

## Module: Introduction

### Introduction

**Note: All ConocoPhillips survey responses are in dark blue text.**

#### 0.1

##### **Introduction**

Please give a general description and introduction to your organization

ConocoPhillips uses its pioneering spirit to responsibly deliver energy to the world. This purpose transcends all of ConocoPhillips' operations. The company conducts its business to return maximum value to shareholders while utilizing a wealth of knowledge and resources from its employees and acting responsibly in all communities in which it operates.

As the third-largest integrated energy company in the United States, based on market capitalization, oil and natural gas reserves, the company understands its responsibility to deliver energy in a safe, environmentally and socially responsible manner. The company upholds this responsibility in its worldwide operations, where it is the fourth-largest refiner and the sixth-largest reserves holder of nongovernment-controlled companies. ConocoPhillips is known worldwide for its technological expertise in reservoir management and exploration, 3-D Seismic technology, high-grade petroleum coke upgrading and sulfur removal.

Approximately 29,700 ConocoPhillips employees work worldwide to consistently deliver top performance and value and to maintain the company's global market position. Employees' individual talents and strengths combine to create a diverse and resilient workforce within ConocoPhillips. With operations in more than 30 countries, ConocoPhillips is committed to contributing to social, economic and environmental improvements in all the communities in which it operates. The company is currently funding numerous environmental, social, health and education programs around the world.

Headquartered in Houston, Texas, the company has assets of \$155 billion. ConocoPhillips stock is listed on the New York Stock Exchange under the symbol "COP."

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**0.2****Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Jan 2010 - Fri 31 Dec 2010

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**0.3****Country list configuration**

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
United States of America
Canada
United Kingdom
Germany
Ireland
Norway
Australia
Rest of world

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**0.4****Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

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**0.5****Please select if you wish to complete a shorter information request**

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**0.6****Modules**

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email [respond@cdproject.net](mailto:respond@cdproject.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

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**Further Information**

ConocoPhillips greenhouse gas (GHG) emissions from the UK, Ireland, Germany and Norway will be grouped together under the title "EU/Norway" in this survey response.

GHG emissions from "Rest of the World" includes ConocoPhillips operations in China, Indonesia, Vietnam, and Russia.

## Module: Management

### Section 1 - Governance

#### 1.1

**Where is the highest level of direct responsibility for climate change within your company?**

Senior Manager/Officer

#### 1.1a

**Please identify the position of the individual or name of the committee with this responsibility**

Responsibility for managing climate change issues rests with a ConocoPhillips Management Committee member who reports directly to the CEO. In addition, the company has a Sustainable Development Group that provides regular reports to the ConocoPhillips Management Committee and the Public Policy Committee of the Board on climate change issues.

The Public Policy Committee oversees our positions on public policy issues, including climate change. The company's Planning and Sustainable Development Groups are responsible for ensuring that the ConocoPhillips Management Committee and Board of Directors are aware of the risks and opportunities associated with climate change for our business, and for ensuring that these issues are integrated as appropriate into company strategic decisions.

#### 1.2

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

#### 1.2a

**Please complete the table**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
All employees	Monetary reward	Incentivized performance indicators vary among different corporate, business and functional units and include, but are not limited to: • Achieving goals set out in corporate, business and functional unit climate change issue management plans • Improved energy efficiency resulting in GHG reduction • Development of low carbon business opportunities • Effective implementation of public policy advocacy plans • Carbon credit generation and optimization • Successful development of technology aimed at reducing GHG emissions • Effective knowledge sharing regarding climate change risks/opportunities, policy, GHG reduction best practices, etc.
All employees	Recognition (non-monetary)	See above
All employees	Other non-monetary reward	See above

## Section 2 - Strategy

### 2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

#### 2.1a

Please provide further details (see guidance)

Societal efforts to address GHG emissions and climate change create a range of both risk and opportunity for ConocoPhillips as an integrated multi-national energy company. We have a comprehensive approach for identifying material risks/opportunities and for assessing the degree to which these issues might affect our business. Board members, executives, and managers and staff responsible for business operating, planning and investment decision-making are the intended participants in risk identification and assessment.

**The scope of the process (i.e. the type of risks and opportunities considered by the process such as regulatory, customer behavior changes, reputational and weather-related)**

ConocoPhillips' process for assessing risk and opportunity related to climate change includes consideration of issues associated with:

- New and evolving GHG/energy policy and regulation;

- Legal challenges impacting the oil and gas industry generally, and those specific to the company;
- Commercial factors such as changing consumer demand, alternative energy developments, carbon trading, etc.;
- Physical conditions in locations where we operate; and
- Company reputation.

#### **How risks/opportunities are assessed at a company level (e.g. reputational risk can impact on the full corporation)**

ConocoPhillips is implementing a comprehensive corporate climate change action plan aimed at preparing the company to succeed in a world challenged to reduce GHG emissions. As part of that plan, a review of the implications of climate change for our business is included as an element of the company's annual long-range planning process.

#### **How risks/opportunities are assessed at an asset level (e.g. physical impacts can affect individual facilities)**

##### Business Unit Climate Change Planning

Each ConocoPhillips business unit is required to develop its own climate change plan tailored to the business environment, climate policy and climate impacts of its particular region or country.

##### Climate Change Risk Assessment for Projects

All projects and acquisitions, operated and non-operated, that are expected to result in a GHG emissions change of greater than 50,000 metric tons CO<sub>2</sub> equivalent (net to ConocoPhillips) during any year of project operation or that will cost more than \$75million are required to have a climate change assessment completed. Project teams are required to assess the potential risk and opportunity for a project associated with GHG emissions, GHG regulation and a physically changing climate. This assessment is included as a requirement for project and investment approval.

##### Integrating the Cost of Carbon in Project Economics

For operations in countries with existing or imminent GHG regulation, the cost of regulatory compliance is evaluated based on specific regulation and local carbon pricing information. This information is incorporated into the base-case economic analysis for ongoing and new capital expenditures. For operations in countries without existing or imminent GHG regulation, all capital projects with a cost of \$75 million or greater or which are expected to result in a change to annual emissions in excess of 10,000 metric tons of CO<sub>2</sub> equivalent are required to use a cost of carbon as a sensitivity to the project economics for management review.

##### Staffing for Assessment

ConocoPhillips has dedicated staff with specific responsibility for managing climate change within corporate headquarters, in key business units (e.g. ConocoPhillips Canada) and within staff groups (e.g. Health, Safety and Environment). This staff taps into a wide range of organizational expertise from legal, communications, government affairs, engineering, geoscience, commercial and investment appraisal to develop recommendations for decision-makers.

#### **The frequency of monitoring**

Risks and opportunities related to climate change and GHG regulation are monitored on an ongoing basis as appropriate for individual business units, projects and for the corporation as a whole. Analysis, assessment and integration occur as determined by the importance and immediacy of the issue. Scheduled integration occurs as part of the annual corporate/business unit planning process and during the project development and approval process.

#### **Criteria for determining materiality/priorities**

Risks and opportunities related to climate change are prioritized based on their potential to have a significant impact to our business. Factors included in the assessment of materiality include potential impacts on product price/demand, capital and operating expenses, scheduling, access to resources, and reputation.

### **Internal reporting of assessment results**

- Responsibility for managing climate change issues rests with a ConocoPhillips Management Committee member who reports directly to the CEO. In addition, the company has a Sustainable Development Group that provides regular reports to the ConocoPhillips Management Committee and the Public Policy Committee of the Board on climate change issues.
- The company's Planning and Sustainable Development Groups are responsible for ensuring that the ConocoPhillips Management Committee and Board of Directors are aware of the risks and opportunities associated with climate change for our business, and for ensuring that these issues are integrated as appropriate into company strategic decisions.

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## **2.2**

### **Is climate change integrated into your business strategy?**

Yes

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## **2.2a**

### **Please describe the process and outcomes (see guidance)**

Climate change is one of many important issues integrated into the ConocoPhillips strategic planning process. However, at this time the issue is not considered a primary driver of the company's strategy.

### **How the business strategy has been influenced?**

Issues and impacts associated with climate change are among those considered during the company's annual long-range planning process and integrated into business unit and functional planning processes.

### **What climate change aspects have influenced the strategy?**

- Near term strategic considerations related to climate change are focused primarily on the changing policy and regulatory landscapes.
- Longer term considerations include changing consumer demand, the development of new and alternative technologies, the changing physical operating environment, and potential legal challenges.

### **What are the most important components of the short term strategy that have been influenced by climate change?**

Policy engagement: In 2007, we became the first U.S.-based integrated energy company to publicly support a mandatory national framework in the U.S. to address GHG emissions. Since that time, we have worked with a number of policy-related partnerships such as the US Climate Action Partnership (USCAP) and the Climate Change Policy Partnership (Duke University), with other oil and gas companies, with industry associations (e.g. the International Emissions Trading Association, American Petroleum Institute), and with governments to advocate smart policy solutions.

Alternative energy investment: On January 27, 2011, ConocoPhillips announced the creation of Energy Technology Ventures, a four year, \$300 million dollar joint venture with partners GE and NRG Energy. Energy Technology Ventures will invest in, and offer commercial collaboration opportunities to, venture- and growth-stage energy technology companies. Areas of investment focus include renewable power generation, smart grid, energy efficiency, oil, natural gas, coal and nuclear energy, emission controls, water and biofuels sectors, primarily in North America, Europe and Israel.

Carbon Trading: Our Commercial organization trades CO2 allowances to optimize emissions management in countries implementing emission-trading programs. In addition, the company actively evaluates opportunities to participate in GHG emission reduction projects directly and to purchase offset credits from third-party projects.

Carbon capture and storage (CCS): ConocoPhillips is developing technologies which could significantly lower the cost of CO2 capture. In addition, the company has evaluated several commercial-scale CO2 capture and storage project opportunities. Equipment is being installed at the Lost Cabin Gas Plant in Wyoming to enable the sale of captured CO2 for use in enhanced oil recovery (EOR), one method for long-term storage.

**What are the most important components of the long term strategy that have been influenced by climate change?**

While climate change has not been a primary driver of ConocoPhillips' long-term business strategy, it is an important consideration in our analysis of long-term prices and consumer demand for oil and natural gas, and of further investment in renewable and alternative energy, low-carbon technology R&D, and CCS.

**How this is gaining you strategic advantage over your competitors?**

While difficult to measure, we believe that the analysis and integration of climate change-related issues into the company strategic planning process will allow us to manage risks and make prudent investment decisions.

**What are the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy**

The two most important business decisions in 2010 significantly influenced by climate change were 1) continuing proactive policy engagement in the U.S., including efforts to develop federal climate change legislation and efforts to curb action under the U.S. Clean Air Act, which we believe to be ill-suited to GHG management; and 2) investing in Energy Technology Ventures (see above).

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2.2b

Please explain why not

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2.3

**Do you engage with policy makers to encourage further action on mitigation and/or adaptation?**

Yes

## 2.3a

### **Please explain (i) the engagement process and (ii) actions you are advocating**

#### **Public Policy Position**

We believe that over the months and years ahead, governments – federal, state/provincial and local – will act upon the issue of global climate change. In order to succeed in a low carbon economy, ConocoPhillips must play a constructive role in public policy dialogue to devise practical, equitable and cost-effective approaches to reduce greenhouse gas emissions and address the impacts of climate change.

We believe that mandatory national frameworks, which link to international ones, are most likely to achieve meaningful global GHG reductions. The company climate change position outlines our principles of effective climate change policy. We oppose the implementation of sub-optimal policy, such as the use of the U.S. Clean Air Act to regulate GHG, which we believe will be costlier and less environmentally effective.

These principles continue to guide our engagement on climate change policy in the United States, Canada, Europe, Australia and other countries in which we operate. We work with trade associations, industry peers and other key stakeholders in efforts to align the policymaking process with our positions and principles.

#### **Engagement process**

Method of engagement – e.g. through a trade organization, as an individual company, through funding of a third party, etc. and public or private:

We work as an individual company, with industry peers, through traditional trade associations and through other multi-stakeholder groups to directly engage policymakers. In addition, we contribute funding to third-party analysis and assessment of climate change policy proposals.

Topic of engagement – e.g. legislation, policy, products/technologies:

We engage in many aspects of the climate change-related public policy discussion and development at the federal, regional and state/provincial levels in key areas in which we operate. Engagement topics include legislation and regulation aimed at reducing GHG emissions, incentivizing clean energy, funding technology R&D, and establishing regulatory frameworks for carbon credit trading and for CO2 capture and storage. Importantly, engagement in the policy making process does not necessarily indicate support for a particular policy. For instance, ConocoPhillips does not support mandates that would distort the energy market and preferentially advantage one energy source over another.

Nature of engagement - e.g. responding to a consultation, participating in policy research:

We work unilaterally and through industry associations and other groups to directly engage policymakers, to respond to consultations and other opportunities for comment, to conduct public policy research and to inform consumers and other stakeholders to assist their engagement in the policy process.

Actions advocated - The nature of advice given, e.g. were you encouraging action on mitigation, or adaptation, endorsement or opposition of policy proposals.

ConocoPhillips advocates the development of effective and efficient national policy that addresses GHG emissions and the impacts of climate change while ensuring a secure supply of affordable energy necessary for economic growth.

As noted above, in 2007, we became the first U.S.-based integrated energy company to publicly support a mandatory national framework in the U.S. to address GHG emissions. Since that time, we have worked with a number of policy-related partnerships such as the USCAP and the Climate Change Policy Partnership (Duke University), with other oil and gas companies, with industry associations (e.g. the International Emissions Trading Association, American Petroleum Institute), and with governments to advocate smart policy solutions.

In the U.S. we remain opposed to what we believe are less efficient, costlier and less environmentally effective policy approaches. These include using existing environmental statutes (e.g. the Clean Air Act), or developing a patchwork of state programs and technology mandates that imply targets must be met at any cost. However, we still engage in development of policy approaches with which we disagree, educating ourselves on the new regulatory authorities and providing our input as appropriate. For instance, we continue to engage the California Air Resources Board on that state's Low Carbon Fuel Standard, seeking fair treatment for refinery processing of heavy crude oils.

**Section 3 - Targets and Initiatives**

3.1

**Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?**

No

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
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3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
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**3.1c**

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
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**3.1d**

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
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**3.1e**

**Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years**

The majority of ConocoPhillips assets are in countries, regions, and states/provinces that either currently mandate GHG emission reductions (e.g., the E.U., Alberta, California) or that we anticipate will mandate GHG reductions in the near future (e.g. United States, Australia). As such, the company believes a single, voluntary, global corporate GHG reduction target would not be appropriate.

As is the case with financial metrics, ConocoPhillips does not publish its long-term forecast of GHG emissions, but we do include emissions in our forward planning activities within the company. GHG emissions from Exploration and Production operations are likely to increase as we grow our long-term oil and gas production at the targeted 2-3% per year. Emissions from refining and marketing are likely to decrease if long-term refining crude capacity is reduced from a 2010 position of 2.7 MMBPD to less than 1.8 MMBPD according to plans.

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**3.2**

**Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?**

Yes

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### 3.2a

**Please provide details (see guidance)**

**How emissions are avoided**

The use of cleaner-burning natural gas for power generation reduces GHG emissions approximately 50% relative to coal-fired generation.

**Estimated GHG emissions savings: 2010**

ConocoPhillips was among the leading natural gas producers in the U.S. in 2010. Worldwide, we produced about 4.9 billion cubic feet of natural gas per day. To put this production volume in perspective, if all the natural gas ConocoPhillips produced in 2010 had been used to replace coal for electricity generation, GHG emissions would have been reduced by just over 100 million metric tons.

**Key Assumptions**

We use the following assumptions and emission factors to estimate GHG savings:

- As reported in the ConocoPhillips 2010 Annual Report, worldwide the company produced 4.9 billion cubic feet of natural gas per day in 2010.
- Combusting all that natural gas would produce an annual total of approximately 98 million metric tons of CO<sub>2</sub>.
- That volume of natural gas also has annual energy content of approximately 1,938GJ.
- A volume of coal of about 91 million short tons would have the equivalent energy content.
- 91 million short tons of bituminous coal would produce about 203 million metric tons CO<sub>2</sub>

(All conversion factors are from the U.S. Environmental Information Agency).

**GHG Credits**

Consumption of natural gas in power production would generally not generate Certified Emission Reduction or Emission Reduction Unit credits within the framework of UNFCCC Clean Development Mechanism (CDM) or Joint Implementation (JI) programs. However, natural gas flare elimination projects do qualify as CDM projects. In fact, ConocoPhillips participated in the oil industry's first CDM project under the Kyoto Protocol. The company is a co-venturer in Vietnam's Rang Dong project, which qualified for credits by avoiding flaring of produced gas. The project collects associated natural gas from the Rang Dong field and Block 15-2 offshore to supply industrial users in Ba Ria-Vung Tau Province. It has been registered as a CDM project since February 2004.

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### 3.3

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

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**3.3a**

Please provide details in the table below

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period

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**3.3b**

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	ConocoPhillips meets or exceeds the regulations in countries in which it operates.
Financial optimization calculations	Energy efficiency and GHG reduction projects compete for capital with all other investment opportunities.
Dedicated budget for low carbon product R&D	The company has expanded its internal research programs to significantly reduce the cost of carbon capture, to develop beneficial conversion or reuse options, and to improve modeling, verification, and well integrity capabilities for CO <sub>2</sub> storage.

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**3.3c**

If you do not have any emissions reduction initiatives, please explain why not

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**Further Information**

ConocoPhillips business is broadly divided into Exploration and Production "Upstream" and Refining and Marketing "Downstream". In 2010 both segments of our business made investments that resulted in GHG reduction.

#### Upstream Greenhouse Gas Reductions:

In 2010, ConocoPhillips Upstream businesses worldwide completed numerous projects to improve energy efficiency, recover product, and reduce GHG emissions.

Examples include:

- Reduced methane venting during well completions
- Plunger lift installation and optimization
- Solar-powered chemical injection pump installation
- Optimized compression
- Relief valve block valve installations
- Dehydrator pump replacements
- High bleed pneumatic controller replacements
- FLIR (forward looking infra-red) surveys
- Facility consolidations
- Facility optimization and gas conservation
- Heater optimization and removal
- Flare optimization
- Waste heat recovery
- Pneumatic pump and other well site modifications
- Instrument optimization
- Power projects
- New flare system

These Upstream projects are estimated to have reduced CO<sub>2</sub>e emissions by approximately 957,000 metric tons in 2010 and will continue to deliver energy efficiency and GHG reduction benefits going forward.

#### Downstream Energy Efficiency

We continually strive to improve the energy efficiency of our refineries. This accomplishes three goals:

- Reducing our energy consumption in the form of electricity, natural gas, refinery gas and steam.
- Improving the GHG impact of our operations.
- Reducing our operating costs.

We are performing energy-efficiency reviews at our refineries to identify opportunities to reduce energy consumption. Indeed, this is a vital goal that is considered in conjunction with such operational objectives as expanding processing and clean-fuels production capacities, and improving ability to refine more difficult grades of crude oil. In ventures where we are not the operator or hold a minority interest, we strive to influence our partners to implement similar programs.

Significant energy-efficiency improvements were realized through several initiatives in 2010:

- Bayway Refinery - Upgraded crude oil vacuum furnace
- Borger Refinery - Gasoline Benzene Reduction Project was configured to also improve energy efficiency
- Whitegate Refinery - Conversion to natural gas firing in heaters vs. some prior use of liquid fuels
- Wood River Refinery - Boiler and other steam system improvements
- Flare gas recovery projects at multiple refineries – Recapturing waste gases for refinery use, reducing flaring and thus improving energy efficiency.
- Expanded use of refinery computer control and computer-based energy optimization programs

These and other improvements in energy efficiency also positively impacted our GHG emissions by approximately 200,000 metric tons of CO<sub>2</sub>/year.

The list above does not represent a complete inventory of ConocoPhillips GHG reduction activities and the resulting emission reductions have not necessarily been verified.

## Section 4 - Communication

### 4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
In other regulatory filings (complete)	10-K Report Pages 59-60	<a href="http://www.conocophillips.com/EN/investor/financial_reports/sec_filings/Pages/index.aspx">http://www.conocophillips.com/EN/investor/financial_reports/sec_filings/Pages/index.aspx</a>
In voluntary communications (complete)	COP Website Section Climate Change	<a href="http://www.conocophillips.com/EN/susdev/environment/climatechange/Pages/index.aspx">http://www.conocophillips.com/EN/susdev/environment/climatechange/Pages/index.aspx</a>
In voluntary communications (complete)	COP Canada Sustainable Development Portal; Section GHG	<a href="http://www.cpcsustainability.com/canada-wide-issues/environment/cwgreenhousegasses/index-greenhouse.cfm">http://www.cpcsustainability.com/canada-wide-issues/environment/cwgreenhousegasses/index-greenhouse.cfm</a>

# Module: Risks and Opportunities

## Section 5 - Climate Change Risks

### 5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

### 5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact

### 5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

There has been a broad range of proposed or promulgated state, national and international laws focusing on GHG reduction. These proposed or promulgated laws apply or could apply in countries where we have interests or may have interests in the future. Laws in this field continue to evolve, and while it is not possible to accurately estimate either a timetable for implementation or our future compliance costs relating to implementation, such laws, if enacted, could have a material

impact on our results of operations and financial condition. Examples of legislation or precursors for possible regulation that do or could affect our operations include:

- Federal mandatory GHG reporting (U.S., Canada, EU, Australia)
- US EPA Prevention of Significant Deterioration (PSD) GHG permitting
- US EPA New Source Performance Standards for refining
- California cap and trade
- California Low Carbon Fuel Standard
- California Cost of Implementation Fee
- New Mexico cap-and trade
- European Emissions Trading Scheme (ETS)
- Alberta Specified Gas Emitters Regulation
- Norwegian Carbon Tax
- British Columbia Carbon Tax
- Australia federal carbon tax

In the EU, we have assets that are subject to the ETS. The first phase of the EU ETS was completed at the end of 2007, with EU ETS Phase II running from 2008 through 2012. The European Commission has approved most of the Phase II national allocation plans. We are actively engaged to minimize any financial impact from the trading scheme.

In the United States, there is growing consensus that some form of regulation will be forthcoming at the federal level with respect to GHG emissions. Such regulation could take any of several forms that may result in the creation of additional costs in the form of taxes, the restriction of output, investments of capital to maintain compliance with laws and regulations, or required acquisition or trading of emission allowances. We are working to continuously improve operational and energy efficiency through resource and energy conservation throughout our operations.

Compliance with changes in laws and regulations that create a GHG emission trading scheme or GHG reduction policies could significantly increase our costs, reduce demand for fossil energy derived products, impact the cost and availability of capital and increase our exposure to litigation. Such laws and regulations could also increase demand for less carbon intensive energy sources, including natural gas. The ultimate impact on our financial performance, either positive or negative, will depend on a number of factors, including but not limited to:

- Whether and to what extent legislation is enacted
- The nature of the legislation (such as a cap and trade system or a tax on emissions)
- Whether both process and product emissions are covered
- The GHG reductions required
- The price and availability of offsets
- The amount and allocation of allowances
- Technological and scientific developments leading to new products or services
- Any potential significant physical effects of climate change (such as increased severe weather events, changes in sea levels and changes in temperature).
- Whether, and the extent to which, increased compliance costs are ultimately reflected in the prices of our products and services

The ultimate financial impact arising from environmental laws and regulations is neither clearly known nor easily determinable as new standards, such as air emission standards, water quality standards and stricter fuel regulations, continue to evolve. However, environmental laws and regulations, including those that may arise to address concerns about global climate change, are expected to continue to have an increasing impact on our operations in the United States and in other countries in which we operate. Notable areas of potential impacts include air emission compliance and remediation obligations in the United States.

An example in the fuels area is the Energy Policy Act of 2005, which imposed obligations to provide increasing volumes of renewable fuels in transportation motor fuels through 2012. These obligations were changed with the enactment of the Energy Independence and Security Act of 2007. The 2007 law requires fuel producers and importers to provide additional renewable fuels for transportation motor fuels that include a mix of various types to be included through 2022. We have met the increased requirements to date while establishing implementation, operating and capital strategies, along with advanced technology development, to address projected future requirements.

**5.1c**

**Please describe your risks that are driven by change in physical climate parameters**

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact

**5.1d**

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions**

ConocoPhillips is an integrated energy company operating in more than 30 countries around the world with physical assets in many of these countries. As such, the company can be exposed to impacts related to a changing physical environment caused by various factors in a number of locations.

Although our business operations are designed and operated to accommodate expected climatic conditions, to the extent there are significant changes in the Earth's climate, such as more severe or frequent weather conditions in the markets we serve or the areas where our assets reside, we could incur increased expenses, our operations could be materially impacted, and demand for our products could fall.

The consideration of climate change impacts, including the potential physical impacts, is imbedded in both our strategic planning and project development/approval processes. As an integral part of these processes, climate change becomes one of the many factors the company considers when making investment decisions.

Specifically with regard to adaptation, ConocoPhillips has conducted pilot workshops with several business units to establish, on an informed basis, future programs and actions based on projected physical changes to the operating environment. The results were discussed within each business to determine the appropriate follow up actions and to integrate those changes into the business unit Climate Change Action Plan.

ConocoPhillips does not publish a detailed breakdown of the expenses incurred by our assets and projects to adapt to changing physical conditions, regardless of the cause. In addition, the company does not publish quantitative estimates of future adaptation expenses or other potential impacts to our business related to a physically changing climate.

**5.1e**

**Please describe your risks that are driven by changes in other climate-related developments**

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact

**5.1f**

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions**

Beyond regulatory risks and risks associated with changing physical conditions, climate change and societal response to the issue could create legal, commercial and reputational risks for the company. In addition, we recognize that shifts in consumer attitude and demand could pose both potential risks and opportunities to our company. We monitor consumer attitudes and continually review our asset and product portfolio in the interest of providing secure and sustainable growth. Such issues could prove to be a significant financial risk for the company.

We believe that fossil fuels will continue to provide the majority of energy necessary for continued economic growth for decades to come. This view is supported by analysis of the International Energy Agency (IEA), the U.S. Energy Information Administration (EIA) and others. For example, the most recent forecast by the EIA, the independent statistical agency in the U.S. Department of Energy, indicates that fossil fuels will supply over three quarters of the energy consumption in the United States in 2035.

We regard existing and near-term competition from renewable energy as driven primarily by policies such as the Renewable Portfolio Standards and Renewable Fuel Standards. These policies can create a significant financial risk for the company to the extent they impact demand for natural gas and refined products. ConocoPhillips does not support energy mandates that distort market competitiveness.

As an integrated energy company with significant investments in both natural gas production and oil refining, vehicle electrification poses both a risk of decreased demand for refined product and the potential opportunity of increased demand for natural gas to meet incremental power production needs.

As with other risks, those related to climate change have the potential to impact the key value drivers for our major projects and investments - revenue, capital expense, operating expense and schedule. In addition, company and energy industry response to climate change could have implications for ConocoPhillips' reputation and ability to grow our business.

ConocoPhillips does not publish a detailed breakdown of the financial implications associated with climate change or any other environmental issue. In addition, the company does not publish quantitative estimates of future expenses or other potential impacts to our business related to climate change.

The consideration of climate change impacts is now imbedded in both our strategic planning and project development/approval processes. As an integral part of these processes, climate change becomes one of the numerous factors the company considers when making investment decisions.

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5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

## Section 6 - Climate Change Opportunities

### 6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation

Opportunities driven by changes in other climate-related developments

#### 6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact

#### 6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

The effect of many current and potential GHG regulations will be to establish a price or value for a unit of avoided GHG emission. Such laws and regulations could also increase demand for less carbon intensive energy sources and technologies, including natural gas, biofuels, and gasification technology.

Potential business opportunities related to anticipated climate change regulatory requirements fall into three broad categories:

1. Opportunities associated with increased demand for and value of lower carbon energy sources and technologies associated with our existing business, for example natural gas exploration and production.
2. New business opportunities in lower carbon energy and technologies with the potential to provide future growth prospects for ConocoPhillips, e.g. biofuels.
3. Opportunities to extend the life or increase the value of existing assets and business, for example through the potential application of CO2 capture and storage to ConocoPhillips stationary source emissions.

There are potential opportunities in all these categories to increase revenues, decrease expenses, expedite business development and enhance ConocoPhillips' license to operate and grow our business.

The company is pursuing several innovative business opportunities that could result in GHG reductions within the company, within industry or for our customers.

These opportunities include but are not limited to:

- Cleaner burning natural gas production
- Liquefied natural gas (LNG) development
- CO2 capture and storage
- Methane hydrates
- Advanced biofuels
- Advanced battery technology
- Gasification
- Combined heat and power
- Alternative energy

#### ConocoPhillips Alternative Energy and General Compression

In 2010, ConocoPhillips signed an agreement with General Compression (GC), a privately held developer of compressed air energy storage technology for renewable energy systems. Under the agreement, the two companies are developing a pilot project in Texas using General Compression's Advanced Energy Storage ("GCAES™") technology. Unlike conventional turbomachinery-based compressed air energy storage, GCAES™ consumes no fuel and emits no carbon. GCAES™ technology could increase utility reliance on renewables, eliminate wind power curtailment, enhance transmission utilization, and make dispatchable renewable power available to customers. ConocoPhillips and GC are also evaluating a multiple-phase pilot project in Texas that would incorporate GC's technology with wind energy, underground air storage and power sales.

#### Energy Technology Ventures

On January 27, 2011, ConocoPhillips announced the creation of Energy Technology Ventures, a four year, \$300 million dollar joint venture with partners GE and NRG Energy. Energy Technology Ventures will invest in, and offer commercial collaboration opportunities to, venture- and growth-stage energy technology companies. Areas of investment focus include renewable power generation, smart grid, energy efficiency, oil, natural gas, coal and nuclear energy, emission controls, water and biofuels sectors, primarily in North America, Europe and Israel. For more information please visit [www.energytechnologyventures.com](http://www.energytechnologyventures.com).

A detailed discussion of these opportunities can be found in the Sustainable Development section of the ConocoPhillips website:

(<http://www.conocophillips.com/EN/susdev/Pages/index.aspx> ).

ConocoPhillips reports financial results for our Emerging Businesses segment, which encompasses the development of new technologies and businesses outside our normal operations including renewable and clean energy.

However, at this time the company does not report financial data on specific renewable and clean energy investments and opportunities.

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6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
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6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

6.1e

**Please describe the opportunities that are driven by changes in other climate-related developments**

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
----	--------------------	-------------	------------------	-----------	------------------	------------	---------------------

6.1f

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

Reputation

Given the potential for climate change policy and GHG regulation to impact energy markets and create both risk and opportunity for energy producers, it is important that energy producers play a constructive role in public policy dialogue to devise practical, equitable and cost-effective policy solutions.

For example, in 2007, we became the first U.S.-based integrated energy company to publicly support a mandatory national framework in the U.S. to address GHG emissions. Since that time, we have worked with a number of policy-related partnerships such as the USCAP and the Climate Change Policy Partnership (Duke University), with other oil and gas companies, with industry associations (e.g. the International Emissions Trading Association, The American Petroleum Institute), and with governments to advocate smart policy solutions.

We believe that through these and other engagement efforts we have built a strong reputation with policy makers in the countries where we operate as a company acting in good faith to develop sound climate change policy. Further, we believe that reputation will continue to provide the company with opportunities to provide input to the public policy process for the good of the economy, environment, the society and our shareholders.

---

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

---

6.1h

**Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure**

Given the uncertainty regarding future physical impacts associated with changing local, regional or global climate, regardless of the cause, it is not possible to determine at this time whether future physical impacts of climate change represent significant opportunities for ConocoPhillips.

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6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

## Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

### Section 7 - Emissions Methodology

#### 7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)

#### 7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

Other

#### 7.2a

If you have selected "Other", please provide details below

Each of our business units is responsible for collecting and calculating data on its own emissions and for reporting the results via a corporate database. The Corporate Health Safety and Environment (HSE) group compiles data entered into the database to report data on a company-wide basis for items such as this report and the company Sustainable Development Report. Any reporting to authorities and/or regulators is the responsibility of the individual business units.

The method at each individual source ranges from constant measuring with a meter to estimations. All estimations are to meet manufacturer's specifications, local regulatory authority, AP-42, API Compendium or other industry standard.

The quality of the business units' methodology and the accuracy of their measurements and calculations are audited on a routine schedule by our Corporate HSE

Auditing team.

In addition, every two years, accounting firm Ernst & Young conducts a limited assurance engagement on ConocoPhillips' corporate level processes for collating and reporting the aggregated HSE performance data presented in the ConocoPhillips Sustainable Development report. The HSE reporting processes are evaluated against completeness, consistency and accuracy criteria agreed with the management of ConocoPhillips. More information on this process can be found at: [http://www.conocophillips.com/EN/susdev/2008ataglance/about\\_reporting/statement/Pages/index.aspx](http://www.conocophillips.com/EN/susdev/2008ataglance/about_reporting/statement/Pages/index.aspx)

---

### 7.3

**Please give the source for the global warming potentials you have used**

Gas	Reference
CO2	IPCC Third Assessment Report (TAR - 100 year)
	IPCC Third Assessment Report (TAR - 100 year)
	IPCC Third Assessment Report (TAR - 100 year)

---

### 7.4

**Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data**

Fuel/Material/Energy	Emission Factor	Unit	Reference

---

### Further Information

Question 7.1: ConocoPhillips does not recalculate emissions from previous years to account for acquisitions and divestitures

Question 7.4: ConocoPhillips does not publish emission factors

**Section 8 - Emissions Data - (1 Jan 2010 - 31 Dec 2010)**

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

57981000

8.2b

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment
----------	-----------------------------------------------------	---------

8.2c

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 1 emissions (metric tonnes CO2e) - Total Part 1	Comment
--------------------------------------------------------------------	---------

8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 1 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment
-------------------------------------------------------------------------------------------------------------------------	---------

**8.3a**

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

10024000

**8.3b**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e)	Comment
----------	-----------------------------------------------------	---------

**8.3c**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1	Comment
--------------------------------------------------------------------	---------

**8.3d**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment
-------------------------------------------------------------------------------------------------------------------------	---------

---

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

---

8.4a

Please complete the table

Reporting Entity	Source	Scope	Explain why the source is excluded
------------------	--------	-------	------------------------------------

---

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

No

---

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
--------	-------	------------------------------------

---

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data

## 8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Verification or assurance underway but not yet complete - last year's certificate available

### 8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

More than 0% but less than or equal to 20%

### 8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
Verification/assurance underway	Other: CARB Mandatory GHG Reporting Regulation	California <a href="https://ghgreport.arb.ca.gov/eats/carb/index.cfm?hc=IShAICAK">https://ghgreport.arb.ca.gov/eats/carb/index.cfm?hc=IShAICAK</a>
Verification/assurance underway	ISO14064-3	Alberta Verification reports not publicly available
Verification/assurance underway	ISO14064-3	British Columbia Verification reports not publicly available
Verification	EC Directive 2003/87/EC Annex V and 2007/589/EC as amended	Norway <a href="http://www.klif.no/kvoteregister/kvoter/2010/ekofisk_godkjenning.pdf">http://www.klif.no/kvoteregister/kvoter/2010/ekofisk_godkjenning.pdf</a>
Verification	EC Directive 2003/87/EC Annex V and 2007/589/EC as amended	European Union Verification reports not publicly available

---

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

---

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

---

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
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---

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

---

8.8a

Please provide the emissions in metric tonnes CO<sub>2</sub>e

---

**Further Information**

Question 8.5: ConocoPhillips does not report a quantitative estimate of the accuracy of its GHG emission data

Question 8.6b:

Environment Canada publicly posts GHG emissions information for Canadian facilities >50,000 metric tonnes CO<sub>2</sub>e:

[http://www.ec.gc.ca/pdb/ghg/onlinedata/results\\_e.cfm?fac\\_name=Conocophillips&year=2009&gasorcas=gas&gas=all&cas=all&location=province&prov=all&city=22%2Bkm%2BNE%2Bof%2BFort%2BMcMurray&naics=all&submit=Send](http://www.ec.gc.ca/pdb/ghg/onlinedata/results_e.cfm?fac_name=Conocophillips&year=2009&gasorcas=gas&gas=all&cas=all&location=province&prov=all&city=22%2Bkm%2BNE%2Bof%2BFort%2BMcMurray&naics=all&submit=Send)

• Verified EU ETS emissions 2008-2010 are reported at:

[http://ec.europa.eu/clima/documentation/ets/docs/verified\\_emissions\\_en.xls](http://ec.europa.eu/clima/documentation/ets/docs/verified_emissions_en.xls)

Question 8.7: Verification of Scope 2 emissions is unknown

---

**Section 9 - Scope 1 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)**

---

**9.1**

**Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?**

Yes

---

**9.1a**

**Please complete the table below**

Country	Scope 1 metric tonnes CO <sub>2</sub> e
United States of America	40192000
Canada	3378000
Other: EU/Norway	5780000
Australia	2421000
Other: Rest of the World: Non-OECD	6210000

---

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division  
By GHG type

---

9.2a

Please break down your total gross global Scope 1 emissions by business division

Business Division	Scope 1 metric tonnes CO2e
Exploration and Production	21355000
Gas Processing	4316000
Refining	27497000
Other	4813000

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9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 metric tonnes CO2e
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9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 metric tonnes CO2e
CO2	52275000
CH4	5706000

---

9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 metric tonnes CO2e
----------	----------------------------

---

**Further Information**

“Other” emission sources include Corporate, Commercial, specialty products, marketing, marine, pipeline, power, transportation, and terminals.

---

**Section 10 - Scope 2 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)**

---

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

---

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e
United States of America	8880000
Canada	638000
Other: EU/Norway	506000

---

**10.2**

**Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)**

By business division

---

**10.2a**

**Please break down your total gross global Scope 2 emissions by business division**

<b>Business division</b>	<b>Scope 2 metric tonnes CO2e</b>
Exploration and Production	810000
Gas Processing	484000
Refining	7747000
Other	983000

---

**10.2b**

**Please break down your total gross global Scope 2 emissions by facility**

<b>Facility</b>	<b>Scope 2 metric tonnes CO2e</b>
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---

**10.2c**

**Please break down your total gross global Scope 2 emissions by activity**

<b>Activity</b>	<b>Scope 2 metric tonnes CO2e</b>
-----------------	-----------------------------------

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**Further Information**

Question 10.1a - Scope 2 emissions from Australia and non-OECD countries was not material in 2010

“Other” emission sources include Corporate, Commercial, specialty products, marketing, marine, pipeline, power, transportation, and terminals.

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**Section 11 - Emissions Scope 2 Contractual**

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**11.1**

**Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?**

Yes

---

**11.1a**

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO<sub>2</sub>e

---

**11.1b**

Explain the basis of the alternative figure (see guidance)

---

**11.2**

**Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?**

No

11.2a

Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments
---------------------	------------------------	----------

## Section 12 - Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	220400
Electricity	9600
Heat	
Steam	11000
Cooling	

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh

### Further Information

Question 12.1: ConocoPhillips does not publicly report this information.

Question 12.3: ConocoPhillips does not publicly report this information.

## Section 13 - Emissions Performance

### 13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

### 13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Change in output	3	Increase	E&P: Ramp up of fields in Indonesia and China; Power: Immingham CHP being on line for a full year in 2010

### 13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO<sub>2</sub>e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
	metric tonnes CO <sub>2</sub> e	unit total revenue			

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
2300	metric tonnes CO2e	FTE Employee	0	No change	No significant change

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
22000	metric tonnes CO2e	barrel of oil equivalent (BOE)	20	Increase	Exploration and Production: 6% decrease in production due to natural decline; Indonesia and China fields ramp-up
38700		Other: barrel of refining throughput	0	No change	Refining: No significant change

**Further Information**

Question 13.2: ConocoPhillips does not report financial data on the same basis as GHG emission data (i.e. financial results are not reported for operated assets only, assuming 100% ownership). Therefore, any financial intensity calculation based on published data would not accurately reflect performance of the company.

Question 13.4:

- E&P GHG Intensity: This value represents the amount of CO2e per million Bbl of liquid production in our E&P business segment.
- Refining GHG Intensity: This value represents the amount of CO2e per million Bbl of throughput in our global Refining business segment.

## Section 14 - Emissions Trading

### 14.1

Do you participate in any emission trading schemes?

Yes

### 14.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
European Union ETS	Tue 01 Jan 2008 - Fri 31 Dec 2010	25003620		24468992	Facilities we own and operate
Regional Greenhouse Gas Initiative	Thu 01 Jan 2009 - Fri 31 Dec 2010	808153	833000		Facilities we operate but do not own

### 14.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

We attempt to achieve compliance at the lowest cost, minimizing working capital and with controlled exposure to price risk.

### 14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

14.2a

Please complete the following table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance
Credit Purchase	Other: Various, but HFC and N2O excluded from origination	Numerous project types and countries of origin	Other: Some CDM, others JI				Compliance

Further Information

Question 14.2: The number of project-based credits purchased during the reporting year exceeded 5,000,000; some of those credits have been retired.

Section 15 - Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Use of sold products	512000000	Estimate based on: • Worldwide Petroleum Products Sales + Worldwide Natural Gas Production from annual report (net equity basis, excluding Lukoil volumes). • EIA Fuel Emission Coefficients applied to different product streams. • This number is an estimate based on average qualities and average coefficients for differing product streams.	

---

**15.2**

**Please indicate the verification/assurance status that applies to your Scope 3 emissions**

Not verified or assured

---

**15.2a**

Please indicate the proportion of your Scope 3 emissions that are verified/assured

---

**15.2b**

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
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---

**15.3**

**How do your absolute Scope 3 emissions for the reporting year compare to the previous year?**

Decreased

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**15.3a**

**Please complete the table**

Reason	Emissions value (percentage)	Direction of Change	Comment
Change in output	1	Decrease	Reduced US & European natural gas production partially offset by increased US and International refined product sales

---

**Further Information**

The estimate of GHG emissions from consumer use of ConocoPhillips natural gas and refined product is based on production and sales data from the company's annual report and EIA Fuel Emission Coefficients.

Scope 3 emissions are based on ConocoPhillips' net equity share of production excluding Lukoil production. As such this figure should not be compared in any way to the company Scope 1 and Scope 2 emissions which are reported on an operated asset basis.

## Module: Oil & Gas

### Section 1 - Oil & Gas Production and Reserves

#### OG0.1

Please enter the dates for the periods for which you will be providing data. We ask for historic data for the year ending in 2005 to the year ending in 2010 and a forecast for the year ending in 2011

Year ending	Date range
2005	Sat 01 Jan 2005 - Sat 31 Dec 2005
2006	Sun 01 Jan 2006 - Sun 31 Dec 2006
2007	Mon 01 Jan 2007 - Mon 31 Dec 2007
2008	Tue 01 Jan 2008 - Wed 31 Dec 2008
2009	Thu 01 Jan 2009 - Thu 31 Dec 2009
2010	Fri 01 Jan 2010 - Fri 31 Dec 2010

---

**OG1.1**

Please provide values for annual production of each of the hydrocarbon types (in units of BOE) for the years given in the following table. The values required are aggregate values for the reporting organization. The values for 2011 are forward-looking estimates

Product	2005	2006	2007	2008	2009	2010	2011
Natural gas	198925000	302342000	309459000	295667000	314651000	295605000	
Light & medium oils	454060000	550785000	530345000	500803000	494717000	436706000	
Heavy oil	6935000	7665000	8395000	21113000	26642000	25919000	

---

**OG1.2**

Please provide values for proved reserves of each of the hydrocarbon types (in units of BOE) for 2010. The values required are aggregate values for the reporting organization

Product	Proved reserves (BOE), 2010	Date of assessment
Natural gas	3619000000	Fri 31 Dec 2010
Light & medium oils	3392000000	Fri 31 Dec 2010
Heavy oil	1299000000	Fri 31 Dec 2010

---

**Further Information**

Question OG 1.1: ConocoPhillips does not publish production forecasts.

## Section 2 - Oil & Gas - Emissions by segment in the O&G value chain

### OG2.1

Please indicate the consolidation basis (financial control, operational control, equity share, Climate Change Reporting Framework Part 1) used to report the Scope 1 and Scope 2 emissions by segment in the O&G value chain. Further information can be provided in the text box in OG2.2

Segment	Consolidation basis for reporting Scope 1 emissions	Consolidation basis for reporting Scope 2 emissions
Exploration, production & gas processing	Operational Control	Operational Control
Refining		Operational Control
Speciality operations		Operational Control

### OG2.2

Please provide clarification for cases in which different consolidation bases have been used and about the level/focus of disclosure. For example, a reporting organization whose business is solely in storage, transportation and distribution (STD) may use the text box to explain why only the STD row has been completed

NA

### OG2.3

Please provide masses of gross Scope 1 GHG emissions in units of metric tonnes CO<sub>2</sub>e for the organization's owned/controlled operations by value chain segment. The values required for 2011 are forward-looking estimates

Segment	2005	2006	2007	2008	2009	2010	2011
Exploration, production & gas processing		23098000	22971000	22295000	24183000	25671000	
Refining		25858000	27512000	31539000	27333000	27496000	
Speciality operations		4467000	4794000	2001000	4596000	4813000	

#### OG2.4

Please provide masses of gross Scope 2 GHG emissions in units of metric tonnes CO2e for the organization's owned/controlled operations by value chain segment. The values required for 2011 are forward-looking estimates

Segment	2005	2006	2007	2008	2009	2010	2011
Exploration, production & gas processing		1696000	1707000	1587000	1508000	1295000	
Refining		6636000	6227000	6440000	7813000	7747000	
Speciality operations		534000	495000	467000	493000	983000	

#### Further Information

OG2.3 and 2.4 - "Speciality Operations" refers to all other sources of Scope 1 and Scope 2 emissions besides those attributed to Exploration and Production and Refining (e.g. Corporate, Commercial, specialty products, marketing, marine, pipeline, power, transportation, and terminals).

ConocoPhillips does not publish emission forecasts.

ConocoPhillips did not publicly report the breakout of Scope 1 and 2 emissions prior to 2006.

### Section 3 - Oil & Gas - Scope 1 emissions by emissions category

#### OG3.1

Please confirm the consolidation bases (financial control, operational control, equity share, Climate Change Reporting Framework Part 1) used to report Scope 1 emissions by emissions category

Segment	Consolidation basis for reporting Scope 1 emissions by emissions category
Exploration, production & gas processing	Operational Control
Refining	Operational Control

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**OG3.2**

Please provide clarification for cases in which different consolidation bases have been used to report by emissions categories (combustion, flaring, process emissions, vented emissions, fugitive emissions) in the various segments

NA

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**OG3.3**

Please provide masses of gross Scope 1 GHG emissions released to atmosphere in units of metric tonnes CO<sub>2</sub>e for the whole organization broken down by emissions categories: combustion, flaring, process emissions, vented emissions, fugitive emissions. The values required for 2011 are forward-looking estimates

Category	2005	2006	2007	2008	2009	2010	2011
Combustion	42494000	46403000	48295000	50181000	49307000	49946000	
Flaring	2269000	2436000	2034000	1658000	1856000	2328000	
Process emissions							
Vented emissions	1875000	4584000	4949000	3996000	4949000	5706000	
Fugitive emissions							

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**Further Information**

ConocoPhillips does not publish emission forecasts.

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**Section 4 - Oil & Gas - Transfers & sequestration of CO<sub>2</sub> emissions**

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**OG4.1**

Please indicate the consolidation basis (financial control, operational control, equity share, Climate Change Reporting Framework Part 1) used to report transfers and sequestration of CO<sub>2</sub> emissions

Activity	Consolidation basis
Transfers	
Sequestration of CO2 emissions	

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**OG4.2**

Please provide clarification for cases in which different consolidation bases have been used (e.g. for a given activity, capture, injection or storage pathway)

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**OG4.3**

Using the units of metric tonnes of CO2, please provide gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis). Please note that questions of ownership of the CO2 are addressed in OG4.5

Transfer direction	2005	2006	2007	2008	2009	2010
CO2 transferred in						
CO2 transferred out						

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**OG4.4**

Please provide clarification on whether any oil reservoirs and/or sequestration system (geological or oceanic) have been included within the boundary of the reporting organization. Provide details, including degrees to which reservoirs are shared with other entities

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**OG4.5**

Please explain who (e.g. the reporting organization) owns the transferred emissions and what potential liabilities are attached. In the case of sequestered emissions, please clarify whether the reporting organization or one or more third parties owns the sequestered emissions and who has potential liability for them

**OG4.6**

Please provide masses in metric tonnes of gross CO2 captured for purposes of carbon capture and sequestration (CCS) during the reporting year according to capture pathway. For each pathway, please provide a breakdown of the percentage of the gross captured CO2 that was transferred into the reporting organization and the percentage that was transferred out of the organization (to be captured)

Capture pathway in CCS	Captured CO2 (metric tonnes CO2)	Percentage transferred in	Percentage transferred out

**OG4.7**

Please provide masses in metric tonnes of gross CO2 injected and stored for purposes of CCS during the reporting year according to injection and storage pathway

Injection and storage pathway	Injected CO2 (metric tonnes CO2)	Percentage of injected CO2 intended for long-term (>100 year) storage	Year in which injection began	Cumulative CO2 injected and stored (metric tonnes CO2)

**OG4.8**

Please provide details of risk management performed by the reporting organization and/or third party in relation to its CCS activities. This should cover pre-operational evaluation of the storage (e.g. site characterisation), operational monitoring, closure monitoring, remediation for CO2 leakage, and results of third party verification

## Further Information

Not applicable. ConocoPhillips did not transfer or sequester CO2 in 2010.

## Section 5 - Oil & Gas - Sales and emissions intensity of production

### OG5.1

Please provide values for annual sales of the hydrocarbon types (in units of BOE) for the years given in the following table. The values required are aggregate values for the reporting organization. The values for 2011 are forward-looking estimates

Product	2005	2006	2007	2008	2009	2010	2011
Natural gas (excluding LNG)	198925000	302342000	309459000	295667000	314651000	295605000	
Light & medium oils	454060000	550785000	530345000	500803000	494717000	436706000	
Heavy oil	6935000	7665000	8395000	21113000	26642000	25919000	

### OG5.2

Please provide estimated emissions intensities associated with each hydrocarbon type based on the current production and operations

Year ending	Hydrocarbon type	Emissions intensity: exploration, production & gas processing (metric tonnes CO2e per thousand BOE)	Emissions intensity: storage, transportation & distribution (metric tonnes CO2e per thousand BOE)	Emissions intensity: refining (metric tonnes CO2e per thousand BOE)
2010	Other: Aggregated oil and gas	22		39
2009	Other: Aggregated oil and gas	18		38
2008	Other: Aggregated oil and gas	19		33

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**OG5.3**

**Please clarify how each of the emissions intensities has been derived and supply information on the methodology used where this differs from information already given in answer to the methodology questions in the main information request**

Emission intensities reported in question OG5.2 represent average intensities for all ConocoPhillips production. ConocoPhillips measures but does not publicly report GHG intensity for separate hydrocarbon production streams.

E&P GHG Intensity: This value represents the amount of CO<sub>2</sub>e per 1000 Bbl of liquid production in our E&P business segment.

Refining GHG Intensity: This value represents the amount of CO<sub>2</sub>e per 1000 Bbl of throughput in our global Refining business segment.

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**Further Information**

Question OG 5.1: ConocoPhillips does not publish product sales forecasts.

Question OG 5.2: ConocoPhillips did not publicly report GHG intensity of production prior to 2008.

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**Section 6 - Oil & Gas - Strategy for development of non-fossil fuel products**

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**OG6.1**

**Does your organization have a strategy for the development of renewable and clean energy technologies?**

Yes

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**OG6.1a**

**Please provide details**

ConocoPhillips evaluates investment opportunities in various forms of renewable power projects and companies, including those focused on solar power, wind power and geothermal energy. The company is investing with partners in demonstration and pilot projects that improve the potential of new technologies, including compressed air energy storage, advanced biofuels and biomass. We also are engaged in several other activities to improve conventional energy technologies.

ConocoPhillips Alternative Energy and General Compression

In 2010, ConocoPhillips signed an agreement with General Compression (GC), a privately held developer of compressed air energy storage technology for renewable energy systems. Under the agreement, the two companies are developing a pilot project in Texas using General Compression's Advanced Energy Storage ("GCAES™") technology. GCAES™ is a modular compressor/expander unit that has a nominal size of 2 MW and features a roundtrip electrical efficiency in excess of 70 percent. Unlike conventional turbomachinery-based compressed air energy storage, GCAES™ consumes no fuel and emits no carbon. GCAES™ technology could increase utility reliance on renewables, eliminate wind power curtailment, enhance transmission utilization, and make dispatchable renewable power available to customers. ConocoPhillips and GC are also evaluating a multiple-phase pilot project in Texas that would incorporate GC's technology with wind energy, underground air storage and power sales.

Energy Technology Ventures (ETV)

In 2011, ConocoPhillips, along with partners GE and NRG Energy Inc., announced the creation of Energy Technology Ventures (ETV) to accelerate emerging energy technology. The companies have committed \$300 million in capital to the new joint venture to fund approximately 30 venture- and growth-stage companies over the next four years. ETV will invest in, and offer commercial collaboration opportunities to, venture- and growth-stage energy technology companies in the renewable power generation, smart grid, energy efficiency, oil, natural gas, coal and nuclear energy, emission controls, water and biofuels sectors, primarily in North America, Europe and Israel. With their wide range of deep technical and financial expertise, relationships, services and products, the three companies behind Energy Technology Ventures intend to help start-ups develop next-generation energy technology. The first investments are in companies developing potentially game-changing technologies in solar photovoltaic (Alta Devices, 1366 Technologies), cleaner coal (Ciris Energy), non-food biofuels (CoolPlanetBioFuels), energy storage technologies (loxus) and energy management software (Hara). The joint venture's Website is: [www.energytechnologyventures.com](http://www.energytechnologyventures.com).

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**OG6.1b**

**Financial contribution of renewable and clean energy technologies, including CCS - sales generated**

Technology area	2007	2008	2009	2010

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**OG6.1c**

**Financial contribution of renewable and clean energy technologies - Investment (capital expenditure + research & development)**

Technology area	2007	2008	2009	2010

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**OG6.1d**

**Financial contribution of renewable and clean energy technologies - Earnings Before Interest, Taxation Depreciation, Amortization (EBITDA)**

Technology area	2007	2008	2009	2010

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**OG6.1e**

**Financial contribution of renewable and clean energy technologies - net assets**

Technology area	2007	2008	2009	2010

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**OG6.1f**

**Financial contribution of renewable and clean energy technologies - please provide a short description of the technologies**

Please select the technology	Please provide short description of technology

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**Further Information**

Questions OG6.1b-f - ConocoPhillips reports financial results for our Emerging Businesses segment. However, the company does not report financial data on specific renewable and clean energy investments and opportunities.

## Module: Sign Off

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**Please enter the name of the individual that has signed off (approved) the response and their job title**

Ann Oglesby, Vice President, Communications and Public Affairs

Carbon Disclosure Project