Memorandum

20, 2019	Aug	Date:
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To: D. W. Woods

Re: OGCI CEOSC Meeting on August 21-22, 2019

From: P. W. Trelenberg

R. M. EbnerA. L. FeickS. M. McCarronG. T. AllmanT. J. WojnarG. A. PowellC. S. MorfordL. R. RzakulievaV. SwarupR. A. SchoberG. H. WaltonL. K. Tran

Darren,

On Thursday, August 22, 2019, the next OGCI CEO Steering Committee (CEOSC) meeting will be held in Geneva.

C:

Key Engagements

- August 21 7:00-10:00pm Joint OGCI CEOs and WEF dinner
- August 22 7:30-9:30am OGCI Steering Committee

Agenda

- 1. Welcome and Competition Law briefing; Minutes of 9th of July call comments; Objective of call
- 2. Climate Investments Update
- 3. September CEO Event & Narrative
- 4. September Announcement package and Statement on responding to the climate challenge
- 5. CCUS Kickstarter & CCUS CEM OGCI Joint Declaration

ExxonMobil Objectives for CEO SC Meeting

- 1. Align on objectives and scope of OGCI engagements and CEO events during Climate Week.
- 2. Incorporate remaining critical edits (summarized below) into September announcements, statements, and annual report. Chevron has expressed that they are generally aligned with these edits. Remind CEOSC and OGCI staff that major publications, must be formally approved by CEOSC consensus per Charter Article 2.2.1f.
- 3. Convey view that discussion of the governance proposal at the CEOSC is premature. The proposal for governance enhancements has not been worked with the Legal TP nor reviewed with the ExCom. The Legal TF and ExCom need to ensure that the options being proposed identify and address the root causes of observed governance issues. We suggest the following next steps:
 - Align at ExCom on fundamental governance issues.
 - Excom with support of Legal TF to develop options to address governance issues that include potential structural, process, and personnel changes.

Examples of Ongoing Governance Issues

OGCI staff continues to feel empowered to act beyond ExCom and CEOSC guidance. Recent examples are:

- The Responsible Engagement Statement was initiated without ExCom endorsement or CEOSC direction. Subsequent to the July 9th CEOSC call, OGCI staff expanded the draft Responsible Engagement statement (now renamed to 'Statement on Responding to the Climate Challenge and Stakeholder Engagement') beyond the Vatican statements, contrary to CEOSC guidance.
- On multiple occasions, OGCI staff has misrepresented the extent of ExCom endorsements. For example, on the draft narratives
 and statements, OGCI staff unilaterally declared ExCom approval without casting a formal vote by ExCom, to address changes
 provided since the June ExCom meeting. Further, September announcements and narrative were worked by OGCI staff,
 independent of the Communications TF (CTF). Only recently has the CTF been engaged on the details of the announcement and
 engagement planning.
- OGCI staff initiated negotiations with the Climate Energy Ministerial (CEM) without prior endorsement of ExCom or CCUS WS. They then drafted a joint CEM/OGCI declaration on accelerating the CCUS industry. Member companies have expended significant effort to restructure the initial agreement/declaration to be acceptable to member companies. Further, the initial agreement was drafted without any involvement from the CCUS WS or Legal TF.

Background Summary by Agenda Topic

Agenda Item 1: AttA, P2 EM supports this best practice to provide this reminder at the beginning of the meeting. NA 1a. Welcome and Competition Law Briefing/Agenda AttB Minutes appear consistent with DWW's summary of key decisions. Approval of minutes per DWW's r summary of key decisions. Agenda Item 2: AttB, P3 Progress being made toward 1 GT/yr target. Expect update only, no decision b asked. Agenda Item 3: AttC, CEO EM is supportive of the overall event agenda but awaits additional details one organes are supportive of the overall event support of OGCI Staff ormat, topics and expectations for CEO Emphasize need for CTF to develde details with support of OGCI Staff align with ExCom. Proposal to highlight 2019 deliverables and apt more emphasis on engagements with other organizations and stakeholders during UN AttA, P14, Highlights The current list of announcement topics includes CCUS KickStarter, CL Investments, methane progress, ADNOC joining OGCI, CCS OGCI - Cean Ereorg Ministerial declaration, alignment on carbon intensity metrics and statement on responding to climate challenge. There is lack of clarity and specific the planed engagement on the Global Methane Alliance (GMA). EM supports this engagement. We have limited our comerks thery don't accurately represent previous decisions made either factually incorrect, they don't accurately represent previous decisions made either fact that 11 members have submitted 2025 target. EM is also working with Chevron on reviewing industry analysis and comparisor yo. Continue to reinforce that any announcement of a specific target remo	Agenda Item I	Materials EM Position and Actions	Recommendation for CEOSC Discussion
Minutessummary of key decisions.Agenda Item 2: Climate InvestmentsAttA, P3- 12Progress being made toward 1 GT/yr target.Expect update only, no decision b 	elcome and etition Law	this reminder at the beginning of the	
Climate Investments Update12target.asked.Agenda Item 3: September CEO Event & NarrativeAttC, 			"s Approval of minutes per DWW's review
Agenda Item 3:AttC,EM is supportive of the overall event agenda but awaits additional details on format, topics and expectations for CEO engagement. Other companies are supportive of the overall approach and similar to EM, awaiting details.Emphasize need for CTF to develor details with support of OGCI Staff align with support of OGCI Staff the planned engagements around topics and narratives. Request that details be worked and finalized with carbon intensity metrics and statement on responding to climate challenge.Emphasize need for CTF to develor details on align with support of OGCI Staff align with support of OGCI StaffWe have limited our comments to those areas we feel strongly need to be modified, because they are either factually incorrect, they don't accurately represent previous decisions made either by the ExCom or CEOSC, or because they are premature and have not yet been vetted andAtt6 GMAMethane – Focus on methane reduction progress and support for engagement. Carbon Intensity metric –This table on P14 mentions the fact that 11 members have submitted 2025 target. EM is also announcement of a specific target removed from all narratives and announcements, consistent with p Consistent with p announcements, consistent with p CEO-SC	da Item 2: //	AttA, P3- Progress being made toward 1 GT/yr	Expect update only, no decision being asked.
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agreed. A number of 2017 baseline carbon intensity.	ents to those areas el strongly need to dified, because they her factually ect, they don't us decisions made by the ExCom or C, or because they emature and have t been vetted and d. A number of	GMA progress and support for engagement the Global Methane Alliance (GMA). Is supports this engagement. Carbon Intensity metric – This table of P14 mentions the fact that 11 memb have submitted 2025 target. EM is all working with Chevron on reviewing industry analysis and comparison vs.	con M Continue to reinforce that any announcement of a specific target be removed from all narratives and announcements, consistent with prior
been previously communicated but not yet included in the current drafts.	previously nunicated but not cluded in the current	Narrative and Declaration need furth refinement by WS and review with ExCom.	F level.
Att7 NCS	1 N	alignment. Premature to share 2020 GHG reduction plan at Climate Week	have not been identified by the Transportation WS nor vetted with ExCom.
Alliance Natural Climate Solutions – Need to understand what about the NCS Alliance will be announced or shared, awaiting details		understand what about the NCS Allia will be announced or shared, awaiting	

Agenda Item	Materials	EM Position and Actions	Recommendation for CEOSC Discussion
Agenda Item 4: 4a.September Announcement package Comments reflected here are critical areas. The attachment includes additional EM input on other important areas	Att1with remaining EM input	 Continuing debate regarding the meaning of 'near zero emissions'. OGCI staff's desire is to maintain reference to this term consistent with previous years' announcements. Term is being applied to methane emission reductions with lack of definition and alignment on its meaning. OGCI is now suggesting that the RoG work this definition as needed but timing may not be feasible for September announcement. Providing a definition will provide clarity on what standard will be expected of OGCI. For methane, we had proposed the following definition: 'consistent with 0.25% OGCI Upstream operated methane intensity target'. The carbon intensity narrative also mentions expanding scope to include the downstream which could imply that we will commit to a target for downstream. Members are not yet aligned on including downstream in the intensity targets. OGCI staff advocating for this language and believes it is consistent with CEOSC's ask. CCUS Kickstarter narrative needs refinement by CCUS WS. The concept of 'getting five emerging hubs into operation and capturing a specified volume' needs further discussion at WS and review by ExCom. Includes a statement on plans to deliver GHG reductions through transport-related initiatives which has yet to be defined. OGCI staff believes that this commitment was approved by CEOSC per Aramco's ask during December 2018 CEOSC meeting, contrary to meeting minutes. 	Direct OGCI Staff to work with ExCorr and CTF to further enhance and appropriately align on content.

Agenda Item	Materials	EM Position and Actions	Recommendation for CEOSC Discussion
4b.Statement on responding to the climate challenge Comments reflected here are critical areas. The attachment includes additional EM input on other important areas	Att2 with remaining EM input	 Need to remove reference to Paris Agreement as support for the Paris Agreement goals and member company advocacy are separate concepts and are not directly related. Creating a tie between our advocacy/engagements and the Paris Agreement could create a potential commitment to advocate on the Paris Agreement goals. Support for Paris Agreement is already mentioned in Announcement Package. Need to remove language that 	Direct OGCI Staff to work with ExCom, LTF and CTF to further enhance and appropriately align on content.
Agenda Item 5: CCUS Kickstarter & CCUS	Att3	potentially commits members to enhanced climate-related governance, strategy, risk management, and performance metrics and targets; language is not consistent with the Vatican statements. CCS OGCI and Clean Energy Ministerial Declaration - Draft Declaration needs	Direct OGCI Staff to work with ExCom, CCUS WS, and CTF to further enhance
CEM OGCI Joint Declaration		further refinement to emphasize the need for supportive policy and economic incentives versus creation of hubs. Will be further refined by CCUS WS.	and appropriately align on content.
Other Materials Governance Proposal	Att4	This proposal has not been vetted with ExCom nor Legal TF. Proposed Governance changes appears to be more on organization changes as a means of addressing governance deficiencies. Before proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel gaps. For CI the SIP should be revisited.	Current challenges with governance will not be solved by organization design, but by looking at strategic plan and process to approve decisions. Proposal for enhancements need to be worked with Legal TF and ExCom.
Draft Annual Report	Att5 Draft3 with EM comments	Draft4 under review. EM feedback on Draft3 not accepted. Key areas of concern are similar to critical comments listed above on the September package. In addition, the report includes explicit commitment for OGCI companies to align their advocacy with their climate related positions. We have raised concerns with this linkage through our previous comments.	Insist on alignment between annual report and all approved narratives, statements and declarations. Remind CEOSC and OGCI staff that major publications, including the annual report must be formally approved by CEOSC consensus per Charter Article 2.2.1f.

Memorandum

Date:	August 20, 2019			
To:	D. W. Woods	Re:	OGCI CEOSC	
			Meeting on August	
			21-22, 2019	
From:	P. W. Trelenberg	c:	R. M. Ebner	A. L. Feick
			S. M. McCarron	G. T. Allman
			T. J. Wojnar	G. A. Powell
			C. S. Morford	L. R. Rzakulieva
			V. Swarup	R. A. Schober
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 - Align at ExCom on fundamental governance issues.

• Excom with support of Legal TF to develop options to address governance issues that include potential structural, process, and personnel changes.

Examples of Ongoing Governance Issues

OGCI staff continues to feel empowered to act beyond ExCom and CEOSC guidance. Recent examples are:

- The Responsible Engagement Statement was initiated without ExCom endorsement or CEOSC direction.
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- OGCI staff initiated negotiations with the Climate Energy Ministerial (CEM) without prior endorsement of ExCom or CCUS WS. They then drafted a joint CEM/OGCI declaration on accelerating the CCUS industry. Member companies have expended significant effort to restructure the initial agreement/declaration to be acceptable to member companies. Further, the initial agreement was drafted without any involvement from the CCUS WS or Legal TF.

Agenda Item	Materials	EM Position and Actions	Recommendation for CEOSC Discussion
Agenda Item 1:	AttA, P2	EM supports this best practice to	NA
1a. Welcome and	R. D	provide this reminder at the	
Competition Law		beginning of the meeting.	
Briefing/Agenda			
1b. July 9 th Meeting	AttB	Minutes appear consistent with	Approval of minutes per DWW's
Minutes		DWW's summary of key decisions.	review.
Agenda Item 2:	AttA, P3-	Progress being made toward 1	Expect update only, no decision
Climate Investments	12	GT/yr target.	being asked.
Update			
Agenda Item 3:	AttC,	EM is supportive of the overall	Emphasize need for CTF to
September CEO Event	CEO	event agenda but awaits additional	develop details with support of
& Narrative	Event	details on format, topics and	OGCI Staff and align with ExCom.
	Summary	expectations for CEO engagement.	
Proposal to highlight		Other companies are supportive of	
2019 deliverables and			

Background Summary by Agenda Topic

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activities through	AttA,	the overall approach and similar to	
multiple	P14,	EM, awaiting details.	There is lack of clarity and
announcements	Highlights		specificity on the planned
throughout September		The current list of announcement	engagements around these topics
and put more		topics includes CCUS KickStarter,	and narratives. Request that the
emphasis on		CI Investments, methane progress,	details be worked and finalized
engagements with		ADNOC joining OGCI, CCS OGCI -	with CTF and ExCom with support
other organizations		Clean Energy Ministerial	from OGCI Staff, WS, and TF as
and stakeholders		declaration, alignment on carbon	appropriate.
during UN Climate		intensity metrics and statement on	a no
Week.	Att6 GMA	responding to climate challenge.	
We have limited our		Methane – Focus on methane	
comments to those		reduction progress and support for	
areas we feel strongly		engagement on the Global Methane	
need to be modified,		Alliance (GMA). EM supports this	
because they are		engagement.	Continue to reinforce that any
either factually			announcement of a specific target
incorrect, they don't		Carbon Intensity metric –This table	be removed from all narratives
accurately represent		on P14 mentions the fact that 11	and announcements, consistent
previous decisions		members have submitted 2025	with prior CEO-SC guidance.
made either by the		target. EM is also working with	
ExCom or CEOSC, or		Chevron on reviewing industry	
because they are		analysis and comparison vs. 2017	Support further refinement at the
premature and have		baseline carbon intensity.	WS level.
not yet been vetted			
and agreed. A number		CCUS Kickstarter & CEM	
of these comments		Declaration -Narrative and	Express concern that reduction
have been previously		Declaration need further	activities have not been identified
communicated but not	Att7 NCS	refinement by WS and review with	by the Transportation WS nor
yet included in the	Alliance	ExCom.	vetted with ExCom.
current drafts.			
and the second second		Transportation - Need	Express need to align on the plan
		ExCom/CEOSC alignment.	for the announcement and plan fo
	and a server	Premature to share 2020 GHG	engagement
		reduction plan at Climate Week.	
		- 1497 -	

Natural Climate Solutions – Need to	
understand what about the NCS	
Alliance will be announced or	
shared, awaiting details	



Agondo Itom	Materials	EM Position and Actions	Recommendation for CEOSC
Agenda Item	materials		Discussion
Agenda Item 4:	Att1with	Continuing debate regarding	Direct OGCI Staff to work with
4a.September	remaining	the meaning of 'near zero	ExCom and CTF to further
Announcement	EM input	emissions'. OGCI staff's desire	enhance and appropriately align
package		is to maintain reference to this	on content.
		term consistent with previous	
		years' announcements. Term	
Comments reflected		is being applied to methane	and the second sec
here are critical areas.		emission reductions with lack	
The attachment		of definition and alignment on	
includes additional EM		its meaning. OGCI is now	The second of the states
input on other		suggesting that the RoG work	and the second s
important areas		this definition as needed but	- Contraction of the second se
		timing may not be feasible for	
		September announcement.	
		Providing a definition will	
		provide clarity on what	
		standard will be expected of	an and a second s
		OGCI. For methane, we had	
		proposed the following	
		definition: 'consistent with	
		0.25% OGCI Upstream	
		operated methane intensity	
		target'.	
		The carbon intensity narrative	
		also mentions expanding scope	
		to include the downstream	
		which could imply that we will	
		commit to a target for	
		downstream. Members are not	
and the second sec		yet aligned on including	
and the second sec	and and and	downstream in the intensity	
	2 Martine		
		for this language and believes	
		it is consistent with CEOSC's	
		ask.	

	٠	CCUS Kickstarter narrative	
		needs refinement by CCUS WS.	
		The concept of 'getting five	
		emerging hubs into operation	
		and capturing a specified	
		volume' needs further	
		discussion at WS and review by	
		ExCom.	
		Includes a statement on plans	
		to deliver GHG reductions	
		through transport-related	
		initiatives which has yet to be	
		defined. OGCI staff believes	A State and and a state
		that this commitment was	
		approved by CEOSC per	
		Aramco's ask during December	
		2018 CEOSC meeting, contrary	
		to meeting minutes.	
		Contract of the second se	
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Agenda Item	Materials	EN	1 Position and Actions	Recommendation for CEOSC
Agenua Item	Matchais	PER	Position and Actions	Discussion
4b.Statement on	Att2 with	•	Need to remove reference to	Direct OGCI Staff to work with
responding to the	remaining	0	Paris Agreement as support for	ExCom, LTF and CTF to further
climate challenge	EM input	3	the Paris Agreement goals and	enhance and appropriately align
		5	member company advocacy	on content.
Comments reflected	and a second		are separate concepts and are	
here are critical areas.			not directly related. Creating a	
The attachment		T	tie between our	
includes additional EM			advocacy/engagements and	
		-	the Paris Agreement could	

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input on other		create a potential commitment	
important areas		to advocate on the Paris	
		Agreement goals. Support for	
		Paris Agreement is already	
		mentioned in Announcement	
		Package.	
		Need to remove language that	
		potentially commits members	
		to enhanced climate-related	
		governance, strategy, risk	
		management, and performance	
		metrics and targets; language	and the second se
		is not consistent with the	Sound all all and
		Vatican statements.	
Agenda Item 5:	Att3	CCS OGCI and Clean Energy	Direct OGCI Staff to work with
CCUS Kickstarter &		Ministerial Declaration - Draft	ExCom, CCUS WS, and CTF to
CCUS CEM OGCI Joint		Declaration needs further	further enhance and appropriately
Declaration		refinement to emphasize the need	align on content.
		for supportive policy and economic	
		incentives versus creation of hubs.	and the second se
		Will be further refined by CCUS WS.	
Other Materials			
Governance Proposal	Att4	This proposal has not been vetted	Current challenges with
	A	with ExCom nor Legal TF.	governance will not be solved by
	R ^{ay}	Proposed Governance changes	organization design, but by
		appears to be more on organization	looking at strategic plan and
		changes as a means of addressing	process to approve decisions.
		governance deficiencies. Before	
1			
			Proposal for enhancements need
		proposing a new org structure,	Proposal for enhancements need
		proposing a new org structure, there should be appropriate	to be worked with Legal TF and
	$\mathbf{>}$	proposing a new org structure, there should be appropriate consideration of existing	
		proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel	to be worked with Legal TF and
		proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel gaps. For CI the SIP should be	to be worked with Legal TF and
Joseph Constanting		proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel	to be worked with Legal TF and
Draft Annual Report	Att5	proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel gaps. For CI the SIP should be	to be worked with Legal TF and ExCom.
Draft Annual Report	Att5 Draft3	proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel gaps. For CI the SIP should be revisited. Draft4 under review. EM feedback	to be worked with Legal TF and ExCom. Insist on alignment between
Draft Annual Report		proposing a new org structure, there should be appropriate consideration of existing governance and process/personnel gaps. For CI the SIP should be revisited.	to be worked with Legal TF and ExCom.

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	Key areas of concern are similar to	
	critical comments listed above on	Remind CEOSC and OGCI staff
	the September package. In	that major publications, including
	addition, the report includes explicit	the annual report must be
	commitment for OGCI companies	formally approved by CEOSC
	to align their advocacy with their	consensus per Charter Article
	climate related positions. We have	2.2.1f.
	raised concerns with this linkage	
	through our previous comments.	

Memorandum

DRAFT FOR DWW PREVIEW dated 8/16/2019

Date:	August 20, 2019			
To:	D. W. Woods	Re:	OGCI CEOSC	
			Meeting on August	t
			22, 2019	
From:	P. W. Trelenberg	с:	R. M. Ebner	A. L. Feick
			S. M. McCarron	G, T. Allman
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On Thursday, August 22, 2019, the next OGCI CEO Steering Committee (CEOSC) meeting will be held in Geneva. Two hours have been scheduled for the meeting, with the following key engagements and agenda:

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- August 21 7:00-10:00pm Joint OGCI CEOs and WEF dinner
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- Welcome and Competition Law briefing; Minutes of 9th of July call comments; Objective of call 1.
- Climate Investments Update 2.
- 3 September CEO Event & Narrative
- September Announcement package and Statement on responding to the climate challenge 4.
- CCUS Kickstarter & CCUS CEM OGCI Joint Declaration 5.

ExxonMobil Objectives for CEO SC Meeting

- Emphasize that lack of effective governance continues to pose significant challenges for effective decision-making and causes 1. inefficiencies. Ensure that proposals developed by OGCI Staff, including recommendations for governance enhancements, be reviewed by the Excom and worked with the appropriate work streams (WS) and task forces (TF), including Communications and Legal TFs.
- Align on objectives and scope of OGCI engagements and CEO events during Climate Week. Communications Task Force (CTF) should be 2. leading this activity with support from appropriate WSs and OGCI Staff.
- Incorporate remaining critical edits (summarized below) into September announcements, statements, and annual report. Chevron is aligned 3. with these edits. CTF should be leading this activity with support from appropriate WSs and OGCI Staff.

Ongoing Governance Issues

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OGCI staff continues to feel empowered to act beyond ExCom and CEOSC guidance. Recent examples are:

- We understand that a proposal on Governance enhancements will be discussed during the CEOSC meeting. This proposal has not been reviewed by or aligned with ExCom nor Legal TF.
- On the draft Responsible Engagement Statement (which is now the "Statement on Responding to the Climate Challenge and Stakeholder Engagement"), OGCI staff expanded the language beyond the Vatican statements, contrary to CEOSC guidance from the July 9th call.
- OGCI and Climate Energy Ministerial (CEM) joint declaration on accelerating the CCUS industry has been worked outside of CCUS WS. Other members experience similar, 'no action' response on multiple iterations of feedback. On the evolving content of the draft narratives and statements, OGCI staff declared Excom approval without casting a formal vote by
- Excom to consider changes provided since the June Excom meeting.
- Much of the September announcements and narrative were being worked by OGCI staff, independent of the CTF. CTF is starting to engage on the details and planning.

Background Summary by Agenda 1 opic					
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Agenda Item	wrateriais	ENI POSIUOII anu Acuons	CEOSC Discussion		

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Draft - For Discussion Purposes Only

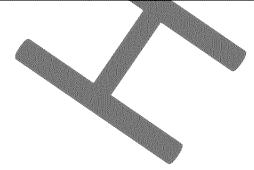
Privileged and Confidential, Prepared under Supervision of Legal Counsel

Agenda Item 1: 1a. Welcome and Competition Law	AttA, P2	EM supports this best practice to provide this reminder at the beginning of the meeting.	NA
Briefing/Agenda		meeting.	
1b. July 9 th Meeting Minutes	AttB	Minutes appear consistent with DWW's summary of key decisions.	Approval of minutes per DWW's review.
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Indifative	Event	format, topics and expectations for CEO	align with Excom.
Proposal to highlight 2019	Summary	engagement. Other companies are	
deliverables and activities		supportive of the overall approach and	
through multiple	AttA, P14,	similar to EM, awaiting details.	
announcements throughout September and put more	Highlights		
emphasis on engagements		The current list of announcement topics	There is lack of clarity and specificity on
with other organizations		includes CCUS KickStarter, CI Investments, methane progress, ADIPEC	the planned engagements around these topics and narratives. Request details to be
and stakeholders during		joining OGCI, CCS OGCI - Clean Energy	worked and finalized with CTF and
UN Climate Week.		Ministerial declaration, alignment on	ExCom with support from OGCI Staff,
We have limited our		carbon intensity metrics and statement on	WS, and TFs as appropriate.
comments to those areas we		responding to climate challenge.	ws, and ws as appropriate.
feel strongly need to be		inspectation of the second s	
modified, because they are		Methane – Focus on methane reduction	
either factually incorrect, they don't		progress and support for engagement on the	
accurately represent		Global Methane Alliance. EM supports this	and the second sec
previous decisions made		engagement.	and the second sec
either by the ExCom or			
CEOSC, or because they are premature and have not		Carbon Intensity metric - This table on P14	Continue to reinforce that any reference to
yet been vetted and agreed.		mentions the fact that 11 members have	the 2025 specific target be removed from
A number of these		submitted 2025 target. EM reviewing	all narratives and announcements,
comments have been		industry analysis.	consistent with prior CEO-SC.
previously communicated		CCUS Kickstarter & CEM Declaration –	
but not yet included in the current drafts.		Narrative and Declaration need further	Support further refine at the WS level.
ourrent drans.	1. 1. 1.	refinement by WS and review with ExCom.	
		Transportation – Need Excom/CEOSC alignment. Premature to share reduction	Express concern that reduction activities
	and the second s	plan at Climate Week.	have not been identified by the
			Transportation WS.
		Natural Climate Solutions – Need to	The potential in S.
		understand what about the NCS Alliance	Express need to align on the plan for the
		will be announced or shared, awaiting details	announcement and plan for engagement
		and the second se	
	and the second		
	The second se		

Agenda Item	Materials	EM Position and Actions	Recommendation for CEOSC Discussion
Agenda Item 4: Aa. September Announcement package Comments reflected here are critical areas. The attachment includes additional EM input on other important areas	Attlwith remaining EM input	 Continuing debate regarding the meaning of 'near zero emissions'. OGCI staff's desire is maintain reference to this term to be consistent with previous years' announcements. Term is being applied to methane emission reductions with lack of definition and alignment on its meaning. OGCI is now suggesting that the RoG work this definition as needed but timing may not be feasible for September announcement. Providing a definition will provide clarity on what standard will be expected of OGCI. For methane, we had proposed the following definition: 'consistent with 0.25% OGCI. Upstream operated methane intensity target'. The carbon intensity narrative also mentions expanding scope to include the downstream. Members are not yet aligned on including downstream and believes it is consistent with CEOSC's ask. CCUS Kickstarter narrative needs refinement by CCUS WS. The concept of 'getting five emerging hubs into operation and capturing a specified volume' needs further discussion at WS and review by Excom. Includes a statement on plans to deliver GHG reductions through transport-related initiatives which has yet to be defined. OGCI staff believes that this commitment was approved by CEOSC per Aramco's ask during December 2018 CEOSC meeting. 	Discussion Encourage OGCI Staff continuing to work with ExCom and CTF to further enhance and appropriately align on content.
ackground Summary by Ag	enun ropie e	- VIIII MARK	Recommendation for CEOSC

Aganda Itam	Matarials	FM Position and Actions	Recommendation for CEOSC	
Agenda item	Wiawiais	ENT Costion and Actions	Discussion	

4b.Statement on responding to the climate challenge Comments reflected here are critical areas. The attachment includes additional EM input on other important areas	Att2 with remaining EM input	 Need to remove reference to Paris Agreement as support for the Paris Agreement goals and member company advocacy are separate concepts and are not directly related. Creating a tie between our advocacy/engagements and the Paris Agreement could create a potential commitment to advocate on the Paris Agreement goals. Support for Paris Agreement is already mentioned in Announcement Package. Need to remove language that potentially commits members to enhanced climate-related governance, strategy, risk management, and performance metrics and targets; language is not consistent with the Vatican statements. 	Encourage OGCI Staff continuing to work with ExCom, LTF and CTF to further enhance and appropriately align on content.
Agenda Item 5:	Att3	CCS OGCI and Clean Energy Ministerial	Encourage OGCI Staff continuing to work
CCUS Kickstarter & CCUS		Declaration - Draft Declaration needs	with ExCom, CCUS WS, and CTF to
CEM OGCI Joint		further refinement to emphasize the need	further enhance and appropriately align on
Declaration		for supportive policy and economic incentives versus creation of hubs. Will be	content.
		further refined by CCUS WS.	
Other Materials		luturer remied by celos ws.	
	A ++ A	This proposal has not been vetted with	Current challenges with governance will
Governance Proposal	Att4	ExCom nor Legal TF. Proposed Governance changes appears to be more on organization changes as a means of addressing governance deficiencies. Before proposing a new org structure, there should be appropriate consideration of existing governance and process gaps. For CI the SIP should be revisited.	not be solved by organization design, but by looking at strategic plan and process to approve decisions. Proposal for enhancements need to be worked with Legal TF and Excom.
Draft Annual Report	Att5	Draft4 under review. EM feedback on	Encourage alignment between annual
	Draft3	Draft3 not accepted.	report and all approved narratives,
	with EM		statements and declarations.
	comments	Key areas of concern are similar to critical	
		comments above on the September package.	
		In addition, the report includes explicit	
		commitment for OGCI companies to align	
		their advocacy with their climate related positions. We have raised concerns with	
		this linkage through our previous	
		comments.	



This document constitutes a proposal for an Announcement Package for the UN Climate Summit. The UN may select or prioritize some components for announcement at the Summit. Any components that are accepted by the UN would require further expansion and details. Many potential elements in this package are still under discussion, are subject to change, and will ultimately require final approval by OGCI. The content of this document will serve as the basis for communication & press release as well as talking points for the CEO ey

OGCI Announcement Package for September 2019 - Scaling Up Action

Energy companies have an important role to play in accelerating the energy system transition required to tackle the climate challenge urgently, alongside governments, civil society and other key stakeholders, while continuing to provide reliable, accessible and affordable energy for all.

Since OGCI's launch five years ago, member companies have aimed to take a lead in facilitating this transition in the energy industry and along our value chains, while encouraging other emitting sectors to take action. In 2019 and onwards, OGCI is working to increase the speed, scale and impact of our actions as the world aims for net zero emissions as early as possible and the second se

Reinforcing our engagement and collaboration

We, as OGCI member companies, regard stakeholder engagement and collaboration on climate change a critical to delivering solutions to the challenge of climate change. We will enhance our efforts as constructive partners with governments, civil society, businesses and other stakeholders, working to transition to a low carbon economy. In support of that role, we embrace the following principles:

- We support the Paris Agreement. As a condition of membership to OGC, all member companies explicitly support the Paris Agreement and its aims.
- We are committed to openness, transparency and consistency. All member companies report greenhold gas emissions data collectively through aspirations and related performance publicly
- We utilize third-party review of data. From 2019, all data published by OGCI is collected using consistent methodologies, reviewed and anonymized by an independent third party, using internationally recognized practices for greenhouse gas accounting and reporting.

make

We engage responsibly. Each member company values stakeholder engagement and is committed to take proactive steps to exercise influence constructively, consistently and transparently in support of publicly disclosed climate-related positions, and in line with explicit support of the Paris Agreement and its aims.

We recognize that OGCI can help to accelerate the achievement of net zero exissions by collaborating with other industries, civil society, governments and institutions. We are currently working on several global initiatives and engaging with stakeholders in the areas of reducing methane emissions and flaring, while facilitating carbon capture and storage, and nature-based solutions (see Appendix for a list of organizations with which OGCI is collaborating).

Aiming for net zero emissions

OGCI is developing a suite of practical actions intended to accelerate decarbonization, by reducing, mitigating and removing greenhouse gases and developing low carbon solutions. As member companies, we aim to implement these actions in our operations and collaborate with our partners and customers to help reduce the climate footprint of the energy, transport and industry sectors. We leverage the investments made by our US\$1 billion+ fund, OGCI Climate Investments, as appropriate. These aim to accelerate the emergence of new lower carbon energy solutions and technologies, delivering a measurable reduction in emissions from a range of industries.

Commented [A1]: EM Comment: this language has been in the prior versions of the Sept announcement package and has been used widely externally as an aspirational goal. This should remain in package as it is consistent with the Paris Agreement

Commented [A2R1]: OGCI: Request from other members to remove because it is <mark>illogical to say as early as possible but</mark> then to state it should not be until the second half of the century.

Commented [A3]: Comment from CVX: change to individually

Commented [A4R3]: OGCI: Not all company individually nublicly report GHG emissions

Commented [A5]: EM comment - Not all OGCI member companies have or make their targets and performance publically available. Have updated for accuracy.

Commented [A6R5]: OGCI: OK

Commented [A7]: EM comment - "Climate targets" is ambiguous. Either delete "climate" or replace "climate" with "emissions"

Commented [A8R7]: OGCI: Not all target will be emissions target - Climate is more inclusive but less strong than "target" alone.

Commented [A9]: CVX comment : change to emissions reductio

Commented [A10R9]: OGCI: Net zero emissions is the goal and our support to it is historical

As OGCI member companies, we aim to reduce our carbon footprints, by

- 1) Continuing to make progress in reducing methane emissions in OGCI member companies' operations to near zero ital consistent with 0.25% OCCI Units Income and methane interview 🖉 support reductions across the gas value chain. Our target is to reduce by 2025 the confective average methane intensity of member companies' aggregated upstream oil and gas operations to below 0.25%, with the ambition to achieve 0.20%. In 2018, we already reduced the collective methane intensity of the 13 OGCI member companies to 0.29% from a 2017 baseline of 0.32%
- 2) Working on a target to reduce by 2025 the collective average carbon intensity of our aggre upstream oil and gas operations, scope 1 and 2. Data is currently being collected and evaluated internally so as to provide a collective target contributing to the global attainment of the Paris' Agreement goals. To set such a target OGCI companies have developed transparent reporting rules, methodology and assumptions, with data aggregated by an independent third party. Our baseline in 2017 is 24kg CO2e/boe, taking into account our, total upstream carbon dioxide and methane emissions from all operated oil and gas assets. Emissions intensity is calculated as a share of marketed oil and gas production. around hall of the industry average? *
- 3) Considering manufacture and progressively from 2020 the source of our collective efforts to encode downstream operations;--

We aim to accelerate decarbonization in key emitting sectors, by

1) Launching CCUS Kickstarter in 2019, a major new initiative designed to unlock large-scale commercial investment in CCUS, by enabling multiple low-carbon industrial hubs. These hubs capture carbon dioxide from several industrial companies and bring economies of scale by sharing transport and storage infrastructure. We aim to work with governments and other industries to facilitate the necessary market conditions for investment in hubs and projects by OGCI member companies, OGCI Climate Investments, governments and other investors

We want to play our part in the emergence of a commercially viable, safe and environmentally responsible CCUS industry that can contribute at the scale needed to help meet the aims of the Paris Agreement, while supporting economic growth.

To achieve this aspiration, OSCI will build on the work of many others to jointly kickstart high-potential CCUS hubs in both developed and developing regions. We will start by heiping to get five emerging hubs into operation, doubling the amount of carbon dioxide that is currently stored globally. At the same time, we are building a pipeline of potential additional hubs that, if successful, could multiply our impact by 2030.

¹ The data and methodology is available at: www.oilandgasclimateinitiative.com

^h The everage industry carbon intensity has being estimated for a sini global energy-related cartyon dicates Pathway Database RCP2.6 nom (https://science.sciencemaq.org/content/361/6403/851

r definition as the one used by OGCI, based on emistion, and total primary energy demand, using data from the International Energy. Agency's Wold Energy Casils at 2018 (2018) 12, 15, page 486 and page 4891, as well as the Representative Concentration We interrub commental Panel on Climate Change (PCC) it consider: a Global Warming Potential of methane over a 100-year up a horizon. This estimation, based on top-down assessments, is comparable with other adeotific papers, such as "Global concord matrixes" of crude of production, published by Stanford in August 2018

Commented [A11]: CVX Comment: delete

Commented [A12R11]: OGCI: This is an on-going language since 2017

Commented [A13]: EM comment - the meaning/understanding of what is meant by "near zero" can vary. Suggest adding a footnote to clarify the meaning of "near zero"

Commented [A14R13]: OGCI: The 2019 methane target did not propose a definition to this, by intent, in order to leavent to stakeholders appreciation as to 0,25% or 0,20% was not already near zero... This language was proposed by CEOs back in 2017, and part of our 2017 and 2018 annual report. would not recommend to add at this stage a definition. If you want to discuss it at the RoG worsktream thanks to bring it to the agenda there (or to the end august

Commented [A15]: CVX Comment: change in "toward"

excom)

Commented [A16R15]: OGCI: Recommend not to - we actually work on a target and are expected to deliver it by the CEOs as per their request expressed in August 2018 and repeatedly confirmed at the following CEO-SCs

Commented [A17]: EM comment - EM and CVX are currently vetting calculation methodology to see if this calculation methodology supports the proposed statement on comparison with industry average.

Commented [A18R17]: OGCI: CVX have accepted the statement and is reviewing the footnote. All other companies support it too. The alternative is to say "well below"? We are in touch with EM teams to finalize their review

Commented [A19]: EM comment - Expansion of carbon intensity metric beyond upstream has not been endorsed by Excom or CEO SC.

Commented [A20R19]: OGCI: Actually this is a request from multiple last CEOSC to explore it. CEOs requested the TF not ignore downstream. The language does not address targets -- just efforts to focus on downstream. This work is ongoing.

The alternative text proposed was in fact stronger than what was intended and not ok for other companies. We came back to the original version

Commented [A21]: CVX comment: is this realistic?

Commented [A22R21]: OGCI: Please bring this to the CCUS WS - this wording has been discussed multiple times and approved by this WS

- 2) Developing collaborative opportunities, including co-operation between OGCI member companies and Clean Energy Ministerial countries.
- 3) Sharing good practice and learnings about policy and regulatory frameworks for CCUS, assessment, and monitoring of storage and other essential practices. OGCI will work closely with other organizations, such as the International Energy Agency and the Global Carbon Capture and Storage Institute.
- 4) Launching in 2020 a set of initiatives to deliver greenhouse gas emissions reductions in the transport sector by 2025, as part of an action plan to facilitate climate-responsible transport.

We aim to support removal of carbon dioxide from the atmosphere, by

- Actively exploring measures to catalyse natural climate solutions at scale, noting their significance to many developing regions and their contribution to the achievement of several Sustainable Development Goals. [We are supporting the Natural Climate Solutions Alliance and Call to Action, red by the World Economic Forum and the World Business Council for Sustainable Development].
- 2) Considering exploring together whether OGCI can play a role in the potential of emerging carbon removal technologies to accelerate progress towards in a role in the zero emissions, potentially building on synergies with our CCUS initiatives.

Commented [A23]: EM comment - this statement is premature: While we recognize that this item is being worked, the workstream has not yee defined and reviewed with Excom/CEO Scaled of initiatives and we feel it's premature to announce either a commitment or a timeline until these are vetted through the normal governance process.

Commented [A24R23]: OGCI: December 2018 CEOs steering committee approved, at the request and proposal of Aramco, that 2020 would be the year of transportation for OGCI

Every year OGCI writes a short teaser to prepare for its next year priority. Last year there was a teaser as such on CCUS. The principle of this one has been approved at the China June Excom, as the entire document subject to hard stop legal reviews by companies.

If Exxon believes this should be reconsidered a consensus decision should be taken at the Excom end august to this effect. I leave it to you to propose it.

Commented [A25]: EM suggestion - to add "the aim of"

Commented [A26R25]: OGCI: We suggest not to add as inconsistent with the title and the rest of the text/report/language of OGCI

Commented [A27]: OGCI: Ok to add this constructive language to this new direct capture item proposed by Exxon in June and approved at the same June China Excom.