

EXTRACTIVE INDUSTRIES REPORTING

WHEREAS:

XXX understands that “respecting indigenous communities is an important part of addressing the company’s community impact” and has declared a commitment to “conduct our business in a way that promotes economic growth, a healthy environment and vibrant communities.” (ConocoPhillips Sustainability Report 2005)

The Voluntary Principles on Human Rights and Security acknowledges that: “The ability to assess accurately risks present in a Company’s operating environment is critical to the security of personnel, local communities and assets; the success of the Company’s short and long-term operations; and to the promotion of human rights.”

Emerging standards on indigenous rights, such as the principle of Free and Prior Informed Consent embedded in the UN Declaration on the Rights of Indigenous Peoples, and the Organization of American States’ (OAS) Proposed American Declaration on the Rights of Indigenous Peoples, could shape the laws and regulations of the countries in which we operate, and may affect our ability to access reserves.

Since the acquisition of XXX and new upstream investment, XXX has become a major holder of oil concessions in Latin America, particularly in blocks located in remote rainforests where there are: 1) indigenous peoples who have expressed outright opposition to oil activities in their territory; and 2) where there are Indigenous Peoples Living in Voluntary Isolation.

In Ecuador, XXX faced legal challenges, protests, and accusations of using divisive tactics in attempts to obtain consent for its projects in the country’s south-central Amazon. The blocks remain in force majeure due to community opposition

The indigenous federations in Block 104 of Peru have publicly resolved to reject hydrocarbon activities and are calling on our company to abandon its exploration plans.

XXX is a minority partner in Block 39, located in the Northern Peruvian Amazon, where there is substantial evidence indicating the presence of four groups of Indigenous Peoples Living in Voluntary Isolation.

These un-contacted groups—the Abijiras (or Aushiris), Taromenane, Arabela and Pananujuri—due to a lack of immunological defenses, are extremely susceptible to epidemics and dieoffs. Contact through oil exploration could lead to genocide.

On July 10, 2007, the Inter-ethnic Association for the Development of the Peruvian Amazon (AIDSESP) filed a legal injunction, ordering the Peruvian Ministry of Energy and Mines to prohibit hydrocarbon activity in Block 39 and Block 67. (Demanda de Accion de Amparo, AIDSESP)

Failure to obtain consent, to respect indigenous rights, as well as to understand the vulnerabilities of and risks to un-contacted peoples may threaten the viability of current and future projects. We

believe establishing a reputation as a fair player that respects indigenous rights helps us access our upstream investments and contributes to our success.

RESOLVED:

Shareholders request that the Board prepare a report by November, XXXX, at reasonable cost and omitting proprietary information, on XXXs' policies and procedures regarding:

1. Process and practice for obtaining consent of indigenous peoples affected by our operations, whether as operator or minority partner, through their recognized and official governance structures.
2. Indigenous peoples living in voluntary isolation.

SUPPORTING STATEMENT:

XXXs' success depends not only on receiving legal permits, but also on the consent of and respect for the indigenous peoples it affects. Changing norms on indigenous rights should inform our company's policies and procedures for obtaining this consent, thereby helping us maintain our reputation for leadership and achieve long-term success.