CORPORATE PARTICIPANTS

Janet Langford Carrig  ConocoPhillips - Senior VP of Legal, General Counsel & Corporate Secretary

Ryan M. Lance  ConocoPhillips - Chairman & CEO

CONFERENCE CALL PARTICIPANTS

Donna Meyer  Mercy Investment Services

Steve Mason  Church of the Brethren Benefit Trust

Steven Heim  Boston Common Asset Management, LLC - Portfolio Manager

Glenn Johnson  Shareholder

Fred Council  Shareholder

PRESENTATION

Operator

The 2018 ConocoPhillips Annual Meeting of Stockholders is about to begin. To ensure your safety, please listen to the following information. In the unlikely event that the ballroom should need to be evacuated for any reason, there are several exits around the room indicated by lighted signs. Please proceed to the exit nearest to you. We ask that you turn off all cell phones, pagers and similar devices during the meeting. No cameras or sound recording devices are permitted other than those used by ConocoPhillips personnel to record the proceedings.

Ladies and gentlemen, please welcome ConocoPhillips’s Senior Vice President, General Counsel and Corporate Secretary, Janet Langford Carrig.

Janet Langford Carrig  ConocoPhillips - Senior VP of Legal, General Counsel & Corporate Secretary

Thank you. Good morning. I'm joined on the stage by Ellen DeSanctis, Vice President, Investor Relations and Communications, who will coordinate the Q&A session after the proposals have been presented. Today, we will be providing you with a review of the company’s performance in 2017 and an update on our plans for 2018. The review will include forward-looking statements. This is our reminder that actual results can differ materially and you should refer to our filings with the SEC for factors that could cause actual results to differ from projections.

Now, please join me in welcoming Ryan Lance, Chairman and CEO of ConocoPhillips.

Ryan M. Lance  ConocoPhillips - Chairman & CEO

Thank you, Janet, and good morning, ladies and gentlemen. As Janet said, I'm Ryan Lance, Chairman and CEO of ConocoPhillips and it's my pleasure to welcome you to the ConocoPhillips’ 2018 Annual Stockholders Meeting.

Let me first take the opportunity to introduce you to the members of the ConocoPhillips Board of Directors. All those directors are here today other than Mr. Richard Armitage and Mr. Richard Auchinleck, both of whom are scheduled to retire following this annual meeting. Now as I introduce each one of our directors, I’d please ask them to stand and face the audience and be recognized. So in addition to myself, the members of our board present today are: Charles E. Bunch, Chuck is the former Chairman and Chief Executive Officer of PPG Industries, Incorporated; Caroline Maury Devine, Maury is the former President and Managing Director of the Norwegian Affiliate of Exxon Mobile; John V. Faraci, John is the former Chairman and Chief Executive Officer of International Paper Company; Jody L. Freeman, Jody is the Archibald Cox Professor of Law at the Harvard Law School; Gay Huey Evans, Gay is the Deputy Chairman of the Financial Reporting Council; Sharmila Mulligan, Sharmila is the Founder and Chief Executive Officer of ClearStory Data Incorporated; Arjun N. Murti, Arjun is the Senior Advisor at Warburg Pincus; Robert A. Niblock, Robert is the Chairman,
President and Chief Executive Officer of Lowe’s Company, Incorporated; and Harald J. Norvik, Harald is the retired Chairman, President and Chief Executive Officer of Statoil. So please join me in thanking our board members for their dedication and their willingness to serve.

Next I’d like to introduce you to the other members of the ConocoPhillips’ leadership team. All of them are here today, as I introduce each of them, I’d ask them to also stand, face the audience and be recognized. So in addition to myself, Janet Carrig and Ellen DeSanctis, whom you’ve already met, the members of the executive leadership team are Al Hirshberg, he is the Executive Vice President of Production, Drilling and Projects; Matt Fox, the Executive Vice President of Strategy, Exploration and Technology; Don Wallette, the Executive Vice President of Finance and Commercial and our Chief Financial Officer; Andrew Lundquist, our Senior Vice President of Government Affairs; and James McMorran, our Vice President, Human Resources, Real Estate and Facilities Services. So I’d like to thank the ELT as well for their presence as well.

So before I begin the formal part of the meeting, I’d like to take the opportunity to update you on the progress the company has made over the last year. And I’d like to address the value proposition that we rolled out to the shareholders a little over a year ago, spend some time discussing our 2017 performance and the progress that we’ve made delivering on that value proposition and address some of the market response that we’ve had to our performance, then a quick review of our 2018 plans.

Now this slide shows our disciplined returns-focused strategy and value proposition. We’re committed to financial strength. We’re committed to growing the distributions to our shareholders and cash flow expansion on a per share basis. And then we think these principles and these priorities are key for a volatile energy business, and we believe they’re going to deliver superior returns through the cycles that we experienced in this business. But not everyone can do it; not every company has the portfolio that we do. And on the right side, we’ve list the unique characteristics that are necessary to win at a value proposition like ours. Now together these principles, these priorities and these characteristics position us to work across a very wide range of prices. And that was the basis for the strategy that we’ve been executing coming out of the recent downturn in our industry. We really want to be the energy company that can deliver consistent and predictable returns and priorities through all of -- all the price cycles.

And I’ll tell you why on this next slide. Why we think we work in the low end of the price cycle and at the high end of the price cycle. We’re advantaged versus other exploration & production companies because we offer investors resilience to low prices and full exposure as the prices move higher. For resilience to low prices, really the name of the game is to have the lowest sustaining price, and we believe we have an industry-leading position in that particular metric. We can pay our growing dividend and sustain our production at $40 a barrel because we have low capital intensity in the portfolio, high-margin production and really a relentless focus on our cost structure. We also have a 15 billion barrel resource base, low cost of supply, and that could fuel returns with a high degree of flexibility going forward. So it’s our portfolio that helps us outperform during periods of lower prices, while providing that upside to the higher prices as well. It’s because that portfolio is oil-weighted and it’s -- our assets are positioned predominantly in fiscal regimes that don’t cap the upside as prices move up. We’re unhedged, and we can increase distributions and/or CapEx to create value even though -- during those up cycles, but we’ll keep our discipline. So our company led the E&P sector in setting this disciplined strategy back in late 2016, but it’s only a good strategy if you can execute well against that and that’s what we did in 2017.

Now we set aggressive operational targets for the company, but it’s aligned with this discipline returns-focused strategy, and I think we delivered. We grew our production by 3%. We did that while driving down our capital and our operating costs. So in short, we delivered more activity and more production with less capital and with less operating expense.

Now these results aren’t sustainable unless you have a culture and a commitment to safely deliver them, and we really did that with record HSE performance. And we’re very focused as a company on verifying our lifesaving rules we have across the whole organization, strengthening our process safety defenses and the personal safety defenses that prevent all the accidents. In 2017, it was our best safety performance as a company. And those less incidents, those less injuries and that’s positioned our company as an industry leader in this particular aspect. So it’s our commitment to safety and stewardship that remains core to this company. And really, that performance is what led to a transformational year for the company in 2017.

Let me speak to that with this slide. Now we’ve strengthened our portfolio significantly to give us a competitive advantage. We’ve lowered our sustaining capital to $3.5 million and our sustaining price to less than $40 a barrel. We think that’s industry-leading in our space. Now we’ve high-graded our less than $50 per barrel resource base and lowered the average cost of supply on that resource base to less than $35 a barrel. And
we've laid the groundwork for improving our financial returns and delivering significant return of capital back to our shareholders. We delivered over $16 billion of asset sales in 2017, and we used those proceeds to reduce debt on the balance sheet by $7 billion, and we've returned the equivalent of 61% of our cash flow back to our shareholders. Now we believe this strategy has been further differentiated relative to the traditional E&P growth model. It's that lower sustaining capital and our industry-leading sustaining price enable us to deliver top-tier free cash flow.

Now finally, we not only delivered on our operational targets, but we continue to elevate our ESG performance, and I'll speak to that here in a moment. So really we transformed the business in 2017, and I think the market has taken notice of what we've done.

Now this slide shows our total shareholder returns, since we launched this strategy in late 2016. Now we show our total shareholder return for this period roughly 18 months of time versus the 4 main energy benchmarks. They're on the right-hand side of the slide. Now each of those represents a different industry set and we've outperformed all of them. Now we also show the S&P 500 Index. We think that's important to keep that index in sight because we certainly want to be the energy investment that competes against broad market performance. Now we're pleased with the performance, but we certainly don't take it for granted. But we believe the portfolio and the discipline will sustain that performance for years to come. Why is that? Because of really global diverse portfolio that we believe is a key differentiator. Now we entered 2018 as the largest independent E&P company based on production and proved reserves. We have over 1.2 million barrels a day of production and that's heavily weighted to oil and LNG that are liquids priced. We have a 15 billion-barrel resource base. And the cost of supply of that resource base is less than $50 a barrel. We're balanced between conventional, unconventional and long-life, low decline LNG and oil sands. And at the bottom, you'll see that we're spending about $5.5 billion on a capital program, that's focused on that diverse global low cost of supply portfolio that we believe is distinctive amongst other Exploration & Production companies and it's really the key for our ability to deliver on our strategy.

Now we just reviewed our strong 2017 performance, and we intend to deliver another strong year in 2018. And key to doing that is really sticking to our plan and keeping our discipline. We remain committed to that value proposition that we rolled out in 2016, and we've already taken actions to further advance our priorities in 2018. We intend to reduce our debt to $15 billion by year-end. And in February, we increased our quarterly dividend by 7.5% and are planning 2018 share buybacks by 33%, and we'll grow on a production-per-share basis and really expand our cash flows as we move into 2018.

Now as I mentioned earlier, ESG remains a top priority. It's certainly a core part of our company and a core part of our culture. We believe it's vital to sustainably deliver on the plan. Let me take a moment to describe our ESG structure and their philosophy in more detail on this next slide.

Now our company has a legacy of commitment on -- and focus really on the environment, social and governance performance. We have very constructive engagement with investors and other stakeholders for years, including many of you in the audience today. We have a clear and an effective structure in place that follows from the board, my executive leadership team and goes to all the operating people and their staff in the field. Our governance -- this governance system is supported by a system of policies and standards and practices and guidelines to help us assess the ESG risks and plan for them. And we incorporate this into our planning and our decision-making process. We believe it's working. It's certainly impacting our operations and many of our business decisions. One example of that is we took a leadership role in establishing a target to reduce our greenhouse gas emissions intensity by 5% to 15% by 2030, one of the very few, if not the only E&P company in the sector to lay out a greenhouse gas reduction target. I think we're proud of our track record and our commitment, and we believe they're reflected in our strong ratings, and those ratings are done by independent agencies around the world. But we certainly don't take it for granted and it remains a priority for the company.

Now underlying everything that we do as a company is a very simple, strategic framework: smart growth, superior returns and SPIRIT values. Now what do we mean by smart growth? It means disciplined growth, it means spending within your cash flows, it's focused on free cash flow generation and allocating capital prudently across a diverse global portfolio. And superior returns means predictable, competitive returns of capital to our investors and investing in the lowest cost of supply opportunities in our outstanding portfolio, all that to drive higher financial returns. And then finally our SPIRIT values, the core and the heart and the culture of our company. It's about safety, it's people, it's integrity, it's responsibility, it's innovation and it's teamwork. That's our guiding light and that's our compass that all of our employees look at that points true north.

So that completes a quick review of our plans for 2018. Now, I'd like to call the meeting to order. And first we'll present the 3 proposals that were submitted by management for approval and then I'll ask each of the stockholder representatives present today to come forward and present those proponents' proposals. Now, we have found the best way to ensure we have plenty of time at the end for comments on any of the proposals as
well as questions that you may have for me is to save the comments and questions for a Q&A session after the proposals have been presented. After that Q&A period is done, we'll take ballots from everyone in the audience who hasn't already voted by proxy and announce the results of the voting.

Now Janet, can you report whether a quorum is present for the conduct of business.

Janet Langford Carrig - ConocoPhillips - Senior VP of Legal, General Counsel & Corporate Secretary

Our Inspector of Elections reports that stockholders entitled to cast more than 88% of the votes eligible to be cast at this meeting are present in person or represented by proxy. Therefore, a quorum is present and the meeting may proceed.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Janet. So the meeting will now consider the 4 business items on the agenda. We'll present each of those business items one at a time. When a stockholder representing or presenting the proposal or their representative is recognized, the meeting host will provide them with a microphone. Please state your name and verify that you are a stockholder or a representative of a stockholder. If you are a representative, please state the name of the stockholder that you represent.

Item 1 on the agenda for today is a proposal to elect 10 directors to serve for a term of 1 year. As indicated in the proxy statement, the Board of Directors recommends that the stockholders elect the director nominees.

Item 2 on the agenda is the proposal to ratify the appointment of Ernst & Young as the company's independent registered public accounting firm for 2018. The audit and finance committee reappointed Ernst & Young to serve as ConocoPhillips' independent registered public accounting firm for 2018 and seeks ratification of that appointment by the stockholders. As indicated in the proxy statement, representatives of Ernst & Young are here today, and they're available to answer any questions you may have them during the stockholder question-and-answer session.

Item 3 on the agenda is an advisory proposal to approve the compensation of the named executive officers as disclosed in the proxy statement. As indicated in the proxy statement, the Board of Directors recommends that the stockholders vote in favor of this proposal.

Item 4 on the agenda is a stockholder proposal for the human resources and compensation committee of the board to adopt a policy to use GAAP financial metrics for purposes of determining executive compensation. Is Glenn Johnson here to present that proposal and make a brief supporting statement? Good morning.

Glenn Johnson - Shareholder

Good morning, fellow shareholders. My name is Glenn Johnson. I'm here to represent the AFL-CIO Equity Index Fund. The fund asks the Board of Directors to adapt a policy to use generally accepted accounting principles, or known as GAAP, on evaluating performance for purposes of determining senior executive compensation. The fund believes that using non-GAAP financial metrics for determining executive compensation could undermine the connection between pay and performance. For example, a public company's net income amount for its fiscal year is prepared according to GAAP and that amount is used to compute earnings per share, which is often used as a performance metric in determining the incentive pay of a company's named executive officers. However, the compensation committee of a public company's board often uses their discretion to adjust the earnings per share executive -- often use their discretion to adjust earnings per share executive performance metric or other metrics to exclude certain costs such as legal expense. The fund believes that an adjustment to an incentive pay metric may help executives achieve performance metrics and also promote executive pay inflation. If you agree with the AFL-CIO Equity Index Fund, please support this proposal. Thank you.
Thank you, Glenn. The Board’s response to this proposal begins on Page 101 of the proxy statement. Board recommends that you vote against this proposal. Now that clears the 4 proposals in front of the shareholders for review. Now I’d like to take about 15, 20 minutes and take general questions and comments, beginning with questions from stockholders here in the room. Now there were some questions that were submitted online in advance of the meeting, which we'll answer as time permits. In an event that we're unable to answer all the questions, we'll post responses to those questions on our website within 72 hours. Now if you have a question or a comment, you may approach the microphone nearest to you and the host will be available to assist you. Pursuant to our meeting guidelines, each stockholder will be allowed to speak for up to 2 minutes and ask no more than one question, and each time the stockholder is recognized. Additional turns will, of course, be given to those who've already spoken if time permits. Questions should be brief as possible and relevant to the matters of concern to stockholders today.

Now if stockholder who have not delivered his or her proxy, you may cast your vote by ballot at this meeting. Now if you've already submitted a ballot proxy, your votes will be cast as indicated on your proxy card. You do not have to vote by ballot unless you wish to change your prior proxy vote. If you need a ballot, please stand, raise your hand and the meeting host will provide you with a ballot. And at the end of the question-and-answer period, we'll go ahead and collect all those ballots. So with that, I'd love to open it up to any questions or comments from the floor today. Yes, ma'am.

**QUESTIONS AND ANSWERS**

**Donna Meyer - Mercy Investment Services**

Mr. Lance, members of the board, my name is Donna Meyer. I live here in Houston. I work for Mercy Investment Services, which are long-term investors in ConocoPhillips. Mercy Investment Services has been involved with you in a number of discussions on a multitude of issues. I rise to speak here to commend ConocoPhillips for its long-standing commitment to board diversity, including the inclusion of women and people of color on your board. Not only do we have an exceptionally well-qualified Board of Directors, but ConocoPhillips has been a leader for decades in championing racial and gender diversity among our directors. The issue of board diversity is increasingly important as a good governance issue. It is of concern to the large institutional investors like State Street, Wellington and other large investors which hold significant stake in the company. These investors are engaging lots of companies who do not have standard board diversity records and pressing them to move forward. So ConocoPhillips' leadership deserves to be commended and recognized. It is the right thing to do, it's good business, and we as a company stand as an example to other companies. So I thank you.

**Ryan M. Lance - ConocoPhillips - Chairman & CEO**

Thank you, Ms. Meyer. I appreciate the comments about the company. Please, Steve.

**Steve Mason - Church of the Brethren Benefit Trust**

Good morning, Chairman Lance, my name is Steve Mason. I represent Church of the Brethren Benefit Trust. We are shareholders, and I also represent a group of shareholders who have been in a long-term conversation with the company, its leadership team, its staff and we appreciate that. Before my comments on that particular topic, I also want to express appreciation for the opportunity to be here to express appreciation for being here. This is evidence, in my opinion, that the company and the board are in an evergreen stage, using a previous Chairman's terminology, looking at issues that may be at hand and being able and willing to reflect on those and make changes. I would suggest that this is an opportunity for me to reach out to board members, while I'm here, but I'm also willing to be approached by board members if you don't understand what is in my mind and what's my concerns. I came here to be available too. So that could go both ways. Now the topic at hand, I'm going to try to do in other 10 minutes -- 2 minutes.
Ryan M. Lance - ConocoPhillips - Chairman & CEO

2 minutes, okay.

Steve Mason - Church of the Brethren Benefit Trust

2 minutes. We are -- and there's a group of shareholder that are interested in attending to the rights of indigenous peoples in the areas where the company does its business. We have been in an ongoing conversation. We have moved to the stage of talking about how to measure that we believe that the company's heart is in the right place. And as it does, we have other elements that are important to it. We think that there is merit to being able to quantify for itself that it is, in fact, doing what it intends to do. It is also comforting, of course, for those of us who share those concerns to see those elements of evidence. So I'm here simply to affirm the ongoing conversation to invite any of you to join those who meet with us regularly in New York to be part of the conversation. And I would be happy to visit with anybody while I'm here -- while we're here before we all rush off to our next thing. Thank you, Chairman.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Steve. I think I appreciate the support of the company and your willingness to engage. I would point out, and I think you'll agree, that it's the 364 days a year of engagement that's important. These are important meetings, and we did try something a little different last year. We've heard the response and welcome you back again this year. But our engagement lasts those other 364 days. That's what we pride our company on, and thank you for the comments. I appreciate it.

Steven Heim - Boston Common Asset Management, LLC - Portfolio Manager

Thank you, Chairman Lance. I have a second statement that I'll read when the time allows, but I have something to follow on what Steve Mason just presented. My name is Steven Heim. I'm a Managing Director for Boston Common Asset Management. I'm speaking on behalf of the Sisters of St. Joseph, Springfield, Massachusetts, a shareholder in ConocoPhillips. And as Mr. Mason mentioned, since 2006, Boston Common Asset Management and the Church of the Brethren Benefit Trust have helped lead a group of institutional shareholders that have raised concerns about the company's operations that impacted indigenous peoples in Ecuador and Peru and Navajo Nation in the Southwestern U.S. and, more broadly, around the world. And this will be my 10th year to come to your annual meeting to speak on this topic. We have urged ConocoPhillips to protect its reputation and its future ability to operate in indigenous nations and communities by adopting a transparent and accountable corporate-wide policy of operating only in areas where the company has secured the free, prior and informed consent of affected indigenous peoples. This prompted us to collectively file shelter proposals in 2006, 2007 and 2008, a long time ago now. And due to the progress by the company and its openness to consider these issues, we did not file proposals since then. And starting in 2009, ConocoPhillips began to report in detail on its relations with indigenous peoples in its sustainability reporting and meets regularly with concerned shareholders on other critical issues such as natural gas, shale energy, hydraulic fracturing and climate change. Our company has publicly stated, and this is regarding Peru, which the company has exited. For exploration and production projects, we have publicly pledged to indigenous inhabitants in our areas of operation in Peru to obtain complete understanding of our activities with all communities prior to conducting operations. This is before ConocoPhillips in October 2012 announced its plans to end the company's exploratory operations in Peru as part of its global asset restructuring. But the statement regarding Peru is still significant. We continue to applaud our company for going further in July 2011 when it revised its global human rights policy to recognize the rights of indigenous peoples. The policy states the company's approach to engagement with indigenous communities and locations where they're an important stakeholder for our operations is consistent with the principles of the International Labor Organization Convention 169 concerning indigenous and tribal peoples and the United Nations Declaration on the Rights of Indigenous Peoples. I'll note this is still fairly rare by oil and gas companies, and it's a model that we hold up for other companies to adopt. In conclusion, we encourage ConocoPhillips on its path to end the company's exploratory operations in Peru as part of its global asset restructuring. But the statement regarding Peru is still significant. We continue to applaud our company for going further in July 2011 when it revised its global human rights policy to recognize the rights of indigenous peoples and development decisions consistent with the principles of United Nations declaration of Rights of Indigenous Peoples in ILO 169. In the long term, we believe this will be critical component of ConocoPhillips' ability to maintain its social license to operate and, therefore, gain access to reserves. The risk of
extractive companies infringing on the rights -- human rights of indigenous peoples is well known. We believe ConocoPhillips has put in place policies to mitigate these risks and avoid doing harm. We encourage it to further report on how it is implementing its policies in meeting new challenges as recommended by Steve Mason of the Church of the Brethren Benefit Trust. Thank you very much.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Steven. Yes, we certainly recognize and respect the choice of indigenous communities who -- to live as distinct peoples. And I think you appropriately recognized the company. We -- all our business and operating units take that near and dear to our heart. It’s not just about Peru. It’s about every place that we operate around the world. So thank you. We'll go back to Ms. Meyer and then we'll come back to you, Steven.

Donna Meyer - Mercy Investment Services

Yes. My name is still Donna Meyer, and I'm still from Houston. This time, though, I'm speaking for Walden Asset Management, who has led a group of investors to encourage ConocoPhillips to be more transparent about its public policy and lobbying advocacy. We want to thank the management for its openness and its willingness to talk with concerned investors about expanding disclosure regarding the company's lobbying. And as investors, some of you may remember that this issue has been on the proxy for about 5 years, I think, and it's not on the proxy this year. I think I always read that proxy, as a matter of fact. So I'm delighted not to have to do that today. And the reason it's not before us today is that ConocoPhillips management led by Karl Fennessey held a very constructive conversation with sponsors of this resolution and came to an agreement that led to the withdrawal of the resolution. And the company's website disclosure has been expanded to be more transparent, both on direct and indirect lobbying. It includes expenditures for lobbying and describes the oversight provided and the major trade associations that the company is members of. So this topic of the company involvement in lobbying is increasingly important. And we hope that you will continue to have conversations on this topic. And we thank you for engaging with us. Walden also asked me to put in another matter here and that is -- it's an important issue for investors relating to lobbying attacks to file resolutions and to be able to talk with boards of directors and leadership. And they're concerned that the rights of investors to file resolutions being led by the U.S. Chamber of Commerce and the Business Roundtable is being discouraged. And so as ConocoPhillips is a member, a respected member of the Business Roundtable, and you talk about the value of engagements with investors and shareholders, we hope that you will have a discussion with the Business Roundtable about their campaign to change the SEC rules that would abolish the right of shareholders to talk with the board. So we urge you to communicate with the Business Roundtable, explain that this is not ConocoPhillips' position and urge them to end these attacks. So we look forward to your response on that issue.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Okay. Thank you, Ms. Meyer. Yes, we don't support the abolishment, certainly, as shareholders rights and are having those conversations with both the Chamber and with the Business Roundtable. But we do support a requirement that stockholders have a meaningful ownership position for a reasonable period of time before they can submit a stockholder proposal. We think these thresholds provide sufficient access and are reasonable, but we want to make sure they're reasonable and they're not completely abolished as you describe. Thank you. Yes, sir.

Fred Council - - Shareholder

Good morning, Mr. Lance.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Good morning.
Fred Council - Shareholder

My name is Fred Council, and I affirm I'm a shareowner. I would compliment yourself and the board to head this in-person meeting with online participation. My question, compared to our peers listed Page 59, my question, first water and second the earthquake. The beneficial reuse of the water we use in our exploration & production process, how does that compare to our competitors, where there is now with some research beneficially reusing what would have been wastewater for other purposes? How do we compare to our peers?

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Yes, I think we compare quite favorably. The whole industry is working to reduce the water footprint and make sure that in arid areas that we're responsibly using water. We produce a lot of water with our production operations, and we have technology to clean up that water and to be able to reuse it and put it back into our operations. We do that across the world, and it's an important piece of the business that we have to continue to do. When we do take water out of the ground for the use in our operations, it tends -- it comes from saving aquifers deep down in the earth. They're not the aquifers that people use for drinking water. So we try to use some of that saline water, put it back into the ground when we're done with it, clean it up and reuse it in our operations. And I think it's -- we're similar to a lot of industry in that regard.

Fred Council - Shareholder

Thank you for that. And now concerning ourselves compared to our peers, earthquake, 48 states and within the last 10 years, the original design of infrastructure now apparently seems to have a coincidence, increased earthquake risk, and hydraulic fracturing seems to be a factor, a coincidence. And could you discuss specifically focused on Cushing, Oklahoma? What is the risk to our business model of earthquake affecting the terminal Cushing supply and delivery pipeline as well as our infrastructure more than 10 years old, probably not originally designed for what seems to be increasing fracturing-induced earthquake risk? So how do we compare to our infrastructure being impacted by this recent coincidence earthquake risk?

Ryan M. Lance - ConocoPhillips - Chairman & CEO

So a couple of ways to answer that question. In terms of the company itself, we have very little infrastructure sitting in Cushing in Oklahoma as a company ourselves. So we have very little risk to increased seismic activity that's going on in the area. Now, obviously, with industry, Cushing, Oklahoma, is a very large storage facility for our industry. And to the extent it (inaudible) damage, it'd affect the company as well. I'm not as familiar with the building codes when that was built. I would tell you that the seismic activity that is occurring today is not necessarily due to hydraulic fracturing. It's mostly been associated with the injection of produced water that's going down into the Arbuckle formation deep, deep in the ground. I'd tell you that's a very manageable situation for industry. Industry has started to reduce that. And I think now you're seeing less frequency of the earthquakes as the commission in Oklahoma is regulating that activity, regulating the deep injection of water in order to minimize some of the seismic activities. So not a lot of direct impact on the company today, but certainly we follow it very closely because we're a part of the industry and we want to make sure that the Cushing and the infrastructure and all that is unaffected by any seismic activity that occurs there.

Fred Council - Shareholder

Yes. I understand that Cushing focus. But for ourselves compared to our peer groups, the lower 48 states, should there be a disruption in the pipelines and the infrastructure by earthquake in the recent 10 years not designed for how we compare to retrofit, is there a greater or lesser risk that we have compared to our peers and itself?

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Okay. I'm sorry. Yes. I don't think we're at any greater risk relative to our peers. When we design our facilities, if it's in an earthquake-prone area, take Alaska for example, the Transatlantic Pipeline, which has been in place for 40 years now, was specifically designed with seismic activity in...
mind. So it's a very robust design and a very -- infrastructure that can sustain many earthquakes that they've had over the last 40 years. Down the lower 48, I think we're very similar to our peers in terms of what we're doing. We monitor wells when we do hydraulic fracturing. We monitor for seismic activity. We monitor for all that that we do to make sure that we aren't causing those kinds of occurrences when we do hydraulic fracture stimulation down deep in the earth.

Fred Council - - Shareholder
Yes, thank you. I do have 2 short articles I'll hand over to the Corporate Secretary to illustrate. Thank you very much.

Ryan M. Lance - ConocoPhillips - Chairman & CEO
Thank you. I appreciate you. Thank you for your question. Steven.

Steven Heim - Boston Common Asset Management, LLC - Portfolio Manager
Good morning, my name is Steven Heim, managing Director for Boston Common Asset Management. I'm speaking on behalf the Sisters of St. Joseph of Springfield, Massachusetts, a shareowner at ConocoPhillips. We make this statement as a supporter of the Climate Action 100+, an investor initiative that aims to partner with companies to enhance corporate governance, climate change, curb emissions and strengthen climate-related financial disclosure at companies with great opportunities to tackle climate change. To date, over 260 investors with over $29 trillion in assets under management have signed up to support the initiative, equivalent to nearly 1/3 of all assets under management. As part of an initiative of long-term institutional investors who must manage retirement savings and investments for millions of people, we believe climate change to be one of the largest systemic risks we face. Delays in climate change policies and responses by companies will increase these risks to our investments. The Climate Action 100+ is a new 5-year investor-led initiative to partner with investee companies to conclusively tackle these risks and take up the opportunities presented by climate change. ConocoPhillips has been included within the initial group of companies for the Climate Action 100+ on the basis of its combined scope 1, 2 and 3 greenhouse gas emissions. That is, it includes direct emissions, emissions from purchased energy and emissions from combustion of its products, as compiled and modeled by the CDP, relative to other companies worldwide. Investors participating in the Climate Action 100 wish to work with companies as supportive partner. I'm pleased today to invite ConocoPhillips to continue its proactive dialogue with investors to decisively address climate change to now include investors in the Climate Action 100+ initiative. Boston Common is the lead investor for ConocoPhillips for the Climate Action 100+ with Hermes and Walden serving as co-lead investors. We commend ConocoPhillips for the actions it has already taken to address climate change. In particular, we note that it's adopting updated public targets for reducing its greenhouse gas emissions, divesting of legacy assets with relatively high greenhouse gas emission in the oil sands regions of Canada and the San Juan Basin in the U.S., implementing an extensive transparent methane emissions program, gaining a high rank in the 2017 addition of the Disclosing the Facts scorecard on methane. And lastly, conducting strategic planning that incorporates climate change considerations of being early industry leader and publishing details on how it uses climate-related scenario analysis to guide decision-making. The supporters of the Climate Action 100+ have agreed to seek commitments from the boards and senior management covered by the initiative for these 3 areas, and then I'll ask a question: Take action to develop a transition plan to reduce greenhouse gas emissions across the value chain consistent with the Paris Agreement's goal of limiting global average temperatures increased to well below 2 degrees Celsius above preindustrial levels. I'll just comment that ConocoPhillips is well on the way of doing that already. Provide enhanced corporate disclosures in line with the final recommendations of the Task Force on Climate-related Financial Disclosures, also known as the TCFD. And third, implement a strong climate governance framework, which clearly articulates the Board's accountability and oversight of climate change risks and opportunities. And I believe ConocoPhillips has that well in place now too. If I may, I'd like to ask an extended question, if you can only ask one question. Will the board commit the company to enter proactive discussions with investors participating in the Climate Action 100+ to ensure that the business is appropriately addressing climate change? And as a next step in the company's public climate reporting, will ConocoPhillips evaluate whether it might publicly commit to implementation of the recommendations of financial stability boards, task force and climate-related financial disclosure?
Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Steven. The TCFD that you suggest there, we’ve already publicly stated our support for many of the recommendations. And when you look at our -- how we report, we report on major -- many of the major elements that the TCFD suggest that you report on. So we look forward to continuing to work with them and work with the Climate Action 100+. Some of our people are going to start engaging with them to try to understand what their concerns are, what their issues are, and how it might relate to what the TCFD is doing, and how it might relate to further sustainable actions that we or the company can take?

Steven Heim - Boston Common Asset Management, LLC - Portfolio Manager

Thank you. In conclusion, we look forward to furthering our understanding of ConocoPhillips’ response to climate change risk and opportunity and discussing the above matters with you. Thank you very much.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Steve.

Any other questions from the floor today? Well, I think in the interest of time, we did have a few questions that were submitted online. We will make sure we answer all of those questions, and we'll post them on our website within the next 72 hours. So thank you for your interest today, and thank you for those people that have submitted questions online. So we do certainly appreciate your input. So now we'll take a vote on all the proposals properly presented at the meeting today. So I declare the polls are now open. If you have not completed your ballots, please do so at this time. The meeting host will now collect the ballots. Please pass any to the aisle so they may be collected by the meeting host, if you haven't. It appears that all have been collected. Thank you. So I declare the polls now closed. The Inspector of Elections have filed certifications of the preliminary results of the voting. So Janet, would you please read those results.

Janet Langford Carrig - ConocoPhillips - Senior VP of Legal, General Counsel & Corporate Secretary

Mr. Chairman, the preliminary results based on the voting of shares represented by valid proxies on file and tabulated at this meeting this morning show that each of the 10 nominees for election for director have been elected to serve a 1-year term expiring at next year’s annual meeting. Each director nominee received at least 94% of the votes entitled to be cast at this meeting. The appointment of Ernst & Young as the independent registered public accounting firm for ConocoPhillips for 2018 has been ratified, having received the favorable vote of more than 96% of the votes present at today's meeting. The advisory approval of executive compensation has passed, with more than 92% of the votes present at today's meeting cast in favor of the proposal. The stockholder proposal for the human rights resources and compensation committee to adopt a policy to use GAAP financial metrics for purposes of determining executive compensation has not passed, with more than 94% of the votes present in today's meeting abstaining or cast against the proposal.

Mr. Chairman, that concludes the report of preliminary voting. Details of the preliminary results will be available for all stockholders in our filings with the SEC within 4 business days. Stockholders may also obtain the voting results by calling or writing the office of the Corporate Secretary.

Ryan M. Lance - ConocoPhillips - Chairman & CEO

Thank you, Janet. Well that completes our business of the day. And I want to thank you all for your attendance. Thank you for coming to the meeting. It’s good to see many of you again. So our meeting is now concluded. So thank you, again.