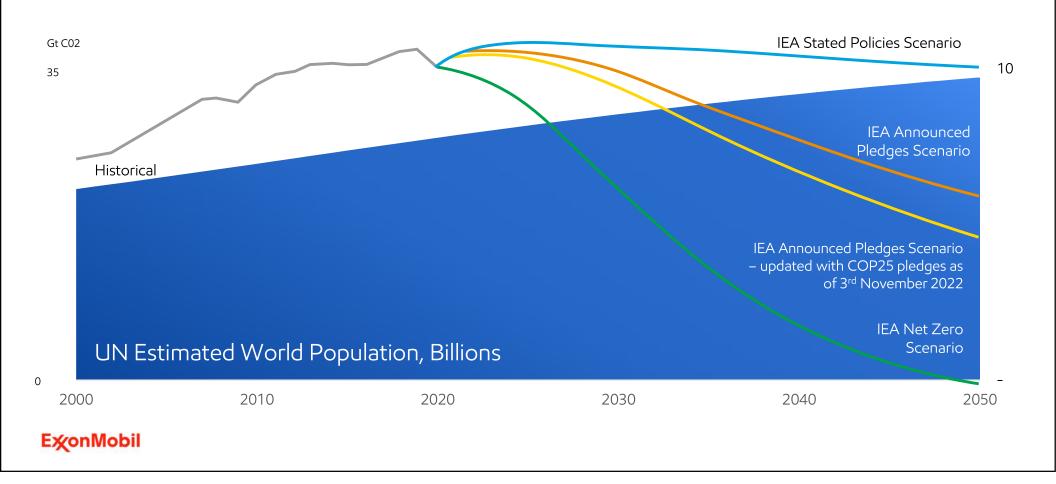


The Dual Challenge

Deliver reliable, affordable energy to world's growing population while lowering emissions



ExxonMobil Low Carbon Solutions:

Accelerating the world's path to net zero AND building a compelling new business

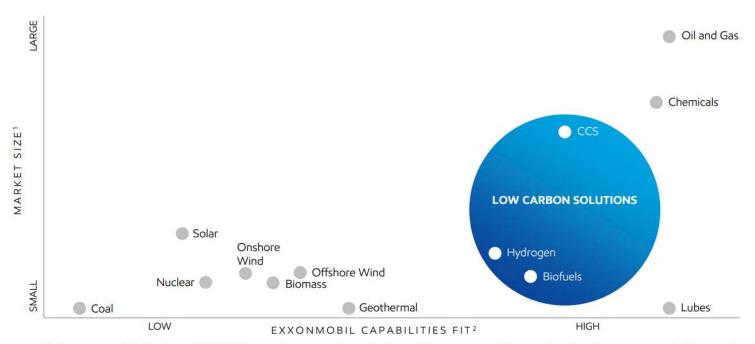
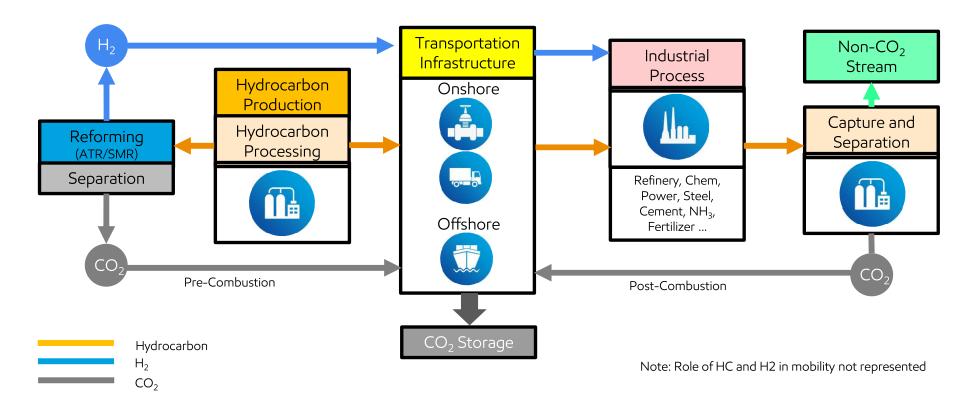


Chart source: ExxonMobil analysis of IPCC SR 1.5 scenario explorer data; and McKinsey & Company report, "The big choices for oil and gas in navigating the energy transition;" March 10, 2021. See Supplemental Information for footnotes and definitions.

- Key objective to provide decarbonization solutions in hard-to-abate sectors
- Focus on carbon capture & storage (CCS), hydrogen, lower emission fuels
- Engaging on climate policy with key stakeholders across industries, governments, communities, etc.

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Transportation Infrastructure: Integral to H₂ and CCS Value Chains





H₂ Pipeline Transport

Background / Current Status

- ~ 1,600 miles of hydrogen pipelines are currently operating in US
- Largest global network; ~ 56% located along the Gulf Coast
- 87% are operated at 0.5 of Design Factor; 0.72 DF typical for NG

Drivers / Opportunities

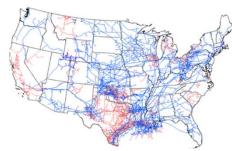
- Hydrogen expected to play a key future role as energy carrier
- Near term: Blending H₂ into NG infrastructure (>360,000 miles of NG transmission pipelines in US)
- Longer term: Re-purposing / Dedicated (w. higher pressure) H₂ pipeline infrastructure

Key Challenges

- Pipeline Integrity Challenge (Blended with NG or 100% H₂)
 - Hydrogen Embrittlement (HE): Key consideration for transmission pipelines (e.g. carbon steel pipelines)
 - Compatibility with hydrogen: valves, fittings, gaskets, elastomers, etc
 - Assessing the condition of the existing NG P/Ls is challenging including vintage lines (<1980)
- Conservative H₂ pipeline design codes (e.g. ASME B31.12, etc)
- Assess the performance of existing / developing inspection technologies in the presence of hydrogen
- Potential impact radius of H₂ releases, and implications
- Emergency procedures for leakage and repairs





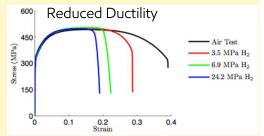


Ref: PRCI/EFI, H2 SOTA, Gap Analysis, Future Project Roadmap (2020)

Current efforts to understand and manage integrity threats

Hydrogen Embrittlement (HE):

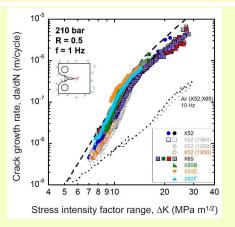
Absorbed H atoms reduce fracture resistance (smaller critical flaws) and accelerate fatique



Xu and Rana: 2008 Int'l Hydrogen Conference



+ Industry Partners



- Pipeline Blending CRADA A HyBlend™ Project
 - Significant progress of structural integrity for H₂ gas infrastructure as well as LCA/TEA analysis (phase I)
 - Further R&D (phase II) to accelerate the deployment of H₂ infrastructure

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Code and Standard for H₂ infrastructure



- ASME B31.12
 - Overly-conservative H₂ pipeline design code
 - Conservative design / mat'l performance factor
 - More stringent hardness requirement v. sour service
 - Un-realistic sampling requirement to repurpose line
 - Ongoing activities to generate supporting data
- Being consolidated into ASME B31.8 as a new chapter
 - Requirements are being modernized
 - Close collaboration with pipeline code bodies in Europe, Canada and Australia

Broad activities are ongoing: gov's funded projects, industry activities, and Joint Industry Project (JIP) to accelerate the deployment of H₂ transport infrastructure

6

Summary

- Background and Drivers
 - Net zero emission requires problem solving at immense scale
 - Hydrogen economy is a key enabler to achieve deep decarbonization
 - Transportation infrastructure (e.g. pipeline) is an integral element of H₂ value chain
- H₂ Pipeline Infrastructure Challenges
 - Pipeline integrity in the presence of hydrogen (e.g. hydrogen embrittlement, mat' compatibility, etc.)
 - Codes and standards: overly-conservative / costy requirements for H₂ infrastructure
 - Industrial practices/ technologies for commercial scale hydrogen pipeline transport
- DOE support stimulates the collaboration (RD&D) between national labs, academy and industry, and will be a key enabler to accelerate the deployment of hydrogen infrastructure

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