

C0. Introduction

C0.1

**(C0.1) Give a general description and introduction to your organization.**

ConocoPhillips is one of the world's largest independent exploration and production (E&P) companies. We explore for, produce, transport and market crude oil, bitumen, natural gas, natural gas liquids and liquefied natural gas on a worldwide basis. As of Dec. 31, 2019, we had operations and activities in 17 countries and employed approximately 10,400 people worldwide.

Operations are managed through six segments defined by geographic region: Alaska, Lower 48, Canada, Europe and North Africa, Asia Pacific and Middle East, and Other International. ConocoPhillips' operating segments generally include a strong base of legacy production and an inventory of low cost of supply investment opportunities. The company also pursues focused conventional and unconventional exploration that over time can add to its low cost of supply resource base.

The company embraces its role in responsibly accessing, developing and producing oil and natural gas to help meet the world's energy needs. ConocoPhillips has the technical capability to operate globally while maintaining a relentless focus on safety and environmental stewardship.

C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

- Australia
- Canada
- Indonesia
- Malaysia
- Norway
- United States of America

C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

C-OG0.7

**(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?**

Row 1

**Oil and gas value chain**

Upstream

**Other divisions**

Carbon capture and storage/utilization

## C1. Governance

### C1.1

#### (C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

### C1.1a

#### (C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Public Policy Committee (PPC) is responsible for identifying, evaluating and monitoring climate-related trends and risks that could affect business activities and performance. The PPC reviews sustainable development (SD) as a standing agenda item, including briefings and discussions on SD strategic priorities to advance the SD risk management process, implementation of the greenhouse gas (GHG) emissions intensity reduction target, and the use of reporting and disclosure frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD). Other topics include climate-related risk scenarios and climate-related risk management strategy implementation. Issues considered by the PPC are regularly reported to the full board.

### C1.1b

#### (C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> <li>Reviewing and guiding strategy</li> <li>Reviewing and guiding major plans of action</li> <li>Reviewing and guiding risk management policies</li> <li>Reviewing and guiding annual budgets</li> <li>Reviewing and guiding business plans</li> <li>Setting performance objectives</li> <li>Monitoring implementation and performance of objectives</li> <li>Overseeing major capital expenditures, acquisitions and divestitures</li> <li>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</li> </ul>	<Not Applicable>	Members of senior management have final responsibility for: developing corporate strategy, developing and reporting company performance, and implementing sustainability efforts. The PPC 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 independent directors, convenes at least quarterly. Sustainability issues are a standing agenda item; while climate-related issues are integrated into all the listed governance mechanisms, the sustainability topic at each meeting may vary.

### C1.2

#### (C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Operating Officer (COO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

The Executive Leadership Team (ELT) manages day-to-day climate-related risks and opportunities and assists the businesses in implementing climate-related plans. Responsibility for managing climate-related issues rests with the chief operating officer (COO) and the senior vice president (SVP), Government Affairs, who report directly to the chief executive officer. The COO serves as the ELT's climate change champion, with overall accountability for corporate planning and development, including corporate strategy and long-range planning. The SVP, Government Affairs, is responsible for public policy positions and engagement with government on climate-related public policy. These executives are briefed quarterly on emerging climate-related issues, strategic priorities and the Climate Change Action Plan in order to understand their implications and represent them to the ELT on an as-needed basis. The briefings also include our three regional presidents, who oversee our global operations and environmental performance, including setting business unit goals for GHG emissions, implementing action plans and reporting GHG emissions.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Other (please specify) (Performance against operating plan)	Two components of executive compensation include metrics related to sustainability performance: the three-year Performance Share Program (PSP) and the Variable Cash Incentive Program (VCIP). We engage with our stakeholders regularly on sustainable development priorities, and this feedback is reviewed with the Human Resources and Compensation Committee of the board when considering future executive compensation arrangements. For the 2017 – 2019 performance period, the PSP included an objective to engage on critical stakeholder issues. This objective was achieved, in part, by active participation in the Climate Leadership Council. All employee compensation includes an annual cash bonus, VCIP, based upon company, business unit and individual performance. We incorporate metrics for health, safety and environmental performance into this annual incentive compensation program as well as the achievement of milestones aligned with strategic priorities. In 2019, employees were rewarded for safety and SD performance for a leading Total Recordable Rate for injuries among our peer companies, establishing an integrated management and governance system for setting and monitoring greenhouse gas (GHG) emission reduction targets, our top-tier SD ratings and for the company's inclusion in the Dow Jones Sustainability Index and S&P ESG 500. In 2019, we created specific performance criteria for the 2020 VCIP to measure progress on SD priority risks, including actions taken to achieve the long-term GHG emissions intensity target.
All employees	Monetary reward	Other (please specify) (Performance against operating plan)	All employee compensation includes an annual cash bonus, VCIP, based upon company, business unit and individual performance. We incorporate metrics for health, safety and environmental performance into this annual incentive compensation program as well as the achievement of milestones aligned with strategic priorities. In 2019, employees were rewarded for safety and SD performance for a leading Total Recordable Rate for injuries among our peer companies, establishing an integrated management and governance system for setting and monitoring greenhouse gas (GHG) emission reduction targets, our top-tier SD ratings and for the company's inclusion in the Dow Jones Sustainability Index and S&P ESG 500. In 2019, we created specific performance criteria for the 2020 VCIP to measure progress on SD priority risks, including actions taken to achieve the long-term GHG emissions intensity target.
All employees	Non-monetary reward	Efficiency project	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: 2020 - Climate-related Risk Management, 2017 (Responsibility) – Eagle Ford Fugitive Emissions 2017 (Responsibility) – Marginal Abatement Cost Curve 2015 (Responsibility) – Darwin LNG West Arnhem Land Fire Abatement Project (WALFA).
Other, please specify (Non-employee)	Monetary reward	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 2020 winner of the St Andrews Prize for the Environment is Conservation Through Public Health (CTPH), a program that integrates gorilla and community health programs. Founded on the belief that conserving wildlife must go hand-in-hand with supporting neighboring communities, CTPH uses a multi-faceted, scalable program. This includes training community volunteers to reach marginalized groups bordering Africa's protected areas with integrated health and conservation information and services. See more at <a href="http://www.conocophillips.com/sustainability/sustainability-news/story/supporting-st-andrews-prize-for-the-environment/">http://www.conocophillips.com/sustainability/sustainability-news/story/supporting-st-andrews-prize-for-the-environment/</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>

## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	5	Our short-term time horizon is one to five years, during which we can complete short-cycle drilling campaigns and small projects. Our GHG forecasting and financial planning processes are used to determine risks and opportunities that could have a material financial impact for that period. Our short-term climate-related risks are generally government policy-related and managed at the business unit level through policy advocacy and technology to reduce emissions.
Medium-term	6	10	Our medium-term time horizon is six to 10 years, during which we can complete most major projects and revise our portfolio significantly if required. Our GHG forecasting and financial planning processes are used to determine the risks and opportunities that could have a material financial impact for that period. Medium-term risks take longer to impact our business and may include emerging policy that is not yet fully defined. These risks are managed by business unit planning, but if significant, may also be managed by corporate strategies and company-wide risk assessments.
Long-term	11	25	Our long-term time horizon is 11 years and beyond. Generally, long-term risks are managed by our scenario analysis and climate-related risk strategy, as they include long-term government policy, technology trends and consumer preferences that affect supply and demand. They may also include risks that align with long-term physical climate scenarios.

**C2.1b**

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

As part of the annual risk management process mandated by our SD Risk Management Standard, operated assets and major projects are examined against the physical, social and political settings of our operations. Climate-related risks are identified and described by subject matter experts in each business unit (BU) and project.

Each risk is then assessed using a matrix that evaluates both its likelihood and consequence. Risks rated significant or high are included in the corporate SD Risk Register. In evaluating the consequence level, we consider potential impacts on employee and public safety, socio-cultural and economic impacts to stakeholders, environmental impact, and reputational and financial implications. As part of the process, we examine the interdependence of risks and work to identify emerging risks such as new regulatory requirements and emerging greenhouse gas (GHG) pricing regimes.

Climate-related risks from the corporate SD Risk Register are mapped to key categories in the enterprise risk management process. Descriptions of these risks and mitigation measures from the Climate Change Action Plan are shared with Enterprise Risk Management (ERM) risk owners to inform their assessments of risk ranking, corporate actions and mitigations. Each risk owner evaluates and prioritizes risks in their area based on likelihood and consequences, thereby determining the relative significance of climate-related risks in relation to other enterprise risks.

The Audit and Finance Committee of the Board of Directors (AFC) facilitates appropriate coordination among the board committees to ensure that our risk management processes, including those related to climate change, are functioning properly with necessary steps taken to foster a culture of prudent decision-making throughout the company. The AFC receives annual updates on how enterprise risk is being addressed, mitigated and managed across the company, including climate-related considerations that influence market, reputational, operational and political risks within the ERM system.

**C2.2**

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term

Medium-term

Long-term

**Description of process**

In 2019, as part of our continuous improvement approach, we updated our SD Risk Management process for operated assets and projects to a standard to increase corporate oversight, assurance and consistent implementation. Climate-related risks are identified and assessed against the physical, social and political settings of our operations by subject-matter experts in each business unit (BU) and project. Each risk is then assessed using a matrix that evaluates both its likelihood and consequence. Risks rated significant or high are included in the corporate SD Risk Register. In evaluating the consequence level, we consider potential impacts on employee and public safety, socio-cultural and economic impacts to stakeholders, environmental impact, and reputational and financial implications. As part of the process, we examine the interdependence of risks and work to identify emerging risks such as new regulatory requirements and emerging greenhouse gas (GHG) pricing regimes. Risks identified as significant or high are included in the corporate SD Risk Register. The company undertakes a review of SD risks annually and updates the SD Risk Register and associated action plans. An audit protocol for the new standard is being developed in 2020 with a regular schedule of audits to be implemented in 2021. Climate-related risks from the corporate SD Risk Register are mapped to key categories in the enterprise risk management process. Descriptions of these risks and mitigation measures from the Climate Change Action Plan ([link](#)) are shared with Enterprise Risk Management (ERM) risk owners to inform their assessments of risk ranking, corporate actions and mitigations. Each risk owner evaluates and prioritizes risks in their area based on likelihood and consequences, thereby determining the relative significance of climate-related risks in relation to other enterprise risks. The ERM process is a direct input into our strategic planning process. By identifying major cross-cutting risks and trends, we closely link action plan efforts to key performance issues and address and mitigate identified risks. The ERM system and mitigation actions are reviewed regularly by the board.

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**Value chain stage(s) covered**

Direct operations

**Risk management process**

A specific climate-related risk management process

**Frequency of assessment**

Not defined

**Time horizon(s) covered**

Short-term

Medium-term

Long-term

**Description of process**

A climate-related risk assessment is conducted on any future project development that costs more than \$50 million net and is expected to emit more than 25,000 metric tons CO<sub>2</sub> equivalent (CO<sub>2</sub>(e)) net to ConocoPhillips during any year of its lifespan. This assessment is mandatory for investment approval. Project teams for qualifying projects are required to assess the potential risks and opportunities associated with GHG emissions, GHG regulation and a physically changing climate based on local jurisdictions and geographies as opposed to using our corporate scenarios. The climate risk assessment guideline provides a framework for project teams to: • Forecast GHG emissions for the life of the project. • Evaluate climate-related risks and opportunities, including physical and transition risks that apply to the project. • Make decisions on GHG emissions control in project design, including energy efficiency solutions, power source selection, emissions management, carbon capture and storage/utilization, and external compliance options such as the purchase or origination of GHG offsets. • Evaluate the potential cost of GHG emissions in project economics. We assess climate-related risks early in the project engineering stage to better inform our investment decisions and facility design. The ConocoPhillips Health, Safety and Environment (HSE) Due Diligence Standard also provides further guidance on accounting for sustainable development issues for new acquisitions, new business ventures, joint ventures and real property transactions.

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C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation and how it might evolve is considered in our risk assessments through the SD Risk Assessment Standard, Climate Risk Assessment, and our scenario analysis. For example, we consider the impact of current cap and trade programs where we operate, such as the EU ETS, and how the carbon pricing may change. In our scenarios, we consider different magnitudes and speeds of implementation for government actions to view a range of possible futures.
Emerging regulation	Relevant, always included	Emerging regulation is considered in our risk assessments through the SD Risk Assessment Standard, Climate Risk Assessment, and our scenario analysis. For example, we consider the impact of possible future carbon taxes in our projects with a \$40/tonne carbon tax sensitivity as more fully described in our response to C11.3a. In our scenarios, we consider different magnitudes and speeds of implementation for government actions to view a range of possible futures.
Technology	Relevant, always included	Technology is considered in our risk assessments through the SD Risk Assessment Standard, Climate Risk Assessment, Marginal Abatement Cost Curve, and our scenario analysis. For example, we assess technology solutions in our Marginal Abatement Cost Curve, which calculates a "breakeven cost of carbon" for each emission reduction project that is evaluated by the Executive Leadership Team. This has included technologies such as Flow Control Devices that are currently being implemented in Canada. In our scenarios, we consider different magnitudes and speeds of implementation for technological advancement to view a range of possible futures.
Legal	Relevant, always included	Legal risk is considered in our risk assessments through the SD Risk Assessment Standard and Climate Risk Assessment.
Market	Relevant, always included	Market risk is considered in our risk assessments through our scenario analysis. Our scenarios illustrate a range of demand and supply implications.
Reputation	Relevant, always included	Reputation is considered in our risk assessments through the SD Risk Assessment Standard and Climate Risk Assessment. For example, we consider that reputation could affect community support and the ability to attract a talented workforce. Reputational impacts are managed through our Stakeholder Engagement Action Plan and investor engagement strategy.
Acute physical	Relevant, always included	Acute physical risk is considered in our risk assessments through the SD Risk Assessment Standard and Climate Risk Assessment. For example, we consider the impact of increased severe weather events to our projects and operations in our SD risk assessments, which are required by all operating business units and projects.
Chronic physical	Relevant, always included	Chronic physical risk is considered in our risk assessments through the SD Risk Assessment Standard and Climate Risk Assessment. For example, we consider the impact of changes in sea levels to our projects and operations in our SD risk assessments, which are required by all operating business units and projects. Change in temperature extremes could impact facilities located in Arctic regions due to excessive warm spells reducing the ice road season and reducing construction time. Planning for ice roads can be read about here: <a href="http://www.concophillips.com/spiritnow/all-spiritnow-stories/story/ice-roads-the-western-north-slope-s-frozen-foundation/">http://www.concophillips.com/spiritnow/all-spiritnow-stories/story/ice-roads-the-western-north-slope-s-frozen-foundation/</a> .

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Mandates on and regulation of existing products and services
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Product efficiency regulations and standards - Bitumen from Oil Sands assets represented 4% of 2019 net production. The Alberta Carbon Competitiveness Incentive Regulation (CCIR) requires any existing facility with emissions equal to or greater than 100,000 metric tonnes of CO2e per year to meet an industry benchmark intensity. The cost of compliance and investment in emissions intensity reductions will continue to influence decisions in our Canada business unit.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

5000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance for CCIR was approximately US\$4 million. The estimated financial impact represents a 25% increase in current costs. Because there are numerous factors that could impact our assessments, the estimates are inherently imprecise.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

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 result of our focus on emissions reductions, we have also completed the installation of non-condensable gas co-injection in the Canadian oil sands to enhance production while reducing energy consumption and emissions. As a founding member of the Oil Sands 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 including: making internal improvements to operations to reduce emissions, purchasing or using Emission Performance Credits, purchasing Alberta-based offset credits, and contributing to the Climate Change and Emissions Management Fund.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included risks in this section which were most straightforward to quantify. Other risks that may become material include: general environmental regulations, international agreements, technology, changes in temperature extremes, and reputation.

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Carbon taxes in certain jurisdictions including Norway. In 2019, Norway production made up 10% of total net company production.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

37500000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance US\$30 million net share before tax in Norway. Financial implications depend on timing, amount, and amount of pass-through to consumer. The estimated financial impact represents a 25% increase in current costs. Because there are numerous factors that could impact our assessments, the estimates are inherently imprecise.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

In our Norway business unit, we set specific actions to study emission reduction opportunities. Furthermore, we run economics with full CO2 tax and quota cost. For projects in jurisdictions without carbon taxes, or taxes less than \$40/tonne, we run a \$40/tonne sensitivity to evaluate the economics of a possible carbon tax. This is more fully described in our response to C11.3a.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included risks in this section which were most straightforward to quantify. Other risks that may become material include: general environmental regulations, international agreements, technology, changes in temperature extremes, and reputation.

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Cap and trade programs in certain jurisdictions, including the EU Emissions Trading Scheme, influence our business decisions in Europe. Oil, NGLs, and natural gas from European production represented 13% of ConocoPhillips' net 2019 production.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

10000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance for the EU ETS was US\$8 million net share before tax. Financial implications depend on timing, amount, and amount of pass-through to consumer. The estimated financial impact represents a 25% increase in current costs. Because there are numerous factors that could impact our assessments, the estimates are inherently imprecise.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Since 2005, ConocoPhillips facilities across Europe have participated in the European Union's emissions-trading program (ETS). Our Commercial organization trades allowances on the secondary market exchanges.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included risks in this section which were most straightforward to quantify. Other risks that may become material include: general environmental regulations, international agreements, technology, changes in temperature extremes, and reputation.

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**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Some ConocoPhillips assets in the U.S have identified 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. ConocoPhillips has operations in coastal regions and areas susceptible to typhoons or hurricanes. For example, our Gulf Coast BU production made up 18% of our net production in 2019.

**Time horizon**

Long-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

35000000



**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

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 cause business interruption, damages or loss of production uptime, delayed access to resource, and/or delayed access to market. For example, if all Gulf Coast Business Unit production was shut down for 3 days, it would lead to \$35MM in lost revenue based on the 2019 average realized price of \$48.78/BOE. It is important to note duration of the shut down depends on the length and magnitude of the storm, and not all production will be equally affected. Gulf Coast assets further inland (e.g., Eagle Ford) are likely less susceptible to hurricanes than assets in the Gulf of Mexico. Because there are numerous factors that could impact our assessments, the estimates are inherently imprecise.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Our Incident Management Team has developed a Crisis Management System to manage before, during, and after a storm event. Our SD Risk Assessment Tool and Climate Risk Assessment list physical climate parameters, so BUs must address the risk if applicable. Business resiliency planning helps the company prepare to mitigate potential impacts of a changing climate in a cost-effective manner. The key elements of this process include: identifying the risks and business opportunities associated with the physical impacts of changing climate, identifying 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 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.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included risks in this section which were most straightforward to quantify. Other risks that may become material include: general environmental regulations, international agreements, technology, changes in temperature extremes, and reputation.

**C2.4****(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a****(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Product efficiency regulations and standards - Research and development opportunities may lead to lower carbon intensity products. Bitumen from Oil Sands assets represents 4% of ConocoPhillips' net 2019 production. The Alberta Carbon Competitiveness Incentive Regulation (CCIR) requires any existing facility with emissions equal to or greater than 100,000 metric tonnes of CO2e per year to meet an industry benchmark intensity.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance for CCIR was approximately US\$4 million. The estimated financial impact represents a 25% decrease in current costs due to emission reduction measures.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

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 result of our focus on emissions reductions, we have also completed the installation of non-condensable gas co-injection in the Canadian oil sands to enhance production while reducing energy consumption and emissions. As a founding member of the Oil Sands 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 including: making internal improvements to operations to reduce emissions, purchasing or using Emission Performance Credits, purchasing Alberta-based offset credits, and contributing to the Climate Change and Emissions Management Fund.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included opportunities in this section which were most straightforward to quantify. Other opportunities that may become material include: changes in precipitation extremes and droughts (incentives for water recycling); reputation.

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Carbon taxes in certain jurisdictions including Norway may incentivize energy efficiency projects. In 2019, Norway production made up 10% of net company production.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

7500000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance US\$30 million net share before tax in Norway. The estimated financial impact represents a 25% decrease in current costs due to emission reduction measures.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

In our Norway business unit, we set specific actions to study emission reduction opportunities. We also evaluate other opportunities using the Marginal Abatement Cost Curve, which calculates a "breakeven cost of carbon" for each emission reduction project that is evaluated by the Executive Leadership Team.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included opportunities in this section which were most straightforward to quantify. Other opportunities that may become material include: changes in precipitation extremes and droughts (incentives for water recycling); reputation.

---

**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

---

Reduced indirect (operating) costs

**Company-specific description**

Cap and trade schemes - Individual government climate change regulations such as the EU ETS and Australian Clean Energy Legislation establish regional carbon markets and incentive some energy efficiency projects. Cap and trade programs in certain jurisdictions, including the EU Emissions Trading Scheme, influence our business decisions in Europe. Oil, NGLs, and natural gas from Europe assets represent 13% of ConocoPhillips' net production in 2019.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

2019 cost of compliance in the EU ETS was US\$8 million net share before tax. The estimated financial impact represents a 25% decrease in current costs due to emission reduction measures.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

Since 2005, ConocoPhillips facilities across Europe have participated in the European Union's emissions-trading program (ETS). Our Commercial organization trades allowances on the secondary market exchanges. We also evaluate opportunities using the Marginal Abatement Cost Curve, which calculates a "breakeven cost of carbon" for each emission reduction project that is evaluated by the Executive Leadership Team.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included opportunities in this section which were most straightforward to quantify. Other opportunities that may become material include: changes in precipitation extremes and droughts (incentives for water recycling); reputation.

**Identifier**

Opp4

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Participation in carbon market

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

International agreements such as the Kyoto and Durban Protocol have the potential to establish a global carbon market. Additionally, the Clean Energy Regulator in Australia has established the Emission Reduction Fund. In 2019, we operated two LNG plants in Australia, Darwin LNG and Australia Pacific LNG.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

450000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Based on the average cost of an Australia Carbon Credit Unit (ACCU) of \$9/tonne (<http://www.cleanenergyregulator.gov.au/Infohub/Markets/Pages/Buying%20ACCUs/ACCU%20market%20updates/Australian-Carbon-Credit-Units-Market-Update-%E2%80%93-October-2019.aspx>) and the 100,000 abated through our WALFA project (West Arnhem Land Fire Abatement) during the 2019 reporting period, the opportunity of avoided abatement costs is \$0.45 million assuming our credit generation costs 50% of the average ACCU. This opportunity could increase significantly with new emission reduction projects and methodologies, and also depends on baselines set by regulations.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

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. We continue to invest in projects and methodologies in Australia that not only lower emissions but provide employment, such as WALFA.

**Comment**

Cost of management is integrated into our cost structure. Please note: We included opportunities in this section which were most straightforward to quantify. Other opportunities that may become material include: changes in precipitation extremes and droughts (incentives for water recycling); reputation.

**C3. Business Strategy**

**C3.1**

**(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

**C3.1a**

**(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?**

Yes, qualitative and quantitative

**C3.1b**

**(C3.1b) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenarios and models applied	Details
Other, please specify (ConocoPhillips energy transition scenarios)	<p>Scenarios represent plausible potential future states of the world. We use scenarios in our strategic planning process to: • Gain better understanding of external factors that impact our business to assist in the identification of major risks and inform mitigating actions. • Test the robustness of our strategy across different business environments. • Communicate risks appropriately. • Inform how we position our business, as technologies and markets evolve, to capitalize on opportunities that meet risk and return criteria. Using scenarios enables us to understand a range of risks around potential commodity market prices associated with various greenhouse gas (GHG) reduction scenarios. To assist our capital allocation decisions, we can test our current portfolio of assets and investment opportunities against these future possibilities and identify where weaknesses may exist. In 2019 we worked to change the way we use scenarios. Previously, we had constructed a single corporate scenario to reflect a world with carbon constraints which was subdivided into four climate-related risk scenarios to characterize possible pathways that could result from a mix of technology advancement and government policy actions. We have now combined our corporate and climate constraint scenarios into each of our four main corporate scenarios: Current Trends, Moderate Transition, Accelerated Transition and Paris Agreement. The scenarios were constructed using our revised global energy model and regional differences were included to reflect that areas of the world may take a different pace or direction. We also extended the duration of the scenarios to 2050. While these highly uncertain scenarios extend well beyond our operational planning period, they give insights on trends that could have an implication for near- and medium-term decisions and enable the creation or preservation of future options. Each scenario models the full energy system including oil, natural gas, solar, wind, nuclear and storage, as well their related GHG emissions and pricing policies. Each of these possible pathways is designed to stretch our thinking about potential rates of new technology adoption, policy development, and consumer behavior. We believe that three of the four climate-related risk scenarios result in global emissions trajectories that may be capable of being Paris-aligned. Only the Global Carbon Price scenario is likely to achieve this without the need for negative emissions technology beyond 2050. Constructing four very different scenarios means that analyzing and modeling potential outcomes is not the end of the process, as we also need to understand the probability of the world moving toward a specific scenario. We monitor crucial signposts that can indicate the direction and pace of scenario changes. The objective is to connect our scenarios with our climate-related risk strategy in a way that enables comprehensive strategic decision making. By measuring changes in the key signposts, we aim to track the pace and direction of the energy transition and identify potential leading indicators of change in the demand for hydrocarbons. In this way we aim to establish not just which scenario we are moving towards, but also identify new emerging disruptive scenarios. This analysis is presented to executive management and the board of directors to assist in strategic decision-making. For a description of each of the four scenarios please see: <a href="http://www.conocophillips.com/sustainability/managing-climate-related-risks/strategy/scenario-planning/">http://www.conocophillips.com/sustainability/managing-climate-related-risks/strategy/scenario-planning/</a></p>

**C3.1d**

**(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Compliance with policy changes that create a GHG tax, fee, emissions trading scheme or GHG reductions could significantly increase product costs for consumers and reduce demand for natural gas- and oil-derived products. Demand could also be eroded by conservation plans and efforts undertaken in response to global climate-related risk, including plans developed in connection with the Paris Agreement. Many governments also provide, or may in the future provide, tax advantages and other subsidies to support the use and development of alternative energy technologies that could impact demand for our products. However, there are also opportunities associated with increased demand for lower-carbon energy sources such as natural gas to displace coal in power generation and in combination with carbon capture and storage in the production of hydrogen for industrial use. Our scenario analysis indicates that as the energy sector transitions, it will be important to be competitive on both cost of supply and GHG emission intensity. We have adjusted our portfolio to concentrate on lower-cost production and have divested some of our higher-emissions-intensity natural gas and oil sands fields. We have also set a GHG emissions-intensity-reduction target for our scope 1 and scope 2 emissions.
Supply chain and/or value chain	Yes	We engage with suppliers on the environmental and social aspects of their operations and supply chains through each step of the procurement process, from supplier prequalification through supplier performance evaluation. This includes communicating our expectations and priorities and identifying opportunities for improvement and collaboration related to climate issues, including energy use, GHG management and environmental supply chain risks. We also engage through membership in several trade associations, such as IPIECA, that address climate-related issues through working groups and task forces that include downstream businesses as well as suppliers. We continue to monitor climate-related risks and opportunities related to our supply chain and value chain and believe that maintaining a global network of businesses and suppliers will mitigate physical climate-related risks.
Investment in R&D	Yes	Technology will play a major role in addressing GHG emissions, whether through reducing fugitive emissions or lowering the energy intensity of our operations or value chain. In Canada we are sponsoring an XPRIZE to support development of innovative ways to reuse carbon associated with steam generation in the oil sands. Our annual MACC process identifies and prioritizes our emissions-reduction opportunities from operations based on the cost per tonne of carbon dioxide equivalent abated. This data helps identify projects that might become viable in the future through further research, development and deployment. As a result of this work, we have focused our near-term technology investments on reducing both costs and emissions where feasible, such as improving the steam-to-oil ratio in the oil sands. One new research and development effort is the multilateral well technology pilot, which enables the drilling of multiple lateral sections, without the need for additional above ground capital or additional steam injection, thereby reducing emissions intensity and operating costs. Over the past three years we have spent more than \$400 million on research and development, equipment, products and services which have reduced our GHG emissions. Large scale commercial deployment projects include: 1) Eliminating the majority of methane emissions by using air, rather than natural gas, to drive equipment at our Montney development in Canada, 2) Reducing emissions by electrifying plant and pad equipment in Alaska, and 3) Installing vapor recovery systems to capture methane emissions in Lower 48.
Operations	Yes	We have acted to mitigate our GHG emissions for many years. Our first Climate Change Action Plan was introduced in 2008 and since then we have voluntarily reduced our annual global GHG emissions compared to business as usual. In 2017, we introduced a long-term GHG emissions intensity target to incentivize reductions in our production operations as well as project design, exploration and portfolio decisions. To date this has resulted in a reduction of both our emissions intensity and our absolute emissions. Most of the reduction projects carried out since 2008 have paid for themselves through increased sales of natural gas. Around two-thirds of the projects carried out relate to the reduced emissions of methane from reduced venting, updated plunger lifts or replacing pneumatic controllers. To continue those reductions, we have set up regional teams in North America, Australia, Southeast Asia and Europe to use the MACC process to identify energy efficiency projects for consideration in the Long-Range Plan. By evaluating our day-to-day decisions regarding flaring, drilling, completions and equipment use we have gained a sharper focus on energy consumption, along with increased revenue, reduced energy costs, reduced emissions and an improved overall cost of supply. We are one of more than 80 companies participating in The Environmental Partnership, a coalition of natural gas and oil companies focused on accelerating environmental performance improvements from operations across the United States. The partnership prioritizes managing methane emissions and aligns with our focus on emissions reductions and high environmental standards.

**C3.1e**

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets	We take climate-related issues into account in our financial planning in several ways. In the short to medium term, we use a range of commodity prices derived from our scenario work. In the longer term our scenarios provide insight into the possibilities for future supply, demand and price of key commodities. This helps us understand a range of risk around commodity prices, and the potential price risk associated with various GHG reduction scenarios. History has shown an interdependency between commodity prices and operating and capital costs. In the past, lower commodity prices have driven down operating and capital costs, whereas the opposite has been true when commodity prices have risen. We have aligned a description of the potential impacts on financial planning with the recommendations of the TCFD. Operating Costs and Revenues We recognize the potential impact on our costs, demand for fossil fuels, the cost and availability of capital and exposure to litigation caused by new or changing climate-related policy. The long-term impact on our financial performance, either positive or negative, will depend on several factors, including: • Extent and timing of policy. • Implementation detail such as cap-and-trade or an emissions tax or fee system. • GHG reductions required. • Level of carbon price. • Price, availability and allowability of offsets. • Amount and allocation of allowances. • Technological and scientific developments leading to new products or services. • Potential physical climate effects, such as increased severe-weather events, changes in sea levels and changes in temperature. • Extent to which increased compliance costs are reflected in the prices of our products and services. The long-term financial impact from GHG regulations is impossible to predict accurately but we expect the geographical reach of regulations and their associated costs to increase over time. We model such increases and test our portfolio in our long-term transitional scenarios. Capital Expenditures and Allocation We test our current portfolio of assets and investment opportunities against the future prices generated from our corporate scenarios (link) and identify where weaknesses may exist, assisting with our capital allocation. As a result of our strategy and scenario work, we have focused capital on lower cost of supply resources, reducing our investments in oil sands and exiting deep water, while increasing our investments in unconventional oil projects. Acquisitions and Divestments Business development decisions consider the impact to our portfolio from the financial, operational and sustainability perspectives. In our long-range planning process, we run sensitivities on our GHG emissions intensity based on possible acquisitions, divestments and project decisions. We focus on cost of supply to account for lower and more volatile product prices and possible introduction of carbon taxes. In recent years, we have divested higher-emissions-intensity assets, such as oil sands and some older gas fields. Access to Capital In addition to cost of supply and carbon, we also strive to compete more effectively by earning the confidence and trust of the communities in which we operate, as well as our equity and debt holders. We consider how our relative environmental, social and governance performance could affect our standing with investors and the financial sector, including banks and credit-rating agencies. Our engagement with investors has focused on climate-related risks in many one-on-one meetings and periodic conferences, such as with the Interfaith Center on Corporate Responsibility. In 2019, we also built on the success of our 2018 Sustainable Development workshop and held a meeting in which stakeholders from banks, credit rating agencies and other financial institutions engaged with our sustainable development subject matter experts and members of our Executive Leadership Team. We have also engaged on climate-related issues and sustainability risks with institutions such as Moody's and Standard & Poor's. An important priority in our corporate strategy has been to pay down debt and target an "A" credit rating to maintain, facilitate and ensure access to capital through commodity price cycles. Carbon Asset Risk Scenario analysis and our climate-related risk strategy help build optionality into our strategic plans to reduce the risk of stranded assets. Key elements of our climate-related risk management process include: considering a range of possible future carbon-constraint scenarios; developing strategic alternatives to manage shareholder value in a future with uncertain carbon constraints; testing strategies and asset portfolios in various scenarios; developing actionable insights and incorporating risk mitigation actions into the Long-Range Plan and Climate Change Action Plan. We have taken action to reduce our cost of supply and are the only oil and natural gas company to transparently disclose the full cost-of-supply of our reserve base. Combined with the fact that we believe we have the lowest sustaining capital required to maintain flat production among our peers, this demonstrates a competitive advantage in reducing "carbon asset risk." The cost of supply of our resource base shown in the Metrics and Targets (link) section supports our assertion that resources with the lowest cost of supply are most likely to be developed in scenarios with lower demand, such as the IEA's Sustainable Development Scenario . All U.S. publicly traded companies must adhere to a consistent set of regulations that enable investors to evaluate and compare investment choices. We fully comply with rules and regulations, including for reporting natural gas and oil reserves. In order to meet the Securities and Exchange Commission requirement that reserve estimates be based on current economic conditions, our reported reserves are determined applying carbon tax only for jurisdictions with existing carbon tax requirements. We have also increased our disclosure over the years to offer investors and stakeholders additional insights into the processes and procedures we use to manage climate-related risks, including carbon asset risk.

### C3.1f

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(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

## C4. Targets and performance

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### C4.1

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(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

### C4.1b

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(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

**Target reference number**

Int 1

**Year target was set**

2017

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (location-based)

**Intensity metric**

Other, please specify (kg CO<sub>2</sub>e per Barrel of Oil Equivalent (BOE))

**Base year**

2017

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

39.1

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

99

**Target year**

2030

**Targeted reduction from base year (%)**

10

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

35.19

**% change anticipated in absolute Scope 1+2 emissions**

-10

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO<sub>2</sub>e per unit of activity)**

35.9

**% of target achieved [auto-calculated]**

81.841432225064

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Please explain (including target coverage)**

We have a long-term target to reduce our GHG emissions intensity from five to 15% by 2030 from a Jan. 1, 2017 baseline. The target will support innovation on efficiency and emissions reduction, GHG regulatory risk mitigation and climate-related risk management throughout the lifecycles of our assets. The target informs climate goals at the business level. Our performance will be based on gross operated GHG emissions, stated in carbon dioxide-equivalent terms, divided by our gross operated production, stated in barrels of oil equivalent. The target is set in relation to our scope 1 emissions and scope 2 gross operated emissions as these are the emissions over which we have the most control. The target covers all GHGs, but in practice will likely apply to carbon dioxide and methane emissions as our emissions of other greenhouse gases are a small fraction of the total. For comparability purposes we exclude exploration and transportation services (i.e. Polar Tankers and Global Aviation) which are not directly related to oil or gas production, from our emissions totals. This may give rise to small differences between the intensity we report for our GHG target purposes and the intensity we report in our annual Sustainability Report. Our current metrics also do not include the use of carbon offsets. We report our progress against the target on an annual, calendar-year basis. We intend to review and adjust our performance target at least every five years. Science-Based Targets require us to include Scope 3 emissions. For E&P companies, the emissions from use of sold products is not in the scope of our control and leads to significant double-counting.

## C4.2

### (C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

## C-OG4.2c

### (C-OG4.2c) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.

Methane is incorporated into our long-term GHG intensity target. We prioritize GHG emissions with the lowest \$/tonne cost of abatement, so with a Global Warming Potential of 25, methane emissions projects are often considered. For example, in our 2019 Marginal Abatement Cost Curve, one quarter of projects were methane emission reduction projects. Since 2015, our methane emissions have decreased 72%, or 4.4MM tonnes CO<sub>2</sub>e on an absolute basis. Methane emissions as a proportion of total emissions are now 8.1% compared to 23.9% in 2012. Our methane intensity has decreased significantly as well.

## C4.3

### (C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

## C4.3a

### (C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.

	Number of initiatives	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation	45	
To be implemented*	0	
Implementation commenced*	0	
Implemented*	24	
Not to be implemented	0	

## C4.3b

### (C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

#### Initiative category & Initiative type

Energy efficiency in production processes	Waste heat recovery
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#### Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)

18800

#### Scope(s)

Scope 1

#### Voluntary/Mandatory

Voluntary

#### Annual monetary savings (unit currency – as specified in C0.4)

0

#### Investment required (unit currency – as specified in C0.4)

30000000

#### Payback period

16-20 years

#### Estimated lifetime of the initiative

16-20 years

#### Comment

Project: Canada - Waste Heat Recovery Unit

#### Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (Steam-Oil Ratio reduction in the Oil Sands)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

100000

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

6000000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Project: Canada - Multilateral Well Technology in Oil Sands

**Initiative category & Initiative type**

Energy efficiency in production processes	Other, please specify (Compressor Upgrades)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

10000

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

4800000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Project: Alaska - Compressor Upgrades

**Initiative category & Initiative type**

Fugitive emissions reductions	Oil/natural gas methane leak capture/prevention
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**Estimated annual CO2e savings (metric tonnes CO2e)**

20000

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

5000000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Projects: Lower 48 - Aerial Surveys, Drone Surveys, Continuous Emissions Sensors and Satellite Monitoring; Canada - Vapor Recovery Units.

**Initiative category & Initiative type**



Other, please specify	Other, please specify (Flaring Reduction)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

10000

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

1780500

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Projects: Lower 48 - Various Flare Reduction Projects

**C4.3c**

**(C4.3c) 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.
Internal finance mechanisms	Our marginal abatement cost curve process includes a mechanism to fund the most cost-effective emission reduction opportunities available to the company globally.

**C4.5**

**(C4.5) 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

**C4.5a**

**(C4.5a) 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**

Product

**Description of product/Group of products**

Natural Gas for Electric Power Generation: In 2019, the Company supplied consumers with roughly 1.024 Trillion cubic feet (2.805 BCF/day) of natural gas. To put this production volume in perspective, if all the natural gas ConocoPhillips produced in 2019 had been used to replace coal for electricity generation, GHG emissions would have been reduced by approximately 52 million metric tons - more than double the company's combined Scope 1 and 2 emissions for the year.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Low-carbon product

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (Reduction vs. coal in power generation)

**% revenue from low carbon product(s) in the reporting year**

23

**% of total portfolio value**

<Not Applicable>

**Asset classes/ product types**

<Not Applicable>

**Comment**

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**Level of aggregation**

Product

**Description of product/Group of products**

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 4.5MTPA (million tons per annum) LNG facility near Gladstone, Australia. The ConocoPhillips Optimized Cascade® Process is licensed and used in plants located throughout the world.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (Observed performance)

**% revenue from low carbon product(s) in the reporting year**

**% of total portfolio value**

<Not Applicable>

**Asset classes/ product types**

<Not Applicable>

**Comment**

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**C-OG4.6**

**(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.**

We design infrastructure and operate in a manner that protects air quality and reduces emissions. During drilling and hydraulic fracturing, we use closed-loop or reduced emissions completion techniques, which capture natural gas at the wellhead. Portable equipment and central gathering and distribution systems separate and collect the gas (mostly methane), solids (mainly proppant sand), and crude oil. This process enables us to significantly decrease venting and flaring. Whenever technically and practically feasible, we use central gathering systems to direct natural gas to sales pipelines.

Methane is incorporated into our long-term GHG intensity target. We prioritize GHG emissions with the lowest \$/tonne cost of abatement, so with a Global Warming Potential of 25, methane emissions projects are often considered. For example, in our 2019 Marginal Abatement Cost Curve, one quarter of projects were methane emission reduction projects. Since 2015, our methane emissions have decreased 72%, or 4.4MM tonnes CO2e on an absolute basis. Our methane intensity has decreased significantly as well.

**C-OG4.7**

**(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?**

Yes

**C-OG4.7a**

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**(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.**

Managing emissions, particularly methane, is one of our key priorities. Reducing emissions, even the small equipment leaks known as fugitive emissions, is a key aspect of our [Global Onshore Well Management Principles](#). While there are differing methods and many measurement points, estimates of natural gas leakage rates between gas processing plants and electric power plants vary widely, from 0.7 to 2.6%.

We have standard operating procedures to detect and repair leaks. Audio-visual-olfactory (AVO) inspections are routinely performed during operator rounds to identify any leaks or other issues. Leak detection and repair (LDAR) is a work practice used to identify and quickly repair leaking components, including valves, compressors, pumps, tanks and connectors, in order to reduce GHG emissions and increase efficiency.

At many of our locations, especially high rate producing wells and stand-alone compressor stations, we have a periodic voluntary fugitive monitoring program using forward-looking infrared (FLIR) cameras to enhance our LDAR. FLIR cameras create real-time images of gases or liquids leaking from pipes, vessels, tanks and other types of process equipment. FLIR surveys are completed at new or modified well sites and subsequent monitoring surveys are conducted at least annually. We fix leaks as soon as feasible, with many leaks repaired either the same day or within a few days of being detected. If additional time is required, we follow standard maintenance processes by adding the required repairs to our maintenance tracking system. After repairs are completed, inspections ensure that the repairs are successful. We implement engineered solutions and/or operational changes if we identify developing trends of systemic hardware problems.

## C-OG4.8

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**(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.**

Flaring is a regulated and permitted process for the controlled release and burning of natural gas during oil and gas exploration, production and processing operations. Flaring is required to safely dispose of flammable gas released during process upsets or other unplanned events, and to safely relieve pressure before performing equipment maintenance. Flaring is also used to control and reduce emissions of volatile organic compounds from oil and condensate storage tanks, and to manage emissions at well sites that lack sufficient pipeline infrastructure to capture gas for sale. We have reduced flaring by utilizing closed-loop completions, central gas gathering systems, vapor recovery units, directing condensate to sales pipelines and improving uptime through operational excellence (a major focus for all our operating facilities).

Our Bakken team has identified several measures to reduce flaring, including working with our midstream partners to increase processing capacity and provide forecasts to improve their ability to plan. In the Permian, we have built and operate our own gathering system, which enables more flexibility and connections to multiple third-party processors. We have also developed and implemented facility design changes to reduce (or eliminate) flaring from tanks and we utilize an internal decision tree to optimize our operations to reduce flaring during third party outages

## C5. Emissions methodology

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### C5.1

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**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

January 1 2013

**Base year end**

December 31 2013

**Base year emissions (metric tons CO2e)**

25928475

**Comment**

**Scope 2 (location-based)**

**Base year start**

January 1 2013

**Base year end**

December 31 2013

**Base year emissions (metric tons CO2e)**

1625189

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.2**

---

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

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

Australia - National Greenhouse and Energy Reporting Act

Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003

European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations

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

US EPA Mandatory Greenhouse Gas Reporting Rule

**C6. Emissions data**

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**C6.1**

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

19500244

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

**C6.2**

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

**Comment**

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.

---

**C6.3**

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

956931

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

---

**C6.4**

**(C6.4) 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

---

**C6.5**

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

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**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

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 included in Scope 1 or 2)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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.

## Upstream transportation and distribution

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

2672913

### Emissions calculation methodology

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.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Please explain

## Waste generated in operations

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

4901363

### Emissions calculation methodology

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

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Please explain

## Processing of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

14236023

### Emissions calculation methodology

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, NGL's and natural gas) processing emissions.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Please explain

## Use of sold products

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

173354465

### Emissions calculation methodology

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 factors. These calculations are estimates that are subject to many limitations and assumptions. Given the limitations and assumptions in creating these estimates, their use for allocation of emissions is fraught with significant challenges, such that an accurate and scientifically acceptable allocation/attribution analysis is not something that can be achieved.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Please explain

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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 (downstream)

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

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.



## C6.7

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**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

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**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.00063

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

20457174

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

32567000000

**Scope 2 figure used**

Location-based

**% change from previous year**

17

**Direction of change**

Increased

**Reason for change**

GHG emissions intensity increased in 2019 primarily due to an increase in drilling, production and flaring in the Lower 48 and the disposition of our U.K. business unit.

---

**Intensity figure**

0.0365

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

20457174

**Metric denominator**

barrel of oil equivalent (BOE)

**Metric denominator: Unit total**

560915000

**Scope 2 figure used**

Location-based

**% change from previous year**

8

**Direction of change**

Increased

**Reason for change**

GHG emissions intensity increased in 2019 primarily due to an increase in drilling, production and flaring in the Lower 48 and the disposition of our U.K. business unit.

---

## C-OG6.12

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**(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO<sub>2</sub>e) per unit of hydrocarbon category.**

**Unit of hydrocarbon category (denominator)**

Other, please specify (Thousand barrel of oil equivalent (BOE))

**Metric tons CO<sub>2</sub>e from hydrocarbon category per unit specified**

34.77

**% change from previous year**

9

**Direction of change**

Increased

**Reason for change**

GHG emissions intensity increased in 2019 primarily due to an increase in drilling, production and flaring in the Lower 48 and the disposition of our U.K. business unit.

**Comment**

It is not possible to provide separate GHG intensities for hydrocarbon types for our business. Wells produce oil, gas, and NGLs in varying percentages, and the hydrocarbons are usually processed at the same facility, which causes emissions from generators, flaring, venting, etc. It would not be meaningful to calculate and attribute figures to each hydrocarbon type.

---

## C-OG6.13

**(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.**

**Oil and gas business division**

Upstream

**Estimated total methane emitted expressed as % of natural gas production or throughput at given division**

0.23

**Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division**

0.09

**Comment**

For the first answer we divide tonnes of methane emitted by tonnes of natural gas production. For the second answer we divide tonnes of methane emitted divided by tonnes of hydrocarbon product. Because we are calculating emissions on a gross operated basis, we assume the breakdown of 561 MMBOE gross operated production has the same percentage split as our net production, sourced from our Annual Report. Factors used: 0.1364 tonnes/bbl crude oil and bitumen, 0.0867 tonnes/bbl NGL, 25 toe/mmscf natural gas - yielding a methane intensity of 0.23% and 0.09% for natural gas and hydrocarbon throughput, respectively.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	17814557	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	1662031	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	23656	IPCC Fourth Assessment Report (AR4 - 100 year)

## C-OG7.1b

**(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.**

**Emissions category**

Combustion (excluding flaring)

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

15050053

**Gross Scope 1 methane emissions (metric tons CH4)**

3004

**Total gross Scope 1 emissions (metric tons CO2e)**

15141413

**Comment**

**Emissions category**

Flaring

**Value chain**

Upstream

**Product**

Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**

2177915

**Gross Scope 1 methane emissions (metric tons CH4)**  
5397

**Total gross Scope 1 emissions (metric tons CO2e)**  
2316388

**Comment**

---

**Emissions category**  
Venting

**Value chain**  
Upstream

**Product**  
Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**  
213227

**Gross Scope 1 methane emissions (metric tons CH4)**  
51105

**Total gross Scope 1 emissions (metric tons CO2e)**  
1490860

**Comment**

---

**Emissions category**  
Fugitives

**Value chain**  
Upstream

**Product**  
Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**  
73284

**Gross Scope 1 methane emissions (metric tons CH4)**  
6816

**Total gross Scope 1 emissions (metric tons CO2e)**  
246683

**Comment**

---

**Emissions category**  
Other (please specify) (Aviation and Global Marine)

**Value chain**  
Upstream

**Product**  
Unable to disaggregate

**Gross Scope 1 CO2 emissions (metric tons CO2)**  
297077

**Gross Scope 1 methane emissions (metric tons CH4)**  
159

**Total gross Scope 1 emissions (metric tons CO2e)**  
304904

**Comment**

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## C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	4062535
Canada	3008810
United States of America	7551044
Norway	1229187
Indonesia	3646773
Malaysia	1894

### C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

#### C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Exploration & Production	15370518
Gas Processing	3530702
Other	599024

### C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	19500244	<Not Applicable>	
Oil and gas production activities (midstream)		<Not Applicable>	
Oil and gas production activities (downstream)		<Not Applicable>	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

### C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Australia	324		515	
Canada	403896		504871	
United States of America	534936		667863	
Norway	17642		69020	
Indonesia	133		229	
Malaysia	0		0	

### C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

#### C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Exploration & Production	935899	
Gas Processing	1731	
Other	19301	

**(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.**

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	956931		
Oil and gas production activities (midstream)			
Oil and gas production activities (downstream)			
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**  
Decreased

**C7.9a**

**(C7.9a) 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.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment	1000000	Decreased	4.8	(19.8 MM Te CO2e - 20.8 MM Te CO2e) / 20.8 MM Te CO2e = 4.8% decrease. UK asset disposition.
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output	1400000	Increased	6.7	(22.2 MM Te CO2e - 20.8 MM Te CO2e) / 20.8 MM Te CO2e = 6.7% increase. Increased development in Lower 48 and increased flaring and LNG plant throughput at APLNG.
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	700000	Decreased	3.4	(20.1 MM Te CO2e - 20.8 MM Te CO2e) / 20.8 MM Te CO2e = 3.4% decrease. Downtime at Surmont due to a turnaround and reduced production and LNG plant throughput at Darwin LNG.

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**  
Location-based

**C8. Energy**

**C8.1**

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

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

**C8.2**

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	64598121	64598121
Consumption of purchased or acquired electricity	<Not Applicable>	0	1242497	1242497
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	65840618	65840618

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Jet Kerosene

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

117228

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self-generation of cooling**

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

72.22

**Unit**

kg CO2 per million Btu

**Emissions factor source**

**Comment**

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

4115303

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self-generation of cooling**

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

73.96

**Unit**

kg CO2 per million Btu

**Emissions factor source**

Distillate fuel oil no 2 [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

**Comment**

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

60372040

**MWh fuel consumed for self-generation of electricity**

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self-generation of cooling**

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

53.06

**Unit**

kg CO2 per million Btu

**Emissions factor source**

Natural gas [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

**Comment**

**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity				
Heat				
Steam				
Cooling				

**C9. Additional metrics**

---

**(C9.1) Provide any additional climate-related metrics relevant to your business.****Description**

Other, please specify (Criteria air pollutant)

**Metric value**

69895

**Metric numerator**

Tonnes VOC emissions

**Metric denominator (intensity metric only)****% change from previous year**

1

**Direction of change**

Increased

**Please explain**

Increased field activity, partly offset by reductions from improved calculation methodology and UK disposition.

---

**Description**

Other, please specify (Criteria air pollutant)

**Metric value**

35050

**Metric numerator**

Tonnes NOx emissions

**Metric denominator (intensity metric only)****% change from previous year**

3

**Direction of change**

Decreased

**Please explain**

UK asset disposition, partly offset by increased field activity and diesel consumption in Lower 48 assets.

---

**Description**

Other, please specify (Criteria air pollutant)

**Metric value**

4765

**Metric numerator**

Tonnes SOx emissions

**Metric denominator (intensity metric only)****% change from previous year**

3

**Direction of change**

Decreased

**Please explain**

Gas plant outage, partly offset by increased field activity, flaring and hydrogen sulfide content of flared gas at several facilities.

---

**Description**

Waste

**Metric value**

24570

**Metric numerator**

MMCF flaring ("waste gases")

**Metric denominator (intensity metric only)****% change from previous year**

16

**Direction of change**

Increased

**Please explain**

This was primarily related to gas infrastructure constraints for our Bakken asset as production growth exceeded midstream pipeline and processing capacity, resulting in excess gas being sent to flare rather than to sales. Part of the increase was also due to calculation methodology improvements by several assets in Lower 48. Flaring increases were partly offset by reductions at APLNG and the Bayu Undan field and our UK disposition.

---



**Description**

Other, please specify (Produced water recycled/reused)

**Metric value**

82254

**Metric numerator**

Million Cubic Meters

**Metric denominator (intensity metric only)****% change from previous year**

4

**Direction of change**

Increased

**Please explain**

The increase is mainly attributed to increased injection of produced water from adjacent assets for enhanced oil recovery in the Permian field and from increased reuse of produced water for other purposes in the Permian. Partly offsetting the increases was a slight reduction at Surmont due to the turnaround in 2019.

**C-OG9.2a****(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).**

	In-year net production	Comment
Crude oil and condensate, million barrels	257	
Natural gas liquids, million barrels	42	
Oil sands, million barrels (includes bitumen and synthetic crude)	22	
Natural gas, billion cubic feet	1024	

**C-OG9.2b****(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. 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 company-wide, comprehensive internal policy that governs the determination and reporting of proved reserves. Our proved reserves are disclosed in our SEC 10K, and a more granular breakdown of all reserves can be found in investor slide decks at [www.conocophillips.com](http://www.conocophillips.com). Per the ConocoPhillips Reserves Estimation and Accounting Policy, further details about probable, possible, and contingent reserves cannot be reported here.

**C-OG9.2c****(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.**

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1				

**C-OG9.2d****(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.**

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids				
Natural gas				
Oil sands (includes bitumen and synthetic crude)				

**C-OG9.2e****(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.**

**(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CO9.6a/C-EU9.6a/C-OG9.6a

**(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.**

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Other energy efficiency measures in the oil and gas value chain	Applied research and development	≤20%		Projects include: Steam additives technology laboratory testing, Novel well stimulation technology testing, FUR (Fundamentals of Unconventional Resources) Canada Research Chair with the University of Calgary, Sintef Low Emission Center research on Compact Steam Cycles, Renewables, Smart Systems, CCS, Energy efficient drainage, Alternative fuels, Fuel Cells, Hydrogen, Steam Turbine (Compact Systems), Offshore Logistics-battery/hydrogen electrical driven offshore vessels, Energy efficient Processing, Energy systems and digital solutions- case studies.
Other energy efficiency measures in the oil and gas value chain	Pilot demonstration	≤20%		Projects include: Oil sands pilots for Flow Control Device M-Tool, Non-Condensable Gas Co-injection and Multilateral Well Technology
Other energy efficiency measures in the oil and gas value chain	Small scale commercial deployment	≤20%		Projects include: Norway - Process Optimization, Teesside - Process Optimization, Lower 48 - Gas Chillers, Alaska - Compressor upgrades, Control panel upgrades and electric vehicles.
Other energy efficiency measures in the oil and gas value chain	Large scale commercial deployment	≤20%		Projects include: Canada - Waste heat recovery system, Alaska - Extended Reach Drilling with dual gas blend engines.
Methane detection and reduction	Applied research and development	≤20%		Projects include: Aerial Surveys, Drone Surveys, Continuous Emissions Sensors and Satellite Monitoring.
Methane detection and reduction	Small scale commercial deployment	≤20%		Projects include: Lower 48 - Instrument Air Packages
Methane detection and reduction	Large scale commercial deployment	≤20%		Projects include: Canada - Vapor Recovery Units and Instrument Air Package, Lower 48 & Alaska - Methane Detection Surveys
Other, please specify (Flaring reduction)	Small scale commercial deployment	≤20%		Projects include: Lower 48 - Flare combustor, Shade balls, H2S scavenger injection system.
Other, please specify (Electrification)	Small scale commercial deployment	≤20%		Projects include: Alaska - 1 MW Standby generator
Other, please specify (Electrification)	Large scale commercial deployment	≤20%		Projects include: Alaska - Electrification of plant and pad equipment

C-OG9.7

**(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.**

C-OG9.8

**(C-OG9.8) Is your organization involved in the sequestration of CO2?**

Yes

C-OG9.8a

(C-OG9.8a) Provide, in metric tons CO2, gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis).

	CO2 transferred – reporting year (metric tons CO2)
CO2 transferred in	259075
CO2 transferred out	0

C-OG9.8b

(C-OG9.8b) Provide gross masses of CO2 injected and stored for the purposes of CCS during the reporting year according to the injection and storage pathway.

Injection and storage pathway	Injected CO2 (metric tons CO2)	Percentage of injected CO2 intended for long-term (>100 year) storage	Year in which injection began	Cumulative CO2 injected and stored (metric tons CO2)
CO2 used for enhanced oil recovery (EOR) or enhanced gas recovery (EGR)	259075	0	January 1 2013	4457654

C-OG9.8c

(C-OG9.8c) Provide clarification on any other relevant information pertaining to your activities related to transfer and sequestration of CO2.

For 2019, we included activity at Buckeye East, which uses purchased and recycled CO2 for enhanced oil recovery. In 2019, purchased CO2 used for EOR totaled around 250,000 tonnes. While more CO2 is injected due to produced gas recycling at Buckeye, we do not include it in question 9.8b because it is unclear how much is permanently stored and how much is recycled through production. The calculation for cumulative totals uses 2013 as the start year, although Buckeye East has used these techniques for over 30 years.

The cumulative figure also includes CO2 that was sold to Denbury Resources in previous years and is used for enhanced oil recovery in their oil reserves in Montana and North Dakota.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/ section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1b

---

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/ section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

## C10.1c

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3: Use of sold products

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Upstream transportation and distribution

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 3 category**

Scope 3: Downstream transportation and distribution

**Verification or assurance cycle in place**

Annual process

---

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

**Scope 3 category**

Scope 3: Processing of sold products

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

conocophillips-2018-erm-cvs-assurance-statement.pdf

**Page/section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

**C10.2**

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

**C10.2a**

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C9. Additional metrics	Other, please specify (Flaring volume, energy used, SOx, NOx, VOC, produced water recycle/re-used)	ERM CVS's assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).	GHG data is assured annually. Additional metrics are assured every three years. Statement for 2016 data is attached. Assurance for 2019 data will be completed in 2020. ConocoPhillips_2016_Assurance Statement_ALL INDICATORS_FINAL_signed JIR.pdf

**C11. Carbon pricing**

**C11.1**

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

Yes

**C11.1a**

**(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.**

Alberta Carbon Competitive Incentive Regulation (CCIR) – ETS

Australia ERF Safeguard Mechanism - ETS

BC carbon tax

EU ETS

Norway carbon tax

**C11.1b**

---

**(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.**

**Alberta Carbon Competitive Incentive Regulation (CCIR) – ETS**

**% of Scope 1 emissions covered by the ETS**

15

**% of Scope 2 emissions covered by the ETS**

42

**Period start date**

January 1 2019

**Period end date**

December 31 2019

**Allowances allocated**

2567733

**Allowances purchased**

369742

**Verified Scope 1 emissions in metric tons CO2e**

2754871

**Verified Scope 2 emissions in metric tons CO2e**

182644

**Details of ownership**

Facilities we own and operate

**Comment**

% of Scope 1 emissions is verified emissions / company Scope 1 emissions for 2019. % of Scope 2 emissions is verified emissions / company Scope 2 emissions for 2019. Due to country fiscal periods and emission baselines, this number may not be exact.

**Australia ERF Safeguard Mechanism**

**% of Scope 1 emissions covered by the ETS**

21

**% of Scope 2 emissions covered by the ETS**

0

**Period start date**

July 1 2018

**Period end date**

June 30 2019

**Allowances allocated**

4351033

**Allowances purchased**

0

**Verified Scope 1 emissions in metric tons CO2e**

3639044

**Verified Scope 2 emissions in metric tons CO2e**

0

**Details of ownership**

Facilities we own and operate

**Comment**

% of Scope 1 emissions is verified emissions / company Scope 1 emissions for 2019. % of Scope 2 emissions is verified emissions / company Scope 2 emissions for 2019. Due to country fiscal periods and emission baselines, this number may not be exact.

## EU ETS

### % of Scope 1 emissions covered by the ETS

6

### % of Scope 2 emissions covered by the ETS

2

### Period start date

January 1 2019

### Period end date

December 31 2019

### Allowances allocated

906238

### Allowances purchased

285000

### Verified Scope 1 emissions in metric tons CO2e

1181928

### Verified Scope 2 emissions in metric tons CO2e

### Details of ownership

Facilities we own and operate

### Comment

% of Scope 1 emissions is verified emissions / company Scope 1 emissions for 2019. % of Scope 2 emissions is verified emissions / company Scope 2 emissions for 2019. Due to country fiscal periods and emission baselines, this number may not be exact.

## C11.1c

---

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

### BC carbon tax

#### Period start date

January 1 2019

#### Period end date

December 31 2019

#### % of total Scope 1 emissions covered by tax

15

#### Total cost of tax paid

800000

#### Comment

% emissions covered by tax is Canada 2019 Scope 1 emissions / company Scope 1 emissions. Due to emission baselines or tax jurisdictions, this number may not be exact. Cost is net share before tax.

### Norway carbon tax

#### Period start date

January 1 2019

#### Period end date

December 31 2019

#### % of total Scope 1 emissions covered by tax

5

#### Total cost of tax paid

30000000

#### Comment

% emissions covered by tax is Norway 2019 Scope 1 emissions / company Scope 1 emissions. Due to emission baselines or tax jurisdictions, this number may not be exact. Cost is net share before tax.

## C11.1d

---

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

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. For example, in Canada 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. Through application of this strategy, we reduced the cost of compliance with Alberta CCIR.

## C11.2

---

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

Yes

### C11.2a

---

**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.**

**Credit origination or credit purchase**

Credit origination

**Project type**

Other, please specify (Savannah burning)

**Project identification**

West Arnhem Land Fire Abatement (WALFA) Project EOP100945. 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.

**Verified to which standard**

Other, please specify (Carbon Credits (Carbon Farming Initiative – Emissions Abatement Through Savanna Fire Management) Methodology Determination 2015 Verification methodology: <https://www.legislation.gov.au/Details/F2015L00344>.)

**Number of credits (metric tonnes CO2e)**

100000

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

100000

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Voluntary Offsetting

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Methane avoidance

**Project identification**

Ember Resources Vent Gas Capture Aggregation Project Phase 3. Quantification Protocol: Engine Fuel Management and Vent Gas Capture Project. Project Id: 3246-2388

**Verified to which standard**

Other, please specify ( ISO 14064:3 and Technical Guidance for Offset Project Developers (Version 4.0, February 2013) and SGER Technical Guidance for Greenhouse Gas Verification at Reasonable Level Assurance (Version 1.0, January 2013))

**Number of credits (metric tonnes CO2e)**

68530

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

68530

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Other, please specify (Carbon Capture and Storage)

**Project identification**

Quest Carbon Capture and Storage Project Quantification Protocol: CO2 Capture and Permanent Storage in Deep Saline Aquifers Project Id: 7306-8118

**Verified to which standard**

Other, please specify (ISO Standard ISO 14064 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions (ISO 14064 3) and Standard for Validation, Verification and Audit Version 2.0 (AEP, 2018) (VVA Standard))

**Number of credits (metric tonnes CO2e)**

81266

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

81266

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---



**Credit origination or credit purchase**

Credit purchase

**Project type**

Energy efficiency: industry

**Project identification**

Alberta REMVue Engine Fuel Management and Vent Gas Capture Aggregation Project Quantification Protocol: Engine Fuel Management and Vent Gas Capture Projects  
Project Id: 1090-6410

**Verified to which standard**

Other, please specify (ISO 14064 Part 3: Greenhouse Gases: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions (ISO, 2006) and Standard for Greenhouse Gas Emission Offset Project Developers, Version 3.0, November 2019)

**Number of credits (metric tonnes CO2e)**

25714

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

25714

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Methane avoidance

**Project identification**

Bluesource Methane Reduction Program Pool Alpha Quantification Protocol: Greenhouse Gas Emission Reductions from Pneumatic Devices Project Id: 3215-1606

**Verified to which standard**

Other, please specify (ISO 14064 Part 3: Greenhouse Gases: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions (ISO, 2006) and Standard for Greenhouse Gas Emission Offset Project Developers, Version 3.0, November 2019)

**Number of credits (metric tonnes CO2e)**

14609

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

14609

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Methane avoidance

**Project identification**

Bluesource Methane Reduction Program Pool Bravo Quantification Protocol: Greenhouse Gas Emission Reductions from Pneumatic Devices Project Id: 2972-6773

**Verified to which standard**

Other, please specify (ISO 14064 Part 3: Greenhouse Gases: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions (ISO, 2006) and Standard for Greenhouse Gas Emission Offset Project Developers, Version 3.0, November 2019)

**Number of credits (metric tonnes CO2e)**

15893

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

15893

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Other, please specify (Alberta Emission Performance Credits (EPCs))

**Project identification**

EPCs are credits generated by regulated facilities under the Alberta Specified Gas Emitters Regulation (SGER), the Carbon Competitiveness Incentive Regulation (CCIR), or the Technology Innovation and Emissions Reduction Regulation (TIER).

**Verified to which standard**

Other, please specify (EPCs are credits generated by regulated facilities under the Alberta Specified Gas Emitters Regulation (SGER), the Carbon Competitiveness Incentive Regulation (CCIR), or the Technology Innovation and Emissions Reduction Regulation (TIER).)

---

**Number of credits (metric tonnes CO2e)**

58233

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

58233

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Compliance

---

**C11.3**

---

**(C11.3) Does your organization use an internal price on carbon?**

Yes

**C11.3a**

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**(C11.3a) Provide details of how your organization uses an internal price on carbon.**

**Objective for implementing an internal carbon price**

Navigate GHG regulations  
Change internal behavior  
Drive energy efficiency  
Drive low-carbon investment  
Stress test investments  
Identify and seize low-carbon opportunities

**GHG Scope**

Scope 1  
Scope 2

**Application**

Our corporate authorization process requires all qualifying projects to run a GHG pricing sensitivity using a price of \$40 per tonne CO2e (TeCO2(e)), plus annual inflation, for all Scope 1 and Scope 2 GHG emissions produced in 2024 and later. Projects in jurisdictions with existing GHG pricing regimes must incorporate that price into their base case economics. Where the existing GHG price is below the corporate price, the \$40/TeCO2(e) sensitivity must also be run from 2024 onward. This ensures that both existing and emerging regulatory requirements are considered in our decision-making.

**Actual price(s) used (Currency /metric ton)**

40

**Variance of price(s) used**

There is no variance for any jurisdictions, unless they already have a higher cost of carbon legislated.

**Type of internal carbon price**

Shadow price

**Impact & implication**

For all of our qualifying project decisions we either build a carbon price into the base case economic evaluation and/or we run a sensitivity to test our projects against possible future carbon pricing. The economic analysis is used to evaluate future project opportunities. For example, in 2017 we evaluated an international gas development opportunity in a discovered field. The field had high native CO2 content, so when we tested it against the \$40/tonne sensitivity price, it was economically challenged. There were no practical offsets to apply, nor did the environment lend itself to Carbon Capture and Storage. As a result of a number of factors, including carbon price sensitivity, we decided not to move forward with the project.

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**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers  
Yes, our customers  
Yes, other partners in the value chain

**C12.1a**

---

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Run an engagement campaign to educate suppliers about climate change

**% of suppliers by number**

1

**% total procurement spend (direct and indirect)**

37

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

We engaged our critical suppliers as they represented a significant portion of spend and environmental footprint.

**Impact of engagement, including measures of success**

In 2019 we hosted a Supplier Sustainability Forum, bringing together dozens of suppliers from over 40 different companies. The agenda included presentations and panel discussions and was designed to facilitate sharing of sustainability best practices that are transferable throughout our diverse supply chains. Topics discussed included air emissions innovation and efficiency (for example, using Electric Fracking Fleets to reduce emissions by using a turbine generator) and water management innovation and efficiency (for example, water management solutions for produced water infrastructure). Collaborating with our suppliers to identify and manage risks, foster supplier inclusion, and increase productivity and efficiency allows us to mutually improve our sustainability performance.

**Comment**

---

**C12.1b**

---

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Collaboration & innovation

**Details of engagement**

Other, please specify (The NRG COSIA Carbon XPRIZE)

**% of customers by number**

**% of customer - related Scope 3 emissions as reported in C6.5**

**Portfolio coverage (total or outstanding)**

<Not Applicable>

**Please explain the rationale for selecting this group of customers and scope of engagement**

The US\$20 million Carbon XPRIZE project is a Canada's Oil Sands Innovation Alliance (COSIA) joint industry project led by ConocoPhillips, along with six other COSIA members and NRG Energy.

**Impact of engagement, including measures of success**

This competition seeks to inspire the brightest minds in the world to reimagine what can be done to convert carbon dioxide emissions into valuable products. The final teams showcase a variety of innovative ideas, including: converting captured CO2 into products like enhanced concrete, liquid fuels, plastics and carbon fibre. The finalists will take home an equal share of a US\$5 million milestone prize to test their technologies for commercial deployment over the next two years. The competition has two tracks - one focused on testing technologies at a coal-fired power plant and one focused on testing technologies at a natural gas-fired power plant. Each track operates as a separate competition on the same timeline. The two teams that convert the greatest amount of CO2 into products with the highest net value while creating the greatest environmental benefit will be grand prize winners of the NRG COSIA Carbon XPRIZE.

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**C12.1d**

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**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

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.

**C12.3**

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**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Direct engagement with policy makers

Trade associations

Funding research organizations

**C12.3a**

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**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (British Columbia climate regulations)	Support with minor exceptions	Engagement on legislation and policy related to the energy industry. The focus of this engagement is on Climate Change and Greenhouse Gas policy and regulations, the CleanBC Program for Industry, the CleanBC Industrial Incentive Program, the CleanBC Industry Fund, reducing methane emissions from natural gas development, and industrial electrification.	Advocate for fair, transparent, coordinated and cost-effective policy development that provides greater efficiency, predictability and certainty for resource development. Collaborate with industry partners and other stakeholders to support the development of pragmatic evidence-based policy in order to protect and enable access to resources.
Other, please specify (Canadian Federal Climate Regulations)	Support with minor exceptions	Engagement on legislation and policy related to the energy industry. The focus of this engagement is on Climate Change and Greenhouse Gas policy and regulations, the Output Based Pricing System, the Clean Fuel Standard, the development of a federal offset system, and federal methane equivalency agreements	Advocate for fair, transparent, coordinated and cost-effective policy development that provides greater efficiency, predictability and certainty for resource development. Collaborate with industry partners and other stakeholders to support the development of pragmatic evidence-based policy in order to protect and enable access to resources.
Cap and trade	Support with minor exceptions	Engagement on legislation and policy related to the energy industry. The focus of this engagement is on Climate Change and Greenhouse Gas policy and regulations, the Technology Innovation and Emissions Reduction Regulation, the Oil Sands Innovation Fund, Emissions Reduction Alberta, and reducing methane emissions from oil and gas operations.	Advocate for fair, transparent, coordinated and cost-effective policy development that provides greater efficiency, predictability and certainty for resource development. Collaborate with industry partners and other stakeholders to support the development of pragmatic evidence-based policy in order to protect and enable access to resources.
Other, please specify (The Baker Shultz Carbon Dividend Plan)	Support	Founding member of The Climate Leadership Council (CLC). Also a founding member of Americans for a Carbon Dividend (AFCD) the advocacy arm of the CLC. Discussed the four pillars of the CLC plan.	Engaged with the CLC and other founding members on the development of the legislative framework.
Other, please specify (U.S. Climate Legislation Engagement)	Support	Engagement with representatives from both parties on draft legislation and policy related to carbon pricing. The focus of this engagement is on topics such as carbon pricing mechanisms, scope of programs, funding allocation and border carbon adjustments.	Aligned with our membership in the Climate Leadership Council (CLC), we advocated for fair, transparent, coordinated, and cost effective policy that provides greater efficiency predictability, and certainty.
Other, please specify (Norway Carbon Reduction Efforts)	Support	Electrifying offshore platforms to reduce carbon intensity of operations.	Advocate for fair, transparent, coordinated, and cost-effective policy development that provides greater efficiency, predictability, and certainty for resource development. Collaborate with industry partners and other stakeholders to support the development of pragmatic evidence-based policy in order to protect and enable access to resources.
Other, please specify (Australian climate change and emission reduction policy)	Support	Support a national climate change policy that delivers economic greenhouse gas emissions reductions and facilitates broad-based investment decisions.	Advocate for a fair, transparent, coordinated, and cost-effective policy development, predictability, and certainty for resource development. Collaborate with industry and other stakeholders to support the development of pragmatic, evidence-based policy in order to protect and enable access to resources.

**C12.3b**

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

**C12.3c**

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

International Oil & Gas Producers Association (IOGP)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

IOGP recognizes the risks of climate change due to rising greenhouse gas emissions and has welcomed the Paris Agreement. The Association supports the international community's commitment to address the global challenge of climate change and also believes that the oil and gas industry is very much a part of the solution to this challenge, which can be addressed while meeting society's future energy needs. The long-term objective of climate change policy should be to reduce the risk of serious impacts on society and ecosystems, while recognizing the importance of reliable and affordable energy to society. <https://www.iogp.org/policy-and-issues/>

**How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

**Trade association**

American Petroleum Institute (API)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

API and its members commit to delivering solutions that reduce the risks of climate change while meeting society's growing energy needs. We support global action that drives GHG emissions reductions and economic development. The natural gas and oil industry is part of the global solution and plays a vital role in developing and deploying technologies and products that continue to reduce GHG emissions while advancing human and economic prosperity and that are essential to extending the benefits of modern life to all. API will lead by providing platforms for industry action to: • Reduce GHG emissions through industry-led solutions, and • Actively work on

policies that address the risks of climate change while meeting the global need for affordable, reliable and sustainable energy. API and its members advocate for government policies that ensure the availability and continued development of affordable, reliable and sustainable energy, including oil and natural gas supplies and products derived from them, to consumers. The following principles will guide API's perspective on public policies that address the risks of climate change. Sound public policy approaches must be designed to:

- Facilitate meaningful GHG emissions reductions and conservation from all sectors of the economy.
- Balance economic, environmental and energy security needs.
- Promote economy-wide innovation and development of cost-effective technologies to meaningfully reduce GHG emissions.
- Optimize solutions by eliminating redundant or contradictory policies.
- Support market-based policies to drive innovation.
- Maintain the competitive positioning of U.S. businesses in global markets.
- Rely upon predictable and economically efficient policy frameworks, such as the use of offsets, that foster competition and utilize economy-wide market forces, to deliver outcomes at the least cost to society.
- Ensure that energy producers, manufacturers and suppliers are responsible for their direct emissions.
- Recognize and appropriately account for early and/or voluntary actions.
- Make the costs and associated climate benefits of any policy fully transparent to the American public.
- Continue to advance understanding of global climate change in order to calibrate and adapt future policies appropriately and effectively.

<https://www.api.org/oil-and-natural-gas/environment/climate-change>

#### **How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

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#### **Trade association**

National Gas Supply Association (NGSA)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

"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." <http://www.ngsa.org/about-ngsa/chairmans-greeting/> The Natural Gas Supply Association supports a price on carbon as a critical solution to reducing carbon emissions in power markets now and drastically cutting or eliminating them in the future by spurring the development of innovative technologies. The most effective approach to carbon-pricing is a uniform, broad-based one that is national or global and includes all emitting sectors. However, with many individual states currently designing plans to reduce emissions, NGSA urges state policymakers to adopt a price on carbon, ideally as part of a coordinated regional approach to power markets in order to make the biggest impact and reduce complexity in implementation. The proceeds from carbon-pricing should be directed to affected communities, households and businesses. While aggressively reducing total emissions, well-structured, even-handed carbon pricing in power markets can also maintain grid reliability by limiting the regulatory uncertainty that can adversely impact continued energy investment. As leaders in the natural gas industry, NGSA and its members want to reduce carbon emissions and protect our environment while ensuring energy remains affordable for hardworking families. We support innovative market solutions and technologies to reduce emissions and are dedicated to achieving a cleaner planet through strong partnerships with renewables. Carbon pricing can maintain grid reliability, complement renewables, reduce total emissions, and keep costs lower for consumers. <https://www.ngsa.org/download/issues/fact-sheets/NGSA-Carbon-Price-Position-Fact-Sheet.pdf>

#### **How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

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#### **Trade association**

National Association of Manufacturers (NAM)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

Climate change is happening. Human activities are contributing. The NAM supports the objectives of the Paris Climate Agreement to significantly reduce the risks and impacts of global climate change. Manufacturers are committed to helping address climate change while increasing the global competitiveness of U.S. industries. U.S. manufacturers are leading and the results have been unprecedented: we are significantly more carbon efficient than most of our global competitors, and the U.S. has reduced its total GHG emissions more than any other nation. We are committed to being part of the solution and encourage all other sectors of the American economy to join us. Manufacturers are advocating for policies that encourage domestic emissions reductions so that the U.S. continues to lead on the global stage, driving our international counterparts to do the same. All sectors of the global economy will have to do their part to limit global GHG emissions. U.S. manufacturers are both creators and users of the technologies that will be vital to reducing global emissions. Accordingly, sound policy for U.S. manufacturers is one that reduces emissions while maintaining their global competitiveness. Policymakers should pursue policies that achieve meaningful, cost-effective GHG reductions while empowering U.S. manufacturers to thrive in the global marketplace and ensuring the affordable, reliable energy supplies needed to keep our economy strong. <https://www.nam.org/wp-content/uploads/2020/04/Energy-and-Environment-Policies.pdf>

#### **How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

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#### **Trade association**

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

"The climate is changing and humans are contributing to these changes. We believe that there is much common ground on which all sides of this discussion could come together to address climate change with policies that are practical, flexible, predictable, and durable. We believe in a policy approach that acknowledges the costs of action and inaction and the competitiveness of the U.S. economy." See more at: <https://www.uschamber.com/addressing-climate-change>

**How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

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**Trade association**

Business RoundTable (BRT)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

"Because the consequences of global warming for society and ecosystems are potentially serious and far-reaching, steps to address the risks of such warming are prudent even now, while the science continues to evolve. The Business Roundtable supports collective actions that will lead to the reduction of greenhouse gas (GHG) emissions on a global basis with the goal of slowing increases in GHG concentrations in the atmosphere and ultimately stabilizing them at levels that will address the risks of climate change."

**How have you influenced, or are you attempting to influence their position?**

We advocate for policies aligned with our principles ([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)). 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.

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C12.3d

**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

Yes

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C12.3f

**(C12.3f) 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?**

The overview of the alignment of our national or international trade organization policies on climate change with our company's above is illustrative. Many trade organizations we participate in have climate change positions aligned to ours. Where they do not, we have continued to offer our viewpoint and attempt to work with them to better align their position with ours. For example, while we are aligned with the broad climate change policy of API, our position on the direct federal regulation of methane is different. We continue to work with API members on this issue. In the past year we have also led or actively participated in several trade organization position updates and voted against or abstained from supporting specific actions requested by a trade organization. In addition, we have decided not to renew some memberships in 2020 as a result of misalignment on a number of policy topics, one of which is climate change.

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.

## C12.4

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**(C12.4) 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**

In mainstream reports

**Status**

Complete

**Attach the document**

2019-conocophillips-annual-report-19-0895.pdf

**Page/Section reference**

23-24, 63-65, 70-71

**Content elements**

Governance

Strategy

Risks & opportunities

Emission targets

**Comment**

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**Publication**

In mainstream reports, incorporating the TCFD recommendations

**Status**

Complete

**Attach the document**

20-0737-climate-change-report-2020-fnart.pdf

**Page/Section reference**

Whole report

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

conocophillips-2019-sustainability-report.pdf

**Page/Section reference**

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

**Comment**

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## C15. Signoff

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### C-FI

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**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

We continue to improve the cost of supply of our portfolio, which positions us well for climate-related risk management. In 2019, we had 15 billion barrels of resource below \$40 per barrel.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	EVP and Chief Operating Officer	Chief Operating Officer (COO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please state the main reason why you are declining to respond to your Customers

Prefer to work directly with customer, not through a third party

Please confirm below

I have read and accept the applicable Terms