

VOLUNTARY PRINCIPLES ON SECURITY & HUMAN RIGHTS POLICY

COMMITMENT TO THE VOLUNTARY PRINCIPLES

As a participating company, ConocoPhillips is committed to supporting and promoting the Voluntary Principles for Security and Human Rights (VPSHR) in its operations. This commitment is aligned with the company's Human Rights Position and principles for effective stakeholder engagement.

We also actively participate in the IPIECA Social Responsibility Working Group where companies share best practices and lessons learned on implementing human rights policies and positions.

POLICIES, PROCEDURES AND RELATED ACTIVITIES

Implementation of the company's Human Rights Position, including our commitment to the VPSHR, is supported by the following summarized processes applied at the project and business unit levels. These processes reinforce ConocoPhillips' ongoing actions to meet our sustainable development commitments.

RISK ASSESSMENTS

The company identifies and manages key safety, environmental, political and social risks over the life cycle of our operations. Company practice requires new and existing businesses to identify and track these risks, in addition to technical and commercial constraints in a project risk register with links to related mitigation or action plans, including local site security plans and supportive engagement strategies.

From new country entry to projects to operating assets, ConocoPhillips risk assessment capabilities enable us to:

- Identify security and human rights risks arising from political, economic and social factors.
- Identify and understand the origins of risks that could lead to the erosion of security conditions and/or human rights protections.
- Assess human rights records, standing policies and applicable reform efforts in areas of potential company operations.
- Evaluate the strength and willingness of foreign legal, judicial and non-judicial institutions to address human rights concerns, adherence to contracts and other legal expectations.

Additionally, each business unit or project team develops a stakeholder engagement plan that identifies individuals and groups who may impact or be impacted by our activities, their key concerns and interests, as well as how we can most effectively engage with them.

New Country Entry

Before starting a venture in a new country, we take several steps to assess sustainability and business risks. Once an opportunity is identified and as a request for approval is drafted, a new-country-entry risk assessment is prepared. Our process includes a comprehensive due-diligence assessment that identifies and characterizes significant political, economic, financial, security, health and safety, legal and social risks affecting the proposed business environment. The due diligence process also shapes our risk management/mitigation strategy. These assessments are supported and informed by the company's security and political risk analysis programs, both of which contribute to our evaluation of the human rights conditions in the country of interest, and feature prominently in our effort to develop a risk mitigation position associated with new country entry. Both of these functions also monitor the security and political conditions following entry, to provide early warning and advice regarding emerging threats to company operations and business objectives. If we are entering into a joint venture, we use these assessments during negotiations with potential co-venturers to outline the risks identified, clearly state our expectations on environmental and social-issue performance, and discuss how the venture will seek to manage these concerns.

Following completion of this due diligence phase, all new-country entry requests are reviewed by the business unit and executive leadership teams. In cases where there is a high likelihood of – or sensitivity to – significant risk, consultation with the board of directors normally occurs.

In 2017, we continued to include comprehensive security and human rights analysis as part of new country entry assessments for countries considered to be “high risk” in these areas based on externally developed risk indices.

Health, Safety, Environmental (HSE) and Social Assessments for Projects and Operations

We systematically conduct assessments to identify how our business practices might affect communities and ecosystems in areas where project development is planned. By identifying specific issues and the requirements of the host country, we can assess potential impact and how those issues can be avoided or mitigated. In determining what issues to investigate during the assessment, we begin with the host country’s legal requirements, and supplement these as needed to address the issues, including human rights, covered by our company’s HSE standards and Sustainable Development Practice (SD Practice). Our SD Practice is a mandatory, auditable process that guides sustainability-related risk management and integrates the risk register into corporate planning and operating plans. Business units and major projects are required to conduct regular assessments to identify significant risks and document and track mitigations for inclusion in company-wide action plans. Our risk registers and action plans are used to track performance and guide goal-setting. Key risks are categorized and prioritized based on potential consequence and likelihood to determine the relative priority of the risk. Our SD risk assessment tool includes questions on security & human rights and fosters a related understanding within the BU or Project teams that supports alignment with the VPSHR.

Once a project is ready for operation, the HSE Management System and SD Practice help define company expectations and provide direction for managing environmental and social issues. It is the asset manager’s responsibility to direct asset sustainable development performance. Audits carried out by corporate and business unit staff are a key process we apply to assure that these expectations are being met. Security and human rights issues are included in our high-level processes and where warranted by specific risk assessments.

At the asset level, we continue to advance integration of human rights issues in these processes and protocols as we further strengthen consistency in implementation. Sustainable development, including human rights issues, is incorporated into the HSE Management System and HSE and Social Issues Due Diligence Standards in accordance with the SD Practice. HSE Management Systems are assessed annually using a common tool to guide targeted improvement and ultimately achieve the highest standards of excellence.

Security Audit and Compliance Program

The ConocoPhillips security audit and compliance program systematically evaluates company operations at key facilities to assure conformity with governmentally prescribed security mandates and company-required security policies, procedures and guidelines. This ongoing program identifies and internally reports on security operation non-conformities, and recommendations including issues associated with security and human rights, if any occur. The company also conducts due diligence investigations of security providers in countries that have been identified as high risk for human rights.

Other Transactions

We also perform due diligence on acquisitions or divestments of businesses or properties, new business ventures, incorporated and unincorporated joint-venture agreements, and initiations and terminations of property leases or subleases. This process is designed to ensure that past, present and potential HSE liabilities are clearly identified, understood and documented, with our sustainable development positions addressed prior to major business transactions. We strive to include security and human rights in this process where relevant. This due-diligence standard applies to ConocoPhillips and its global subsidiaries, including operated affiliates and joint ventures.

Following completion of the due-diligence assessment, a corporate HSE non-objection request, which may address human rights and social issues where relevant, is required for all major business transactions. The non-objection letter provides documentation that past, present and potential HSE liabilities have been adequately identified and assessed for the particular transaction, and that the liability risks are or can be satisfactorily mitigated.

IMPLEMENTATION

Human Rights Training and Awareness

ConocoPhillips has developed a human rights training course, which incorporates IPIECA's updated guidance on human rights training and includes a module on security and human rights. The training has been rolled out globally via a computer-based module to our stakeholder engagement practitioners and other operations staff and management as appropriate based on location. We continue regular training of security providers in priority countries for security and human rights issues.

Country-Level Implementation

Our commitment to security and human rights continues throughout projects where we operate or have working interest. In addition to specific policies on security and human rights, and the company processes and procedures described above, on-the-ground implementation actions include:

- Training for employees, security contractors, and other stakeholders where appropriate.
- Integration of security and human rights commitments in security-provider contracts and related contract monitoring.
- Stakeholder outreach and engagement, including public security forces where relevant.

The following are specific examples of how the company manages security and human rights in its operations, or previous operations, in three countries: Colombia, Indonesia and Libya.

Colombia

The Colombia business unit is committed to implementing the VPSHR in-country. We cover our approach to human rights within our presentations to communities and other stakeholders. In 2017, we participated on a security and human rights panel hosted by the Colombian National Hydrocarbon Agency where we shared with our peers how we manage human rights risks in-country. ConocoPhillips also presented at the Annual VPSHR Plenary in Ottawa (March 2017) on our VPSHR implementation in Colombia, including challenges and events, and received positive feedback from peer reviewers.

- **Security Contracts** — Security and human rights issues are incorporated into the contract requirements for private security service providers in Colombia. This includes agreement that security guard services shall comply with the VPSHR and those ConocoPhillips' policies established for VPSHR implementation as communicated to the security contractor. Agreements with public security forces also include language regarding the VPSHR.
- **Training** — In 2017, ConocoPhillips provided human rights training to over 40 local security contractors and 50 military guardsmen through a third-party consultant. This included a thorough review of the VPSHR framework and how to identify human rights risks. Additionally, ConocoPhillips accompanied the consultant and provided an overview of our approach to human rights and our commitment to the VPSHR.

As always, new employees and contractors received our corporate human rights and stakeholder engagement training. This training explains the policies and positions in place to handle these issues, as well as the risk factors to be aware of and mitigate accordingly.

Indonesia

ConocoPhillips Indonesia (COPI) continues to strengthen the company's commitment to the VPSHR through risk assessments and audits, training and security contract implementation.

- **Security Risk Assessments (SRAs)** — In 2017, COPI updated its facility SRAs to ensure that risks and threats are evaluated in an ongoing and systematic basis. SRAs were conducted at all onshore facilities including:
 - Grissik
 - Dayung
 - Sumpal
 - Gelam
 - Suban
 - Rawa

As part of the SRA process, we update all Facility Security Plans (FSPs). All COPI FSP documents incorporate a requirement that all Facility Security Officers (FSOs) and Deputy FSOs undertake annual training in the VPSHR.

- **Security Audits** — In collaboration with corporate Global Security, COPI conducted security audits at both Suban and Grissik during 2017. The security audits include the VPSHR as an element.
- **Training** — We provide VPSHR training to security guard contractors and other security-related stakeholders, including our security department, other personnel with security-related duties, and Indonesian National police assigned to our facilities. VPSHR training is provided on an annual basis and is mandatory for all security guards, police and other relevant stakeholders.

In 2017, COPI and its selected external training provider collaborated with KOMNAS HAM (Indonesia National Commission for Human Rights) and a former commissioner to provide subject-matter expertise for the trainings. KOMNAS HAM is the only authorized Indonesian institution recognized to support the protection and enforcement of human rights in Indonesia. KOMNAS HAM is recognized by UN-OHCHR (United Nations Office of High Commission Human Rights) and is obligated to submit an annual report on human rights to the UN-OHCHR. The total number of personnel who undertook training across COPI was 792. Training was conducted in Jakarta and at our onshore facilities:

- Jakarta — 167 personnel
 - 154 security personnel,
 - Three assigned police officers at Ratu Prabu 2 building,
 - 10 COPI employees who have security-related duties, but are not security personnel.
- Onshore and Palembang — 625 personnel
 - 584 guard personnel,
 - 24 police officers,
 - Six field security advisors,
 - 11 personnel from operations and other departments with assigned security related duties.
- **VPSHR Security Contract Implementation** — VPSHR training is included as a requirement in all security guard contracts. Contractors are obliged to conduct mandatory VPSHR training for guards working at COPI sites. A fit-for-purpose training schedule is included in the contract. Implementation and coordination of the VPSHR requirements is provided by the COPI security team. Contract language includes:

“Contractor shall conduct a professional security operation that is based on the following:

1. Laws and regulations of the Republic of Indonesia.
2. International regulations and/or all relevant international codes of security services, human rights, health, safety and environment as well as ethics and law.
3. All Company policies, standards and procedures as stipulated in this Contract.”

Libya

- **Security Contracts** — The contract requirements for our security service provider in Libya include the management of security and human rights issues. This includes agreement that security guard services shall comply with the VPSHR and those ConocoPhillips’ policies established for the implementation of the VPSHR and communicated to the security contractor. Contractors are specifically required to conduct security operations consistent with the elements applicable to “Companies” as set forth in the VPSHR.

LESSONS AND ISSUES

Through our engagement with Colombian private and public security forces in the in-country VPSHR training workshops (May 2017) previously described, we received insightful feedback from workshop participants. The training participants asked that we incorporate them in the next round of our community roadshows, in which we invite community members in our areas of operation to learn about ConocoPhillips and the activities we are conducting. The security providers felt that their participation in these roadshows would provide them with increased understanding of ConocoPhillips and our activities and their channels of communication and dialogue with both ConocoPhillips and the communities. In response to this feedback, we included the public security forces in the next round of community roadshows (December 2017) and provided them a full day of Safety Leadership Training to help them better understand our process and commitment to safety and security. The security providers were very appreciative of this session and are looking forward to future engagements to further develop their familiarity with ConocoPhillips.