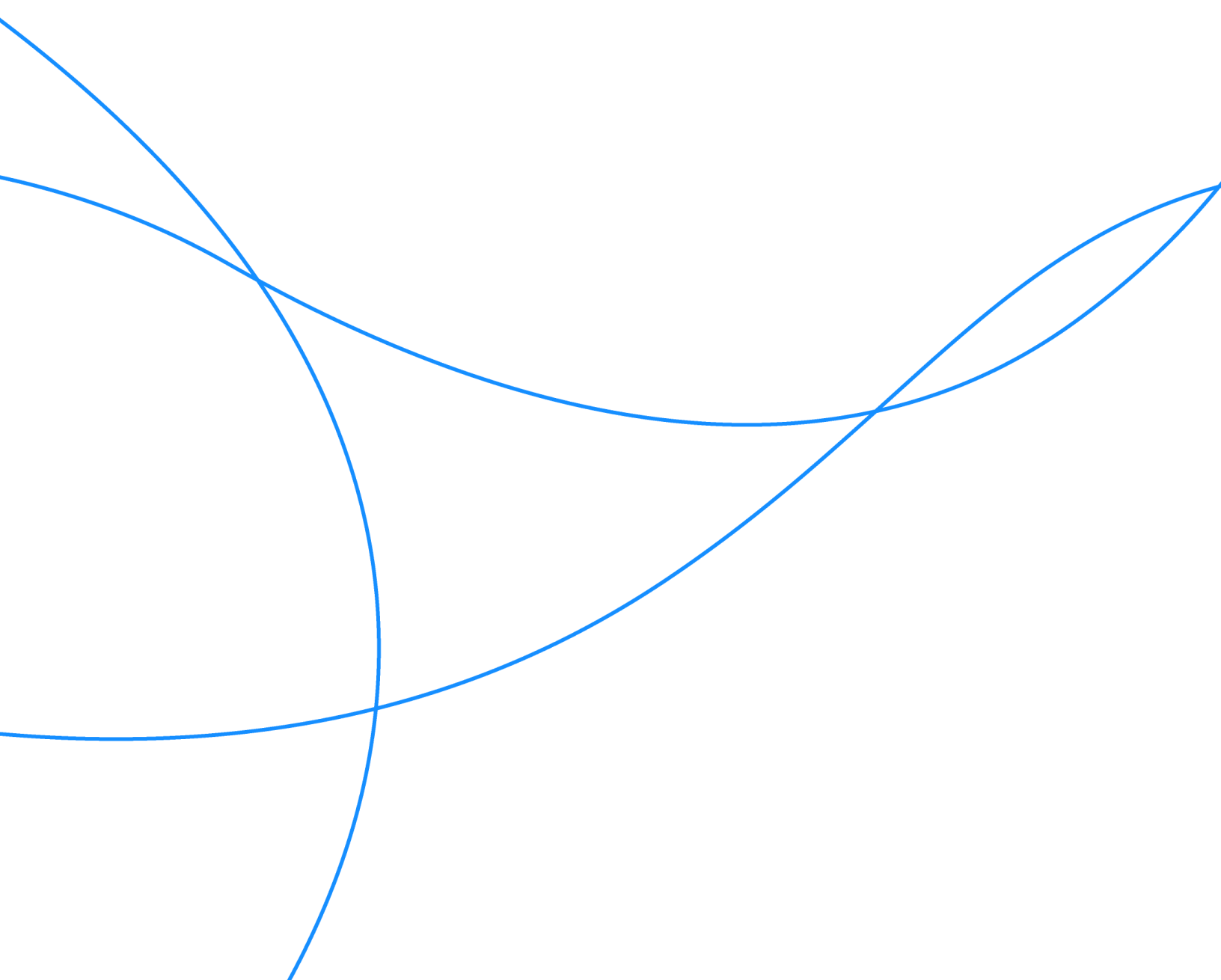




2024 Annual Meeting of Stockholders Answers to Questions

May 14, 2024





Questions

1. Does ConocoPhillips plan to adopt targets to cover Scope 3 emissions?

While we recognize that end-use emissions must be reduced to meet global climate objectives, it is our view that supply-side constraints through Scope 3 targets for targeted Paris-aligned North American and European oil and gas producers would be counterproductive in the absence of policy measures that address global demand. Curtailed supply would be replaced with production from less accountable operators and jurisdictions to meet energy transition demand. Scope 3 targets do not address demand, do not limit global production, and in our view are ineffective in reducing global emissions.

We acknowledge the issue of Scope 3 or end-use emissions. We continue to support an economy-wide price on carbon, and we are positioning ourselves to participate in the emerging low-carbon economy through the work of our Low Carbon Technologies organization as it prioritizes future competitive investment and drives a better understanding of the new landscape.

2. Why does ConocoPhillips set intensity-based greenhouse gas (GHG) emissions reduction targets instead of absolute targets, and will this change in the future?

Our 2030 GHG intensity targets reflect the fact that we are in a dynamic business environment where plans, technology, prices, industry structure, and costs all change rapidly. As we learn new information, we often accelerate or defer projects, and we buy, sell, or swap potential oil and gas developments to ensure that our portfolio is competitive. These actions could render an absolute target redundant. An intensity target that allows a company to change its plans without having to reset its target appears to be more durable.

Our intensity target is based on our current asset portfolio, operational emissions reduction opportunities and view of the energy transition where oil and natural gas continue to make up a significant percentage of the energy mix. Providing oil and gas production that will best compete in any energy transition scenario is central to our company strategy. This production will be delivered from resources with a competitive cost of supply and low GHG intensity, as well as diversity by market and asset type. Our view is that GHG intensity, possibly by asset type (e.g., LNG, conventional, unconventional), will emerge as a useful metric for comparing company performance and ensuring the best barrels on both a cost basis and GHG basis are produced through the energy transition.



3. How much capex does ConocoPhillips expect to allocate to low carbon activities in the coming years and what will the breakdown be?

Funding decisions for low carbon opportunities and existing operations emission reduction projects are made in the corporate center each year during the annual planning process. Budget allocated to emissions reduction projects and low carbon opportunities is determined relative to the targets we set and the risks we seek to manage. For low carbon opportunities, we evaluate opportunities where the company's existing skills and expertise can potentially create competitive advantage within the energy transition. For that reason, we have focused our effort on carbon capture and storage (CCS) and hydrogen. If proven competitive, funding for these projects would increase as they progress from evaluation to execution.

In 2023, our allocated marginal abatement cost curve (MACC) related spend was approximately \$300 million. We expect to have fairly similar levels of spending in 2024. We expect to continue to fund projects at similar levels for the next several years. Notably, it is not the volume of capital expenditure that is the important factor, but the efficiency of that expenditure in reducing emissions. We review our emissions reduction projects to ensure that we carry out the most efficient projects first and that they are not out of line with realistic expectations for carbon pricing policies that have been or may be introduced.

We also incorporate emissions reductions expenditure into each of our new development projects, as this is the most effective and efficient way of reducing emissions over time. It is difficult to track this expenditure as it is built into the cost of the items that we purchase and not broken out separately, and therefore is not included in the total number referenced above. We review the pipeline of emissions reduction projects that we expect to execute over the coming years annually to ensure that we are on track to achieve our 2030 targets.

4. Does ConocoPhillips foresee a renewed demand for natural gas in energy production in the near future and if so, what steps is the company taking to prepare for this?

We expect liquefied natural gas (LNG) to play an increasingly important role in helping meet energy transition pathway demand, as it is lower in greenhouse gas emissions intensity versus, particularly, the burning of coal for power generation around the world. We expect growing global demand, led by Asia and Europe, and we see U.S. LNG as well-placed to provide lower emission, reliable energy.

From a resource perspective, we increased our interest in Australia Pacific LNG ("APLNG") in 2022 and we have secured participation in Qatar NFE and NFS, both of which are very low cost of supply, very low GHG emissions projects that are well within our own fairway and align with



our resource LNG. In addition, we have leaned into Gulf Coast LNG, with the Port Arthur LNG (“PALNG”) project serving as an extension of our global LNG business. We believe the recent permit pause in the U.S. only makes our permitted PALNG Phase 1 opportunity even more valuable.

In addition, we have secured west coast of Mexico offtake, and offtake from Saguaro LNG, pending successful final investment decision (FID), which complements our PALNG offtake capacity and creates optimization opportunities.

Further, alongside broader electrification trends, artificial intelligence (AI) is also going to drive significant demand for power in the years ahead. There have been a lot of forecasts for chip and related power demand growth that are supportive of natural gas as a supply source to meet this demand. But it is also important to point out that there are a number of factors at play, such as the pace of data center build out, the constraints on power grid expansion, and the expected improvement in energy efficiency in years ahead, both for the AI chips and more generally across the economy. We continuously monitor these trends and factors to update our estimate of net demand growth.