

MAJORITY OF EXXONMOBIL SHAREHOLDERS REAFFIRM NEED FOR COMPANY TO ACCOUNT FOR CLIMATE RISK

Pressure Mounts on Oil Giant After CBIS Proposal Garneres Majority of Votes

CHICAGO -- May 27, 2022 – Christian Brothers Investment Services, Inc. (CBIS), a leading Catholic, socially responsible investment management firm and Registered Investment Advisor to Catholic investors around the world, has reported that a [shareholder proposal](#) urging ExxonMobil (NYSE: XOM) to quantify the potential effect on its business of global action to address climate change garnered a majority shareholder vote at Exxon’s annual meeting.

The proposal, filed by a coalition of two dozen faith-based and socially responsible investors led by CBIS, urged ExxonMobil to issue an audited report assessing the impact of the International Energy Agency’s Net Zero 2050 Scenario (IEA NZE) on the assumptions, costs, estimates, and valuations underlying its financial statements.

According to John Geissinger, CBIS’ Chief Investment Officer, the scenario described in the proposal addresses the shifts in public policy and consumer demand that would accompany the limiting of global temperature rise to 1.5 degrees -- the level scientists indicate cannot be breached if the most catastrophic effects of climate change are to be avoided.

“The company must face the reality that nations worldwide are committing to reduce carbon emissions to net zero by 2050, and it needs to quantify for investors the potential effects in its financial statements,” says Geissinger. “The generalities that ExxonMobil has been providing regarding how the company might manage its assets or shift investments in a Net-Zero analysis are no longer sufficient. We’re pleased with the results of the proposal as it demonstrates to Exxon that the shareholders want additional transparency into this critical issue.”

“The CBIS Resolution Committee, comprised of members of CBIS’ leadership, views this proposal as strategically in line with the Pope’s call for progressive transformation to a low-carbon economy. We tactically built on the momentum after the near majority vote on a similar resolution in 2021,” says Jeff McCroy, President & Chief Executive Officer of CBIS. “In keeping with Catholic teaching, we see shareholder advocacy around the potentially catastrophic effects of climate change as our duty.”

McCroy continued, “CBIS’ continued investment in Exxon has enabled CBIS to pursue the work of the De La Salle Christian Brothers and the CBIS mission, including Laudato Si: On Care for our Common Home. Divestment, although a simpler path, removes the ability to make impactful changes as an engaged shareholder.”

[Independent analysis](#) by the Carbon Tracker Initiative has detailed the lack of quantification in the company’s disclosures regarding the effect of the scenario’s assumptions on Exxon’s current business model or financial results.

CBIS' [Proxy Exempt Solicitation](#) highlights the gap between the company's disclosures and the shareholder request. Reflecting the importance of the issue, this resolution was among the few proposals flagged for consideration by influential investor network Climate Action 100+, and was supported by proxy advisors ISS and Glass Lewis for the second straight year.

“The IEA NZE anticipates that as governments around the world make and implement Net-Zero commitments, demand for oil and gas may radically fall,” says Geissinger. “Many of Exxon’s peers are already providing quantitative disclosure of the potential impacts of Net-Zero on their revenues, assets, and liabilities. It’s clear that most of Exxon’s shareholders believe their company must take the same step.”

For more information on the ExxonMobil resolution and CBIS’ other corporate engagements, please visit cbisonline.com. To hear CIO John Geissinger’s remarks at the Exxon Shareholder Meeting, click [here](#).

About Christian Brothers Investment Services

(CBIS)CBIS is an SEC-registered investment advisory firm amplifying the power of Catholic investors to transform the world. Responsible for more than \$10 billion in assets under management, Chicago-based CBIS works with Catholic investors to develop socially responsible investment strategies and solutions that uphold Catholic beliefs and values without sacrificing returns for investors, often taking an engaged ownership role to command change in its investments. Founded in 1981 by the De La Salle Christian Brothers, CBIS engages third-party institutional investment firms to actively sub-advise its portfolios. For more information, visit cbisonline.com, or call 877-550-2247.

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