

2019 Annual Report (Based on the Voluntary Principles Reporting Framework)

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. The social component of the following processes includes human rights-related issues.

RISK ASSESSMENTS

The company identifies and manages key environmental, political and social risks over the life cycle of our operations through our Sustainable Development (SD) risk management process. Our SD risk management process is a mandatory, auditable process that guides sustainability-related risk management and integrates a risk register into operating plans. As part of that process operated assets and major projects are examined against the physical, social and political settings of our operations. Local concerns may influence the potential importance of these environmental and stakeholder matters including long-term risks and cumulative impacts. Risks are identified and described by a diverse group of subject matter experts in each business unit (BU) and project. Our SD risk assessment tool includes questions on security and human rights and fosters a related understanding within the BU or project teams that supports alignment with the VPSHR.

Each risk is then plotted on a matrix that evaluates both its likelihood and consequence. In evaluating the consequence level, we consider potential environmental and social risks, such as socio-cultural and economic impacts to stakeholders, environmental impact, and reputational and financial implications.

The SD risk management process ensures that an action plan is developed to track mitigation activities for each risk included in the corporate SD Risk Register. These plans include details about our commitments, resources, and milestones. Our SD Risk Register and action plans are used to track performance and guide goal setting.

Action plans for prioritized social risks are typically managed at the BU level, along with the ongoing management of SD performance and engagement designed to minimize or avoid other social and environmental aspects of our business. For security and human rights-related risks, these action plans may include local site security plans and supportive engagement strategies, including a stakeholder engagement plan that identifies individuals and groups who may impact or be impacted by our activities and their key concerns and interests, as well as how we can most effectively engage with them.

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 nonjudicial institutions to address human rights concerns, adherence to contracts, and other legal expectations.

Security Audit and Compliance Program

The ConocoPhillips security audit and compliance program systematically evaluates company operations at key facilities to assure conformity with government-prescribed security mandates and company-required security policies, procedures and guidelines. This ongoing program identifies and internally reports on, and makes recommendations with respect to, security operation nonconformities 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.

IMPLEMENTATION

Human Rights Training and Awareness

ConocoPhillips has developed a human rights training course, which incorporates IPIECA's 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 where we operate or have a 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

ConocoPhillips Colombia is committed to implementing the VPSHR in country. Our approach to human rights is included in presentations to communities and other stakeholders. In 2019 we continued our engagement with the Colombia military, police and security contractors through a series of training sessions, meetings and formalized agreements for an agreed adherence and commitment to the VPSHR.

- **Security Risk Assessment (SRA).** ConocoPhillips Colombia and its security contractor conducted an SRA in 2019 that included an emphasis on the need to respect and promote human rights within the VPSHR framework. The results of the SRA identified the ongoing importance of engagement with the workforce, security contractors, government security forces and communities on the VPSHR.
- **Security Contracts and Agreements.** 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. Additionally, ConocoPhillips completed agreements with the Colombian government security forces on adherence to human rights expectations.
- **Training.** In 2019, human rights training was completed by public security officers and ConocoPhillips security contractors and third-party security consultants. This included a thorough review of the VPSHR framework and how to identify human rights risks.

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.

- **SRA.** To further assess the risks and threats that could potentially cause disruption to operations, all SRAs are reviewed by the local team annually. Additionally, the Regional Security Director conducted an SRA on the Rawa facility. The local security team also reviewed the Facility Security Plans (FSPs) for all facilities. All

COPI FSP documents incorporated a requirement that all Facility Security Officers (FSOs) and Deputy FSOs undertake annual training through the 2019 VPSHR training sessions.

- **Security Contracts and Agreements.** Wording for security contracts in Indonesia includes: *Contractor shall conduct a professional security operation which 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.*

VPSHR training is included as a requirement in all security contracts.

Incidents of noncompliance with ConocoPhillips' VPSHR requirements will result in a Key Performance Indicator penalty and may lead to the termination of the service contract.

- **Training.** VPSHR training is included as a mandatory training in the COP Indonesia training matrix and conducted annually. All security-related functions and other functions with security responsibilities or duties, as well as other stakeholders—including National Police Task Force personnel assigned to COPI BU facilities—undergo VPSHR training. Security service contracts require the contractor to conduct the training for all security personnel in all facilities and operational locations. Implementation and coordination of VPSHR training requirements are overseen by the COPI security team.

In addition to security-related personnel, other stakeholders and managers who currently have ongoing projects at field locations and have frequent contacts with local communities in their respective project areas participated in the 2019 VPSHR training.

The 2019 VPSHR training was conducted in all field locations and the Jakarta office. Training participants included:

- 30 public security officers (3 office-based, 27 field-based)
- 757 private security guards (152 office-based, 605 field-based)
- 58 COPI employees/contractors (9 office-based, 9 field-based)

The 2019 VPSHR training included a presentation by a former commissioner of the Indonesia Commission for Human Rights (KOMNAS HAM). As the government institution designated for the protection and enforcement of human rights in Indonesia, KOMNAS HAM is recognized by the United Nations Office of the High Commissioner for Human Rights.

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.