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
Cautionary Statement

This presentation contains forward-looking statements. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. Our actual results of operations, including our targets for our capital program and share buybacks, can and will be affected by a variety of risks and other matters including, but not limited to, our ability to liquidate the common stock issued to us by Cenovus Energy Inc. as part of our sale of assets in western Canada at prices we deem acceptable, or at all; our ability to complete the sale of our announced dispositions on the timeline currently anticipated, if at all; the possibility that regulatory approvals for our announced dispositions will not be received on a timely basis, if at all, or that such approvals may require modification to the terms of our announced dispositions or our remaining business; business disruptions during or following our announced dispositions, including the diversion of management time and attention; the ability to deploy net proceeds from our announced dispositions in the manner and timeframe we currently anticipate, if at all; changes in commodity prices; changes in expected levels of oil and gas reserves or production; operating hazards, drilling risks, unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases or technical difficulties in constructing, maintaining, or modifying company facilities; international monetary conditions and exchange rate fluctuations; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and general domestic and international economic and political conditions; as well as changes in tax, environmental and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Use of non-GAAP financial information – This presentation may include non-GAAP financial measures, which help facilitate comparison of company operating performance across periods and with peer companies. Any non-GAAP measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure either within the presentation or on our website at www.conocophillips.com/ngaap.

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.
Keeping Our Discipline, Creating Value

RYAN LANCE
Chairman & CEO
Keeping Our Discipline, Creating Value

Value Proposition Principles + Disciplined Priorities + Our Unique Characteristics

Financial Strength

1st PRIORITY: Invest capital to sustain production and pay existing dividend

2nd PRIORITY: Annual dividend growth

3rd PRIORITY: Reduce debt to $15B\(^1\); target ‘A’ credit rating

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

5th PRIORITY: Disciplined investment for CFO expansion

Growing Distributions

Disciplined Per-Share CFO Expansion

Our goal is to deliver superior returns to shareholders through cycles

Low Sustaining Price

Diverse, Low CoS Portfolio

RETURNS

Strong Balance Sheet

Capital Flexibility

Our Unique Characteristics

1By year end 2019.
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 dispossession; strong organic RRR\(^1\) | Portfolio | Maintain capital scope; bolt-on transaction in Alaska |
|________________________________________________________________|__________|____________________________________________________|
| CFO\(^2\) > capital by $2.5B; improving CROCE/ROCE                | Free cash flow | Focus on free cash flow generation; strong price upside |
| Reduced debt by ~30% to <$20B; improved credit rating            | Balance sheet | Debt reduced by $2.25B in January                     |
| Returned 61% of CFO\(^2\) to shareholders                        | Shareholder distributions | Increased dividend by ~7.5% and 2018 planned share buybacks by 33% |
| Production of 1,356 MBOED; delivered 19% underlying growth per DASH\(^3\) | Growth per DASH\(^3\) | Expect 13% growth per DASH\(^3\); activate Lower 48 growth engine |
| Strong safety performance; announced GHG reduction target        | ESG Leadership | Continued focus on ESG excellence                      |

---

\(^1\) Organic RRR (reserve replacement ratio) excludes the reserve impact of 2017 asset dispositions and production includes Libya and fuel gas.

\(^2\) CFO is $7.1B and cash provided by operating activities excluding working capital is $7.1B, as operating working capital had a minimal change. Dividends paid of $3.3B and share repurchases of $3.0B.

\(^3\) Production per debt-adjusted share (DASH) 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 closed and planned asset dispositions. 2018 assumes $28 of share repurchases, representing 38 million of shares using the closing price of $60.49 per share on 01/24/18 and assuming no other changes in common shares outstanding. Free Cash Flow is defined as when cash provided by operating activities (CFO) excluding operating working capital covers capital expenditures & investments. Free Cash Flow is a non-GAAP term. A non-GAAP definition is available on our website. Production excludes Libya. CROCE and ROCE are non-GAAP terms. A non-GAAP definition of each is available on our website.
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 is 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

- Low Sustaining Capital: $3.5B for flat production
- <$40/BBL sustaining price
- High-Return Investments
- Reduce Debt: $15B in 2019
- debt/CFO: <2x
- DASh Reduction
- Shareholder Payout: exceeds 20-30% annual target

Reflects $50/BBL WTI flat real. CROCE is a non-GAAP term 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**

**STRATEGIC GOAL**

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

---

**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

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

$5.5B/Yr capital delivers cash flow expansion and reserve replacement

Starting Cash & Proceeds

$5.5B/Yr

CFO @ $50/BBL

$3.5B/Yr

Sustaining Capital

$3.5B/Yr

CFO at $40/BBL

Investment for CFO Expansion ($2B/Yr)

>$4.5B Available Cash

>10% cash flow CAGR

>10% annual payout

>30% debt-adjusted share count reduction

Sources of Cash

Sustaining Capital

Base Dividend

Dividend Growth

Debt Reduction

Share Buybacks

Disciplined Investment

1st Priority

2nd Priority

3rd Priority

4th Priority

5th Priority

Reflects $50/BBL WTI flat real. Sustaining capital is a non-GAAP measure, which is defined in the appendix. Reflects 2017 ending cash balance.
Activating 5th Priority Within Cash Flow

Disciplined Investments (2018-2020)

- $1.2B/Yr
- $0.5B/Yr
- $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

Free cash flow is a non-GAAP term, which is defined in the appendix.
Disciplined Investments Deliver Returns and Expand Cash Flows

<table>
<thead>
<tr>
<th>2018-2020 TARGETS at $50/BBL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow ROCE</td>
</tr>
<tr>
<td>Grow CROCE</td>
</tr>
<tr>
<td>Production / DASH</td>
</tr>
<tr>
<td>Cash margin growth</td>
</tr>
<tr>
<td>Return cash to shareholders</td>
</tr>
<tr>
<td>Balance sheet strength</td>
</tr>
<tr>
<td>Low sustaining price, low CoS portfolio</td>
</tr>
</tbody>
</table>

Drive Total Shareholder Returns

Drive Business Sustainability

Reflects $50/BBL WTI flat real.
ROCE and CROCE are non-GAAP terms, which are defined in the appendix.
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>
Scenarios Highlight Value of Strategic Flexibility and Diversification

Estimated Prices Through 2025

Strategic Design for Outperformance across a range of prices

Resource Restriction / Great Growth
Unrelenting Unconventionals / Great Growth
Resource Restriction / Demand Destruction
Unrelenting Unconventionals / Demand Destruction

Reflects WTI.
1 Estimated prices derived from internal scenario monitor modeling.
Priorities Underpin Strategic Flexibility Across a Range of Prices

**Capital Allocation Priorities**

1. **Sustaining Capital & Base Dividend**
2. **Dividend Growth**
3. **Reduce Debt**
4. **20-30% of CFO to Shareholders Annually**
5. **Disciplined Investment**

**2018-2020 PLAN DESIGNED FOR $45-$55/BBL**

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

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

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

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

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

**PRIORITIES INFORM ACTIONS through cycles**

- **< $45/BBL**
  - **Capture deflation to reduce sustaining price**
  - **Use cash on hand to consistently fund buybacks**
  - **Exercise capital flexibility**

- **> $55/BBL**
  - **Manage inflation to maintain low sustaining price**
  - **Willing to hold cash on balance sheet**
  - **Consider increasing distributions**
  - **Exercise capital flexibility**

Reflects WTI. Sustaining capital is a non-GAAP measure, which is 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

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

<$50/BBL Cost of Supply Resource

<$35/BBL AVERAGE CoS
OF RESOURCE

Cost of Supply ($/BBL)

Net Resources (BBOE)

Unconventional  Conventional  LNG & Oil Sands
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

~8 BBOE RESOURCE
<$35/BBL average cost of supply
Conventional Assets: The Great Assets People are Now Asking About

~4 BBOE RESOURCE

~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

15 BBOE

UNCONVENTIONAL

CONVENTIONAL

LNG & OIL SANDS

Cost of Supply

~4 BBOE

$40-50/BBL

$30-40/BBL

<30/BBL

Asset Class

~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
LNG & Oil Sands: The Anti-Treadmill Assets Play an Important Role

- ~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

2018-2020 Flat Production Case

- **UNCONVENTIONAL**
  - Production: ~250 MBOED
  - Sustaining Capital: $1.3B/Yr

- **CONVENTIONAL**
  - Production: ~600 MBOED
  - Sustaining Capital: $1.9B/Yr

- **LNG & OIL SANDS**
  - Production: ~300 MBOED
  - Sustaining Capital: $0.3B/Yr

$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 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

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.
**Maintaining Our Unconventional Production with 5 Rigs in the Big 3**

**2018-2020 Flat Production**

- **UNCONVENTIONAL**
  - $1.2B/Yr
  - Decline offset by 5 rigs (capital includes infrastructure)
  - Delivering >50% more wells per rig line versus 2014

**CONVENTIONAL**

**LNG & OIL SANDS**

**REPLACING ~180 MBOED**

- of decline

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

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

- 5 RIGS to stay flat

- 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
Offsetting Conventional Declines Around the World

2018-2020 Flat Production

UNCONVENTIONAL

CONVENTIONAL

$1.5B/Yr

$0.4B/Yr

LNG & OIL SANDS

REPLACING ~175 MBOED

of decline

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

GMT-1
AASTA HANSTEEN
BOHAI 3
CLAIR RIDGE
GULF OF MEXICO OBO
ALASKA
APME
EUROPE

ONGOING LEGACY DRILLING PROGRAMS

YE2017 2018 2019 2020
Distinctive Sustaining Price – No Waiting Necessary

<$40/BBL sustaining price

- 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

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

Cash Sources
- CFO at $40/BBL

Cash Uses
- Sustaining Capital
- Dividend

2018 Sustaining Capital for Flat Production ($/BOE)

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
DELCIVERS ~5% PRODUCTION CAGR

$0.8B/Yr
FUELS OUR FUTURE

$0.5B/Yr
$0.3B/Yr

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

Future Major Projects
Mix of investments across legacy assets
Low cost of supply
Optimized to retain flexibility

Exploration
Finding the next legacy assets

LNG & OIL SANDS
CONVENTIONAL
UNCONVENTIONAL

2018 2019 2020
Our Big 3 Unconventionals: Cash Flow Positive Now & Net Cash Flow Grows

Production\(^1\) (MBOED)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sustaining production</th>
<th>Growth production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td>400</td>
</tr>
</tbody>
</table>

22% PRODUCTION CAGR 2017-2020

6 ADDITIONAL RIGS DELIVERS 80% MORE PRODUCTION IN 3 YEARS

5 RIGS TO STAY FLAT

Positive Net Cash Flow\(^1,2\) (NCF) ($B)

>$2B NCF CUMULATIVE

\(^1\)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 Production: 130 MBOED
- 2018 Production: 245 MBOED
- Growth production with ~25% CAGR

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

**Bakken**
- 2017 Production: 70 MBOED
- 2018 Production: 70 MBOED
- ~25% CAGR sustaining 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

- 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

- 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
Future Major Projects: Visibility Well Into Next Decade

- Production (MBOED)
- Europe
- APME
- Alaska
- Barossa

ADDING ~90 MBOED

Future Major Projects

CONVENTIONAL

LNG & OIL SANDS

$0.5B/Yr (2018-2020)
Future Major Projects: Infrastructure-Led Projects with Strong Economics

**Alaska**

- 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

**Barossa**

- 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
**Exploration: Focus on the Future; Built Around Proven Expertise**

- **~10 BBOE\(^1\) \(<\$50/BBL cost of supply resource discovered in past decade**
- Infrastructure-led programs in Alaska, Europe and APME
- Liquids-rich unconventional plays in the Americas
- Advantaged gas in Latin America

---

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

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

**Lower 48**
- *Leveraging Expertise Across World-Class Assets*

**Europe**
- *Infrastructure-Led Exploration*

**APME**
- *Infrastructure-Led Exploration*

---

\(^1\)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 in excess of 300 MMBOE
- Acquired ~600 M net acres for ~$30/acre in 2017
- 5 exploration and appraisal wells proposed for 2018

---

**50% LOWER COST**
than conventional seismic

- **Seismic Innovation**

  - BETTER quality, FASTER acquisition, CHEAPER data
  - New proprietary seismic acquisition and processing
  - Significantly reduced environmental impact
  - Enables optimized well placement
  - 7 global surveys to date, 4 planned in 2018+
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 12-well pad to test stacking and spacing in 2018
- Focus on infrastructure access and margins

**Recent Completions Outperforming Others**

- 2017 COP Appraisal Well Test Results
- Increasing liquids content

**Drill Speed Doubled Since 2015**

- Source: IHS.

**2 BBOE RESOURCE**

- Quadrupled 2017 vs. 2016

- **1st 30 Days Average Rate (BOED)**
  - 2013
  - 2013-2017

- **Montney Wells**
- **Appraisal Wells**

**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 and CROCE are non-GAAP terms, which are defined in the appendix.
Our Sound Financial Plan

DON WALLETTE
EVP, Finance, Commercial & CFO
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 is a non-GAAP term, which is 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.

2017 – 2020 Financial Objectives at $50/BBL

- Strong growth in free cash flow
- Differentiated balance sheet strength
- Compelling payout to shareholders
- Growing returns via disciplined, low cost of supply investments
- $4.5B unallocated cash remaining at YE 2020
Already Generating Strong Free Cash Flow Today Versus Sector

COP Free Cash Flow
Trailing 4 quarters

- CFO (ex. WC): 6.5
- Capital: 3.9
- Free Cash Flow: 2.6
- Dividends: 1.3
- FCF less Dividends: 1.3

40% of CFO

Competitive Positioning
Free Cash Flow % of CFO

Source: Company filings.
Trailing 4 quarters: 3Q16, 4Q16, 1Q17, 2Q17.
Integrateds include: BP, CVX, RDS, TOT, XOM; U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, OXY and PXD.
Free Cash Flow is a non-GAAP term, which is defined in the appendix.
Generating Free Cash Flow Today; Doubling in 2020

Free Cash Flow at $50/BBL ($8)

- 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

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 is a non-GAAP term, which is defined in the appendix.
2017 Portfolio Actions Reset Margins; Cash Margins Expand Further

2017 Dispositions Expand Margins

- 2017 dispositions significantly shifted mix to higher value products
- Margins improve by ~18%, excluding price impacts

Continued Cash Margin Expansion Through 2020 ($/BOE)

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

1 Year on year margin increase of ~77% inclusive of price impacts. Margins reflect $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions. Product mix excludes Libya.

Asset class percentages represent volume-weighted margin contribution.
Balance Sheet Strength Restored; Competitive Advantage Through Cycles

DELEVERAGING

$15B DEBT TARGET
$5B reduction expected in 2018/2019

- 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 is a non-GAAP term and is defined in the appendix.

1 Estimated 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


1 Includes 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. Share buybacks are based on announced amounts, expected amounts, or first half 2017 annualized.

Integrateds include: BP, CVX, RDS, TOT, XOM; U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, OXY and PXD.
It’s All About Returns


Integrateds include: BP, CVX, RDS, TOT, XOM. U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, OXY and PXD.

ROCE is a non-GAAP term, which is defined in the appendix. Reflects $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions.

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

Absolute Improvement in ROCE
Consensus 2017 to 2018


Integrateds include: BP, CVX, RDS, TOT, XOM. U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, OXY and PXD.

ROCE is a non-GAAP term, which is defined in the appendix. Reflects $50/BBL WTI flat real. 2017 reflects pro-forma adjusted for dispositions and planned dispositions.
Adding It All Up: Plan Targets “20 by 20”

CROCE % 2017 – 2020 at $50/BBL

TARGET CROCE GROWTH OF 2-3% PER YEAR TO >20% by 2020

- ~5% PROD CAGR
- >5% MARGIN CAGR
- ~35% REDUCTION in debt
- ~25% REDUCTION in equity
- >20%

• 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% | 45% |
| MAINTAIN A STRONG BALANCE SHEET | 3.5x | 1.0x |
| GROWING DISTRIBUTIONS | 0 | 16 |
| FOCUS ON FINANCIAL RETURNS | 0% | 30% |

- Free Cash Flow is a non-GAAP term, which is 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

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

Disciplined Priorities

1. Invest capital to sustain production and pay existing dividend
2. Annual dividend growth
3. Reduce debt to $15B¹; target ‘A’ credit rating
4. 20-30% of CFO total shareholder payout annually
5. Disciplined investment for CFO expansion

Our Unique Characteristics

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

Clear, measurable plan to deliver superior returns to shareholders

¹By year end 2019.
Appendix:

GUIDANCE MATERIAL
2018 Capital and Production Guidance

**Capital**

- **Europe**
  - Lower 48
  - $4.5B
- **Alaska**
  - Lower 48
  - $5.5B
- **APME**
  - Canada

**Production**

- **FY17**
  - 1,165
- **FY18E**
  - 1,195 - 1,235

1 Underlying production excludes the full impact from closed or planned asset dispositions.
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 assumes $2B of share repurchases, representing 33 million of shares using the closing price of $60.49 per-share on 01/24/18 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. 2018 assumes $2B of share repurchases, representing 33 million of shares using the closing price of $60.49 per-share on 01/24/18 and assuming no other changes in common shares outstanding.

Production excludes Libya. Adjusted operating cost is a non-GAAP measure. A non-GAAP reconciliation is available on our website.
Full-Year 2018 Guidance

- Full-year 2018 production: 1,195 – 1,235 MBOED
  - 1Q18 production: 1,180 – 1,220 MBOED

- Adjusted operating costs: $5.7B

- Capital expenditures: $5.5B

- DD&A: $5.8B

- Adjusted corporate segment net loss: $1.0B

- Exploration dry hole and leasehold impairment expense: $0.2B

Adjusted operating cost, adjusted corporate segment net loss, and exploration dry hole and leasehold impairment expense are non-GAAP measures. A non-GAAP reconciliation is available on our website. Guidance excludes special items. Production excludes Libya.
2018 Annualized Net Income Sensitivities

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-$65/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
($50-$65/BBL WTI)

- Expect distributions from all equity affiliates at >$50/BBL
- $1/BBL movement in Brent: ~$30-40MM

Net Cash Flow from Contingent Payment
- 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 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. 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.
## Reconciliation of Capital Expenditures and Investments to Sustaining Capital

(\$ Billions)

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditures and Investments</td>
<td>5.5</td>
</tr>
<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><strong>Sustaining Capital</strong></td>
<td><strong>3.5</strong></td>
</tr>
</tbody>
</table>
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 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 provided by operating activities 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>Definition</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 provided by 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>MMIlbs</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

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.
Sustainable Development Governance

Public Policy Committee (Board)

Executive Leadership Team (ELT)
ELT Champions for Sustainable Development (SD), Human Rights, Stakeholder Engagement, Water/Biodiversity, Climate Change

Sustainable Development Leadership Team (SDLT)
Health, Safety & Environment Leadership Team

Sustainable Development Team
Water Issues Working Group, Climate Change Issues Working Group, Biodiversity Issues Working Group, Stakeholder Issues Working Group

Networks of Excellence
Leadership in Environmental, Social and Governance Programs

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

- 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.
1Participating U.S. Independents include: APA, APC, DVN, EOG, HES, NBL, OXY and PXD.
Eagle Ford: Still In Its Prime

- 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

ConocoPhillips Eagle Ford Acreage Position

3-Year Development Plan (2018-2020)

- 2.3 BBOE resource <$40/BBL CoS
- ~25% CAGR 2017-2020

Production (MBOED)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sustaining production</th>
<th>Growth production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>245</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>245</td>
<td></td>
</tr>
</tbody>
</table>
Eagle Ford: Our Position Leads Competitors on Key Metrics

Lowest Cost of Supply

- Average Break-even 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)

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

LEARNING MAXIMIZES VALUE

- ConocoPhillips Acreage
- ConocoPhillips Wells
- Competitor Wells

Optimized by Geologic Area

Upper Eagle Ford
- 100 Clusters
- 7.5 MMlbs

Lower Eagle Ford
- 70 Clusters
- 3.5 MMlbs

Austin Chalk
- Customized

Completions

2012
- 3.5 MMlbs
- 70 Clusters

2017+
- 7.5 MMlbs
- 100 Clusters
- 15.5 MMlbs
- 300 Clusters
- Customized
- 300+ Clusters

Higher Recovery per Acre and Higher Well Production
Leveraging Data Analytics Globally, Realizing Local Improvements

Eagle Ford Data Analytics

- Integrated Data Warehouse
- Data Visualization & Advanced Analytic Tools
- DATA-DRIVEN DECISIONS
- NEW INSIGHTS

Eagle Ford Lifting Cost ($/BOE)

- 2015
- 2017E

- ~20% DECREASE

Eagle Ford Well Count/Operator

- 2015
- 2017E

- ~35% INCREASE

Global Implementation of Data Analytics

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

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
Permian: Focus on Core of Delaware Basin

Delaware Acreage Core Up

- 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

- 50% of Development >7,500' laterals
- 95% of Development >7,500' laterals

2015
- 5,000'
- 7,500'
- 10,000'

2017E
Permian: Focus on Core of Delaware Basin

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

Line of sight to future cost of supply improvements:

- 20% REDUCTION

Cumulative Production (MBOE)

<table>
<thead>
<tr>
<th>Days</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>30</td>
<td>50</td>
<td>75</td>
</tr>
<tr>
<td>60</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>90</td>
<td>150</td>
<td>225</td>
</tr>
</tbody>
</table>

Note: The image contains a bar chart showing the comparison of CoS (Cost of Supply) in 2016 and 2017, with future optimization indicated as a reduction of approximately 20%.
**Bakken: A Smart Plan to Deliver Sustained Performance**

- 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

### 3-Year Development Plan (2018-2020)

<table>
<thead>
<tr>
<th>Year</th>
<th>Production (MBOED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>70</td>
</tr>
<tr>
<td>2018</td>
<td>70</td>
</tr>
<tr>
<td>2019</td>
<td>70</td>
</tr>
<tr>
<td>2020</td>
<td>70</td>
</tr>
</tbody>
</table>

0.7 BBOE resource <$50/BBL cost of supply
Bakken: Optimizing Across Every Aspect of the Play

Low Cost Leader with a Prime Acreage Position

- ConocoPhillips
- Competitors

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

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

- ~40% REDUCTION

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

~70% INCREASE 2017 vs. 2015
Niobrara: Unlocking Value by Lowering Cost of Supply

Well Cost/Liquids EUR$ (BOE)

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

Multi-Lateral Pilot

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

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
Alaska: A Case Study in How Innovative Drilling Increases Oil Recovery

Kuparuk “Shark Tooth” Project Setting Records

Smaller Footprint, More Reserves per Well & Lower Cost of Supply

- 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 BOPD$1
- Deployed technology in Norway to assist in drilling

$1Source: AOGCC well production data, peak 30-day average rate (BOPD) 2012-Aug 2017.

>40% INCREASE IN LENGTH

>28,000 FEET total length, a record in Alaska
Europe: Leveraging Legacy Infrastructure

<$25/BBL COST OF SUPPLY

20-well 2018 drilling plan

- 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

Norway Average Well Cost ($MM)

40% REDUCTION

2015  2017 YTD
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\(^1\)

Industry Leading P&A Technology Development

- Prior P&A Technology
- Improved P&A Technology

~50% COST REDUCTION

Conductor cutting with lasers

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

- Prior P&A Technology
- Improved P&A Technology

\(^1\) UK OGA stewardship survey analysis, Aug. 2017.  
\(^2\) Net Unit Operating Costs exclude hub costs, G&A and tariffs.  
**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

**Netback Improvement per BOE**

<table>
<thead>
<tr>
<th>2017</th>
<th>Alternative Diluent</th>
<th>2019</th>
</tr>
</thead>
</table>

**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

**~20% STEAM-OIL RATIO REDUCTION**
across pilot to date

LNG & OIL SANDS
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
Investor Information

Stock Ticker

NYSE: COP
Website: www.conocophillips.com/investor

Headquarters
ConocoPhillips
600 N. Dairy Ashford Road
Houston, Texas 77079

Investor Relations Contacts

Telephone: +1 281-293-5000

Ellen DeSanctis
ellen.r.desanctis@conocophillips.com

Andy O’Brien
andy.m.obrien@conocophillips.com

Renee Omsberg Rosener
renee.omsberg.rosener@conocophillips.com

Mary Ann Cacace
maryann.f.cacace@conocophillips.com