Transcript of ExxonMobil at the 42nd Annual Bernstein Strategic Decisions Conference

This transcript represents ExxonMobil's discussion during the Bernstein 42nd Annual Strategic Decisions Conference, held on May 28, 2026, with minor clarifications added.

Bob Brackett: Morning and welcome to the second day of the 42nd Annual Bernstein Strategic Decisions Conference. I am Bob Brackett, Co-Head of Americas Energy and Transition and Global Metals and Mining. We are not expecting a fire drill or any sort of test. If the alarm rings, please take it seriously. Your primary exit is out the back door, down to the right where I am pointing, to the escalator area where you likely came up this morning down to the first floor, exit to the street and wait for further instructions. If for any reason that path is blocked, there's a series of internal stairwells that you can choose. They'll take you down one floor to the ground floor and follow the lights there.

Ultimately, this is your conversation. We call it a fireside chat. The way you can contribute and engage in the conversation is through the various blue pieces of paper that are scattered around the room — has a QR code that gets you to the Pigeonhole app that allows you to put your questions into the queue. While we wait for your questions to come in, Neil and I will have a conversation that's very much like a pyramid. We will start at a high level with macro questions, move down to how that macro informs strategy, talk to operations, and then if we have time, get into technology and exploration and all sorts of good things. With that, I welcome Neil Chapman, Senior Vice President of ExxonMobil, and I believe he has a few slides to share before we kick things off.

Neil Chapman: Yeah, but Bob, maybe very, very briefly, and I'll just be maybe 3 minutes, if that's okay. And then we'll get into the questions. You know, in the last six years, we've rewired, re-engineered, reorganized this Corporation. And we believe we set ourselves up

in the right place to address what we regard as a dual challenge. The world needs more energy. It needs more affordable energy. It needs more reliable energy to meet the growing needs in the developing economies and of course, in this country for datacenters, for example.

We've done that by leveraging the core competitive advantages of this Corporation, which are very, very simple. Scale — we're the largest. Execution excellence — we have the strongest, most reliable operations. We have the safest operations. And critically, in a capital-intensive business, we execute major projects better than anyone else in the industry — on time, on budget and first quartile.[1] We're a fully integrated company. We are balanced between fuels, refinery, chemicals and the Upstream. That gives us tremendous flexibility and it's unique in our industry. And then the third advantage is technology. Every strategy of every business in ExxonMobil, the foundation, is our propriety technology. Those are the advantages.

And over the last six years, while we did that restructuring and reorganizing, organizing, we've taken $15 billion of structural costs out of the business. I mean, just to put that in perspective, that's more than all the other IOCs combined. We've divested $25 billion of less economic end of life assets. And through doing all of that, we've replaced these less economic, less growth potential assets with the strongest growth potential, well recognized in the industry, development potential.

We've grown cash flow and earnings at double-digit levels each year through the last six

[1] Based on ExxonMobil analysis of projects funded since the formation of the Global Projects organization in 2019 using historical benchmarking results from Independent Project Analysis (IPA).

years.[2] Eighteen months ago, we laid out our plan to 2030 and what we said was we will continue to grow cash flow and earnings, double-digit levels, annual growth rate through the next six years to the end of the decade. All of this at constant prices and constant margins.

And just to illustrate the point, in the Upstream, by 2030, ExxonMobil will be producing 5.5 million oil equivalent barrels per day. We don't have records that say, that go back far enough to be at that level.[3] Historically, our company, as most people in the room will probably know, we've been 3.7, 3.8 million oil equivalent barrels a day. We're already close to five today; we'll be five and a half at the end of the decade. Critically, it's not just about growing volume. On constant prices, our earnings per barrel in 2030 will be three times on average what they were in 2019. So, we've done a lot to restructure this business.

A lot of people say to me, okay, I've seen your plan to 2030. What goes beyond that? Well, we haven't issued a plan for 2030,[4] but our Chairman has indicated on multiple occasions we would expect, we anticipate we have the potential to continue on this growth trajectory well into the 2030s. So that's what we've been doing as a company.

In terms of shareholders, our dividend — we've grown dividend each year for 43 years.[5] Our total dividend, I think it's the second largest in the S&P 500. If it's not second, It's right up there. We've bought back $20 billion of shares last year. We're on plan to buyback $20 billion of shares this year. And you can see the earnings potential — 13% per year between

[2] Double-digit earnings and cash flow growth when comparing 2025 versus 2019, and cash flow excludes working capital and other.
[3] Records dating back to merger of Exxon and Mobil in 1999.
[4] Plan not issued beyond 2030.
[5] Annual dividend per share has increased for 43 consecutive years.

[2024] and 2030. It's unmatched in our industry. There isn't any other company in this oil and gas and petrochemical industry that has anything like that kind of potential in the next six years.

That differentiates us, Bob, than the others and clearly differentiated versus the other IOCs. And I think importantly, if you benchmark that kind of data versus the large-cap industrial companies, we're right up there with the very best, if not better than all of those.

I've gone over 3 minutes, but hopefully not too much over. I'll let you get to questions.

Bob Brackett: Fantastic. And it is funny. The oil and gas industry plans on a period of time, you know, 2030 is fairly well baked for you all. You know what you'll be doing. 2035 — you sort of know what you're doing and you'll let us know. I, 2030. I think every semi-conductor in the market today will be obsolete in 2030.

Neil Chapman: Absolutely.

Bob Brackett: Every AI tool in the market today will be obsolete in 2030. And yet, you'll know what you'll be doing. Today, in terms of the macro, I don't know what we're doing. Well, let's start with people, which is, you know, roughly 20% of your volumes are produced with west of the Strait of Hormuz and perhaps 15% or so move through historically the Strait of Hormuz. That means you have operations, you have people, you have friends on the ground. What's the situation there?

Neil Chapman: Well, let's put the volumes in perspective. Obviously, Strait of Hormuz closed. We have a big position in Qatar in LNG. We have a big position in the Emirates, in

Upper Zakum with our partner ADNOC. In total, it's about 15% of our Upstream production from those two assets flows through the Strait of Hormuz.

We still have people on the ground there today. You know, we are part of an operator, we're a joint venture operator in both assets. We did take a lot of families out safely. Actually, if you go into Doha, it's pretty much business as normal. I, myself, was there during the middle of this and saw it in Doha itself. The malls are full, the streets are full, hotels are empty, airport is empty. But it's pretty much business as normal.

Bob Brackett: And then if economics is the allocation of scarce resources, we have a scarce resource. We have two scarce resources. We actually have more two that are relevant for us. And normally economics is fixed with free market prices or with the hand of the state policies. What is happening? Why? Why is petroleum economics seemingly broken? Why do we see $90 on our screen? And in a world where we've disrupted this level?

Neil Chapman: Well, I think most people don't really appreciate what's happened. You know, you take, you know, arguably 11 or 12 million barrels a day of crude oil out of the global market to the markets, about a hundred, 103 and 104 million barrels a day. Normally, you would see prices go through the roof.

So, what's happened to mitigate that? Well, first of all, the Saudis maxed out on their East-West pipeline. So, they're running five million barrels a day of crude from the east to the Red Sea. And now you can get into the global market. I think what people appreciate less — there was a lot of sanctioned crude oil on the water. In other words, unsold Iranian, Venezuelan, Russian crudes. And that has now gone to the market and that's mitigated

some of the loss of oil through the Strait of Hormuz.

Most importantly, though, is what's happened to inventory. And this really is a telltale for what could well happen in the coming weeks. Commercial inventories of crude oil, of liquids — think petroleum, gasoline, diesel, jet fuel — they've all run down. And running down those inventories has mitigated or offset, supplemented by the release of Strategic Petroleum Reserves, which most of the Western countries have done. All of that has mitigated the impact. You can model this. We've modeled it. I think a lot of people in the industry have modeled it.

We're approaching unheard of inventory levels. I mean, really, really low levels. You can debate whether that's going to hit those really low levels in two weeks or three weeks. But once you get to that point, then you'll see price shoot up. And I think dated Brent, most people with a model would say dated Brent will shoot up once you get to that really low inventory level, up to $150, $160 — the models would tell you that.

And then what happens is when the price gets to a certain level, demand destruction brings it back into balance. Prices go so high, becomes unaffordable, and that's what happens. And so, we're at that level right now. And I think crude being in this sort of 90 to $110 for the last, whatever it is, six weeks has really been mitigated by running down inventories. It can't last forever.

So, we'll see what happens. And, you know, predicting this and the exact timing, you know, it's always a challenge, but that's the way we see the picture.

Bob Brackett: But to be clear, you're talking about price signals, very high price signals

coming in 2 to 3 weeks.

Neil Chapman: Order of magnitude.

Bob Bracket: Order of magnitude, and that is informed by a global crude oil and refined products trading organization.

Neil Chapman: Right.

Bob Brackett: So you talk to that organization, you basically talk to the knowledge base, which informs what you just said.

Neil Chapman: You know, historically Exxon have not been in the trading business, but we've built a trading organization over the last five years. And what you really see is we have the most, the largest footprint in the oil and gas business around the world.[6] I mean, we're pretty much in every country. We have assets, we have logistics, and it gives us tremendous insight. It doesn't just give us arbitrage opportunity. It gives us insight on where vessels, where opportunities are.

We built that trading organization largely by bringing in experienced traders at the same time as training our own organization. So, we have an extensive trading organization in Houston, in London, and in Singapore. But those insights come from having the largest footprint in this industry around the world. [6]

I don't know, Bob, whether it's two to three weeks or three to four weeks. What I'm really

[6] Largest integrated footprint among IOCs.

saying is it's once you get to the minimum inventory levels, and all-time low inventory levels, there's only one way to go. That's the situation.

Bob Brackett: Very clear, vaguely apocalyptic.

Neil Chapman: Well, you know, I'm a terrible predictor of price, so I'm not going to do that.

Bob Brackett: Moved to LNG then. Right. So, the similar scale of disruption coming into summer power demand where it's generally the most needed and again our global LNG, whether it's TTF for JPM, they haven't really adjusted to similar. Are we going to see similar things there?

Neil Chapman: Well, I think it's probably more in balance going into this. I mean, there was a, there was an oversupply of crude oil coming into this disruption. There was arguably a larger overhang of LNG — a lot of new LNG production that's come on in the Gulf Coast and North America. That's mitigated a lot of it. You know, in many of the markets you can deconvert from gas in electricity generation to coal. And we've seen a lot of that happen, particularly in China, particularly in Asia. So, I think those are the mitigating situations.

Of course, what you see today is the U.S. retains this $3 domestic gas price of Henry Hub, whereas Europe and Asia are in the, you know, $18, $20 type range.

Bob Brackett: And that brings me to the final least-loved commodity. I'm looking for someone else that loves to talk about U.S. Henry Hub You know...

Neil Chapman: You don’t like it?

Bob Brackett: Is there any hope for U.S. Henry Hub?

Neil Chapman: Think about domestic gas in North America, primarily in the Lower 48 in the U.S. So, a lot of it, not only is it a lot of gas in this country, it's a very flat supply curve, which means there's not a lot of differential between the lowest cost barrel and the highest cost barrel. So, there's a lot of it. And even if you produce more and the demand goes up, that supply curve doesn't change that much for a long time.

The prices really get set in the different regional prices by logistics. So, where you can't lay pipe — obviously, it's very difficult in the Northeast to lay a lot of pipe — price is higher. California — it's higher. But if you're in the Midwest, I mean, the Henry Hub Waha price is pretty, very typical. Now, how do you evacuate gas out of this country? Well, you can you can convert it to LNG. And a lot of facilities have been built on the Gulf Coast to export LNG around the world. But it takes time.

We with our partner, QatarEnergy, have built a export terminal. We've just started up. Our first train is online. We shipped our first cargo recently. The reason we did it — it goes back 20 years. We actually invested in an import terminal for gas long before the opening up of the unconventional business. And that gave us economics, which were highly attractive because a lot of the capital had been already spent 15, 20 years ago, and it gave us the most advantaged export facility. Yeah.

Bob Brackett: The irony is that that location was going to be a place for Qatari LNG to ultimately land and be consumed...

Neil Chapman: And that's exactly right.

Bob Brackett: Now it is the current sole source of Qatari LNG exports from Texas.

Neil Chapman: And it's large — 18 million ton, three train asset. First train is online, the second train will be mechanically complete at the end of this year, and a third train will be finished in the first half of next year. So that's a big capacity, a lot of capacity to come on in LNG around the world.

You know, I've been in this job for eight years, I've been with a company for 42 years. I've always heard about this glut of LNG supply that's coming on the market in two or three years time. And what's happened historically is the market sucks it up pretty quickly, so you don't actually see it.

Bob Brackett: Sometimes for reasons you never predict it.

Neil Chapman: Exactly.

Bob Brackett: A question coming back a bit to the oil general question on the sector, how long does it take for oil to move from the wellhead to the final consumed product? And what are the current inventory levels along that value chain?

Neil Chapman: Well, it's a wide, wide range. Of course, it depends where you are. If you are an importer of crude oil, take your uptake. Northeast, north, northeast Asia — you know, obviously from the wellhead, it's going to take you two or three weeks to ship, and never mind produce and what's in inventory. And let's just say, the Middle East — to get up to Japan — then there's a whole supply issue.

People think of crude oil as the source of gasoline. Well, of course it is. And people say when crude oil goes to $150, gasoline price will be $9 in California and that will be a serious issue. It's much, much more than that.

Crude oil goes into virtually everything around us. Fertilizers — comes from crude oil and gas. Food prices — they would reflect the absence or the lack. Plastics — everything you see in the world is plastics. Delivery — Amazon, still a lot of trucks around the country are running on diesel. So, the crude oil price impacts so many parts of society.

In terms of inventory levels and down that supply chain, of course, for every single component, every market that those barrels go into, I don't know the answer that. What I do know, is that the gasoline levels of sorry, the inventory levels of gasoline, the inventory levels of crude oil is pretty much in the public domain. You can plot it, you can see it, and you can see that we're down it, you know, pretty much down at five-year lows.

Bob Brackett: We also have a comparable question. China data. Yeah, China data is difficult to find. What have you seen in that country and how are they dealing with an energy crisis?

Neil Chapman: Well, the Chinese have been building steadily a strategic petroleum reserve for years, consistently building it. You know, our data would suggest they haven't touched it very much during this crisis. They've managed to secure crude oil. They've managed to use commercial inventories within the country. So, it doesn't appear that they've touched that.

And so, it's sort of position to the rest of the world, you would argue, based on that data, they're in a very strong position. They have a very large petroleum Strategic Petroleum Reserve, which they've obviously planned and built for a long, long time.

Bob Brackett: And then the seesawing quickly back to Henry Hub. What impact with the increase in export capacity, LNG export capacity have on Henry Hub price? I think I know your answer.

Neil Chapman: Yeah, not a lot. I don't believe it will. I mean because there's so much, there's so much gas in this country. And it's easy to go and drill a well and put more gas in the market. So even though you've got this big suction sound of all this new export capacity, there's plenty in the gas in this country to supply it. And, you know, again, you go back to this supply curve, because the supply curve is flat, that just means the price is unlikely to change.

I think most predictions that you see from third parties suggest that price is going to gradually rise over the next ten years. I think it's more likely to be driven again by regional differentials, regional differences based on logistics or lack of logistics.

Bob Brackett: So, if we take that macro backdrop and start to think about strategy — I always like to ask the question as a former strategist, what won't ExxonMobil do? To me, strategy is what you won't do.

Neil Chapman: Well, here's what we will not do. We're not going to deviate from the core capabilities of this Corporation. We're a hydrogen and carbon manipulator company. That's our business. You know, I talked about our strength. Our strengths are understanding the subsurface. Our strengths are in executing major capital projects for lower cost than anyone else. Our strengths are in catalyst conversion. So, leveraging those capabilities, the four capabilities I talked about are core to every part of this company. This is why we resisted

getting into wind and solar for so many years. We don't have any capability in that space. We know about hydrocarbons, so we will not deviate from that.

We will not deviate to chase volumes. I'm absolutely adamant about that. You know, you can grow a business, but if you don't grow the value in a commodity business, every investment you make wants to be left-hand side of the supply curve — the lowest in the industry. So, we're not going to chase volumes, even though prices are very, very high now, it takes a long time to bring new capacity online. We're absolutely focused on the lowest cost barrels.

So, as an example, in the Upstream business, we have not made an investment since 2018, 2019 above $35 cost of supply. And what does that mean? That means for the life of that asset, 30 or 40 years, typical for an upstream asset. If the price was $35 Brent for the entire life of that project, we'd still make a 10% return. That's what we put. We put that that ceiling on investments in the Corporation. What it does is it forces our corporation to identify the most profitable barrels. Our Permian cost of supply is $30 or less now. And so, we won't chase volume.

We will — we will absolutely leverage our capabilities — and maybe just one other, because it comes to my mind — I mentioned that we've taken $15 billion of structural operating costs out of the business in the last six years. We have plans to take another $5 billion out by the end of the decade. People have said to me, "Well, that's it. You must have taken all the fat out, then." It's not correct. It's a commodity business. You have to drive costs out year after year after year. Structurally, it's not cut. Structurally, engineer costs out. None of us know what the impact of AI is going to be. I don't anticipate it's going to raise costs. It's going to

find ways to take more costs out of the business.

So, I think those are three areas, I'd say, Bob. We're going to continue to leverage what we're good at, our capabilities, our competitive advantages. We're not going to chase volume for volume's sake. We're going to continue to focus on the lowest cost barrels, the lowest cost performance in the industry, and that will continue.

Bob Brackett: So that segways into the Upstream. Five-ish million barrels today to five and a half-ish million barrels by 2030.

Neil Chapman: Yeah.

Bob Brackett: And you split those Upstream barrels into two categories, advantaged assets and maybe traditional. I don't know what I don't want to say disadvantaged, non-advantaged. I don't know what you call the other. Today those legacy assets, might be a word, are north of two billion barrels a day. By 2030, they'll be less than two.

Neil Chapman: Yeah.

Bob Brackett: So, all of your growth is coming from advantaged assets and that's Permian, Guyana and LNG. So, let's start with the Permian. What is the... I really want to talk about your conviction in that growth rate, what you need to do to get there. You have focused on R&D and technology as a way to unlock those barrels. So, start with the easy stuff. Start with how are you going to get there? And then let's go down the technology path.

Neil Chapman: Yeah, you know, if you look at the industry and you certainly look at

ExxonMobil in the Permian, the efficiency improvements over the last six years have been extraordinary. I mean, you can see that as an industry, when you look at the number of rigs that are running in the Permian. They've come down dramatically, and yet the production has continued to go up.

So, we know exactly where we're going to drill. We have the resource in place. We have the plans in place. It's all about execution in terms of delivering. We'll be two and a half million barrels a day by 2030 in the Permian, and we have the largest contiguous tier one. Tier one means the highest concentration of hydrocarbons — the highest quality resource in both basins. And that's really, really important. So, we have the resource.

The question is — how do you how do you deliver that resource? How do you get the resource to the surface in the most profitable manner? And I've said many, many times, Bob, this is a balance between resource recovery, capital efficiency and production.

You can improve resource recovery with technology. We've talked about that a lot. You know, you only recover, I don't know, six to eight percent of the hydrocarbons in the unconventional space. You know that you leave 90 plus percent in the ground. So, the key is how do you get more out? And we've spent, you know, eight, ten years in research in terms of how we get more resource recovery, how do we improve that? We're well on the way to improving that by 50%, and we've committed to do that by the end of the decade. We've said that we will double the resource recovery early in the 2030's.[7] We're on track to do that.

How are we doing it? Well, we are—we are fracking. We've smashing that rock under the

[7] Double resource recovery between 2019 and the early 2030s.

ground more effectively and cheaper than anyone else. In other words, the fracking. The more you smash the rock, the more space you have to recover crude oil. But it's not just about smashing it. This is one to two miles below the surface of the ground. So, you smash the rock — you've got two miles of rock trying to push back down to close those gaps. That's why you inject proppant. And the industry injects sand to keep those minute channels open. The problem with sand is it's heavy. So, if you put a frac and the frac goes a thousand feet, the channel goes a thousand feet under land, under the ground. The sand will only go partway up that frac cause it’s too heavy. It stops.

So, we're using lighter proppant. We're using lightweight coke — coke from our own refineries that has the same strength but is much lighter. And it allows that proppant to go much further down the frac, keeping the frac open, giving us more recovery — 20% improvement in recovery through the technology that I talked about.

So, I think, you know, we have — you know — we've talked about 40 unique stackable technologies. And those technologies that we're pursuing and deploying in the field of lightweight proppant I've just talked about is one of them, that's to recover more crude oil and to get an improvement in capital efficiency. Because you can — you can recover a lot of crude oil if you overcapitalize it, it doesn't work. You can — you can reduce you can do the opposite. Reduce your resource recovery, spread out the wells, get lower capital, capital spend, improve the capital efficiency. It's getting that balance right.

The key for Exxon is the differentiated performance. You know, we have a performance, we have a set of technologies which is giving us lower cost drilling and fracking than anyone else — a higher recovery than anybody else. And Bob, as you know, we've taken a unique

position in the Upstream industry by all these technologies we're deploying — we're patenting. Historically in the Upstream business, people don't patent that technology. We are patenting it and we fully anticipate defending that proprietary technology.

Bob Brackett: That's nice. That means at least external people will see those patent filings. And so, we'll start to get an idea of what you're doing.

Neil Chapman: Yes.

Bob Brackett: We — we've known about the coke proppant, longer laterals is another thing you've talked about. Care to tease us with any other technologies or should we wait for the filings?

Neil Chapman: Well, let's just talk about what you try and do. So, you know, in the Permian, there are multiple benches — layers of rock with different concentrations of hydrocarbons, with different density of rock — and that changes, that changes by each bench. It also changes by geography. And what's important here is you get the spacing between the wells correct. Because if you have the wells too far apart, you leave too much oil in the ground. If you have them too close, you spend too much capital. So, how do you get that balance right?

This is a good example of where AI is helping the industry or is helping us. Because today we have an army of engineers and geoscientists who are doing that mapping to lay out the next cube development plan to get that balance right between capital efficiency and resource recovery. AI can do that for you. We're using AI to do that.

We are using AI to — you can put different frac strengths into the rock. You can frac harder, you can frac softer. If you frac more, it's more expensive. If you frac softer, the fracs aren't as large. But to get that balance right is really, really important. So how you frac and the intensity of the frac — that's a lot of the technologies that we're putting in.

You need to get that oil and gas to move. You've got these micro pores; the diameter of these channels is only a grain of sand. And so, you're trying to get this thick, globby oil through all of that. You want to mobilize it. So, surfactants — and you've heard people talk— surfactants targeted at each bench and at each geography to help the oil move is a critical part of what we're talking about.

One final one. To get oil out of a reservoir, you need pressure. You know, if you're in the Middle East and you drill a hole, there's a lot of pressure on the ground two miles underground, which forces the oil up. As you extract more oil, the pressure goes down in the reservoir and you can't get as much pressure to push the oil out.

So, in the unconventional space, secondary and tertiary recovery is going to be really, really important. How do you repressurize the reservoir to extract more oil for the long term? It will never be economic unless you have large contiguous acreage. You just have a two-mile block, I can assure you will never be economic as we have the largest contiguous acreage. We're putting a lot of technology into secondary and tertiary recovery. So, there's your teasers.

Bob Brackett: I will take those, excellent. Two more advantaged assets. It's funny, in past years, Guyana was about the most exciting thing out there. We'll move it behind the

Permian, and we'll talk about it just briefly. It's almost been dull — it's repeatably dull success, right? Despite...

Neil Chapman: I like that. I mean, I like the description.

Bob Brackett: Talk to Guyana.

Neil Chapman: Well, Guyana has been extraordinary. I think everybody understands that. I mean, it's not just about finding the crude oil. It's about the execution capability. I mean, we're building the lowest cost facilities in the deepwater the industry's ever seen at a fastest pace that industry has ever seen.

We've got four facilities online, four FPSOs. They're all running above their design capacity. We're producing them in the first quarter — I think — 900,000 barrels a day versus a capacity of 800 or something like that. So, they're extremely well. We have four more in the pipeline. We'll bring 250,000 barrels a day bolt on in the second half of this year. We will bring another one on in the second half of 2027. And our seventh and eighth boats will come online in '29 and '30. So, we'll have a capacity of 1.7 million barrels a day by the end of 2030.

Stabroek is a massive block, and I think not only has it been successful — there remains a lot of potential. I think a lot of people are aware that 30% of the block is under force majeure because there's a border dispute between Venezuela and Guyana. You know, we anticipate, and I think the world anticipates, that'll get resolved here in the next 12 months. And we'll go on the lead of the Guyanese government, what we want to do with that. But obviously there's potential there.

You know, we have signed up this year to take a sole position offshore south of Trinidad. I think this is pretty telling, and I think most people can understand what we're doing here. You know, we see this geological play going up through Guyana and potentially going into Trinidad. And we've secured all of that which offers us exploration potential — potential exploration. You never know until you drill, but it's potential.

We have eight FPSOs in the southeast of the Stabroek block. That's really, really critical for the next decade and beyond because it gives you this opportunity for really low-cost tiebacks. In other words, you can look no more capital in the ground or limited capital, and you can drill small pockets of oil that are relatively close and drawing them back to those vessels.

And the key here has been the execution. You know, we use this principle of design one and build many, and that's what we're doing. And the execution of that from our projects organization has been exceptional.

Maybe I'll just — if that, if you don't mind — just extend — because I mentioned a moment ago, and I think AI is going be pivotal in this industry. I mean, the holy grail in our industry is can you find more oil and gas? If you find it, it's the most economical. If you have to buy it from somebody, you find it. And how do you use AI to find more oil and gas?

We have the largest subsurface dataset globally of any institution in the world. The key for AI is do you have the data set? And what you're looking for is to analyze all of that data, to see if you can find similarities, to find new opportunities. And the reason I raised it now — in Guyana—we've built an agent model, let’s think of it that way. Which, if we give it the

seismic data that we've run, I'm oversimplifying to make a point, and we said, go find the crude oil, it can find all the crude oil that we've already found with a 90% success rate. That is pretty extraordinary. If you can feed it all the information and all the discoveries that we've made and proved, it can identify them just by feeding that seismic data. You've got to have the dataset to be able to do that. But it offers, obviously, potential for the future.

We — one more on that point, Bob. We have analyzed the well data from 50,000 wells that have been drilled in the industry all over the world. 50,000. It would have taken us 15 years to do that analysis. We've done it in a matter of weeks. And again, you're looking for similarities the humans may have missed. It's identified 150 exploration opportunities worldwide. We don't know if they're going to be successful or not. Until you drill a hole, you can never be sure. But the potential of applying this technology, AI, not just to Guyana but globally, is something that I think will be really, really important for this industry in the future.

Bob Brackett: Last question on this topic, since it's fascinating. If you think about where the FPSOs sit today in Stabroek block, they sit at the mouth of the Essequibo River. You drilled a well in the middle of the block, Ranger, that was a carbonate discovery...

Neil Chapman: Yes, different, very different.

Bob Brackett: ... carbonates. Coral reefs love to stay away from sand systems. When you get to the western part...

Neil Chapman: This is a geologist talking.

Bob Brackett: ... the western part of the block. You're getting into the Orinoco, which is

actually a higher discharge system than the one you found these and you've taken exploration across the mouth of that. Did you do all that after AI or has AI helped that as you're starting to look?

Neil Chapman: You know, we've done all that analysis before the use of AI. I think, you know, again, you know, I don't want to say we've reached the holy grail in AI, in exploration, we certainly have not. But what I'm saying is we're making progress, and it's really important that we're making progress. And the key to progress in this is to have the data set. That's what's really, really important.

Ranger is a carbonate structure. This is one of the discoveries in Guyana. It's very, very different from all the developments so far. We've got work to do there to see if we can get more developed. I don't know.

Bob Brackett: Third advantaged asset is LNG. We talked about the Strait of Hormuz and we have a number of questions on macro that will hopefully get back to the very tail end. With LNG disruptions, you have two unsanctioned LNG projects, one in Mozambique, one in Papua New Guinea . Some Japanese trade house talks about diversity of supplies, security of supply. Talk to those projects, talk to the potential of FID this year, and then maybe talk about the overall LNG portfolio quickly.

Neil Chapman: Yeah, well just because — Mozambique enormous resource, very low-cost resource, challenging location, you know, it's right on the border with Tanzania. You know, we have block four and Area Four and we're the operator of that. We plan to FID to sanction 18-million-ton development this year, and we're on track to do that this year. Very

low cost because the reservoir is very large, close to the shore. Importantly, it's on the east coast of Africa. So, in terms of distribution and shipping, it allows you access to the Asian markets at a much lower cost.

Papua, of course, Papua New Guinea is already in the southeast of Asia, and this is a, it's a new reservoir, new development with our partner Total. But we will be leveraging the existing liquefaction facilities that we already have there. Again, our plan and we believe we will sanction that project this year. These are, you know, I would argue the most economic opportunities in LNG around the world.

We are in Qatar with the Qataris, that big NFE. We have a relatively small position there. We have 25% of one train. There are four trains. So, I guess we're 25% of 25% with two million tons. And obviously, you know, they're getting close to completing that, and it'll depend how they can start up their activities.

So that's what we have on the target. Both those projects, Mozambique and Papua, which are both very large for ExxonMobil, will not be online till the 2030s. When I talk about growth beyond 2030, obviously they are components in there.

We also have the Golden Pass facility on the Gulf Coast of America where 30% position, a gain of, you know, 16 to 18 million tons, which is coming online.

What I like about our LNG portfolio that we've established is we have positions all around the world. We're in Australia, we're in Papua New Guinea, we're in the Middle East, we're in the Gulf Coast, we'll be in Africa. And that allows you to optimize trade flows. It allows you to trade, it really allows you to optimize flows around the world. So, we like our position in

LNG and those have big projects to go and execute them in the next few years.

Bob Brackett: That's three advantaged assets. Is there anything in the portfolio that can move up to the big leagues that can move from a legacy...

Neil Chapman: You're going to the two million tons of what you said was less strategic?

Bob Brackett: Yes.

Neil Chapman: I don't really regard them as less strategic. It's just that the reason we talked about Guyana, Permian and LNG like that is they're the growth engines — extremely low cost of supply, left hand side of the supply curve with lots of potential. Just to give an illustration, in the two million tons you talk about, it's not growing, but there's a 15% depletion in our business every year. So, to keep it flat means you've got to be growing something. We're in Upper Zakum with our partner ADNOC. Very, very attractive asset. You know, we are growing that with our partner there. That's a key part of our growth portfolio.

We've been highly successful in mining, and we regard our Kearl operation as the lowest cost mining operation in Canada. If you go up there...

Bob Bracket: Oil sands mining for generalists in the audience.

Neil Chapman: I apologize, oil sands, this is your, you mine sand and it's 10% crude oil. You've got to extract the crude oil from the sand. And that's the way of, it's a hard way to make oil is the way I look at it. But it's really interesting. If you go up there, these are massive trucks, massive scoops, of taking this oil sands and take it to the processing facility — 100%

autonomous. Well, it's not a single person driving those vehicles now, all controlled again by AI. So, we're growing that, we're growing our in-situ, which is a heavy oil business, little different than mining, in Canada. We see good growth potential there.

So, across the portfolio, we have other unconventional assets, like the Bakken, that we plan to continue growing. We have growth in Angola, we have growth opportunities in Nigeria. So, within that two million tons, there's a lot of opportunities to....

Bob Brackett: Two million barrels.

Neil Chapman: Ah, two million barrels, sorry.

Bob Brackett: And then that would suggest that things like inorganic opportunities for growth would be unnecessary. But still, part of your strategy. Talk about M&A and what role it plays in the portfolio.

Neil Chapman: You know, I think, you know, the key to M&A is can you acquire somebody and get one and one to equal three? There's no point in just buying somebody for the sake of buying somebody to get volume, you got to have a deal space. You've got to have value.

You know, we bought Pioneer, as you're well aware, and the key to that was the technology I talked about — the ability to recover more crude oil out of the rock and do it at a lower cost — meant that that resource that Pioneer had was worth this much to them. It's worth a lot more to us, and that creates deal space. We can obviously, at a premium to Pioneer, and it creates tremendous value for us. That's the key with M&A — can one and one equal three?

What I like about our position is because we have this growth portfolio, we don't have to do M&A, we don't have to. We have a growth portfolio already, and we like to describe ourselves as picky acquirers. We're only going to do it if the deal is right, but the key to the deal is to create deal space. What can we do which adds more value to anyone that we acquire? That's the basis of Pioneer.

So, I would tell you, if you're in my job, you're looking at every company and every asset in the world on an ongoing basis. Of course you are. The key is does the time, is the time, right? Can we create that deal space? Is there an opportunity set? So, what I'd say, Bob, is, of course, if you're in our business, you look for those opportunities. You constantly assessing them, you constantly reviewing them. Timing has to be right. And, you know, we'll see how that plays out. So, I've told you nothing about are we going to acquire anyone or not.

Bob Bracket: You've gave me some boundary conditions. If we think about this year, mathematically, global crude prices this year are almost going to have to average $90 a barrel or more, perhaps more. We know what your dividend payment is and how it grows historically. We know your plans for share buybacks. We know your CapEx plans. You haven't changed them this year amidst this run-up in price. And therefore, we or consensus would have something like $30 billion more cash flow coming to you at this part of the cycle. A good question would be, how do you reallocate that $30 billion of pro-cyclical cash flow?

Neil Chapman: Well, first of all, let's go back to your price assumptions. I don't know if the Strait of Hormuz opens tomorrow, price doesn't get up to this $150. But it is going to take

time to rebalance the global markets for sure. You know, the ships are all in the wrong locations. So, it's going to take and you can estimate four to six weeks before we get into a normal supply chain. And it all depends on whether the Strait opens — at what time it opens. And then the question for the world and every country and every commercial organization is how quickly do you rebuild those inventories?

If you're nervous about this thing starting up again, you're gonna rush. And so that's going to have more demand than we had going into this crisis. So that could keep the prices high. But I think there's a bunch of unknowns. I think logically you would say there is going to be some pull on demand and there's going to be a lack of supply over a period. So, prices are going to be elevated, which, you know, for a company like ours could end up with a situation you mentioned

You know, first of all, I mean, we have optionality. You know, we're going to build cash, of course, on the balance sheet. We're going to address debt. Of course we are. And then it'll be a question for the Board around distributions. I like the fact that we have this continuous, stable, share buyback scheme. We've never had that historically as a company. I like the fact that we continuously raise the dividends year on year. Whether we feel that there is an opportunity to do more than that, Bob, I think the key for us is generate the cash, lower debt, put it on the balance sheet, let the Board of Directors decide.

Bob Bracket: And that's a process.

Neil Chapman: Yes.

Bob Brackett: And so we'll wait for an opportunity set. You know, two on the opportunity

side, I'll try to combine a couple of the questions as well. I had a question around Australian unconventionals and a question around Venezuela. What role will those two assets play in the portfolio?

Neil Chapman: We had a lot of publicity about ExxonMobil in Venezuela in recent weeks. Of course, I always say be careful what you read in the media. We're assessing Venezuela with the support of the U.S. government. We have teams in Venezuela now; we've had teams in Venezuela. You have to assess, you know, technically what the state of the assets are. We're in discussions with the government of Venezuela; we're in discussions with PDVSA. It's going to take time. Yeah, we haven't been in Venezuela for, gosh, 20 years and we've been expropriated twice. So, you know, but we're in there.

It's a tremendous size resource. It'll take time to understand whether that's going to compete for capital in our portfolio, whether we can get agreement with the NOC and with the government of Venezuela. You know, it's an opportunity set. If you're as large as we are, Bob, you have to look at every opportunity around the world. And we, you know, we are certainly doing that. I've forgotten your first question.

Bob Brackett: Australian unconventionals.

Neil Chapman: Australia unconventional. You know, the key with unconventional — the rocks have got to be right, the fiscals have got to be right. You get the right rocks and the right fiscal's... in unconventional, you need a lot of open space because the key...

Bob Brackett: Australia has open space.

Neil Chapman: A lot of open space. Drill, frack, drill, frack, drill, frack. But then you've got to get that product to the market.

So, Argentina has a lot of unconventional rock. Azerbaijan, Algeria, Australia. The key is what competes. Early days in Australia. There is certainly potential there, but it's quite a ways in land. So, you've got to build a lot of pipe to get it to the open market and can that be economic, can it compete in the global market?

I would tell you there isn't an opportunity around the world that we're not involved with, we're not addressing, we're not assessing. I would say, including Australia. Because if you're the size we are, it's 15% depletion every single year — you have to be looking at everything. We're looking at Venezuela, we're looking at Australia, but nothing really new yet.

Bob Brackett: It sounds like Algeria and Azerbaijan would be higher on your unconventional list than Australia?

Neil Chapman: What we've looked at them more but again, very early days on all of them.

Bob Brackett: We've got less than two minutes left. Could you close out telling us what's the value proposition ultimately for owning ExxonMobil shares?

Neil Chapman: Yeah, well, I'll repeat a little bit of what I talked about at the start. You know, the runway for this Corporation is unmatched of anything that we've had in the last 40 years. We have the strongest, highest earnings and cash flow growth potential that we've had in decades. It's taken a lot of effort to re-engineer, rewire the Corporation to get that space.

We laid out this plan to 2030 18 months ago. Six months ago, we updated it. We added $5 billion cash flow growth and $5 billion earnings growth between [2024] and the end of the decade, so at constant price, we will increase earnings by $25 billion between [2024] and 2030, and cash flow will increase by $35 billion. We added $5 [billion] included in that six months ago without any increase in capital expenditure and that is due to technology.

The key in this industry is can you differentiate performance versus everyone else? And I think the data suggests — and it shows to you — not only do we have a growth runway to grow cash flow and earnings through 2030; we're putting those foundational and blocks, blocks in place to make sure we extend beyond that.

Bob Brackett: Perfect timing. With that, I want to thank Neil. I want to thank you and the audience.

I encourage you to stay for Diamondback, followed by Chevron and with that, let's thank Neil.