ExxonMobil Second Quarter 2023 Earnings Call Slide and Prepared Remarks

This slide and corresponding transcript present images and prepared remarks related to ExxonMobil’s announced Denbury acquisition during ExxonMobil’s second quarter 2023 earnings call held on July 28, 2023.

Combining Denbury’s assets and experience with our capabilities will significantly accelerate and expand our ability to profitably help customers reduce their emissions and allow ExxonMobil to play an even greater role in a thoughtful energy transition.

It significantly enhances our competitive position and offers a compelling customer proposition to economically reduce emissions in hard-to-decarbonize heavy industries which, today, have limited, practical options.

Of Denbury’s 1,300 miles of CO₂ pipeline, roughly 70% are in the Gulf Coast states of Louisiana, Texas, and Mississippi — one of the largest U.S. markets for CO₂ reduction and home to some of ExxonMobil’s largest integrated refining and chemical sites and nine of their ten strategically-located CO₂ storage sites are also in this region.

We believe the transaction synergies will drive strong growth and returns. A cost-efficient transportation and storage system accelerates CCS deployment for both ExxonMobil and our third-party customers. It supports multiple low-carbon value chains – including CCS, hydrogen, ammonia, and biofuels.

Ultimately, we see an opportunity to create a CCS business with the capacity to reduce emissions across the Gulf Coast by up to 100 million tons per year.¹ This transaction will help us do that at a lower cost and faster pace. In fact, we see the potential for a third of the opportunity being actionable in the near term.

Which takes us to our customers. Our latest offtake agreement extends our CCS customer base beyond industrial gas and fertilizers into steel. This project will tie into the same CO₂ transportation and storage infrastructure we’ll use to serve CF Industries, located just 10 miles from Nucor. Focusing our efforts and investments in areas with concentrated sources of emissions allows us to capture the benefits of scale, reduce our spend per ton of CO₂ captured and improves returns.

Our work with Nucor supports Louisiana’s goal of reaching net-zero greenhouse gas emissions by 2050 and it increases the total amount of CO₂ we’ve agreed to transport and store for customers to 5 million metric tons per year – equivalent to replacing 2 million cars with EVs, roughly the same number of electric vehicles on the road in the United States today.² With the planned Denbury acquisition, the potential reduction could be up to 20 times that.

As demonstrated by these new developments, we’re continuing to make significant progress in our plans to lead industry in helping society reduce emissions.

¹ Subject to additional investment by ExxonMobil and permitting for carbon capture and storage projects.
² ExxonMobil analysis based on assumptions for U.S. in 2022, including average distance traveled, fuel efficiency, average power grid carbon intensity, electric vehicle charging efficiency and other factors. Gas-powered cars include light-duty vehicles (cars, light trucks and SUVs).

Important Information about the Transaction and Where to Find It

In connection with the proposed transaction between Exxon Mobil Corporation (“ExxonMobil”) and Denbury Inc. (“Denbury”), ExxonMobil and Denbury will file relevant materials with the Securities and Exchange Commission (the “SEC”), including a registration statement on Form S-4 filed by ExxonMobil that will include a proxy statement of Denbury that also constitutes a prospectus of ExxonMobil. A definitive proxy statement/prospectus will be mailed to stockholders of Denbury. This communication is not a substitute for the registration statement, proxy statement or prospectus or any other document that ExxonMobil or Denbury (as applicable) may file with the SEC in connection with the proposed transaction. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS OF EXXONMOBIL AND DENBURY ARE URGED TO READ THE REGISTRATION STATEMENT, THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE
These risks, as well as other risks associated with the proposed transaction, will be more fully discussed in the proxy statement/prospectus that will be included in the registration statement on Form S-4 that will be filed with the SEC in connection with the proposed transaction. While the list of factors presented here is, and the list of factors to be presented in the registration statement on Form S-4 will be, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. We caution you not to place undue reliance on any of these forward-looking statements as they are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of new markets or market segments in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this communication. Neither ExxonMobil nor Denbury assumes any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws. Neither ExxonMobil’s or Denbury’s website is not incorporated by reference into this communication.