



April 2024

Plan Participant:

Enclosed is the Annual Funding Notice for the ConocoPhillips Retirement Plan (Plan) for 2023. This annual notice is a federal legal requirement for all pension plans. No action is required on your part.

The Plan actuary certifies the funded status of the Plan annually and has certified the funded status exceeds the required threshold, and therefore the Plan is not restricted in paying lump sum distributions.

Online Benefits Estimates

Participants in the Plan may obtain online estimates of their pension benefit at www.netbenefits.com, or by contacting the ConocoPhillips Retirement Center directly.

Participants in the Plan may receive an annual pension benefit statement, pursuant to Title 29 U.S. Code 1025 ERISA requirements, by contacting the ConocoPhillips Retirement Center. Please see enclosed notice for further instructions.

For questions, contact the ConocoPhillips Retirement Center at 833-637-4015 between 7:30 a.m. and 7:30 p.m. Central time, Monday through Friday.

U.S. Benefits

Annual Funding Notice



For ConocoPhillips Retirement Plan (Plan Year 2023)

April 2024

Introduction

This notice includes important information about the funding status of the ConocoPhillips Retirement Plan (“Plan”) and general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All defined benefit pension plans must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes, and you are not required to respond in any way. This notice is for the plan year beginning Jan. 1, 2023 and ending Dec. 31, 2023 (“Plan Year”).

How Well Funded Is Your Plan?

Under federal law, the Plan must report how well it is funded by using a measure called the “funding target attainment percentage.” This percentage is obtained by dividing the Plan’s Net Plan Assets by Plan Liabilities on the Valuation Date for the Plan Year. In general, the higher the percentage, the better funded the Plan. The Plan’s funding target attainment percentage for the Plan Year and each of the two preceding Plan Years is shown in the chart below, along with a statement of the value of the Plan’s assets and liabilities for the same period.

Funding Target Attainment Percentage

	Plan Year 2023	Plan Year 2022	Plan Year 2021
1. Valuation Date	1/1/2023	1/1/2022	1/1/2021
2. Plan Assets			
a. Total Plan Assets	\$1,375,029,362	\$1,616,336,784	\$1,857,314,543
b. Funding Standard Carryover Balance	\$0	\$0	\$0
c. Prefunding Balance	\$207,817,950	\$265,514,182	\$250,579,636
d. Net Plan Assets (a) - (b) - (c) =(d)	\$1,167,211,412	\$1,350,822,602	\$1,606,734,907
3. Plan Liabilities	\$1,243,959,526	\$1,268,987,031	\$1,525,575,758
4. Funding Target Attainment Percentage (2d)/3	94%	106%	105%

Plan Assets and Credit Balances

Total Plan Assets is the value of the Plan’s assets on the Valuation Date (see line 2a in the chart above). Credit balances were subtracted from Total Plan Assets to determine Net Plan Assets (line 2d) used in the calculation of the Funding Target Attainment Percentage shown in the chart above. While pension plans are permitted to maintain credit balances (also called “funding standard carryover balances” or “prefunding balances” see 2b & 2c in the chart above) for funding purposes, they may not be taken into account when calculating a plan’s funding target attainment percentage. A plan might have a credit balance, for example, if in a prior year an employer made contributions to the plan above the minimum level required by law. Generally, the excess contributions are counted as “credits” and may be applied in future years toward the minimum level of contributions a plan sponsor is required by law to make to the plan in those years.

Plan Liabilities

Plan Liabilities shown in line 3 of the chart above are the liabilities used to determine the Plan’s Funding Target Attainment Percentage. This figure is an estimate of the amount of assets the Plan needs on the Valuation Date to pay for promised benefits under the Plan.

Year-End Assets and Liabilities

The asset values in the chart are measured as of the first day of the Plan Year and are actuarial values. Since market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values that are designed to smooth out those fluctuations for funding purposes. The asset values below are market values and are measured as of the last day of the Plan Year. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. As of Dec. 31, 2023, the fair market value of the Plan's assets was \$1,305,120,569. On this same date, the Plan's liabilities were \$1,274,044,839.

Supplement to Annual Funding Notice

This is a temporary supplement to your annual finding notice which is required by the Moving Ahead for Progress in the 21st Century Act, the Highway and Transportation Funding Act of 2014, the Bipartisan Budget Act of 2015 and the American Rescue Plan Act of 2021. These federal laws changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to 2012, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The "Information Table" compares the impact of using interest rates based on the 25-year average (the "adjusted interest rates") and interest rates based on a two-year average on the Plan's: (1) Funding Target Attainment Percentage, (2) Funding Shortfall/(Surplus), and (3) Minimum Required Contribution. The funding target attainment percentage is a measure of how well the plan is funded on a particular date. The funding shortfall is the amount by which liabilities exceed net plan assets; the funding surplus is the amount by which net plan assets exceed liabilities. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan in a given year. The following table shows this information determined with and without the adjusted interest rates. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

INFORMATION TABLE						
	1/1/2023		1/1/2022		1/1/2021	
	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates
Funding Target Attainment Percentage	94%	82%	106%	84%	105%	86%
Funding Shortfall/(Surplus)	\$76,748,114	\$254,525,731	\$(81,835,571)	\$258,628,767	\$(81,159,149)	\$261,088,587
Minimum Required Contribution	\$66,334,913	\$89,504,327	\$0	\$86,236,844	\$0	\$91,425,415

Participant Information

The total number of participants in the Plan as of the Plan's Valuation Date was 11,647. Of this number, 3,900 were active participants, 1,177 were retired or separated from service and receiving benefits, and 6,570 were retired or separated from service and entitled to future benefits.

Funding and Investment Policies

Every pension plan must have a procedure for establishing a funding policy to carry out plan objectives. A funding policy relates to the level of assets needed to pay for promised benefits. The funding policy of the Plan is to contribute at least the minimum required by the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986, as amended.

Once money is contributed to the Plan, the money is invested by Plan officials, called fiduciaries, who make specific investments in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for Plan investments with guidelines or general instructions concerning investment management decisions. The investment policy of the Plan is to invest in a diversified portfolio of assets, which is expected to achieve an attractive rate of return over the long term while maintaining a prudent level of risk. Asset classes that are considered appropriate for the Plan include U.S. equities, non-U.S. equities, U.S. fixed income, non-U.S. fixed income, real estate, private equity and cash. The Plan fiduciaries may consider and add other asset classes to the Plan's investment program from time to time.

Under the Plan’s investment policy, the Plan’s assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
U.S. Government Securities	0%
Corporate debt instruments (other than employer securities):	
Preferred	0%
All other	0%
Corporate stocks (other than employer securities):	
Preferred	0%
Common	3%
Value of interest in common/collective trusts	92%
Value of interest in registered investment companies (e.g. mutual funds)	1%
Value of funds held in insurance co. general account (unallocated contracts)	4%
Other	0%
Total	100%

For information about the Plan’s investment in common/collective trusts, contact the Benefits Committee at ConocoPhillips Company, P.O. Box 4783, Houston, TX 77210.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the U.S. Department of Labor an annual report called the Form 5500 that contains financial and other information about the Plan. Copies of the annual report are available from the U.S. Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue NW, Room N-1515, Washington, DC 20210 or by calling 202-693-8673. You may obtain an electronic copy of the Plan’s annual report by going to www.efast.dol.gov and using the Form 5500 search function. Or you may obtain a copy of the Plan’s annual report by making a written request to the Benefits Committee. Individual information, such as the amount of your accrued benefit under the Plan, is not contained in the annual report. If you are seeking information regarding your benefits under the Plan, contact the Benefits Committee. For the contact information for the Benefits Committee, see the “Where to Get More Information” section at the end of this notice.

Summary of Rules Governing Termination of Single-Employer Plans

If a plan is terminated, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

There are two ways an employer can terminate its pension plan. First, the employer can end the plan in a “standard termination” but only after showing the PBGC that the plan has enough money to pay all benefits owed to participants. Under a standard termination, the plan must either purchase an annuity from an insurance company (which will provide you with periodic retirement benefits, such as monthly, for life or for a set period of time when you retire) or, if your plan allows, issue one lump-sum payment that covers your entire benefit. The Benefits Committee must give you advance notice that identifies the insurance company (or companies) that your employer may select to provide the annuity. The PBGC’s guarantee ends when your employer purchases your annuity or gives you the lump-sum payment.

Second, if the plan is not fully funded, the employer may apply for a distress termination. To do so, however, the employer must be in financial distress and prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

When the PBGC takes over a plan, it pays pension benefits through its insurance program. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The amount of benefits the PBGC guarantees is determined as of the plan termination date. However, if a plan terminates during a plan sponsor's bankruptcy and the bankruptcy proceeding began on or after Sept. 16, 2006, then the amount guaranteed is determined as of the date the sponsor entered bankruptcy.

The PBGC maximum benefit guarantee is set by law and is updated each calendar year. For a plan with a termination date or sponsor bankruptcy date in 2024, the maximum guarantee is \$7,107.95 per month, or \$85,295.40 per year, for a benefit paid to a 65-year-old retiree with no survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, and the bankruptcy proceeding began on or after Sept. 16, 2006, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy. The maximum guarantee is lower for an individual who begins receiving benefits from PBGC before age 65; the maximum guarantee by age can be found on PBGC's website, www.pbgc.com. The guaranteed amount is also reduced if a benefit will be provided to a survivor of the plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which includes:

- Pension benefits at normal retirement age;
- Most early retirement benefits;
- Annuity benefits for survivors of plan participants; and
- Disability benefits for a disability that occurred before the date the plan terminated or the date the sponsor entered bankruptcy, as applicable.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right, usually because you have not worked enough years for the Company.
- The PBGC does not guarantee benefits for which you have not met all age, service or other requirements.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding \$7,000.

In some circumstances, participants and beneficiaries still may receive some benefits that are not guaranteed. This depends on how much money the terminated plan has and how much the PBGC recovers from employers for plan underfunding.

Where to Get More Information

For more information about this notice, you may contact the Benefits Committee at ConocoPhillips Company Benefits Committee, P.O. Box 4783, Houston, TX 77210, phone 918-661-6199. For identification purposes, the official Plan number is 021 and the Plan sponsor's name and employer identification number or "EIN" are ConocoPhillips Company, 73-0400345. For more information about the PBGC, go to PBGC's website, www.pbgc.com

**NOTICE OF YOUR RIGHT TO RECEIVE
A STATEMENT OF YOUR PENSION BENEFIT UNDER THE
CONOCOPHILLIPS RETIREMENT PLAN**

This notice is pursuant to 29 United States Code 1025 and is intended to inform you that you have the right to obtain an annual statement of your benefit under the ConocoPhillips Retirement Plan (the "Plan"). This notice explains what information the statement provides, how you can obtain an annual statement and how often you can request a statement.

What Information The Benefit Statement Provides

The benefit statement will provide the total amount of your vested benefit under the Plan payable as a single life annuity at your Normal Retirement Age, or if in the cash balance account, as a cash balance value as of the end of the prior month. The benefit statement will be based on the most recent data available.

How To Obtain Your Benefit Statement

You can view a statement of your benefit by visiting www.netbenefits.com. If you are unable to view your benefit on the web or would simply like a free copy of the benefit statement, you can also write to the Plan Administrator at the ConocoPhillips Retirement Center at PO Box 770003, Cincinnati, OH, 45277, or call 1-833-637-4015. If writing, you must include your name, address, social security number, phone number, and the statement "**I am requesting a statement of my benefit under the ConocoPhillips Retirement Plan.**" You will generally receive your benefit statement within 30 calendar days of the date the Plan Administrator receives your written request.

How Often You Can Request A Benefit Statement

You are able to view a statement of your benefit anytime at www.netbenefits.com. If you are unable to view your benefit on the web, you can request one benefit statement every twelve months.