

Indigenous Peoples Update on ConocoPhillips Approach

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Agenda

- Current State
- Sustainable Development Governance
- Sustainability Approach
- Stakeholder Engagement & Indigenous Peoples Engagement Processes & Tools
 - Stakeholder Engagement Action Plan
 - Social Indicators
 - Implementation Management System—Indigenous People
- Business Unit Implementation Examples
 - Lower 48
 - Canada
 - Alaska
 - Australia East
 - Australia West

Current State

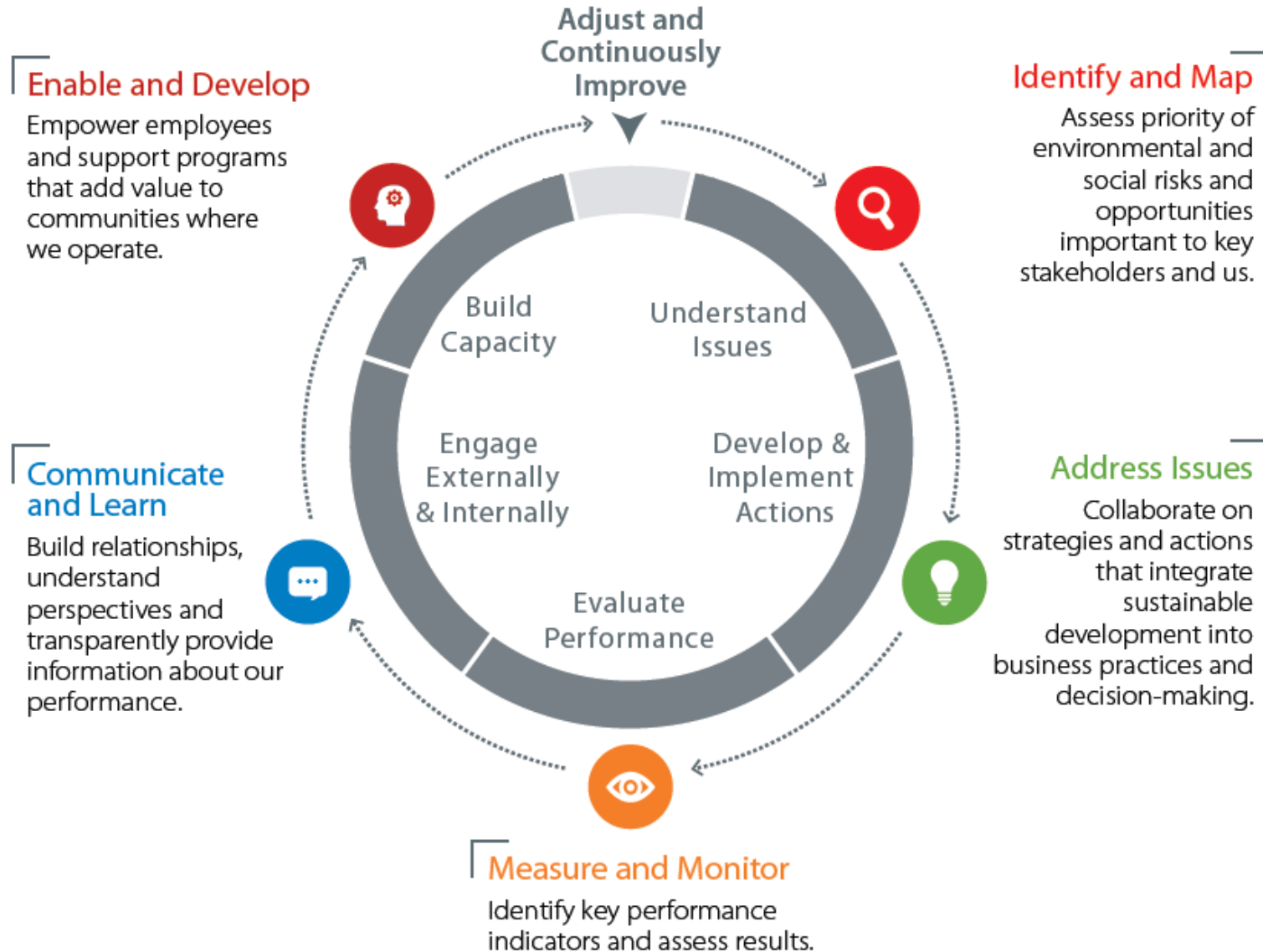
- Accountability & Performance
- ConocoPhillips delivering results during challenging times
- Sustainable Development is a priority for ConocoPhillips
- Continued engagement with stakeholders

Sustainable Development Governance



<http://www.conocophillips.com/sustainable-development/our-approach/accountability-for-sustainability-issues/Pages/default.aspx>

Our Sustainability Approach















Stakeholder Engagement Action Plan

Proactive Stakeholder Engagement and Management of Risks, Impacts and Opportunities













Stakeholder Engagement Action Plan

Progress on multi-year action plan

Understanding Footprint	
Improve stakeholder mapping process and issue identification for local communities and influencers	
Improve tracking and reporting of stakeholder engagement efforts and related results	
Improve tracking and reporting of efforts to manage human rights and related results	
Managing Operations & Projects	
Incorporate social and human rights issues and impacts, including the rights of indigenous peoples, in risk assessments and plans	
Focus social investment and local content plans for optimal community and business benefit	
Implement high quality community and stakeholder engagement plans	
Utilize SD and HSE tools to promote due diligence and social issues risk assessment	
Managing Risks & Opportunities	
Monitor activism and plan for selective engagement	
Plan for emerging policy and regulatory developments	
Maintain and revise community and stakeholder engagement plans	
Plan for stakeholder engagement preparation and social issues risks in New Country Entry and New Ventures	
Develop and implement social performance indicators for stakeholder and community engagement, indigenous communities and human rights	

Stakeholder Engagement Action Plan

Progress on multi-year action plan

Engaging Externally	
Continued, regular dialogue with socially responsible investors and other interested stakeholders	
Regular annual reporting on implementation of our security and human rights program and activities	
Building Capacity	
Share best practices through the Stakeholder Engagement Issues Working Group and Network of Excellence	
Launch company-wide guidance for Integrated Stakeholder Mapping and Planning	
Strengthen company guidance on social issues and stakeholder engagement in our Health, Safety & Environment Due Diligence process	
Implement Stakeholder Engagement training	
Use enhanced and expanded Aboriginal Awareness training as needed	
Implement human rights training for key project and operational leaders, contractors and practitioners	
Engage with industry organizations on social issues work and guidance development	
Incorporate supply chain sustainability into key procurement processes (i.e., supplier qualification)	

Social Indicators Implementation- Human Rights & Indigenous Peoples

Human Rights and Indigenous Peoples	
Risk Assessment and Tracking	Number BUs, assets or projects that track human rights issues and how they are addressed in risk evaluation processes (may include risk registers, emerging issues processes, SD scorecard - updated within the last 3 years)
Consultation & Engagement	Number of engagements or consultations with indigenous communities
Agreement	Number of agreements (specify written or other form) with indigenous communities
Relocation	Number of projects (if any) that involved government mandated or involuntary relocation and how these were managed
Communication & Training	Number of employees engaged in human rights trainings (human rights elements might include any of the following: indigenous peoples issues; cultural awareness; evaluating labor standards risks e.g. prohibition of child labor and nondiscrimination, rights to freedom of association & collective bargaining; risk of security & human rights violations)

- 2016 focus: **Roll-out indicators** to Business Units
- 2017 focus: **Roll-up data** from Business Units

Implementation Management System—Indigenous People

Indigenous People

FOCUS AREA

MANAGEMENT SYSTEMS

Consultation & Agreement

- Business units, assets or projects identify indigenous groups for consultation on company activities that may impact them. Participatory methods of engagement are sought wherever possible including capacity building of indigenous communities to engage in a participatory manner.
- Business units, assets or projects have plans in place to meet governmental requirements regarding consultation or formal agreement with indigenous communities, including recognized community leaders.
- Business units, assets or projects conduct pre-engagement analyses to understand indigenous communities in areas of our activities, including their culture, decision-making structures, and methods of communication.
- Business units, assets or projects develop plans that support culturally respectful consultation and engagement.
- Indigenous communities are involved in the design of engagement and consultation.
- Where governmental frameworks or requirements do not exist or are not clear as to requirements of companies to engage, consult or enter into formal agreements with indigenous communities, the company has put in place mechanisms for understanding indigenous group dynamics, traditional land use and preferences for engagement and consultation.

Indigenous People

FOCUS AREA

MANAGEMENT SYSTEMS

Land Use Issues

- Business units, assets or projects have identified indigenous groups that may have a traditional claim to land where the company operates.
- Engagement and consultation plans address land claims or issues where appropriate.
- Business units, assets or projects are prepared to address indigenous community concerns where appropriate, including making adjustments to plans in order to avoid interference with local livelihoods and traditional land use. Where appropriate, consultation with indigenous communities is conducted to determine what mitigation efforts will be most effective.

Relocation

- If there is relocation related to company activities, roles and responsibilities of the government and the company are understood.
- Should the company decide to move forward with a project or activity for which the government requires relocation, business units, assets or projects would meet related legal and regulatory requirements including consultation, agreement and/or compensation. Where applicable, these plans would consider non-financial impacts (e.g., cultural heritage of indigenous communities).

Implementation Management System—Indigenous People

Indigenous People

FOCUS AREA

MANAGEMENT SYSTEMS

Economic Development

- Business units, assets or projects identify opportunities to support economic development opportunities consistent with indigenous communities' culture and community development plans.

Environmental Conservation

- Business units, assets or projects carry out staff awareness raising efforts related to the value of natural resources to indigenous communities.
- Business unit, asset or project plans include assessment of environmental impacts, and mitigation plans to offset or address environmental impacts affecting indigenous communities.
- The company provides support for conservation initiatives.

Indigenous People

FOCUS AREA

MANAGEMENT SYSTEMS

Cultural Heritage

- Business units, assets or projects understand the impacts of activities on cultural heritage. Mitigation measures are identified and implemented as appropriate.
- Company personnel involved in indigenous relations receive cultural heritage awareness training.
- Business units, assets or projects provide support for cultural heritage programs or projects as appropriate consistent with social investment plans.

Engaging with Indigenous People



Consultation & Agreement: Lower 48



....develop plans that support culturally respectful consultation and engagement

- Regular meetings with Jicarilla Apache, Southern Ute and Navajo Nation maintains open dialogue related to ongoing development plans, regulatory matters and tribal vendor selection
- Creation of tribal heat map identifies high priority items for discussion related to compliance and permitting
- Consistent engagement through Community Investment/sponsorships provides informal consultation opportunities

Consultation & Agreement: Canada

....develop plans that support culturally respectful consultation and engagement.

- Pre-planning engagement sessions with community leaders (chief, council)
- Regular meetings with Indigenous communities to listen, inform and discuss our ongoing development plans



Land Use Issues: Alaska

....are prepared to address indigenous community concerns where appropriate, including making adjustments to plans in order to avoid interference with local livelihoods and traditional land use...



Helene Harding (back row, third from left) with a group of village leaders and elders.

“Residents of the nearby village of Nuiqsut were concerned about the impacts of ConocoPhillips’ original plans on the community and on the area's wildlife. . . . [ConocoPhillips] and I spent several years trying to help find a solution that accommodated the interests of critters, residents, village and regional corporations, tribal, municipal and state governments.”

*-Mayor Edward Itta, Former Mayor North Slope Borough, Arctic Sounder
July 27, 2013*

....identify opportunities to support economic development opportunities consistent with indigenous communities' culture and community development plans.

- Indigenous Content & Engagement Strategy key elements:
 - Engaging with Traditional Owners
 - Identifying and realizing internal opportunities (employment, training & business)
 - Driving opportunities through the supply chain (employment, training & business)
 - Mentoring local Indigenous businesses
 - Cultural Awareness training



....identify opportunities to support economic development opportunities consistent with indigenous communities' culture and community development plans.



Fighting Fire With Fire

- West Arnhem Land Fire Abatement (WALFA) project
 - Innovative mix of customary indigenous fire management techniques + contemporary technology
 - Offers economic, environmental, social & cultural outcomes for local indigenous communities across 17,574 square miles

Cultural Heritage: Canada

....company personnel involved in indigenous relations receive cultural heritage awareness training.

Level 1

- All employees
- Web-based video series (7 x 10 min)



Level 2

- Employees who deal with indigenous affairs
- 1 day classroom
- Aboriginal led

Level 3

- Cultural Immersion
- Front-line and leadership
- 3 day immersion camp



Accountability + Performance

S

SAFETY

We operate safely.

P

PEOPLE

We respect one another, recognizing that our success depends upon the commitment, capabilities and diversity of our employees.

I

INTEGRITY

We are ethical and trustworthy in our relationships with stakeholders.

R

RESPONSIBILITY

We are accountable for our actions. We are a good neighbor and citizen in the communities where we operate.

I

INNOVATION

We anticipate change and respond with creative solutions. We are agile and responsive to the changing needs of stakeholders and embrace learning opportunities from our experience around the world.

T

TEAMWORK

Our "can do" spirit delivers top performance. We encourage collaboration, celebrate success and build and nurture long-standing relationships.

ACCOUNTABILITY (HOW WE DO IT)

Our SPIRIT Values guide our behaviors and our actions. They unify our organization. We stake our reputation on being accountable to our stakeholders, communities and each other.

+

PERFORMANCE (WHAT WE DO)

At ConocoPhillips, we embrace our role in responsibly accessing, developing and producing oil and natural gas to help meet the world's energy needs. We are committed globally to high standards of performance. We keep our promises.

demonstrated consistently,

OUR SPIRIT VALUES

- Safety
- People
- Integrity
- Responsibility
- Innovation
- Teamwork

+

HOW WE REPRESENT CONOCOPHILLIPS

- Accountable
- Collaborative
- Expert
- Purposefully Innovative
- Quietly Confident
- Responsible

supports our company's goals.

MISSION

We exist to power civilization.

VISION

Our vision is to be the E&P company of choice for all stakeholders by pioneering a new standard of excellence.

STRATEGIC OBJECTIVES

- Smart Growth
- Superior Returns
- SPIRIT Values