Thank you for the opportunity to engage with SASB. We appreciate the direct dialogue through phone calls and email and indirectly through IPIECA. We are pleased to see industry feedback reflected in the most recent version. This includes the statements on company determination of materiality, the removal of emissions by hydrocarbon resource, and the updates to the "Management of the Legal & Regulatory Environment" metric.

As previously communicated, financial reporting already requires companies to address material issues, which makes these recommendations duplicative and elevates one potential, evolving risk over others in a way that may mislead investors. There is also continued concern about the misuse of scenario analysis, which is a tool to help companies test their strategy against possible future outcomes. It is more important to understand a company's ability to change strategy, rather than project an unrealistic comparison of a possible future portfolio value against peers.

Our remaining feedback centers around the number of metrics (many associated with day-to-day operations) and their depth of detail. It is not clear how the metrics impact or characterize material risks. Most of this data is represented in our annual Sustainability Report, which we feel is the proper place for it to be reported. In the final recommendations from the Taskforce on Climate Related Financial Disclosures (TCFD), it was acknowledged that Strategy and Metrics & Targets are less likely to be deemed material and should be included in company reports when not included in financial filings (page 34 of TCFD Final Report). All following comments are in reference to Oil & Gas Exploration & Production (#EM0101).

1. **Activity Metrics** (Code EM0101-A, EM0101-B, EM0101-C)
   a. **Comments:** It will be difficult for Activity Metrics to be comparable between companies. The definition of "conventional" and "unconventional" is not consistent across the industry. If companies use their own definition this metric will be inconsistent, but if a standard definition is chosen it may not align with the company's method of reporting. "Number of sites" can also be defined in different ways and does not necessarily reflect a company's risk.
   b. **Proposal:** Align with the SEC-10K accepted method of distinguishing between oil, natural gas, NGLs, and bitumen production, and number of countries of operation.
2. **Greenhouse Gas Emissions** (Code TA04-01-01)
   a. **Comments:** Emissions covered under regulatory programs are said to include "cap-and-trade schemes, carbon tax/fee systems, and other emissions control (e.g., command-and-control approach) and permit-based mechanisms." We are concerned that without further definition, the addition of the "command-and-control approach" example may make this difficult to interpret. Given that the U.S. Clean Air Act is a command and control approach and covers greenhouse gases, would the answer not be 100 percent for U.S. operators, or is there some finer distinction that is being sought?
   b. **Proposal:** Clarify "other emissions control (e.g., command-and-control approach) and permit-based mechanisms."
3. **Water Management** (Code EM0101-5, EM0101-6)
   a. **Comments:** Percent recycled is listed as sub-metric for fresh water (in -05) and produced water (in -06). While fresh water is commonly used for drilling and completions, there is only one water stream recovered with oil or gas – produced water – that can be recycled. The differences between both sub-metrics are unclear.
   b. **Proposal:** Clarify difference between metrics or remove fresh water recycled metric.

4. **Water Management** (Code EM0101-7)
   a. **Comments:** "Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used" is publicly available on FracFocus, and it is not clear how investors would use this metric in decision-making.
   b. **Proposal:** Amend questions in Water Management to focus on methods of managing risk for water supply/disposal and hydraulic fracturing
5. **Reserves Valuation & Capital Expenditures** (Code TA04-08-01)
   a. **Comments:** The recommendations for "Sensitivity of hydrocarbon reserve levels to future price projection scenarios" will be difficult to carry out. First, using the Current Policies Scenario as the base case may not align with a company's base case used in financial filings, obscuring the company's material information and value. Second, choosing three scenarios to compare companies may mislead investors, as there are an infinite number of scenarios that could lead to a 2-degree future, and the companies may apply the scenarios to their portfolio inconsistently. Third, the recommendations reference TCFD's report on "critical input parameters, assumptions..." which may be commercially sensitive for a company to disclose. Due to this feedback, TCFD says a company "should consider disclosing" these, as opposed to "should disclose." Finally, asking companies to share "Assumptions about future hydrocarbon prices and the likelihood that certain price and demand scenarios occur" is both commercially sensitive, and when discussing likelihood, highly qualitative. The value of scenario analysis is to test our portfolio against a range of outcomes, not assign a probability to a single scenario. For example, although ConocoPhillips's scenario information may be less detailed that that of other companies, it is nevertheless well-regarded because we clearly show that our scenarios include a range of outcomes which meet the 2-degree scenario emissions trajectories.
   b. **Proposal:** Update language to align with TCFD ("should consider disclosing") and amend the question to focus on a discussion of how the company uses scenario analysis to make decisions.
6. **Reserves Valuation & Capital Expenditures** (Code EM0101-23)
   a. **Comments:** "Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves" may mislead investors. Technology improvements, regulatory requirements, and changes in portfolio could change these estimates significantly and over a very short period of time. For example, our San Juan emissions were reduced considerably by replacing high-bleed pneumatic devices. Soon after, the asset was sold and no longer represents emissions in proved reserves.
   b. **Proposal:** Remove this metric.
7. **Reserves Valuation & Capital Expenditures** (Code TA04-09-01)
   a. **Comments:** "Amount invested in renewable energy" may include commercially sensitive information because it may disclose research and development (R&D) investment and future investments. While investment in renewables to provide energy for a company's own operations may result in a reduction of risk, there is no guarantee that investment in R&D will result in a reduction of risk or future profitable business. While the aggregation of expenditure data may give an idea of the scale of investment, neither it, nor the revenue generated from sales of renewable energy, give the reader decision-useful information about the risk profile of the company.
   b. **Proposal:** Amend this question to discuss R&D activities, not specific dollar amounts.

Again, thank you for the opportunity to provide feedback, and we look forward to continuing to work with SASB in the future.