

CONOCOPHILLIPS  
Form DEF 14A  
March 28, 2012  
Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. \_\_\_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**ConocoPhillips**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**Table of Contents**

**NOTICE OF 2012 ANNUAL STOCKHOLDERS MEETING  
AND PROXY STATEMENT**

March 28, 2012

**Dear ConocoPhillips Stockholder:**

On behalf of your Board of Directors and management, you are cordially invited to attend the Annual Meeting of Stockholders to be held at the Omni Houston Hotel at Westside, 13210 Katy Freeway, Houston, Texas, on Wednesday, May 9, 2012, at 9:00 a.m. CDT.

Your vote is important. Whether or not you plan to attend the Annual Meeting, please vote as soon as possible. You may vote on the Internet, by telephone, or, if this proxy statement was mailed to you, by completing and mailing the enclosed traditional proxy card. Please review the instructions on the proxy card or the electronic proxy material delivery notice regarding each of these voting options. Please note that submitting a proxy using any one of these methods will not prevent you from attending the meeting and voting in person. You will find information regarding the matters to be voted on at the meeting in the proxy statement.

In addition to the formal items of business to be brought before the meeting, there will be a report on ConocoPhillips operations during 2011 followed by a question and answer period.

As you may know, we are progressing plans to effect the repositioning of the Company into two leading energy companies. We currently expect the repositioning to be completed before the Annual Meeting. If this occurs, we will continue to hold the Annual Meeting as planned and it will serve as the first Annual Meeting of the repositioned independent upstream company, ConocoPhillips. We look forward to seeing you on May 9<sup>th</sup>.

Sincerely,

J. J. Mulva

*Chairman of the Board, President and*

*Chief Executive Officer*

Ryan Lance

*Designated Chairman of the Board and*

*Chief Executive Officer*

**Table of Contents**

**TABLE OF CONTENTS**

<u>Notice of 2012 Annual Meeting of Stockholders</u>	1
<u>About the Annual Meeting</u>	2
<u>Corporate Governance Matters and Communications with the Board</u>	7
<u>Board Leadership Structure</u>	8
<u>Board Risk Oversight</u>	9
<u>Code of Business Ethics and Conduct</u>	9
<u>Related Party Transactions</u>	9
<u>Nominating Processes of the Committee on Directors' Affairs</u>	10
<u>Election of Directors and Director Biographies (Proposal 1)</u>	11
<u>Audit &amp; Finance Committee Report</u>	21
<u>Proposal to Ratify the Appointment of Ernst &amp; Young LLP (Proposal 2)</u>	22
Executive Compensation	
<u>Role of the Human Resources and Compensation Committee</u>	24
<u>Human Resources and Compensation Committee Report</u>	25
<u>Compensation Discussion and Analysis</u>	26
<u>Stock Performance Graph</u>	42
<u>Executive Compensation Tables</u>	43
<u>Executive Severance and Changes in Control</u>	60
<u>Advisory Approval of Executive Compensation (Proposal 3)</u>	66
<u>Non-Employee Director Compensation</u>	67
<u>Equity Compensation Plan Information</u>	73
Stock Ownership	
<u>Holdings of Major Stockholders</u>	75
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	75
<u>Securities Ownership of Officers and Directors</u>	76
<u>Stockholder Proposals (Proposals 4-8)</u>	77
<u>Submission of Future Stockholder Proposals</u>	92
<u>Available Information</u>	92
<u>Appendix A – Financial Information</u>	A-1

**Table of Contents**

**NOTICE OF 2012 ANNUAL MEETING OF STOCKHOLDERS**

Time	9:00 a.m. (CDT) on Wednesday, May 9, 2012
Place 13210 Katy Freeway  Houston, Texas 77079	Omni Houston Hotel at Westside
Items of Business	To elect Directors (page 11);  To ratify the appointment of Ernst & Young LLP as independent registered public accounting firm for the Company for 2012 (page 22);  To provide an advisory approval of the compensation of our Named Executive Officers (page 66);  To consider and vote on five stockholder proposals (pages 77 through 91); and  To transact other business properly coming before the meeting.
Who Can Vote	You can vote if you were a stockholder of record as of March 12, 2012.
Voting by Proxy	Please submit a proxy as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. You may submit your proxy:  - Over the Internet  - By telephone, or  - By mail.
Date of Mailing	This notice and the proxy statement are first being mailed to stockholders on or about March 28, 2012.
By Order of the Board of Directors	

**Janet Langford Kelly**

*Corporate Secretary*

**Table of Contents**

**About the Annual Meeting**

***Who is soliciting my vote?***

The Board of Directors of ConocoPhillips is soliciting your vote at the 2012 Annual Meeting of ConocoPhillips stockholders.

***How does the Board recommend that I vote my shares?***

The Board's recommendation can be found with the description of each item in this proxy statement. In summary, the Board recommends a vote:

***FOR the Board's proposal to elect nominated Directors;***

***FOR the Board's proposal to ratify the appointment of Ernst & Young LLP as ConocoPhillips independent registered public accounting firm for 2012;***

***FOR the advisory approval of the compensation of the Company's Named Executive Officers;***

***AGAINST each of the stockholder proposals.***

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors.

***Who is entitled to vote?***

You may vote if you were the record owner of ConocoPhillips common stock as of the close of business on March 12, 2012. Each share of common stock is entitled to one vote. As of March 12, 2012, we had 1,273,115,130 shares of common stock outstanding and entitled to vote. There is no cumulative voting.

***How many votes must be present to hold the meeting?***

Your shares are counted as present at the Annual Meeting if you attend the meeting and vote in person or if you properly return a proxy by Internet, telephone or mail. In order for us to hold our meeting, holders of a majority of our outstanding shares of common stock as of March 12, 2012, must be present in person or by proxy at the meeting. This is referred to as a quorum. Abstentions and broker non-votes will be counted for purposes of establishing a quorum at the meeting.

***What is a broker non-vote?***

If a broker does not have discretion to vote shares held in street name on a particular proposal and does not receive instructions from the beneficial owner on how to vote those shares, the broker may return the proxy card without voting on that proposal. This is known as a *broker non-vote*. Broker non-votes will have no effect on the vote for any matter properly introduced at the meeting.



## **Table of Contents**

### ***How many votes are needed to approve each of the proposals?***

Each of the director nominees and all proposals submitted require the affirmative FOR vote of a majority of those shares present in person or represented by proxy at the meeting and entitled to vote on the proposal.

### ***How do I vote?***

You can vote either *in person* at the meeting or *by proxy* without attending the meeting.

This proxy statement, the accompanying proxy card and the Company's 2011 Summary Annual Report to Stockholders are being made available to the Company's stockholders on the Internet at [www.proxyvote.com](http://www.proxyvote.com) through the notice and access process. The year 2011 consolidated financial statements and auditors' report, management's discussion and analysis of financial condition and results of operations, information concerning the quarterly financial data for the past two fiscal years, and other information are provided in Appendix A to this proxy statement.

To vote by proxy, you must do one of the following:

Vote over the *Internet* (instructions are on the proxy card);

Vote by *telephone* (instructions are on the proxy card); or

If you elected to receive a hard copy of your proxy materials, fill out the enclosed *proxy card*, date and sign it, and return it in the enclosed postage-paid envelope.

If you hold your ConocoPhillips stock in a brokerage account (that is, in street name), your ability to vote by telephone or over the Internet depends on your broker's voting process. Please follow the directions on your proxy card or voter instruction form carefully.

Even if you plan to attend the meeting, we encourage you to vote your shares by proxy. If you plan to vote in person at the Annual Meeting and you hold your ConocoPhillips stock in street name, you must obtain a proxy from your broker and bring that proxy to the meeting.

### ***How do I vote if I hold my stock through ConocoPhillips employee benefit plans?***

If you hold your stock through ConocoPhillips employee benefit plans, you must either:

Vote over the *Internet* (instructions are in the email sent to you or on the notice and access form);

Vote by *telephone* (instructions are on the notice and access form); or

If you received a hard copy of your proxy materials, fill out the enclosed *voting instruction form*, date and sign it, and return it in the enclosed postage-paid envelope.

You will receive a separate voting instruction form for each employee benefit plan in which you have an interest. Please pay close attention to the deadline for returning your voting instruction form to the plan trustee. The voting deadline for each plan is set forth on the voting instruction form. Please note that different plans may have different deadlines.

## **Table of Contents**

### ***Can I change my vote?***

Yes. You can change or revoke your vote at any time before the polls close at the Annual Meeting. You can do this by:

Voting again by telephone or over the Internet prior to 11:59 p.m. Eastern Daylight Time on May 8, 2012;

Signing another proxy card with a later date and returning it to us prior to the meeting;

Sending our Corporate Secretary a written document revoking your earlier proxy; or

Voting again at the meeting.

### ***Who counts the votes?***

We have hired Broadridge Financial Solutions, Inc. to count the votes represented by proxies and cast by ballot, and Jim Gaughan of Carl T. Hagberg and Associates has been appointed to act as Inspector of Election.

### ***Will my shares be voted if I don't provide my proxy and don't attend the Annual Meeting?***

If you do not provide a proxy or vote your shares held in your name, your shares will not be voted.

If you hold your shares in street name, your broker may be able to vote your shares for certain routine matters even if you do not provide the broker with voting instructions. Only the ratification of Ernst & Young LLP as our independent registered public accounting firm for 2012 is considered to be a routine matter.

If you do not give your broker instructions on how to vote your shares the broker will return the proxy card without voting on proposals not considered routine. This is a broker non-vote. Without instructions from you, the broker may not vote on any proposals other than the ratification of Ernst & Young LLP as our independent registered public accounting firm for 2012.

As more fully described on your proxy card, if you hold your shares through certain ConocoPhillips employee benefit plans and do not vote your shares, your shares (along with all other shares in the plan for which votes are not cast) may be voted pro rata by the trustee in accordance with the votes directed by other participants in the plan who elect to act as a fiduciary entitled to direct the trustee of the applicable plan on how to vote the shares.

### ***How are votes counted?***

For all proposals, you may vote FOR, AGAINST, or ABSTAIN. If you ABSTAIN, it has the same effect as a vote AGAINST.

### ***What if I return my proxy but don't vote for some of the matters listed on my proxy card?***

If you return a signed proxy card without indicating your vote, your shares will be voted FOR the director nominees listed on the card, FOR the ratification of Ernst & Young LLP as ConocoPhillips independent registered public accounting firm, FOR the approval of the compensation of our Named Executive Officers, and AGAINST each of the stockholder proposals.

## **Table of Contents**

### ***Could other matters be decided at the Annual Meeting?***

We are not aware of any other matters to be presented at the meeting. If any matters are properly brought before the Annual Meeting, the persons named in your proxies will vote in accordance with their best judgment. Discretionary authority to vote on other matters is included in the proxy.

### ***Who can attend the meeting?***

The Annual Meeting is open to all holders of ConocoPhillips common stock. Each stockholder is permitted to bring one guest. No cameras, recording equipment, large bags, briefcases or packages will be permitted in the Annual Meeting, and security measures will be in effect to provide for the safety of attendees.

### ***Do I need a ticket to attend the Annual Meeting?***

Yes, you will need an admission ticket or proof of ownership of ConocoPhillips stock to enter the meeting. If your shares are registered in your name, you will find an admission ticket attached to the proxy card sent to you. If your shares are in the name of your broker or bank or you received your materials electronically, you will need to bring evidence of your stock ownership, such as your most recent brokerage statement. All stockholders will be required to present valid picture identification. **IF YOU DO NOT HAVE VALID PICTURE IDENTIFICATION AND EITHER AN ADMISSION TICKET OR PROOF THAT YOU OWN CONOCOPHILLIPS STOCK, YOU MAY NOT BE ADMITTED INTO THE MEETING.**

### ***How can I access ConocoPhillips proxy materials and annual report electronically?***

This proxy statement, the accompanying proxy card and the Company's 2011 Summary Annual Report are being made available to the Company's stockholders on the Internet at [www.proxyvote.com](http://www.proxyvote.com) through the notice and access process. Most stockholders can elect to view future proxy statements and annual reports over the Internet instead of receiving paper copies in the mail.

If you own ConocoPhillips stock in your name, you can choose this option and save us the cost of producing and mailing these documents by checking the box for electronic delivery on your proxy card, or by following the instructions provided when you vote by telephone or over the Internet. If you hold your ConocoPhillips stock through a bank, broker or other holder of record, please refer to the information provided by that entity for instructions on how to elect to view future proxy statements and annual reports over the Internet.

If you choose to view future proxy statements and annual reports over the Internet, you will receive a Notice of Internet Availability next year containing the Internet address to use to access our proxy statement and annual report. Your choice will remain in effect unless you change your election following the receipt of a Notice of Internet Availability. You do not have to elect Internet access each year. If you later change your mind and would like to receive paper copies of our proxy statements and annual reports, you can request both by phone at (800) 579-1639, by email at [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com) and through the Internet at [www.proxyvote.com](http://www.proxyvote.com). You will need your 12 digit control number located on your Notice of Internet Availability to request a package. You will also be provided with the opportunity to receive a copy of the proxy statement and annual report in future mailings.

**Table of Contents**

***Will my vote be kept confidential?***

The Company's Board of Directors has a policy that all stockholder proxies, ballots, and tabulations that identify stockholders are to be maintained in confidence. No such document will be available for examination, and the identity and vote of any stockholder will not be disclosed, except as necessary to meet legal requirements and allow the inspectors of election to certify the results of the stockholder vote. The policy also provides that inspectors of election for stockholder votes must be independent and cannot be employees of the Company. Occasionally, stockholders provide written comments on their proxy card that may be forwarded to management.

***What is the cost of this proxy solicitation?***

Our Board of Directors has sent you this proxy statement. Our directors, officers and employees may solicit proxies by mail, by email, by telephone or in person. Those persons will receive no additional compensation for any solicitation activities. We will request banking institutions, brokerage firms, custodians, trustees, nominees and fiduciaries to forward solicitation materials to the beneficial owners of common stock held of record by those entities, and we will, upon the request of those record holders, reimburse reasonable forwarding expenses. We will pay the costs of preparing, printing, assembling and mailing the proxy materials used in the solicitation of proxies. In addition, we have hired Alliance Advisors to assist us in soliciting proxies, which it may do by telephone or in person. We anticipate paying Alliance Advisors a fee of \$12,000, plus expenses.

***Why did my household receive a single set of proxy materials?***

Securities and Exchange Commission (SEC) rules permit us to deliver a single copy of an annual report and proxy statement to any household not participating in electronic proxy material delivery at which two or more stockholders reside, if we believe the stockholders are members of the same family. This benefits both you and the Company, as it eliminates duplicate mailings that stockholders living at the same address receive and it reduces our printing and mailing costs. This rule applies to any annual reports, proxy statements, proxy statements combined with a prospectus or information statements. Each stockholder will continue to receive a separate proxy card or voting instruction card. Your household may have received a single set of proxy materials this year. If you prefer to receive your own copy now or in future years, please request a duplicate set by phone at (800) 579-1639, through the Internet at [www.proxyvote.com](http://www.proxyvote.com), by email at [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com), or by writing to ConocoPhillips, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. If a broker or other nominee holds your shares, you may continue to receive some duplicate mailings. Certain brokers will eliminate duplicate account mailings by allowing stockholders to consent to such elimination, or through implied consent if a stockholder does not request continuation of duplicate mailings. Since not all brokers and nominees may offer stockholders the opportunity this year to eliminate duplicate mailings, you may need to contact your broker or nominee directly to discontinue duplicate mailings to your household.

**Table of Contents**

**Corporate Governance Matters and Communications with the Board**

The Committee on Directors' Affairs and our Board annually review the Company's governance structure to take into account changes in SEC and New York Stock Exchange (NYSE) rules, as well as current best practices. Our Corporate Governance Guidelines, posted on the Company's Internet site under the *Governance* caption and available in print upon request (see *Available Information* on page 92), address the following matters, among others: director qualifications, director responsibilities, Board committees, director access to officers, employees and independent advisors, director compensation, Board performance evaluations, director orientation and continuing education, and Chief Executive Officer (CEO) evaluation and succession planning.

The Corporate Governance Guidelines also contain director independence standards, which are consistent with the standards set forth in the NYSE listing standards, to assist the Board in determining the independence of the Company's directors. The Board has determined that each director, except Mr. Mulva, meets the standards regarding independence set forth in the Corporate Governance Guidelines and is free of any material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). In making such determination, the Board specifically considered the fact that many of our directors are directors, retired officers and stockholders of companies with which we conduct business. In addition, some of our directors serve as employees of, or consultants to, companies which do business with ConocoPhillips and its affiliates (as further described in *Related Party Transactions* on page 9). Finally, some of our directors may purchase retail products (such as gasoline, fuel additives or lubricants) from the Company. In all cases, it was determined that the nature of the business conducted and the interest of the director by virtue of such position were immaterial both to the Company and to such director.

The Board of Directors maintains a process for stockholders and interested parties to communicate with the Board. Stockholders and interested parties may write or call our Board of Directors by contacting our Corporate Secretary, Janet Langford Kelly, as provided below:

Mailing Address: Corporate Secretary ConocoPhillips P.O. Box 4783 Houston, TX 77210-4783

Phone Number: (281) 293-3075

Relevant communications are distributed to the Board or to any individual director or directors, as appropriate, depending on the facts and circumstances outlined in the communication. In that regard, the Board has requested that certain items that are unrelated to its duties and responsibilities be excluded, such as: business solicitations or advertisements; junk mail and mass mailings; new product suggestions; product complaints; product inquiries; resumes and other forms of job inquiries; spam; and surveys. In addition, material that is unduly hostile, threatening, illegal or similarly unsuitable will be excluded. Any communication that is filtered out is made available to any outside director upon request.

Recognizing that director attendance at the Company's Annual Meeting can provide the Company's stockholders with an opportunity to communicate with Board members about issues affecting the Company, the Company actively encourages its directors to attend the Annual Meeting of Stockholders. In 2011, all of the Company's directors, other than Mr. Shackouls who retired from the Board in 2011, attended the Annual Meeting.

**Table of Contents**

**Board Leadership Structure**

***Chairman and CEO Roles***

ConocoPhillips is focused on the Company's corporate governance practices and values independent board oversight as an essential component of strong corporate performance to enhance stockholder value. Our commitment to independent oversight is demonstrated by the fact that all of our directors, except Mr. Mulva, are independent. In addition, all members of the Audit and Finance Committee, Committee on Directors Affairs, Human Resources and Compensation Committee and Public Policy Committee are independent.

While the Board retains the authority to separate the positions of Chairman and CEO if it deems appropriate in the future, the Board currently believes it is in the best interests of the Company's stockholders to combine them. Doing so places one person in a position to guide the Board in setting priorities for the Company and in addressing the risks and challenges the Company faces. The Board believes that, while its independent directors bring a diversity of skills and perspectives to the Board, the Company's CEO, by virtue of his day-to-day involvement in managing the Company, is best suited to perform this unified role.

The Board believes there is no single organizational model that is the best and most effective in all circumstances. As a consequence, the Board periodically considers whether the offices of Chairman and CEO should be combined and who should serve in such capacities. The Board specifically considered whether the offices of Chairman and CEO should be combined following the repositioning and concluded doing so continues to be in the best interests of the Company and its stockholders. The Board will continue to reexamine its corporate governance policies and leadership structures on an ongoing basis to ensure that they continue to meet the Company's needs.

***Independent Director Leadership***

The Board believes that its current structure and processes encourage its independent directors to be actively involved in guiding the work of the Board. The Chairs of the Board's Committees establish their agendas and review their committee materials in advance, communicating directly with other directors and members of management as each deems appropriate. Moreover, each director is free to suggest agenda items and to raise matters at Board and Committee meetings that are not on the agenda.

Our Corporate Governance Guidelines require that the independent directors meet in executive session at every meeting. As Chairman of the Committee on Directors Affairs, Mr. Auchinleck presides at executive sessions of the independent directors. Each executive session may include, among other things, (1) a discussion of the performance of the Chairman and the Chief Executive Officer, (2) matters concerning the relationship of the Board with the management directors and other members of senior management, and (3) such other matters as the non-employee directors deem appropriate. No formal action of the Board is taken at these meetings, although the non-employee directors may subsequently recommend matters for consideration by the full Board. The Board may invite guest attendees for the purpose of making presentations, responding to questions by the directors, or providing counsel on specific matters within their areas of expertise. In addition to chairing the executive sessions, Mr. Auchinleck leads the discussion with our CEO following the independent directors' executive sessions, participates in the discussion of CEO performance with the Human Resources and Compensation Committee, and ensures that the Board's self-assessments are done annually.

## **Table of Contents**

Each year, the Board completes a self-evaluation and Mr. Auchinleck discusses the results of the self-evaluation with the full Board and, individually, with each director. This allows for direct feedback by independent directors and enables Mr. Auchinleck to speak on their behalf in conversations with management about the Board's role and informational needs. Mr. Auchinleck is also available to meet during the year with individual directors about any other areas of interest or concern they may have.

## **Board Risk Oversight**

While the Company's management is responsible for the day-to-day management of risks to the Company, the Board has broad oversight responsibility for the Company's risk management programs. In this oversight role, the Board is responsible for satisfying itself that the risk management processes designed and implemented by the Company's management are functioning as intended, and that necessary steps are taken to foster a culture of risk-adjusted decision-making throughout the organization. In carrying out its oversight responsibility, the Board has delegated to individual Board Committees certain elements of its oversight function. In this context, the Board delegated authority to the Audit and Finance Committee to facilitate coordination among the Board's Committees with respect to oversight of the Company's risk management programs. As part of this authority, the Audit and Finance Committee regularly discusses the Company's risk assessment and risk management policies to ensure that our risk management programs are functioning properly. Additionally, the Chairman of the Audit and Finance Committee meets with the Chairs of the other Board Committees each year to discuss the Board's oversight of the Company's risk management programs. The Board receives regular updates from its Committees on individual areas of risk, such as updates on financial risks from the Audit and Finance Committee, health, safety and environmental risks from the Public Policy Committee and compensation program risks from the Human Resources and Compensation Committee. The Board exercises its oversight function with respect to all material risks to the Company, which are identified and discussed in the Company's public filings with the SEC.

## **Code of Business Ethics and Conduct**

ConocoPhillips has adopted a worldwide Code of Business Ethics and Conduct for Directors and Employees designed to help directors and employees resolve ethical issues in an increasingly complex global business environment. Our Code of Business Ethics and Conduct applies to all directors and employees, including the CEO and the Chief Financial Officer. Our Code of Business Ethics and Conduct covers topics including, but not limited to, conflicts of interest, insider trading, competition and fair dealing, discrimination and harassment, confidentiality, payments to government personnel, anti-boycott laws, U.S. embargos and sanctions, compliance procedures and employee complaint procedures. Our Code of Business Ethics and Conduct is posted on our Internet site under the *Governance* caption. Stockholders may also request printed copies of our Code of Business Ethics and Conduct by following the instructions located under the caption *Available Information* on page 92.

## **Related Party Transactions**

Our Code of Business Ethics and Conduct requires that all directors and executive officers promptly bring to the attention of the General Counsel and, in the case of directors, the Chairman of the Committee on Directors' Affairs or, in the case of executive officers, the Chairman of the Audit and Finance Committee, any transaction or relationship that arises and of which she or he becomes aware that reasonably could be expected to constitute a related party transaction. Any such transaction or relationship is reviewed by the Company's management and the appropriate Board Committee to ensure that it does not constitute a conflict of interest and is reported appropriately. Additionally, the Committee on Directors' Affairs conducts an annual review of related party transactions between each of our directors and the Company (and its subsidiaries) and makes recommendations to the Board.

**Table of Contents**

regarding the continued independence of each board member. In 2011, there were no related party transactions in which the Company (or a subsidiary) was a participant and in which any director or executive officer (or their immediate family members) had a direct or indirect material interest. The Committee on Directors Affairs also considered relationships which, while not constituting related party transactions where a director had a direct or indirect material interest, nonetheless involved transactions between the Company and a company with which a director is affiliated, whether through employment status or by virtue of serving as director. Included in its review were ordinary course of business transactions with companies employing a director, including ordinary course of business transactions with The McGraw-Hill Companies, of which Mr. McGraw serves as Chairman, President and Chief Executive Officer, and Lowe's Companies, Inc., of which Mr. Niblock serves as Chairman of the Board and Chief Executive Officer. The Committee determined that there were no transactions impairing the independence of any director.

**Nominating Processes of the Committee on Directors Affairs**

The Committee on Directors Affairs (the Committee) comprises four non-employee directors, all of whom are independent under NYSE listing standards and our Corporate Governance Guidelines. The Committee identifies, investigates and recommends director candidates to the Board with the goal of creating balance of knowledge, experience and diversity. Generally, the Committee identifies candidates through business and organizational contacts of the directors and management. Our By-Laws permit stockholders to nominate candidates for director election at a stockholders meeting whether or not such nominee is submitted to and evaluated by the Committee on Directors Affairs. Stockholders who wish to submit nominees for election at an annual or special meeting of stockholders should follow the procedures described on page 92. The Committee will consider director candidates recommended by stockholders. If a stockholder wishes to recommend a candidate for nomination by the Committee, he or she should follow the same procedures set forth above for nominations to be made directly by the stockholder. In addition, the stockholder should provide such other information as it may deem relevant to the Committee's evaluation. Candidates recommended by the Company's stockholders are evaluated on the same basis as candidates recommended by the Company's directors, CEO, other executive officers, third-party search firms or other sources.



**Table of Contents**

**Election of Directors and Director Biographies**

***(Proposal 1 on the Proxy Card)***

***What am I voting on?***

You are voting on a proposal to elect nominees to a one-year term as directors of the Company.

***What will happen if the repositioning occurs prior to the Annual Meeting?***

It is expected that the repositioning of the Company into a pure-play upstream company, ConocoPhillips, and a downstream company, Phillips 66, will occur prior to the 2012 Annual Meeting. Upon completion of the repositioning, Mr. Mulva intends to retire as Chairman, President and CEO, Messrs. Duberstein, McGraw and Mulva and Mmes. Harkin, Tschinkel and Turner will retire as directors and Mr. McGraw and Ms. Tschinkel will join the Board of Phillips 66. The nominations of these directors will only be put to a vote of stockholders if the repositioning has not occurred prior to the Annual Meeting. Mr. Lance's nomination is contingent upon completion of the repositioning and will only be put to a vote of stockholders if the repositioning has occurred prior to the Annual Meeting. In the event the repositioning does not occur prior to the Annual Meeting, Messrs. Duberstein, McGraw and Mulva and Mmes. Harkin, Tschinkel and Turner, if elected, will continue to serve as directors and will resign at such time as the repositioning is complete.

***What is the makeup of the Board of Directors and how often are the members elected?***

Our Board of Directors currently has 14 members. Upon completion of the repositioning, the size of the Board is expected to be reduced to 9 members, with Messrs. Duberstein, McGraw and Mulva and Mmes. Harkin, Tschinkel and Turner retiring and Mr. Lance joining the Board. Directors are elected at the Annual Meeting of Stockholders every year. Any director vacancies created between annual stockholder meetings (such as by a current director's death, resignation or removal for cause or an increase in the number of directors) may be filled by a majority vote of the remaining directors then in office. Any director appointed in this manner would hold office until the next election. If a vacancy resulted from an action of our stockholders, only our stockholders are entitled to elect a successor. Under the Company's Corporate Governance Guidelines, each director is required to retire at the next annual stockholders' meeting of the Company following his or her 72<sup>nd</sup> birthday. In 2012, to aid in the transition following the repositioning, the Board waived this requirement with respect to Mr. Reilly. If elected, Mr. Reilly will serve an additional one year term.

***What if a nominee is unable or unwilling to serve?***

That is not expected to occur. If it does and the Board does not elect to reduce the size of the Board, shares represented by proxies will be voted for a substitute nominated by the Board of Directors.

***How are directors compensated?***

Please see our discussion of director compensation beginning on page 67.

**Table of Contents**

***How often did the Board meet in 2011?***

The Board of Directors met ten times in 2011. Each director attended at least 75 percent of the aggregate of:

the total number of meetings of the Board (held during the period for which she or he has been a director); and

the total number of full-committee meetings held by all Committees of the Board on which she or he served (during the periods that she or he served).

***Do the Board committees have written charters?***

Yes. The charters for our Audit and Finance Committee, Executive Committee, Human Resources and Compensation Committee, Committee on Directors Affairs and Public Policy Committee can be found on ConocoPhillips Web site at [www.conocophillips.com](http://www.conocophillips.com) under the *Governance* caption (accessed through the *Investor Relations* link). Stockholders may also request printed copies of our Board Committee charters by following the instructions located under the caption *Available Information* on page 92.

**Table of Contents****What are the Committees of the Board?**

<b>Committee</b>	<b>Members</b>	<b>Principal Functions</b>	<b>Number of Meetings in 2011</b>
Audit and Finance	James E. Copeland, Jr.* Mohd H. Marican  Robert A. Niblock  Harald J. Norvik  Victoria J. Tschinkel	Discusses with management, the independent auditors, and the internal auditors the integrity of the Company's accounting policies, internal controls, financial statements, financial reporting practices, and select financial matters, covering the Company's capital structure, complex financial transactions, financial risk management, retirement plans and tax planning.  Reviews significant corporate risk exposures and steps management has taken to monitor, control and report such exposures. Monitors the qualifications, independence and performance of our independent auditors and internal auditors. Monitors our compliance with legal and regulatory requirements and corporate governance, including our Code of Business Ethics and Conduct. Maintains open and direct lines of communication with the Board and our management, internal auditors and independent auditors.	13
Executive	James J. Mulva* Richard H. Auchinleck  James E. Copeland, Jr. Ruth R. Harkin  William E. Wade, Jr.	Exercises the authority of the full Board between Board meetings on all matters other than (1) those matters expressly delegated to another committee of the Board, (2) the adoption, amendment or repeal of any of our By-Laws and (3) matters which cannot be delegated to a committee under statute or our Certificate of Incorporation or By-Laws.	
Human Resources and Compensation	William E. Wade, Jr.* Harold W. McGraw III Kathryn C. Turner	Oversees our executive compensation policies, plans, programs and practices. Assists the Board in discharging its responsibilities relating to the fair and competitive compensation of our executives and other key employees. Annually reviews the performance (together with the Directors Affairs Committee) and sets the compensation of the CEO.	11
Directors Affairs	Richard H. Auchinleck* Richard L. Armitage Harold W. McGraw III Kathryn C. Turner	Selects and recommends director candidates to the Board to be submitted for election at the Annual Meeting and to fill any vacancies on the Board. Recommends committee assignments to the Board. Reviews and recommends to the Board compensation and benefits policies for our non-management directors. Reviews and recommends to the Board appropriate corporate governance policies and procedures for our Company. Conducts an annual assessment of the qualifications and performance of the Board. Reviews and reports to the Board annually on the performance of, and succession planning for, the CEO. Together with the Human Resources and Compensation Committee, annually reviews the performance of the CEO.	6
Public Policy	Ruth R. Harkin* Kenneth M. Duberstein	Advises the Board on current and emerging domestic and international public policy issues.	6

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William K. Reilly

Assists the Board in the development and review of policies and budgets for charitable and political contributions.

\* Committee Chairperson

**Table of Contents*****What criteria were considered by the Committee on Directors Affairs in selecting the nominees?***

In selecting the 2012 nominees for director, the Committee on Directors Affairs sought candidates who possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the Company's stockholders. In addition to reviewing a candidate's background and accomplishments, the Committee reviewed candidates for director in the context of the current composition of the Board and the evolving needs of the Company's businesses. The Committee also considered the number of boards on which the candidate already serves. It is the Board's policy that at all times at least a substantial majority of its members meets the standards of independence promulgated by the NYSE and the SEC, and as set forth in the Company's Corporate Governance Guidelines. The Committee also seeks to ensure that the Board reflects a range of talents, ages, skills, diversity, and expertise, particularly in the areas of accounting and finance, management, domestic and international markets, leadership, and oil and gas related industries, sufficient to provide sound and prudent guidance with respect to the Company's operations and interests. The Board seeks to maintain a diverse membership, but does not have a separate policy on diversity. The Board also requires that its members be able to dedicate the time and resources necessary to ensure the diligent performance of their duties on the Company's behalf, including attending Board and applicable committee meetings.

The following are some of the key qualifications and skills the Committee on Directors Affairs considered in evaluating the director nominees. The individual biographies below provide additional information about each nominee's specific experiences, qualifications and skills.

- *CEO experience.* We believe that directors with experience as CEO of public corporations provide the Company with valuable insights. These individuals have a demonstrated record of leadership qualities and a practical understanding of organizations, processes, strategy, risk and risk management and the methods to drive change and growth. Through their service as top leaders at other organizations, they also bring valuable perspective on common issues affecting both their company and ConocoPhillips.
- *Financial reporting experience.* We believe that an understanding of finance and financial reporting processes is important for our directors. The Company measures its operating and strategic performance by reference to financial targets. In addition, accurate financial reporting and robust auditing are critical to the Company's success. We seek to have a number of directors who qualify as audit committee financial experts, and we expect all of our directors to be financially knowledgeable.
- *Industry experience.* We seek to have directors with experience as executives or directors or in other leadership positions in the energy industry. These directors have valuable perspective on issues specific to the Company's business.
- *Global experience.* As a global, integrated energy company, the Company's future success depends, in part, on its success in growing its businesses outside the United States. Our directors with global business or international experience provide valued perspective on our operations.
- *Environmental experience.* The perspective of directors who have experience within the environmental regulatory field is valued as we implement policies and conduct operations in order to ensure that our actions today will not only provide the energy needed to drive economic growth and social well-being, but also secure a stable and healthy environment for tomorrow.

**Table of Contents**

***Who are this year's nominees?***

The following directors are standing for annual election this year to hold office until the 2013 Annual Meeting of Stockholders. It is expected that the repositioning of the Company into a pure-play upstream company, ConocoPhillips, and a downstream company, Phillips 66, will occur prior to the 2012 Annual Meeting. Upon completion of the repositioning, Mr. Mulva intends to retire as Chairman, President and CEO, Messrs. Duberstein, McGraw and Mulva and Mmes. Harkin, Tschinkel and Turner will retire as directors and Mr. McGraw and Ms. Tschinkel will join the Board of Phillips 66. The nominations of these directors will only be put to a vote of stockholders if the repositioning has not occurred prior to the Annual Meeting. Mr. Lance's nomination is contingent upon completion of the repositioning and will only be put to a vote of stockholders if the repositioning has occurred prior to the Annual Meeting. In the event the repositioning does not occur prior to the Annual Meeting, Messrs. Duberstein, McGraw and Mulva and Mmes. Harkin, Tschinkel and Turner, if elected, will continue to serve as directors and will resign at such time as the repositioning is complete. Included below is a listing of each nominee's name, age, tenure and qualifications.

*Richard L. Armitage, 66,*

Director since March 2006

Mr. Armitage has served as President of Armitage International since March 2005. He is a former U.S. Deputy Secretary of State and held a wide variety of high ranking U.S. diplomatic positions from 1989 to 1993 including: Special M