UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 24, 2023

Louis Goldberg
Davis Polk & Wardwell LLP

Re: Exxon Mobil Corporation (the "Company")
Incoming letter dated January 13, 2023

Dear Louis Goldberg:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Kenneth Steiner for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the executive pay committee adopt a policy requiring senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age and to report to shareholders regarding the policy.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(10). In our view, the Company's historical approach to granting executive compensation does not substantially implement the retention requirements contemplated by the Proposal.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2022-2023-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: John Chevedden

Davis Polk

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
davispolk.com

January 13, 2023

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC, 20549
via email: shareholderproposals@sec.gov

Ladies and Gentlemen:

On behalf of Exxon Mobil Corporation, a New Jersey corporation (the "**Company**"), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), we are filing this letter with respect to the shareholder proposal (the "**Proposal**") submitted by John Chevedden (the "**Proponent**") for inclusion in the proxy materials the Company intends to distribute in connection with its 2023 Annual Meeting of Shareholders (the "**2023 Proxy Materials**"). The Proposal is attached hereto as Exhibit A.

We hereby request confirmation that the Staff of the Division of Corporation Finance (the "**Staff**") will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from the 2023 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (CF), Shareholder Proposals (Nov. 7, 2008), Question C, we have submitted this letter and any related correspondence via email to shareholderproposals@sec.gov. Also, in accordance with Rule 14a-8(j), a copy of this submission is being sent simultaneously to the Proponent as notification of the Company's intention to omit the Proposal from the 2023 Proxy Materials. This letter constitutes the Company's statement of the reasons it deems the omission of the Proposal to be proper. We have been advised by the Company as to the factual matters set forth herein.

THE PROPOSAL

The Proposal states:

> Shareholders urge that our executive pay committee adopt a policy requiring senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age and to report to shareholders regarding the policy in our Company's next annual meeting proxy. For the purpose of this policy, normal retirement age would be an age of at least 60 and be determined by our executive pay committee.

REASON FOR EXCLUSION OF THE PROPOSAL

The Company believes that the Proposal may be properly omitted from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal.

The Proposal May Be Excluded under Rule 14a-8(i)(10) Because the Company's Policies, Practices and Procedures Compare Favorably with the Guidelines of the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if the company has already substantially implemented the proposal. According to the Securities and Exchange Commission (the "**Commission**"), the purpose of this rule is to "avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." See Exchange Act Release No. 34-20091 (Aug. 15, 1983); Exchange Act Release No. 34-12598 (July 1976). The Commission has also stated that "substantial" implementation under the rule does not require implementation in full or exactly as presented by the proponent. See Exchange Act Release No. 34-40018 (May 21, 1998, n.30).

The Staff has consistently found that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices, and procedures compare favorably with the guidelines of the proposal." *See Texaco, Inc.* (March 28, 1991). *See also, e.g., Best Buy Co., Inc.* (Apr. 22, 2022); *BlackRock, Inc.* (Apr. 2, 2021); *JPMorgan Chase* & Co. (Mar. 9, 2021); *Devon Energy Corp.* (Apr. 1, 2020); *Johnson* & *Johnson* (Jan. 31, 2020); *Pfizer Inc.* (Jan. 31 , 2020); *The Allstate Corp.* (Mar. 15, 2019); *Johnson* & *Johnson* (Feb. 6, 2019); *United Cont'l Holdings, Inc.* (Apr. 13, 2018); *eBay Inc.* (Mar. 29, 2018); *Kewaunee Scientific Corp.* (May 31, 2017); and *Wal-Mart Stores, Inc.* (Mar. 16, 2017). The Staff has permitted exclusion of a proposal under Rule 14a-8(i)(10) when a company has substantially implemented and therefore satisfied the "essential objective" of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal. *See, e.g.*, *Salesforce.com, Inc.* (Apr. 20, 2021); *Apple Inc.*(Oct. 16, 2020); *Wal-Mart Stores, Inc.* (Mar. 25, 2015); and *Exelon Corp.* (Feb. 26, 2010).

More specifically, in *Vector Group Ltd.* (Feb. 26, 2013), the Staff concurred with exclusion under Rule 14a-8(i)(10) of a proposal substantially similar to the Proposal submitted to the Company, which requested that the company's board of directors adopt a minimum stock ownership policy that would require senior executives to retain a "significant" percentage of shares, recommending a threshold of 25% of shares, acquired through equity pay programs until normal retirement age, as well as prohibit hedging transactions. In *Vector Group*, the company, after receiving the proposal, adopted an equity retention and hedging policy that required senior executives to retain 25% of shares until reaching normal retirement age and prohibited hedging transactions. Similarly, in *Bank of America Corporation* (Mar. 14, 2013), the Staff concurred with exclusion under Rule 14a-8(i)(10) of an identical proposal to *Vector Group*. In response to the proposal, the company's board of directors adopted a policy requiring senior executives to retain 50% (rather than the 25% threshold suggested in the proposal) of shares received through equity compensation programs for one year after retirement.

Here, the Proposal requests that the Compensation Committee of the Company's Board of Directors (the "**Board**") adopt a policy requiring senior executives to retain, until normal retirement age, 50% of stock acquired through equity pay programs. The Proposal's supporting statement explains that such a policy would prohibit senior executives from utilizing shares granted through equity pay programs in hedging transactions. When taken together with the Proposal's statement that the policy would "focus our executives on [the Company's] long-term success . . .", it is apparent that the Proposal's "essential objective" is to cause senior executives to hold significant equity stakes received as part of their compensation until normal retirement age.

The Company's long-standing approach to granting equity compensation to senior executives results in exceeding the retention requirements contemplated by the Proposal. Equity incentive compensation for senior executives of the Company has for many years been granted solely in the form of restricted stock or restricted stock units ("**RSUs**"), also referred to in the Company's proxy statements as "performance shares”, with the longest vesting periods in any industry of which the Company is aware. Specifically, 50% of the equity grants to senior executives vest five years from the date of grant, and the remaining 50% vest 10 years from the date of grant. Importantly, the vesting periods are not accelerated upon retirement. This means the equity awards held by a senior executive at the time of retirement continue to vest incrementally over the subsequent 10 years after retirement. The Company’s mandatory retirement age for US-based executives is 65, notably higher than the Proposal’s recommended minimum age of 60.

During the long periods of time that equity awards granted to senior executives of the Company remain unvested, the underlying shares are restricted from transfer. It is thus unnecessary for the Company to maintain a separate policy on “stock retention”, since a high level of stock retention is hard-wired into the terms of its equity-based compensation and not subject to discretion on the part of the executive.

During these very long vesting periods, the underlying shares also remain subject to forfeiture, including upon a finding that an executive has engaged in activity detrimental to the Company. As described in more detail below, the Company also maintains a robust policy against hedging of Company stock by executives, as well as other employees.

The Company’s unique policy on executive stock retention is stated as follows on page 56 in the Company’s 2022 proxy statement (the “**2022 Proxy Materials**”)[1]:

> “Long restriction periods on performance shares result in executives maintaining significant stock ownership during employment and for 10 years into retirement, the majority of which remain unvested.”

Pursuant to Rule 14a-8(j), if a company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The Company is filing this no-action letter based on its current expectation with respect to when it may be filing its definitive proxy statement, in order to comply with Rule 14a-8(j).

The Company’s policies and practices therefore ensure executive stock retention far in excess of the Proposal, which calls only for retention of 50% of an executive’s awards until at least age 60. As described in more detail below, the Company’s existing policies and the terms of those awards in fact result in a significantly higher level of stock retention than called for by the Proposal. For executive officers who have retired in the past three years—average age at retirement of those individuals is over 62—on average **over 80%** of their equity awards remained unvested at the time of retirement.

The Company notes that in *ExxonMobil Corp.* (Mar. 21, 2012), the Staff concurred with the exclusion of a proposal (the “**2012 Proposal**”) the Company received from the same proponent that is largely identical to the Proposal here, except for the percentage of shares to be retained (i.e., a requirement that the executives hold a “significant percentage” of shares, recommended as 25% in the 2012 Proposal compared with a 50% requirement here in the Proposal) and requiring that the executives retain those shares for one year following the termination of their employment, rather than the requirement here in the Proposal of up to normal retirement age. The Staff agreed that the Company had substantially implemented the 2012 Proposal. Just as the Company’s policies and practices in 2012 were sufficient to exclude the proposal under Rule 14a-8(i)(10), the Company’s existing policies and practices are sufficient to exclude the Proposal.

[1] https://www.sec.gov/Archives/edgar/data/34088/000119312522098314/d280259ddef14a.htm

Listed below are the guidelines of the Proposal, and a detailed explanation of how they compare to the Company's existing policies and practices. Overall, the Company's existing policies and practices will satisfy the essential objective of the Proposal in that they require senior executives to hold meaningful equity stakes past retirement.

Proposal Request: Requiring *senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age.*

> **Company Facts**: As noted above and disclosed in the Company's 2022 Proxy Materials, its incentive compensation policy is designed and administered such that senior executives maintain significant stock ownership during employment, through the use of long vesting periods, up to 10 years after their retirement. For example, of the senior executives who retired between January 1, 2020 and January 1, 2023, the average unvested awards represented over 80% of their total awards granted. Moreover, the Company's compensation practice is such that 70% of total direct compensation to senior executives is made up of equity compensation, thereby subjecting more than half of all compensation to the Company's uniquely long vesting periods. It is also notable that the Company's standard retirement age is 65 years old, older than the Proposal's recommendation. In sum, then, the Company already requires senior executives to retain a sufficient percentage of equity compensation for a period up to and beyond the Proposal's suggested age.

Proposal Request: *The policy should prohibit hedging transactions with respect to shares issued under equity pay programs.*

> **Company Facts**: The Company maintains an anti-hedging policy, applicable to the Company's Chief Executive Officer and other corporate officers as disclosed in the "Executive Compensation" section on pages 39 and 56 of the 2022 Proxy Materials.[2] In short, the Company prohibits all active executives, among others, from being party to derivatives or similar financial instruments, including options, futures and collars, among others, with regard to the Company's common stock. It further prohibits senior executives from trading in the oil or gas futures markets, writ large.

Proposal Request: *The policy should supplement any share ownership requirements that have been established for senior executives.*

> **Company Facts**: For the reasons noted above, because stock retention over and above the standards of the Proposal—or other corporate executive stock retention guidelines of which the Company is aware—are hard-wired into the Company's equity compensation program, the Company does not maintain formal share ownership requirements, but, as noted above, the Company's program results in substantially more than 50% of a senior executive's equity awards being retained long past retirement.

Proposal Request: *The Company should report to shareholders regarding the policy in its proxy materials to be distributed in connection with future annual meetings of shareholders.*

> **Company Facts**: As noted above, the Company reported on its current policies in the 2022 Proxy Materials and will continue to do so in future proxy materials.

The Staff has provided no-action relief under Rule 14a-8(i)(10) when a company has substantially implemented and therefore satisfied the "essential objective" of a proposal, even if the company did not

[2] https://www.sec.gov/Archives/edgar/data/34088/000119312522098314/d280259ddef14a.htm

take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal.

The Company is aware that in *Delta Air Lines, Inc.* (Mar. 26, 2014), *Citigroup Inc.* (Jan. 27, 2014), *Celgene Corporation* (Mar. 25, 2013), *Nabors Industries Ltd.* (Mar. 22, 2013), *General Electric Company* (Jan. 24, 2013) and *Pfizer Inc.* (Jan. 9, 2013), the Staff did not concur with substantially similar proposals concerning executives' retention of stock past their retirement. However, the outcomes in each are distinguishable.

In *Delta Air Lines*, *Celgene*, *Nabors Industries*, *General Electric* and *Pfizer*, the responding companies each either adopted or relied upon existing policies requiring executives to maintain a minimum threshold of shares, calculated as a multiple of the executive's base salary, received through equity compensation programs before they may sell shares. Here, however, the Company does not maintain a baseline threshold amount of shares that executives must retain, with any shares over that minimum available to be sold. Rather, through the design of its compensation practices and, most notably, its long-term vesting conditions, the Company's existing policies result in more than 50% of equity compensation remaining unvested and unable to be sold when a senior executive reaches normal retirement age. Moreover, the long vesting periods result in those awards remaining unvested well into the executive's retirement.

Similarly, *Citigroup* is also distinguishable. There, the company relied on a policy requiring executive officers to retain at least 75% of equity compensation for as long as they are executive officers. That policy also required individuals to hold at least 50% of the shares subject to that policy after their tenure as an executive officer has ended. Unlike that policy, the vesting schedule for Company awards is not tethered to an executive's tenure. Shares will remain unvested until the long-term vesting schedule is met regardless of the executive's status within the Company and, as noted above, into retirement.

As such, the Company's existing policies and practices more than satisfy the Proposal and the Company therefore believes the Proposal may be properly excluded from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(10).

CONCLUSION

For the reasons set forth above, the Company believes that the Proposal may be excluded from its 2023 Proxy Materials pursuant to Rule 14a-8(i)(10). The Company respectfully requests the Staff's concurrence with its decision to exclude the Proposal from its 2023 Proxy Materials and further requests confirmation that the Staff will not recommend enforcement action to the SEC if it so excludes the Proposal.

Davis Polk

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
davispolk.com

We would be happy to provide you with any additional information and answer any questions that you may have regarding this request. Please do not hesitate to call me at (212) 450-4539 or contact James Parsons at james.e.parsons@exxonmobil.com. If the Staff does not concur with the Company’s position, we would appreciate an opportunity to confer with the Staff concerning these matters prior to the issuance of its response.

Respectfully yours,

Louis Goldberg

Attachment

cc w/ att: James E. Parsons, Exxon Mobil Corporation

John Chevedden

Exhibit A

Proposal 4 - Executives to Retain Significant Stock

Shareholders urge that our executive pay committee adopt a policy requiring senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age and to report to shareholders regarding the policy in our Company's next annual meeting proxy. For the purpose of this policy, normal retirement age would be an age of at least 60 and be determined by our executive pay committee.

This single unified policy shall prohibit hedging transactions for shares subject to this policy which are not sales but reduce the risk of loss to the executive. Otherwise our directors might be able to avoid the impact of this proposal. This policy shall supplement any other share ownership requirements that have been established for senior executives, and should be implemented without violating current company contractual obligations or the terms of any current pay or benefit plan. The Board is encouraged to obtain waivers of any current pay or benefit plan for senior executives that might delay implementation of this proposal.

Requiring senior executives to hold a significant portion of stock obtained through executive pay plans would focus our executives on our company's long-term success. A Conference Board Task Force report stated that hold-to-retirement requirements give executives "an ever-growing incentive to focus on long-term stock price performance."

Please vote yes:
Executives to Retain Significant Stock - Proposal 4

Englande, Sherry M

From:	John Chevedden [redacted]
Sent:	Sunday, December 04, 2022 3:56 PM
To:	Bates, Tamara L; Englande, Sherry M; Henry, David G /C; Palmer, Molly A
Subject:	Rule 14a-8 Proposal (XOM)
Attachments:	Scan2022-12-04_135111.pdf; ATT00001.htm; image001.jpg; ATT00002.htm
Categories:	External Sender

External Email - Think Before You Click

Rule 14a-8 Proposal (XOM)

Dear Ms. Bates,
Please see the attached rule 14a-8 proposal.
Please confirm that this is the correct email address for rule 14a-8 proposals.
John Chevedden

Kenneth Steiner
[redacted]

Mr. Craig S. Morford
Corporate Secretary
Exxon Mobil Corporation (XOM)
[redacted]

Dear Mr. Morford,

I purchased stock in our company because I believed our company had potential for improved performance. My attached Rule 14a-8 proposal is submitted in support of the long-term performance of our company. This Rule 14a-8 proposal is submitted as a low-cost method to improve company performance.

My proposal is for the next annual shareholder meeting. I will meet Rule 14a-8 requirements including the continuous ownership of the required stock value until after the date of the respective shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This is my proxy for John Chevedden and/or his designee to forward this Rule 14a-8 proposal to the company and to act on my behalf regarding this Rule 14a-8 proposal, and/or modification of it, for the forthcoming shareholder meeting before, during and after the forthcoming shareholder meeting. Please direct all future communications regarding my rule 14a-8 proposal to
John Chevedden
[redacted]
to facilitate prompt and verifiable communications.
Please identify this proposal as my proposal exclusively.

I expect to forward a broker letter soon so if you acknowledge this proposal in an email message it may very well save you from requesting a broker letter from me.

Sincerely,

Kenneth Steiner

10/6/22
Date

cc: Tamara L. Bates [redacted]
Sherry Englande [redacted]

[XOM: Rule 14a-8 Proposal, December 4, 2022]
[This line and any line above it is not for publication]

Proposal 4 – Executives To Retain Significant Stock

Shareholders urge that our executive pay committee adopt a policy requiring senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age and to report to shareholders regarding the policy in our Company's next annual meeting proxy. For the purpose of this policy, normal retirement age would be an age of at least 60 and be determined by our executive pay committee.

This single unified policy shall prohibit hedging transactions for shares subject to this policy which are not sales but reduce the risk of loss to the executive. Otherwise our directors might be able to avoid the impact of this proposal. This policy shall supplement any other share ownership requirements that have been established for senior executives, and should be implemented without violating current company contractual obligations or the terms of any current pay or benefit plan. The Board is encouraged to obtain waivers of any current pay or benefit plan for senior executives that might delay implementation of this proposal.

Requiring senior executives to hold a significant portion of stock obtained through executive pay plans would focus our executives on our company's long-term success. A Conference Board Task Force report stated that hold-to-retirement requirements give executives "an ever-growing incentive to focus on long-term stock price performance."

Please vote yes:

Executives To Retain Significant Stock – Proposal 4

[The above line is for publication.]

FOR

Shareholder Rights

Notes:

Please use the title of the proposal in bold in all references to the proposal in the proxy and on the ballot. If there is objection to the title please negotiate or seek no action relief as a last resort.

"Proposal 4" stands in for the final proposal number that management will assign.

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(I)(3) in the following circumstances:

• the company objects to factual assertions because they are not supported;
• the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
• the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
• the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

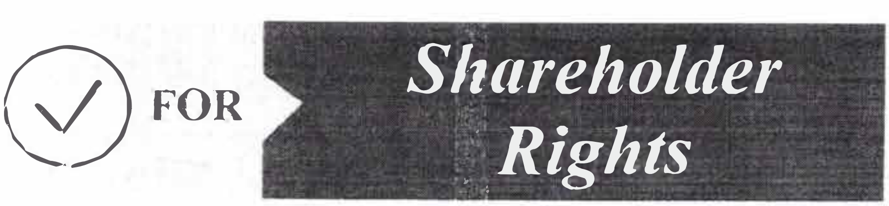
See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. **I intend to continue holding the same required amount of Company shares through the date of the Company's 2023 Annual Meeting of Stockholders as is or will be documented in my ownership proof.**

Please acknowledge this proposal promptly by email [redacted]

It is not intend that dashes (–) in the proposal be replaced by hyphens (-).
Please alert the proxy editor.

The color version of the below graphic is to be published immediately after the bold title line of the proposal at the **beginning** of the proposal and be **center justified**.



JOHN CHEVEDDEN

January 17, 2023

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

 # 2 Rule 14a-8 Proposal
Exxon Mobil Corporation (XOM)
Executives To Retain Significant Stock
Kenneth Steiner

Ladies and Gentlemen:

This is a counterpoint to the January 13, 2023 no-action request.

The first line of the proposal calls for a policy. Management misses the point because it begins to describe an "approach" in the last paragraph on page 2.

Then management refers to its so-called "unique policy" which is a vague proxy statement on "long retention periods."

Then management lumps "policies and practices' together in the hope that a past practice will make up for what it lacks in a policy.

A disclosure in a previous proxy is not a commitment to an enduring policy.

Sincerely,

John Chevedden

cc: Kenneth Steiner

James Parsons

[XOM: Rule 14a-8 Proposal, December 4, 2022]
[This line and any line above it is not for publication]

Proposal 4 – Executives To Retain Significant Stock

Shareholders urge that our executive pay committee adopt a policy requiring senior executives to retain 50% of stock acquired through equity pay programs until reaching normal retirement age and to report to shareholders regarding the policy in our Company's next annual meeting proxy. For the purpose of this policy, normal retirement age would be an age of at least 60 and be determined by our executive pay committee.

This single unified policy shall prohibit hedging transactions for shares subject to this policy which are not sales but reduce the risk of loss to the executive. Otherwise our directors might be able to avoid the impact of this proposal. This policy shall supplement any other share ownership requirements that have been established for senior executives, and should be implemented without violating current company contractual obligations or the terms of any current pay or benefit plan. The Board is encouraged to obtain waivers of any current pay or benefit plan for senior executives that might delay implementation of this proposal.

Requiring senior executives to hold a significant portion of stock obtained through executive pay plans would focus our executives on our company's long-term success. A Conference Board Task Force report stated that hold-to-retirement requirements give executives "an ever-growing incentive to focus on long-term stock price performance."

Please vote yes:

Executives To Retain Significant Stock – Proposal 4

[The above line is for publication.]