
EXXONMOBIL ENGINEERING EUROPE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

EXXONMOBIL ENGINEERING EUROPE LIMITED

COMPANY INFORMATION

DIRECTORS

S Duggan
T Green (resigned 8 March 2024)
A M Johnson (resigned 1 May 2023)
S A Oldfield (appointed 1 May 2023)
C Kuhlmann (appointed 8 March 2024)

COMPANY SECRETARY

K J Mulligan (appointed 6 April 2023)
F Harness (resigned 6 April 2023)

REGISTERED NUMBER

00843314

REGISTERED OFFICE

Ermyn House
Ermyn Way
Leatherhead
Surrey
KT22 8UX

INDEPENDENT AUDITORS

Grant Thornton,
Chartered Accountants and Statutory Auditors
13-18 City Quay
Dublin 2
Ireland
D02 ED70

COMPANY TYPE

ExxonMobil Engineering Europe Limited is a private company, limited by shares and registered in England and Wales

EXXONMOBIL ENGINEERING EUROPE LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Strategic report	3 - 4
Independent auditors' report	5 - 8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12 - 21

EXXONMOBIL ENGINEERING EUROPE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FINANCIAL RISK MANAGEMENT

The Company has chosen in accordance with section 414C(11) of the Companies Act 2006, to set out information related to financial risk management, in the Company's Strategic report.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £644,385 (2022 - £582,608).

No dividends were recommended by the directors or paid during the year (2022 - £NIL).

FUTURE DEVELOPMENTS

The Company intends to continue with its current principal activities.

DIRECTORS

The directors who served during the year were:

S Duggan
T Green (resigned 8 March 2024)
A M Johnson (resigned 1 May 2023)
S A Oldfield (appointed 1 May 2023)

EXXONMOBIL ENGINEERING EUROPE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Grant Thornton, continue in office in accordance with the Section 485 of the Companies Act 2006.

OUR PERSONNEL

The Company has no direct employees and instead uses personnel seconded from other ExxonMobil affiliates. Engagement with those personnel is effected through the programmes and policies detailed in the financial statements of those affiliates.

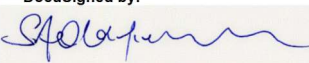
GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

POST BALANCE SHEET EVENTS

In March 2024, the Company issued 13,000,000 ordinary shares of £1 each at par, to its immediate parent company Esso Holding Company U.K. Inc. to fund future commitments to Oil and Gas Climate Change Initiative.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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S A Oldfield
Director

Date: July 11, 2024

EXXONMOBIL ENGINEERING EUROPE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

PRINCIPAL ACTIVITIES

The principal activity of the Company is to provide engineering services to ExxonMobil affiliates primarily in the UK, continental Europe and the Middle East. The Company provides a complete range of engineering services, including Project Development, Technology Application and Consulting, Regional Training Programmes and Quality Assurance.

In addition, the Company will contribute to research into climate change solutions by being a member of and investing in OGCI Climate Investments LLP.

BUSINESS REVIEW

The Company has net assets of £52,444k (2022 - net assets £39,119k).

Exxon Mobil Corporation joined the Oil and Gas Climate Initiative ("OGCI") on 24 September 2018, an unincorporated collaborative initiative that aims to deliver tangible, transparent, integrated contributions to climate change solutions. On the same date, the Company became a member of OGCI Climate Investments LLP ("CI"), OGCI's investment arm and has made a financial commitment to fund investments into technologies and projects made by CI. This financial commitment is to be funded by the issue of share capital to the Company's parent Esso Holding Company U.K. Inc. over the life of the Company's membership of CI.

During the year the Company issued 12,500,000 ordinary shares of £1 each at par, to its immediate parent company Esso Holding Company U.K. Inc. to fund future commitments to CI.

The Company is a service company for other ExxonMobil affiliates across Europe. Activity and revenues was at a similar level to the prior year.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis of the financial statements using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

PRINCIPAL RISKS AND UNCERTAINTIES

ExxonMobil Engineering Europe Limited (EMEEL) is an internal engineering services company. It has no exposure to market prices and no credit risk. The only potential risk is that it is unable to provide sufficiently qualified and experienced staff.

EXXONMOBIL ENGINEERING EUROPE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risks from a variety of factors that include credit, liquidity, and foreign exchange.

Liquidity risk - The Company actively manages its finances to ensure that it has sufficient available funds for its operations. Intercompany liabilities to resource-providing affiliates are covered through the associated recharging of services to receiving affiliates. Additionally the anticipated investment commitments to the Oil and Gas Climate Initiative are covered through capital injections from the parent entity, Esso Holding Company UK.

The Company has a process in place to monitor the best financing structure and periodically reviews its strategies. Following such review, alternative funding arrangements may be made available.

Foreign exchange risk -The Company has assets and liabilities denominated in foreign currencies, predominantly the US Dollar. The Company generally prefers to follow market prices and rates so no derivative financial instruments are used to manage the risk of fluctuating exchange rates and no hedge accounting is applied. The Company has in place a foreign exchange policy and will reconsider the appropriateness of this policy should operations change in nature.

HEALTH AND SAFETY

The Company's policy is to conduct its business in a manner that protects the safety of those involved in its operations, customers and the public. The Company strives to prevent all accidents, injuries and occupational illnesses through its Operations Integrity Management System. This is embedded into everyday work processes at all levels of the organisation and addresses all aspects of managing safety and health, as well as security, environmental and social risks at our facilities. The Company is committed to continuous efforts to identify and eliminate or manage health and safety risks associated with its activities.

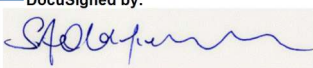
ENVIRONMENTAL POLICY

The Company has a policy to conduct its business in a manner that is compatible with the balanced environmental and economic needs of the community. Further, it is the Company's policy to comply with all applicable environmental laws and regulations and apply responsible standards where laws and regulations do not exist.

The Company's key principles and commitments in the areas of safety, health and the environment, among others, are consistent with those of its ultimate parent company, Exxon Mobil Corporation. Each year, Exxon Mobil Corporation publishes a detailed and comprehensive Sustainability Report that gives a full account of its positions, actions and performance.

Copies of this publication can be obtained by writing to: Exxon Mobil Corporation, Attn: Public & Government Affairs, CCR Requests, 22777 Springswoods Village Parkway Spring, TX 77389, USA. Alternatively, it can be viewed on www.exxonmobil.com.

This report was approved by the Board and signed on its behalf.

DocuSigned by:

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S A Oldfield
Director

Date: July 11, 2024

EXXONMOBIL ENGINEERING EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXXONMOBIL ENGINEERING EUROPE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ExxonMobil Engineering Europe Limited (the "Company"), which comprise the Statement of comprehensive income, Statement of financial position, the Statement of changes in equity for the year ended 31 December 2023; and the related notes to the financial statements, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, ExxonMobil Engineering Europe Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Company's as at 31 December 2023 and of its profit for the year then ended; and
- have been properly prepared in accordance of the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other matter

The financial statements of ExxonMobil Engineering Europe Limited for the year ended 31 December 2022, were audited by PricewaterhouseCoopers LLP who expressed an unmodified opinion on those statements on 17 October 2023.

Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon, including the Strategic report and Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

EXXONMOBIL ENGINEERING EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXXONMOBIL ENGINEERING EUROPE LIMITED

doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report and Directors' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of an auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXXONMOBIL ENGINEERING EUROPE LIMITED

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection requirements in the jurisdictions in which the Company operates and holds data, employment regulation in the UK and other environment regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation. The Audit engagement partner considered the experience and expertise of the engagement team to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

In response to these principal risks, our audit procedures included but were not limited to:

- enquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the Company's regulatory and legal correspondence and review of minutes of directors' meetings during the year to corroborate inquiries made;
- gaining an understanding of the entity's current activities, the scope of authorisation and the effectiveness of its control environment to mitigate risks related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including impairment of investments; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

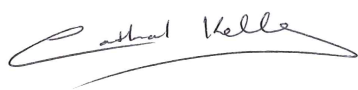
The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

EXXONMOBIL ENGINEERING EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXXONMOBIL ENGINEERING EUROPE
LIMITED

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cathal Kelly (Senior Statutory Auditor)
for and on behalf of Grant Thornton
Chartered Accountants and Statutory Auditors
Dublin
Date: 11 July 2024

EXXONMOBIL ENGINEERING EUROPE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

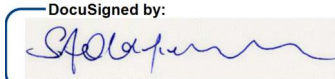
	Note	2023 £	2022 £
Turnover	3	16,771,505	17,071,113
Administrative expenses		(16,136,550)	(16,708,546)
OPERATING PROFIT	4	634,955	362,567
Interest receivable and similar income	8	233,831	99,493
PROFIT BEFORE TAX		868,786	462,060
Tax on profit	9	(224,401)	120,548
PROFIT FOR THE FINANCIAL YEAR		644,385	582,608
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		644,385	582,608

EXXONMOBIL ENGINEERING EUROPE LIMITED
REGISTERED NUMBER: 00843314

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Investments	10	50,675,210	40,448,867
		50,675,210	40,448,867
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	4,846,528	1,802,038
		4,846,528	1,802,038
Creditors: amounts falling due within one year	12	(3,257,568)	(3,131,120)
NET CURRENT ASSETS/(LIABILITIES)		1,588,960	(1,329,082)
TOTAL ASSETS LESS CURRENT LIABILITIES		52,264,170	39,119,785
NET ASSETS		52,264,170	39,119,785
CAPITAL AND RESERVES			
Called up share capital	14	49,300,100	36,800,100
Profit and loss account	15	2,964,070	2,319,685
		52,264,170	39,119,785

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

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S A Oldfield
Director

Date: July 11, 2024

The notes on pages 12 to 21 form part of these financial statements.

EXXONMOBIL ENGINEERING EUROPE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Share capital £	Profit and loss account £	Total equity £
At 1 January 2022	24,800,100	1,737,077	26,537,177
Comprehensive income for the financial year			
Profit for the year	-	582,608	582,608
Shares issued during the year	12,000,000	-	12,000,000
At 1 January 2023	36,800,100	2,319,685	39,119,785
Comprehensive income for the financial year			
Profit for the financial year	-	644,385	644,385
Shares issued during the year	12,500,000	-	12,500,000
At 31 December 2023	<u>49,300,100</u>	<u>2,964,070</u>	<u>52,264,170</u>

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

1.1 General Information

The principal activity of the Company is to provide engineering services to ExxonMobil downstream affiliates primarily in the UK, continental Europe and the Middle East. The Company provides a complete range of engineering services, including Project Development, Technology Application and Consulting, Regional Training Programmes and Quality Assurance.

The Company is a private company limited by shares and incorporated in England and Wales. The address of the registered office is Ermyn House, Ermyn Way, Leatherhead, Surrey KT22 8UX.

1.2 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention, updated by revaluation of financial assets and financial liabilities held at fair value through profit and loss and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied consistently:

1.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements

1.4 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.
- the requirements of Section 29 Income Tax paragraphs 29.28(b) and 29.29.

This information is included in the consolidated financial statements of Exxon Mobil Corporation as at 31 December 2023 and these financial statements may be obtained from Exxon Mobil Corporation, Shareholder Relations, 22777 Springswoods Village Parkway Spring, TX 77389, USA.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The Company's principal activity is to provide engineering services to ExxonMobil affiliates on a cost plus tax at the prevailing corporation rate on the deemed mark-up of 12%.

1.6 Valuation of investments

Investments held as fixed assets are shown at cost less provision for impairment.

The cost of investment is initially recognised at the transaction price.

Annually at the reporting date, the Company assesses whether there may be an indication for impairment. Only if the assessment determines that there may be an impairment, does the Company estimate the recoverable amount of the investment.

The recoverable amount of the investment is the higher of its fair value less costs to sell and its value in use. If either of these estimates exceeds the carrying value of the investment, it is not impaired.

The value in use is based on the recoverable amount of the investments made.

If it is determined that the recoverable amount of the investment is lower than the carrying value of the investment, the resulting impairment is recognised immediately in the statement of comprehensive income.

1.7 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments (continued)

receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

All basic financial liabilities are held at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial commitments to Oil and Gas Climate Initiative

The Company is committed to contributing towards funding investments made by Oil and Gas Climate Initiative. The commitment is considered as a financial liability, as there is a contractual obligation to pay cash. There is however no contractual return and therefore treated as an other financial instrument under FRS102, Section 12.7.

1.8 Foreign currency translation

Functional and presentation currency of the Company is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

1.10 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

1.11 Cash

As part of ExxonMobil's Treasury operations, the Company participates in an interest bearing bank account arrangement with another ExxonMobil group undertaking, whereby the transactions are cleared by the banks included in this arrangement are transferred to that undertaking on a daily basis. The net amount as at the statement of financial position date is fully liquid with the Company retaining full ability to access the cash at any time and disclosed as a short-term financial instrument within amount owed by group undertakings.

Interest related to these cash positions is based on the All-in Fallback Rate for Overnight GBP LIBOR, comprised of the Sterling Overnight Index Average, "SONIA", plus applicable spread adjustment ("GBP Fallback Rate"). Interest is charged at GBP Fallback Rate plus 0.95% on overdraft positions and GBP Fallback Rate minus 0.10% on deposit positions.

1.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Significant Judgements

The financial statements continue to be prepared on a going concern basis. The directors consider this judgement to be appropriate.

The directors consider the ongoing commitment to fund the Oil and Gas Climate Change Initiative (OGCI) to be a financial instrument as defined by FRS102 Section 12.7. When a drawdown is requested and a payment made, the Company pays cash and receives an interest in OGCI. The Company treats the payments as an investment.

No other significant judgements have been made in applying the Company's accounting policies.

Estimates

In applying the Company's accounting policies described above, the key sources of estimation uncertainty that carry risk of a material adjustment to the carrying value of assets or liabilities in the preparation of these financial statements include:

- should an impairment be indicated, the carrying value of Investments.

The details of the assumptions used are set out in the accounting policies and the notes to the financial statements.

3. TURNOVER

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	9,529,132	12,917,580
Rest of Europe	3,592,733	2,395,339
Rest of the world	3,649,640	1,758,193
	<u>16,771,505</u>	<u>17,071,112</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2023 £	2022 £
Exchange differences	<u>(37,730)</u>	<u>2,687,078</u>

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	15,000	14,600

6. PERSONNEL COSTS

Personnel costs were as follows:

	2023 £	2022 £
Wages and salaries	16,985,105	18,458,508
Social security costs	1,445,688	1,119,022
	18,430,793	19,577,530

The Company is part of the ExxonMobil Technical engineering services hub with engineering resources being pooled across several affiliates. Administrative expenses shown in these accounts additionally include other operating cost items but are net of recharges made between the engineering hub affiliates.

Personnel are seconded. The average number of secondees during the year was as follows:

	2023 No.	2022 No.
	106	103

The average headcount numbers above are determined on a quarterly basis. The directors are confident that these are not significantly different to numbers determined on a monthly basis.

7. DIRECTORS' REMUNERATION

Directors' remuneration is borne by other ExxonMobil affiliates.

EXXONMOBIL ENGINEERING EUROPE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023 £	2022 £
Interest receivable from group companies	233,831	99,493
	233,831	99,493

9. TAXATION

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	4,652	(165,404)
Adjustments to tax charge in respect of prior periods	219,749	44,856
Total current tax	224,401	(120,548)

FACTORS AFFECTING TAX CREDIT FOR THE YEAR

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of 23.5% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	868,785	462,060
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2022 - 19%)	204,164	87,791
Effects of:		
Amounts not chargeable for tax puposes	(1,046)	(62,339)
Adjustments to tax in respect of prior periods	219,749	44,856
Tax assessed on the deemed mark-up of administrative expenses	304,313	308,104
Tax assessed on investment expenses	(502,779)	(498,960)
Total tax charge for the year	224,401	(120,548)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Corporation Tax has been calculated at 23.5% of the taxable profits for the year (2022 - 19%). Legislation was enacted on 14 October 2022 to increase the rate to 25% effective from 1 April 2023.

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. INVESTMENTS

	Investments £
Cost or valuation	
At 1 January 2023	40,448,867
Additions	10,226,343
At 31 December 2023	<u>50,675,210</u>

The Company is a member of OGCI Climate Investments LLP. At 31 December 2023 the Company was one of eleven equal subscribers to the LLP.

The annual contribution to the LLP is capitalised as investments, at the transaction price.

OGCI Climate Investments LLP is registered in England and Wales and has its registered office at 7th Floor 50 Broadway, London, United Kingdom SW1H 0BL

11. DEBTORS: amounts falling due within one year

	2023 £	2022 £
Amounts owed by group undertakings	4,715,607	1,729,112
Other debtors	-	99
Prepayments and accrued income	66,878	-
VAT recoverable	64,043	72,827
	<u>4,846,528</u>	<u>1,802,038</u>

The Company participates in an interest bearing arrangement with another ExxonMobil group undertaking whereby the transactions cleared by the banks included in this arrangement are transferred to that undertaking on a daily basis. The net amount of £1,726,246 as at 31 December 2023 is included in 'Amounts owed by group undertakings' (2022 - £304,517).

All other amounts are unsecured, interest free and have no fixed repayment date.

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	115,825	239,524
Amounts owed to group undertakings	2,956,524	2,679,836
Corporation tax	62,961	25,639
Accruals and deferred income	122,258	186,121
	<u>3,257,568</u>	<u>3,131,120</u>

All amounts owed to group undertakings are unsecured, interest free and have no fixed repayment date.

13. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>4,715,607</u>	<u>1,729,211</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>3,194,607</u>	<u>3,105,481</u>

The Company has made a financial commitment to fund investments into technologies and projects made by OGCI Climate Investments LLP until 2027. This future financial commitment is treated under FRS 102 section 12 'other financial instruments'.

14. SHARE CAPITAL

	2023 £	2022 £
Called up share capital		
49,300,100 (2022 - 36,800,100) ordinary shares of £1 each	<u>49,300,100</u>	<u>36,800,100</u>

During the year the Company issued a total of 12,500,000 £1 ordinary shares at par to Esso Holding Company (UK) Inc. its immediate parent company, for cash.

EXXONMOBIL ENGINEERING EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

15. RESERVES

Profit and loss account

Profit and loss account represents accumulated comprehensive income for the year and prior years, less dividends.

16. RELATED PARTY TRANSACTIONS

During the financial year, the Company entered into sales and purchasing transactions with other related parties.

The related parties, as defined by FRS 102 section 33, the nature of the relationship and the extent of the transactions with them are summarised below.

The following table details balances from and to other related parties divided between trade and loan accounts at the statement of financial position date in accordance with the disclosure requirements of FRS 102 section 33. The related parties disclosed in the table below are affiliated entities, which are not wholly owned within the Exxon Mobil Corporation group. Balances and transactions between the Company and related parties, which are wholly owned within the Exxon Mobil Corporation are not disclosed.

	2023 £	2022 £
Turnover	575,384	1,076,565
Expenses	59,727	126,321
Debtors	197,947	189,789
Creditors	236,094	243,863

17. POST BALANCE SHEET EVENTS

In March 2024, the Company issued 13,000,000 £1 ordinary shares at par to its immediate parent company Esso Holding Company U.K. Inc. for cash, in order to finance future funding commitments to CI.

18. CONTROLLING PARTY

The immediate parent company is Esso Holding Company U.K. Inc. The ultimate parent company and controlling party is Exxon Mobil Corporation, incorporated in New Jersey, USA. Exxon Mobil Corporation is listed on the New York Stock Exchange and its shares are widely dispersed. The smallest and the largest group of which the Company is a member and for which group financial statements are prepared is Exxon Mobil Corporation. Financial statements can be obtained from Exxon Mobil Corporation, Shareholder Relations, 22777 Springswoods Village Parkway Spring, TX 77389, USA.