

**Module: Introduction****Page: Introduction**

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**CC0.1****Introduction**

Please give a general description and introduction to your organization.

ConocoPhillips is the world's largest independent exploration and production (E&P) company based on proved reserves and production of liquids and natural gas.

Headquartered in Houston, Texas, we have operations and activities in 17 countries. Our key focus areas include safely operating producing assets, executing major developments and exploring for new resources in promising areas. Our portfolio includes resource-rich North American tight oil and oil sands assets; lower-risk legacy assets in North America, Europe, Asia and Australia; several liquefied natural gas (LNG) developments; and an inventory of global conventional and unconventional exploration prospects.

As of December 31, 2016, ConocoPhillips employed approximately 13,300 people worldwide.

ConocoPhillips is committed to the efficient and effective exploration and production of oil and natural gas. Producing oil and natural gas and getting them to market takes ingenuity, technology and investment. Our innovative, collaborative efforts yield products that improve quality of life globally while producing economic benefits with far-reaching influence.

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**CC0.2****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 2016 - Sat 31 Dec 2016    |

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### CC0.3

#### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

| Select country           |
|--------------------------|
| United States of America |
| Canada                   |
| United Kingdom           |
| Norway                   |
| Australia                |
| Rest of world            |

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### CC0.4

#### 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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## CC0.6

### Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.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 in CC0.6.

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## Further Information

**Module: Management**

**Page: CC1. Governance**

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## CC1.1

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

Board or individual/sub-set of the Board or other committee appointed by the Board

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## CC1.1a

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

Climate Change Governance includes direction and oversight from the Public Policy Committee of the Board of Directors and the Executive Leadership Team (ELT). There is an executive champion (that reports directly to the CEO) for each of the key focus areas of sustainability – human rights, stakeholder engagement, water,

biodiversity and climate change. To ensure alignment between functions and businesses, and to provide for practical operational insight into key actions, we established a Sustainable Development Leadership Team. This team works with the Climate Change Issues Working Group, Climate Change Public Policy Working Group and Climate Change Policy & Planning Network of Excellence to build consistency and quality into our approach to sustainable development implementation.

The Public Policy Committee oversees our positions on public policy issues, including climate change, and on matters that may impact the company's reputation as a responsible corporate citizen, including sustainable development actions and reporting.

The committee makes recommendations to the board, and monitors compliance with the company's programs and practices regarding health, safety and environmental protection, including climate change, water and biodiversity management; business operations in sensitive countries; government relations and political contributions; human rights and social issues; corporate philanthropy; and corporate advertising.

The committee, currently comprised of 4 independent directors, convenes at least quarterly and is regularly updated on sustainability issues.

The ELT Champions meet periodically with the Sustainable Development Group and the full ELT to assess progress on climate change issues, including action plan reviews, goal setting and future strategy development.

Sustainable Development Group – Within corporate planning, which includes long range planning and strategy, the company's Sustainable Development group provides regular reports to the businesses and executive leadership as to the company's sustainability risks, opportunities, commitments and performance. Within this corporate team, leaders are responsible for key topics in sustainability including:

- Water
- Climate Change
- Biodiversity
- Human Rights and Social Issues
- Stakeholder Engagement
- Risk Management/Life Cycle Analysis
- Supply Chain Sustainability

Climate Change Issues Working Group – an internal, international, cross-functional, group of leaders and practitioners who meet every two months to share learnings, understand and address issues.

Climate Change Discussion Forum – We also established a Discussion Forum open to all employees. The objective is to educate and inform attendees on both external and internal climate change issues of general interest.

The Networks of Excellence (NoEs) support cross-business and cross-function communication relating to the sustainable development implementation. These networks include over 100 practitioners and leaders who are working on social and environmental issues, including climate change.

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

Yes

**CC1.2a**

**Please provide further details on the incentives provided for the management of climate change issues**

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivized performance indicator   | Comment   |
|---|------------------------|--|---|
| Corporate executive team                          | Monetary reward        | Other: Company performance against operating plan  | Three of the four components of executive compensation are performance based: The Variable Cash Incentive Program (VCIP), the Stock Option Program and the Performance Share Program (PSP). Awards under these programs are determined by company performance measured against several criteria, including the development and implementation of strategic plans to enhance ConocoPhillips operating and financial position. The strategic planning process includes consideration of climate change and sustainable development risks and opportunities. ConocoPhillips uses scenario planning to guide its strategic decisions. Our climate change scenario work, which extends to 2035, and IEA IPCC scenarios indicate that climate change related policies and other implications will have a range of impact for our industry over the coming decades. A lower-carbon future is therefore considered in the development of our strategic plan, performance against which is assessed in both our VCIP and PSP by the Human Resources and Compensation Committee. This establishes a link between our scenario planning process and executive compensation. We will continue to execute our proactive management of climate change risks, impacts and opportunities, and ensure appropriate metrics are in place to align the company's incentive programs with our long-term strategy and the long-term interest of our stockholders. |
| All employees                                     | Monetary reward        | Emissions reduction project<br>Energy reduction project<br>Efficiency project<br>Other: Behaviour change related indicator | Incentivized performance indicators vary among different corporate, business and functional units, and can include (but are not limited to): • Achieving goals set out in corporate, business and functional unit climate change action 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.. Employees also participate in the Variable Cash Incentive Program (VCIP).  |

| Who is entitled to benefit from these incentives? | The type of incentives    | Incentivized performance indicator   | Comment  |
|---|---------------------------|--|--|
| All employees                                     | Other non-monetary reward | Emissions reduction project<br>Energy reduction project<br>Efficiency project<br>Other: Behaviour change related indicator | The ConocoPhillips SPIRIT award is given annually to exceptional employees who have made outstanding grassroots contributions and demonstrated unparalleled commitment to the advancement of the community, including environmental stewardship. SPIRIT Awards (Safety, People, Integrity, Responsibility, Innovation and Teamwork) have included awards related to climate and sustainable development in almost every category. Notable climate change-related awards include: 2016 (Responsibility) – Eagle Ford Fugitive Emissions 2016 (Responsibility) – Marginal Abatement Cost Curve 2015 (Responsibility) – Darwin LNG West Arnhem Land Fire Abatement Project (WALFA)  |
| Other: Non-employee                               | Monetary reward           | Emissions reduction project<br>Energy reduction project<br>Efficiency project  | The St Andrews Prize for the Environment is an initiative by the University of St Andrews in Scotland and ConocoPhillips. The prize recognizes significant contributions to environmental conservation and since its launch in 1998 has attracted entries from more than 50 countries each year on diverse topics including: • Sustainable development in the Amazon rainforest • Urban regeneration • Recycling • Health and water issues • Renewable energy. Submissions for the annual prize are assessed by a panel of eminent trustees representing science, industry and government with the award going to the project the trustees consider displays the best combination of good science, economic realism and political acceptability. The Litter of Light Brazil – Ecologically Sustainable Lighting project won the 2016 prize. See more at <a href="http://www.conocophillips.com/in-communities/water-biodiversity-stewardship/Pages/st-andrews-prize.aspx">http://www.conocophillips.com/in-communities/water-biodiversity-stewardship/Pages/st-andrews-prize.aspx</a> . ConocoPhillips is also leading a joint industry project to sponsor the \$20 million (USD) Carbon XPRIZE, which challenges innovators across the world to find novel technologies that reuse CO2 emissions from fossil fuel combustion into valuable products. If a way to recycle these emissions into valuable products is found, emissions can be significantly reduced from oil sands operations and other types of operations. See more at <a href="http://carbon.xprize.org/">http://carbon.xprize.org/</a> |

**Further Information**

**Page: CC2. Strategy**

**CC2.1**

**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

**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

| Frequency of monitoring | To whom are results reported?  | Geographical areas considered             | How far into the future are risks considered? | Comment  |
|-------------------------|--|---|---|--|
| Annually                | Board or individual/sub-set of the Board or committee appointed by the Board | Europe, North America, Australia, SE Asia | > 6 years                                     | Results are also reported to executive management. There is an executive champion (that reports directly to the CEO) for each of the key focus areas of sustainability – human rights, stakeholder engagement, water, biodiversity and climate change. |

**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

At the highest level, climate change risks are identified along with other key categories in the Enterprise Risk Management process. Once identified, risks are registered, described and then evaluated for both likelihood and impact. Mitigation policies are then reviewed and a process is established with assurance being applied. Any potential mitigation gaps are identified and then reviewed and updated through an annual review process with senior management. As part of the process, the interdependence of risks is examined as is the identification of emerging risks. Risks and opportunity management processes are applied at both the company and asset level through the development of the corporate Climate Change Action Plan, refreshed annually during the company's long-range planning process; and the business unit or major asset Climate Change Management Plans. The corporate plan identifies company-wide risks and opportunities and adopts a consistent approach to manage the risk across the company. The business unit plans identify specific risks to individual business units or assets, in addition to the risks and opportunities identified in the corporate plan and adopt an appropriate approach to manage the risks within the business unit or asset. At the project level, those that emit more than 25,000 metric tons CO<sub>2</sub>e net to ConocoPhillips during any year of project operation and cost more than \$150 million, must complete a formal Climate Change Assessment as part of the Capital Project Management System. Project teams are required to assess the potential risks and opportunities associated with GHG emissions, GHG regulation and a physically changing climate. This assessment is a requirement for project and investment approval. A Climate Change Assessment is recommended for all projects and acquisitions, operated and non-operated, which are expected to result in a change in GHG emissions.

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**CC2.1c****How do you prioritize the risks and opportunities identified?**

We conduct regular SD risk assessments and create action plans that are shared in Issue Working Groups, allowing effective communication between Business Units and corporate SD leadership. Risk assessments, including SD risk assessments, are required for all major projects; risk assessments and/or due diligence are conducted for other non-projects and transactions where applicable. The SD Scorecard is a tool used during project development to identify and address potential risks (<http://www.conocophillips.com/sustainable-development/our-approach/integration-of-sustainability-into-business-process/Pages/project-development.aspx>). Risks and opportunities are prioritized using a risk matrix approach. Identified risks are evaluated based on their severity level and the likelihood of occurrence. In evaluating the severity level, we consider the impact on a broad range of stakeholders, for example: employees, the general public, the socio-cultural economic impact to stakeholders, the environmental impact, the impact on industrial hygiene, and financial implications. Our approach includes mitigation strategies to reduce these risks. Projects that provide emission reduction opportunities are evaluated with the Marginal Abatement Cost Curve.

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**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

| Main reason for not having a process | Do you plan to introduce a process? | Comment |
|--------------------------------------|-------------------------------------|---------|
|--------------------------------------|-------------------------------------|---------|

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**CC2.2****Is climate change integrated into your business strategy?**

Yes

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**CC2.2a**

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process



- i) Our business strategy is influenced by climate change concerns. We link strategy to climate change goals through our action plans. We routinely test our investment decisions and business strategies against a range of low carbon scenarios in our strategic scenario planning process. We build a ranked list of internal GHG reduction projects with volumes and cost as part of our Long Range Planning process and we test each major investment decision against a carbon pricing sensitivity. The climate change risks and opportunities of each project are captured and managed at an early stage of development. We have implemented and are testing technologies that target oil sands GHG intensity reductions and are an active member of industry groups. We have developed a specific action plan to address issues arising from climate change.
- ii) Climate change risk influences our business strategy through the use of carbon offsets. Since 2006, Darwin LNG has supported a carbon offset program known as WALFA. Through this project, Indigenous rangers in West Arnhem Land in the Northern Territory have offset almost two million tonnes of CO<sub>2</sub>e through early dry-season burning. In 2014, the WALFA project was formally recognised as an eligible offset program under the Federal Government's Carbon Farming Initiative. In the Federal Government's 2015 Emissions Reduction Fund abatement auctions, 33 Savannah burning projects from across Australia were successful in selling contracts for carbon abatement – all using methodology pioneered by WALFA.
- iii) We work to understand our emissions footprint to identify where meaningful action can be taken and, where possible, to get ahead of regulation and legislation to avoid excessive business disruption and additional cost. We are also influenced by the need to understand and participate in technology development, both from a mitigation and alternative energy technology viewpoint. We also engage externally with a broad range of stakeholders to understand their concerns and describe our approach to addressing climate change, including our ongoing engagement on carbon asset risk (<http://www.conocophillips.com/sustainable-development/environment/climate-change/climate-change-strategy/Pages/managing-carbon-asset-risk.aspx>).
- iv) The most important components of our short term (1 to 5 year) strategy that have been influenced by climate change concerns were the implementation of projects from 2009 to 2016 to improve energy efficiency, prevent methane loss, and reduce GHG emissions. These efforts resulted in the reduction of 6.9 million tonnes of CO<sub>2</sub>e emissions in the first eight years following implementation of our first Climate Change Action Plan. These projects reduced emissions from business as usual by an average of 3.2 percent per year and helped keep absolute emissions nearly flat. Other components include establishment of processes, procedures, guidelines and standards to measure, calculate and monitor our global GHG emissions, annual updating and review of an internal marginal abatement cost curve as part of our Long Range Planning process, trading of allowances in CO<sub>2</sub> emissions trading programs and the evaluation and participation in emission reduction projects to generate and, if necessary, purchase offset credits.
- v) The most important components of our long-term (5+years) strategy that have been influenced by climate change considerations are continued investments in natural gas, which is the quickest and most economical pathway to reduced carbon dioxide emissions from power generation, while minimizing impact on the use of land and water resources. We use cost of carbon sensitivities for our project investment decisions. In countries with existing or imminent GHG regulation, the cost of regulatory compliance is evaluated based on specific regulation and local carbon pricing information and is incorporated into base-case investment decisions. We also integrated a cost of carbon into our long-range planning exercise in a similar manner.
- vi) We take a comprehensive approach and focus on our existing and future GHG footprint to give us decision-making data. Our focus on operations and projects enables us to deliver low cost and revenue generating efficiency improvements and emission reductions which reduce our compliance costs today and into the future. Our focus on research and development of technology helps us to consider GHG mitigation and alternative energy technologies which may help or pose a risk to the demand for our products, and our focus on stakeholder engagement helps us to adapt to rapidly changing societal issues.
- vii) We invested in technology opportunities in the Oil Sands. For example, Flow Control Devices (FCDs) support even steam distribution into the reservoir and help prevent steam production into the well. FCDs may also improve Steam Oil Ratio (SOR) by 10 percent. Using less steam helps us reduce SOR and therefore greenhouse gas intensity.
- xviii) We developed scenarios that achieve a pathway commensurate with the IPCC's scenario of achieving a near 50 percent chance of limiting the increase in global average temperature by 2°C.
- ix) In our planning process, we don't assign probabilities to the scenarios so that we test the portfolio and improve our preparedness across a range of future potential outcomes. To evaluate the implications of different scenarios that combine alternative energy technology advancement and government actions, we developed the carbon constraint scenarios. Three out of the four scenarios were developed to achieve a pathway commensurate with the IPCC's scenario of achieving a near 50 percent chance of limiting the increase in global average temperature by 2°C (<http://www.conocophillips.com/sustainable->

development/environment/climate-change/climate-change-strategy/Pages/carbon-scenarios.aspx). We hold quarterly meetings to review our Corporate Scenario Monitoring System and Carbon Scenario Monitoring System, and the results are shared at the Executive Leadership Team level and periodically with the Board.

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**CC2.2b**

**Please explain why climate change is not integrated into your business strategy**

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**CC2.2c**

**Does your company use an internal price on carbon?**

Yes

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**CC2.2d**

**Please provide details and examples of how your company uses an internal price on carbon**

For operations in countries with existing or imminent GHG regulation, the cost of regulatory compliance is evaluated based on specific regulation and local GHG 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 total installed cost of \$150 million or greater or that result in a change to annual emissions in excess of 25,000 metric tons of CO<sub>2</sub> equivalent are required to perform a sensitivity analysis that includes carbon cost as part of project economic analysis. The company uses an estimated market cost of greenhouse gas emissions in the range of \$9 to \$43 per tonne (in 2016 uninflated terms) depending on the timing and country or region to evaluate future project opportunities. The price is usually applied to Scope 1 + Scope 2 emissions forecasts.

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**CC2.3**

**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations

Funding research organizations

CC2.3a

**On what issues have you been engaging directly with policy makers?**

| Focus of legislation   | Corporate Position            | Details of engagement  | Proposed legislative solution   |
|--|-------------------------------|--|---|
| Other: Funding for Alberta Carbon Conversion Technology Centre | Support                       | Canadian JIP lead: NRG COSIA Carbon XPRIZE advocating for financial contribution for a permanent carbon conversion testing center. Requested Canada federal and provincial governments for funding contribution for a facility that allows testing at commercial scale technologies that convert CO2 into useful, valuable products. | Contribution of \$20 million, and the Centre will be operated by InnoTech Alberta following completion of the NRG COSIA Carbon XPRIZE in Spring 2020.   |
| Energy efficiency  | Support                       | Offset protocol for field operations in Alberta, Canada: Developed proposal for provincial government consideration that incentivizes GHG emissions reductions.  | Proposal approved as presented in first quarter, 2017.  |
| Other: GHG regulation in Australia                             | Support with minor exceptions | We engaged with the Australian Government on drafting of the "Safeguard Mechanism: Emissions Intensity Benchmark Guidelines" for post-2020 Projects.   | We advocated a number of key principles and recommendations: 1) Intensity benchmarks are not applicable to the LNG industry due to the variability of individual facility design and source reservoir characteristics. 2) Facility GHG emissions are made up of process emissions and native CO2 content. Determination of benchmarks should be adjusted for native CO2 content. 3) Proposed replacement of intensity based benchmarks with actual emissions average after facility start-up. |
| Other: Carbon reporting in Norway                              | Support with minor exceptions | We engaged with the Norwegian Petroleum Directorate regarding methods for better estimating hydrocarbons/other inert gases being vented. This effort has led to more accurate data.  | Revised methodology.  |
| Other: U.S. participation in 2015 Paris Agreement              | Support                       | We engaged through several avenues outlining the advantages of continued U.S. participation in the climate agreement.  | <a href="https://www.bloomberg.com/news/articles/2017-05-31/exxon-conoco-back-paris-climate-deal-as-trump-weighs-pact-exit">https://www.bloomberg.com/news/articles/2017-05-31/exxon-conoco-back-paris-climate-deal-as-trump-weighs-pact-exit</a> . Upon U.S. exit, we continue to manage greenhouse gas emissions in our operations and to integrate climate change related activities and goals into our business planning.   |
| Other: Approval of Operations – Electronic Filing              | Support with minor exceptions | Collaborated with trade associations in establishing positions. Advocated directly with the federal agency to support adoption of  | Final rule allowed agency to consider granting waivers to the e-filing requirement for individuals who request a waiver because they would experience hardship.   |

| Focus of legislation | Corporate Position | Details of engagement  | Proposed legislative solution |
|----------------------|--------------------|--|-------------------------------|
|                      |                    | electronic filing (or e-filing) of early development permits on federal lands. This change should improve the efficiency and transparency of the federal permitting processes. Company advocated for a reasonable transition period to allow for adoption and training of the new filing system and to extend the time allowed for submission. |                               |

**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

**CC2.3c**

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

| Trade association                                   | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?  |
|---|--|--|--|
| International Oil & Gas Producers Association (OGP) | Consistent   | The environmental performance of the upstream industry globally is closely scrutinized by a number of key players including regulators, financial institutions, non-governmental institutions and other stakeholders. Regulatory agencies often set targets and limits for performance that are challenging and opaque in terms of their technical justification. In addition to responding to external pressures, OGP | We advocate for policies aligned with our principles ( <a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a> ). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade |

| Trade association                  | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?  |
|------------------------------------|--|--|--|
|                                    |  | <p>members are committed to improving performance through the development of better operating practices. The Environment Committee of OGP aims to co-ordinate and represent the Exploration and Production industry on environmental issues of international significance. These include: Monitoring issues and providing input on relevant developments of international bodies/authorities/regulators; developing and advocating industry positions; identifying strategic and emerging issues; addressing common concerns and sharing &amp; developing knowledge of the environmental impact of the E&amp;P industry and improving operational practice based on that knowledge. In addition, an integral part of the committee program is to respond to regulatory initiatives in the broad range of forums in which OGP is represented.</p> | <p>associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major initiatives affecting the company and its stakeholders.</p>  |
| American Petroleum Institute (API) | Consistent   | <p>The API's Climate Change Working Group addresses climate change issues affecting the U.S. oil and natural gas industry. The group oversees API's Climate Challenge program, including participation in government voluntary GHG reduction programs, as well as the development of the API Compendium methodology for estimating oil and gas industry GHG emissions. <a href="http://www.api.org/oil-and-natural-gas/environment/climate-change">http://www.api.org/oil-and-natural-gas/environment/climate-change</a></p>   | <p>We advocate for policies aligned with our principles (<a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a>). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major</p> |

| Trade association                           | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?   |
|---|--|--|---|
| National Gas Supply Association (NGSA)      | Consistent   | <p>"The NGSA's mission is to ensure a competitive natural gas market that is supported by appropriate regulations. Through various legislative and regulatory policy initiatives, NGSA seeks to maintain competitive markets, improve downstream efficiencies and to foster increased supply to U.S. markets. NGSA also supports a balanced energy future, one which ensures a level playing field for all market participants and eliminates inappropriate regulatory barriers to supply."<br/> <a href="http://www.ngsa.org/about-ngsa/chairmans-greeting/">http://www.ngsa.org/about-ngsa/chairmans-greeting/</a></p>       | <p>initiatives affecting the company and its stakeholders.</p> <p>We advocate for policies aligned with our principles (<a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a>). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major initiatives affecting the company and its stakeholders.</p> |
| National Association of Manufacturers (NAM) | Consistent   | <p>"Manufacturers support an energy strategy that embraces all forms of domestic energy production while expanding existing conservation and efficiency efforts. Oil, natural gas and clean coal remain essential contributors to America's energy security. The U.S. nuclear energy industry is well-positioned to expand its critical role in providing safe, affordable power. Alternative fuels and renewable energy sources like wind energy and solar power will also gain increasing importance in the future." <a href="http://www.nam.org/Issues/Domestic-Energy/">http://www.nam.org/Issues/Domestic-Energy/</a></p> | <p>We advocate for policies aligned with our principles (<a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a>). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major</p>  |

| Trade association   | Is your position on climate change consistent with theirs? | Please explain the trade association's position  | How have you, or are you attempting to, influence the position?   |
|---|--|--|---|
| US Chamber of Commerce  | Consistent   | <p>"The chamber strongly supports continued environmental improvements, including sensible approaches to reducing greenhouse gas emissions. The chamber believes that economic growth and environmental progress are not mutually exclusive goals. To make further progress, the chamber believes that we should be guided by what has already worked: gains in efficiency, new technologies, and the increased use of natural gas and renewable fuels." (From US Chamber of Commerce website<br/> <a href="https://www.uschamber.com/issues">https://www.uschamber.com/issues</a>)</p>  | <p>initiatives affecting the company and its stakeholders.</p> <p>We advocate for policies aligned with our principles (<a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a>). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop the appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major initiatives affecting the company and its stakeholders.</p> |
| IPIECA, the global oil and gas industry association for environmental and social issues | Consistent   | <p>"IPIECA welcomes the Paris Agreement as an important step in addressing the risks of climate change. Significant policy action, technology development and business response will be needed beyond the current Nationally Determined Contributions to achieve its aims. Governments, business and industry, investors, consumers and civil society will need to collaborate closely to enable the transition to a low-emissions future."<br/> <a href="http://www.ipieca.org/resources/awareness-briefing/exploring-low-emissions-pathways-advancing-the-paris-puzzle/">http://www.ipieca.org/resources/awareness-briefing/exploring-low-emissions-pathways-advancing-the-paris-puzzle/</a></p> | <p>We advocate for policies aligned with our principles (<a href="http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf">http://www.conocophillips.com/sustainable-development/our-approach/Documents/Climate%20Change%20Position_FINAL.pdf</a>). Employees who serve on trade association committees that are advocating on legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal group, to develop the appropriate position and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying, ConocoPhillips seeks to champion legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote reasonable compromise on major</p>  |

| Trade association | Is your position on climate change consistent with theirs? | Please explain the trade association's position | How have you, or are you attempting to, influence the position? |
|-------------------|--|---|---|
|                   |  |   | initiatives affecting the company and its stakeholders.         |

**CC2.3d**

**Do you publicly disclose a list of all the research organizations that you fund?**

Yes

**CC2.3e**

Please provide details of the other engagement activities that you undertake

**CC2.3f**

**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Our positions on sustainability issues and public policy principles are communicated publicly and through internal training, presentations and Networks of Excellence. Consistency and alignment are driven and reinforced through a comprehensive governance approach which is described in detail in our Sustainability Report. Our direct and indirect activities that influence policy are frequently reviewed by both the Executive Leadership Team and the Public Policy Committee of the Board of Directors. ConocoPhillips actively engages with trade associations at the national, state and local levels. We encourage our employees to represent the interests of the company and the communities in which we operate through participation in committees and/or leadership roles in these associations. While not the primary motivation for joining or maintaining membership in any trade association, many actively engage in lobbying. Employees who serve on trade association committees that are advocating legislation or regulation must work closely with our Government Affairs office, affected business units and our Legal department to develop appropriate positions and ensure compliance with any possible lobbying disclosure requirements. Through participation in trade associations involved in lobbying we seek legislative solutions that are practical, economical, environmentally responsible, non-partisan and in the best interests of the company. We feel it is important to be actively engaged with these organizations so that our positions on key issues to the company can be expressed. We recognize that among trade association members there can be viable viewpoints that differ from ours. When this occurs, we seek to work with the association membership to promote



reasonable compromise on major initiatives affecting the company and its stakeholders. See our history of policy engagement at <http://www.conocophillips.com/sustainable-development/environment/climate-change/public-policy-engagement/Pages/climate-change-policy-history.aspx>, which is updated periodically with positions and engagements.

### CC2.3g

Please explain why you do not engage with policy makers

### Further Information

Page: **CC3. Targets and Initiatives**

### CC3.1

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

Absolute target  
Intensity target

### CC3.1a

Please provide details of your absolute target

| ID   | Scope     | % of emissions in scope | % reduction from base year | Base year | Base year emissions covered by target (metric tonnes CO2e) | Target year | Is this a science-based target? | Comment   |
|------|-----------|-------------------------|----------------------------|-----------|--|-------------|---------------------------------|---|
| Abs1 | Scope 1+2 | 100%                    | 0.4%                       | 2015      | 26100000   | 2016        | No, and we do                   | The reported information reflects the combined upstream |

| ID | Scope            | % of emissions in scope | % reduction from base year | Base year | Base year emissions covered by target (metric tonnes CO2e) | Target year | Is this a science-based target?                | Comment  |
|----|------------------|-------------------------|----------------------------|-----------|--|-------------|--|--|
|    | (location-based) |                         |                            |           |  |             | not anticipate setting one in the next 2 years | BU Climate Change Action Plan activities to improve energy efficiency and reduce GHG emissions during 2016. Total estimated annual CO2 savings includes projects that resulted in CO2 equivalent emission reductions as described in Section 3.3. We do not control GHG emission from an overall absolute corporate target. Numbers here reflect the volume of completed activities driven by the BU and Corporate Climate Change Action Plans measured against 2015 reported overall GHG emissions. |

### CC3.1b

Please provide details of your intensity target

| ID   | Scope   | % of emissions in scope | % reduction from base year | Metric  | Base year | Normalized base year emissions covered by target | Target year | Is this a science-based target?                              | Comment  |
|------|---------|-------------------------|----------------------------|---|-----------|--|-------------|--|--|
| Int1 | Scope 1 | 4%                      | 15%                        | Other: Tonnes CO2e/cubic meter bitumen Production | 2010      | 0.3735   | 2016        | No, and we do not anticipate setting one in the next 2 years | This intensity target is associated with Alberta's Specified Gas Emitters Regulation (SGER). For new facilities with direct emissions totaling 100,000 tonnes CO2e or more per year, the facility must reduce net emission intensity by 15% from their baseline. This target pertains to the Surmont Phase 1 and 2 SAGD Bitumen Battery. |
| Int2 | Scope   | 1%                      | 15%                        | Other: Tonnes                                     | 2014      | 0.09473  | 2016        | No, and we do  | As above, this target pertains to Elmworth Gas   |

| ID | Scope | % of emissions in scope | % reduction from base year | Metric                              | Base year | Normalized base year emissions covered by target | Target year | Is this a science-based target?                | Comment               |
|----|-------|-------------------------|----------------------------|-------------------------------------|-----------|--|-------------|--|-----------------------|
|    | 1     |                         |                            | CO2e/cubic meter bitumen Production |           |  |             | not anticipate setting one in the next 2 years | Plant under the SGER. |

### CC3.1c

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 | Comment   |
|------|---|--|---|--|---|
| Int1 | Decrease  | 9.8  | No change   | 0  | Percent change based on total Surmont Scope 1 emissions. No significant change in Scope 3 emissions. 15% intensity reduction is partially offset by increased production. |
| Int2 | Decrease  | 34.8   | No change   | 0  | Percent change based on total Elmworth Scope 1 emissions. No significant change in Scope 3 emissions. 15% intensity reduction is coupled with decreased production.       |

### CC3.1d

Please provide details of your renewable energy consumption and/or production target

| ID | Energy types covered by target | Base year | Base year energy for energy type covered (MWh) | % renewable energy in base year | Target year | % renewable energy in target year | Comment |
|----|--------------------------------|-----------|--|---------------------------------|-------------|-----------------------------------|---------|
|----|--------------------------------|-----------|--|---------------------------------|-------------|-----------------------------------|---------|

**CC3.1e**

For all of your targets, please provide details on the progress made in the reporting year

| ID   | % complete (time) | % complete (emissions or renewable energy) | Comment   |
|------|-------------------|--|---|
| Int1 | 100%              | 100%                                       | The emission reductions achieved at Surmont are in line with the SGER timeline  |
| Int2 | 100%              | 100%                                       | The emission reductions achieved at Elmworth are in line with the SGER timeline |
| Abs1 | 100%              | 100%                                       | Achieved single-year cumulative BU upstream reductions.                         |

**CC3.1f**

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

**CC3.2**

**Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**CC3.2a**

**Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions**

| Level of aggregation | Description of product/Group of products   | Are you reporting low carbon product/s or avoided emissions? | Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions | % revenue from low carbon product/s in the reporting year | % R&D in low carbon product/s in the reporting year | Comment |
|----------------------|--|--|---|---|---|---------|
| Product              | Natural Gas for Electric Power Generation: In 2016, the Company supplied consumers with roughly 1.4 Trillion cubic feet (3.857 BCF/day) of natural gas. To put this production volume in perspective, if all the natural gas ConocoPhillips produced in 2016 had been used to replace coal for electricity generation, GHG emissions would have been reduced by approximately 74 million metric tons - more than double the company's combined Scope 1 and 2 emissions for the year.   | Low carbon product   | Other: reduction in CO2 versus coal in power generation   | 40%   | Less than or equal to 10%                           |         |
| Product              | LNG Process Technology: ConocoPhillips licenses the Optimized Cascade® Process technology for liquid natural gas (LNG) production and pioneered its use with aero derivative gas turbines. Together, the process and turbine technology achieve a 20% reduction in CO2 emissions compared with competing LNG technologies. ConocoPhillips currently operates a 3.7MTPA (million tons per annum) LNG facility in Darwin, Australia. Near Gladstone, Australia, two fully subscribed 4.5 MTPA LNG trains have been completed. Approximately 3,900 net wells are ultimately envisioned to supply both the domestic gas market and | Avoided emissions  | Other: observed performance   |   | Less than or equal to 10%                           |         |

| Level of aggregation | Description of product/Group of products   | Are you reporting low carbon product/s or avoided emissions? | Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions | % revenue from low carbon product/s in the reporting year | % R&D in low carbon product/s in the reporting year | Comment |
|----------------------|--|--|---|---|---|---------|
|                      | the LNG sales contracts. The first APLNG Train 1 cargo sailed in January 2016, and LNG sales continued throughout the year. APLNG Train 2 achieved first production in the third quarter of 2016. The ConocoPhillips Optimized Cascade® Process is licensed and used in plants located throughout the world. |  |   |   |   |         |

### CC3.3

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

### CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

| Stage of development      | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---------------------------|--------------------|--|
| Under investigation       | 6                  | 146000   |
| To be implemented*        | 0                  | 0  |
| Implementation commenced* | 0                  | 0  |

| Stage of development  | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|-----------------------|--------------------|--|
| Implemented*          | 12                 | 114000   |
| Not to be implemented | 8                  | 653000   |

### CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

| Activity type                | Description of activity   | Estimated annual CO2e savings (metric tonnes CO2e) | Scope                               | Voluntary/Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment   |
|------------------------------|---|--|-------------------------------------|---------------------|---|---|----------------|--------------------------------------|---|
| Process emissions reductions | San Juan projects to prevent or reduce methane emissions from US E&P operations | 37500  | Scope 1<br>Scope 2 (location-based) | Voluntary           |   | 3500000   | 1-3 years      | 6-10 years                           | These projects align with our Scope 1+2 target in 3.1. Annual savings for these projects were not compiled for external release, however 1-3 payback is typical with many projects to reduce methane emissions. Additionally, "Lifetime of initiative" also varies from 1 - 10 years depending on asset-specific details. |
| Energy efficiency: Processes | Western Canada Gas related projects to reduce emissions                         | 21170  | Scope 1<br>Scope 2 (location-based) | Voluntary           |   |   | 1-3 years      | 6-10 years                           | These projects align with our Scope 1+2 target in 3.1. Investment and annual savings for these projects were not  |

| Activity type                | Description of activity   | Estimated annual CO2e savings (metric tonnes CO2e) | Scope                               | Voluntary/Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment   |
|------------------------------|---|--|-------------------------------------|---------------------|---|---|----------------|--------------------------------------|---|
|                              | from Canada E&P operations  |  |                                     |                     |   |   |                |                                      | compiled for external release, however 1-3 payback is typical with many projects to reduce methane emissions. Additionally, "Lifetime of initiative" also varies from 1 - 10 years depending on asset-specific details.               |
| Process emissions reductions | Projects to Reduce emissions from all other areas (including Europe and APME) | 19200  | Scope 1<br>Scope 2 (location-based) | Voluntary           |   |   | <1 year        | Ongoing                              | These projects align with our Scope 1+2 target in 3.1. Norway related projects. Investment and annual savings for these projects were not compiled for external release.  |
| Energy efficiency: Processes | Turbine and Pipeline compressor optimization                                  | 36000  | Scope 1<br>Scope 2 (location-based) | Voluntary           |   |   | <1 year        | Ongoing                              | These projects align with our Scope 1+2 target in 3.1. There are uncertainties with the estimated CO2 savings, because operating with one pipeline compressor depends on the pressure in the pipeline, which is controlled by others. |

**CC3.3c**

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



| Method  | Comment   |
|---|---|
| Compliance with regulatory requirements/standards | ConocoPhillips meets or exceeds regulations in countries in which it operates.                            |
| Financial optimization calculations               | Energy efficiency and GHG reduction projects compete for capital with all other investment opportunities. |
| Marginal abatement cost curve                     | BU emission reduction projects are compiled into a marginal abatement cost curve for management planning. |

### CC3.3d

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

### Further Information

For question 3.3a, "Projects Not to be implemented" are due to asset divestment. We have begun to characterize "Number of projects" as actual projects, i.e., replacing 400 valves at one asset counts as one project, therefore the project numbers are lower than in previous years.

### Page: CC4. Communication

### CC4.1

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

| Publication                                    | Status   | Page/Section reference | Attach the document   | Comment |
|--|----------|------------------------|---|---------|
| In mainstream reports (including an integrated | Complete | Pages 63-66            | <a href="https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/CC4.1/ConocoPhillips_2016_AnnualReport.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC4.1/ConocoPhillips_2016_AnnualReport.pdf</a> |         |

| Publication                                  | Status   | Page/Section reference | Attach the document   | Comment |
|--|----------|------------------------|---|---------|
| report) but have not used the CDSB Framework |          |                        |   |         |
| In voluntary communications                  | Complete | Pages 16-24, 53-55     | <a href="https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/CC4.1/17-0298_2016-Sustainability-Report.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC4.1/17-0298_2016-Sustainability-Report.pdf</a> |         |
| In voluntary communications                  | Complete | Page 1                 | <a href="https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/CC4.1/Climate%20Change%20Position.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC4.1/Climate Change Position.pdf</a>                   |         |

#### Further Information

### Module: Risks and Opportunities

#### Page: CC5. Climate Change Risks

##### CC5.1

**Have you identified any inherent climate change risks that have the 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

##### CC5.1a

**Please describe your inherent risks that are driven by changes in regulation**

| Risk driver                                  | Description   | Potential impact           | Timeframe    | Direct/ Indirect | Likelihood        | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|--|---|----------------------------|--------------|------------------|-------------------|---------------------|---|--|---|
| Product efficiency regulations and standards | Bitumen from Surmont Oil Sands assets represents 2.5% of ConocoPhillips' net proved reserves as of December 31, 2016. Two regulations issued by the Alberta government in 2007 under the Climate Change and Emissions Act require any existing facility with emissions equal to or greater than 100,000 metric tons of carbon dioxide or equivalent per year to reduce the net emission intensity of that facility by 2 percent per year beginning July 1, 2007, with an ultimate reduction target of 12 percent of baseline emissions. The reduction requirement increased from 12 percent in 2015, to | Increased operational cost | Up to 1 year | Direct           | Virtually certain | Low                 | 2016 cost of compliance US\$8 million pre-tax equity share including compliance with the British Columbia carbon tax. | Our focus is on energy efficiency and implementing technologies that can reduce carbon intensity. We are evaluating technology opportunities for existing and new facilities, and purchasing carbon offsets. For example, Flow Control Devices (FCDs) support even steam distribution into the reservoir and help prevent steam production into the well that could damage the liner and cause it to fail. FCDs may also improve Steam Oil Ratio (SOR) by 10 percent. Using less steam helps us reduce SOR and therefore greenhouse gas intensity. As a founding member of the Oil Sands | Cost of management is integrated into our cost structure. |

| Risk driver | Description  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method   | Cost of management |
|-------------|--|------------------|-----------|------------------|------------|---------------------|----------------------------------|---|--------------------|
|             | <p>15 percent in 2016 and will increase again to 20 percent in 2017. The cost of compliance and investment in emissions intensity reductions will continue to influence decisions in our Canada Business Unit.</p> |                  |           |                  |            |                     |                                  | <p>Leadership Initiative and the Canadian Oil Sands Innovation Alliance (COSIA), we have demonstrated both leadership and willingness to collaborate in the development of new technologies, expected to accelerate the reduction of GHG emissions across the sector. We participate in the regional emissions reduction scheme in the province of Alberta and manage a number of compliance mechanisms of that program:</p> <ul style="list-style-type: none"> <li>• Making internal improvements to operations to reduce emissions;</li> <li>• Purchasing or using Emission Performance Credits;</li> <li>• Purchasing</li> </ul> |                    |

| Risk driver  | Description  | Potential impact           | Timeframe    | Direct/ Indirect | Likelihood        | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|--------------|--|----------------------------|--------------|------------------|-------------------|---------------------|---|--|---|
|              |  |                            |              |                  |                   |                     |   | Alberta-based offset credits; and Contributing to the Climate Change and Emissions Management Fund. In recent years, our operations group completed 460 energy efficiency and GHG reduction projects saving approximately 180,000 m3 of gas per day and reducing GHG emissions by approximately 145,000 tonnes of CO2(e) per year. |   |
| Carbon taxes | Carbon taxes in certain jurisdictions including Norway, which affects the ConocoPhillips Greater Ekofisk Area. | Increased operational cost | Up to 1 year | Direct           | Virtually certain | Low-medium          | 2016 cost of compliance US\$28 million pre-tax equity share. Financial implications depend on timing, amount, and amount of pass-through to consumer. For example, at | In our Norway Business Unit, we set internal absolute emission reduction targets to improve environmental footprint and manage increased costs due to carbon taxes. We exceeded our  | Cost of management is integrated into our cost structure. |

| Risk driver           | Description                     | Potential impact      | Timeframe    | Direct/ Indirect | Likelihood        | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management |
|-----------------------|---------------------------------|-----------------------|--------------|------------------|-------------------|---------------------|---|---|--------------------|
|                       |                                 |                       |              |                  |                   |                     | 2016 production rates a \$50/Tonne carbon price with 95% pass through would impact our bottom line less than \$70MM per year. | business unit target and achieved emission reductions of 55,000 tonnes of CO2 equivalent at our Ekofisk and Eldfisk complexes, mainly through the optimization of compression and power usage. The modification of the water injection system at Eldfisk allowed us to shut down one of the water injection turbines, which reduced emissions by 17,500 tonnes of CO2 equivalent for the latter half of the year. The projects also helped us to reduce power costs and carbon taxes of \$57 per tonne. |                    |
| Cap and trade schemes | Oil, NGLs, and natural gas from | Increased operational | Up to 1 year | Direct           | Virtually certain | Low                 | 2016 cost of compliance   | Since 2005, ConocoPhillips  | Cost of management |

| Risk driver   | Description   | Potential impact           | Timeframe    | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications   | Management method  | Cost of management  |
|---|---|----------------------------|--------------|------------------|------------|---------------------|--|--|---|
|   | Europe assets represent 8% of ConocoPhillips' net proved reserves as of December 31, 2016. Cap and trade programs in certain jurisdictions, including the EU Emissions Trading Scheme, influence our business decisions in Europe.  | cost                       |              |                  |            |                     | US\$1.4 million pre-tax equity share. Financial implications depend on timing, amount, and amount of pass-through to consumer. | facilities across Europe have participated in the European Union's emissions-trading program (ETS). Our Commercial organization trades allowances on the secondary market exchanges. | is integrated into our cost structure.                    |
| General environmental regulations, including planning | The EPA's announcement on March 29, 2010 (published as "Interpretation of Regulations that Determine Pollutants Covered by Clean Air Act Permitting Programs," 75 Fed. Reg. 17004 (April 2, 2010)), and the EPA's and U.S. Department of Transportation's joint promulgation of a Final Rule on April 1, 2010, that triggers regulation | Increased operational cost | Up to 1 year | Direct           | Likely     | Low-medium          | Not knowable until events occur.   | We monitor the development of regulations as a company and through our membership in trade associations.   | Cost of management is integrated into our cost structure. |

| Risk driver              | Description  | Potential impact                  | Timeframe | Direct/ Indirect | Likelihood           | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|--------------------------|--|-----------------------------------|-----------|------------------|----------------------|---------------------|--|---|---|
|                          | of GHGs under the Clean Air Act, may trigger more climate-based claims for damages, and may result in longer agency review time for development projects.  |                                   |           |                  |                      |                     |  |   |   |
| International agreements | Demand for our products may be adversely affected by conservation plans and efforts undertaken in response to global climate change, including plans developed in connection with the Paris climate conference in December 2015. | Reduced demand for goods/services | >6 years  | Direct           | More likely than not | Medium              | Nationally Determined Contributions have been offered to 2025/30 and could have a range of effects on hydrocarbon demand. Subsequent revisions to NDCs beyond this date may have a greater impact. | Equipping the company for a low emission world, for example by integrating GHG forecasting and reporting into company procedures; utilizing GHG pricing in planning economics; developing systems to handle GHG market transaction. Evaluating business opportunities such as the creation of offsets and allowances, the use of low carbon energy and the development of | Cost of management is integrated into our cost structure. |



| Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method   | Cost of management |
|-------------|-------------|------------------|-----------|------------------|------------|---------------------|----------------------------------|---|--------------------|
|             |             |                  |           |                  |            |                     |                                  | low carbon technologies. Engaging externally – ConocoPhillips is a sponsor of MIT's Joint Program on the Science and Policy of Global Change; constructively engages in the development of climate change legislation and regulation. |                    |

**CC5.1b**

Please describe your inherent risks that are driven by changes in physical climate parameters

| Risk driver                    | Description   | Potential impact                            | Timeframe | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications      | Management method                                    | Cost of management                          |
|--------------------------------|---|---|-----------|------------------|------------------------|---------------------|---------------------------------------|--|---|
| Other physical climate drivers | Some ConocoPhillips assets in the U.S have identified | Reduction/disruption in production capacity | >6 years  | Direct           | About as likely as not | Low-medium          | The costs associated with interrupted | SD Risk Assessments can be used to highlight climate | Cost is integrated into our cost structure. |

| Risk driver | Description  | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications  | Management<br>method   | Cost of<br>management |
|-------------|--|------------------|-----------|---------------------|------------|------------------------|---|--|-----------------------|
|             | <p>storm severity as a risk in future operations based on previous storms and flooding. Science suggests that extreme weather events may be more intense or more frequent in the future.</p> |                  |           |                     |            |                        | <p>operations will depend on the duration and severity of any physical event and the damage and remedial work to be carried out. Financial implications could be caused business interruption, damages or loss of production uptime, delayed access to resource, and/or delayed access to market.</p> | <p>change risks. Our SD Scorecard lists the physical climate parameters in this section, so BUs must address the risk if applicable. Business resiliency planning is a process that helps the company prepare to mitigate potential impacts of a changing climate in a cost-effective manner. The key elements of this process include:</p> <ul style="list-style-type: none"> <li>• Identifying the risks and business opportunities associated with the physical impacts of changing climate,</li> <li>• Identifying physical impacts of greatest concern,</li> <li>• Identifying potential technologies and solutions to</li> </ul> |                       |

| Risk driver | Description | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management |
|-------------|-------------|------------------|-----------|---------------------|------------|------------------------|--|--|-----------------------|
|             |             |                  |           |                     |            |                        |  | <p>mitigate risks and take advantage of opportunities. Adaptation will not reduce the frequency or magnitude of events related to changing climate but will increase the resiliency of our business to events such as drought, hurricanes and flooding. ConocoPhillips conducted workshops with business units in regions which cover a broad representation of resiliency risks to establish, on an informed basis, future programs and actions based on projected physical changes to the operating environment. The business units were the Texas/Louisiana Gulf Coast, Arctic Canada, Canada</p> |                       |

| Risk driver    | Description   | Potential impact                            | Timeframe | Direct/<br>Indirect | Likelihood             | Magnitude<br>of impact | Estimated<br>financial<br>implications  | Management<br>method  | Cost of<br>management                       |
|----------------|---|---|-----------|---------------------|------------------------|------------------------|---|---|---|
|                |   |   |           |                     |                        |                        |   | Oil Sands, Australia North & West (including offshore) and North Slope Alaska. The results were discussed within each business to determine the appropriate follow up actions and to integrate those changes into each business unit's Climate Change Action Plan.                    |   |
| Sea level rise | Rising sea levels could impact facilities located on coasts and some rivers, forcing investment to reduce flooding potential and/or improve storm water / wastewater management. There are numerous facilities located along the coasts and along rivers close to sea | Reduction/disruption in production capacity | >6 years  | Direct              | About as likely as not | Low-medium             | The costs associated with interrupted operations will depend on the duration and severity of any physical event and the damage and remedial work to be carried out. Financial implications could be caused business interruption, | SD Risk Assessments can be used to highlight climate change risks. Our SD Scorecard lists the physical climate parameters in this section, so BUs must address the risk if applicable. Business resiliency planning is a process that helps the company prepare to mitigate potential | Cost is integrated into our cost structure. |

| Risk driver | Description                                 | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method  | Cost of<br>management |
|-------------|---|------------------|-----------|---------------------|------------|------------------------|--|---|-----------------------|
|             | level, including ConocoPhillips facilities. |                  |           |                     |            |                        | damages or loss of production uptime, delayed access to resource, and/or delayed access to market. | impacts of a changing climate in a cost-effective manner. The key elements of this process include: <ul style="list-style-type: none"> <li>• Identifying the risks and business opportunities associated with the physical impacts of changing climate,</li> <li>• Identifying physical impacts of greatest concern,</li> <li>• Identifying potential technologies and solutions to mitigate risks and take advantage of opportunities.</li> </ul> Adaptation will not reduce the frequency or magnitude of events related to changing climate but will increase the resiliency of our business to events such as drought, hurricanes and |                       |

| Risk driver | Description | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management |
|-------------|-------------|------------------|-----------|---------------------|------------|------------------------|--|--|-----------------------|
|             |             |                  |           |                     |            |                        |  | <p>flooding. ConocoPhillips conducted workshops with business units in regions which cover a broad representation of resiliency risks to establish, on an informed basis, future programs and actions based on projected physical changes to the operating environment. The business units were the Texas/Louisiana Gulf Coast, Arctic Canada, Canada Oil Sands, Australia North &amp; West (including offshore) and North Slope Alaska. The results were discussed within each business to determine the appropriate follow up actions and to integrate those changes into each business unit's</p> |                       |

| Risk driver   | Description   | Potential impact                                  | Timeframe       | Direct/<br>Indirect | Likelihood                   | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method  | Cost of<br>management                                |
|---|---|---|-----------------|---------------------|------------------------------|------------------------|--|---|--|
|   |   |   |                 |                     |                              |                        |  | Climate Change<br>Action Plan.  |  |
| Change in<br>precipitation<br>extremes<br>and<br>droughts | Severe drought<br>could affect<br>operations<br>relying on a<br>steady source of<br>water.<br>Alternately,<br>excessive rainfall<br>can lead to<br>flooding and<br>disrupt facility<br>operation,<br>including<br>ConocoPhillips<br>facilities. | Reduction/disruption<br>in production<br>capacity | Up to 1<br>year | Direct              | About as<br>likely as<br>not | Low-<br>medium         | The costs<br>associated<br>with<br>interrupted<br>operations will<br>depend on the<br>duration and<br>severity of any<br>physical event<br>and the<br>damage and<br>remedial work<br>to be carried<br>out. Financial<br>implications<br>could be<br>caused<br>business<br>interruption,<br>damages or<br>loss of<br>production<br>uptime,<br>delayed<br>access to<br>resource,<br>and/or delayed<br>access to<br>market. | SD Risk<br>Assessments can<br>be used to<br>highlight climate<br>change risks. Our<br>SD Scorecard<br>lists the physical<br>climate<br>parameters in this<br>section, so BUs<br>must address the<br>risk if applicable.<br>Business<br>resiliency<br>planning is a<br>process that helps<br>the company<br>prepare to<br>mitigate potential<br>impacts of a<br>changing climate<br>in a cost-effective<br>manner. The key<br>elements of this<br>process include: •<br>Identifying the<br>risks and<br>business<br>opportunities<br>associated with<br>the physical<br>impacts of<br>changing climate,<br>• Identifying | Cost is<br>integrated<br>into our cost<br>structure. |

| Risk driver | Description | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management |
|-------------|-------------|------------------|-----------|---------------------|------------|------------------------|--|--|-----------------------|
|             |             |                  |           |                     |            |                        |  | <p>physical impacts of greatest concern, • Identifying potential technologies and solutions to mitigate risks and take advantage of opportunities. Adaptation will not reduce the frequency or magnitude of events related to changing climate but will increase the resiliency of our business to events such as drought, hurricanes and flooding. ConocoPhillips conducted workshops with business units in regions which cover a broad representation of resiliency risks to establish, on an informed basis, future programs and actions based on projected physical changes</p> |                       |



| Risk driver                    | Description  | Potential impact                            | Timeframe    | Direct/<br>Indirect | Likelihood             | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method   | Cost of<br>management                       |
|--------------------------------|--|---|--------------|---------------------|------------------------|------------------------|--|--|---|
|                                |  |   |              |                     |                        |                        |  | to the operating environment. The business units were the Texas/Louisiana Gulf Coast, Arctic Canada, Canada Oil Sands, Australia North & West (including offshore) and North Slope Alaska. The results were discussed within each business to determine the appropriate follow up actions and to integrate those changes into each business unit's Climate Change Action Plan. |   |
| Change in temperature extremes | Change in temperature extremes could impact facilities located in Arctic regions due to excessive warm spells reducing the ice road season and reducing construction | Reduction/disruption in production capacity | 1 to 3 years | Direct              | About as likely as not | Low-medium             | The costs associated with interrupted operations will depend on the duration and severity of any physical event and the damage and remedial work | SD Risk Assessments can be used to highlight climate change risks. Our SD Scorecard lists the physical climate parameters in this section, so BUs must address the risk if applicable.   | Cost is integrated into our cost structure. |

| Risk driver | Description   | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications   | Management<br>method   | Cost of<br>management |
|-------------|---|------------------|-----------|---------------------|------------|------------------------|--|--|-----------------------|
|             | <p>time. Oil, NGLs, and natural gas from Alaska assets represent 20% of ConocoPhillips' net proved reserves as of December 31, 2016. In hotter climates we could see the impact of reduced cooling capacity and heat waves impacting local communities potentially causing power shortages.</p> |                  |           |                     |            |                        | <p>to be carried out. Financial implications could be caused business interruption, damages or loss of production uptime, delayed access to resource, and/or delayed access to market.</p> | <p>Business resiliency planning is a process that helps the company prepare to mitigate potential impacts of a changing climate in a cost-effective manner. The key elements of this process include:</p> <ul style="list-style-type: none"> <li>• Identifying the risks and business opportunities associated with the physical impacts of changing climate,</li> <li>• Identifying physical impacts of greatest concern,</li> <li>• Identifying potential technologies and solutions to mitigate risks and take advantage of opportunities.</li> </ul> <p>Adaptation will not reduce the frequency or magnitude of events related to</p> |                       |

| Risk driver | Description | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management |
|-------------|-------------|------------------|-----------|---------------------|------------|------------------------|--|--|-----------------------|
|             |             |                  |           |                     |            |                        |  | <p>changing climate but will increase the resiliency of our business to events such as drought, hurricanes and flooding. ConocoPhillips conducted workshops with business units in regions which cover a broad representation of resiliency risks to establish, on an informed basis, future programs and actions based on projected physical changes to the operating environment. The business units were the Texas/Louisiana Gulf Coast, Arctic Canada, Canada Oil Sands, Australia North &amp; West (including offshore) and North Slope Alaska. The results were discussed within</p> |                       |

| Risk driver | Description | Potential impact | Timeframe | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method  | Cost of<br>management |
|-------------|-------------|------------------|-----------|---------------------|------------|------------------------|--|---|-----------------------|
|             |             |                  |           |                     |            |                        |  | each business to determine the appropriate follow up actions and to integrate those changes into each business unit's Climate Change Action Plan. |                       |

**CC5.1c**

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

| Risk driver | Description  | Potential impact      | Timeframe    | Direct/<br>Indirect | Likelihood | Magnitude<br>of impact | Estimated financial<br>implications  | Management<br>method  | Cost of<br>management                       |
|-------------|--|-----------------------|--------------|---------------------|------------|------------------------|--|---|---|
| Reputation  | Reputation could affect community support and the ability to attract a talented workforce. | Other: Project delays | Up to 1 year | Direct              | Unlikely   | Low-medium             | The costs associated with lack of community support and the ability to attract qualified workers will depend on the timing and severity of the incident. Financial implications could be caused business interruption, delayed access to resource, | The company has instituted a social issues action plan to mitigate any damage that may occur to either community support or our ability to attract a suitably qualified workforce | Cost is integrated into our cost structure. |

| Risk driver                | Description  | Potential impact                  | Timeframe | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management  |
|----------------------------|--|-----------------------------------|-----------|------------------|------------------------|---------------------|---|--|---|
|                            |  |                                   |           |                  |                        |                     | delayed access to market, and/or loss of social license to operate.   |  |   |
| Changing consumer behavior | Shift in consumer preference towards alternative energy options. | Reduced demand for goods/services | >6 years  | Direct           | About as likely as not | Low-medium          | The costs associated with changes in consumer preferences will largely depend on technology development and the cost of alternatives. | Consumer trends are monitored on a quarterly basis as part of a formalized internal scenario monitoring process. Our technology function monitors technology developments, which is one of the inputs to this process. | Cost is variable depending on size and scale of the opportunity and stage of development. |

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CC5.1d

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

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CC5.1e

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

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CC5.1f

Please explain why you do not consider your company to be exposed to inherent 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

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**Further Information**

**Page: CC6. Climate Change Opportunities**

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CC6.1

**Have you identified any inherent climate change opportunities 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 physical climate parameters
- Opportunities driven by changes in other climate-related developments

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CC6.1a

**Please describe your inherent opportunities that are driven by changes in regulation**

| Opportunity driver | Description  | Potential impact                     | Timeframe    | Direct/Indirect | Likelihood        | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management                                  |
|--------------------|--|--------------------------------------|--------------|-----------------|-------------------|---------------------|---|---|---|
| Carbon taxes       | Carbon taxes in certain jurisdictions may incentivize energy efficiency projects. The ConocoPhillips Western Canada Business Unit formed an Energy Efficiency Team to identify and implement energy efficiency projects. | Other: Incentivize investment in R&D | Up to 1 year | Direct          | Virtually certain | Low-medium          | The scale and size of energy efficiency projects would depend on the scope and amount of the carbon tax. In Norway, British Columbia and Alberta, the certainty of the carbon tax/cost has meant that energy efficiency projects can be undertaken without the risk of falling carbon prices. | Our operations groups look for energy efficiency projects and submit these for consideration during the Long Range Planning process through the Marginal Abatement Cost Curve. For example, Canada's energy efficiency program completed 580 installations with a cumulative GHG reduction of 272,481 Tonnes CO2e. This included 3 Slipstream™ systems at a gas plant and a compressor station. These systems | Cost is integrated into our current cost structure. |

| Opportunity driver                                    | Description  | Potential impact  | Timeframe    | Direct/Indirect | Likelihood        | Magnitude of impact | Estimated financial implications                   | Management method   | Cost of management  |
|---|--|---|--------------|-----------------|-------------------|---------------------|--|---|---|
|   |  |   |              |                 |                   |                     |  | include piping and control modifications that allow us to capture gas that is normally vented to atmosphere, and use this gas as fuel in on-site engines. This results in significant GHG reductions as well as reductions in other pollutants. |   |
| General environmental regulations, including planning | General environmental regulations may incentivize accelerated development of energy efficiency technology that could be applied to our facilities or products. | Other: Reduced operating costs, New product/business services | 1 to 3 years | Direct          | Likely            | Low-medium          | This would depend on the regulations put in place. | We monitor the development of regulations and technologies as a company and through membership in trade associations.   | Cost of monitoring is integrated into our current cost structure. |
| Product efficiency                                    | Research and development   | New products/business   | Up to 1 year | Direct          | Virtually certain | Low-medium          | R & D opportunities                                | Our technology  | Cost is variable  |



| Opportunity driver        | Description   | Potential impact   | Timeframe    | Direct/Indirect | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management   |
|---------------------------|---|--|--------------|-----------------|------------------------|---------------------|---|--|--|
| regulations and standards | opportunities may lead to lower carbon intensity products.  | services   |              |                 |                        |                     | would depend on the specific size, scale and commercial viability of the opportunity.   | organization is responsible for monitoring new technologies.   | depending on the scale and availability of opportunities.  |
| International agreements  | International agreements such as the Kyoto and Durban Protocol have the potential to establish a global carbon market.                            | Other: Revenue from emissions trading                            | >6 years     | Direct          | About as likely as not | Low-medium          | We would expect trading profits to be variable. Over the long term we would not expect continuously be able to exceed market returns.             | We have established trading groups, policies and procedures in each major carbon market and can transfer and leverage this expertise in new markets as they are established. | There would be some relatively minor capital outlay in establishing the necessary hardware and software for trading. |
| Cap and trade schemes     | Individual government climate change regulations such as the EU ETS and Australian Clean Energy Legislation establish regional carbon markets and | Other: Reduced operational costs, Revenue from emissions trading | Up to 1 year | Direct          | Virtually certain      | Low-medium          | Where we operate in jurisdictions which have a cap and trade program we find that most energy efficiency projects are made economic by the carbon | Our operations groups look for energy efficiency projects and submit these for consideration during the Long Range Planning process.   | Cost of finding energy efficiency projects is integrated into our current cost structure.                            |

| Opportunity driver | Description                                  | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method | Cost of management |
|--------------------|--|------------------|-----------|-----------------|------------|---------------------|---|-------------------|--------------------|
|                    | incentivize some energy efficiency projects. |                  |           |                 |            |                     | price, however, cap and trade prices are variable and could result in some exposure to falling carbon prices. |                   |                    |

CC6.1b

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

| Opportunity driver                            | Description   | Potential impact          | Timeframe | Direct/Indirect         | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management   |
|---|---|---------------------------|-----------|-------------------------|------------------------|---------------------|---|--|--|
| Change in precipitation extremes and droughts | Development of technologies to mitigate the effects of precipitation extremes including technologies which reduce water use and increase recycle rates. | Reduced operational costs | >6 years  | Indirect (Supply chain) | About as likely as not | Low                 | Financial implications would depend upon the location and severity of the precipitation extremes. | We manage water risks through our Water Action Plan. This covers our footprint, operations and projects, risks and opportunities and external engagement ensuring that our response to risks and opportunities | Cost is variable depending on the scale and availability of opportunities. |

| Opportunity driver                   | Description  | Potential impact                                | Timeframe | Direct/ Indirect        | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method  | Cost of management   |
|--------------------------------------|--|---|-----------|-------------------------|------------------------|---------------------|---|--|--|
|                                      |  |   |           |                         |                        |                     |   | are appropriately funded and timed. Our Technology group monitors technology developments. |  |
| Other physical climate opportunities | Development of technologies to mitigate the effects of physical changes such as tropical cyclones or sea level rise. Increased use of natural gas and alternative energy to reduce the carbon intensity of energy. | Increased demand for existing products/services | >6 years  | Indirect (Supply chain) | About as likely as not | Low                 | Financial implications would depend upon the location and severity of the physical climate changes. | Our Technology group monitors technology developments.                                     | Cost is variable depending on the scale and availability of opportunities. |

**CC6.1c**

Please describe your inherent opportunities that are driven by changes in other climate-related developments

| Opportunity driver | Description      | Potential impact              | Timeframe    | Direct/ Indirect | Likelihood  | Magnitude of impact | Estimated financial implications | Management method                 | Cost of management      |
|--------------------|------------------|-------------------------------|--------------|------------------|-------------|---------------------|----------------------------------|-----------------------------------|-------------------------|
| Reputation         | Successfully and | Increased stock price (market | Up to 1 year | Direct           | Very likely | Medium              | We are committed to safe and     | Our reputation is managed through | The cost of stakeholder |

| Opportunity driver         | Description   | Potential impact                                | Timeframe | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management  |
|----------------------------|---|---|-----------|------------------|------------------------|---------------------|---|---|---|
|                            | responsibly dealing with climate change issues can promote a positive reputation for the company and increased demand for its products. | valuation)                                      |           |                  |                        |                     | responsible operations around the globe. Sustainability-related reputation is important to ConocoPhillips. This reputation influences our access to resources/license to operate, hiring and retention of employees, stakeholder opinions and our stock price. While it is not possible to quantify this value, we recognize the importance of a good reputation. | our Stakeholder Engagement Action Plan and other plans and actions. Our major businesses have engagement strategies which vary according to the nature of the local community. In dispersed communities, we identify key stakeholders and engage with them face-to-face to ensure that our activities are understood and that we gain actionable feedback. In regions where there are opportunities to bring local stakeholders together, we work with multi-stakeholder groups in a similar way. | engagement is built into current work processes and our operating cost structure. |
| Changing consumer behavior | Shift in consumer preference towards  | Increased demand for existing products/services | >6 years  | Direct           | About as likely as not | Medium              | Financial implications will depend on the timing, location and  | ConocoPhillips carefully monitors both changes in patterns of   | Cost is variable depending on the scale and                                       |

| Opportunity driver | Description                                  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications  | Management method   | Cost of management             |
|--------------------|--|------------------|-----------|------------------|------------|---------------------|---|---|--------------------------------|
|                    | lower carbon and alternative energy options. |                  |           |                  |            |                     | scale of changes in consumer preferences dependent on regulation, legislation and cost. | demand and advances in technology that could either make lower carbon and alternative energy options more preferable, or if cheaper mitigation solutions were developed, redundant. | availability of opportunities. |

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CC6.1d

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

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CC6.1e

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

---

**CC6.1f**

Please explain why you do not consider your company to be exposed to inherent 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

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**Further Information**

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

**Page: CC7. Emissions Methodology**

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**CC7.1**

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

| <b>Scope</b>             | <b>Base year</b>                  | <b>Base year emissions (metric tonnes CO2e)</b> |
|--------------------------|-----------------------------------|---|
| Scope 1                  | Tue 01 Jan 2013 - Tue 31 Dec 2013 | 25928475  |
| Scope 2 (location-based) | Tue 01 Jan 2013 - Tue 31 Dec 2013 | 1625189   |
| Scope 2 (market-based)   | Fri 12 May 2017 - Fri 12 May 2017 |   |

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**CC7.2**

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

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

Other

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**CC7.2a**

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

EPA GHG Reporting Program

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**CC7.3**

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

| Gas | Reference                                      |
|-----|--|
| CO2 | IPCC Fourth Assessment Report (AR4 - 100 year) |
| CH4 | IPCC Fourth Assessment Report (AR4 - 100 year) |
| N2O | IPCC Fourth Assessment Report (AR4 - 100 year) |

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**CC7.4**

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

| Fuel/Material/Energy  | Emission Factor | Unit                      | Reference  |
|---|-----------------|---------------------------|--|
| Other: Spreadsheet of typical emission factors used for Scope 1 emissions reporting |                 | metric tonnes CO2e per m3 | See attached spreadsheet for list of typical emissions factors broken down by GHG type, i.e. CO2, CH4 and N2O. |

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#### Further Information

#### Attachments

[https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/CDP Question CC7.4 Emission Factors.xlsx](https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/CDP%20Question%20CC7.4%20Emission%20Factors.xlsx)

**Page: CC8. Emissions Data - (1 Jan 2016 - 31 Dec 2016)**

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#### CC8.1

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

Operational control

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#### CC8.2

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



25309218

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**CC8.3**

**Please describe your approach to reporting Scope 2 emissions**

| Scope 2, location-based                           | Scope 2, market-based  | Comment  |
|---|--|--|
| We are reporting a Scope 2, location-based figure | We have operations where we are able to access electricity supplier emissions factors or residual emissions factors, but are unable to report a Scope 2, market-based figure | Our business units obtain factors from steam or electricity providers when possible. If these are not available, they use factors based on location. We do not have aggregate data for all market-based figures. |

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**CC8.3a**

**Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e**

| Scope 2, location-based | Scope 2, market-based (if applicable) | Comment |
|-------------------------|---------------------------------------|---------|
| 1489410                 | 0                                     |         |

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**CC8.4**

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

No

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

| Source | Relevance of Scope 1 emissions from this source | Relevance of location-based Scope 2 emissions from this source | Relevance of market-based Scope 2 emissions from this source (if applicable) | Explain why the source is excluded |
|--------|---|--|--|------------------------------------|
|        |   |  |  |                                    |

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions 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   |
|--------------------------|---|-----------------------------|---|
| Scope 1                  | More than 10% but less than or equal to 20% | Assumptions                 | The stated uncertainty range is an estimate. Reported Scope 1 emissions estimates are dependent on published government and industry emission factors.  |
| Scope 2 (location-based) | More than 10% but less than or equal to 20% | Assumptions                 | The stated uncertainty range is an estimate. Reported Scope 2 emissions estimates are based on assumptions of the energy source mix used by various electric utility providers, e.g. wind, natural gas, nuclear, coal, etc. |
| Scope 2 (market-based)   |   |                             |   |

CC8.6

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

Third party verification or assurance process in place

**CC8.6a**

**Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements**

| Verification or assurance cycle in place | Status in the current reporting year  | Type of verification or assurance           | Attach the statement  | Page/section reference  | Relevant standard | Proportion of reported Scope 1 emissions verified (%) |
|--|---|---|---|---|-------------------|---|
| Triennial process                        | Underway but not complete for reporting year – previous statement of process attached | Third party verification/assurance underway | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/erm_cvs_independent_assurance_statement_2014.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/erm_cvs_independent_assurance_statement_2014.pdf</a> | Page 1. ConocoPhillips is in the process of independent external assurance for 2016 data with ERM CVS, which will be completed in August 2017. This is in line with our triennial | ISO14064-3        | 100   |

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/section reference  | Relevant standard                                | Proportion of reported Scope 1 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|---|---|--|---|
|  |                                      |                                   |   | process which was last completed in 2014. The assurance will include all Scope 1 emissions. Attached is the previous assurance statement issued by ERM CVS. |  |   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/conocophillips_surmont_rpt_ab_sger_vr_20170324_inclAppA_B.PDF">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/conocophillips_surmont_rpt_ab_sger_vr_20170324_inclAppA_B.PDF</a> | Canada regulatory reporting - Surmont verification reports attached. Statement on last page. Some proprietary findings have been                            | Alberta Specified Gas Emitters Regulation (SGER) | 8   |

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/section reference   | Relevant standard                                | Proportion of reported Scope 1 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|---|--|--|---|
|  |                                      |                                   |   | redacted.  |  |   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/conocophillips_elmworth_rpt_ab_sger_vr_inclAppA_B_20170324.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/conocophillips_elmworth_rpt_ab_sger_vr_inclAppA_B_20170324.pdf</a> | Canada regulatory reporting - Elmworth Gas Plant verification reports attached. Statement on last page | Alberta Specified Gas Emitters Regulation (SGER) | 1   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/COPSAS_EU-ETS_2016_verification-report_TRW_Final.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/COPSAS_EU-ETS_2016_verification-report_TRW_Final.pdf</a>                     | EU-ETS regulatory reporting - Norway database report attached  | European Union Emissions Trading System (EU ETS) | 4   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/BRITANNIA-5008569-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/BRITANNIA-5008569-2016.pdf</a>   | EU-ETS regulatory reporting - UK database report attached  | European Union Emissions Trading System (EU ETS) | 1   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/JUDY-5008451-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/JUDY-5008451-2016.pdf</a>   | EU-ETS regulatory reporting -  | European Union Emissio                           | 1   |

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/section reference  | Relevant standard                                | Proportion of reported Scope 1 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|---|---|--|---|
|  |                                      |                                   |   | UK database report attached                                     | ns Trading System (EU ETS)                       |   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/LOGGS-5007106-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/LOGGS-5007106-2016.pdf</a>       | EU-ETS regulatory reporting - UK database report attached       | European Union Emissions Trading System (EU ETS) | 1   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/MURDOCH-5007109-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/MURDOCH-5007109-2016.pdf</a>   | EU-ETS regulatory reporting - UK database report attached       | European Union Emissions Trading System (EU ETS) | 1   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/TEESSIDE-5008452-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/TEESSIDE-5008452-2016.pdf</a> | EU-ETS regulatory reporting - Teesside database report attached | European Union Emissions Trading System (EU ETS) | 1   |
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/THED-5007117-2016.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/THED-5007117-2016.pdf</a>         | EU-ETS regulatory   | European Union                                   | 1   |

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/section reference   | Relevant standard                 | Proportion of reported Scope 1 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|---|--|-----------------------------------|---|
|  |                                      |                                   |   | reporting - Theddletope database report attached   | Emissions Trading System (EU ETS) |   |
| Annual process                           | Complete                             | Limited assurance                 | <a href="https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/CC8.6a/EPA_ghgrp_verification_factsheet.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.6a/EPA_ghgrp_verification_factsheet.pdf</a> | All reports to the EPA are certified by the company when they are submitted. The EPA review follows and then the EPA finalizes the reports in August-September before releasing them publicly. | Other: USEPA eGGRT Reporting      | 43  |

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

| Regulation | % of emissions covered by the system | Compliance period | Evidence of submission |
|------------|--------------------------------------|-------------------|------------------------|
|------------|--------------------------------------|-------------------|------------------------|

### CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

### CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

| Location-based or market-based figure? | Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance           | Attach the statement  | Page/Section reference                      | Relevant standard | Proportion of reported Scope 2 emissions verified (%) |
|--|--|--------------------------------------|---|---|---|-------------------|---|
| Location-based                         | Triennial process                        | Underway but not complete            | Third party verification/assurance underway | <a href="https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.7a/erm_cvs_independent_assurance_statement_2014.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC8.7a/erm_cvs_independent_assurance_statement_2014.pdf</a> | Page 1. ConocoPhillips is in the process of | ISO14064-3        | 100   |



| Location-based or market-based figure? | Verification or assurance cycle in place | Status in the current reporting year                          | Type of verification or assurance | Attach the statement | Page/Section reference  | Relevant standard | Proportion of reported Scope 2 emissions verified (%) |
|--|--|---|-----------------------------------|----------------------|---|-------------------|---|
|  |  | e for reporting year – previous statement of process attached |                                   |                      | independent external assurance for 2016 data with ERM CVS, which will be completed in August 2017. This is in line with our triennial process which was last completed in 2014. The assurance will include all Scope 2 emissions. Attached is the previous assurance statement issued by ERM CVS. |                   |   |

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**CC8.8**

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

| Additional data points verified             | Comment  |
|---|--|
| Progress against emissions reduction target | As part of the Alberta SGER regulation, Surmont Oil Sands and Elmworth Gas Plant emissions intensities are compared against regulatory targets.  |
| Year on year change in emissions (Scope 1)  | As part of annual verification processes, various regulatory databases compile annual absolute emission such that differences between years are verified and transparent, including EU-ETS and US EPA eGGRT databases. |

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**CC8.9**

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

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**CC8.9a**

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

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**Further Information**

Page: **CC9. Scope 1 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)**

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**CC9.1**

**Do you have Scope 1 emissions sources in more than one country?**

Yes

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**CC9.1a**

**Please break down your total gross global Scope 1 emissions by country/region**

| Country/Region           | Scope 1 metric tonnes CO2e |
|--------------------------|----------------------------|
| United States of America | 10894270                   |
| Canada                   | 4450259                    |
| Europe                   | 2247896                    |
| Australia                | 3937337                    |
| Rest of world            | 3779457                    |

---

**CC9.2**

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

By business division  
By GHG type

---

**CC9.2a**

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

| Business division        | Scope 1 emissions (metric tonnes CO2e) |
|--------------------------|--|
| Exploration & Production | 20454013                               |
| Gas Processing           | 4226272                                |
| Other                    | 628933                                 |

---

**CC9.2b**

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

| Facility | Scope 1 emissions (metric tonnes CO2e) | Latitude | Longitude |
|----------|--|----------|-----------|
|----------|--|----------|-----------|

---

**CC9.2c**

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

| GHG type | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
| CO2      | 19947358                               |
| CH4      | 5293022                                |
| N2O      | 68838                                  |

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**CC9.2d**

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

| Activity | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

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**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)**

---

**CC10.1**

**Do you have Scope 2 emissions sources in more than one country?**

Yes

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**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

| Country/Region   | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh) |
|------------------|--|--|--|--|
| United States of | 847539                                       |  | 990766   |  |

| Country/Region | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh) |
|----------------|--|--|--|--|
| America        |  |  |  |  |
| Canada         | 600194                                       |  | 731944   |  |
| Europe         | 41328  |  | 89280  |  |
| Australia      | 349  |  | 521  |  |
| Rest of world  | 0  |  | 0  |  |

#### CC10.2

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

By business division

#### CC10.2a

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

| Business division        | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) |
|--------------------------|--|--|
| Exploration & Production | 1292462                                      |  |
| Gas Processing           | 160169                                       |  |
| Other                    | 36779  |  |

---

**CC10.2b**

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

| Facility | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) |
|----------|--|--|
|----------|--|--|

---

**CC10.2c**

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

| Activity | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) |
|----------|--|--|
|----------|--|--|

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**Further Information**

**Page: CC11. Energy**

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**CC11.1**

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

More than 0% but less than or equal to 5%

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**CC11.2**

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

| Energy type | MWh |
|-------------|-----|
| Heat        | 0   |
| Steam       | 0   |
| Cooling     | 0   |

---

**CC11.3**

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

65001757

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**CC11.3a**

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

| Fuels                       | MWh      |
|-----------------------------|----------|
| Natural gas                 | 60788578 |
| Jet kerosene                | 143570   |
| Diesel/Gas oil              | 870210   |
| Other: Gasoline/Distillates | 3199399  |



**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

| Basis for applying a low carbon emission factor | MWh consumed associated with low carbon electricity, heat, steam or cooling | Emissions factor (in units of metric tonnes CO2e per MWh) | Comment   |
|---|---|---|---|
| Other   |   |   | Country-specific renewable shares as reported in literature |

**CC11.5**

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

| Total electricity consumed (MWh) | Consumed electricity that is purchased (MWh) | Total electricity produced (MWh) | Total renewable electricity produced (MWh) | Consumed renewable electricity that is produced by company (MWh) | Comment  |
|----------------------------------|--|----------------------------------|--|--|--|
| 66814267                         | 1812510                                      | 65001757                         |  |  | Total Electricity Produced represents total combustion energy generated (electricity, steam, heat, mechanical power). Solar energy produced on-site is not tracked and reported. |

**Further Information**

**CC12.1**

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

Increased

**CC12.1a**

**Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year**

| Reason                                  | Emissions value (percentage) | Direction of change | Please explain and include calculation   |
|---|------------------------------|---------------------|--|
| Emissions reduction activities          | 0.4                          | Decrease            | This value is the decrease from "business as usual" emissions and is not additive with other line items versus prior year aggregate emissions. $(26.8 \text{ MM Te CO}_2\text{e Actual Emissions less } 26.914 \text{ MM Te CO}_2\text{e Business as Usual Emissions}) / 26.914 \text{ MM Te CO}_2\text{e Business as Usual Emissions} = 0.4\%$ decrease |
| Divestment                              | 7.7                          | Decrease            | $(24.1 \text{ MM Te CO}_2\text{e} - 26.1 \text{ MM Te CO}_2\text{e}) / 26.1 \text{ MM Te CO}_2\text{e}$ . Due to divestment/discontinued operations in Lower 48, Indonesia, UK, Norway, Alaska, and Canada in 2016.  |
| Acquisitions                            |                              |                     |  |
| Mergers                                 |                              |                     |  |
| Change in output                        | 13.4                         | Increase            | $(29.6 \text{ MM Te CO}_2\text{e} - 26.1 \text{ MM Te CO}_2\text{e}) / 26.1 \text{ MM Te CO}_2\text{e}$ . Due to change in production mix in 2016 including APLNG start-up, Surmont 2 ramp up, and discontinuation of CO2 sales.   |
| Change in methodology                   | 3.1                          | Decrease            | $(25.3 \text{ MM Te CO}_2\text{e} - 26.1 \text{ MM Te CO}_2\text{e}) / 26.1 \text{ MM Te CO}_2\text{e}$ . Due to change in methodology for Lower 48 to align with regulatory reporting practices prescribed by Subpart W and OOOO.   |
| Change in boundary                      |                              |                     |  |
| Change in physical operating conditions |                              |                     |  |
| Unidentified                            |                              |                     |  |
| Other                                   |                              |                     |  |

**CC12.1b**

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

**CC12.2**

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure = | Metric numerator (Gross global combined Scope 1 and 2 emissions) | Metric denominator: Unit total revenue | Scope 2 figure used | % change from previous year | Direction of change from previous year | Reason for change  |
|--------------------|--|--|---------------------|-----------------------------|--|--|
| 0.0011             | metric tonnes CO2e   | 24360000000                            |                     | 32                          | Increase                               | Decrease in "Total revenue and other income" per Annual Report. Drastic changes in commodity price will have a significant effect on this metric. Note that the emissions numerator of the intensity calculation is based on gross operated emissions while the denominator is based on net equity reported revenue. |

**CC12.3**

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

| Intensity figure = | Metric numerator (Gross global combined Scope 1 and 2 emissions) | Metric denominator             | Metric denominator: Unit total | Scope 2 figure used | % change from previous year | Direction of change from previous year | Reason for change                                  |
|--------------------|--|--------------------------------|--------------------------------|---------------------|-----------------------------|--|--|
| 0.039392           | metric tonnes CO2e   | barrel of oil equivalent (BOE) | 680000000                      | Location-based      | 4                           | Increase                               | Changes in production mix and decreased production |

#### Further Information

Page: **CC13. Emissions Trading**

#### CC13.1

Do you participate in any emissions trading schemes?

Yes

#### CC13.1a

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 | Fri 01 Apr 2016 - Fri 31 Mar 2017 | 1734342              | 323000               | 2059023                                  | Other: Facilities operated by COP in Europe (i.e. UK, Norway) |

**CC13.1b**

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

For the facilities we operate, our strategy is to invest in on-site energy efficiency projects to directly reduce GHG emissions, thereby reducing our long-term compliance costs (either by generating emission performance credits or simply a reduction in our direct obligation). We meet any remaining liability through the most efficient means available under the local Emissions Trading Scheme, whether this be through freely issued allowances, the purchase or origination of domestic or international project-based offsets or locally issued government credits.

**CC13.2**

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

Yes

**CC13.2a**

**Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period**

| Credit origination or credit purchase | Project type           | Project identification  | Verified to which standard   | Number of credits (metric tonnes CO2e) | Number of credits (metric tonnes CO2e): Risk adjusted volume | Credits canceled | Purpose, e.g. compliance |
|---------------------------------------|------------------------|---|--|--|--|------------------|--------------------------|
| Credit origination                    | Other: Savanna burning | West Arnhem Land Fire Abatement (WALFA) Project EOP100945 - See Further Information | Other: Carbon Credits (Carbon Farming Initiative – Emissions Abatement Through Savanna Fire Management) Methodology Determination 2015 - See Further Information | 281313                                 |  |                  | Voluntary Offsetting     |

## Further Information

Verification methodology: <https://www.legislation.gov.au/Details/F2015L00344>. ConocoPhillips supports the program and partners with Northern Land Council, North Australian Indigenous Land and Sea Management Alliance, Charles Darwin University and the Northern Territory Government.

## Page: CC14. Scope 3 Emissions

### CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

| Sources of Scope 3 emissions       | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|------------------------------------|------------------------------------|--------------------|-----------------------------------|---|---|
| Purchased goods and services       | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Capital goods                      | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Fuel-and-energy-related activities | Not relevant, explanation          |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material   |

| Sources of Scope 3 emissions             | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology  | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|--|------------------------------------|--------------------|--|---|---|
| (not included in Scope 1 or 2)           | provided                           |                    |  |   | sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions.   |
| Upstream transportation and distribution | Relevant, calculated               | 1598328            | This emission estimate is based on equity production rates publicly reported in company financial statements and literature-based assumptions on product (i.e. oil, bitumen, NGLs and natural gas) transportation emissions. | 40.00%  | Based on GHG Protocol, this category includes emissions associate with product (crude oil, bitumen, NGLs and natural gas) transportation which are purchased directly by the company.   |
| Waste generated in operations            | Not relevant, explanation provided |                    |  |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Business travel                          | Not relevant, explanation provided |                    |  |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Employee commuting                       | Not relevant, explanation provided |                    |  |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it   |

| Sources of Scope 3 emissions               | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology   | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|--|------------------------------------|--------------------|---|---|---|
|  |                                    |                    |   |   | represents less than 0.5% of its total Scope 3 emissions.   |
| Upstream leased assets                     | Not relevant, explanation provided |                    |   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions.   |
| Downstream transportation and distribution | Relevant, calculated               | 6104536            | This emission estimate is based on equity production rates publicly reported in company financial statements and literature-based assumptions on product (i.e. oil, bitumen, NGLs and natural gas) transportation emissions.      | 40.00%  | Based on GHG Protocol, this category includes emissions associate with product (crude oil, bitumen, NGLs and natural gas) transportation which are purchased by third parties.  |
| Processing of sold products                | Relevant, calculated               | 22139526           | This emission estimate is based on equity production rates publicly reported in company financial statements and literature-based assumptions on product (i.e. oil, bitumen, NGLs and natural gas) processing emissions.          | 40.00%  | Based on GHG Protocol, this category includes (1) refining of all oil sands and conventional crude to petroleum products, (2) processing of some NGL's into consumer products, (3) processing of naphtha-range liquids (from refined crude oil) into consumer products, (4) processing of some natural gas production into petrochemicals and (5) regasification of LNG to natural gas. |
| Use of sold products                       | Relevant, calculated               | 193974280          | This emission estimate is based on equity production rates publicly reported in company financial statements and literature-based assumptions of product (i.e. oil, bitumen, NGLs and natural gas) yields and combustion emission | 80.00%  | Based on GHG Protocol, this category includes (1) combustion of all fuel products, including still gas, gasoline, kerosene, diesel, resin and coke, (2) combustion of some natural gas liquids for heating and mechanical work and (3) combustion of most natural gas for electricity production, industrial and residential heating.   |



| Sources of Scope 3 emissions           | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|--|------------------------------------|--------------------|-----------------------------------|---|---|
|  |                                    |                    | factors.                          |   |   |
| End of life treatment of sold products | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Downstream leased assets               | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Franchises                             | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Investments                            | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |
| Other (upstream)                       | Not relevant, explanation          |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material   |

| Sources of Scope 3 emissions | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|------------------------------|------------------------------------|--------------------|-----------------------------------|---|---|
|                              | provided                           |                    |                                   |   | sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions.   |
| Other (downstream)           | Not relevant, explanation provided |                    |                                   |   | Based on review of industry LCA literature in 2013 and industry collaboration to determine material sources of Scope 3 emissions in 2014, ConocoPhillips believes this category is not material (not relevant) because of its size - i.e. we believe it represents less than 0.5% of its total Scope 3 emissions. |

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#### CC14.2

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

Third party verification or assurance process in place

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#### CC14.2a

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

| Verification or assurance cycle in place | Status in the current reporting year  | Type of verification or assurance           | Attach the statement  | Page/Section reference  | Relevant standard | Proportion of reported Scope 3 emissions verified (%) |
|--|---|---|---|---|-------------------|---|
| Triennial process                        | Underway but not complete for reporting year – previous statement of process attached | Third party verification/assurance underway | <a href="https://www.cdp.net/sites/2017/51/3751/Climate%20Change%202017/Shared%20Documents/Attachments/CC14.2a/erm_cvs_independent_assurance_statement_2014.pdf">https://www.cdp.net/sites/2017/51/3751/Climate Change 2017/Shared Documents/Attachments/CC14.2a/erm_cvs_independent_assurance_statement_2014.pdf</a> | Page 1. ConocoPhillips is in the process of independent external assurance for 2016 data with ERM CVS, which will be completed in August 2017. This is in line with our triennial process which was last completed in 2014. The assurance will include all Scope 3 emissions calculated above. Attached is the previous assurance statement issued by | ISO14064-3        | 100   |

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement | Page/Section reference | Relevant standard | Proportion of reported Scope 3 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|----------------------|------------------------|-------------------|---|
|  |                                      |                                   |                      | ERM CVS.               |                   |   |

**CC14.3**

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

**CC14.3a**

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

| Sources of Scope 3 emissions               | Reason for change | Emissions value (percentage) | Direction of change | Comment   |
|--|-------------------|------------------------------|---------------------|---|
| Upstream transportation & distribution     | Change in output  | 0.9                          | Decrease            | Consistent with production decreases  |
| Downstream transportation and distribution | Change in output  | 0.8                          | Increase            | Consistent with production decreases, but significant increases in LNG shipment leads to a slight increase in overall value                                   |
| Processing of sold products                | Change in output  | 2.9                          | Increase            | Consistent with production decreases, but significant increases in LNG processing (regasification to natural gas) leads to a slight increase in overall value |

| Sources of Scope 3 emissions | Reason for change | Emissions value (percentage) | Direction of change | Comment                              |
|------------------------------|-------------------|------------------------------|---------------------|--------------------------------------|
| Use of sold products         | Change in output  | 0.4                          | Decrease            | Consistent with production decreases |

#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

Suppliers:

ConocoPhillips engages with suppliers on the environmental and social aspects of their operations and their supply chains through our procurement processes. Through these efforts, we communicate our expectations and priorities related to issues including energy use, GHG management, and environmental supply chain risks, as well as identify opportunities for improvement and collaboration with our suppliers. We engage with our suppliers on these issues during each step of the procurement process from supplier pre-qualification through supplier performance evaluation as outlined below:

- Supplier Pre-Qualification: The pre-qualification questionnaire addresses several social and environmental issues, including a section on carbon management. The carbon management section requests information on if the supplier has a carbon management policy; how the supplier measures its carbon footprint; as well as external audit, verification and reporting of the supplier's carbon footprint. The questionnaire also requests the supplier's most recent GHG emissions report.
- Supplier Bids: Our templates for Requests for Information and Requests for Proposals include specific sustainability questions on environmental and social performance. Depending on the bid's scope of services or equipment, GHG emissions-related questions may address energy efficiency in manufacturing processes and/or service provision; use of alternative fuels in vehicles or rigs; air emissions reduction efforts; and reduction of truck trips, among others.
- Supplier Performance Evaluation: We integrate social and environmental elements into our contractor management process with the inclusion of questions on health, safety & environment; ethics; labor & human rights; carbon management; local content; and supplier diversity. The carbon management question requests documentation on how the supplier is tracking energy use or greenhouse gas emissions, as well as how the supplier is monitoring the environmental performance of its own suppliers. We track this performance through Supplier KPIs.
- Supplier Sustainability Forum: We regularly host a full day meeting bringing together representatives from our key suppliers to share leading sustainability

practices, address challenges, and share opportunities. The most recent forum brought representatives from 22 suppliers to hear and give presentations on four themes, including innovation, process optimization, sustainable design, and supply chain sustainability.

**Customers:**

We engage customers through membership in several trade associations that address climate change through working groups and task forces. For example, IPIECA includes businesses downstream of ConocoPhillips as well as suppliers. Additionally, we receive Sustainable Development questionnaires from some of our customers, such as electricity providers, and have supplied several responses. We prioritize these engagements through the Corporate Sustainable Development team. Governments are part of many steps along our value chain, including as customers. We engage governments through advocacy, policy development, regulatory compliance, regional development, collaboration on community investment projects, town halls, and multi-stakeholder initiatives. We measure success through the effectiveness of agreements and policy.

**Other:**

The communities we work in are also part of almost every step of our value chain, and we engage them through processes in our Community Engagement Management System (<http://www.conocophillips.com/sustainable-development/people-society/engaging-stakeholders/Pages/engaging-with-communities.aspx>). We prioritize and track progress through the Stakeholder Engagement Action Plan. We also engage externally through sponsorship of MIT's Joint Program on the Science and Policy of Global Change; constructively engaging in the development of climate change legislation and regulation. This relates to our value chain in everything from drilling to production to sales.

**CC14.4b**

**To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent**

| Type of engagement | Number of suppliers | % of total spend (direct and indirect) | Impact of engagement  |
|--------------------|---------------------|--|---|
| Active engagement  | 27                  | 24%                                    | Suppliers that have active contract management. The information we have received on our suppliers' GHG emissions and/or climate change management efforts has been used to understand our suppliers' strengths and weaknesses which helps us understand the risks within our supply chain and industry as a whole. We are able to discuss and identify areas for emissions improvement and reduction that align with our own emissions reduction efforts. |

**CC14.4c**

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

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**Further Information**

**Module: Sign Off**

**Page: CC15. Sign Off**

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**CC15.1**

**Please provide the following information for the person that has signed off (approved) your CDP climate change response**

| Name            | Job title                        | Corresponding job category         |
|-----------------|----------------------------------|------------------------------------|
| Sabrina Watkins | Manager, Sustainable Development | Environment/Sustainability manager |

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**Further Information**

**Module: Oil & Gas**

**Page: OG0. Reference information**

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**OG0.1**

**Please identify the significant petroleum industry components of your business within your reporting boundary (select all that apply)**

Exploration, production & gas processing  
Storage, transportation & distribution

---

**Further Information**

**Page: OG1. Production, reserves and sales by hydrocarbon type - (1 Jan 2016 - 31 Dec 2016)**

---

**OG1.1**

**Is your organization involved with oil & gas production or reserves?**

Yes

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**OG1.2**

**Please provide values for annual gross and net production by hydrocarbon type (in units of BOE) for the reporting year in the following table. The values required are aggregate values for the reporting organization**

| <b>Product</b>   | <b>Gross production (BOE)</b> | <b>Net production (BOE)</b> | <b>Production consolidation boundary</b> | <b>Comment</b> |
|--|-------------------------------|-----------------------------|--|----------------|
| Conventional non-associated natural gas<br>Associated natural gas<br>Coalbed methane<br>Shale gas<br>Tight gas | 278631680                     | 234634167                   | Operational control and equity share     |                |
| Light oil<br>Medium oil<br>Shale oil<br>Tight oil  | 259198980                     | 218270000                   | Operational control and equity share     |                |
| Natural gas condensate<br>Natural gas liquids (NGL)  | 62849251                      | 52925000                    | Operational control and equity share     |                |
| Bitumen (oil sands)  | 79320089                      | 66795000                    | Operational control and equity share     |                |



OG1.3

Please provide values for reserves by hydrocarbon type (in units of BOE) for the reporting year. Please indicate if the figures are for reserves that are proved, probable or both proved and probable. The values required are aggregate values for the reporting organization

| Product   | Country/region | Reserves (BOE) | Date of assessment | Proved/Probable/Proved+Probable |
|---|----------------|----------------|--------------------|---------------------------------|
| Conventional non-associated natural gas<br>Coalbed methane<br>Shale gas<br>Tight gas              | North America  | 1309000000     | Sat 31 Dec 2016    | Proved                          |
| Light oil<br>Medium oil<br>Shale oil<br>Tight oil   | North America  | 1356000000     | Sat 31 Dec 2016    | Proved                          |
| Natural gas condensate<br>Natural gas liquids (NGL)   | North America  | 433000000      | Sat 31 Dec 2016    | Proved                          |
| Bitumen (oil sands)   | North America  | 1248000000     | Sat 31 Dec 2016    | Proved                          |
| Conventional non-associated natural gas<br>Natural gas condensate<br>Coalbed methane<br>Shale gas | Rest of world  | 1229000000     | Sat 31 Dec 2016    | Proved                          |
| Light oil<br>Medium oil<br>Shale oil<br>Tight oil   | Rest of world  | 779000000      | Sat 31 Dec 2016    | Proved                          |
| Natural gas condensate<br>Natural gas liquids (NGL)   | Rest of world  | 71000000       | Sat 31 Dec 2016    | Proved                          |

| Product | Country/region | Reserves (BOE) | Date of assessment | Proved/Probable/Proved+Probable |
|---------|----------------|----------------|--------------------|---------------------------------|
|         |                |                |                    |                                 |

#### OG1.4

**Please explain which listing requirements or other methodologies you have used to provide reserves data in OG1.3. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this**

The recording and reporting of proved reserves are governed by criteria established by regulations of the SEC and FASB. We have a companywide, comprehensive internal policy that governs the determination and reporting of proved reserves.

#### OG1.5

**Please provide values for annual sales of hydrocarbon types (in units of BOE) for the reporting year in the following table. The values required are aggregate values for the reporting organization**

| Product  | Sales (BOE) | Comment |
|--|-------------|---------|
| Conventional non-associated natural gas<br>Associated natural gas<br>Coalbed methane<br>Shale gas<br>Tight gas | 234634167   |         |
| Light oil<br>Medium oil<br>Shale oil<br>Tight oil  | 218270000   |         |
| Natural gas condensate<br>Natural gas liquids (NGL)  | 52925000    |         |

| Product             | Sales (BOE) | Comment |
|---------------------|-------------|---------|
| Bitumen (oil sands) | 66795000    |         |

#### OG1.6

**Please provide the average breakeven cost of current production used in estimation of proven reserves**

| Hydrocarbon/project  | Breakeven cost/BOE | Comment                                  |
|--|--------------------|--|
| Average Production Costs Per BOE - Total Consolidated Continuing Operations. This Includes U.S. and international operations related to the production of crude oil, bitumen, natural gas and natural gas liquids. | 11.54              | Refer to page 161 of 2016 Annual Report. |

#### OG1.7

**In your economic assessment of hydrocarbon reserves, resources or assets, do you conduct scenario analysis and/or portfolio stress testing consistent with a low-carbon energy transition?**

Yes, other

#### OG1.7a

**Please describe your scenario analysis and/or portfolio stress testing, the inputs used and the implications for your capital expenditure plans and investment decisions**

We have 4 main corporate supply and demand scenarios, one of which represents a carbon constrained future. In our planning process, we don't assign probabilities to the scenarios so that we test the portfolio and improve our preparedness across a range of future potential outcomes. In addition, to evaluate the implications of different scenarios that combine alternative energy technology advancement and government actions, we developed the carbon constraint scenarios. Each of these pathways is designed to stretch our thinking about rates of new technology adoption and other factors, but to be plausible and create a cohesive story.

Three of the four scenarios achieve a pathway commensurate with the IPCC's scenario of achieving a near 50 percent chance of limiting the increase in global average temperature by 2°C (<http://www.conocophillips.com/sustainable-development/environment/climate-change/climate-change-strategy/Pages/carbon-scenarios.aspx>).

**Technology:** The scenarios cover a range of technology outcomes. One includes rapid technology development with a small carbon price introduced by governments to kick-start technology advancement. The technological progress accelerates the development and uptake of electric cars, battery storage, smart grids and renewable power, all of which reduce greenhouse gas emissions. In another, the technological transformation is so rapid that CO2 capture and storage is not required. New technology adoption could also be slower if internal security (including trade and energy security) was considered to be more urgent than emissions reduction.

**Legislation and Regulation:** Government policies can change at different rates and can manifest in different ways. Legislation could take the form of global agreements to limit GHG emissions primarily through linked carbon pricing mechanisms and assisted by technological innovations. This could drive the development of lower cost renewable power and carbon capture and storage. Governments could also respond to slower development of technology and costlier alternatives by introducing command and control measures such as renewable portfolio standards to force higher cost technologies into the mix.

**Demand Changes:** The different scenarios illustrate a range of demand implications. In a scenario with energy security concerns, there could be expansion of energy efficiency, renewables and nuclear power in countries that do not have access to domestic energy sources and the use of fossil fuels, especially coal, in those with domestic supply. In situations with a growing carbon price, incentivizing coal-to-gas fuel switching, efficiency improvement and renewables would be expected. This could also increase natural gas demand. In some cases, gas demand stays higher for longer given more rapid reductions in use of coal in power generation, and in other cases, gas demand change is more modest. Oil demand and demand reductions vary in different scenarios. In scenarios with technology breakthroughs (e.g. power storage), energy efficiency improvements and adoption of alternatives to oil and gas are more accelerated. GDP growth also varies as cost of emissions reductions and energy system changes vary.

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#### OG1.7b

Please explain why you have not conducted any scenario analysis and/or portfolio stress testing consistent with a low-carbon energy transition

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#### Further Information

**Page: OG2. Emissions by segment in the O&G value chain - (1 Jan 2016 - 31 Dec 2016)**

---

#### OG2.1

Please indicate the consolidation basis (financial control, operational control, equity share) 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                                 |

#### OG2.2

Please provide clarification for cases in which different consolidation bases have been used and 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

N/A

#### OG2.3

Please provide masses of gross Scope 1 carbon dioxide and methane emissions in units of metric tonnes CO<sub>2</sub> and CH<sub>4</sub>, respectively, for the organization's owned/controlled operations broken down by value chain segment

| Segment                                  | Gross Scope 1 carbon dioxide emissions (metric tonnes CO <sub>2</sub> ) | Gross Scope 1 methane emissions (metric tonnes CH <sub>4</sub> ) |
|--|---|--|
| Exploration, production & gas processing | 19947358  | 211721   |

#### OG2.4

Please provide masses of gross Scope 2 GHG emissions in units of metric tonnes CO<sub>2</sub>e for the organization's owned/controlled operations broken down by value chain segment

| Segment | Gross Scope 2 emissions (metric tonnes CO <sub>2</sub> e) | Comment |
|---------|---|---------|
|---------|---|---------|

| Segment                                  | Gross Scope 2 emissions (metric tonnes CO2e) | Comment |
|--|--|---------|
| Exploration, production & gas processing | 1489410                                      |         |

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**Further Information**

**Page: OG3. Scope 1 emissions by emissions category - (1 Jan 2016 - 31 Dec 2016)**

---

**OG3.1**

**Please confirm the consolidation basis (financial control, operational control, equity share) 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   |

---

**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**

N/A

---

**OG3.3**

**Please provide masses of gross Scope 1 carbon dioxide and methane emissions released into the atmosphere in units of metric tonnes CO2 and CH4, respectively, for the whole organization broken down by emissions category**

| Emissions category | Gross Scope 1 carbon dioxide emissions (metric tonnes CO2) | Gross Scope 1 methane emissions (metric tonnes CH4) |
|--------------------|--|---|
| Combustion         | 18631820   | 176108  |
| Flaring            | 1315021  | 8030  |
| Process emissions  |  |   |
| Vented emissions   | 517  | 27583   |
| Fugitive emissions |  |   |

#### OG3.4

**Please describe your organization's efforts to reduce flaring, including any flaring reduction targets set and/or its involvement in voluntary flaring reduction programs, if flaring is relevant to your operations**

In 2016, our total volume of flared gas was 23.5 BCF, a decrease of 10 percent from 2015. Although post-combustion flaring emissions represent less than 6 percent of our GHG emissions, reducing flaring continues to be a priority. The decrease is primarily related to improved pipeline availability to export gas for sales and reduced drilling and completions in North America, partly offset by startup flaring at the APLNG facility. Our rate of flaring per unit of production decreased by 9 percent to 34.5 MMCF/MMBOE.

A flare gas recovery system installed on Norway's new Eldfisk 2/7 S platform in 2015 was adjusted to operate at full capacity. The new system recovers gas for reuse and will significantly reduce flaring from the Eldfisk Complex.

In many U.S. areas, flaring is often limited by permits or regulations. For example, in the Bakken, NDIC has put limits on the total gas that can be flared. These limits become more stringent over time. Where such requirements exist, COP meets or exceeds the regulatory obligations.

An example of how ConocoPhillips is addressing flaring is the work with co-venturers in Qatargas to reduce flaring from liquefied natural gas (LNG) trains with a jetty boil-off gas (JBOG) recovery project implemented at Ras Laffan in Qatar. The JBOG recovery system is designed to minimize flaring for all six LNG berths, with a vapor recovery system that compresses gas for fuel to the fullest extent practicable. The project has reduced flaring during LNG loading by more than 90 percent and recovers approximately 700,000 tonnes per year of flared gas. It will result in a reduction of 1.6 million tonnes of carbon dioxide per year – equivalent to annual GHG emissions from 175,000 cars – and achieve savings of 29 billion standard cubic feet (BSCF) per year in flaring reduction. This is just one example of working with our joint venture partners to influence non-operated emissions reductions.

#### Further Information

**Page: OG4. Transfers & sequestration of CO2 emissions - (1 Jan 2016 - 31 Dec 2016)**

---

**OG4.1**

**Is your organization involved in the transfer or sequestration of CO2?**

No

---

**OG4.2**

Please indicate the consolidation basis (financial control, operational control, equity share) used to report transfers and sequestration of CO2 emissions

| Activity | Consolidation basis |
|----------|---------------------|
|          |                     |

---

**OG4.3**

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

---

**OG4.4**

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 OG4.6

| Transfer direction | CO2 transferred – Reporting year |
|--------------------|----------------------------------|
|                    |                                  |

---

**OG4.5**



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

---

**OG4.6**

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

---

**OG4.7**

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 stored)

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

---

**OG4.8**

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) |
|-------------------------------|----------------------------------|---|-------------------------------|--|
|                               |                                  |   |                               |  |

OG4.9

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 characterization), operational monitoring, closure monitoring, remediation for CO2 leakage, and results of third party verification

Further Information

Page: OG5. Emissions intensity - (1 Jan 2016 - 31 Dec 2016)

OG5.1

Please provide estimated emissions intensities (Scope 1 + Scope 2) associated with current production and operations

| Year ending | Segment                                  | Hydrocarbon/product   | Emissions intensity (metric tonnes CO2e per thousand BOE) | % change from previous year | Direction of change from previous year | Reason for change   |
|-------------|--|---|---|-----------------------------|--|---|
| 2016        | Exploration, production & gas processing | Conventional non-associated natural gas<br>Associated natural gas<br>Natural gas condensate<br>Natural gas liquids (NGL)<br>Coalbed methane<br>Shale gas<br>Tight gas<br>Light oil<br>Medium oil<br>Bitumen (oil sands)<br>Shale oil<br>Tight oil | 39.4  | 4                           | Increase                               | Changes in product mix in 2016. Emissions intensity represents all gross operated BOEs. Sales BOEs in question OG1.5 are net to ConocoPhillips. |

---

**OG5.2**

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

Production intensity based on a gross Scope 1+2 emissions divided by the gross production volumes for operated assets.

---

**Further Information**

Page: **OG6. Development strategy - (1 Jan 2016 - 31 Dec 2016)**

---

**OG6.1**

For each relevant strategic development area, please provide financial information for the reporting year

| Strategic development area           | Describe how this relates to your business strategy   | Sales generated | EBITDA     | Net assets  | CAPEX      | OPEX       | Comment  |
|--------------------------------------|---|-----------------|------------|-------------|------------|------------|--|
| Other: Total Consolidated Operations | Efforts focused on (1) reducing methane losses, (2) process optimization and (3) process efficiency are embedded within "Total Consolidated Operations" strategic development (reflected here). | 23693000000     | 4777000000 | 89772000000 | 4869000000 | 7121000000 | Operating costs represent controllable costs and include production and operating expenses, selling, general and administrative expenses and exploration expenses excluding dry holes and leasehold impairments. |

---

**OG6.2**

Please describe your future capital expenditure plans for different strategic development areas

| Strategic development area | CAPEX | Total return expected from CAPEX investments | Comment  |
|----------------------------|-------|--|--|
|                            |       |  | Future investments are not disclosed publicly. |

### OG6.3

Please describe your current expenses in research and development (R&D) and future R&D expenditure plans for different strategic development areas

| Strategic development area | R&D expenses – Reporting year | R&D expenses – Future plans | Comment  |
|----------------------------|-------------------------------|-----------------------------|--|
|                            |                               |                             | Future investments are not disclosed publicly. |

### Further Information

**Page: OG7. Methane from the natural gas value chain**

### OG7.1

Please indicate the consolidation basis (financial control, operational control, equity share) used to prepare data to answer the questions in OG7

| Segment                                  | Consolidation basis |
|--|---------------------|
| Exploration, production & gas processing | Operational Control |

### OG7.2

Please provide clarification for cases in which different consolidation bases have been used

N/A

---

**OG7.3**

**Does your organization conduct leak detection and repair (LDAR), or use other methods to find and fix fugitive methane emissions?**

Yes

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**OG7.3a**

**Please describe the protocol through which methane leak detection and repair, or other leak detection methods, are conducted, including predominant frequency of inspections, estimates of assets covered, and methodologies employed**

In our Canada Business Unit, the management of fugitive emissions at upstream oil and gas facilities is a requirement of the AER's Directive 60 and the BCOGC's Flaring and Venting Reduction Guideline. These regulations state that operators must develop and implement a program to detect and repair leaks which meet or exceed the Best Management Practice (BMP) for Fugitive Emissions Management guidelines developed by the Canadian Association of Petroleum Producers (CAPP).

In our Lower 48 Business Unit, audio, visual, olfactory (AVO) inspections are routinely performed as part of operator rounds to identify any leaks or other issues. At many of our locations, particularly those with control devices and at compressor stations, we have instituted a periodic (typically annual) voluntary fugitive monitoring program using forward looking infrared (FLIR) optical gas imaging (OGI) cameras to enhance our leak detection and repair (LDAR).

---

**OG7.3b**

**Please explain why not and whether you plan on conducting leak detection and repair, or other methods to find and fix fugitive methane emissions**

---

**OG7.4**

**Please indicate the proportion of your organization's methane emissions inventory estimated using the following methodologies (+/- 5%)**

| Methodology                                    | Proportion of total methane emissions estimated with methodology | What area of your operations does this answer relate to? |
|--|--|--|
| Direct detection and measurement               | >0% to <5%   | Other: Estimate  |
| Engineering calculations                       | 25% to <50%  | Other: Estimate  |
| Source-specific emission factors (IPCC Tier 3) | 50% to <75%  | Other: Estimate  |
| IPCC Tier 1 and/or Tier 2 emission factors     | 0%   | Other: Estimate  |

**OG7.5**

Please use the following table to report your methane emissions rate

| Year ending | Segment                                  | Estimate total methane emitted expressed as % of natural gas production or throughput at given segment | Estimate total methane emitted expressed as % of total hydrocarbon production or throughput at given segment |
|-------------|--|--|--|
| 2016        | Exploration, production & gas processing | 0.1%   | 0.03%  |
| 2015        | Exploration, production & gas processing | 0.2%   | 0.1%   |

**OG7.6**

Does your organization participate in voluntary methane emissions reduction programs?

Yes

**OG7.6a**

Please describe your organization's participation in voluntary methane emissions reduction programs

ConocoPhillips has participated in the EPA Natural Gas Start International initiative since 2006 and the EPA Global Methane Initiative since 2004. We monitor additional initiatives through IPIECA, including Oil & Gas Methane Partnership established by Climate & Clean Air Coalition, Oil & Gas Climate Initiative established by World Economic Forum, Our Nation's Energy (ONE) Future Coalition.

---

**OG7.7**

**Did you have a methane-specific emissions reduction target that was active (ongoing or reached completion) in the reporting year and/or were methane emissions incorporated into targets reported in CC3?**

Yes, methane emissions were incorporated into targets reported in CC3

---

**OG7.7a**

If you have a methane-specific emissions reduction target that is not detailed as a separate target in CC3, please provide those details here, addressing all of the metrics requested in table CC3.1a or CC3.1b (for an absolute or intensity target, respectively)

---

**OG7.7b**

**If methane emissions were incorporated into targets reported in CC3 (but not detailed as a separate target), please indicate which target ID(s) incorporate methane emissions, and specify the portion of those targets that is comprised of methane**

Methane emissions are part of all targets detailed in CC3. Methane made up 32% of Canada's Scope 1 emissions in 2016 and 20% of our total Scope 1 + Scope 2 emissions in 2016.

---

**OG7.7c**

Please explain: (i) why you do not have a methane-specific emissions reduction target or do not incorporate methane into your targets reported in CC3; and (ii) forecast how your methane emissions will change over the next five years

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**Further Information**

CDP