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Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this presentation that the SEC’s guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.
Agenda

Keeping Our Discipline, Creating Value
Ryan Lance
Chairman & CEO

Our Differentiated Strategy
Matt Fox
EVP, Strategy, Exploration & Technology

Our Portfolio is Aligned to Strategy
Al Hirshberg
EVP, Production, Drilling & Projects

Our Sound Financial Plan
Don Wallette
EVP, Finance, Commercial & CFO

Keeping Our Discipline, Creating Value
Ryan Lance
Chairman & CEO

Question & Answer Session
Keeping Our Discipline, Creating Value

RYAN LANCE
Chairman & CEO
Keeping Our Discipline, Creating Value

**Value Proposition Principles**

- Financial Strength
- Growing Distributions
- Disciplined Per-Share CFO Expansion

**Disciplined Priorities**

1. **1st PRIORITY**
   - Invest capital to sustain production and pay existing dividend

2. **2nd PRIORITY**
   - Annual dividend growth

3. **3rd PRIORITY**
   - Reduce debt to $15B; target ‘A’ credit rating

4. **4th PRIORITY**
   - 20-30% of CFO total shareholder payout annually

5. **5th PRIORITY**
   - Disciplined investment for CFO expansion

**Our Unique Characteristics**

- Low Sustaining Price
- Diverse, Low CoS Portfolio
- Strong Balance Sheet
- Capital Flexibility

Our goal is to deliver **superior returns to shareholders** through cycles.

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CFO is a non-GAAP term, which is defined in the appendix.

The Market Has Taken Note of Our Accomplishments...

Total Shareholder Return Since 2016 Analyst & Investor Meeting

## Delivering on Our Disciplined, Returns-Focused Value Proposition

### 2017: Full Activation of our Plan

- **Portfolio reset; ~$16B dispositions; strong organic RRR\(^1\)**
- **CFO\(^2\) > capital by $2.5B; improving CROCE/ROCE**
- **Reduced debt by ~30% to <$20B; improved credit rating**
- **Returned 61% of CFO\(^2\) to shareholders**
- **Production of 1,356 MBOED; delivered 19% underlying growth per DASH\(^3\)**
- **Strong safety performance; announced GHG reduction target**

### 2018: Execute the Plan, Plus

- **Strengthened through focused acquisitions and dispositions**
- **Focus on free cash flow generation; strong price upside**
- **Debt reduced by $4.7B in 1H; $15B target achieved in 2Q 2018**
- **Increased dividend by ~7.5% and doubled share buybacks in 2018**
- **Expect ~20% growth per DASH\(^3\) in 2018; activated Lower 48 growth engine**
- **Continued focus on ESG excellence**

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1. Organic RRR (reserve replacement ratio) excludes the reserve impact of 2017 asset dispositions and production includes Libya and fuel gas.
2. Cash from operating activities is $7.1B, excluding operating working capital, cash from operations (CFO) is $7.1B. Dividends paid of $1.3B and share repurchases of $3.0B. CFO is a non-GAAP term, which is defined in the appendix.
3. Production per debt-adjusted share growth is calculated on an underlying production basis using ending period debt divided by ending share price plus ending shares outstanding. Underlying production excludes the full impact from 2017 and 2018 closed dispositions. Year-end 2017 common shares outstanding were 1,177 million shares. 2Q18 ending common shares outstanding were 1,162 million shares. 2018 assumes an additional $1.9B of share repurchases, representing 27 million shares using the closing price of $69.40 per-share on 07/19/18 and assuming no other changes in common shares outstanding.

CROCE, ROCE and free cash flow are non-GAAP terms, which is defined in the appendix.

Production excludes Libya.
But We’re Just Getting Started

COP Works at Lower Prices

- Low capital intensity
- Sustaining price of <$40/BBL
- Relentless focus on operating costs
- Extensive low cost of supply investment portfolio
- Flexible capital program
- Significant balance sheet strength and capacity

COP Works at Higher Prices

- Oil-weighted portfolio
- Predominantly tax and royalty regimes
- Relentless focus on operating costs
- Contingent payments and stock received on recent transactions
- Unhedged for upside
- Flexibility to increase distributions and capital

Contingent payments are from the Canada and San Juan Basin dispositions. Operating costs is a non-GAAP term, which are defined in the appendix.
Value Creation Target: >20% CROCE by 2020 at $50/BBL

- ~5% production CAGR
- >5% margin CAGR
- $5.5B average capital
- <$35/BBL average CoS
- >10% reduction of debt-adjusted shares
- 15 BBOE
- Low CoS
- Resource Base
- >20% CROCE by 2020 at $50/BBL
- $3.5B for flat production
- <$40/BBL sustaining price
- $15B in 2018
- debt/CFO: <2x
- exceeds 20-30% annual target

Grow CROCE 2-3%/Yr

Reflects $50/BBL WTI flat real. Updated Capital Guidance for 2018 is $6B, reflecting a higher WTI price of $65/BBL. CROCE and CFO are non-GAAP terms and sustaining capital is a non-GAAP measure, which are defined in the appendix.
Our Differentiated Strategy

MATT FOX
EVP, Strategy, Exploration & Technology
ConocoPhillips Strategy Framework

**Portfolio Choices**
- Rigorous high-grading
- Favorable product mix
- Deep inventory of investment options

**Capital Allocation**
- Sustaining capital and growing dividend
- Debt reduction and distributions
- Disciplined investments

**Uncertainty Management**
- Low sustaining price
- Low cost of supply
- Capital flexibility
- Strong balance sheet

**STRATEGIC GOAL**

Deliver *superior returns to shareholders* through cycles by growing the dividend, reducing debt, reducing share count and growing cash from operations.

Sustaining capital is a non-GAAP measure, which is defined in the appendix.
**Resetting Every Bar; Strategy Aligned with Shareholder Interests**

**Estimated Sources and Uses of Cash (2018-2020) at $50/BBL**

<table>
<thead>
<tr>
<th>Sources of Cash</th>
<th>Sustaining Capital</th>
<th>Base Dividend</th>
<th>Dividend Growth</th>
<th>Debt Reduction</th>
<th>Share Buybacks</th>
<th>Disciplined Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5.5B/Yr</td>
<td>$3.5B/Yr</td>
<td>$2B/Yr</td>
<td>$1B/Yr</td>
<td>$1B/Yr</td>
<td>$1B/Yr</td>
<td>$1B/Yr</td>
</tr>
</tbody>
</table>

- **CFO @ $50/BBL**
  - $5.5B/Yr capital delivers cash flow expansion and reserve replacement
- **CFO @ $40/BBL**
  - $40/BBL sustaining price

- **Starting Cash & Proceeds**
  - Debt and planned buybacks are fully funded

- **Available Cash**
  - >10% cash flow CAGR
  - >30% annual payout
  - >10% debt-adjusted share count reduction

**Reflects $50/BBL WTI flat real. Updated Capital Guidance for 2018 is $6B, reflecting a higher WTI price of $65/BBL. CFO and sustaining capital are non-GAAP measures, which are defined in the appendix. Reflects 2017 ending cash balance. Updated for Announced 2018 buyback target.**
Activating 5th Priority Within Cash Flow

**Disciplined Investments (2018-2020)**

- Short-Cycle Unconventionals: $1.2B/Yr
- Future Major Projects: $0.5B/Yr
- Exploration: $0.3B/Yr

**Cash Flow Expansion Benefits**

- Improves financial returns due to low cost of supply investments
- Increases cash flow per debt-adjusted share
- Lowers sustaining price
- Reduces leverage
- Increases payout to shareholders as cash flow expands
- Provides a mix of near- and long-term sustainable growth
- Increases resources and replaces reserves

**Fully funded from CFO and generates additional free cash flow**

CFO and free cash flow are non-GAAP terms, which are defined in the appendix.

As Shown in November 2017 Investor Deck
Disciplined Investments Deliver Returns and Expand Cash Flows

<table>
<thead>
<tr>
<th><strong>2018-2020 TARGETS at $50/BBL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow ROCE</td>
</tr>
<tr>
<td>Grow CROCE</td>
</tr>
<tr>
<td>1-2%/Yr</td>
</tr>
<tr>
<td>2-3%/Yr</td>
</tr>
<tr>
<td>✅</td>
</tr>
<tr>
<td>Production / DASh</td>
</tr>
<tr>
<td>Cash margin growth</td>
</tr>
<tr>
<td>&gt;10% CAGR</td>
</tr>
<tr>
<td>&gt;5% CAGR</td>
</tr>
<tr>
<td>✅</td>
</tr>
<tr>
<td>Return cash to shareholders</td>
</tr>
<tr>
<td>20-30% of CFO annually</td>
</tr>
<tr>
<td>✅</td>
</tr>
<tr>
<td>Balance sheet strength</td>
</tr>
<tr>
<td>Debt/CFO &lt;2x</td>
</tr>
<tr>
<td>✅</td>
</tr>
<tr>
<td>Low sustaining price, low CoS portfolio</td>
</tr>
<tr>
<td>&lt;$40/BBL</td>
</tr>
<tr>
<td>&lt;$35/BBL average CoS</td>
</tr>
<tr>
<td>✅</td>
</tr>
</tbody>
</table>

Drive Total Shareholder Returns

Drive Business Sustainability

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Reflects $50/BBL WTI flat real.
ROCE, CROCE and CFO are non-GAAP terms, which are defined in the appendix.

As Shown in November 2017 Investor Deck
Predicting Price is Useless, Scenario Planning is Priceless

<table>
<thead>
<tr>
<th>Driven by High Supply</th>
<th>Driven by High Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrelenting Unconventionals</strong></td>
<td><strong>Great Growth</strong></td>
</tr>
<tr>
<td>High pace of unconventional and other supply development</td>
<td>Global economic recovery supports high oil and gas demand</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Driven by Low Supply</th>
<th>Driven by Low Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resource Restriction</strong></td>
<td><strong>Demand Destruction</strong></td>
</tr>
<tr>
<td>Limitations on unconventional development and other supply limitations</td>
<td>Weak economic growth or carbon constraints and/or technology reduce demand</td>
</tr>
</tbody>
</table>

![Oil Demand & Supply vs. Oil Price](image)

As Shown in November 2017 Investor Deck
Scenarios Highlight Value of Strategic Flexibility and Diversification

Estimated Prices Through 2025

As Shown in November 2017 Investor Deck

Reflects WTI.

1 Estimated prices derived from internal scenario monitor modeling.
ConocoPhillips is Advantaged Across Price Cycles

**Capital Allocation Priorities**

1. **1st PRIORITY**
   - Sustaining Capital & Base Dividend

2. **2nd PRIORITY**
   - Dividend Growth

3. **3rd PRIORITY**
   - Reduce Debt

4. **4th PRIORITY**
   - 20-30% of CFO to Shareholders Annually

5. **5th PRIORITY**
   - Disciplined Investment

**PRIORITIES INFORM ACTIONS through cycles**

**Higher Prices**
- Oil-weighted portfolio
- Predominantly tax and royalty regimes
- Unhedged for upside
- Incremental cash allocated according to priorities

**Lower Prices**
- Low capital intensity and <$40/BBL sustaining price
- Extensive low cost of supply investment portfolio
- Balance sheet strength and capacity

*Sustaining capital and CFO are non-GAAP terms, which are defined in the appendix.*
Our Strategy to Deliver Superior Returns to Shareholders Through Cycles

- Low Sustaining Price
- Low Cost of Supply
- Capital Flexibility
- Strong Balance Sheet
- Focus on Financial Returns
- Commitment to Shareholder Distributions

Resilience to downside, cash flow expansion & leverage to upside

Superior returns to shareholders through cycles
Our Portfolio is Aligned to Strategy

AL HIRSHBERG
EVP, Production, Drilling & Projects
Each Region Plays an Important Role in Our Strategy

- **Alaska**: Renaissance of a Legacy
  Technology-led advancements in operations and exploration

- **Lower 48**: Growing Unconventionals
  Leveraging innovation to fuel cash flow expansion

- **Canada**: Focused, Resource-Rich Asset Base
  Emerging unconventional play; lowering CoS in oil sands

- **Europe & North Africa**: Leveraging High-Margin Assets
  Delivering robust returns

- **APME**: Best of Both Worlds
  High-margin conventional assets and low-capital intensity LNG

GLOBAL PORTFOLIO
of diverse, world-class assets
Our Low Cost of Supply Portfolio Keeps Getting Better

2016 vs. 2017 Resources

<$50/BBL Cost of Supply

18 BBOE

$40-$50 /BBL

$30-$40 /BBL

<$30/BBL

$40-$50 /BBL

$30-$40 /BBL

<$30/BBL

~30% INCREASE
IN <$40/BBL CoS
2017 vs. 2016

Cost of Supply 2016

Production

Dispositions

Additions

Cost of Supply 2017

<$35/BBL AVERAGE CoS
OF RESOURCE

<$50/BBL Cost of Supply Resource

As Shown in November 2017 Investor Deck
Unconventional Assets: Portfolio is World-Class

- 1.5 BBOE resource addition in Montney
- Flexible, short-cycle investments
- High-margin production expands cash flow
- Five core plays at various stages of life cycle
- Leveraging numerous technologies across all plays
- ~10% improvement in average cost of supply from 2016

Unconventional Resources

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Cost of Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNCONVENTIONAL</td>
<td>$40-50/BBL</td>
</tr>
<tr>
<td>CONVENTIONAL</td>
<td>$30-40/BBL</td>
</tr>
<tr>
<td>LNG &amp; OIL SANDS</td>
<td>&lt;$30/BBL</td>
</tr>
</tbody>
</table>

~8 BBOE RESOURCE

<$35/BBL average cost of supply

As Shown in November 2017 Investor Deck
Conventional Assets: The Great Assets People are Now Asking About

~4 BBOE RESOURCE

<30/BBL average cost of supply

Conventional Resources

15 BBOE

~4 BBOE

$40-50/BBL

$30-40/BBL

<30/BBL

• ~20% improvement in average cost of supply from 2016
• Expect to add ~175 MBOED of new production over the next 3 years
• Project phasing optimized for efficiency and flexibility

As Shown in November 2017 Investor Deck
~3 BBOE RESOURCE

<$35/BBL average cost of supply

LNG & Oil Sands Resources

15 BBOE

UNCONVENTIONAL

CONVENTIONAL

LNG & OIL SANDS

~3 BBOE

$40-50/BBL

$30-40/BBL

<$30/BBL

Asset Class

Cost of Supply

• ~15% improvement in average cost of supply from 2016

• Sustaining capital of $300MM/Yr lowers capital intensity of overall portfolio

Includes equity affiliates. Sustaining capital is a non-GAAP measure, which is defined in the appendix.
Low Sustaining Capital is the Key to Free Cash Flow Generation

Sustaining capital is a non-GAAP measure and free cash flow is a non-GAAP term, which are defined in the appendix.

1 Big 3 = Eagle Ford, Bakken and Delaware.

As Shown in November 2017 Investor Deck

$3.5B/Yr
sustaining capital

• Unique portfolio is a significant competitive advantage
• Unconventional production stays flat at 2017 levels with 5 rigs in the Big 3\(^1\) unconventional plays
• Inventory of high-return development drilling and medium-cycle projects drives conventional production
• LNG and oil sands deliver stable production for low sustaining capital
Maintaining Our Unconventional Production with 5 Rigs in the Big 3

**2018-2020 Flat Production**

- Continuously lowering capital intensity of existing production base
- Decline offset by 5 rigs (capital includes infrastructure)
- Delivering >50% more wells per rig line versus 2014

**REPLACING ~180 MBOED**

- Of decline

**Eagle Ford, Bakken and Delaware Production (MBOED)**

- 3-Year CAGR from 2017 Average
- 0%
- 10%
- 20%
- 30%
- 5
- 10
- 15

- 5 2016
- 10 2017
- 15

**5 RIGS to stay flat**

- As Shown in November 2017 Investor Deck
Offsetting Conventional Declines Around the World

2018-2020 Flat Production

- Competitive, repeatable low cost of supply projects
- Leveraging existing facilities and infrastructure
- High-margin development drilling campaigns
- Multi-year inventory of investments

Replacing ~175 MBOED of decline

As Shown in November 2017 Investor Deck
Distinctive Sustaining Price – *No Waiting Necessary*

**<$40/BBL**

- Cash flow exceeds sustaining capital and dividend over plan period
- Leading low-capital intensity versus U.S. independents
- Optimized capital allocation across the asset classes
- Portfolio upgrades and efficiency improvements drive reduction versus 2016

**As Shown in November 2017 Investor Deck**

Reflects WTI. Sustaining capital is a non-GAAP measure and CFO is a non-GAAP term, which are defined in the appendix.

**2018 Sustaining Capital for Flat Production ($/BOE)**

- **Cash Sources**
  - CFO at $40/BBL
- **Cash Uses**
  - Sustaining Capital
  - Dividend

**2018 – 2020 Average**

**Source:** Wood Mackenzie – Corporate Benchmarking Tool.
U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, OXY and PXD.
Capital Investment for Cash Flow Expansion

**$1.2B/Yr**
- Delivers ~5% production CAGR

**$0.8B/Yr**
- Fuels our future

**$0.5B/Yr**
- Mix of investments across legacy assets
- Low cost of supply
- Optimized to retain flexibility

**$0.3B/Yr**
- Finding the next legacy assets

**High-margin investments in Eagle Ford & Delaware**
- Quick payouts improve underlying return metrics
- High degree of flexibility

---

As shown in November 2017 Investor Deck
Our Big 3 Unconventionals: Cash Flow Positive Now & Net Cash Flow Grows

**Production**

22% PRODUCTION CAGR 2017-2020

- 220
- 250
- 400

6 ADDITIONAL RIGS DELIVERS 80% MORE PRODUCTION IN 3 YEARS

- 5 RIGS TO STAY FLAT

**Positive Net Cash Flow**

>$2B NCF CUMULATIVE

- 2017
- 2018
- 2019
- 2020

1. Production and Net Cash Flow associated with Eagle Ford, Bakken and Delaware at $50/BBL WTI flat real.
2. Net Cash Flow is a non-GAAP term, which is defined in the appendix.
3-Year Development Plans for the Big 3 Unconventionals

**Eagle Ford**
- 2017: 130 MBOED
- 2018: 245 MBOED
- ~25% CAGR

**Production (MBOED)**
- Sustaining production
- Growth production

- 2.3 BBOE of <$40/BBL CoS resource across ~210 M net acre position
- ~3,400 locations remaining
- Measured pace has yielded highest recovery per acre

**Delaware**
- 2017: 20 MBOED
- 2018: 85 MBOED
- ~60% CAGR

**Production (MBOED)**
- Sustaining production
- Growth production

- 1.9 BBOE of <$40/BBL CoS resource across ~75 M net acre position
- ~1,400 locations remaining
- Program pace driven by infrastructure, costs and learning curve

**Bakken**
- 2017: 70 MBOED
- 2018: 70 MBOED

**Production (MBOED)**
- Sustaining production

- 0.7 BBOE of <$50/BBL CoS resource across ~620 M net acre position
- ~900 locations remaining
- More than a decade of high-value inventory

Technology-enhanced optimization underway across the Big 3 unconventionals

As Shown in November 2017 Investor Deck
Future Major Projects: Visibility Well Into Next Decade

**Conventional**
- Europe
- APME
- Alaska
- Barossa

**LNG & Oil Sands**
- Clair South
- Eko 2/4V-D, Eldfisk North, Tor II
- Bohai Phase 4

**Future Major Projects**
- Adding ~90 MBOED
- Production (MBOED)
  - 2021
  - 2022
  - 2023
  - 2024
  - 2025

$0.5B/Yr (2018-2020)

Excludes the Willow Discovery in Alaska.
Future Major Projects: Infrastructure-Led Projects with Strong Economics

### Alaska

**GMT-2 Cost of Supply ($/BBL)**

- Leveraging CD5 and GMT-1 infrastructure and project lessons to lower costs
- GMT-2 total cost estimate down ~10% since 2016
- Pursuing additional cost of supply improvements via longer laterals and facility debottlenecking

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost ($/BBL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>40</td>
</tr>
<tr>
<td>2017E</td>
<td>34</td>
</tr>
</tbody>
</table>

### Barossa

**Cost of Supply ($/BBL)**

- Leading backfill candidate for Darwin LNG
- 2017 appraisal program favorably resolved volume uncertainty
- Expected ultimate recovery increased by >40%
- Development capital reduced by ~$1B gross

<table>
<thead>
<tr>
<th>Category</th>
<th>2016 CoS</th>
<th>Pre-FEED Enhancements</th>
<th>2017 CoS</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Build LNG</td>
<td>~50</td>
<td>~25% DECREASE</td>
<td>&lt;40</td>
</tr>
<tr>
<td>Backfill DLNG</td>
<td>~30% DECREASE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As Shown in November 2017 Investor Deck
**Exploration: Focus on the Future; Built Around Proven Expertise**

- **Alaska**: Rebirth of a Legacy
  - Willow discovery unlocks potential

- **Europe**: Infrastructure-Led Exploration

- **Canada**: Liquids-Rich Unconventional Focus
  - 2 BBOE resource position in Montney

- **Lower 48**: Leveraging Expertise Across World-Class Assets
  - Low-Cost Entry in Unconventional Oil and Advantaged Gas

- **Other International**: Low-Cost Entry in Unconventional Oil and Advantaged Gas

- **Infrastructure-led programs** in Alaska, Europe and APME

- **Liquids-rich unconventional plays** in the Americas

- **Advantaged gas in Latin America

---

1 Source: COP internal commercial resource discoveries 2007-2016.
Alaska: Western NPR-A Discovery Opens New Frontier

~80% INCREASE
in net acres, 2017 vs. 2016

- Willow discovery with resource potential of 400-750 MMBOE
- Acquired ~600 M net acres for ~$30/acre in 2017
- 6 exploration and appraisal wells drilled in 2018

50% LOWER COST
than conventional seismic

CONVENTIONAL SEISMIC

COMPRESSIVE SEISMIC IMAGING (CSI)

Seismic Innovation

- New proprietary seismic acquisition and processing
- Significantly reduced environmental impact
- Enables optimized well placement
- 7 global surveys to date, 4 planned in 2018+

BETTER quality, FASTER acquisition, CHEAPER data

- 2018 Wells
- COP Acreage 2016
- COP Acreage 2017
- Pipeline

National Petroleum Reserve-Alaska

Kuparuk River
Prudhoe Bay

Trans-Alaska Pipeline

Alaska
Canada Montney: A Case Study in Low-Cost Resource Acquisition

- Acquired additional acreage in best part of the play for ~$1,000/acre
- 100% working interest
- 2017 wells leveraged Lower 48 completion innovations
- Drilling 14-well pad to test stacking and spacing in 2018
- Focus on infrastructure access and margins

Recent Completions Outperforming Others

- Drill Speed Doubled Since 2015

Source: IHS.
Our Portfolio is Aligned with Strategy

**LOW SUSTAINING PRICE**
Able to sustain flat production at <$40/BBL

**FLEXIBLE, LOW CoS**
15 BBOE portfolio of <$35/BBL average cost of supply resource

**CASH FLOW GROWTH**
Disciplined investments drive ~5% production CAGR and >10% CFO CAGR

**INCREASING RETURNS**
Investments drive ROCE and CROCE improvements

---

ROCE, CROCE and CFO are non-GAAP terms, which are defined in the appendix.

As Shown in November 2017 Investor Deck
Our Financial Plan is Aligned with Shareholder Interests

STRONG FREE CASH FLOW GENERATION
- Low capital intensity portfolio fuels free cash flow generation
- Enhancing margin via investment in low-cost unconventionals
- Target doubling free cash flow in 2020

MAINTAIN A STRONG BALANCE SHEET
- Financial strength restored
- Cash balances used to further reduce debt
- Target ‘A’ credit rating

GROWING DISTRIBUTIONS
- Peer-leading shareholder distributions
- Target 20-30% total CFO payout to shareholders annually

FOCUS ON FINANCIAL RETURNS
- Increasing returns on capital

Free cash flow and CFO are non-GAAP term, which are defined in the appendix.
Reflects $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions. Free Cash Flow and CROCE are non-GAAP terms, which are defined in the appendix.
Generating Free Cash Flow Today; Doubling in 2020

Free Cash Flow at $50/BBL ($B)

- CFO comfortably exceeding capital in 2017
- Disciplined investments drive production growth and fuel cash margin enhancement
- Target doubling of free cash flow in 2020, with significant upside at $50-60/BBL

CFO

Capital

Free Cash Flow

2017

~5% Production CAGR

2020

Free Cash Flow

2020

>5% Margin CAGR

2020 @ $60/BBL

As Shown in November 2017 Investor Deck

Reflects $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for closed, signed, and planned dispositions and is based on company data. Free cash flow and CFO are non-GAAP terms, which are defined in the appendix.
2017 Portfolio Actions Reset Margins; Cash Margins Expand Further

Higher-Margin Product Mix

- Dispositions and unconventional growth shifted mix to higher-value products
- ~75% of product mix tied to higher-value markers

Continued Cash Margin Expansion¹ Through 2020 ($/BOE)

- Growing margins through 2020
- Operating and overhead costs improve due to investments in low-cost unconventionals
- Planned debt reduction significantly lowers interest expense

¹Margins reflect $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions. Asset class percentages represent volume-weighted margin contribution. As shown November 2017.
Balance Sheet Strength Restored; Competitive Advantage Through Cycles

**DELEVERAGING**

- **$15B DEBT TARGET**
- **Cash**
  - YE 2016: $27B
  - YE 2017E: <$20B
  - YE 2018: $15B

**WTI, $/BBL**
- YE 2016: $43
- YE 2017E: $50 Flat Real 2017-2019

<table>
<thead>
<tr>
<th>Metric</th>
<th>YE 2016</th>
<th>YE 2017E</th>
<th>YE 2018E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt/CFO</td>
<td>5.6x</td>
<td>~3x</td>
<td>&lt;2x</td>
</tr>
<tr>
<td>Net Debt/CFO</td>
<td>4.8x</td>
<td>~2x</td>
<td>&lt;2x</td>
</tr>
<tr>
<td>Annual Interest</td>
<td>$1.25B</td>
<td>~$1.0B¹</td>
<td>~$0.85B¹</td>
</tr>
</tbody>
</table>

- **Further debt reductions fully funded by cash balances**
- **Credit ratings upgraded**
- **Strong financial position:**
  - Liquidity in excess of $15B
  - No financial covenants
  - Near-term maturities retired

Net Debt and CFO are non-GAAP terms, which are defined in the appendix.

¹Estimated figures presented on a pro forma basis as if debt balances were held throughout the year. 2017 CFO reflects pro-forma adjusted for dispositions and planned dispositions.
Top-Tier Payout to Shareholders

- Exceeding high end of our shareholder payout range
- Highly competitive payout
- Dividend to grow annually
- Continued buybacks an integral component of distribution philosophy
- Opportunity to increase shareholder distributions as cash available

2017 CFO Payout %

- ConocoPhillips dividend
- Integrated cash dividend
- Integrated scrip dividend
- U.S. Independent dividend
- Share buybacks

PAYOUT EXCEEDS 20-30%
annual target 2018-2020¹

Source: Thomson Reuters 2017 Actuals.
CFO is a non-GAAP term, which is defined in the appendix.
¹Includes additional expected $1.5B buybacks in 2020.
Annualized 2017 cash dividends based on actual dividend paid. Scrip dividends calculated as difference between nominal total dividends and cash dividends. Integrateds include: BP, CVX, RDS, TOT, XOM; U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, OXY and PXD.
It’s All About Returns

Drivers of ROCE Improvement

- Production growth in low-cost unconventionals
- Growing earnings margin through lower production cost and DD&A per barrel
- Lowering capital employed through debt reduction and buybacks

Targeted ROCE % at $50/BBL

1-2% INCREASE PER YEAR

UPSIDE TO PRICE

2017

2020

2020 @ $60/BBL

Absolute Improvement in ROCE
Consensus 2017 to 2018

As Shown in November 2017 Investor Deck
**Adding It All Up: Plan Targets “20 by 20”**

CROCE % 2017 – 2020 at $50/BBL

<table>
<thead>
<tr>
<th>Year</th>
<th>CROCE Cash</th>
<th>Average Capital Employed</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>~5% PROD CAGR</td>
<td></td>
<td>~25% REDUCTION in equity</td>
<td>&gt;20%</td>
</tr>
<tr>
<td>&gt;5% MARGIN CAGR</td>
<td></td>
<td>~35% REDUCTION in debt</td>
<td></td>
</tr>
</tbody>
</table>

- Growing high-return production
- Portfolio shift to low-cost unconventionals drives cash margin improvement
- Strengthening balance sheet and continued share buybacks lower capital employed
- Directing future capital to low cost of supply, high-return projects

Reflects $50/BBL WTI flat real. 2017 reflects pro forma adjusted for dispositions and planned dispositions. CROCE is a non-GAAP term, which is defined in the appendix.
Our Financial Plan Targets Superior Returns to Shareholders

**STRONG FREE CASH FLOW GENERATION**
- 25% to 45% of CFO
- As shown in November 2017 Investor Deck

**MAINTAIN A STRONG BALANCE SHEET**
- 3.5x Debt/CFO to 1.0x

**GROWING DISTRIBUTIONS**
- Cumulative Distributions, $B:
  - 2017: 0
  - 2020E: 16

**FOCUS ON FINANCIAL RETURNS**
- CROCE:
  - 2017: 0%
  - 2020E: 30%

Free cash flow, CFO and CROCE are non-GAAP terms, which are defined in the appendix. Reflects $50/BBL flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions.
Keeping Our Discipline, Creating Value

RYAN LANCE
Chairman & CEO
Keeping Our Discipline, Creating Value

Value Proposition Principles + Disciplined Priorities + Our Unique Characteristics

Financial Strength:
- Invest capital to sustain production and pay existing dividend
- Annual dividend growth
- Reduce debt to $15B\(^1\); target 'A' credit rating
- 20-30% of CFO total shareholder payout annually
- Disciplined investment for CFO expansion

Growing Distributions:

Disciplined Per-Share CFO Expansion:

Our goal is to deliver **superior returns to shareholders** through cycles

CFO is a non-GAAP term, which is defined in the appendix.

\(^1\)Achieved second quarter of 2018.
Appendix:

GUIDANCE MATERIAL
2018 Production Guidance (MBOED)

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying</td>
<td>1,356</td>
<td>1,225 - 1,255</td>
</tr>
<tr>
<td>Production</td>
<td>1,175</td>
<td></td>
</tr>
<tr>
<td>Dispositions</td>
<td>181</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,356</td>
<td>1,225 - 1,255</td>
</tr>
</tbody>
</table>

~27% PRODUCTION PER DEBT-ADJUSTED SHARE GROWTH

~12% PRODUCTION PER-SHARE GROWTH

~7% UNDERLYING PRODUCTION GROWTH

~20% PRODUCTION PER DEBT-ADJUSTED SHARE GROWTH

~9% PRODUCTION PER-SHARE GROWTH

~6% UNDERLYING PRODUCTION GROWTH

1 Underlying production excludes the full impact of 2017 and 2018 closed asset dispositions. Full-year 2018 expected production includes the impact of Alaska Western North Slope acquisition of 7 MBOED.

2 Production per debt-adjusted share growth is calculated on an underlying production basis using ending period debt divided by ending share price plus ending shares outstanding. 2018 ending common shares outstanding were 1,162 million shares. 2018 assumes an additional $1.9B of share repurchases, representing 27 million shares using the closing price of $69.40 per-share on 07/19/18 and assuming no other changes in common shares outstanding.

3 Production per-share growth is defined as underlying production, divided by ending common shares outstanding. Year-end 2017 common shares outstanding were 1,177 million shares. 2Q18 ending common shares outstanding were 1,162 million shares. 2018 assumes an additional $1.9B of share repurchases, representing 27 million shares using the closing price of $69.40 per-share on 07/19/18 and assuming no other changes in common shares outstanding. Production excludes Libya.
• Full-year 2018 production: 1,225 – 1,255 MBOED
  • 3Q18 production: 1,215 – 1,255 MBOED
• Adjusted operating costs: $5.7B
• Capital expenditures: $6B; excludes announced acquisitions of $0.4B Alaska Western North Slope bolt-on transaction and $0.1B Montney acreage
• DD&A: $5.9B
• Adjusted corporate segment net loss: $1.0B
• Exploration dry hole and leasehold impairment expense: $0.2B
Crude

- **Brent/ANS**: $105-125MM for $1/BBL change
- **WTI**: $45-55MM for $1/BBL change
- **WCS\(^1\)**: $10-15MM for $1/BBL change
  - Does not incorporate contingent payment of CA$6MM quarterly for every CA$1 WCS price above CA$52/BBL

North American NGL

- **Representative blend**: $5-10MM for $1/BBL change

Natural Gas

- **Henry Hub**: $25-35MM for $0.25/MCF change
  - Does not incorporate contingent payment of $7MM monthly if average Henry Hub price is at or above $3.20/MMBTU (capped at $300MM)
- **International gas**: $10-15MM for $0.25/MCF change

\(^1\)WCS price used for the sensitivity represents a volumetric weighted average of Shorcan and Net Energy indices.

The published sensitivities above reflect annual estimates and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. Additionally, the above sensitivities apply to a range of commodity price fluctuations as of Feb. 1, 2018, but may not apply to significant and unexpected increases or decreases.
2018 Annualized Cash Flow Sensitivities

Consolidated Operations
($45-$75/BBL WTI)

Crude:
• Brent/ANS: ~$100-110MM for $1/BBL change
• WTI: ~$55-65MM for $1/BBL change
• WCS: ~$15-20MM for $1/BBL change

Lower 48 NGL
• Representative Blend: ~$10-15MM for $1/BBL change

Natural Gas
• Henry Hub: ~$35-45MM for $0.25/MCF change
• Int’l Gas: ~$10-15MM for $0.25/MCF change

Equity Affiliates\(^1\)
($50-$75/BBL WTI)

• Expect distributions from equity affiliates at >$50/BBL
• $1/BBL movement in Brent: ~$30-40MM
• Distributions may not be ratable each quarter

Contingent Payments

• CA $6MM quarterly for every CA$1 WCS price above CA$52/BBL
• $7MM monthly if average Henry Hub price is at or above $3.20/MMBTU (capped at $300MM)

\(^1\)Representative of cash from operations (CFO) within Equity Affiliates, may not all be distributed. Assumes WCS moves proportionally to WTI. Contracted LNG within equity affiliates is subject to a 3-month pricing lag. The published sensitivities above reflect annual estimates and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. CFO is a non-GAAP term, which is defined in the appendix. Additionally, the above sensitivities apply to a range of commodity price fluctuations as of Jul. 26, 2018, but may not apply to significant and unexpected increases or decreases.
Reconciliation of Capital Expenditures and Investments to Sustaining Capital
($ Billions)

<table>
<thead>
<tr>
<th>Capital Expenditures and Investments</th>
<th>2018 Guidance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-Cycle Unconventionals</td>
<td>1.2</td>
</tr>
<tr>
<td>Future Major Project Capital Spend</td>
<td>0.5</td>
</tr>
<tr>
<td>Exploration Capital Spend</td>
<td>0.3</td>
</tr>
<tr>
<td>Sustaining Capital</td>
<td>3.5</td>
</tr>
</tbody>
</table>

¹Updated Capital Guidance for 2018 is $6B, reflecting a higher WTI price of $65/BBL.
ConocoPhillips Definitions

**Adjusted operating costs:** The sum of production and operation expenses, selling, general and administrative (SG&A) expenses, and exploration G&A expenses, geological and geophysical and lease rental and other expenses further adjusted to exclude expenses that are applicable as adjustments to adjusted earnings.

**Breakeven price:** Breakeven price is the WTI price at which cash provided by operating activities equals the capital expenditures and investments required to maintain flat production, working capital changes associated with investing activities and dividends paid.

**Cash from operations (CFO):** Cash provided by operating activities less the impact from operating working capital. Estimated CFO based on sensitivities assumes no operating working capital changes, and therefore CFO equals cash provided by operating activities.

**Cash flow neutrality:** Cash provided by operating activities covers capital expenditures and investments, working capital changes associated with investing activities, and dividends paid.

**Cost of supply:** Cost of supply is the WTI equivalent price that generates a 10 percent after-tax return on a point forward and fully burdened basis. Fully burdened includes capital infrastructure, foreign exchange, price related inflation and G&A.

**CROCE:** Net income plus after-tax interest expense and DD&A, and the denominator of which is average of total equity plus total debt. The net income is adjusted for full-year disposition impacts, non-operational and special items impacts.

**Debt-adjusted shares:** Ending period debt divided by ending share price plus ending shares outstanding.

**Dividend yield:** Dividend yield is calculated as: annual dividend per share divided by price per share.

**Free cash flow:** Cash from operations in excess of capital expenditures and investments. Free cash flow terms are not a measure of cash available for discretionary expenditures since the company has certain non-discretionary obligations such as debt service that are not deducted from the measures.

**GHG emissions intensity:** Gross operated scope 1 (process) and scope 2 (imported) GHG emissions on a kilograms of carbon dioxide equivalent per gross operated barrel of oil equivalent basis.

**Margin growth:** Increase in cash provided by operating activities per barrel.

**Net cash flow:** Net change in cash and cash equivalents.

**Net debt:** Total debt less cash and cash equivalents and short-term investments.

**Operating costs:** The sum of production and operation expenses, selling, general and administrative (SG&A) expenses, and exploration G&A expenses, geological and geophysical and lease rental and other expenses.

Additional information on non-GAAP measures is included on our website.
Operating and overhead costs: Includes Production & Operating Expenses, SG&A, Exploration Expense, Taxes Other Than Income, Income Taxes, and certain other Cash From Operations line items.

Production / DASH: Calculated as production per ending period debt divided by ending period share price plus shares outstanding.

Resources: Based on the Petroleum Resources Management System, a system developed by industry that classifies recoverable hydrocarbons into commercial and sub-commercial to reflect their status at the time of reporting. Proved, probable and possible reserves are classified as commercial, while remaining resources are categorized as sub-commercial or contingent. The company’s resource estimate includes volumes associated with both commercial and contingent categories. The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC.

ROCE: Measure of the profitability of average capital employed in the business. Calculated as a ratio, the numerator of which is net income plus after-tax interest expense, and the denominator of which is average total equity plus total debt. The net income is adjusted for full-year disposition impacts, non-operational and special items for unusual transactions outside the normal course of business which are over a certain threshold.

Sustaining capital: Capital expenditures that sustain production; $3.5B/Yr 2018-2020.

Sustaining price: WTI price at which cash provided by operating activities covers sustaining capital and growing dividend.
### ConocoPhillips Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANS</td>
<td>Alaska North Slope</td>
</tr>
<tr>
<td>B</td>
<td>billion</td>
</tr>
<tr>
<td>BBL</td>
<td>barrel</td>
</tr>
<tr>
<td>BBOE</td>
<td>billions of barrels of oil equivalent</td>
</tr>
<tr>
<td>BOE</td>
<td>barrels of oil equivalent</td>
</tr>
<tr>
<td>BOED</td>
<td>barrels of oil equivalent per day</td>
</tr>
<tr>
<td>CAGR</td>
<td>compound annual growth rate</td>
</tr>
<tr>
<td>CFO</td>
<td>cash from operations</td>
</tr>
<tr>
<td>CoS</td>
<td>cost of supply</td>
</tr>
<tr>
<td>CROCE</td>
<td>cash return on capital employed</td>
</tr>
<tr>
<td>DASH</td>
<td>debt-adjusted share</td>
</tr>
<tr>
<td>DD&amp;A</td>
<td>depreciation, depletion and amortization</td>
</tr>
<tr>
<td>DJSI</td>
<td>Dow Jones Sustainability Index</td>
</tr>
<tr>
<td>E&amp;A</td>
<td>exploration and appraisal</td>
</tr>
<tr>
<td>ESG</td>
<td>environmental social governance</td>
</tr>
<tr>
<td>EUR</td>
<td>estimated ultimate recovery</td>
</tr>
<tr>
<td>FCF</td>
<td>free cash flow</td>
</tr>
<tr>
<td>GAAP</td>
<td>generally accepted accounting principles</td>
</tr>
<tr>
<td>GHG</td>
<td>greenhouse gas emissions</td>
</tr>
<tr>
<td>HSE</td>
<td>health, safety and environment</td>
</tr>
<tr>
<td>LNG</td>
<td>liquefied natural gas</td>
</tr>
<tr>
<td>M</td>
<td>thousand</td>
</tr>
<tr>
<td>MM</td>
<td>million</td>
</tr>
<tr>
<td>MBO</td>
<td>thousands of barrels of oil</td>
</tr>
<tr>
<td>MBOE</td>
<td>thousands of barrels of oil equivalent</td>
</tr>
<tr>
<td>MBOED</td>
<td>thousands of barrels of oil equivalent per day</td>
</tr>
<tr>
<td>MMBTU</td>
<td>million British thermal units</td>
</tr>
<tr>
<td>MMlbs</td>
<td>million pounds</td>
</tr>
<tr>
<td>NGL</td>
<td>natural gas liquids</td>
</tr>
<tr>
<td>NPV</td>
<td>net present value</td>
</tr>
<tr>
<td>NCF</td>
<td>net cash flow</td>
</tr>
<tr>
<td>P&amp;A</td>
<td>plug and abandon</td>
</tr>
<tr>
<td>ROCE</td>
<td>return on capital employed</td>
</tr>
<tr>
<td>SOR</td>
<td>steam oil ratio</td>
</tr>
<tr>
<td>WCS</td>
<td>Western Canada Select</td>
</tr>
<tr>
<td>WTI</td>
<td>West Texas Intermediate</td>
</tr>
</tbody>
</table>
Appendix:

ENVIRONMENTAL, SOCIAL & GOVERNANCE MATERIAL
Focus on Safety and Execution Delivers Record Results

- Record personal safety performance
- Reduced occurrence of Serious Events and Process Safety Events
- Life Saving Rules compliance improves HSE performance
- Continued focus on process safety, human performance, environmental footprint and driving business performance improvements

ConocoPhillips Injury Rate\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2015</th>
<th>2017*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>0.3</td>
<td>0.2</td>
<td>0.2</td>
</tr>
</tbody>
</table>

30% REDUCTION

Serious Event Rate\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2015</th>
<th>2017*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>0.08</td>
<td>0.04</td>
<td>0.02</td>
</tr>
</tbody>
</table>

80% REDUCTION

---

1 Injury rate refers to OSHA Total Recordable Rate defined as number of safety incidents per 200,000 hours for the combined workforce of employees and contractors.

2 Serious Incidents and Near Miss Events where potential consequence would be considered serious based upon the company’s Risk Rating Process.

* January – August 2017 Data.
Leadership in Environmental, Social and Governance Programs

Dow Jones Sustainability Index Ranking – 2017
(Total Percentile Ranking)

TOP 20% of N.A. O&G companies, 11th consecutive year

- Index includes >600 indicators on economic, environmental and social dimensions of sustainability performance
- 80-120 industry-specific questions
- Indicators address:
  - Corporate governance
  - Risk and crisis management
  - Biodiversity
  - Climate strategy
  - Water-related risks
  - Human rights
  - Social impacts on communities

Source: Dow Jones Sustainability Index.
Integrateds include: BP, CVX, RDS, TOT, XOM.
1 Participating U.S. Independents include: APA, APC, DVN, EOG, HES, NBL, OXY, and PXD.
Eagle Ford: Still In Its Prime

ConocoPhillips Eagle Ford Acreage Position

- Large acreage position in recognized sweet spot of the play
- Integrated operations and applied technology driving significant improvements across the play
- Maintaining <$2/BOE lifting cost, while increasing well count
- Piloting Austin Chalk and longer laterals

2.3 BBOE resource <$40/BBL CoS

~25% CAGR 2017-2020

3-Year Development Plan (2018-2020)

Production (MBOED)

- 2017: 130
- 2018: 130
- 2019: 245
- 2020: 245

Sustaining production

Growth production

As Shown in November 2017 Investor Deck
Eagle Ford: Our Position Leads Competitors on Key Metrics

**Lowest Cost of Supply**
- Average Breakeven Price ($/BBL Brent)

**Highest Oil Rates per Well**
- Gross Operated Oil Production per Well (BPD)
- Source: Texas Railroad Commission, 2017

**Highest NPV per Acre**
- NPV10 per Acre ($M)
- Source: Rystad NasCube (Aug 2017)

Operators with >100 M acres.

---

1 Operators with >100 M acres.
Eagle Ford: Years of Running Room at Measured Pace

LEARNING MAXIMIZES VALUE

Optimized by Geologic Area

2012 | 2017+
---|---

Austin Chalk

Upper Eagle Ford

Lower Eagle Ford

Completions

2012 | 2017+
---|---

3.5 MMlbs
7.5 MMlbs
15.5 MMlbs
Customized

70 Clusters
100 Clusters
300 Clusters
300+ Clusters

Higher Recovery per Acre and Higher Well Production

ConocoPhillips Acreage
ConocoPhillips Wells
Competitor Wells

LEARNING MAXIMIZES VALUE

Optimized by Geologic Area

ConocoPhillips Acreage
ConocoPhillips Wells
Competitor Wells
Leveraging Data Analytics Globally, Realizing Local Improvements

**Eagle Ford Data Analytics**

- Integrated Data Warehouse
- Data Visualization & Advanced Analytic Tools

**Data-Driven Decisions**

**NEW INSIGHTS**

**Global Implementation of Data Analytics**

- ~4,000 analytic tool users
- 100s of proprietary applications
- 17 integrated data warehouses
- Data scientists with E&P expertise

**Eagle Ford Lifting Cost ($/BOE)**

- ~20% DECREASE
- 2015: 2017E

**Eagle Ford Well Count/Operator**

- ~35% INCREASE
- 2015: 2017E

**UNCONVENTIONAL**

**CONVENTIONAL**

**LNG & OIL SANDS**
Delaware: Prudent Development Begins

- 1.9 BBOE of <$40/BBL cost of supply resource across 75 M net acre position
- Moving to prudent development mode using integrated project approach
- Program plan driven by infrastructure, service costs and pace of learning
- Completing 80 acre high-low confined pilot
- Proprietary seismic shoot and additional spacing/stacking pilots planned in 2018

3-Year Development Plan (2018-2020)

- 2017: Sustaining production
- 2018: Sustaining production
- 2019: Growth production
- 2020: ~60% CAGR

As Shown in November 2017 Investor Deck

Breakeven ($/BBL)

Source: RSEG. As of November 2017.
Permian: Focus on Core of Delaware Basin

- Cored up acreage to enable long-lateral development
- Infrastructure and hub facility strategy in place with offtake agreements
- Measured pace allows optimized development and efficient capital spend
- Maximizing long-lateral development

Significantly Increased Long Lateral Well Inventory

![Graph showing significant increase in long lateral well inventory from 2015 to 2017E]
Permian: Focus on Core of Delaware Basin

Cost of Supply Improvement

<table>
<thead>
<tr>
<th>Year</th>
<th>Development Optimization</th>
<th>Infrastructure</th>
<th>Future Optimization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>34</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

~20% REDUCTION

Significant cost of supply reduction due to development optimization:

- 95% long-lateral development
- Concurrent development of zones
- Improved productivity through continued completion optimization

Line of sight to future cost of supply improvements:

- Infrastructure plan has enabled produced water recycling, additional $1-2/BBL savings
- Additional drilling and completion optimizations

Cost of Supply Improvement ~20% REDUCTION

As Shown in November 2017 Investor Deck

Source: RSEG. As of November 2017.
Bakken: A Smart Plan to Deliver Sustained Performance

3-Year Development Plan (2018-2020)

- Efficiency gains enable sustained production for 50% fewer rigs versus 2016
- Large acreage position in the sweet spot of the play
- High degree of flexibility to manage development pace
- More than a decade of high-value inventory
- Capturing improvements that are delivering additional efficiencies

Source: RSEG. As of November 2017.

As Shown in November 2017 Investor Deck
Bakken: Optimizing Across Every Aspect of the Play

Low Cost Leader with a Prime Acreage Position

2017 Improvement Drivers

• Continuing significant reductions in drilling time
• Doubled completion size and reduced cluster spacing
• Machine learning is informing complex technical decisions

Data Analytics Drives Faster Improvement

Source: COP actuals and 2Q 2017 OBO ballots. Competitors include: HES, XTO, CLR and WLL.

Spud-to-Spud Days

Source: RSEG. As of November 2017.
Niobrara: Unlocking Value by Lowering Cost of Supply

**Innovating to Lower Cost of Supply**
- Competitive position in a liquids-rich play
- Recent improvements in drilling time and completion costs
- Drilling multi-lateral pilot in 4Q 2017
- Accelerating pad development with 2018 program

**Well Cost/Liquids EUR**

- Competitive position in a liquids-rich play
- Recent improvements in drilling time and completion costs
- Drilling multi-lateral pilot in 4Q 2017
- Accelerating pad development with 2018 program

**Significant Spud-to-Spud (Days) Improvements in 2017**

- ~40% REDUCTION


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Two Case Studies of Lowering Cost of Supply to Grow Legacy Assets

Bohai Phase 3

- Successfully negotiated lower contract prices for facilities and drilling services
- Focus on optimizing all aspects of operations
- On track for first oil in 2H 2018

Alaska GMT-1

- On track for first oil in December 2018
- Trending at ~15% lower cost than original project estimate
- Strengthens strategic link to westward opportunities

Cost of Supply ($/BBL)

- 2016 Improvement 2017
  - Bohai Phase 3: 42 → 37 (~10% REDUCTION)
  - Alaska GMT-1: 43 → 27 (~35% REDUCTION)

As Shown in November 2017 Investor Deck
Alaska: A Case Study in How Innovative Drilling Increases Oil Recovery

Kuparuk “Shark Tooth” Project Setting Records

- Managed Pressure Drilling (MPD) allows drilling of extended reach laterals through unstable rock formations
- Developed the first rotary drilling operation with an automated MPD system
- Decreased cost of supply by ~$4/BBL
- Two recent CD5 wells, drilled with MPD, hold record for highest initial production in Alaska; >10,000 BOPD¹
- Deployed technology in Norway to assist in drilling

Source: AOGCC well production data, peak 30-day average rate (BOPD) 2012-Aug 2017.

¹As Shown in November 2017 Investor Deck

>40% INCREASE IN LENGTH

>28,000 FEET total length, a record in Alaska
2018 Exploration Program Confirms Stand-Alone Hub at Willow

• 2018 Willow appraisal activities and analysis:
  • Confirmed oil-filled reservoir with 3 new appraisal wells and 3 flow tests
  • API viscosity range: 41° to 44°
  • Facility-limited vertical test rate ~1,000 BOPD

• Appraisal results combined with CSI data indicate more potential on-trend resource to north and south

• Additional oil discovery at West Willow creates possibility for tie-back to Willow hub

• 2019 Greater Willow Area appraisal season needed to optimize development plan

Gross discovered resource in the Greater Willow Area since 2016.

Preliminary Discovered Resource Range Increased

400 – 750 MMBOE

Current discovered resource

Gross discovered resource in the Greater Willow Area since 2016.
Willow Development: Optimize Based on Cost of Supply

- Entering pre-FEED to size development concept
- Horizontal MWAG development from inception
- $2-3B of capital over 4-5 years required to achieve 1st oil
- Multiple years of development drilling post-1st oil
- Cost of supply <$40/BBL

PLANNING FOR FID IN 2021

1st oil 2024-2025
Europe: Leveraging Legacy Infrastructure

- Development well programs advantaged from legacy infrastructure and efficient operations in Ekofisk, Judy and Britannia
- New Greater Ekofisk Area rig contract secures low day rates
- 4-D seismic at Ekofisk is improving well placement and reservoir management
- Line of sight to further improvements in cost of supply
- Future major projects (e.g., Tor II, Eldfisk North) will also utilize existing infrastructure

<$25/BBL COST OF SUPPLY

20-well 2018 drilling plan

Norway Average Well Cost ($MM)

2015

2017 YTD

40% REDUCTION

As Shown in November 2017 Investor Deck
Europe: Driving Value in Every Phase of Asset Life Cycle

- Norway continues to lower cost of supply through drilling and operations efficiencies
- UK delivered top-quartile operating costs in 2016\(^1\)
- Norway and UK successfully developing new P&A technology that reduces time and cost to complete the work

**UK Leading the Sector on Operating Costs\(^1\)**

**Norway Drilling Non-Productive Time (%)\(^3\)**

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**Surmont: All-Out Effort to Lower Cost of Supply and Increase Margins**

**Alternative Diluent Strategy Underway**
- Modifying facilities to create Synbit/Dilbit flexibility
- Optionality expected to improve netbacks and reduce exposure to disruptions in diluent supplies

**Successful Non-Condensable Gas (NCG) Pilot**
- 3-well pair pilot testing NCG injection in 2016/2017
- Expanded to 9-well pair pilot in 3Q 2017
- Potential for 10-15% GHG reduction field-wide

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As Shown in November 2017 Investor Deck

**Netback Improvement per BOE**

<table>
<thead>
<tr>
<th>Year</th>
<th>Netback Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>Alternative Diluent</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
</tr>
</tbody>
</table>

\(~20\% \text{ STEAM-OIL RATIO REDUCTION}\) across pilot to date
LNG: Decades of Stable Production

**APLNG**
- Successful first year of operations
- Performance exceeding original design by ~10%
- 98% uptime achieved over an extended period

**Qatargas 3**
- Sustained production for the next two decades
- 97% uptime achieved over an extended period
- Evaluating participation in debottlenecking and expansion opportunities

**Bayu-Undan and Darwin LNG**
- Bayu-Undan 3-well infill program in 2018 extends production to 2022
- Darwin LNG uniquely positioned for multiple backfill options
- 95% uptime achieved over an extended period

As Shown in November 2017 Investor Deck
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