

Answers to Questions

2021 ANNUAL MEETING OF STOCKHOLDERS

1. HOW DO YOU SELECT MEMBERS OF YOUR BOARD, AND WHY DO YOU HAVE 15 DIRECTORS?

The Committee on Directors' Affairs regularly evaluates the size and composition of the Board and continually assesses whether the composition appropriately relates to ConocoPhillips' strategic needs. These needs change as our business environment evolves. It's important to note that the Board balances its commitment to maintaining institutional knowledge with the need for fresh perspectives that Board refreshment and director succession planning provide.

As directors approach retirement age, the Committee seeks to bring in new directors to backfill the needed skills and experience of outgoing directors with enough overlap in service to allow for a smooth transfer of institutional knowledge and the sharing of experiences. As a general matter, it's the sense of the Board that a director should not stand for re-election after his or her 72nd birthday. We anticipate two of our directors will not stand for re-election next year for this reason. The onboarding of new directors in advance of planned retirements is key to ensuring a successful transition.

2. WHAT ARE YOU DOING TO INCREASE THE NUMBER OF PEOPLE OF COLOR ON THE BOARD OF DIRECTORS?

When conducting its review of the appropriate skills and qualifications desired of directors, the Committee on Directors' Affairs considers diversity of age, skills, gender and ethnicity. A summary of each of our directors and their qualifications is available [here](#) and on pages 8-9 of our [2021 Proxy Statement](#). We are very committed to a diverse, inclusive and engaged Board of Directors.

3. WHERE DOES YOUR COMPANY STAND ON VOTING RIGHTS RESTRICTIONS?

Voting is a democratic principle that equally values the voice of every citizen. For many Americans, gaining access to voting was a hard-fought right. All Americans who qualify should be able to exercise this right free from unnecessary hurdles. Ensuring equitable access for American voters and protecting the security and integrity of our election process is not a binary choice. We urge our elected leaders to work together to find a solution that achieves both. We encourage our employees to exercise their right to vote by allowing flexibility and paid time off to do so.

4. IS CONOCOPHILLIPS INVESTING IN THE GOAL TO ACHIEVE NET ZERO CARBON EMISSIONS BY 2050? IS THERE A FUTURE FOR CONOCOPHILLIPS IN A CARBON-NEUTRAL WORLD?

We are committed to providing affordable natural gas and oil necessary to support global economic development while also lowering our greenhouse gas (GHG) emissions. In 2020 we announced a Paris-aligned [climate risk strategy](#) that sets an ambition to reduce our operational greenhouse gas (GHG)

emissions to net-zero by 2050. We also substantially revised our 2030 target to reduce our GHG emissions intensity, endorsed the World Bank Zero Routine Flaring by 2030 initiative and set a target to reduce methane emissions intensity. These targets inform internal climate goals at the business level and support innovation on efficiency and emissions reduction, GHG regulatory risk mitigation and climate-related risk management throughout the lifecycle of our assets.

We use a [marginal abatement cost curve](#) (MACC) in our long-range planning to identify the most cost-effective emissions reduction opportunities available to the company globally. We are also using new technologies for [methane emissions detection](#).

Even in scenarios that meet a below 2-degree Celsius temperature rise target, fossil fuels will supply almost half of energy demand in 2050 (according to the International Energy Agency and others). The cost of supply of our resource base supports our assertion that resources with the [lowest cost of supply](#) are most likely to be developed in scenarios with lower demand, such as the [IEA's Sustainable Development Scenario](#).

5. WHAT IS CONOCOPHILLIPS DOING TO STAY RELEVANT WHEN OIL PRICES CONTINUE TO DECLINE AND WHAT ARE YOU DOING TO DIVERSIFY YOUR ENERGY SOURCES BEYOND NATURAL GAS AND OIL?

Even in scenarios that meet a below 2-degree Celsius temperature rise target, fossil fuels will supply almost half of energy demand in 2050 (according to the International Energy Agency and others), which means our upstream industry will still play a vital role in meeting global energy demand. We have recently formed an internal low carbon team that is studying and evaluating various low carbon alternatives that are viable for our company, including investments to lower our own emissions and/or to diversify our business lines.

Overall, to succeed in a low-carbon economy, we also recognize the need to play a constructive role in public policy dialogue to devise practical, equitable and cost-effective approaches to reduce GHG emissions and address the impacts of climate-related risks. As examples, we are advocates of a carbon tax and we are also members of the IEA Energy Pathways Collaboration, which is working with MIT to develop quantitative methods to develop national energy policies.

6. CAN YOU EXPLAIN WHY YOUR EXECUTIVE COMPENSATION CONTINUES TO BE SO HIGH?

Our executive compensation philosophy links pay with performance. It is designed to reflect appropriate governance practices, align with the needs of our business, and maintain a strong link between executive pay and successful execution of our strategy. We were pleased with the results of the 2021 Say on Pay vote, which received support of over 92% of voting stockholders. We remain committed to ongoing dialogue with stockholders and other stakeholders to obtain their input on key matters. Our pay programs continually evolve to incorporate stockholder feedback, market best practices, and performance and retention considerations.

It's worth noting that as part of the extraordinary events of 2020, which included the simultaneous COVID-driven demand shock and OPEC driven supply shock, and our core belief that executive compensation should align the interest of executives with stockholders, the HRCC took a number of actions during the year to respond to the unprecedented impacts, including:

- Reducing base salaries or reversing 2020 salary adjustments for NEOs consistent with actions taken for employees globally to support our cost reduction efforts related to the COVID-19 pandemic;
- Adjusting metrics and targets in the 2020 annual incentive program (the “VCIP”), to reflect adjusted corporate priorities and to align with external guidance and internal budgets;
- Reviewing but making no changes to the performance metrics in the long-term incentive program PSP 18 (2018-2020);
- Exercising negative discretion to reduce the 2020 VCIP payout below target and to reduce the PSP 18 payout, recognizing the overall stockholder experience during 2020; and
- Making no individual adjustments for the NEOs for the 2020 VCIP, despite their significant contributions during this unprecedented time.

7. WILL THERE BE A DIVIDEND INCREASE IN THE NEAR FUTURE?

ConocoPhillips has a long-stated commitment to return at least 30% of cash from operations to shareholders. This is something we have achieved through a combination of share buybacks and the dividend. A decision to increase the dividend is made by the Board, but a priority is to grow the dividend annually. Most recently, the dividend was increased in October of 2020. But the Board continues to review and evaluate the dividend as part of its overall strategy to return capital to stockholders.

8. HOW WOULD YOU SUMMARIZE THE STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS TO CONOCOPHILLIPS FOR 2021 AND BEYOND?

The ConocoPhillips leadership team, in collaboration with the Board, evaluates our strategy on an ongoing basis, including as part of our enterprise risk management process.

We believe that to achieve long-term success in this industry, an E&P company must have the lowest cost of supply resource base, the most capital efficient development plan, a robust balance sheet, strong financial performance, demonstrated ESG leadership and the best workforce in the industry. ConocoPhillips leads the pack on this and believes it is poised to respond to challenges from a position of strength, while also monitoring and responding – as appropriate – to the energy transition.

9. DOES CONOCOPHILLIPS INTEND TO ADDRESS FLARING OF GAS AT ITS WELLS?

Setting a [target](#) to get to zero routine flaring by 2030, with an ambition to get there by 2025, is a key near-term action within our ambition to become a net-zero company by 2050. While our flaring emissions make up only 11% of our total GHG emissions, the target will drive continued near-term focus on routine flaring reductions across our assets. Flaring is a regulated and permitted process for the controlled release and burning of natural gas during oil and gas exploration, production and processing operations. Routine flaring is defined as flaring that occurs during the normal production of oil in the absence of sufficient facilities to utilize the gas onsite, dispatch it to a market or re-inject it. Flaring for safety reasons, non-routine flaring or flaring gas other than associated gas is not included as part of the World Bank Zero Routine Flaring initiative

Note that the company’s flaring emissions over the last five years represent just 11% of the company’s regularly reported greenhouse gas emissions. Some ways we are already reducing our flaring is by

working with our midstream partners to increase processing capacity and provide forecasts to improve their ability to plan. In the Permian, we have built and operate our own gathering system, which enables more flexibility and connections to multiple third-party processors. We have also developed and implemented facility design changes to reduce (or eliminate) flaring from tanks, and we utilize an internal decision tree to optimize our operations to reduce flaring during third party outages.

ConocoPhillips maintains that governments can encourage further reductions with regulations that enable timely and safe construction of transportation and product recovery infrastructure.

10. DOES THE BOARD OF DIRECTORS SUPPORT A CARBON TAX?

The company believes the best way to reduce greenhouse gases is through a price on carbon emissions.

ConocoPhillips is a founding member of the [Climate Leadership Council](#) (CLC). The CLC is a policy institute founded in collaboration with business and environmental interests. One of its primary goals is to develop and promote a federal four-pillar “carbon dividend” plan as a cost-effective, equitable and politically viable climate solution.

ConocoPhillips is also a funding member of [Americans for Carbon Dividends](#), the education and advocacy branch of the CLC.

ConocoPhillips joined CLC to advocate and collaborate on a policy design that reflects our business interests and principles. Our support for CLC’s plan is contingent on four key pillars—a gradually increasing carbon tax, a carbon dividend, border carbon adjustments and regulatory simplification. These pillars largely align with our company’s carbon tax principles, which include a revenue-neutral carbon tax that is transparent, predictable and cost effective to administer.

The company also believes country-specific carbon tax rates should be adjusted to ensure global competitiveness and that a federal carbon tax should supersede all environmental laws and regulations intended to reduce or control carbon and other taxed sources of emissions.

Overall, we need to participate in a constructive public policy dialogue to devise practical, equitable and cost-effective approaches. ConocoPhillips has engaged in climate policy-related discussions for well over a decade and has developed climate-change action plans, voluntarily set an emissions intensity reduction target, integrated low-carbon policy scenarios into our strategic planning process and published carbon tax principles.

11. CONSIDERING THE VOLATILITY OF THE INDUSTRY, WHAT ACTIONS IS CONOCOPHILLIPS TAKING TO MAKE SURE THE COMPANY IS BEST POSITIONED FOR THE PRICE CYCLES OF OUR BUSINESS?

Several years ago, ConocoPhillips took significant actions to make the company more resilient, while also not capping price upside for investors. We improved the balance sheet, high-graded our portfolio, drove improvements in our operating cost structure and set priorities to drive free cash flow and returns, while reducing emissions.

On the heels of the Concho transaction, we are approaching 2021 as yet another opportunity to further improve our business drivers to be the best E&P in the business.

12. WHAT RANGE IN THE PRICE OF OIL WOULD TRIGGER YOUR PLANS FOR FURTHER DEVELOPMENT OF MULTIPLE STRATA IN THE PERMIAN BASIN?

Our capital allocation process utilizes a rigorous cost of supply criterion. Our Permian assets generate at least a 10% after-tax and fully burdened rate of return, below \$40 per barrel (West Texas Intermediate), so they are competitive for investment even at today's prices.

That said, we believe today's market conditions dictate a cautious approach to growing production, given the imbalance and the uncertainty that remains in the economic recovery path. We would need to see a clear call on growth in US Tight Oil – and that means demand to recover, for ROPEC+ to be back in the market at normal levels, and after all that, for prices to be at constructive and sustainable levels.

As a reminder, our focus remains on capital discipline, returns and free cash flow generation – any growth would be an outcome not a goal.

13. HAS THE COMPANY AND ITS PAC MADE ANY POLICY CHANGES OR TAKEN OTHER ACTIONS (A) IN RESPONSE TO THE JAN.6, 2021, CAPITOL INSURRECTION OR (B) TO ADDRESS REPUTATIONAL RISK ASSOCIATED WITH PAST AND FUTURE, DIRECT AND INDIRECT, POLITICAL CONTRIBUTIONS?

In light of the Congress' Jan. 6, 2021 vote on the certification of the electoral college results, ConocoPhillips suspended all political contributions for at least six months in order to undertake a review of current policies. As a result, we have strengthened our giving criteria and amended our statements about this category on our website to add that the Public Policy Committee assesses our political policies and contribution criteria for alignment with our core values. No timeline has been set to resume contributions, but the company and SPIRIT PAC will resume contributions as appropriate.

14. WHY ARE STOCK BUYBACKS CONTINUING TO RECEIVE PRIORITY OVER INCREASING THE DIVIDEND PAID TO SHAREHOLDERS?

We remain committed to return greater than 30% of cash from operations to shareholders on an annual basis through our dividend and share repurchases. Growing our dividend annually is one of our strategic cash flow priorities.

15. HOW OFTEN ARE THE DIVIDENDS PAID?

ConocoPhillips pays a quarterly dividend.

16. WHY, ACCORDING TO THE SECURITIES OWNERSHIP OF OFFICERS AND DIRECTORS PRESENTED IN THE PROXY, DO NINE OF THE DIRECTORS NOT OWN A SINGLE SHARE OF COMMON STOCK (AS OPPOSED TO RESTRICTED STOCK UNITS)? MOST COMPANIES REQUIRE THEIR DIRECTORS TO OWN ACTUAL STOCK IN ADDITION TO RESTRICTED DEFERRED STOCK UNITS.

ConocoPhillips maintains robust stock ownership guidelines for ConocoPhillips Directors. Directors are expected to retain the amount of the aggregate annual equity grants received during his or her first five years on the Board. Prior to each annual grant, a director may elect the schedule on which the restrictions on their award will lapse. When restrictions lapse, a director will receive unrestricted, or common, shares of ConocoPhillips stock in exchange for his or her restricted stock units. In many cases our directors have elected to defer the lapsing of restrictions until after retirement from the board of directors. Restricted stock units, similar to common stock, align directors with the interests of shareholders. Additional information about Non-Employee Director Compensation can be found on pages 32-35 of our [2021 Proxy Statement](#).

17. DOES THE COMPANY CURRENTLY OR IN THE PAST CONTRIBUTE TO ALEC (AMERICAN LEGISLATIVE EXCHANGE COUNCIL)?

Prior to the split in 2012, ConocoPhillips had already left ALEC. As an independent E&P company we have never been a member of ALEC.

18. WHAT ARE THE DIRECTORS PAID? WHAT ARE THEIR DUTIES?

Compensation for non-employee directors of ConocoPhillips can be found on pages 32-35 of our [2021 Proxy Statement](#). Our Board of Directors has responsibility for overseeing the development and execution of ConocoPhillips' strategy. For more information about our Board, its Committees and our directors, see our [2021 Proxy Statement](#) and the [Corporate Governance](#) section of our website.

19. DOES THE COMPANY CONTRIBUTE TO POLITICAL PARTIES OR POLITICAL ACTION COMMITTEES? IF SO, HOW ARE THESE MONIES ALLOCATED?

Legislators and regulators govern all aspects of our industry and can have considerable influence on our success. Accordingly, senior leadership and our Board encourage involvement in activities that advance ConocoPhillips' goals. As a company, we engage in activities that include lobbying, making contributions to candidates and political organizations from our corporate treasury and our employee political action committee. The Board's Public Policy Committee has approved policies and guidelines to help ConocoPhillips maintain alignment with our SPIRIT Values and policy principles and compliance with local, state and federal laws that govern corporate involvement in activities of a political or public policy nature. The Public Policy Committee also approves the budget for political contributions and monitors compliance with these plans. In addition, all of these activities are carefully managed by our Government Affairs division in an effort to yield the best business result for ConocoPhillips and to satisfy the various reporting requirements.

20. CONOCOPHILLIPS CLAIMS TO BE “THE FIRST U.S.-BASED OIL AND GAS COMPANY TO ADOPT A PARIS-ALIGNED CLIMATE-RISK STRATEGY WITH SPECIFIC TARGETS.” HOW HAS THE COMPANY ASSESSED THE FINANCIAL, REPUTATIONAL, LEGAL, AND OTHER RISKS OF ITS REFUSAL TO TAKE RESPONSIBILITY FOR THE MOST RELEVANT GLOBAL WARMING EMISSIONS FOR ITS SECTOR—THE SCOPE 3 EMISSIONS FROM BURNING PRODUCTS DERIVED FROM THE OIL AND GAS EXTRACTED BY CONOCOPHILLIPS?

We are proud of our track record of leadership and engagement on ESG. At the 2021 annual meeting stockholders voted in favor of a proposal to set emission reduction targets for Scope 3 emissions. The Board of Directors will take the stockholder vote into account when evaluating our management of climate-related risks.

21. WHAT DOES ADVISORY VOTE FOR EXECUTIVE COMPENSATION MEAN?

The advisory vote to approve executive compensation is a non-binding vote by the stockholders of ConocoPhillips on the compensation of our named executive officers, as described in our Proxy Statement.