

## Exxon Investors Seek Dividend Boost in Lieu of New Fields

Joe Carroll | Nov. 25, 2014

Activist investors who called a truce with Exxon Mobil Corp. (XOM) this year over climate change disclosures demanded the world's biggest energy company give cash to shareholders rather than invest in costly new oilfields.

Arjuna Capital and a group called **As You Sow** filed a shareholder proposal with Exxon that calls on the Irving, Texas-based company to shift cash bound for carbon-intensive oil projects into bigger dividend payouts and share buybacks.

Plowing capital into new discoveries only increases Exxon's inventory of assets that could become stranded and unusable as governments around the world tighten restrictions on greenhouse gases linked to climate change, investors said in a statement today.

"This proposal is breaking new ground by asking Big Oil not to break ground on high-cost, high-carbon projects," Natasha Lamb, Arjuna's director of equity research and shareholder engagement, said in a statement today. "Exxon should return capital to shareholders rather than gamble with investor resources."

Exxon paid out \$11.4 billion in dividends during the past four quarters and spent \$13 billion on buybacks, according to data compiled by Bloomberg.

Arjuna and **As You Sow** withdrew a shareholder resolution on climate change risk in March after months of talks led to an agreement by Exxon to issue a report on the topic. Two weeks later, Exxon published a report on its website that said none of its oil or natural gas reserves were in danger of becoming stranded.

Worldwide demand for petroleum-based fuels will continue to grow as higher standards of living in developing nations trump efforts to limit emissions, Exxon said in the March 31 report.

Alan Jeffers, an Exxon spokesman, didn't immediately respond to a voice mail seeking comment. Exxon fell 1.2 percent to \$94.61 at 10:56 a.m. in New York trading. Shares have fallen 6.5 percent this year.

Exxon's \$400 million market valuation makes it the world's largest oil producer by market value, according to data compiled by Bloomberg.