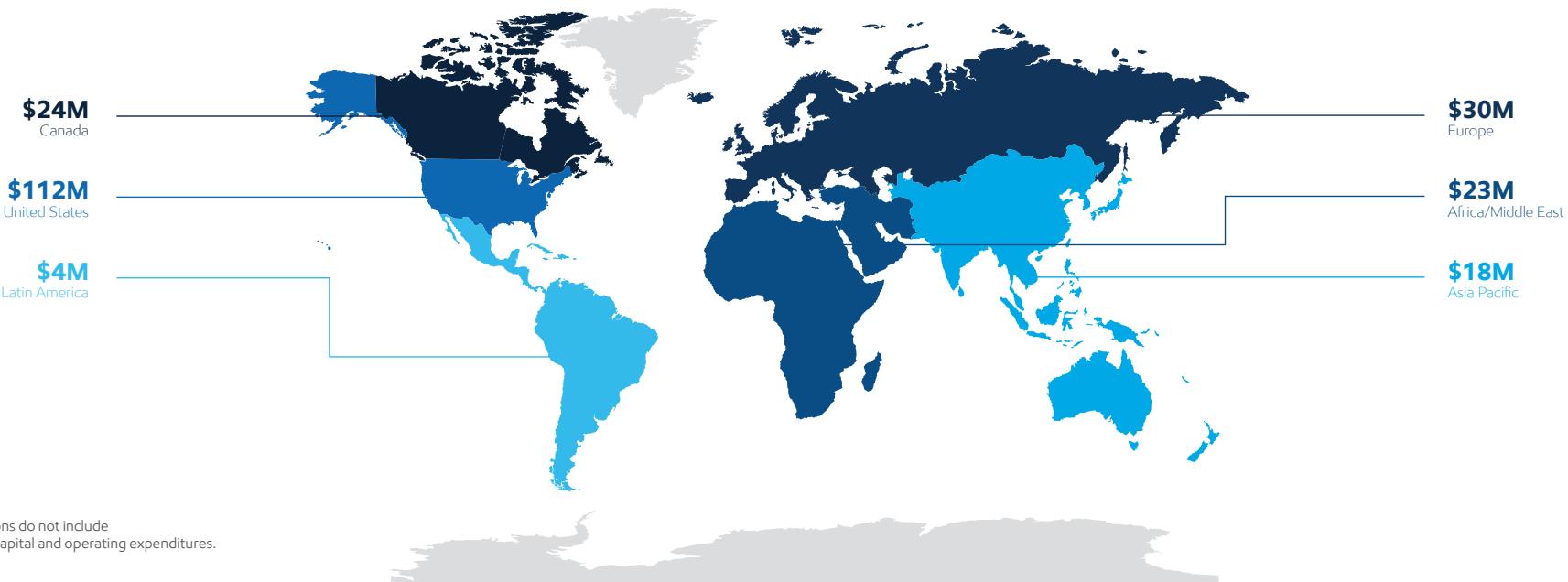
In 2018, ExxonMobil contributed \$211 million to communities around the world.* This includes donations from Exxon Mobil Corporation, our divisions and affiliates, the ExxonMobil Foundation, employee and retiree giving through ExxonMobil's matching gift and volunteer programs, and disaster relief.

\$211M WORLDWIDE TOTAL

Investments by focus area



Investments by geographic region



*Total contributions do not include environmental capital and operating expenditures.



GOVERNANCE

Good corporate governance creates a business environment conducive to long-term growth. ExxonMobil employs a variety of policies and processes to uphold high ethical standards and promote transparency. Our efforts are underpinned by a board of directors that provides strategic oversight of our corporation's affairs.



ETHICS AND INTEGRITY

ExxonMobil strives to uphold high ethical standards at all times and in all aspects of our business. Our [Standards of Business Conduct](#) set the ethical conduct expectations for our corporation and majority-owned subsidiaries. Employees must annually confirm that they have read and comply with the Standards to ensure a consistent understanding. ExxonMobil requires that all employees, officers, directors and those working on our behalf comply with all applicable laws.

ExxonMobil encourages employees and contractors to ask questions, voice concerns and report any alleged violations of company policies. In addition to our open-door communication procedures, ExxonMobil has several confidential mechanisms for reporting. Employees can submit concerns through a 24-hour hotline phone number or a mailing address. We respect confidentiality, subject to legal requirements, and strictly prohibit retaliation against any employee for submitting concerns. A hotline steering committee reviews reports of suspected violations.

The board audit committee, comprising three independent, non-employee directors, oversees accounting and internal control matters for the company, including compliance with legal and regulatory requirements. The board audit committee receives a quarterly report summarizing the steering committee's findings, including any policy violations. Confirmed violations lead to disciplinary actions, up to and including termination. For more information on the board audit committee, visit the company's annual [proxy statement](#).

We conduct regular internal audits and self-assessments to verify the effectiveness of our control systems and adherence to our Standards of Business Conduct.

ExxonMobil's team of internal auditors annually reviews approximately one-third of the corporation's activities and processes. Internal auditors have access to all operations, records, personnel and properties. We thoroughly investigate any suspected acts of noncompliance with the Standards of Business Conduct.

Employees in relevant job functions receive in-person training on anti-trust, anti-corruption, anti-boycott, trade sanctions and export controls soon after entering their positions and every year thereafter. In 2018, nearly 37,000 employees and contractors participated in such training.

2018 performance highlights

**~1/3
OF ACTIVITIES
AND
PROCESSES
AUDITED**

Nearly 37,000 employees and contractors participated in compliance training.

ExxonMobil's team of internal auditors annually reviews approximately one-third of the corporation's activities and processes.



Chairman and Chief Executive Officer Darren Woods speaks with shareholders at ExxonMobil's Annual Shareholder Meeting in Dallas, Texas.

BOARD LEADERSHIP

ExxonMobil's board of directors provides oversight of the corporation's affairs. Board members select an independent director to serve as the presiding director to help ensure a level of independence in our board leadership. Board members expect the presiding director to serve for a minimum of two years. The presiding director serves as a liaison to the chairman. The director reviews the schedule and agenda for all board meetings in advance, and in consultation with the chairman, as well as other materials distributed to the directors. The board believes the shareholder interests are best served through a leadership model combining the roles of chairman of the board and chief executive officer.

At year-end 2018, nine of ExxonMobil's 10 directors were independent as defined by New York Stock Exchange guidelines. In 2018, the board of directors met nine times. ExxonMobil's directors, on average, attended approximately 99 percent of board and committee meetings during 2018.

Board diversity

ExxonMobil recognizes that the strength and effectiveness of the board reflects the balance, experience and diversity of the individual directors; their commitment; and the ability of directors to work effectively as a group in carrying out their responsibilities. The board affairs committee recommends board of director candidates in accordance with our [Guidelines for the Selection of Non-employee Directors](#).

The board affairs committee looks for highly qualified, non-employee candidates with demonstrated leadership, competency and a commitment to represent the interests of our shareholders.

An independent executive search firm helps identify external candidates for consideration who have:

- Achieved prominence in their fields;
- A diversity of backgrounds, including gender and race/ethnic diversity;
- Experience and demonstrated expertise in managing large, complex organizations such as that of chief executive officers or senior executives of a large company or organization with global operations;
- Expertise in financial and other risk management;
- Experience on one or more boards of significant public organizations or nonprofit organizations;
- Expertise resulting from significant professional or academically based scientific or research activities; and
- Experience with cyclical businesses such as commodities.

The board affairs committee considers recommendations from shareholders and board directors to help ensure the selection process is collaborative. At year-end 2018, 44 percent of the board's independent directors were female or an ethnic minority.

Engagement on sustainability topics

ExxonMobil's board of directors is responsible for risk oversight. Meeting agendas routinely include sustainability topics and board members review the effectiveness of the company's policies, programs and practices. The entire board receives regular briefings on public policy, scientific and technical research, as well as company and external positions related to environmental stewardship and climate change. Throughout the year, the board considers several climate-related matters. The board reviews the [Outlook for Energy](#), the company's safety, health and environmental performance, the annual corporate plan, shareholder proposals and regulatory filings.

Risk oversight is the responsibility of the entire board. The various board committees conduct deeper reviews and provide additional insight on important topics. For example, the audit committee assesses ExxonMobil's overall risk management approach and structure to confirm risks across the company are being appropriately considered.

Several sustainability-related topics typically fall under the purview of the board's public issues and contributions committee (PICC). The PICC provides oversight of the corporation's safety, security, health and environmental performance. The members review the company's management practices on safety, security, health, the environment and corporate social responsibility, including actions taken to address climate change risks.

2018 performance highlights

9/10 INDEPENDENT DIRECTORS

At year-end 2018, nine of ExxonMobil's 10 directors were independent as defined by New York Stock Exchange guidelines.

9 BOARD MEETINGS

The board of directors met nine times.

99% BOARD MEETING ATTENDANCE

On average, ExxonMobil's directors attended ~99 percent of board and committee meetings.

44% BOARD DIVERSITY

At year-end 2018, 44 percent of the board's independent directors were female or an ethnic minority.

Spotlight

Public issues and contributions committee

Within ExxonMobil's board of directors, the public issues and contributions committee reviews company policies, programs and practices on public issues to provide relevant feedback. A broad range of backgrounds and areas of expertise for individual public issues and contributions committee members helps to identify connections between different issues and ensures the group is able to evaluate and inform the board effectively on complex issues such as climate change risks.



In 2018, the public issues and contributions committee traveled to our Permian operations near Carlsbad, New Mexico.

The public issues and contributions committee, along with other members of the board of directors, makes annual site visits to ExxonMobil operations to observe and provide input on current operating practices and external engagement.

In 2018, the public issues and contributions committee traveled to ExxonMobil's Permian operations near Carlsbad, New Mexico. The visit included a tour of a well site where directional drilling and hydraulic fracturing technologies are being employed, as well as a production site where oil and gas are separated and stabilized prior to transport and use. Through these field visits, the committee is able to see first-hand and validate that the risk management process and Operations Integrity Management System are effective at protecting the corporation's employees, the community and the environment. The committee utilizes this information, along with reports on the safety and environmental activities of the operating functions throughout the year, to provide recommendations to the full board.



The United Nations headquarters in New York, New York.

ENGAGING WITH GOVERNMENTS

Transparency in payments to governments

We recognize the importance of disclosing relevant payments to governments to reduce corruption, improve government accountability and promote greater economic stability worldwide. We consider the most successful transparency initiatives are those that:

- Apply to all foreign, domestic and state-owned companies;
- Protect proprietary information to promote commercial competitiveness;
- Comply with international trade conventions and treaties; and
- Do not violate host government laws or contractual obligations.

ExxonMobil is a founding member of the Extractive Industries Transparency Initiative (EITI), a global organization that promotes the accountable management of oil, natural gas and mineral resources. Companies and governments participating in EITI report payments and revenues, enabling EITI to reconcile any differences between the totals and publish validated total government revenues.

ExxonMobil actively participates at both the EITI secretariat and country levels. Every year, an ExxonMobil representative serves on the EITI board as either a primary or an alternate member.

We work with several governments that are EITI members, as well as others considering membership. Currently, 52 countries are compliant members or have been accepted as candidates to begin reporting under the EITI standard.

Policy engagement

ExxonMobil believes sound public policy should include input from a variety of stakeholders. We recognize that public policy decisions made at all levels of government can have significant effects on our current and future operations. ExxonMobil exercises its right to support policies that promote stable investment for long-term business viability.

ExxonMobil engaged on several issues in 2018 to support responsible economic, energy and environmental policies in the United States, including:

- **Energy infrastructure:** With the right regulatory policies in place, private investments in oil and gas infrastructure could exceed \$1.3 trillion by 2035, adding 1 million U.S. jobs and increasing gross domestic product by almost \$2 trillion, according to a study conducted by global consulting firm, IFC, commissioned by the American Petroleum Institute.

- **Free-market policies:** ExxonMobil is committed to ensuring a level playing field in energy markets and protecting consumer access to affordable, reliable and safe energy for homes and businesses. Policies that alter markets in ways that favor some fuel sources over others could impact free-market competition and negatively affect consumers.
- **Regulatory reform:** ExxonMobil supports legislation that enhances transparency, accountability and objectivity of regulatory processes to improve public safety and minimize economic cost.
- **Trade:** As a global company, ExxonMobil relies on free and fair trade agreements and policies, which include strong protections such as Investor State Dispute Settlement provisions. We support policies that maintain freedom to import and export goods and services, which also provide consumers with more choices.

U.S. lobbying expenses

In 2018, ExxonMobil's U.S. federal lobbying expenses totaled \$11.2 million, as publicly reported in our filings under the Lobbying Disclosure Act.

Further information on federal issues ExxonMobil lobbied in the United States in 2018 is available on our [website](#).

Political contributions

The board of directors has authorized ExxonMobil to make political contributions to candidate committees and other political organizations as permitted by applicable laws in the United States and Canada. The board annually reviews ExxonMobil's political contributions, as well as the contributions from the company-sponsored political action committee. Internal audits of the corporation's public and government affairs activities routinely verify corporate contribution amount.

Eligible employees and retirees may participate in the U.S. political process by contributing to a voluntary, company-sponsored, federal PAC. ExxonMobil reports PAC contributions to the U.S. Federal Election Commission every month.

In 2018, we contributed more than \$273,000 to state candidates and caucuses in eight U.S. states. During 2018, ExxonMobil's PAC disbursed nearly \$920,000* to federal and state candidates. Corporate political contributions are subject to an internal review process that requires approval from the chairman.

*Totals may not reflect some candidates' failure to deposit, or returned contributions not yet posted.



The United States Capitol in Washington, D.C.

CASE STUDY



Exploratory drillship offshore Guyana.

GUYANA OPERATIONS

ExxonMobil has a significant presence in Guyana, with offices in the capital city of Georgetown and ongoing exploration and development operations offshore. As of July 2019, ExxonMobil's discoveries in Guyana's Stabroek Block represent more than 6 billion oil-equivalent barrels of recoverable resource. We recognize the importance of helping develop and produce Guyana's energy resources in a way that benefits the country and its citizens.

Local development

Providing opportunities for local hiring and development is a vital part of our commitment to sustainable operations in Guyana. We apply proven training curriculums, industry best practices and leading technology to support local workforce development. In 2018, our affiliates in Guyana increased their workforce to nearly 2,000 employees and contractors, 54 percent of whom are Guyanese.

As our projects progress, ExxonMobil, its contractors and subcontractors continue to build capacity of the Guyanese workforce. Our goal is to provide Guyanese personnel with technical and professional skills needed for existing and future operations. ExxonMobil provided more than 50,000 hours of training to individuals working on our projects during the second half of 2018, including training for careers in the emerging oil and gas industry in Guyana. More than 25 Guyanese traveled internationally, including to Brazil, Indonesia and the United States, to gain hands-on training that they can apply to their work in Guyana.

We are committed to working with Guyanese suppliers to help develop local businesses. In 2017, ExxonMobil established the Centre for Local Business Development (CLBD) in Georgetown, Guyana. The CLBD promotes long-term, economic growth by helping local businesses build capacity and improve competitiveness. In 2018, it delivered courses on offshore oil and gas, procurement, health, safety, security and the environment to more than 2,500 participants from local companies. As part of this effort, the CLBD also trained more than 185 members of technical and vocational schools and provided nearly 550 hours of training to participants from government ministries and agencies. In doing so, the CLBD helps improve knowledge of the oil and gas industry in the country.

ExxonMobil contracted with nearly 500 Guyanese vendors to supply goods and services for our operations in 2018. We also spent nearly \$60 million directly with Guyanese companies ranging from food providers to engineering services. ExxonMobil also collaborated with the CLBD to host a two-day supplier forum in 2018.



Nicholas Skeete, shorebase coordinator, oversees support vessels preparing to depart offshore.

Representatives from more than 750 Guyanese businesses had an opportunity to meet and interact with ExxonMobil and our contractors, learn more about our procurement practices and gain insight into future ExxonMobil activities. We use CLBD's interactive database to post bid opportunities and identify potential local suppliers, contractors and subcontractors.

Biodiversity

Understanding and protecting Guyana's well-known, rich biodiversity is a key objective in successfully developing the country's resources. We are working with local government and nonprofit organizations to help advance understanding of local biodiversity. For example, ExxonMobil consults with Guyanese scientists and government agencies to conduct onshore and offshore biodiversity surveys. In 2017 and 2018, ExxonMobil engaged a team of local experts to conduct a series of studies on avian and marine life in Guyana. The team also conducted the country's first coastal-wide ecosystem services study to understand how coastal ecosystems support local populations.



Mangroves in Guyana.

In 2018, the ExxonMobil Foundation pledged \$10 million over five years to support a collaboration with Conservation International and the University of Guyana to help advance a sustainable economy through investments in education, research, environmental management practices and conservation. Through the program, the University of Guyana and Conservation International will offer training for jobs that provide sustainable goods and services. The investment will also help expand conservation areas in the Rupununi Wetlands, aid mangrove restoration and bolster community-based fishing on Guyana's coast.

Safety

As with any country in which we operate, successful development of Guyana's oil and gas resources requires a constant focus on safety and emergency preparedness. To build local capacity, we work with Guyanese stakeholders to develop effective emergency response plans for our operations and lead oil spill preparedness and response courses as part of ongoing training efforts.

In 2018, more than 150 community members from six coastal regions participated in training courses. ExxonMobil provided trainers for the Guyana Civil Defense Commission (CDC) and National Oil Spill Response Committee focused on incident command training and oil spill management, and participated in CDC-led meetings of the National Oil Spill Response Committee. In addition to maintaining our own oil spill response plans, we are also working with the CDC to develop a National Oil Spill Response Plan, which the government plans to put in place before anticipated oil production in 2020.

Stakeholder engagement

Cultivating and maintaining positive relationships in countries where we operate is critical to our business success. ExxonMobil regularly engages stakeholders in Guyana, including government entities, nongovernmental organizations and local communities. We use multiple communication channels, including social media, to provide public updates on our activities. We also created a television program called Access ExxonMobil Guyana, which broadcasts new episodes on our activities every six to eight weeks.



Ashlika Persaud, geoscientist, uses a geologic model to illustrate properties of a reservoir in Guyana.

ABOUT THE SUSTAINABILITY REPORT HIGHLIGHTS

This 2018 Sustainability Report Highlights summarizes ExxonMobil's approach to managing our operations and describes our environmental, social and governance performance. This report focuses on 10 key topics for our business. For further information on all topics that are important to ExxonMobil, please visit our [website](#).

We developed this year's *Sustainability Report* in accordance with the reporting guidelines and indicators of IPIECA, the global oil and gas industry association for environmental and social issues, the International Association of Oil and Gas Producers and the American Petroleum Institute. This report focuses on ExxonMobil's operations from January 1, 2018, through December 31, 2018, unless otherwise indicated. This 2018 *Sustainability Report Highlights* uses qualitative descriptions and quantitative metrics to describe our policies, programs, practices and performance. Note that many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees.

More about this report



Explore our online 2018 *Sustainability Report*
exxonmobil.com/sustainabilityreport

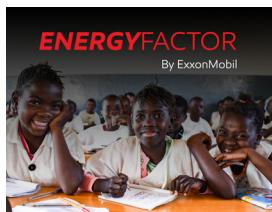
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Energy Factor
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Summary Annual Report
exxonmobil.com/annualreport



Energy & Carbon Summary
exxonmobil.com/ecsummary

Issue review

Consistent with IPIECA's Oil and Gas Industry Guidance on Voluntary Sustainability Reporting, we use a "materiality process" to identify sustainability topics that are relevant to the company and our key stakeholders. ExxonMobil began conducting annual materiality assessments in 2006 to identify environmental, social and governance issues of particular interest to our stakeholders. We conduct an annual assessment to ensure our analysis reflects events and changing business priorities. The results of our materiality assessment help inform the development of our annual *Sustainability Report*. Read more about our [materiality assessment](#).

We list the 2018 material issues below. For the purposes of this report, the concept of "material issues" refers to IPIECA reporting guidance on potential disclosures and does not correspond to the concept of materiality used in the securities laws and disclosures required by U.S. Securities and Exchange Commission rules. Visit our [content index](#) for a detailed mapping of the locations of information regarding material issues.

Environment

- Environmental management system
- Engaging on climate change policy
- Managing climate change risks
- Developing innovative products and technology
- Managing impacts on air and water
- Waste management
- Spill performance
- Operating in sensitive environments

Social

- Safety
- Workplace security
- Community investments
- Working with local communities
- Human rights
- Supply chain management
- Healthy and engaged workforce

Governance

- Ethics and integrity
- Board leadership
- Engaging with governments
- Shareholder relations

PERFORMANCE DATA

We assess our performance to support continual improvements throughout the organization. Since 2011, performance data include XTO Energy information. In 2014, we started reporting our data over a 10-year period to demonstrate trends over time as part of our commitment to transparency. The reporting guidelines and indicators of IPIECA, the International Oil and Gas Producers Association and the American Petroleum Institute Oil and Gas Industry Guidance on Voluntary Sustainability Reporting (2015) informed what data we included in the performance table. For additional information on our sustainability reporting, visit the [content index](#).

Environment*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
¹Greenhouse gas emissions, absolute (net equity, CO₂-equivalent emissions), millions of metric tons	123	126	128	126	127	124	122	125	123	124
² Direct (excluding emissions from exported power and heat)	114	117	119	118	119	116	114	117	115	116
³ Emissions associated with imported power	9	9	9	8	8	8	8	8	8	8
CO ₂ (excluding emissions from exported power and heat)	119	122	124	120	119	116	115	118	116	117
Methane (CO ₂ -equivalent)	3	3	3	5	7	7	6	7	7	7
Other gases (CO ₂ -equivalent)	1	1	1	1	1	1	1	<1	<1	<1
Emissions from exported power and heat	14	13	15	15	16	8	4	3	3	3
By-region greenhouse gas emissions (net equity, CO₂-equivalent emissions), millions of metric tons										
Africa/Europe/Middle East	43	45	45	44	44	43	44	45	43	42
Americas	62	64	66	68	70	66	65	64	64	63
Asia Pacific	18	17	17	14	13	15	13	16	16	19
By-division greenhouse gas emissions (net equity, CO₂-equivalent emissions), millions of metric tons										
Upstream	47	50	54	56	58	56	56	59	58	58
Downstream	56	55	54	51	49	47	45	45	43	42
Chemical	20	21	20	19	20	21	21	21	22	24
¹Greenhouse gas emissions, normalized (net equity, CO₂-equivalent emissions), metric tons per 100 metric tons of throughput or production										
Upstream	20.1	20.5	20.7	22.3	23.2	24.0	23.9	24.7	24.7	25.3
Downstream	21.0	20.8	20.0	19.6	19.7	19.2	18.9	19.4	18.6	18.6
Chemical	60.7	57.9	57.2	56.3	57.9	54.5	54.8	53.9	54.2	55.7

Environment (continued)*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Energy use (billion gigajoules)	1.5	1.5	1.5	1.5	1.4	1.4	1.5	1.5	1.4	1.5
Upstream (gigajoules per metric tons production)	1.9	2.0	2.0	2.0	2.1	2.3	2.4	2.4	2.5	2.6
Downstream (gigajoules per metric tons throughput)	3.0	3.0	3.0	3.0	3.0	2.9	2.9	2.9	2.9	3.0
Chemical (gigajoules per metric tons product)	9.8	9.5	11.4	12.0	10.9	10.7	10.9	10.6	10.5	10.1
Hydrocarbon flaring (worldwide activities), millions of metric tons	4.4	3.6	4.0	3.5	3.7	4.5	5.3	5.0	3.8	4.0
⁴ Cogeneration capacity in which we have interest, gigawatts	4.9	4.9	5.0	5.2	5.3	5.5	5.5	5.3	5.4	5.4
Freshwater withdrawn, millions of cubic meters	N/A	N/A	540	520	420	420	450	430	440	470
Freshwater consumption, millions of cubic meters	340	330	370	330	280	270	300	280	290	310
Freshwater intensity, metric tons of water consumed per metric tons of throughput or production										
Upstream	0.1	0.1	0.3	0.3	0.2	0.2	0.4	0.3	0.3	0.5
Downstream	0.9	0.9	0.9	0.8	0.7	0.7	0.7	0.8	0.8	0.7
Chemical	2.5	2.4	2.6	2.4	2.0	1.8	1.8	1.7	1.7	1.8
Marine vessel spills (owned and long-term leased), number of hydrocarbon spills > 1 barrel	0	0	0	0	0	0	0	0	0	0
Spills (not from marine vessels), number of oil, chemical and drilling fluid spills > 1 barrel	242	210	484	356	331	337	321	220	204	333
Hydrocarbons spilled (oil spilled), thousands of barrels	17.4	7.7	17.8	8.5	9.3	9.1	10.8	4.7	6.9	11.3
Other spills, thousands of barrels	0.5	40.4	2.0	1.6	0.9	4.1	0.4	3.7	1.8	0.8
Controlled hydrocarbon discharges to water, thousands of metric tons	1.4	1.3	1.3	1.2	1.1	1.3	1.1	1.1	1.7	0.8
Upstream	1.1	1.1	1.1	1.0	1.0	1.2	1.0	1.0	1.6	0.7
Downstream	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Sulfur dioxide (SO₂) emitted, millions of metric tons	0.16	0.14	0.13	0.13	0.12	0.10	0.11	0.11	0.10	0.11
Nitrogen oxides (NO_x) emitted, millions of metric tons	0.13	0.12	0.15	0.14	0.14	0.14	0.14	0.13	0.12	0.12
Volatile organic compounds (VOCs) emitted, millions of metric tons	0.18	0.18	0.18	0.15	0.15	0.16	0.16	0.15	0.15	0.17
Environmental expenditures, billions of dollars	5.1	4.5	4.9	5.5	6.0	6.2	5.7	4.9	4.7	4.9
Total dollars spent on environmental penalties, fines and settlements, billions of dollars	0.002	0.011	0.003	0.004	0.002	0.015	0.005	0.006	0.001	0.001
Total hazardous waste disposed from remediation, millions of metric tons	1.2	0.6	1.3	1.7	1.1	1.0	1.4	1.4	1.5	1.1
⁵ Total hazardous waste disposed from operations, millions of metric tons	0.8	1.3	1.9	2.0	0.3	0.3	0.2	0.1	0.2	0.2

Social

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fatalities – employees	4	0	0	1	0	0	0	0	0	0
Fatalities – contractors	4	3	9	4	6	3	2	3	2	3
⁶ Fatal accident rate – total workforce (per 1,000,000 work hours)	0.017	0.006	0.017	0.010	0.011	0.006	0.004	0.008	0.005	0.007
⁶ Fatal incident rate – total workforce (per 1,000,000 work hours)	0.012	0.006	0.017	0.010	0.009	0.006	0.004	0.008	0.005	0.007
⁷ Lost-time incident rate – employees (per 200,000 work hours)	0.043	0.048	0.064	0.042	0.051	0.032	0.045	0.027	0.034	0.037
⁷ Lost-time incident rate – contractors (per 200,000 work hours)	0.040	0.031	0.086	0.049	0.041	0.031	0.029	0.030	0.027	0.031
⁷ Lost-time incident rate – total workforce (per 200,000 work hours)	0.041	0.038	0.077	0.047	0.044	0.031	0.035	0.029	0.029	0.034
⁷ Total recordable incident rate – employees (per 200,000 work hours)	0.32	0.25	0.30	0.25	0.22	0.19	0.21	0.16	0.15	0.14
⁷ Total recordable incident rate – contractors (per 200,000 work hours)	0.39	0.34	0.41	0.37	0.32	0.29	0.26	0.23	0.22	0.26
⁷ Total recordable incident rate – total workforce (per 200,000 work hours)	0.36	0.30	0.37	0.33	0.29	0.26	0.24	0.20	0.19	0.22
Process Safety Tier 1 Events (API RP 754 guidance)	69	62	70	63	62	65	74	64	63	73
^{8,9} Number of regular employees at year end, thousands	81	84	82	77	75	75	73	71	70	71
⁹ Percent of workforce – outside the United States	63	60	61	59	59	58	59	59	60	60
⁹ Percent women – global workforce	26	26	26	28	28	28	28	28	28	29
Percent management and professional new hires – women (campus and experienced)	38	40	44	39	39	40	41	44	41	37
Percent management and professional new hires – outside the United States (campus and experienced)	63	70	79	68	66	61	61	74	67	62
Number of non-unique employee participants in corporate and technical training, thousands	52	61	65	76	87	79	85	83	98	87
Total corporate and technical training expenditures, millions of dollars	71	77	80	88	96	117	124	108	94	62
¹⁰ Community investments, millions of dollars	235.0	237.1	278.4	255.6	269.5	279.5	272.3	241.5	204.0	211.0
United States	143.0	154.8	161.3	156.5	156.3	150.2	145.5	131.1	125.3	112.0
Rest of world	92.0	82.3	117.1	99.1	113.2	129.3	126.8	110.4	78.7	99.0
¹¹ ExxonMobil spending with U.S. diverse suppliers, millions of dollars	887	841	1,068	1,001	1,024	1,108	1,064	1,442	1,902	2,267

Governance

¹² Number of Extractive Industries Transparency Initiative (EITI) participating countries	8	7	7	7	9	10	11	15	18	19
Corporate political contributions – U.S. state campaigns and national 527s, millions of dollars	0.49	1.10	0.51	1.03	0.70	1.17	0.58	0.52	0.51	0.62
Percent of shares represented at Corporation's Annual Meeting	82.9	80.7	81.9	83.0	82.3	82.9	83.9	85.1	85.7	85.5

Footnotes

[†] Natural gas converted to oil-equivalent barrels using 6 million cubic feet per 1,000 barrels.

[‡] Sales data reported net of purchases/sales contracts with the same counterparty.

^{*}ExxonMobil-operated emission estimates are based on a combination of measured and estimated emissions data using best available information. Our calculations are based on industry standards and best practices, including guidance from the American Petroleum Institute (API) and IPIECA. The uncertainty associated with the emission estimates depends on variation in the processes and operations, the availability of sufficient data, the quality of those data and methodology used for measurement and estimation. Changes to the estimates may be reported as updated data and/or emission methodologies become available. We work with industry, including API and IPIECA, to improve emission factors and methodologies. Emission estimates from non-ExxonMobil-operated facilities are included in the equity data. The data includes XTO Energy performance beginning in 2011.

¹The net equity greenhouse gas emissions metric was introduced in 2011 as a replacement for the direct equity greenhouse gas metric. Information has been restated back to 2009 according to the new metric. The net equity greenhouse gas metric includes direct and imported greenhouse gas emissions and excludes emissions from exports (including Hong Kong Power through mid-2014). ExxonMobil reports greenhouse gas emissions on a net equity basis for all our business operations, reflecting our percent ownership in an asset.

²The addition of direct emissions and emissions associated with exported power and heat is equivalent to World Resources Institute (WRI) Scope 1.

³These emissions are equivalent to WRI Scope 2.

⁴Cumulative figure.

⁵The value for hazardous waste from ongoing operations includes produced water classified as hazardous waste by one local authority, which is approximately 70-95 percent of the reported figure in 2009-2012.

⁶Workforce includes employees and contractors. Accidents or incidents include both injuries and illnesses. From 2009 through 2018 all fatalities were injury-related.

⁷Incidents include injuries and illnesses. Safety data are based on information at the time of publication. Workforce includes employees and contractors.

⁸Reduction from 2011 primarily due to divestment and restructuring activity in the downstream business.

⁹Regular employees are defined as active executive, management, professional, technical and wage employees who work full-time or part-time for ExxonMobil and are covered by ExxonMobil's benefit plans and programs. Employees at our company-operated retail stores are not included.

¹⁰Total contributions include ExxonMobil corporate and foundation donations, and employee and retiree giving through ExxonMobil's matching gift, disaster relief and employee giving programs.

¹¹Beginning in 2015, our spending encompassed an expanded set of diverse classifications that includes: minority-owned businesses, women-owned businesses, small business-owned, lesbian-, gay-, bisexual- and transgender-owned businesses, veteran-owned businesses, service-disabled veteran-owned businesses and businesses owned by peoples with disabilities. Prior to 2014, spending included minority- and women-owned businesses.

¹²In countries where ExxonMobil has an upstream business presence.

N/A is used to indicate that data are not available.

Explore our online 2018 Sustainability Report at exxonmobil.com/sustainabilityreport.



On the cover

Gladston Serrao, wells engineer, at the Liza 2 platform offshore Guyana.

ExxonMobil

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