

RATING ACTION COMMENTARY

Fitch Affirms ConocoPhillips at 'A'; Outlook Stable; Withdraws Marathon Oil's Ratings

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Fitch Ratings - New York - 25 Nov 2025: Fitch Rating has affirmed the Long-Term Issuer Default Ratings (IDRs) and senior unsecured ratings of ConocoPhillips (COP), ConocoPhillips Company, Polar Tankers, Inc. and Marathon Oil Corporation (MRO) at 'A'. Fitch also affirmed the Short-Term IDR and commercial paper (CP) programs for ConocoPhillips Company at 'F1+'. The Rating Outlook is Stable.

COP's ratings reflect its peer-leading size and scale at around 2.2 million barrels of oil equivalent per day (consolidated, boepd), diversified low-cost upstream portfolio, conservative financial policy, and relatively low decline rate. Offsetting considerations include elevated capex, recently incurred project cost inflation, limited business model integration and a policy of relatively high distributions to shareholders.

Fitch has also affirmed and withdrawn the 'A' ratings for Marathon's 2027 4.4% notes, 2029 5.3% notes, 2032 6.8% notes, 2034 5.7% notes, 2037 6.6% notes, and 2045 5.2% note, as they are no longer considered relevant to the agency's coverage.

KEY RATING DRIVERS

Size and Scale: With 3Q25 production of approximately 2.2 million boepd (2.4 million boepd including affiliates), COP is the largest independent E&P producer in North America. COP's size and scale have been materially augmented by M&A activity and growth projects in recent years, including the MRO and Concho acquisitions, 50% Surmont oil sands stake, and future Willow and LNG facilities expansions. Size is generally favorable for E&Ps, as larger companies tend to have more liquidity options in a downturn, including asset sales. COP's blended portfolio decline rate is below peer averages.

Solid Diversification: COP has good geographic and basin diversification in the upstream, including an anchor position in the lower 48 (Permian, Eagle Ford Bakken), Alaska, Canada (Surmont and Montney), International (Norway, China, Malaysia, and