

Misleading and incorrect advertisement of ExxonMobil

Friends of the Earth Europe¹ (FoEE) is filing a complaint to the Jury d’Ethique Publicitaire (JEP) against ExxonMobil company for its 2 advertisements entitled:

- (1) **“Taking action to reduce greenhouse gas emissions”**
- (2) **“Values at work”**

The specific 2 advertisements FoEE is complaining about were published in Belgium in the weekly magazine “European Voice” issues of (1) April 4-11, 2007, (2) May 24-30, 2007.

These advertisements could be also viewed on the ExxonMobil website:

http://www.exxonmobileurope.com/Europe-English/News/Eu_European_opeds.asp under the same headings as published in the “European Voice.”

We believe the advertisements breach the “Guiding principles” of the JEPs “Code de la publicité écologique” because they are dishonest and provide false information. In so doing, the advertisements clearly violate Articles 1, 3, 4, 9, 10 and 14 of the Code.

We believe that the advertisements violate the JEP’s “Code de la publicité écologique” in the following ways:

- exploiting the lack of public knowledge in the field of environment (Article 1);
- misleading the public about ExxonMobil’s services and its contribution to environmental protection (Articles 3, 4);
- using scientific data that can not be justified by evidence (contradicting even ExxonMobil’s own 2006 Corporate Citizenship Report) (Articles 9, 14);
- using terminology and comparisons that are confusing and difficult to understand by consumers (Articles 10, 14).

In addition, the **“Values at work”** advert violates Article 5 of the International Chamber of Commerce Code.

We ask the JEP to evaluate these advertisements and take appropriate action to order ExxonMobil to stop the advertisement and publish - at the expense of ExxonMobil - corrections stating that the advertisements are misleading and incorrect. These corrections should be published on ExxonMobil’s website and in all media that have featured the advert. They should have the same size, scope and significance as the original (disputed) advertisements.

Friends of the Earth Europe
Rue Blanche 15
B - 1050 Brussels
Tel: 02 542 0180

Contact Person:
Darek Urbaniak, Extractive Industry Campaign
Tel.: 02 401 4804
Fax: +32 2 537 5596
E-mail: darek.urbaniak@foeeurope.org

¹ Friends of the Earth Europe campaigns for sustainable and just societies and for the protection of the environment, unites more than 30 national organisations with thousands of local groups and is part of the world’s largest grassroots environmental network, Friends of the Earth International.

The Complaint

The 2 advertisements of ExxonMobil, a multinational oil and gas company, published in Belgium in the European Voice attempt to bolster its image as an environmentally friendly, responsible company. ExxonMobil asserts that it is taking steps to help conserve energy and to curb greenhouse gas emissions (GHG).

According to the information provided to the public in these advertisements, ExxonMobil has implemented several initiatives to reduce GHG from its operations worldwide, has improved its energy efficiency, limited the number of harmful oil spills and provided funds for research of new low-emissions technologies.

In one of the advertisements (the "Values at Work") ExxonMobil invites the public to read details of its environmental performance in the 2006 Corporate Citizenship Report at exxonmobile.com/citizenship to prove the statements and claims the company makes in the advertisements.

Investigation of the ExxonMobil 2006 Corporate Citizenship Report carried out by Friends of the Earth Europe revealed that numerous claims and statements made by ExxonMobil in these advertisements are false, misleading and manipulate factual company data.

Advertisement 1: "Taking action to reduce greenhouse gas emissions" published in "European Voice" issue April 4-11, 2007.

The headline of the advertisement implies that ExxonMobil is "Taking action to reduce greenhouse gas emissions" by, as it explains in the message:

(i) "...highlight some of the steps we're already taking to address the challenge of reducing greenhouse gas emissions in effective and meaningful ways..."

(ii) "... our scientists and engineers are working to reduce emissions today..."

FOEE findings in the ExxonMobil 2006 Corporate Citizenship Report:

Ad. (i) The headline of the advertisement and the specific messages (i) and (ii) clearly indicate that ExxonMobil is reducing its greenhouse gas emissions. This is a false and misleading statement as ExxonMobil's own, yearly Corporate Citizenship Report for 2006 shows that the company's greenhouse gas emissions have been rising since 2003. This clearly violates Articles 9 and 14 of the Code.

In relation to CO₂, the company's report shows the following data:

2003 - 136.8 million metric tons greenhouse gas emissions
2004 - 138.5 million metric tons greenhouse gas emissions
2005 - 138 million metric tons greenhouse gas emissions

In 2006, the company's greenhouse gas emissions reached 145.5 million metric tons (higher by 7.5 million metric tons as compared with 2005). Though the emissions slightly decreased in 2005 the overall trend since 2003 is an increase rather than decrease of emissions as the company claims. [1]

In addition, as the same ExxonMobile Corporate Citizenship Report for 2006 indicates the Hydrocarbon flaring (burning of natural gas that is produced along with oil during oil production - a major component and contributor to greenhouse gas emissions) has also been continuously rising since 2003.

The company's report shows the following data:

2003 - 612 million cubic feet per day
2004 - 746 million cubic feet per day
2005 - 819 million cubic feet per day

In 2006, ExxonMobil flared 891 million cubic feet per day of Hydrocarbons (an increase of flared gases by 72 million cubic feet per day as compared with 2005). [1, 2]

As indicated above, ExxonMobil's reported levels of greenhouse gas emissions and Hydrocarbon flaring in its Corporate Citizenship Report for 2006 show a significant increase rather a decrease since 2003. Therefore it is false and misleading to advertise that the company is already taking steps to reduce its emissions when even the company's own record contradicts this claim, showing that its emissions have been increasing.

Ad. (ii) The statement that ExxonMobil's "scientists and engineers are working to reduce emissions today" may be true. However, it is a well known and documented fact that ExxonMobil is a leading advocate in the campaign against action on climate change through its own lobbying and through industry lobby groups which the company finances, such as the Global Climate Coalition and the American Petroleum Institute. [4, 5]

It has funded multi-million dollar advertising campaigns questioning the science of climate change. For example, ExxonMobil is a significant contributor to the American Enterprise Institute which offered payments for articles critical of the Intergovernmental Panel on Climate Change (IPCC) 4th Assessment Report of Climate Science. [6]

In response to these campaigns, British Royal Society sent a letter to ExxonMobil expressing concern that "...some of its corporate publications were presenting a misleading view of the scientific evidence about climate change and were over-emphasising uncertainties." The Society has also "...raised concerns about Exxon's position on climate change and the company's funding of lobby groups that misrepresented the science." [7]

In light of this evidence, we believe that ExxonMobil's claim that it addresses the risks of climate change and reduces its greenhouse gas emission in effective and meaningful ways is misleading in the light of other activities the company supports that aim to inject uncertainty into the scientifically documented evidence of climate change. All this contravenes Articles 3 and 4 of the Code.

Advertisement 2: "Values at work" published in "European Voice" issue May 24-30, 2007.

According to the text in the advertisement, ExxonMobil is "...committed to excellence in safety, health and environmental performance and to contributing to social and economic progress..." It backs this up with the following statements:

- (i) "We achieved a record low number of oil spills to the environment."
- (ii) "We continued our industry-leading safety performance, with workforce incidents at record low level. Since 2000, employee lost-time incidents have fallen by 68%."

FOEE findings in the ExxonMobil 2006 Corporate Citizenship Report:

Ad. (i) ExxonMobil claims that the number of hydrocarbon spills is down ("... record low number of oil spills"). Indeed, the ExxonMobil Corporate Citizenship Report for 2006 shows that the number of spills accidents went down from 370 in 2005 to 295 in 2006.

However, it is not the number of oil spills but the amount of spilled oil that is the most important factor to determine the negative impact on the environment. According to the same ExxonMobil 2006 Corporate Citizenship Report, the amount of oil spilled in its operations went up by 27.8

thousand barrels from 12.2 thousand barrels in 2005 to 40.0 thousand barrels in 2006. An amount of spilled oil almost 3.5 times higher than in year 2005 is certainly not a “record low” as the company states. This misuse of documentary evidence takes advantage of non-expert consumers, leading them to believe that ExxonMobil’s performance improved when in fact it worsened. This is clearly in breach of Articles 1, 3, 10 and 14 of the Code. [1, 8]

Ad. (ii) In addition to misleading the public about its environmental performance the “Values at work” advertisement of ExxonMobil claims that it achieved record low level of workforce incidents.

Verification of the relevant position in the Corporate Citizenship Report for 2006 on page 5 under “Workplace” shows that number of fatalities in ExxonMobile operations has grown, not decreased since 2004 (6 fatalities), 2005 (8 fatalities) to 10 fatalities in 2006. We believe that it is misleading to state in 2007 that incidents are at record low level when the actual number of accidents has been growing over the last 3 years. This contravenes Article 5 of the ICC Code, which states that all advertising should be “truthful and not misleading”.

Furthermore, ExxonMobil is using terminology and comparisons that are confusing and difficult to understand by customers - we believe that it is not ethical to use terminology and language such as “employee lost-time”, “record low level” and “industry-leading safety performance” to describe fatal accidents and deaths of employees on the job. [1]

References:

[1] ExxonMobil Corporate Citizenship Report 2006, p. 5.

[2] Flaring is the burning of natural gas that is produced along with oil during oil production. Gas, a by-product of oil exploration, is a useful and one of the cleanest fossil fuels. ExxonMobil by burning this gas in its worldwide operations not only contributes to the increase of greenhouse gas emission but also unnecessarily wastes gas reserves.

[3] ExxonMobil “Tomorrow’s Energy” report 2006, p.10.
http://www.exxonmobil.com/Corporate/Files/Corporate/tomorrows_energy.pdf

[4] List of ExxonMobil Corporate contributions:
http://www.exxonmobil.com/Corporate/Files/Corporate/gcr_contributions_public06.pdf

[5] The Guardian, February 2, 2007 “Scientists offered cash to dispute climate study”
<http://environment.guardian.co.uk/climatechange/story/0,,2004397,00.html>

[6] The United Nations Intergovernmental Panel on Climate Change (IPCC) has been established by World Meteorological Organization (WMO) and United Nations Environment Programme (UNEP) in 1988 to assess scientific, technical and socio- economic information relevant for the understanding of climate change, its potential impacts and options for adaptation and mitigation. The IPCC has recently published its Fourth Assessment Report “Climate Change 2007”, also referred to as AR4. <http://www.ipcc.ch/>

[7] British Royal Society (national academy of science of the UK and the Commonwealth) letter to ExxonMobil expressing concern that some of its corporate publications were presenting a misleading view of the scientific evidence about climate change and were over-emphasising uncertainties. September 2006 <http://www.royalsoc.ac.uk/displaypagedoc.asp?id=23780>

[8] Oil and fuel spills often occur at ExxonMobile refineries, pipelines and oil depots, wasting the fuel and leaving long-lasting pollution. Oil spills occur mainly as a result of malfunctioning of old devices, inefficient technology and bad management. Clean up is often non-existent or superficial. Oil spills cause infectious diseases, water pollution, land contamination, wildlife disturbance, deforestation, and damage to crops and farmlands.