



**PROVIDING ENERGY. IMPROVING LIVES.**



# SECOND QUARTER 2020 CONFERENCE CALL

July 31, 2020



# Cautionary Statement

This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Words and phrases such as “is anticipated,” “is estimated,” “is expected,” “is planned,” “is scheduled,” “is targeted,” “believes,” “continues,” “intends,” “will,” “would,” “objectives,” “goals,” “projects,” “efforts,” “strategies” and similar expressions are used to identify such forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements included in this presentation are based on management’s expectations, estimates and projections as of the date they are made. These statements are not guarantees of future performance and you should not unduly rely on them as they involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements include fluctuations in NGL, crude oil, and natural gas prices, and petrochemical and refining margins; unexpected changes in costs for constructing, modifying or operating our facilities; unexpected difficulties in manufacturing, refining or transporting our products; lack of, or disruptions in, adequate and reliable transportation for our NGL, crude oil, natural gas, and refined products; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; potential disruption of our operations due to accidents, weather events, including as a result of climate change, terrorism or cyberattacks; general economic and political developments including: armed hostilities; expropriation of assets; changes in governmental policies relating to NGL, crude oil, natural gas or refined petroleum products pricing, regulation or taxation; and other political, economic and diplomatic developments, including those caused by public health issues and outbreaks; the impact of adverse market conditions or other similar risks to those identified herein affecting PSXP, as well as the ability of PSXP to successfully execute its growth plans; and other economic, business, competitive and/or regulatory factors affecting Phillips 66’s businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes non-GAAP financial measures. You can find the reconciliations to comparable GAAP financial measures at the end of the presentation materials or in the “Investors” section of our website.

# Executing the Strategy

Sweeny Fractionators 2 and 3 Construction Site OLD OCEAN, TX



# 2Q 2020 Overview

\$MM (UNLESS OTHERWISE NOTED)

|                                        |          |
|----------------------------------------|----------|
| Adjusted loss                          | \$ (324) |
| Adjusted EPS <sup>1</sup>              | (0.74)   |
| Operating cash flow                    | 764      |
| Adjusted capital spending <sup>2</sup> | 901      |
| Shareholder distributions <sup>3</sup> | 393      |
| Common shares outstanding at June 30   | 437 MM   |

1) Dollars per share

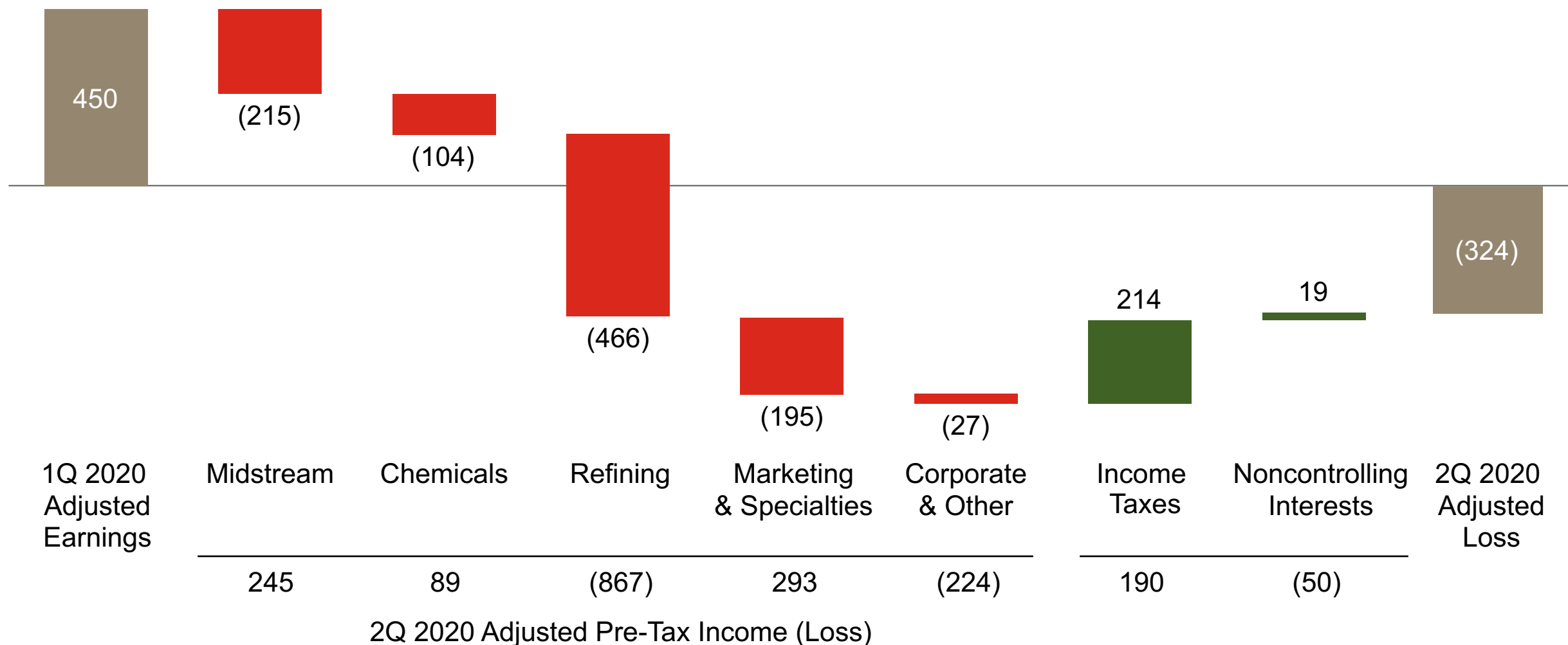
2) Capital expenditures and investments excluding \$38 million of capital spending funded by certain joint venture partners

3) Shareholder distributions represent dividends; share repurchases remained suspended



# 2Q 2020 Adjusted Loss

2Q 2020 VS. 1Q 2020 (\$MM)



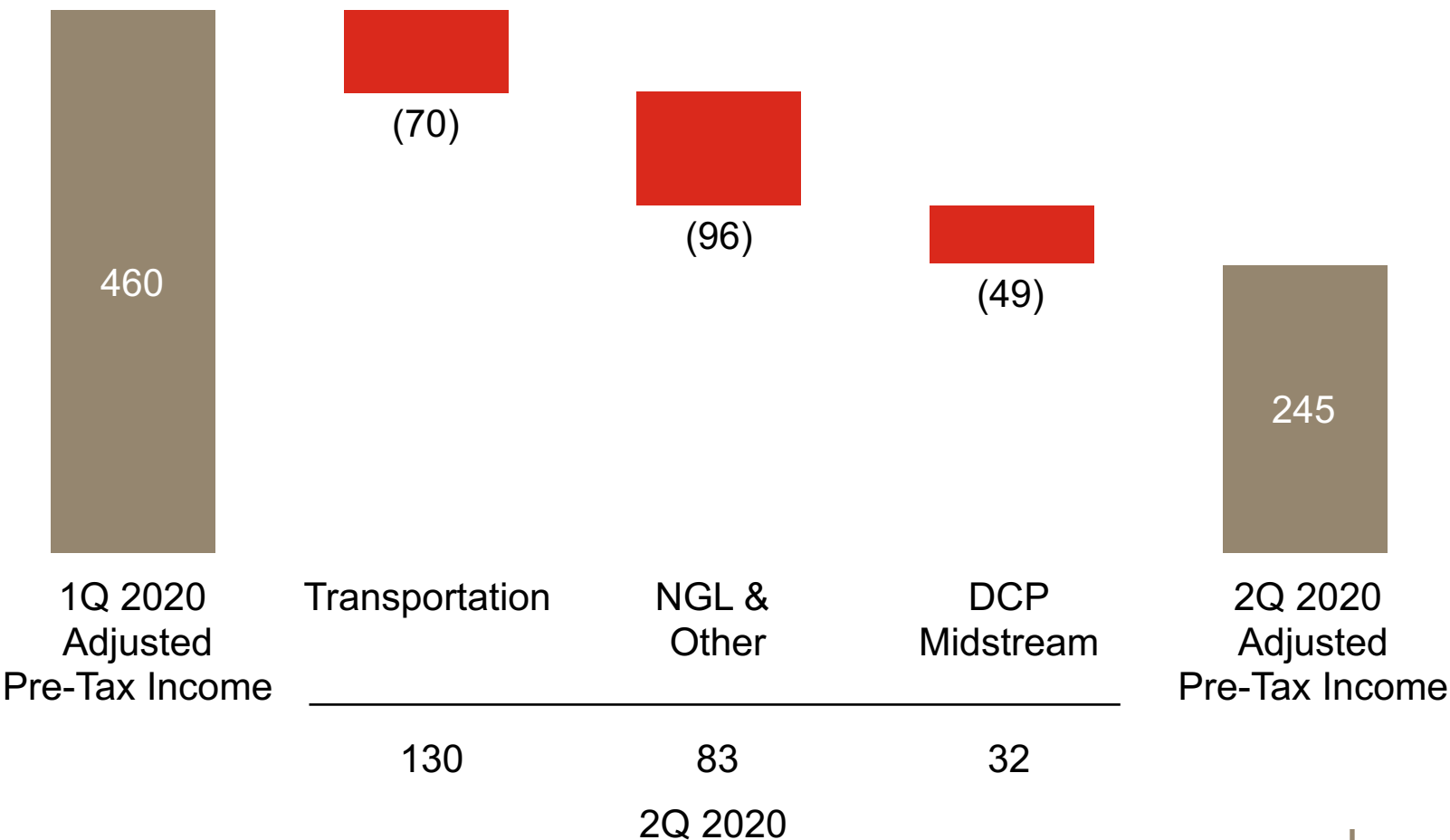
# 2Q 2020 Midstream Adjusted Pre-Tax Income

2Q 2020 VS. 1Q 2020 (\$MM)

Impacted by reduced  
throughput volumes

Started full operations on  
Gray Oak Pipeline

Completed tie-in work at  
Sweeny Fracs 2 and 3



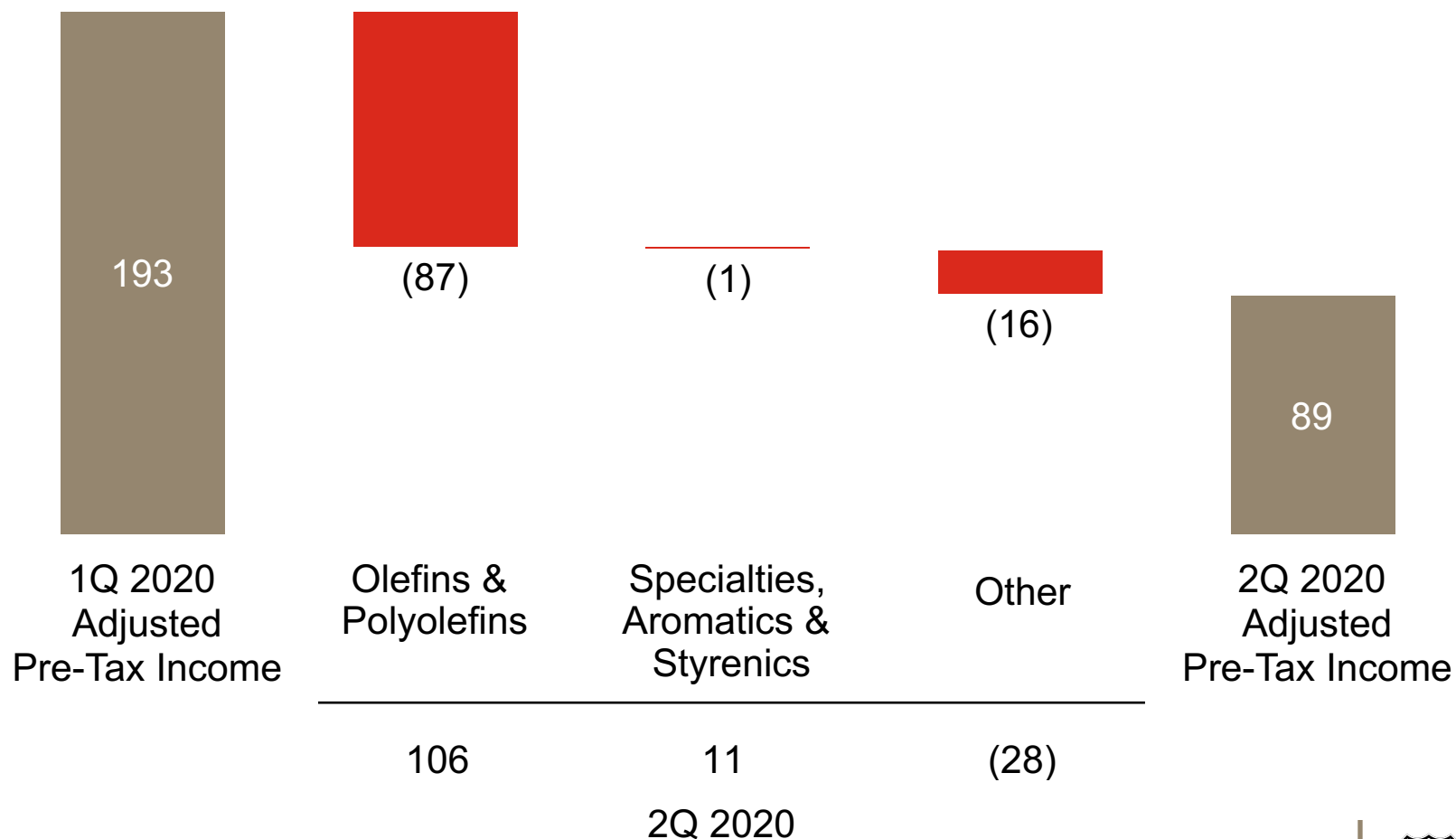
# 2Q 2020 Chemicals Adjusted Pre-Tax Income

2Q 2020 VS. 1Q 2020 (\$MM)

103% O&P utilization

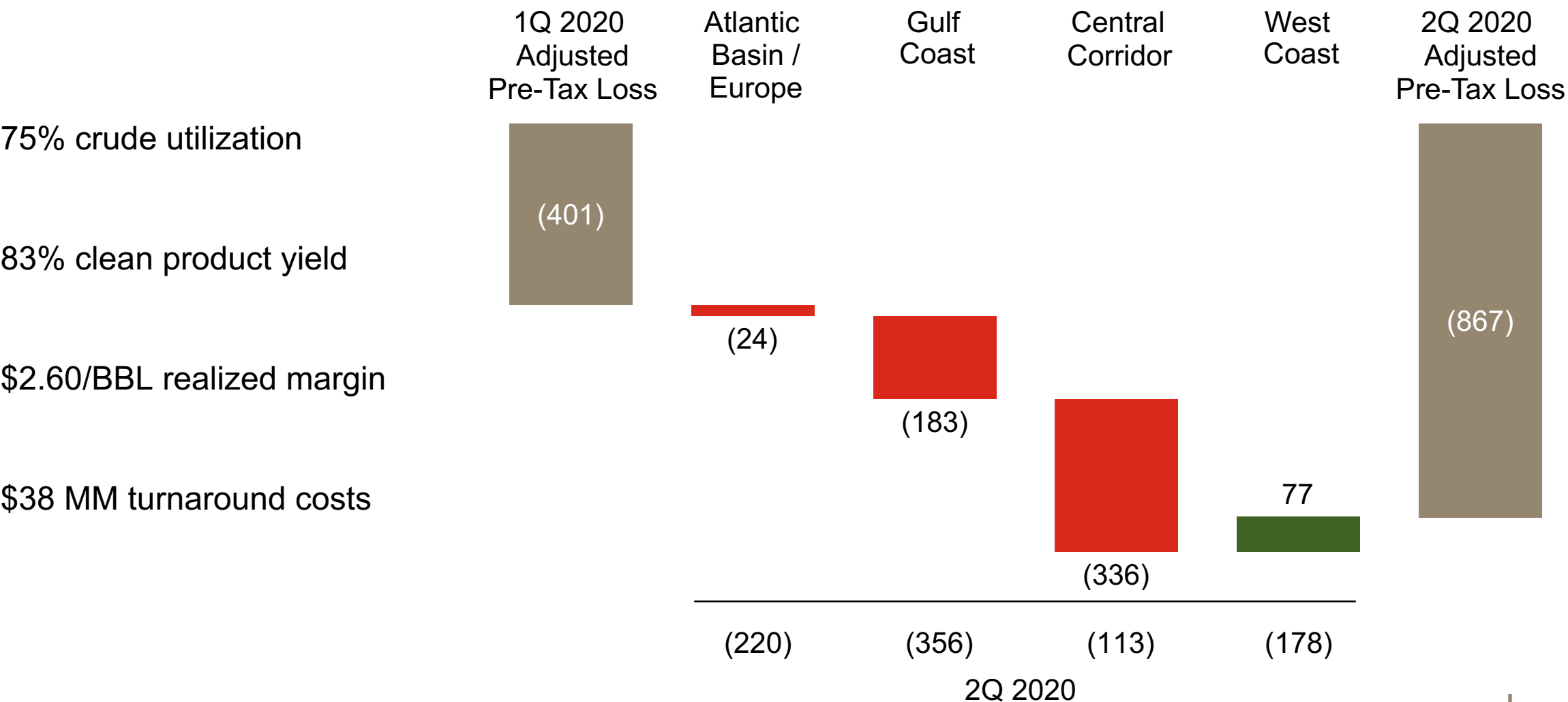
Meeting strong polymer demand for food packaging and medical supplies

Lower O&P margins



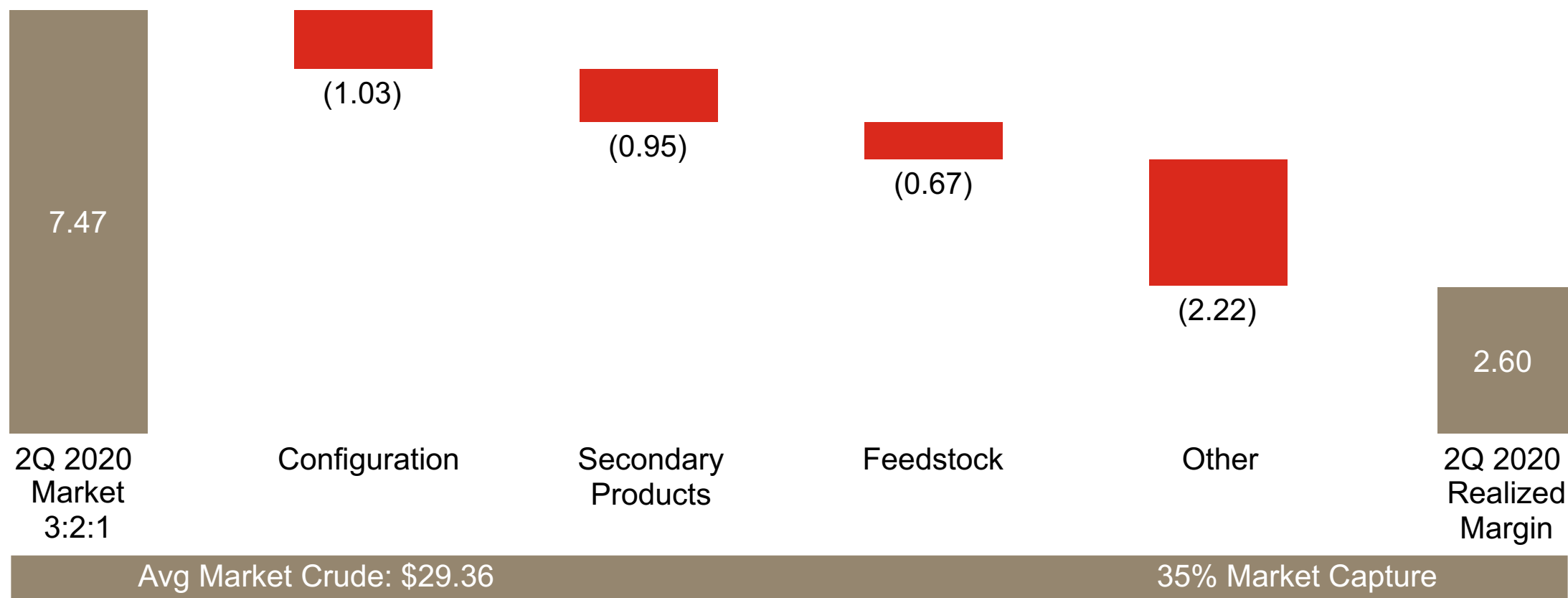
# 2Q 2020 Refining Adjusted Pre-Tax Loss

2Q 2020 VS. 1Q 2020 (\$MM)



# 2Q 2020 Refining Margins – Market vs. Realized

WORLDWIDE REFINING (\$/BBL, UNLESS OTHERWISE NOTED)



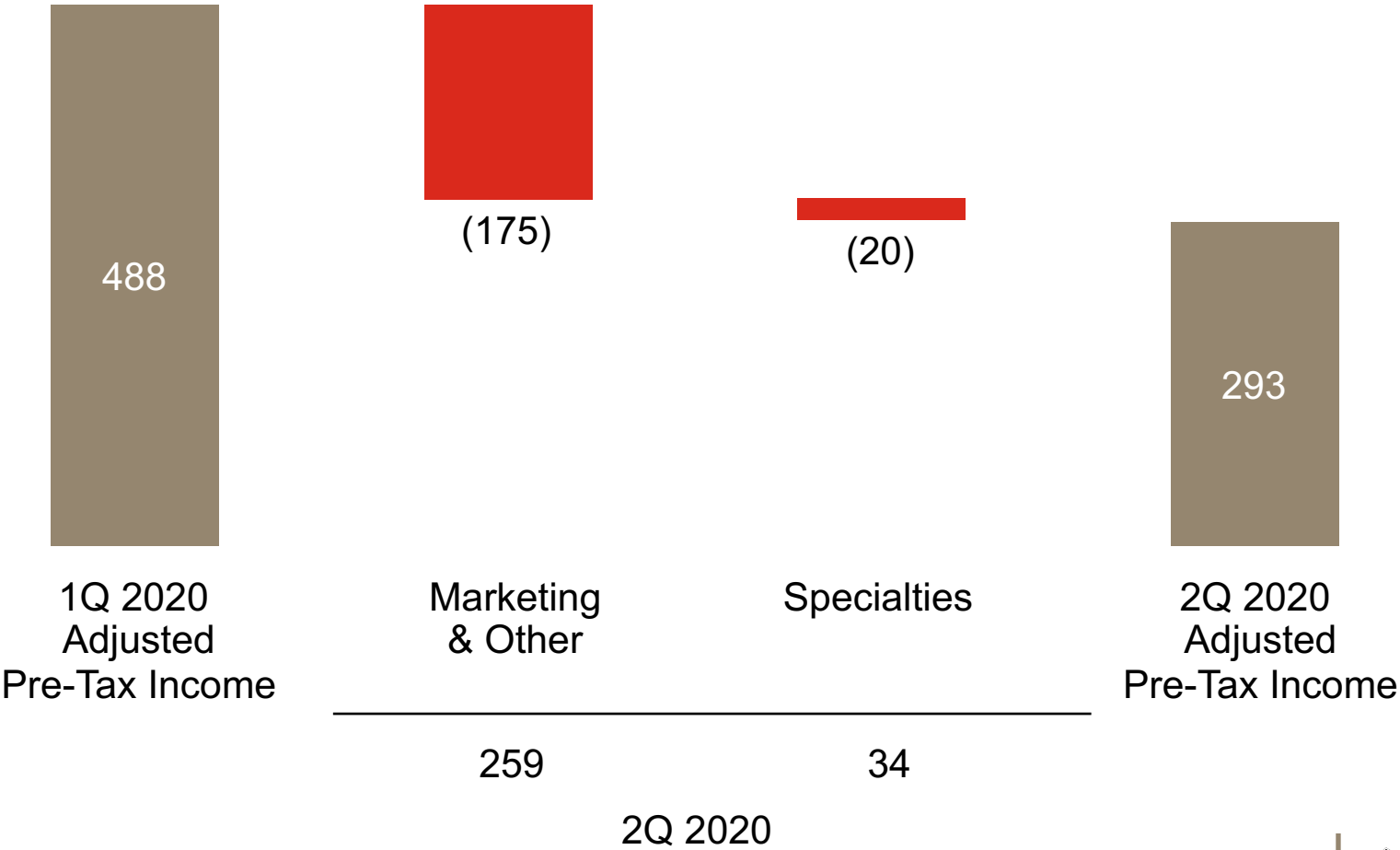
# 2Q 2020 Marketing & Specialties Adjusted Pre-Tax Income

2Q 2020 VS. 1Q 2020 (\$MM)

Lower global marketing  
volumes and margins

Reimaged 313 branded sites  
worldwide

Refined product exports of  
160 MBPD



# 2Q 2020 Corporate & Other Adjusted Pre-Tax Loss

2Q 2020 VS. 1Q 2020 (\$MM)

1Q 2020  
Adjusted  
Pre-Tax Loss



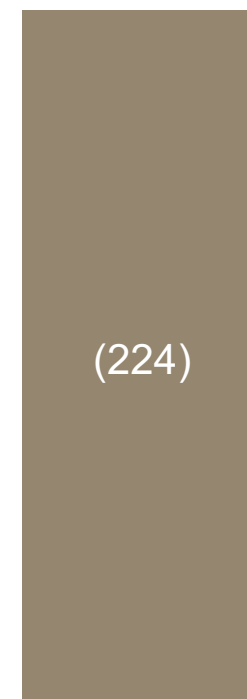
Net Interest  
Expense



Corporate  
Overhead  
& Other

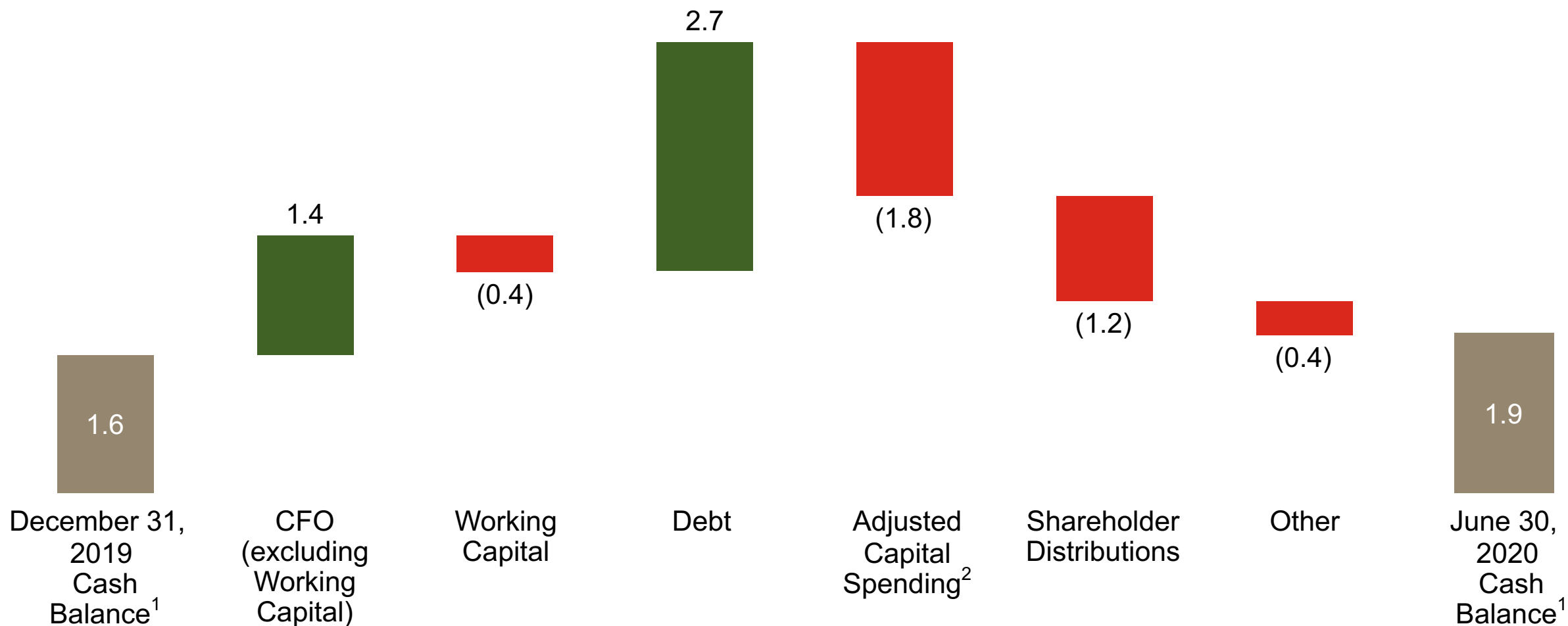


2Q 2020  
Adjusted  
Pre-Tax Loss



# YTD 2020 Cash Flow

\$B



1) Includes cash and cash equivalents

2) Capital expenditures and investments excluding \$61 million of capital spending funded by certain joint venture partners

# 3Q 2020 Outlook

Global Olefins & Polyolefins utilization

Mid-90%

Refining crude utilization

Market Conditions

Refining turnaround expenses (pre-tax)

\$50 MM – \$70 MM

Corporate & Other costs (pre-tax)

\$220 MM – \$230 MM





# Questions and Answers





# Appendix

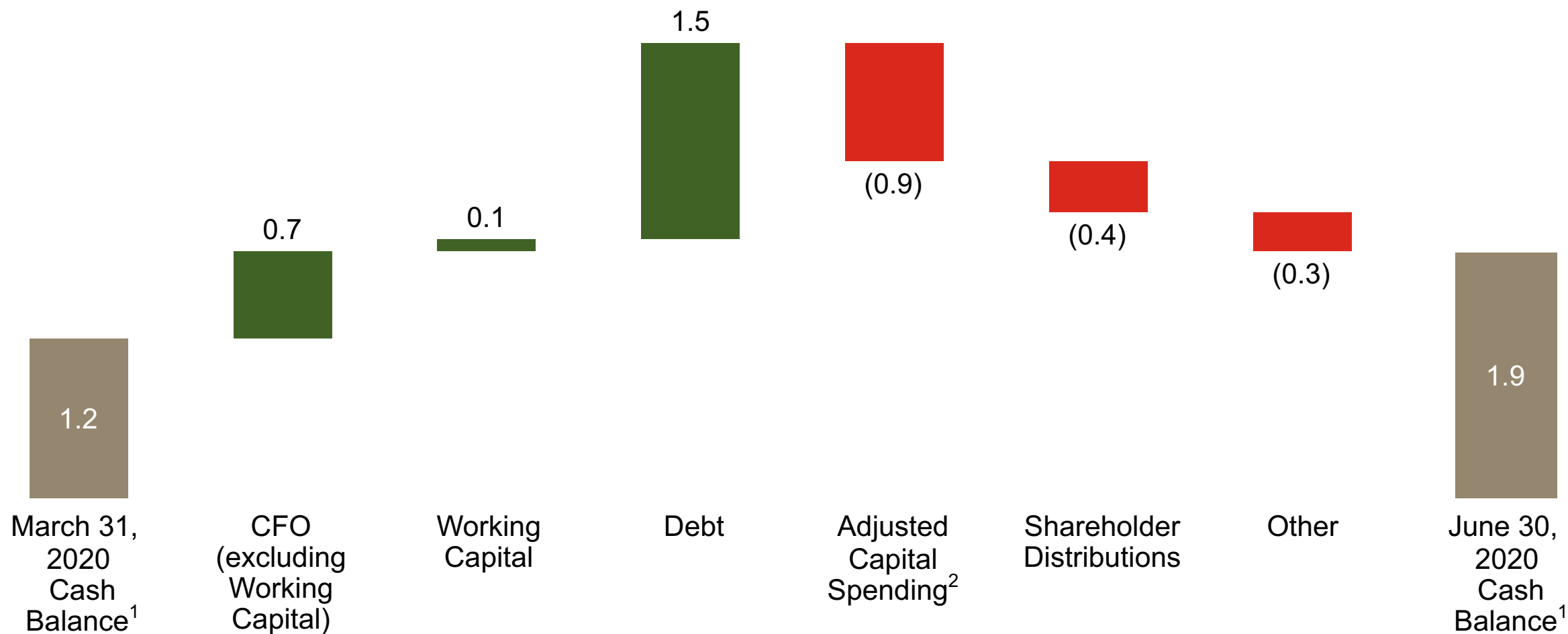


# 2020 Estimated Sensitivities

|                                                                                              | Annual EBITDA \$MM |
|----------------------------------------------------------------------------------------------|--------------------|
| <b>Midstream - DCP (net to Phillips 66)</b>                                                  |                    |
| 10¢/Gal Increase in NGL price                                                                | 9                  |
| 10¢/MMBtu Increase in Natural Gas price                                                      | 2                  |
| \$1/BBL Increase in WTI price                                                                | 1                  |
| <b>Chemicals - CPChem (net to Phillips 66)</b>                                               |                    |
| 1¢/Lb Increase in Chain Margin (Ethylene, Polyethylene, NAO)                                 | 65                 |
| <b>Worldwide Refining</b>                                                                    |                    |
| \$1/BBL Increase in Gasoline Margin                                                          | 350                |
| \$1/BBL Increase in Distillate Margin                                                        | 300                |
| Impacts due to Actual Crude Feedstock Differing from Feedstock Assumed in Market Indicators: |                    |
| \$1/BBL Widening WTI / WCS Differential (WTI less WCS)                                       | 100                |
| \$1/BBL Widening LLS / Maya Differential (LLS less Maya)                                     | 75                 |
| \$1/BBL Widening LLS / WTI Differential (LLS less WTI)                                       | 35                 |
| \$1/BBL Widening WTI / WTS Differential (WTI less WTS)                                       | 30                 |
| 10¢/MMBtu Increase in Natural Gas price                                                      | (15)               |

# 2Q 2020 Cash Flow

\$B

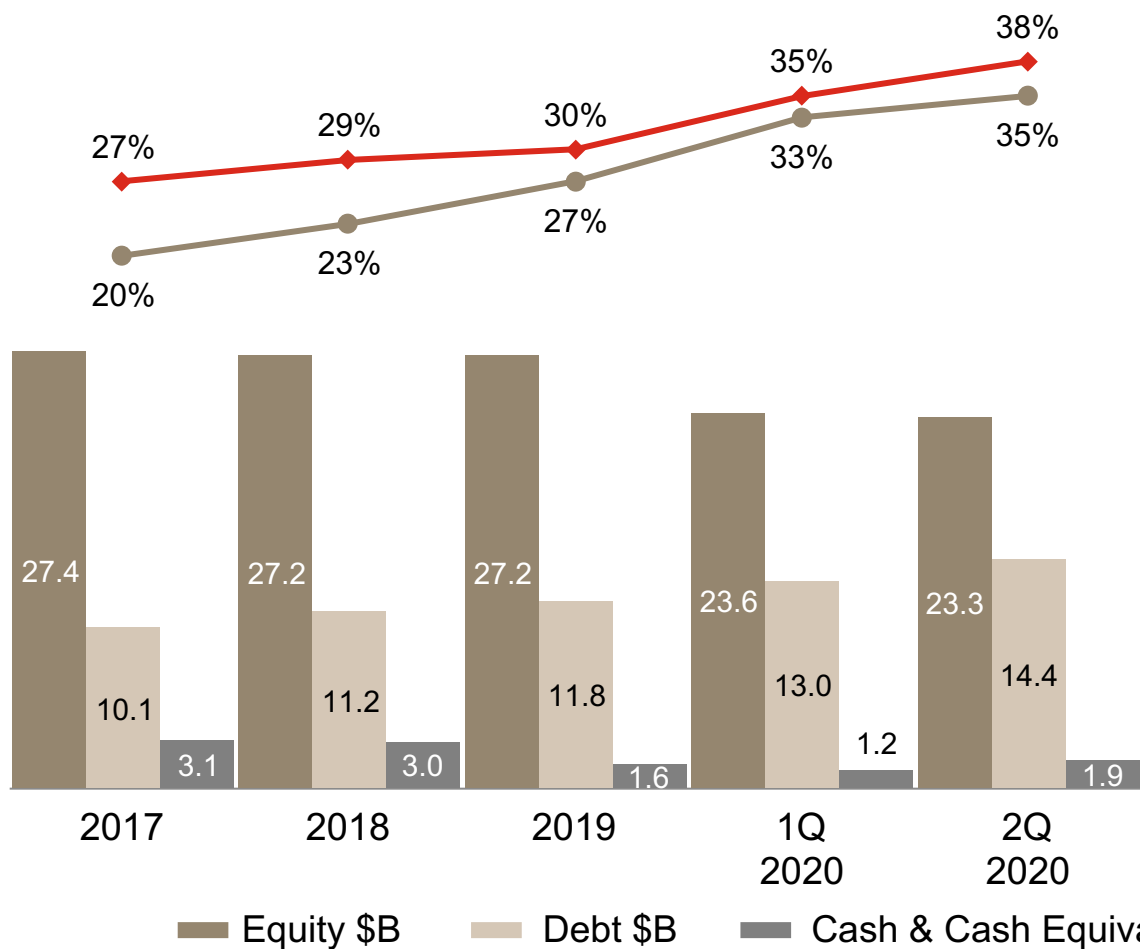


1) Includes cash and cash equivalents

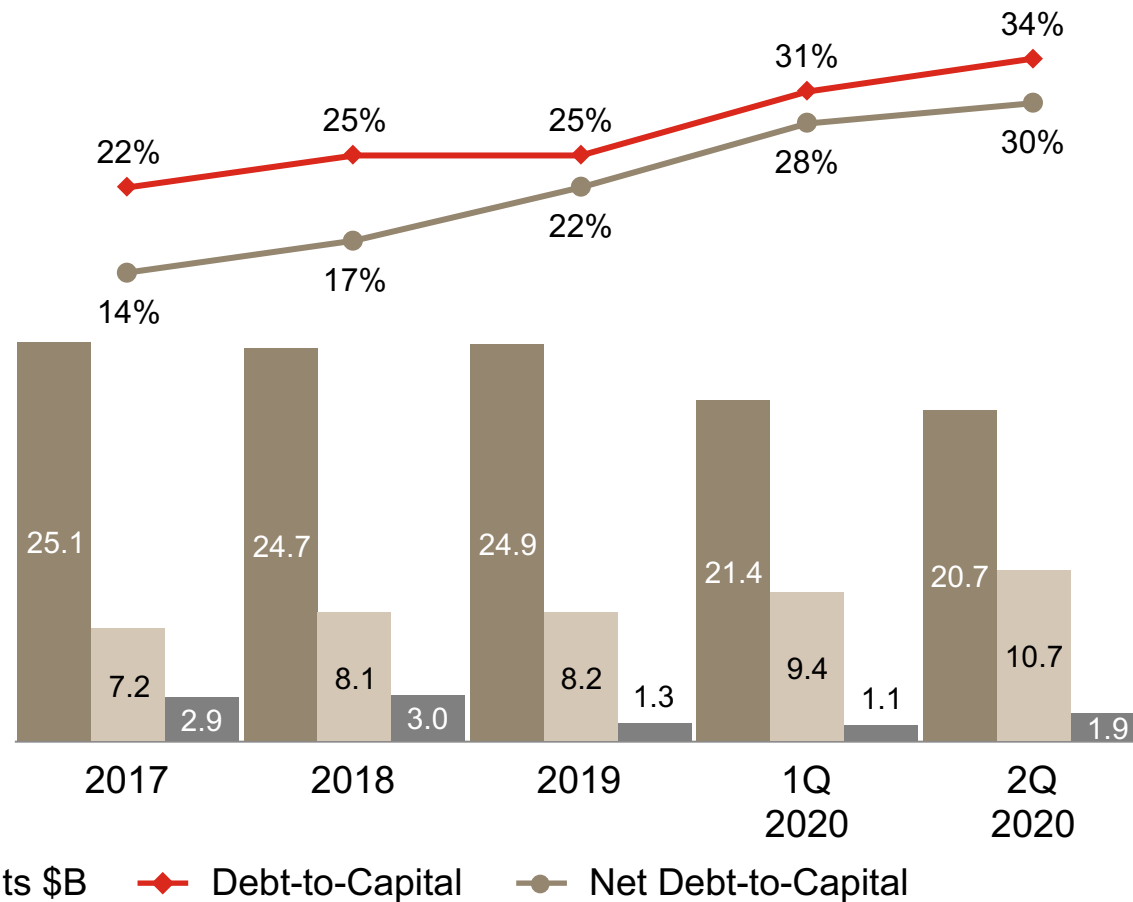
2) Capital expenditures and investments excluding \$38 million of capital spending funded by certain joint venture partners

# Capital Structure

## Consolidated PSX



## Excluding PSXP



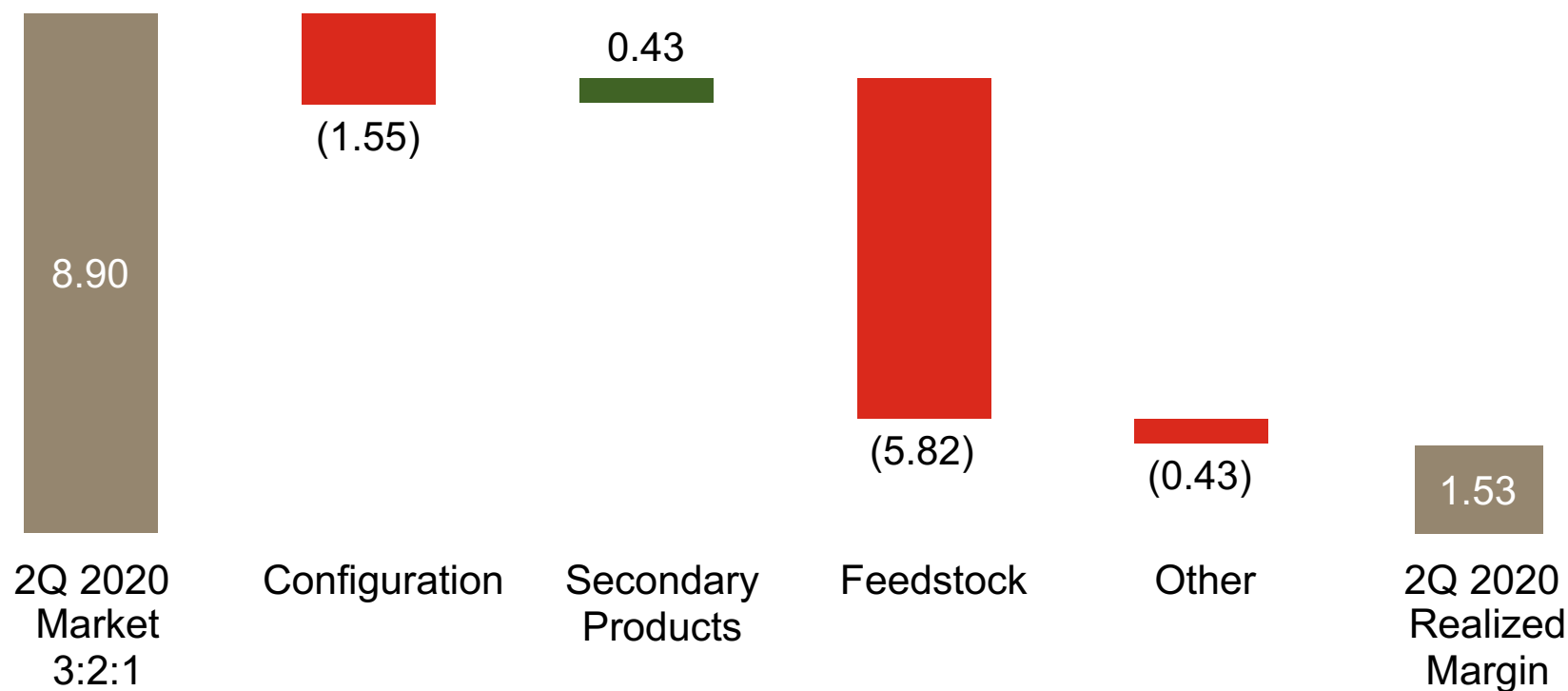
# 2Q 2020 Refining Margins – Market vs. Realized

ATLANTIC BASIN / EUROPE (\$/BBL, UNLESS OTHERWISE NOTED)

Brent: \$29.20

75% crude utilization

17% market capture



Market 3:2:1 - Dated Brent / Gasoline 83.7 RBOB NYH / Diesel 15ppm NYH

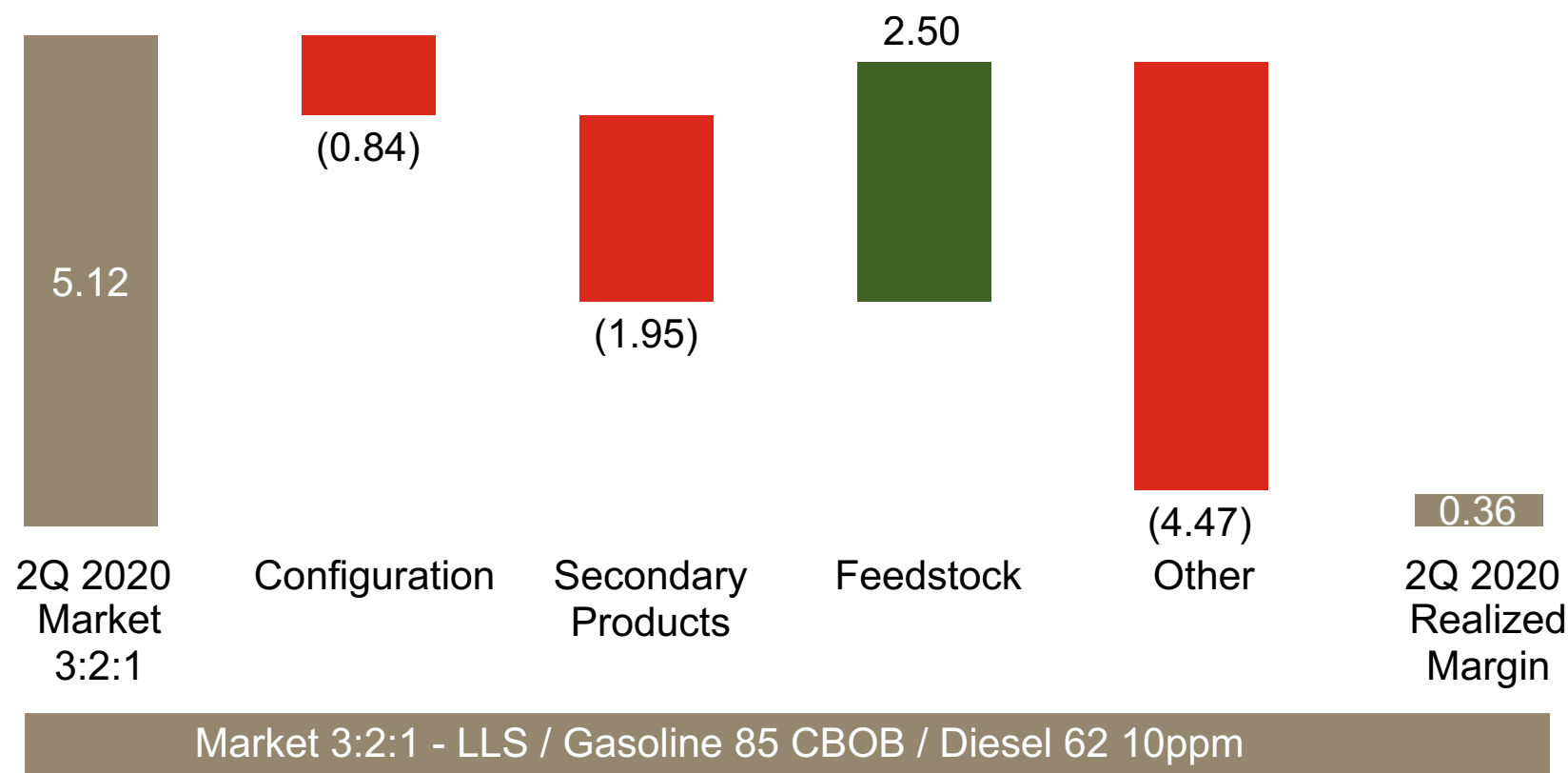
# 2Q 2020 Refining Margins – Market vs. Realized

GULF COAST (\$/BBL, UNLESS OTHERWISE NOTED)

LLS: \$30.07

79% crude utilization

7% market capture



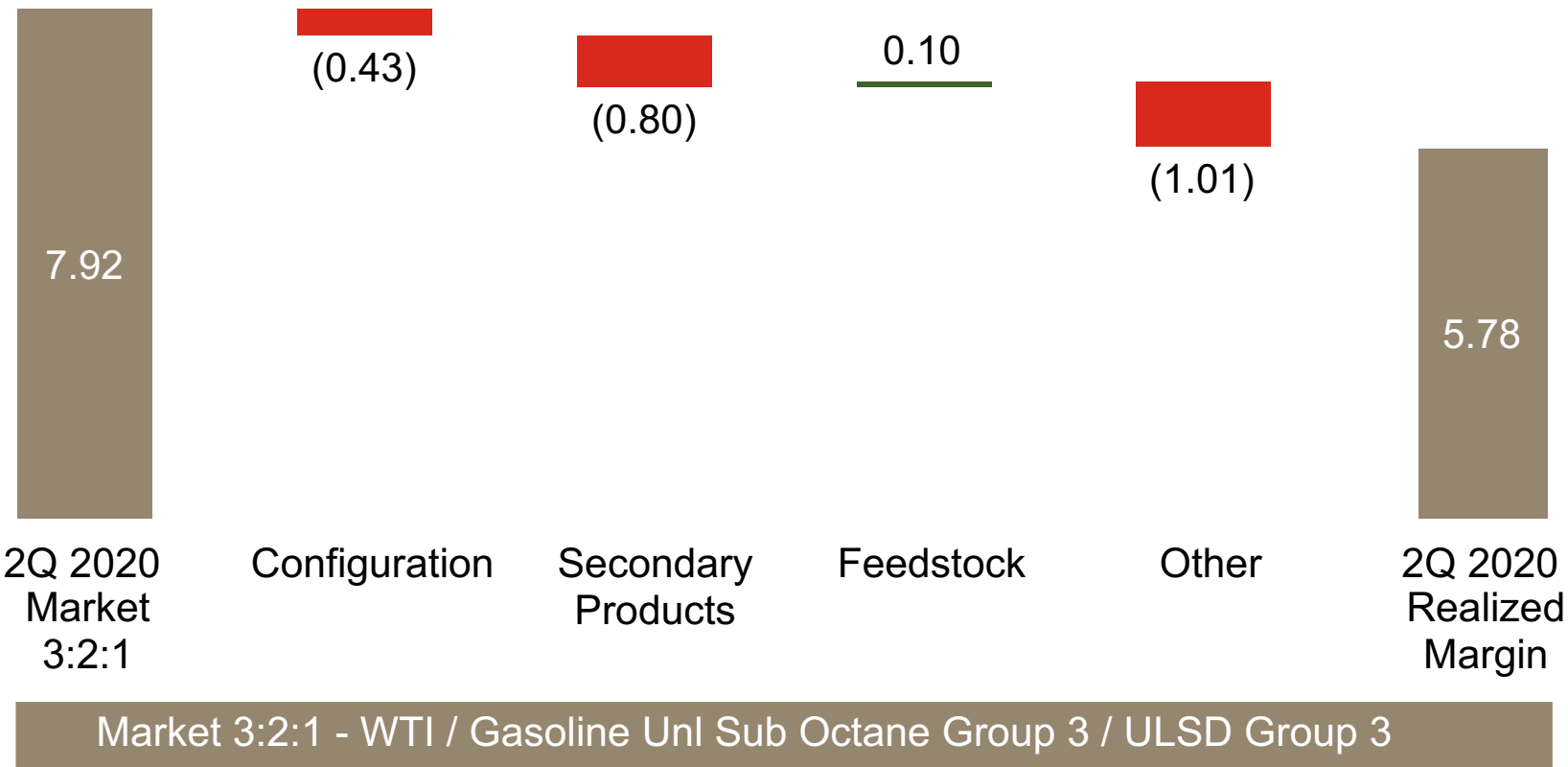
# 2Q 2020 Refining Margins – Market vs. Realized

CENTRAL CORRIDOR (\$/BBL, UNLESS OTHERWISE NOTED)

WTI: \$27.80

73% crude utilization

73% market capture



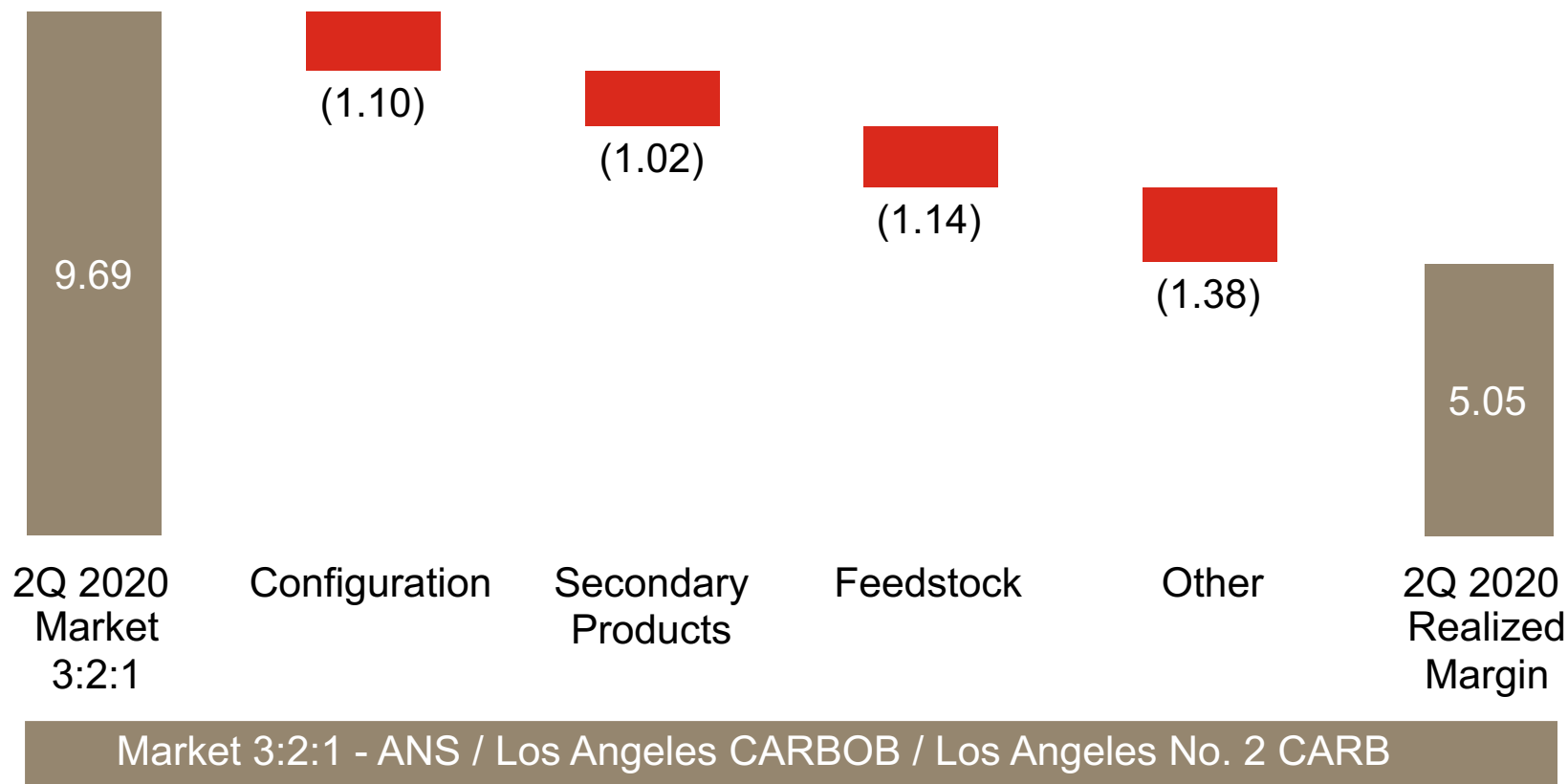
# 2Q 2020 Refining Margins – Market vs. Realized

WEST COAST (\$/BBL, UNLESS OTHERWISE NOTED)

ANS: \$30.37

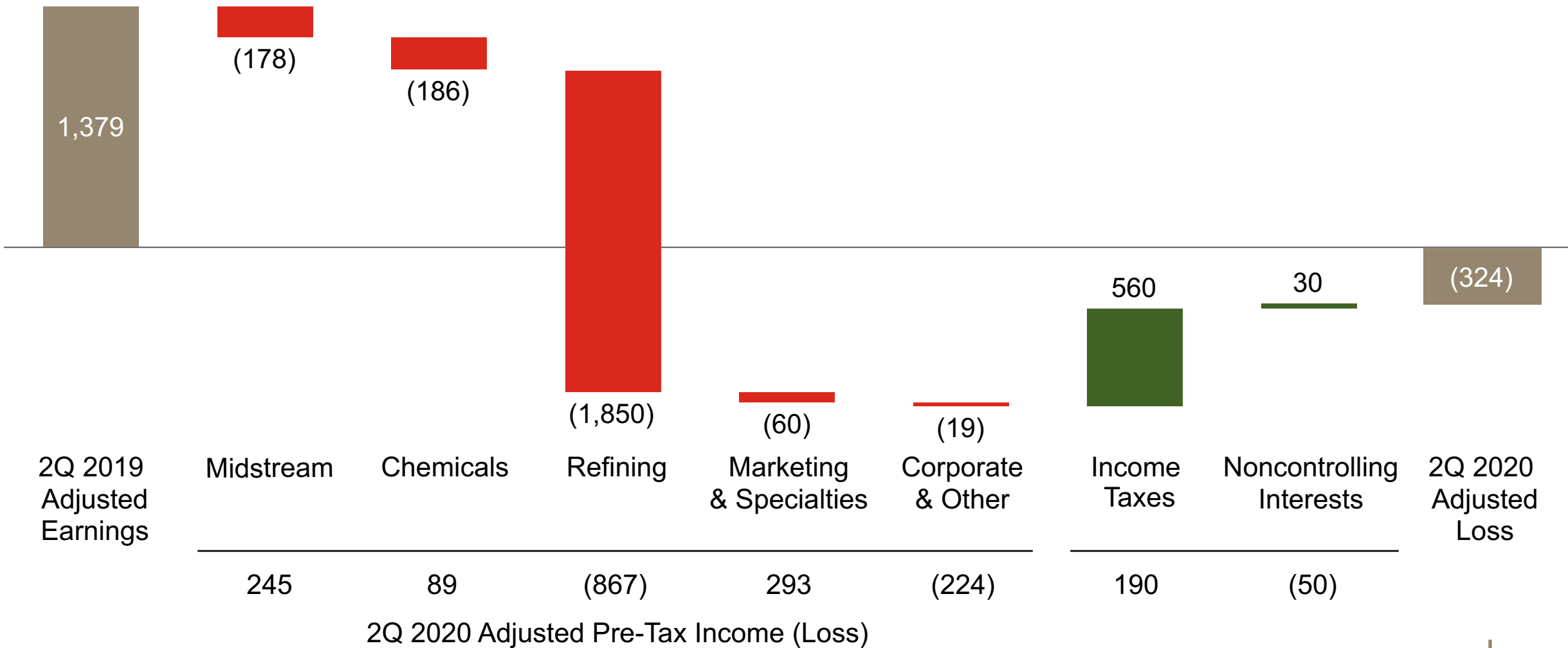
72% crude utilization

52% market capture



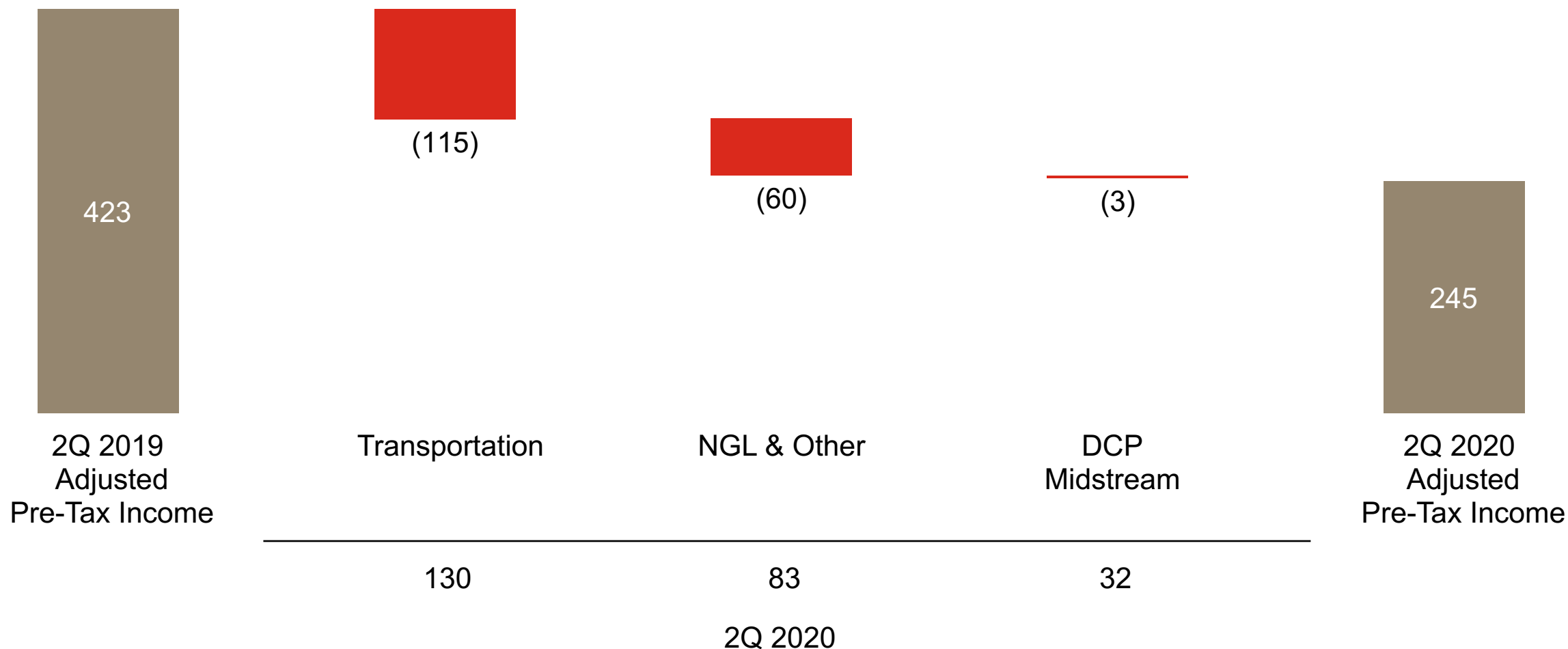
# 2Q 2020 Adjusted Loss

2Q 2020 VS. 2Q 2019 (\$MM)



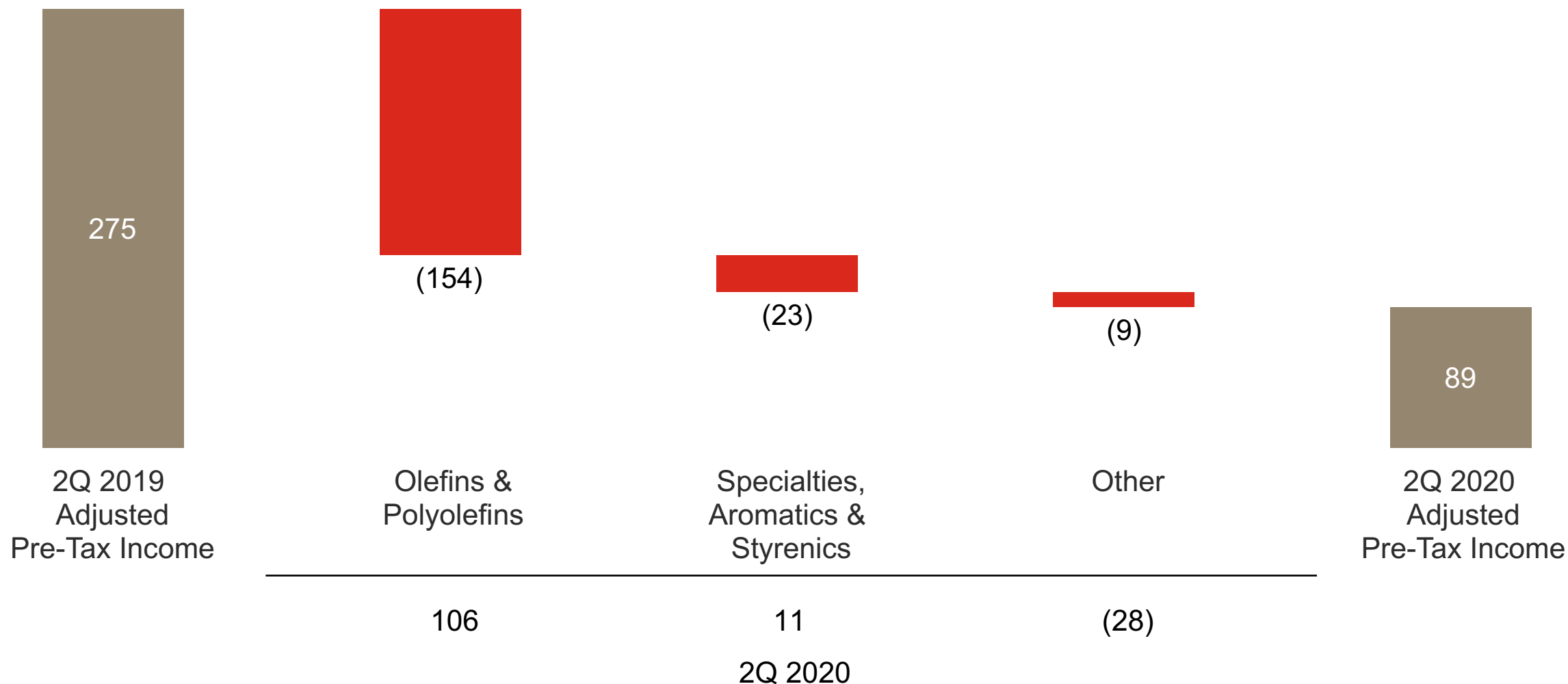
# 2Q 2020 Midstream Adjusted Pre-Tax Income

2Q 2020 VS. 2Q 2019 (\$MM)



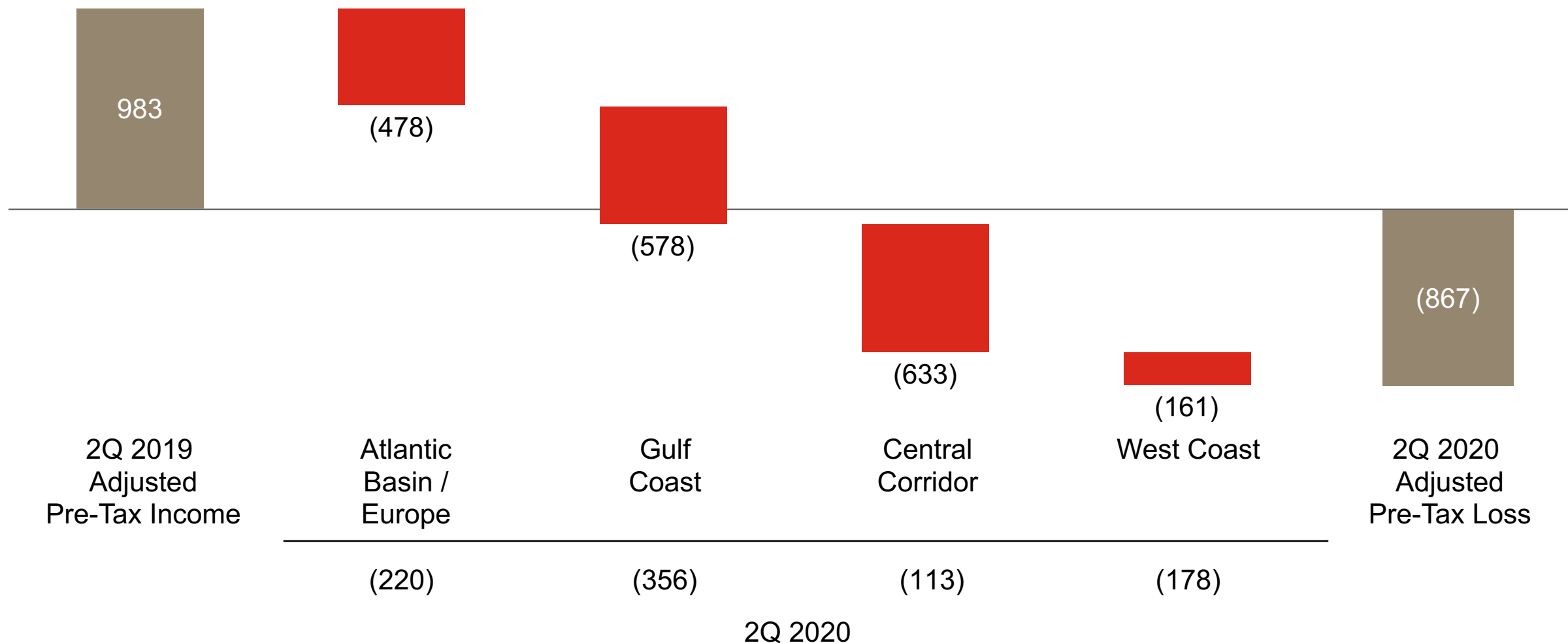
# 2Q 2020 Chemicals Adjusted Pre-Tax Income

2Q 2020 VS. 2Q 2019 (\$MM)



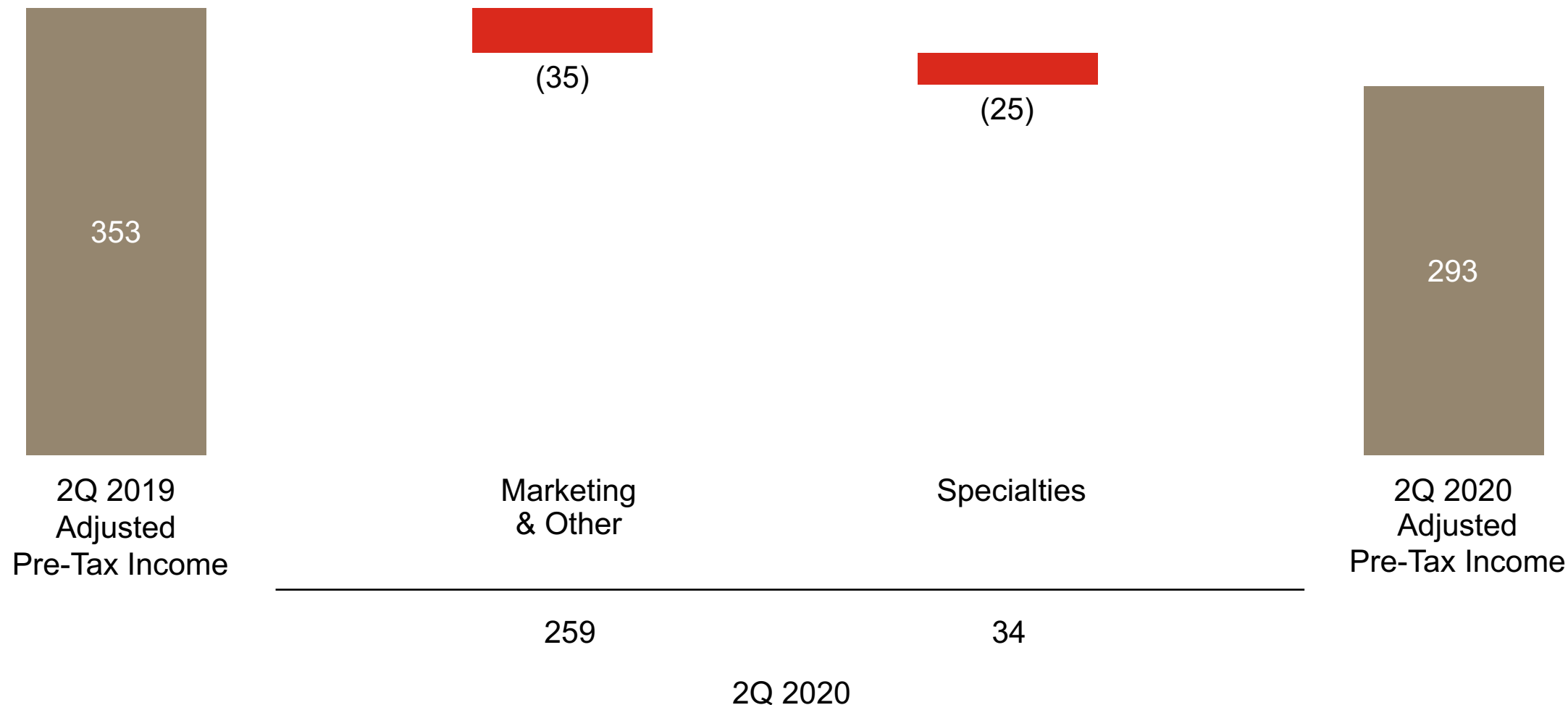
# 2Q 2020 Refining Adjusted Pre-Tax Loss

2Q 2020 VS. 2Q 2019 (\$MM)



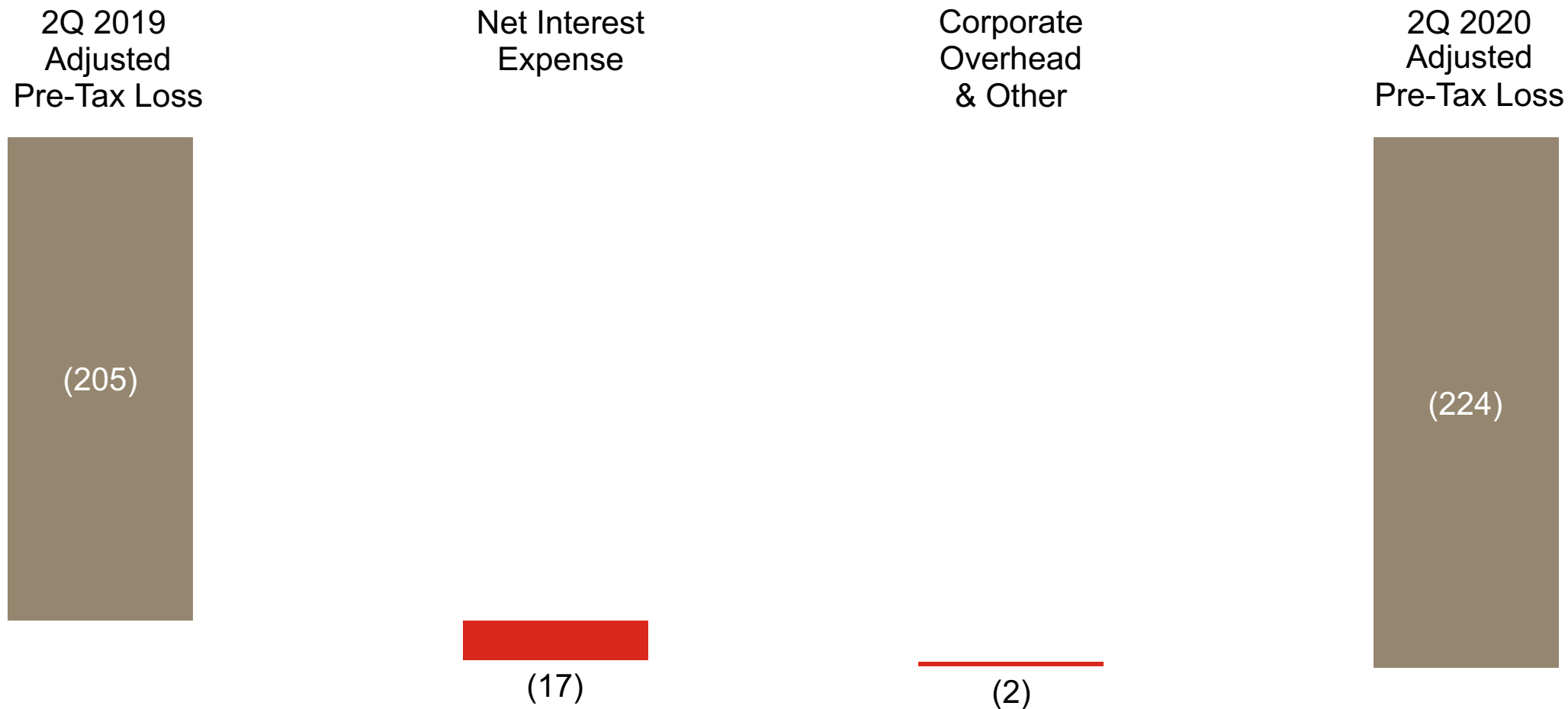
# 2Q 2020 Marketing & Specialties Adjusted Pre-Tax Income

2Q 2020 VS. 2Q 2019 (\$MM)



# 2Q 2020 Corporate & Other Adjusted Pre-Tax Loss

2Q 2020 VS. 2Q 2019 (\$MM)



# Non-GAAP Reconciliations

|                                                                               | Millions of Dollars<br>Except as Indicated |            |            |          |          |
|-------------------------------------------------------------------------------|--------------------------------------------|------------|------------|----------|----------|
|                                                                               | 2020                                       |            |            | 2019     |          |
|                                                                               | Jun YTD                                    | 2Q         | 1Q         | Jun YTD  | 2Q       |
| <b>Phillips 66</b>                                                            |                                            |            |            |          |          |
| Consolidated Earnings (Loss)                                                  | \$ (2,637)                                 | (141)      | (2,496)    | 1,628    | 1,424    |
| Pre-Tax Adjustments:                                                          |                                            |            |            |          |          |
| Pending claims and settlements                                                | (37)                                       | —          | (37)       | (21)     | —        |
| Pension settlement expense                                                    | 38                                         | 38         | —          | —        | —        |
| Impairments                                                                   | 3,006                                      | —          | 3,006      | —        | —        |
| Impairments by equity affiliates                                              | 15                                         | 15         | —          | —        | —        |
| Certain tax impacts                                                           | (8)                                        | (8)        | —          | —        | —        |
| Asset dispositions                                                            | (84)                                       | (84)       | —          | —        | —        |
| Lower-of-cost-or-market inventory adjustments                                 | 72                                         | 20         | 52         | —        | —        |
| Tax impact of adjustments <sup>1</sup>                                        | (283)                                      | (208)      | (75)       | 4        | —        |
| Other tax impacts                                                             | 20                                         | 20         | —          | (45)     | (45)     |
| Noncontrolling interests                                                      | 24                                         | 24         | —          | —        | —        |
| Adjusted Earnings (Loss)                                                      | \$ 126                                     | (324)      | 450        | 1,566    | 1,379    |
| <br>Earnings (Loss) Per Share of Common Stock (dollars)                       | <br>\$ (6.00)                              | <br>(0.33) | <br>(5.66) | <br>3.55 | <br>3.12 |
| <br>Adjusted Earnings (Loss) Per Share of Common Stock (dollars) <sup>2</sup> | <br>\$ 0.28                                | <br>(0.74) | <br>1.02   | <br>3.42 | <br>3.02 |

1) We generally tax effect taxable U.S.-based special items using a combined federal and state annual statutory income tax rate of approximately 25%. Taxable special items attributable to foreign locations likewise use a local statutory income tax rate. Nontaxable events reflect zero income tax. These events include, but are not limited to, most goodwill impairments, transactions legislatively exempt from income tax, transactions related to entities for which we have made an assertion that the undistributed earnings are permanently reinvested, or transactions occurring in jurisdictions with a valuation allowance.

2) Q1 2020 and YTD 2020 are based on adjusted weighted-average diluted shares outstanding of 442,302 thousand and 440,653 thousand, respectively, and other periods are based on the same weighted-average diluted shares outstanding as that used in the GAAP diluted earnings per share calculation. Income allocated to participating securities, if applicable, in the adjusted earnings per share calculation is the same as that used in the GAAP diluted earnings per share calculation.

# Non-GAAP Reconciliations

|                                               | Millions of Dollars<br>Except as Indicated |      |       |         |     |
|-----------------------------------------------|--------------------------------------------|------|-------|---------|-----|
|                                               | 2020                                       |      |       | 2019    |     |
|                                               | Jun YTD                                    | 2Q   | 1Q    | Jun YTD | 2Q  |
| <b>Midstream</b>                              |                                            |      |       |         |     |
| Pre-Tax Income (Loss)                         | \$ (378)                                   | 324  | (702) | 739     | 423 |
| Pre-Tax Adjustments:                          |                                            |      |       |         |     |
| Pension settlement expense                    | 5                                          | 5    | —     | —       | —   |
| Lower-of-cost-or-market inventory adjustments | 1                                          | —    | 1     | —       | —   |
| Impairments                                   | 1,161                                      | —    | 1,161 | —       | —   |
| Asset dispositions                            | (84)                                       | (84) | —     | —       | —   |
| Adjusted Pre-Tax Income                       | \$ 705                                     | 245  | 460   | 739     | 423 |
| <b>Chemicals</b>                              |                                            |      |       |         |     |
| Pre-Tax Income                                | \$ 211                                     | 42   | 169   | 502     | 275 |
| Pre-Tax Adjustments:                          |                                            |      |       |         |     |
| Lower-of-cost-or-market inventory adjustments | 56                                         | 32   | 24    | —       | —   |
| Impairments by equity affiliates              | 15                                         | 15   | —     | —       | —   |
| Adjusted Pre-Tax Income                       | \$ 282                                     | 89   | 193   | 502     | 275 |

# Non-GAAP Reconciliations

| Millions of Dollars<br>Except as Indicated    |            |       |         |         |       |
|-----------------------------------------------|------------|-------|---------|---------|-------|
|                                               | 2020       |       |         | 2019    |       |
|                                               | Jun YTD    | 2Q    | 1Q      | Jun YTD | 2Q    |
| <b>Refining</b>                               |            |       |         |         |       |
| Pre-Tax Income (Loss)                         | \$ (3,139) | (878) | (2,261) | 785     | 983   |
| Pre-Tax Adjustments:                          |            |       |         |         |       |
| Pending claims and settlements                | —          | —     | —       | (21)    | —     |
| Pension settlement expense                    | 26         | 26    | —       | —       | —     |
| Impairments                                   | 1,845      | —     | 1,845   | —       | —     |
| Lower-of-cost-or-market inventory adjustments | —          | (15)  | 15      | —       | —     |
| Adjusted Pre-Tax Income (Loss)                | \$ (1,268) | (867) | (401)   | 764     | 983   |
| <b>Marketing &amp; Specialties</b>            |            |       |         |         |       |
| Pre-Tax Income                                | \$ 799     | 286   | 513     | 558     | 353   |
| Pre-Tax Adjustments:                          |            |       |         |         |       |
| Lower-of-cost-or-market inventory adjustments | 15         | 3     | 12      | —       | —     |
| Pending claims and settlements                | (37)       | —     | (37)    | —       | —     |
| Pension settlement expense                    | 4          | 4     | —       | —       | —     |
| Adjusted Pre-Tax Income                       | \$ 781     | 293   | 488     | 558     | 353   |
| <b>Corporate &amp; Other</b>                  |            |       |         |         |       |
| Pre-Tax Loss                                  | \$ (416)   | (219) | (197)   | (415)   | (205) |
| Pre-Tax Adjustments:                          |            |       |         |         |       |
| Pension settlement expense                    | 3          | 3     | —       | —       | —     |
| Certain tax impacts                           | (8)        | (8)   | —       | —       | —     |
| Adjusted Pre-Tax Loss                         | \$ (421)   | (224) | (197)   | (415)   | (205) |

# Non-GAAP Reconciliations

|                                               | Millions of Dollars<br>Except as Indicated |      |         |         |     |
|-----------------------------------------------|--------------------------------------------|------|---------|---------|-----|
|                                               | 2020                                       |      |         | 2019    |     |
|                                               | Jun YTD                                    | 2Q   | 1Q      | Jun YTD | 2Q  |
| <b>Midstream - Transportation</b>             |                                            |      |         |         |     |
| Pre-Tax Income                                | \$ 414                                     | 214  | 200     | 448     | 245 |
| Pre-Tax Adjustments:                          |                                            |      |         |         |     |
| Asset dispositions                            | (84)                                       | (84) | —       | —       | —   |
| Adjusted Pre-Tax Income                       | \$ 330                                     | 130  | 200     | 448     | 245 |
| <b>Midstream - NGL &amp; Other</b>            |                                            |      |         |         |     |
| Pre-Tax Income                                | \$ 257                                     | 78   | 179     | 233     | 143 |
| Pre-Tax Adjustments:                          |                                            |      |         |         |     |
| Pension settlement expense                    | 5                                          | 5    | —       | —       | —   |
| Adjusted Pre-Tax Income                       | \$ 262                                     | 83   | 179     | 233     | 143 |
| <b>Midstream - DCP Midstream</b>              |                                            |      |         |         |     |
| Pre-Tax Income (Loss)                         | \$ (1,049)                                 | 32   | (1,081) | 58      | 35  |
| Pre-Tax Adjustments:                          |                                            |      |         |         |     |
| Impairments                                   | 1,161                                      | —    | 1,161   | —       | —   |
| Lower-of-cost-or-market inventory adjustments | 1                                          | —    | 1       | —       | —   |
| Adjusted Pre-Tax Income                       | \$ 113                                     | 32   | 81      | 58      | 35  |

# Non-GAAP Reconciliations

| Millions of Dollars<br>Except as Indicated                |         |      |      |         |      |
|-----------------------------------------------------------|---------|------|------|---------|------|
|                                                           | 2020    |      |      | 2019    |      |
|                                                           | Jun YTD | 2Q   | 1Q   | Jun YTD | 2Q   |
| <b>Chemicals - Olefins &amp; Polyolefins</b>              |         |      |      |         |      |
| Pre-Tax Income                                            | \$ 247  | 70   | 177  | 479     | 260  |
| Pre-Tax Adjustments:                                      |         |      |      |         |      |
| Lower-of-cost-or-market inventory adjustments             | 37      | 21   | 16   | —       | —    |
| Impairments by equity affiliates                          | 15      | 15   | —    | —       | —    |
| Adjusted Pre-Tax Income                                   | \$ 299  | 106  | 193  | 479     | 260  |
| <b>Chemicals - Specialties, Aromatics &amp; Styrenics</b> |         |      |      |         |      |
| Pre-Tax Income                                            | \$ 4    | —    | 4    | 60      | 34   |
| Pre-Tax Adjustments:                                      |         |      |      |         |      |
| Lower-of-cost-or-market inventory adjustments             | 19      | 11   | 8    | —       | —    |
| Adjusted Pre-Tax Income                                   | \$ 23   | 11   | 12   | 60      | 34   |
| <b>Chemicals - Other</b>                                  |         |      |      |         |      |
| Pre-Tax Loss                                              | \$ (40) | (28) | (12) | (37)    | (19) |
| Pre-Tax Adjustments:                                      |         |      |      |         |      |
| None                                                      | —       | —    | —    | —       | —    |
| Adjusted Pre-Tax Loss                                     | \$ (40) | (28) | (12) | (37)    | (19) |

# Non-GAAP Reconciliations

|                                           | Millions of Dollars<br>Except as Indicated |       |       |         |     |
|-------------------------------------------|--------------------------------------------|-------|-------|---------|-----|
|                                           | 2020                                       |       |       | 2019    |     |
|                                           | Jun YTD                                    | 2Q    | 1Q    | Jun YTD | 2Q  |
| <b>Refining - Atlantic Basin / Europe</b> |                                            |       |       |         |     |
| Pre-Tax Income (Loss)                     | \$ (864)                                   | (227) | (637) | 251     | 258 |
| Pre-Tax Adjustments:                      |                                            |       |       |         |     |
| Impairments                               | 441                                        | —     | 441   | —       | —   |
| Pension settlement expense                | 7                                          | 7     | —     | —       | —   |
| Adjusted Pre-Tax Income (Loss)            | \$ (416)                                   | (220) | (196) | 251     | 258 |
| <b>Refining - Gulf Coast</b>              |                                            |       |       |         |     |
| Pre-Tax Income (Loss)                     | \$ (1,208)                                 | (365) | (843) | 104     | 222 |
| Pre-Tax Adjustments:                      |                                            |       |       |         |     |
| Pension settlement expense                | 9                                          | 9     | —     | —       | —   |
| Impairments                               | 670                                        | —     | 670   | —       | —   |
| Adjusted Pre-Tax Income (Loss)            | \$ (529)                                   | (356) | (173) | 104     | 222 |

# Non-GAAP Reconciliations

|                                               | Millions of Dollars<br>Except as Indicated |       |       |         |      |
|-----------------------------------------------|--------------------------------------------|-------|-------|---------|------|
|                                               | 2020                                       |       |       | 2019    |      |
|                                               | Jun YTD                                    | 2Q    | 1Q    | Jun YTD | 2Q   |
| <b>Refining - Central Corridor</b>            |                                            |       |       |         |      |
| Pre-Tax Income (Loss)                         | \$ (331)                                   | (104) | (227) | 597     | 520  |
| Pre-Tax Adjustments:                          |                                            |       |       |         |      |
| Pending claims and settlements                | —                                          | —     | —     | (21)    | —    |
| Lower-of-cost-or-market inventory adjustments | —                                          | (15)  | 15    | —       | —    |
| Impairments                                   | 435                                        | —     | 435   | —       | —    |
| Pension settlement expense                    | 6                                          | 6     | —     | —       | —    |
| Adjusted Pre-Tax Income (Loss)                | \$ 110                                     | (113) | 223   | 576     | 520  |
| <b>Refining - West Coast</b>                  |                                            |       |       |         |      |
| Pre-Tax Loss                                  | \$ (736)                                   | (182) | (554) | (167)   | (17) |
| Pre-Tax Adjustments:                          |                                            |       |       |         |      |
| Impairments                                   | 299                                        | —     | 299   | —       | —    |
| Pension settlement expense                    | 4                                          | 4     | —     | —       | —    |
| Adjusted Pre-Tax Loss                         | \$ (433)                                   | (178) | (255) | (167)   | (17) |

# Non-GAAP Reconciliations

|                                                            | Millions of Dollars<br>Except as Indicated |     |      |         |     |
|------------------------------------------------------------|--------------------------------------------|-----|------|---------|-----|
|                                                            | 2020                                       |     |      | 2019    |     |
|                                                            | Jun YTD                                    | 2Q  | 1Q   | Jun YTD | 2Q  |
| <b>Marketing &amp; Specialties - Marketing &amp; Other</b> |                                            |     |      |         |     |
| Pre-Tax Income                                             | \$ 726                                     | 255 | 471  | 432     | 294 |
| Pre-Tax Adjustments:                                       |                                            |     |      |         |     |
| Pension settlement expense                                 | 4                                          | 4   | —    | —       | —   |
| Pending claims and settlements                             | (37)                                       | —   | (37) | —       | —   |
| Adjusted Pre-Tax Income                                    | \$ 693                                     | 259 | 434  | 432     | 294 |
| <b>Marketing &amp; Specialties - Specialties</b>           |                                            |     |      |         |     |
| Pre-Tax Income                                             | \$ 73                                      | 31  | 42   | 126     | 59  |
| Pre-Tax Adjustments:                                       |                                            |     |      |         |     |
| Lower-of-cost-or-market inventory adjustments              | 15                                         | 3   | 12   | —       | —   |
| Adjusted Pre-Tax Income                                    | \$ 88                                      | 34  | 54   | 126     | 59  |

# Non-GAAP Reconciliations

|                                                                               | Millions of Dollars (Except as Indicated) |            |                     |            |             |
|-------------------------------------------------------------------------------|-------------------------------------------|------------|---------------------|------------|-------------|
|                                                                               | 2Q 2020                                   |            |                     |            |             |
|                                                                               | Atlantic Basin/<br>Europe                 | Gulf Coast | Central<br>Corridor | West Coast | Worldwide   |
| <b>Realized Refining Margins</b>                                              |                                           |            |                     |            |             |
| Loss before income taxes                                                      | \$ (227)                                  | (365)      | (104)               | (182)      | (878)       |
| Plus:                                                                         |                                           |            |                     |            |             |
| Taxes other than income taxes                                                 | 15                                        | 25         | 14                  | 22         | 76          |
| Depreciation, amortization and impairments                                    | 49                                        | 75         | 33                  | 63         | 220         |
| Selling, general and administrative expenses                                  | 12                                        | 10         | 7                   | 9          | 38          |
| Operating expenses                                                            | 190                                       | 277        | 120                 | 216        | 803         |
| Equity in (earnings) losses of affiliates                                     | 3                                         | (1)        | 79                  | —          | 81          |
| Other segment expense, net                                                    | 3                                         | —          | 3                   | 1          | 7           |
| Proportional share of refining gross margins contributed by equity affiliates | 16                                        | —          | 92                  | —          | 108         |
| Special items:                                                                |                                           |            |                     |            |             |
| Lower-of-cost-or-market inventory adjustments                                 | —                                         | —          | (35)                | —          | (35)        |
| <b>Realized refining margins</b>                                              | <b>\$ 61</b>                              | <b>21</b>  | <b>209</b>          | <b>129</b> | <b>420</b>  |
| <br>Total processed inputs (thousands of barrels)                             | <br>39,121                                | <br>61,032 | <br>20,778          | <br>25,737 | <br>146,668 |
| Adjusted total processed inputs (thousands of barrels) <sup>1</sup>           | 39,121                                    | 61,032     | 36,067              | 25,737     | 161,957     |
| <br>Loss before income taxes (dollars per barrel) <sup>2</sup>                | <br>\$ (5.80)                             | <br>(5.98) | <br>(5.01)          | <br>(7.07) | <br>(5.99)  |
| Realized refining margins (dollars per barrel) <sup>3</sup>                   | \$ 1.53                                   | 0.36       | 5.78                | 5.05       | 2.60        |

1) Adjusted total processed inputs include our proportional share of processed inputs of an equity affiliate.

2) Loss before income taxes divided by total processed inputs.

3) Realized refining margins per barrel, as presented, are calculated using the underlying realized refining margin amounts, in dollars, divided by adjusted total processed inputs, in barrels. As such, recalculated per barrel amounts using the rounded margins and barrels presented may differ from the presented per barrel amounts.

# Non-GAAP Reconciliations

|                                            | 2020 June YTD |         |
|--------------------------------------------|---------------|---------|
| Numerator (\$MM)                           |               |         |
| Net Loss                                   | \$            | (2,494) |
| After-tax interest expense                 |               | 180     |
| GAAP ROCE loss                             |               | (2,314) |
| After-tax special items                    |               | 2,739   |
| Adjusted ROCE earnings                     | \$            | 425     |
| Denominator (\$MM)                         |               |         |
| GAAP average capital employed <sup>1</sup> | \$            | 38,337  |
|                                            |               |         |
| 2020 Annualized GAAP ROCE                  |               | (12)%   |
| 2020 Annualized Adjusted ROCE              |               | 2 %     |

1) Capital employed is total equity plus total debt

# Non-GAAP Reconciliations

| Millions of Dollars (Except as Indicated) |                             |                                      |                                               |
|-------------------------------------------|-----------------------------|--------------------------------------|-----------------------------------------------|
| June 30, 2020                             |                             |                                      |                                               |
|                                           | Phillips 66<br>Consolidated | Phillips 66<br>Partners <sup>1</sup> | Phillips 66 Excluding<br>Phillips 66 Partners |
| Total Debt                                | \$ 14,446                   | 3,707                                | 10,739                                        |
| Total Equity                              | 23,295                      | 2,550                                | 20,745                                        |
| Debt-to-Capital Ratio                     | 38 %                        |                                      | 34 %                                          |
| Total Cash                                | \$ 1,890                    | 7                                    | 1,883                                         |
| Net Debt-to-Capital Ratio                 | 35 %                        |                                      | 30 %                                          |

1) Phillips 66 Partners' third-party debt and Phillips 66's noncontrolling interest attributable to Phillips 66 Partners

# Non-GAAP Reconciliations

|                                                                       | Millions of Dollars |            |       | Millions of Dollars |            |       |
|-----------------------------------------------------------------------|---------------------|------------|-------|---------------------|------------|-------|
|                                                                       | 2Q 2020             |            |       | 2020 June YTD       |            |       |
|                                                                       | Growth              | Sustaining | Total | Growth              | Sustaining | Total |
| Capital Expenditures and Investments                                  |                     |            |       |                     |            |       |
| Midstream                                                             | \$ 543              | 54         | 597   | \$ 1,072            | 105        | 1,177 |
| Refining                                                              | 67                  | 97         | 164   | 165                 | 244        | 409   |
| Marketing & Specialties                                               | 73                  | 13         | 86    | 89                  | 22         | 111   |
| Corporate & Other                                                     | 1                   | 53         | 54    | 2                   | 102        | 104   |
| Adjusted Capital Spending                                             | 684                 | 217        | 901   | 1,328               | 473        | 1,801 |
| Capital Spending Funded by Certain Joint Venture Partners (Midstream) | 38                  | —          | 38    | 61                  | —          | 61    |
| Total                                                                 | \$ 722              | 217        | 939   | \$ 1,389            | 473        | 1,862 |

# Non-GAAP Reconciliations

|                                   | Millions of Dollars<br>Except as Indicated |        |
|-----------------------------------|--------------------------------------------|--------|
|                                   | 2Q 2020                                    |        |
| Effective Tax Rates               |                                            |        |
| Loss before income taxes          | \$                                         | (445)  |
| Special items                     |                                            | (19)   |
| Adjusted loss before income taxes | \$                                         | (464)  |
| Income tax benefit                | \$                                         | (378)  |
| Special items                     |                                            | 188    |
| Adjusted income tax benefit       | \$                                         | (190)  |
| GAAP effective tax rate           |                                            | 84.9 % |
| Adjusted effective tax rate       |                                            | 40.9 % |