

FREQUENTLY USED TERMS

Listed below are definitions of several of ExxonMobil's key business and financial performance measures and other terms. These definitions are provided to facilitate understanding of the terms and their calculation. In the case of financial measures that we believe are useful to investors or constitute "non-GAAP financial measures" under Securities and Exchange Commission Regulation G, we provide a reconciliation to the most comparable Generally Accepted Accounting Principles (GAAP) measure and other information required by that rule.

Capital and exploration expenditures (Capex) ▪ Represents the combined total of additions at cost to property, plant and equipment, and exploration expenses on a before-tax basis from the Consolidated statement of income. ExxonMobil's Capex includes its share of similar costs for equity companies. Capex excludes assets acquired in nonmonetary exchanges, the value of ExxonMobil shares used to acquire assets, and depreciation on the cost of exploration support equipment and facilities recorded to property, plant and equipment when acquired. While ExxonMobil's management is responsible for all investments and elements of net income, particular focus is placed on managing the controllable aspects of this group of expenditures.

Capital employed (Non-GAAP) ▪ Measure of net investment. When viewed from the perspective of how the capital is used by the businesses, it includes ExxonMobil's net share of property, plant and equipment, and other assets, less liabilities, excluding both short-term and long-term debt. When viewed from the perspective of the sources of capital employed in total for the Corporation, it includes ExxonMobil's share of total debt and equity. Both of these views include ExxonMobil's share of amounts applicable to equity companies, which the Corporation believes should be included to provide a more comprehensive measure of capital employed.

RECONCILIATION OF TOTAL ASSETS TO CAPITAL EMPLOYED (Non-GAAP)*(millions of dollars)***Business uses: asset and liability perspective**

	2022	2021	2020
Total assets	369,067	338,923	332,750
Less liabilities and noncontrolling interests share of assets and liabilities			
Total current liabilities excluding notes and loans payable	(68,411)	(52,367)	(35,905)
Total long-term liabilities excluding long-term debt	(56,990)	(63,169)	(65,075)
Noncontrolling interests share of assets and liabilities	(9,205)	(8,746)	(8,773)
Add ExxonMobil share of debt-financed equity company net assets	3,705	4,001	4,140
Total capital employed (Non-GAAP)	238,166	218,642	227,137

Total corporate sources: debt and equity perspective

Notes and loans payable	634	4,276	20,458
Long-term debt	40,559	43,428	47,182
ExxonMobil share of equity	195,049	168,577	157,150
Less noncontrolling interests share of total debt	(1,781)	(1,640)	(1,793)
Add ExxonMobil share of equity company debt	3,705	4,001	4,140
Total capital employed (Non-GAAP)	238,166	218,642	227,137

Cash capital expenditures (Cash Capex) • Sum of Additions to property, plant and equipment, Additional investments and advances, and Other investing activities including collection of advances from the Consolidated Statement of Cash Flows. This measure is useful for investors to understand the current period cash impact of investments in the business.

TOTAL CASH CAPITAL EXPENDITURES*(millions of dollars)*

	2022	2021	2020
Additions to property, plant and equipment	18,407	12,076	17,282
Net investments and advances	1,582	1,335	2,176
Total cash capital expenditures ¹	19,989	13,411	19,458

Cash flow from operations and asset sales (non-GAAP) • Sum of the net cash provided by operating activities and proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments from the Consolidated statement of cash flows. This cash flow reflects the total sources of cash both from operating the Corporation's assets and from divesting of assets. The Corporation employs a long-standing and regular disciplined review process to ensure that assets are contributing to the Corporation's strategic objectives. Assets are divested when they are no longer meeting these objectives or are worth considerably more to others. Because of the regular nature of this activity, we believe it is useful for investors to consider proceeds associated with asset sales together with cash provided by operating activities when evaluating cash available for investment in the business and financing activities, including shareholder distributions.

RECONCILIATION OF CASH FLOW FROM OPERATIONS TO CASH FLOW FROM OPERATIONS AND ASSET SALES (Non-GAAP)

	2022	2021	2020
(millions of dollars)			
Net cash provided by operating activities	76,797	48,129	14,668
Proceeds associated with sales of subsidiaries, property, plant and equipment, and sales and returns of investments	5,247	3,176	999
Cash flow from operations and asset sales (Non-GAAP)	82,044	51,305	15,667

Cash operating expenses excluding energy and production taxes ▪ Subset of total operating costs that are stewarded internally to support management's oversight of spending over time. This measure is useful for investors to understand our efforts to optimize cash through disciplined expense management for items within management's control.

OPERATING COSTS AND CASH OPERATING EXPENSES

	2022	2021	2020
(millions of dollars)			
Production and manufacturing expenses	42,609	36,035	30,431
Selling, general and administrative expenses	10,095	9,574	10,168
Depreciation and depletion (includes impairments)	24,040	20,607	46,009
Exploration expenses, including dry holes	1,025	1,054	1,285
Non-service pension and postretirement benefit expense	482	786	1,205
Subtotal	78,251	68,056	89,098
ExxonMobil's share of equity company expenses	12,968	9,826	8,292
Total operating costs (Non-GAAP)	91,219	77,882	97,390

Less:			
Depreciation and depletion (includes impairments)	24,040	20,607	46,009
Non-service pension and postretirement benefit expense	482	786	1,205
Other adjustments (includes equity company depreciation and depletion)	3,471	3,007	3,561
Total cash operating expenses (cash opex) (Non-GAAP)	63,226	53,482	46,615

Energy and production taxes	23,867	14,452	7,973
Total cash operating expenses (cash opex) excluding energy and production taxes (Non-GAAP)	39,359	39,030	38,642

Debt to capital (debt-to-capital, leverage) ▪ Debt to capital is defined as "total debt / (total debt + total equity)."

Distributions to shareholders ▪ The Corporation distributes cash to shareholders in the form of both dividends and share purchases. Shares are acquired to reduce shares outstanding and offset shares or units settled in shares issued in conjunction with company benefit plans and programs. For purposes of calculating distributions to shareholders, the Corporation includes only the cost of those shares acquired to reduce shares outstanding.

DISTRIBUTIONS TO SHAREHOLDERS

(millions of dollars)

	2022	2021	2020
Dividends paid to ExxonMobil shareholders	14,939	14,924	14,865
Cost of shares acquired to reduce shares outstanding	14,862	—	—
Distributions to ExxonMobil shareholders	29,801	14,924	14,865
Memo: Gross cost of shares acquired to offset shares or units settled in shares issued under benefit plans and programs	293	155	405

Earnings (loss) excluding Identified Items (Non-GAAP) • Earnings (loss) excluding individually significant non-operational events with an absolute corporate total earnings impact of at least \$250 million in a given quarter. The earnings (loss) impact of an Identified Item for an individual segment in a given quarter may be less than \$250 million when the item impacts several segments or several periods. Management uses these figures to improve comparability of the underlying business across multiple periods by isolating and removing significant non-operational events from business results. The Corporation believes this view provides investors increased transparency into business results and trends, and provides investors with a view of the business as seen through the eyes of management. Earnings (loss) excluding Identified Items is not meant to be viewed in isolation or as a substitute for net income (loss) attributable to ExxonMobil as prepared in accordance with U.S. GAAP.

EARNINGS (LOSS) EXCLUDING IDENTIFIED ITEMS (NON-GAAP)

(millions of dollars)

	2022			2021			2020		
	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total
Upstream									
Earnings (loss) (U.S. GAAP)	11,728	24,751	36,479	3,663	12,112	15,775	(19,385)	(645)	(20,030)
Impairments	—	(3,790)	(3,790)	(263)	(489)	(752)	(17,092)	(2,244)	(19,336)
Gain/(loss) on sale of assets	299	587	886	—	459	459	—	—	—
Inventory valuation - lower of cost or market	—	—	—	—	—	—	—	(61)	(61)
Tax-related items	—	(1,415)	(1,415)	—	—	—	—	(297)	(297)
Contractual provisions	—	—	—	—	(250)	(250)	—	—	—
Other	—	1,380	1,380	—	—	—	—	—	—
Identified Items	299	(3,238)	(2,939)	(263)	(280)	(543)	(17,092)	(2,602)	(19,694)
Earnings (loss) excluding Identified Items (Non-GAAP)	11,429	27,989	39,418	3,926	12,392	16,318	(2,293)	1,957	(336)
Energy Products									
Earnings (loss) (U.S. GAAP)	8,340	6,626	14,966	668	(1,014)	(347)	(1,342)	(1,230)	(2,572)
Impairments	(58)	(216)	(274)	—	—	—	(4)	(374)	(378)
Tax-related items	—	(410)	(410)	—	—	—	—	(262)	(262)
Identified Items	(58)	(626)	(684)	—	—	—	(4)	(636)	(640)
Earnings (loss) excluding Identified Items (Non-GAAP)	8,398	7,252	15,650	668	(1,014)	(347)	(1,338)	(594)	(1,932)
Chemical Products									
Earnings (loss) (U.S. GAAP)	2,328	1,215	3,543	3,697	3,292	6,989	1,196	1,061	2,257
Impairments	—	—	—	—	—	—	(90)	(2)	(92)
Tax-related items	—	—	—	—	—	—	—	(13)	(13)
Identified Items	—	—	—	—	—	—	(90)	(15)	(105)
Earnings (loss) excluding Identified Items (Non-GAAP)	2,328	1,215	3,543	3,697	3,292	6,989	1,286	1,076	2,362

Specialty Products

Earnings (loss) (U.S. GAAP)	1,190	1,225	2,415
Impairments	—	(40)	(40)
Gain/(loss) on sale of assets	—	—	—
Tax-related items	—	—	—
Identified Items	—	(40)	(40)
Earnings (loss) excluding Identified Items (Non-GAAP)	1,190	1,265	2,455

Corporate and Financing

Earnings (loss) (U.S. GAAP)			(1,663)
Impairments			(98)
Gain/(loss) on sale of assets			—
Tax-related items			324
Severance charges			—
Other			76
Identified Items			302
Earnings (loss) excluding Identified Items (Non-GAAP)			(1,965)

Corporate Total

Net income (loss) attributable to ExxonMobil (U.S. GAAP)			55,740
Impairments			(4,202)
Gain/(loss) on sale of assets			886
Inventory valuation - lower of cost or market			—
Tax-related items			(1,501)
Severance charges			—
Contractual provisions			—
Other			1,456
Identified Items			(3,361)
Earnings (loss) excluding Identified Items (Non-GAAP)			59,101

1,452	1,807	3,259	571	630	1,201
—	—	—	—	(219)	(219)
498	136	634	—	—	—
—	—	—	—	(9)	(9)
498	136	634	—	(228)	(228)
954	1,672	2,625	571	858	1,429

	(2,636)	(3,296)
	—	(35)
	(12)	—
	—	—
	(52)	(326)
	—	—
	(64)	(361)
	(2,572)	(2,935)

	23,040	(22,440)
	(752)	(20,060)
	1,081	—
	—	(61)
	—	(581)
	(52)	(326)
	(250)	—
	—	—
	27	(21,028)
	23,013	(1,412)

Free cash flow (Non-GAAP) - Free cash flow is the sum of net cash provided by operating activities and net cash flow used in investing activities. This measure is useful when evaluating cash available for financing activities, including shareholder distributions, after investment in the business. Free cash flow is not meant to be viewed in isolation or as a substitute for net cash provided by operating activities.

FREE CASH FLOW

(millions of dollars)

	2022	2021	2020
Cash Flow from Operating Activities (U.S. GAAP)	76,797	48,129	14,668
Additions to property, plant and equipment	(18,407)	(12,076)	(17,282)
Additional investments and advances	(3,090)	(2,817)	(4,857)
Other investing activities including collection of advances	1,508	1,482	2,681
Proceeds from asset sales and returns of investments	5,247	3,176	999
Free Cash Flow (non-GAAP)	62,055	37,894	(3,791)

Heavy oil and oil sands ▪ Heavy oil includes heavy oil, extra heavy oil, and bitumen, as defined by the World Petroleum Congress in 1987 based on American Petroleum Institute (API) gravity and viscosity at reservoir conditions. Heavy oil has an API gravity between 10 and 22.3 degrees. The API gravity of extra heavy oil and bitumen is less than 10 degrees. Extra heavy oil has a viscosity less than 10,000 centipoise, whereas the viscosity of bitumen is greater than 10,000 centipoise. The term “oil sands” is used to indicate heavy oil (generally bitumen) that is recovered in a mining operation.

Net debt to capital (net debt-to-capital) ▪ Net debt to capital is defined as “net debt / (net debt + total equity)” where net debt is net of cash and cash equivalents, excluding restricted cash.

Operating costs (Non-GAAP) ▪ Costs during the period to produce, manufacture, and otherwise prepare our products for sale – including energy, staffing, and maintenance costs. They exclude the cost of raw materials, taxes, and interest expense and are on a before-tax basis. While ExxonMobil’s management is responsible for all revenue and expense elements of net income, operating costs, as defined above, represent the expenses most directly under management’s control, and therefore are useful for investors and ExxonMobil management in evaluating management’s performance.

OPERATING COSTS*(millions of dollars)***Reconciliation of operating costs to total costs and other deductions**

From ExxonMobil's Consolidated statement of income

	2022	2021	2020
Total costs and other deductions	335,927	254,406	210,385
Less:			
Crude oil and product purchases	228,959	155,164	94,007
Interest expense	798	947	1,158
Other taxes and duties	27,919	30,239	26,122
Subtotal	78,251	68,056	89,098
ExxonMobil's share of equity company expenses	12,968	9,826	8,292
Total operating costs (Non-GAAP)	91,219	77,882	97,390

Components of operating costs

From ExxonMobil's Consolidated statement of income

Production and manufacturing expenses	42,609	36,035	30,431
Selling, general and administrative expenses	10,095	9,574	10,168
Depreciation and depletion (includes impairments)	24,040	20,607	46,009
Exploration expenses, including dry holes	1,025	1,054	1,285
Non-service pension and postretirement benefit expense	482	786	1,205
Subtotal	78,251	68,056	89,098
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Total operating costs (Non-GAAP)	91,219	77,882	97,390

Performance product (performance chemicals) ▪ Refers to Chemical products that provide differentiated performance for multiple applications through enhanced properties versus commodity alternatives and bring significant additional value to customers and end-users.

Project ▪ The term "project" can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports. Projects or plans may not reflect investment decisions made by the company. Individual opportunities may advance based on a number of factors, including availability of supportive policy, technology for cost-effective abatement, and alignment with our partners and other stakeholders. The company may refer to these opportunities as projects in external disclosures at various stages throughout their progression.

Proved reserves ▪ Proved reserve figures are determined in accordance with SEC definitions.

Resources, resource base, and recoverable resources ▪ Along with similar terms, refer to the total remaining estimated quantities of oil and natural gas that are expected to be ultimately recoverable. The resource base includes quantities of oil and natural gas classified as

proved reserves, as well as quantities that are not yet classified as proved reserves, but that are expected to be ultimately recoverable. The term “resource base” or similar terms are not intended to correspond to SEC definitions such as “probable” or “possible” reserves. The term “in-place” refers to those quantities of oil and natural gas estimated to be contained in known accumulations and includes recoverable and unrecoverable amounts.

Return on average capital employed (ROCE, return on capital employed) (Non-GAAP) • is a performance measure ratio. From the perspective of the business segments, ROCE is annual business segment earnings divided by average business segment capital employed (average of beginning and end-of-year amounts). These segment earnings include ExxonMobil’s share of segment earnings of equity companies, consistent with our capital employed definition, and exclude the cost of financing. The Corporation’s total ROCE is net income attributable to ExxonMobil, excluding the after-tax cost of financing, divided by total corporate average capital employed. The Corporation has consistently applied its ROCE definition for many years and views it as one of the best measures of historical capital productivity in our capital-intensive, long-term industry. We use additional measures, which are more cash flow based, to make investment decisions. See below for segment information relevant to ROCE.

RETURN ON AVERAGE CAPITAL EMPLOYED (ROCE) <i>(millions of dollars)</i>	2022	2021	2020
Net income (loss) attributable to ExxonMobil	55,740	23,040	(22,440)
Financing costs (after-tax)			
Gross third-party debt	(1,213)	(1,196)	(1,272)
ExxonMobil share of equity companies	(198)	(170)	(182)
All other financing costs – net	276	11	666
Total financing costs	(1,135)	(1,355)	(788)
Earnings (loss) excluding financing costs (Non-GAAP)	56,875	24,395	(21,652)
Average capital employed	228,404	222,890	234,031
Return on average capital employed – corporate total (Non-GAAP)	24.9 %	10.9 %	-9.3%

AVERAGE CAPITAL EMPLOYED¹ BY BUSINESS (Non-GAAP)**2022**

2021

*(millions of dollars)***Upstream**

United States	52,555	55,305
Non-U.S.	93,250	101,645
Total	145,805	156,950

Energy Products

United States	11,787	11,902
Non-U.S.	18,855	18,537
Total	30,642	30,439

Chemical Products

United States	14,694	14,107
Non-U.S.	12,513	11,758
Total	27,207	25,865

Specialty Products

United States	2,072	1,997
Non-U.S.	6,207	5,915
Total	8,279	7,912

Corporate and Financing

Corporate total	228,404	222,890
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Average capital employed applicable to equity companies included above (Non-GAAP)**44,914**

43,138

RETURN ON AVERAGE CAPITAL EMPLOYED¹ BY BUSINESS (Non-GAAP)	2022	2021
<i>(percent)</i>		
Upstream		
United States	22.3	6.6
Non-U.S.	26.5	11.9
Total	25.0	10.1
Energy Products		
United States	70.8	5.6
Non-U.S.	35.1	(5.5)
Total	48.8	(1.1)
Chemical Products		
United States	15.8	26.2
Non-U.S.	9.7	28.0
Total	13.0	27.0
Specialty Products		
United States	57.4	72.7
Non-U.S.	19.7	30.5
Total	29.2	41.2
Corporate and Financing	N.A.	N.A.
Corporate total	24.9	10.9

¹ Unless indicated, references to earnings and Upstream, Energy Products, Chemical Products, Specialty Products and Corporate and Financing earnings are ExxonMobil's share after excluding amounts attributable to noncontrolling interests

Returns, rate of return, investment returns, project returns, IRR ▪ Unless referring specifically to ROCE or external data, references to returns, rate of return, IRR, and similar terms mean future discounted cash flow returns on future capital investments based on current company estimates. Investment returns exclude prior exploration and acquisition costs.

Structural cost savings ▪ Structural cost savings describe decreases in cash operating expenses excluding energy and production taxes as a result of operational efficiencies, workforce reductions and other cost saving measures that are expected to be sustainable compared to 2019 levels. Relative to 2019, estimated cumulative annual structural cost savings totaled \$7 billion. The total change between periods in expenses below will reflect both structural cost savings and other changes in spend, including market factors, such as inflation and foreign exchange impacts, as well as changes in activity levels and costs associated with new operations. Estimates of cumulative annual structural savings may be revised depending on whether cost reductions realized in prior periods are determined to be sustainable compared to 2019 levels. Structural cost savings are stewarded internally to support management's oversight of spending over time. This measure is useful for investors to understand our efforts to optimize spending through disciplined expense management.

CALCULATION OF STRUCTURAL COST SAVINGS

(billions of dollars)

Components of operating costs

From ExxonMobil's Consolidated statement of income (U.S. GAAP)

	2019	2022
Production and manufacturing expenses	36.8	42.6
Selling, general and administrative expenses	11.4	10.1
Depreciation and depletion (includes impairments)	19.0	24.0
Exploration expenses, including dry holes	1.3	1.0
Non-service pension and postretirement benefit expense	1.2	0.5
Subtotal	69.7	78.2
ExxonMobil's share of equity company expenses	9.1	13.0
Total operating costs (non-GAAP)	78.8	91.2
Less:		
Depreciation and depletion (includes impairments)	19.0	24.0
Non-service pension and postretirement benefit expense	1.2	0.5
Other adjustments (includes equity company depreciation and depletion)	3.6	3.5
Total cash operating expenses (cash opex) (non-GAAP)	55.0	63.2
Energy and production taxes	11.0	23.8

	Market	Activity / Other	Structural Savings	
Total cash operating expenses (cash opex) excluding energy and production taxes (non-GAAP)	44.0	3.0	(1.0)	(7.0)
				39.4

Total shareholder return (TSR) - Measures the change in value of an investment in common stock over a specified period of time, assuming dividend reinvestment. We calculate shareholder return over a particular measurement period by: dividing (1) the sum of (a) the cumulative value of dividends received during the measurement period, assuming reinvestment, plus (b) the difference between the stock price at the end and at the beginning of the measurement period; by (2) the stock price at the beginning of the measurement period. For this purpose, we assume dividends are reinvested in stock at market prices at approximately the same time actual dividends are paid. Shareholder return is usually quoted on an annualized basis.

Total taxes including sales-based taxes - is a broader indicator of the total tax burden on our products and earnings, including certain sales and value-added taxes imposed on and concurrent with revenue-producing transactions with customers and collected on behalf of governmental authorities ("sales-based taxes"). It combines "Income taxes" and "Total other taxes and duties" with sales-based taxes, which are reported net in the income statement. We believe it is useful for us and our investors to understand the total tax burden imposed on our products and earnings.

TOTAL TAXES INCLUDING SALES-BASED TAXES <i>(millions of dollars)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Income taxes	5,787	2,650	20,176	7,636
Total other taxes and duties	7,754	8,659	31,455	32,955
Total taxes	13,541	11,309	51,631	40,591
Sales-based taxes	6,113	5,987	25,434	21,872
Total taxes including sales-based taxes	19,654	17,296	77,065	62,463
ExxonMobil share of income taxes of equity companies	1,512	918	7,594	2,756