



PROVIDING ENERGY. IMPROVING LIVES.

Second Quarter 2021 Conference Call

August 3, 2021



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: the continuing effects of the COVID-19 pandemic and its negative impact on commercial activity and demand for refined petroleum products; the inability to timely obtain or maintain permits necessary for capital projects; changes to worldwide government policies relating to renewable fuels and greenhouse gas emissions that adversely affect programs like the renewable fuel standards program, low carbon fuel standards and tax credits for biofuels; 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; the level and success of drilling and production volumes around our Midstream assets; risks and uncertainties with respect to the actions of actual or potential competitive suppliers and transporters of refined petroleum products, renewable fuels or specialty 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; failure to complete construction of capital projects on time and within budget; the inability to comply with governmental regulations or make capital expenditures to maintain compliance; 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 domestic and international economic and political developments including armed hostilities, expropriation of assets, and other political, economic or diplomatic developments, including those caused by public health issues and international monetary conditions and exchange controls; changes in governmental policies relating to NGL, crude oil, natural gas, refined petroleum products, or renewable fuels pricing, regulation or taxation, including exports; changes in estimates or projections used to assess fair value of intangible assets, goodwill and property and equipment and/or strategic decisions with respect to our asset portfolio that cause impairment charges; investments required, or reduced demand for products, as a result of environmental rules and regulations; changes in tax, environmental and other laws and regulations (including alternative energy mandates); the operation, financing and distribution decisions of equity affiliates we do not control; the impact of adverse market conditions or other similar risks to those identified herein affecting PSXP, 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 Ethylene Unit
SWEENY/OLD OCEAN, TX

2Q 2021 Overview

\$MM (UNLESS OTHERWISE NOTED)

Adjusted earnings	\$ 329
Adjusted EPS ¹	0.74
Operating cash flow	1,743
Capital expenditures and investments	380
Shareholder distributions ²	394
Common shares outstanding at June 30	438 MM

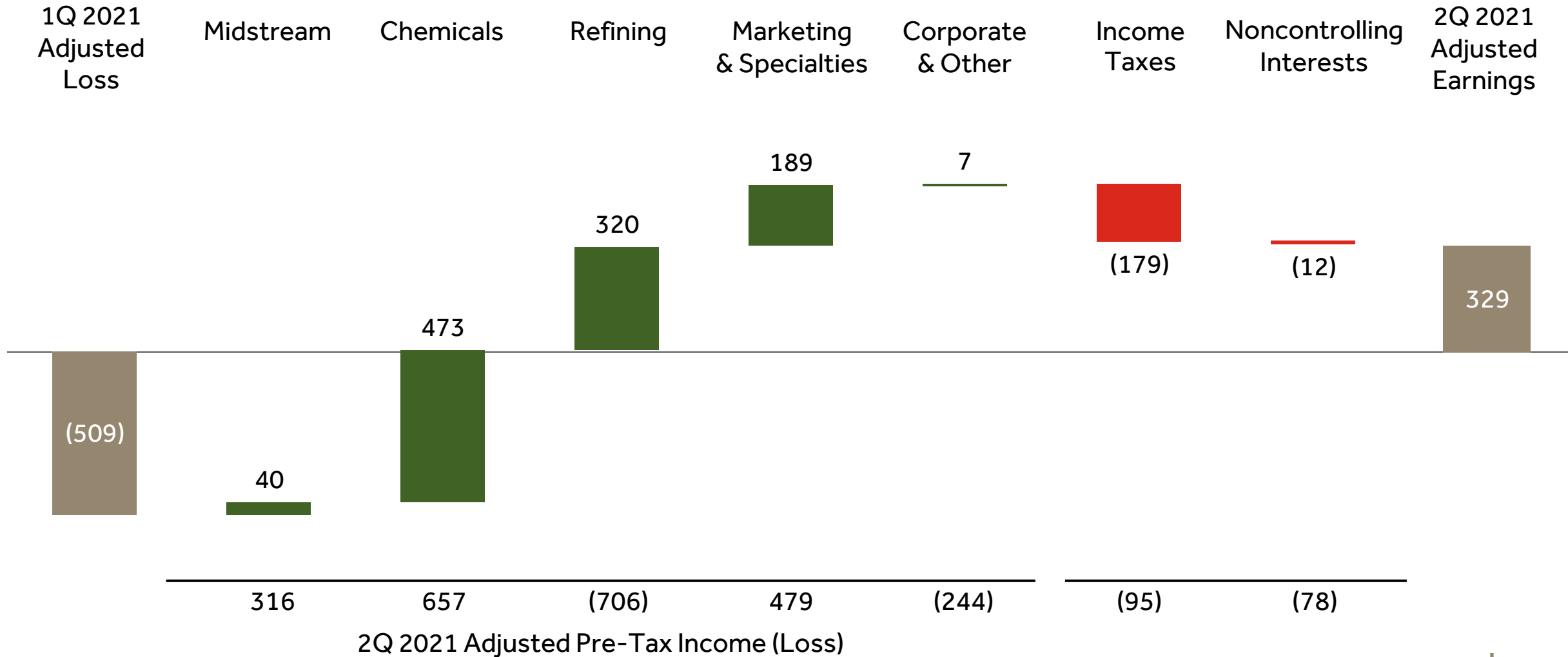
1) Dollars per share

2) Shareholder distributions represent dividends; share repurchases remained suspended



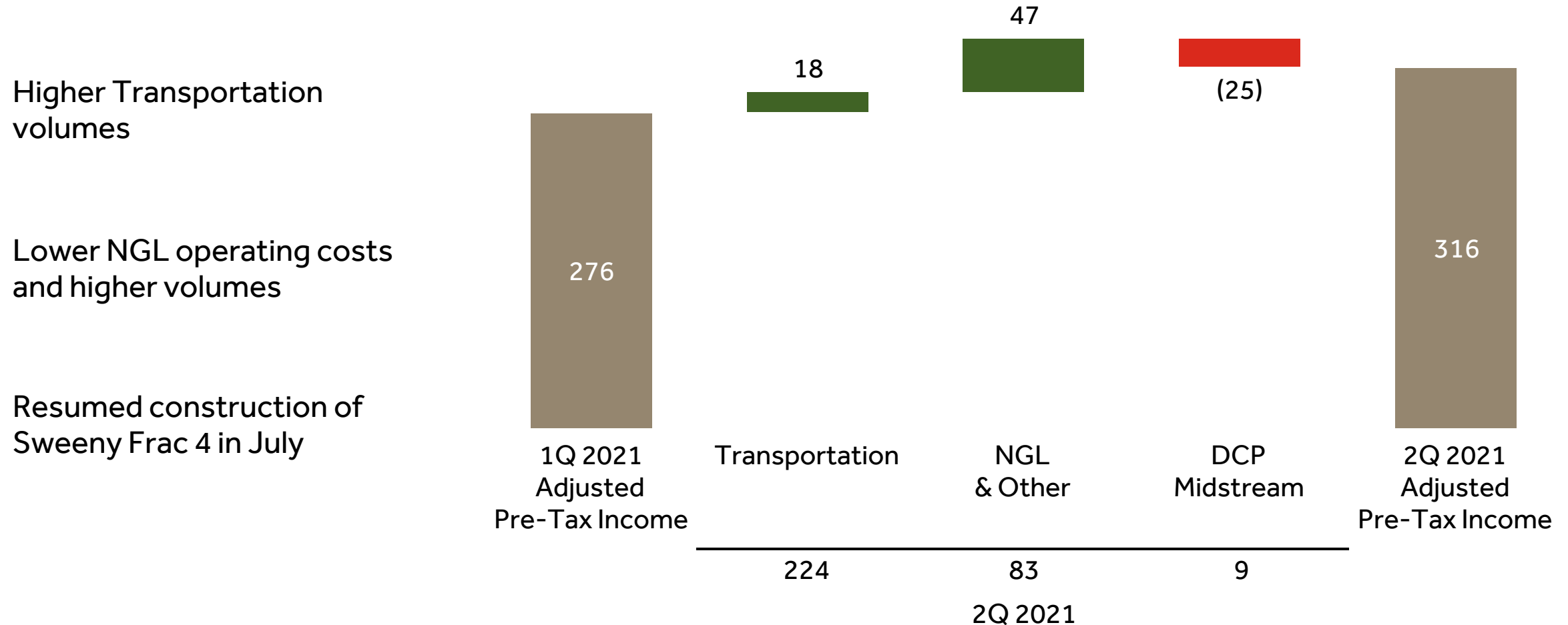
2Q 2021 Adjusted Earnings

2Q 2021 VS. 1Q 2021 (\$MM)



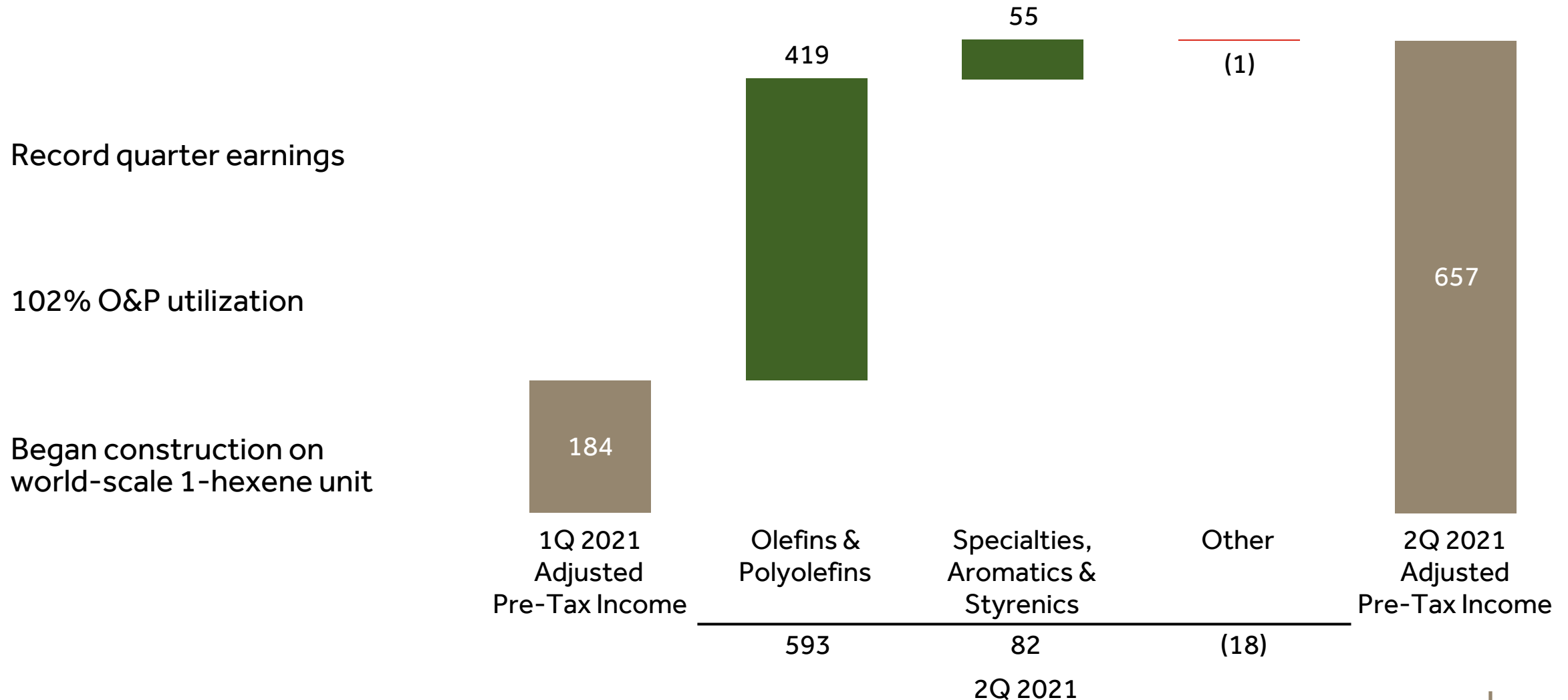
2Q 2021 Midstream Adjusted Pre-Tax Income

2Q 2021 VS. 1Q 2021 (\$MM)



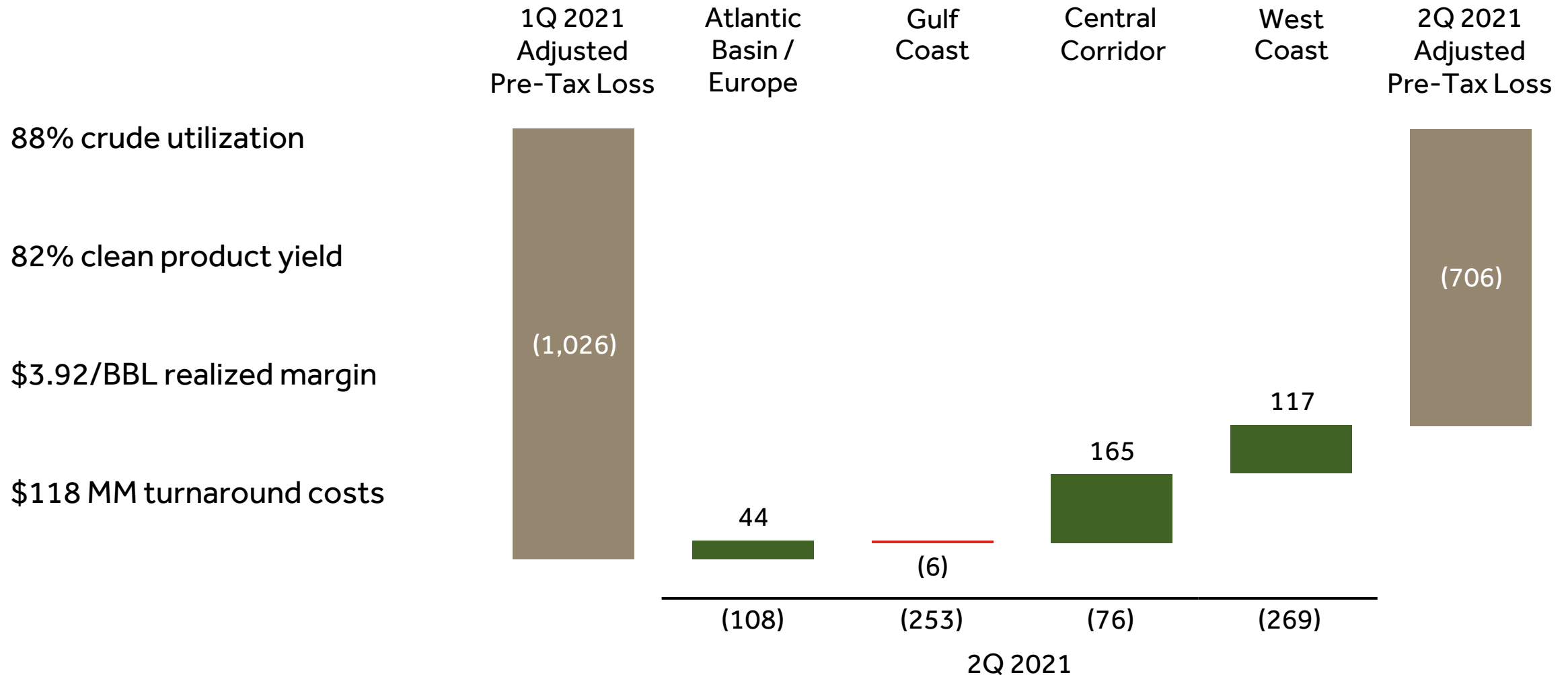
2Q 2021 Chemicals Adjusted Pre-Tax Income

2Q 2021 VS. 1Q 2021 (\$MM)



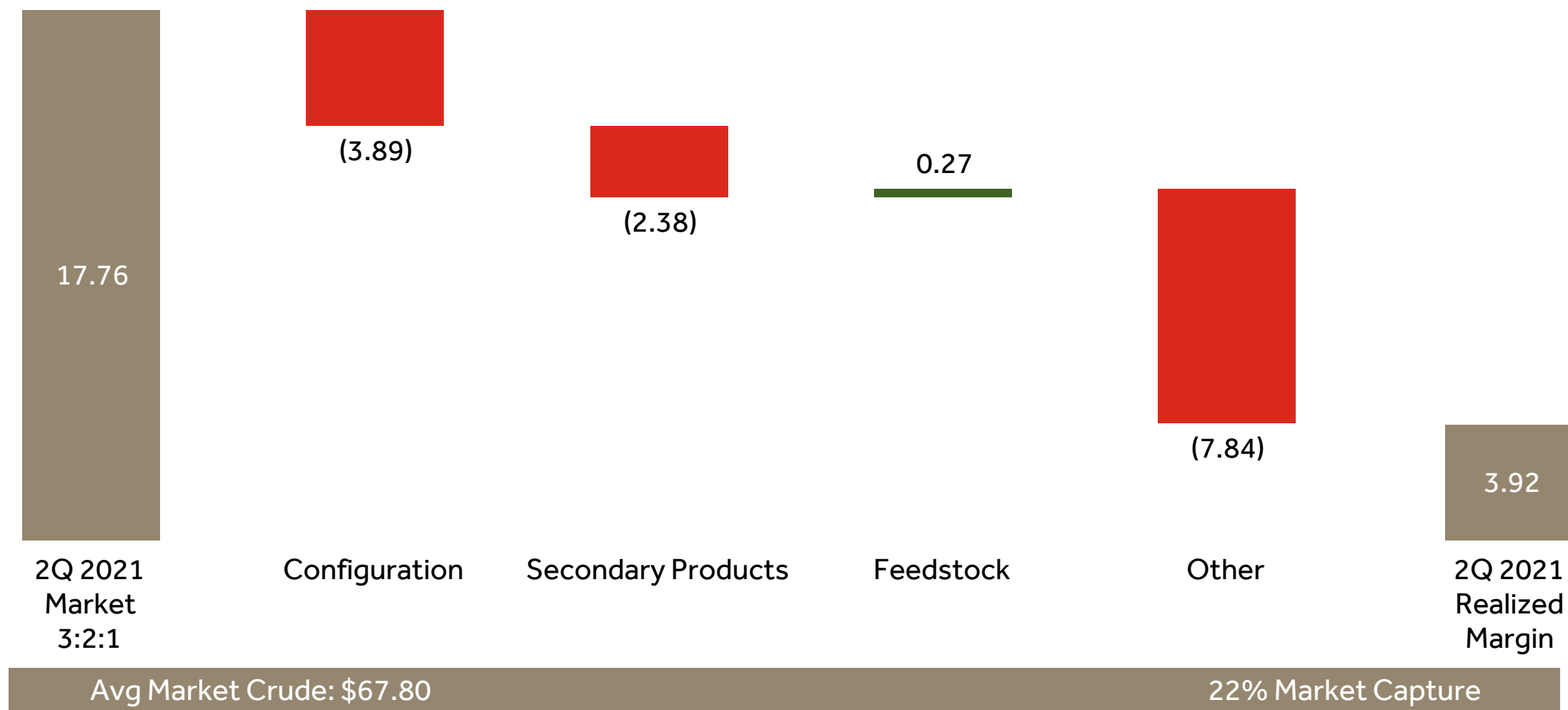
2Q 2021 Refining Adjusted Pre-Tax Loss

2Q 2021 VS. 1Q 2021 (\$MM)



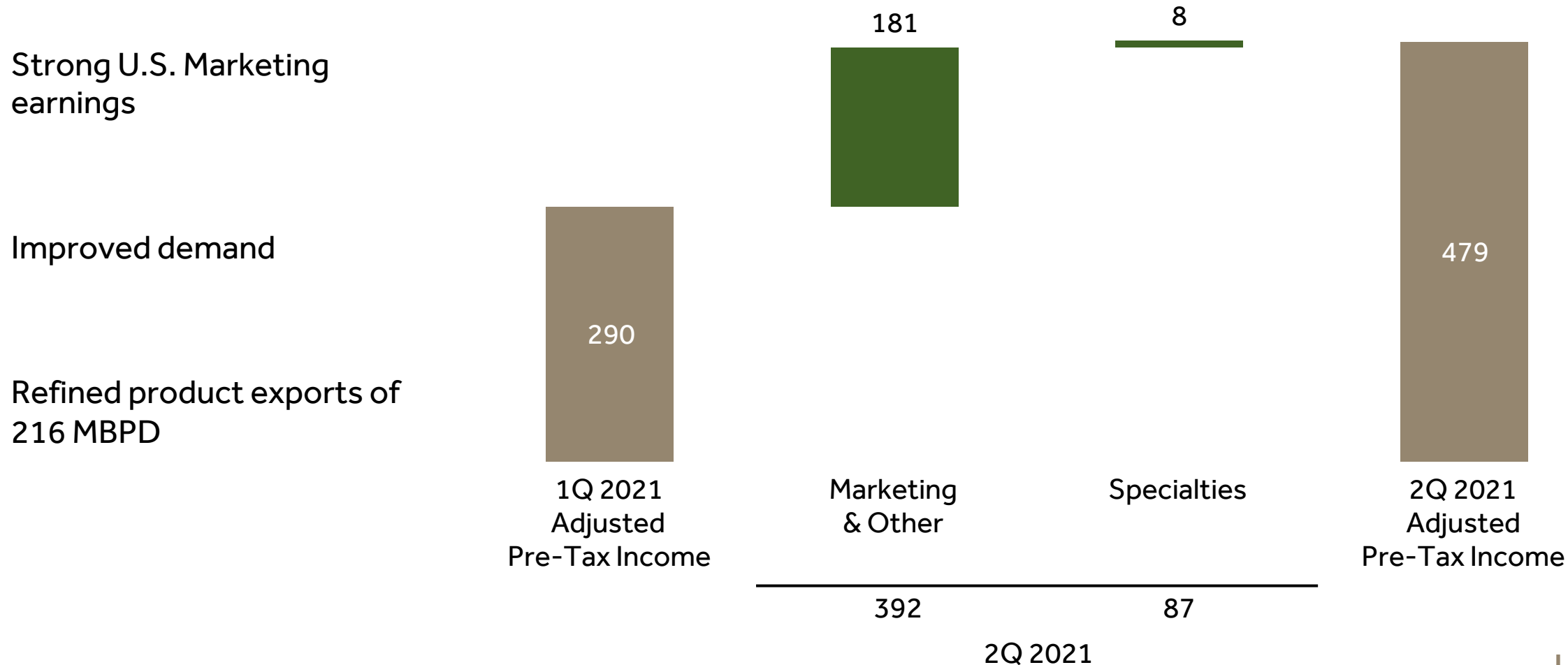
2Q 2021 Refining Margins – Market vs. Realized

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



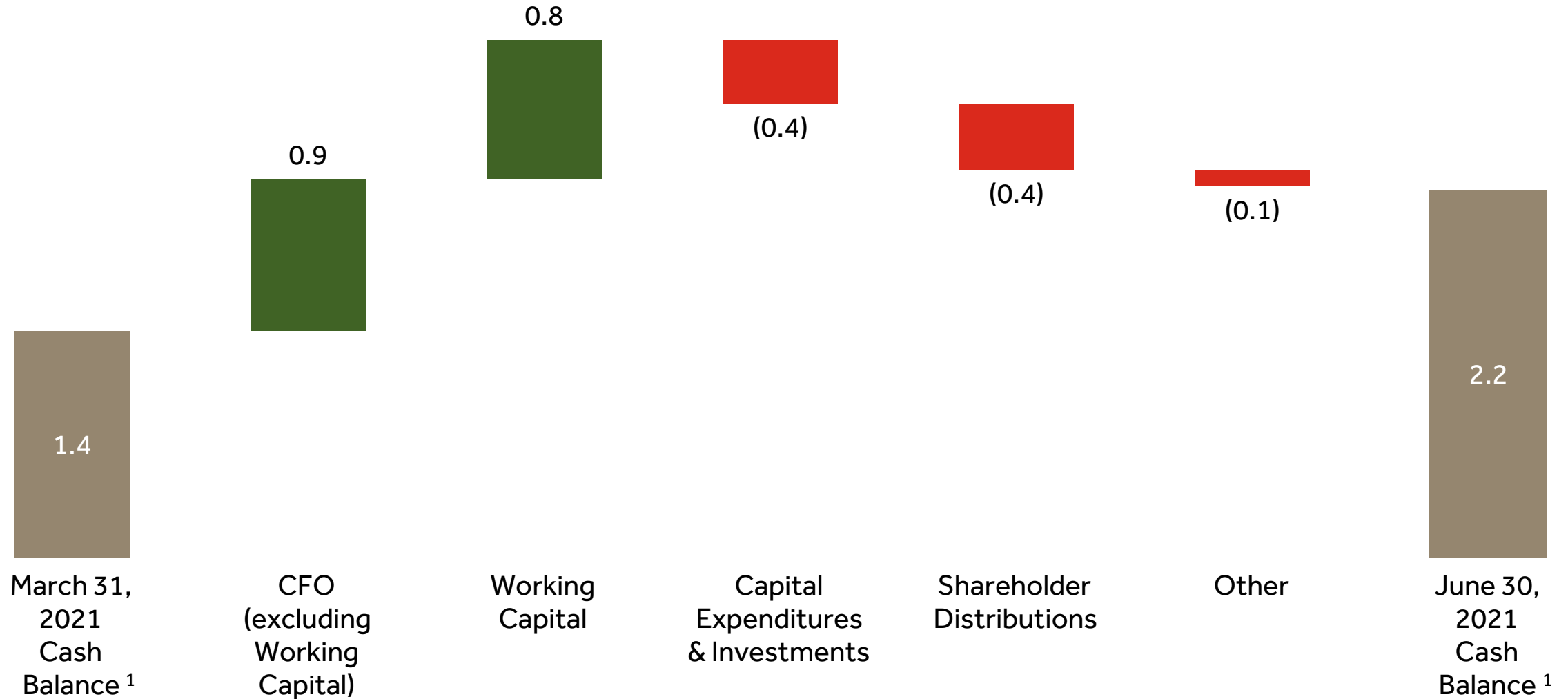
2Q 2021 Marketing & Specialties Adjusted Pre-Tax Income

2Q 2021 VS. 1Q 2021 (\$MM)



2Q 2021 Cash Flow

\$B



¹) Includes cash and cash equivalents

Outlook

3Q 2021

Global Olefins & Polyolefins utilization	Mid-90%
Refining crude utilization	Market Conditions
Refining turnaround expenses (pre-tax)	\$120 MM – \$150 MM
Corporate & Other costs (pre-tax)	\$240 MM – \$250 MM





Questions and Answers





Appendix

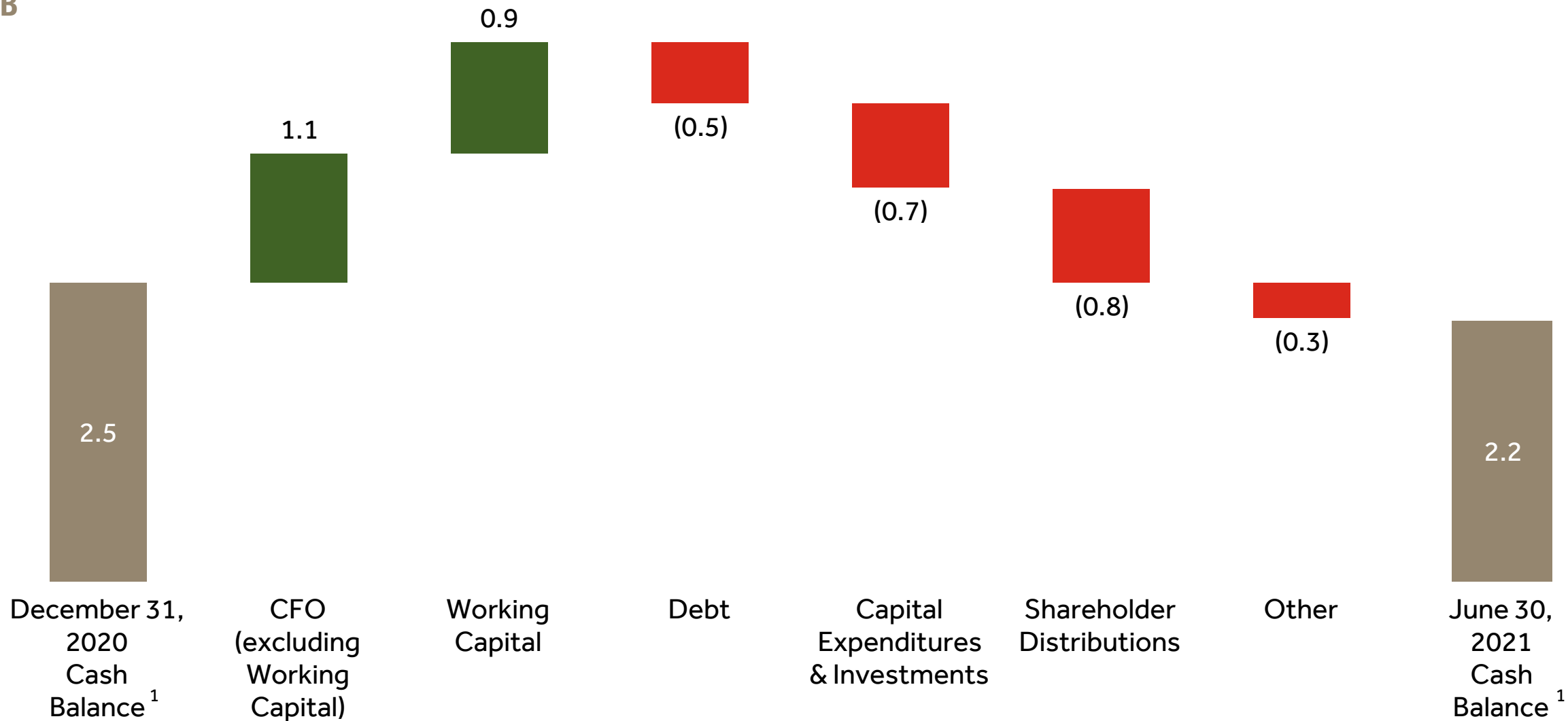


2021 Estimated Sensitivities

	Annual EBITDA \$MM
Midstream - DCP (net to Phillips 66)	
10¢/Gal Increase in NGL price	14
Chemicals - CPChem (net to Phillips 66)	
1¢/Lb Increase in Chain Margin (Ethylene, Polyethylene, NAO)	65
Worldwide Refining	
\$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)

YTD 2021 Cash Flow

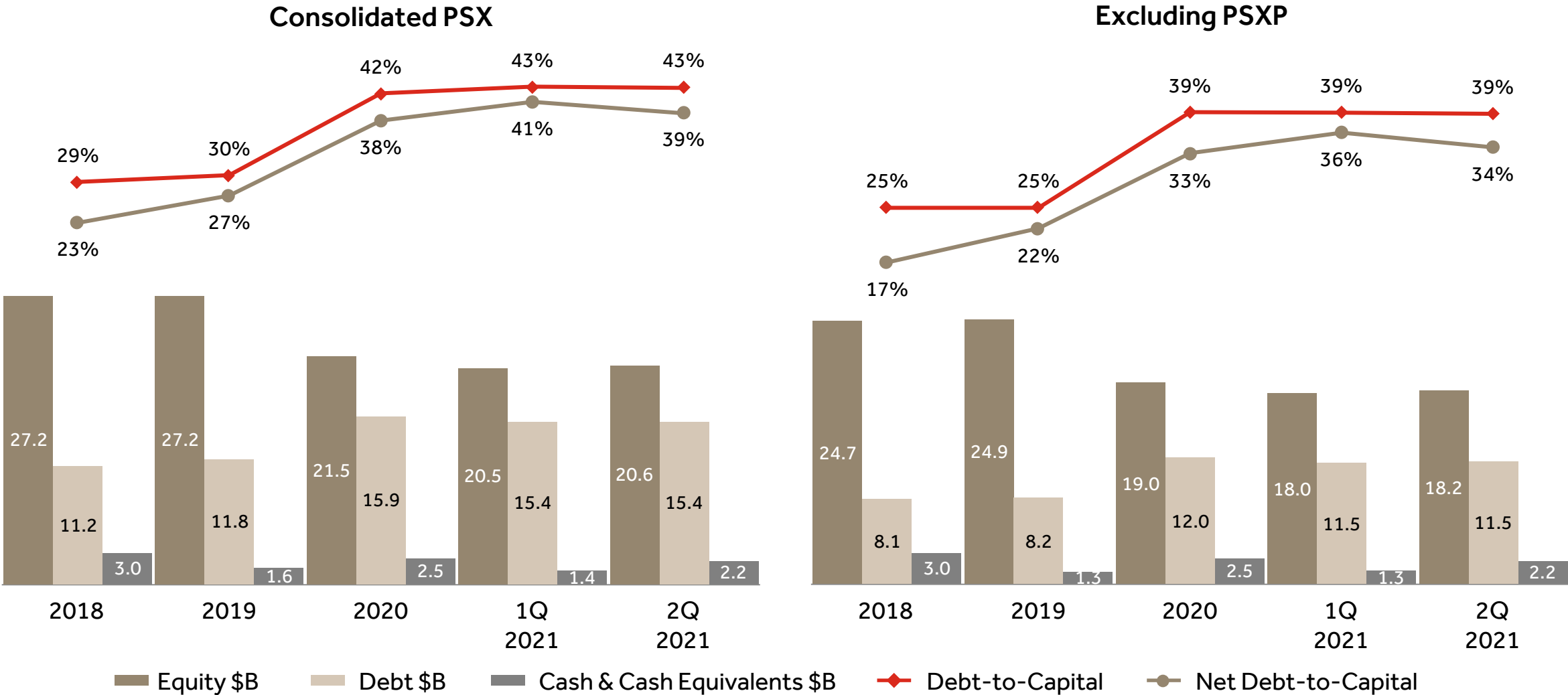
\$B



1) Includes cash and cash equivalents

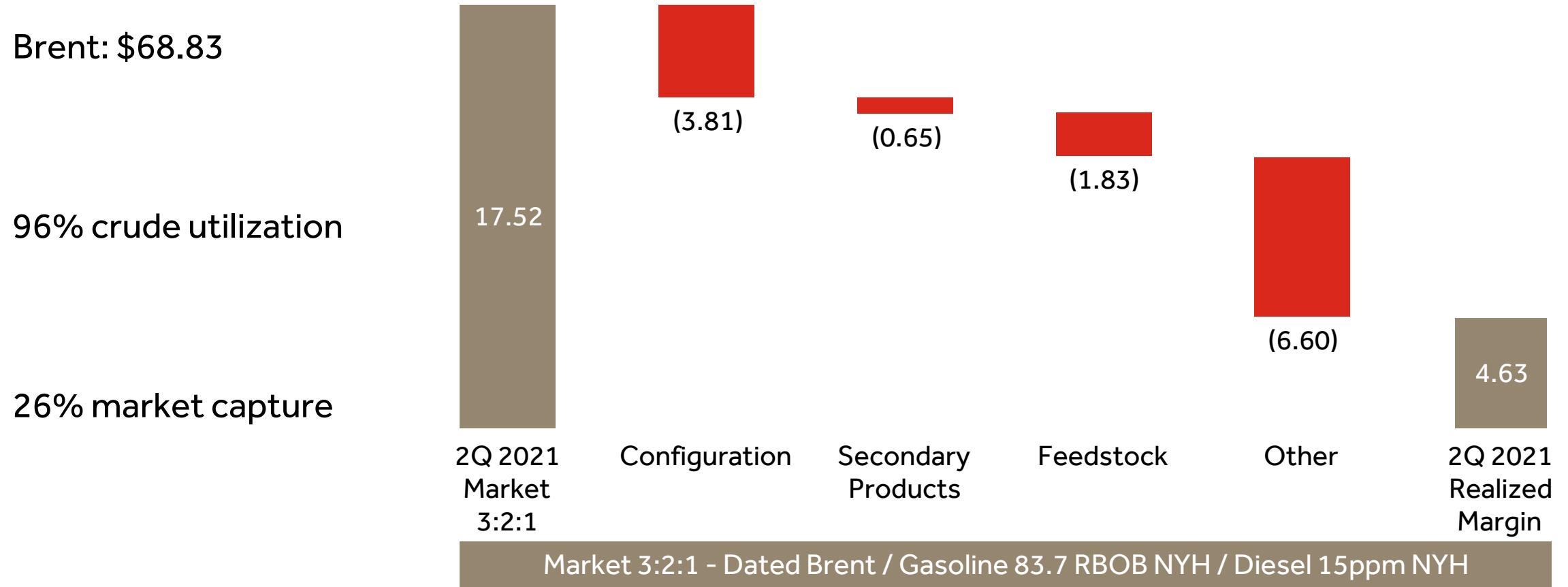


Capital Structure



2Q 2021 Refining Margins – Market vs. Realized

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



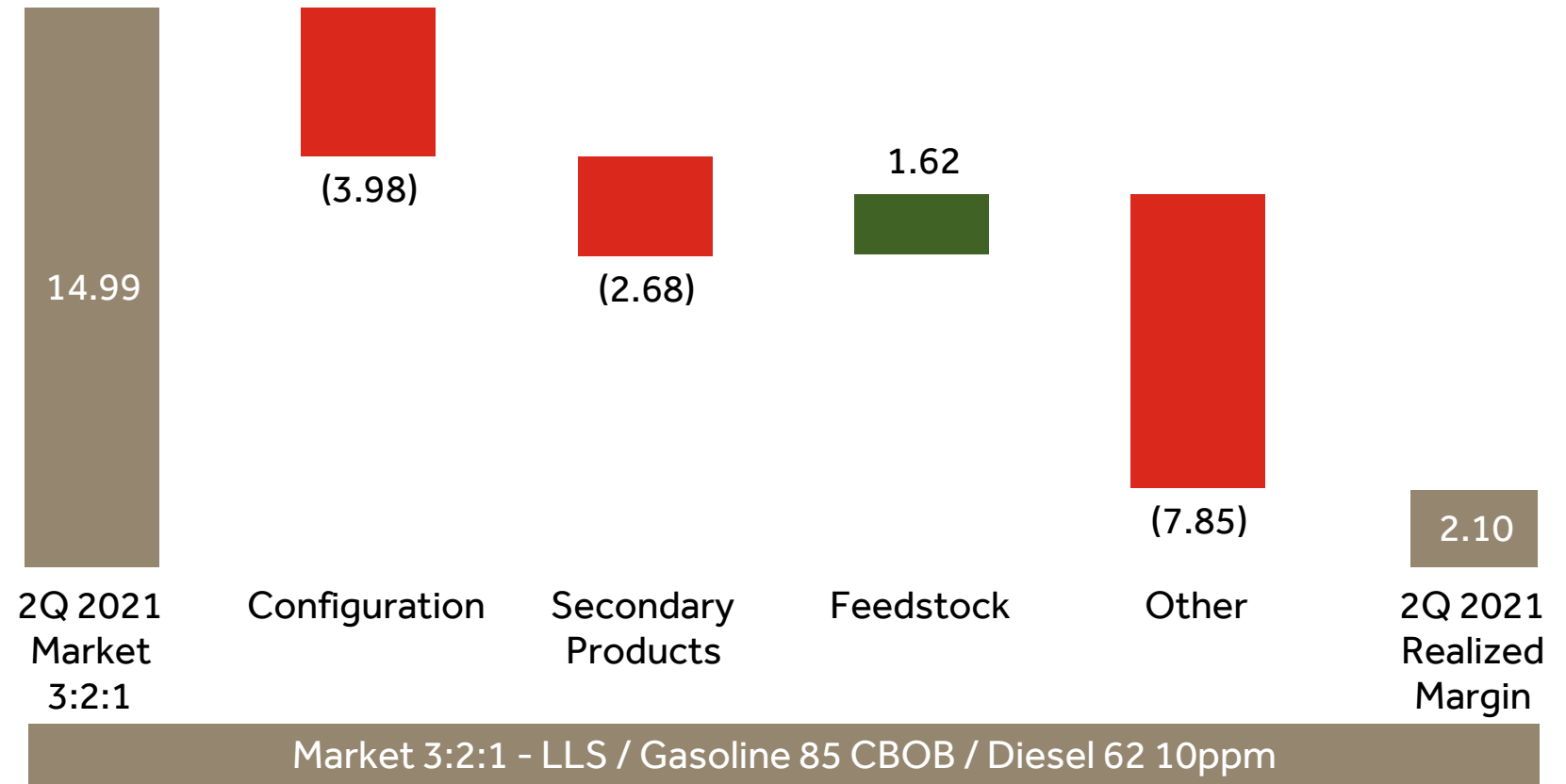
2Q 2021 Refining Margins – Market vs. Realized

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

LLS: \$67.95

88% crude utilization

14% market capture



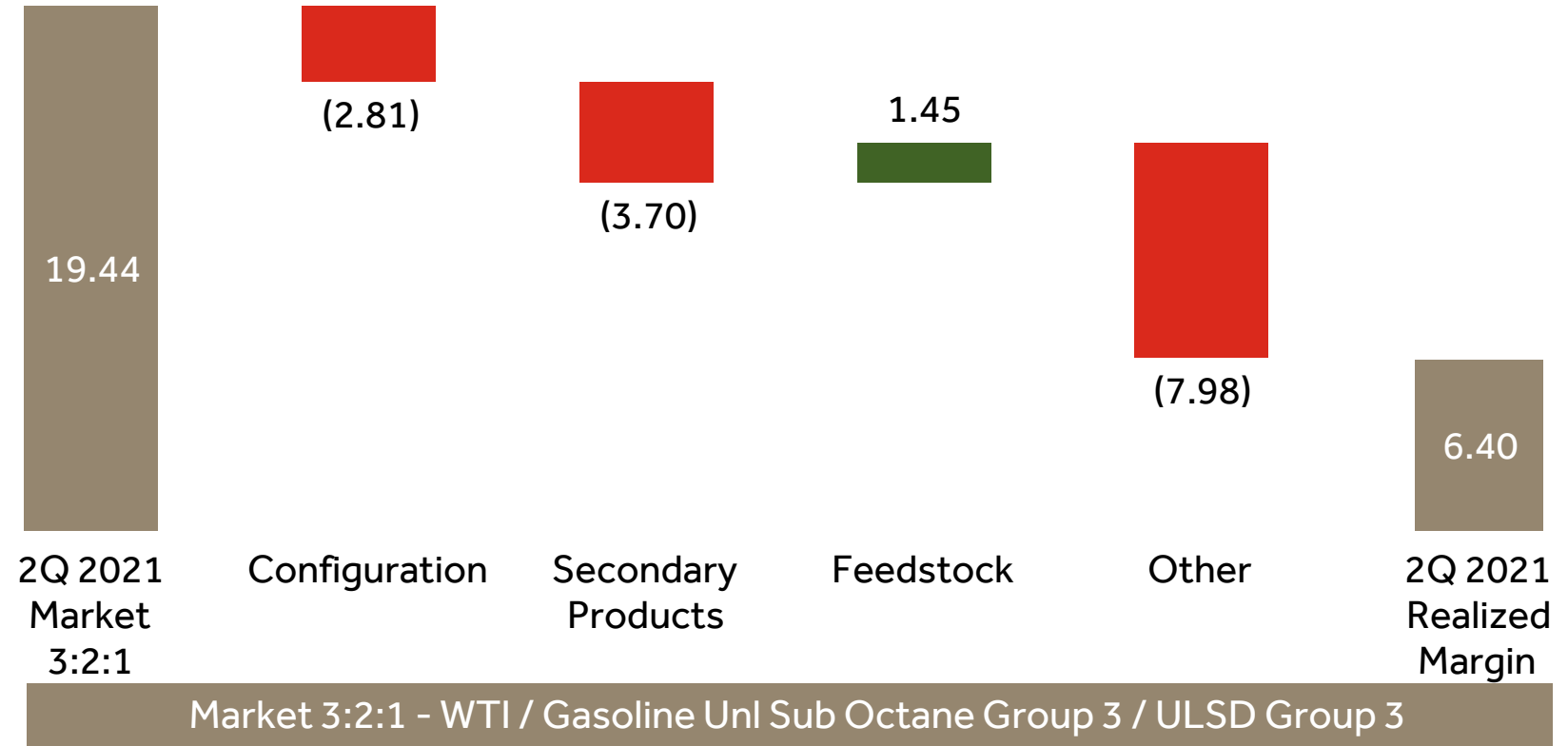
2Q 2021 Refining Margins – Market vs. Realized

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

WTI: \$66.09

87% crude utilization

33% market capture



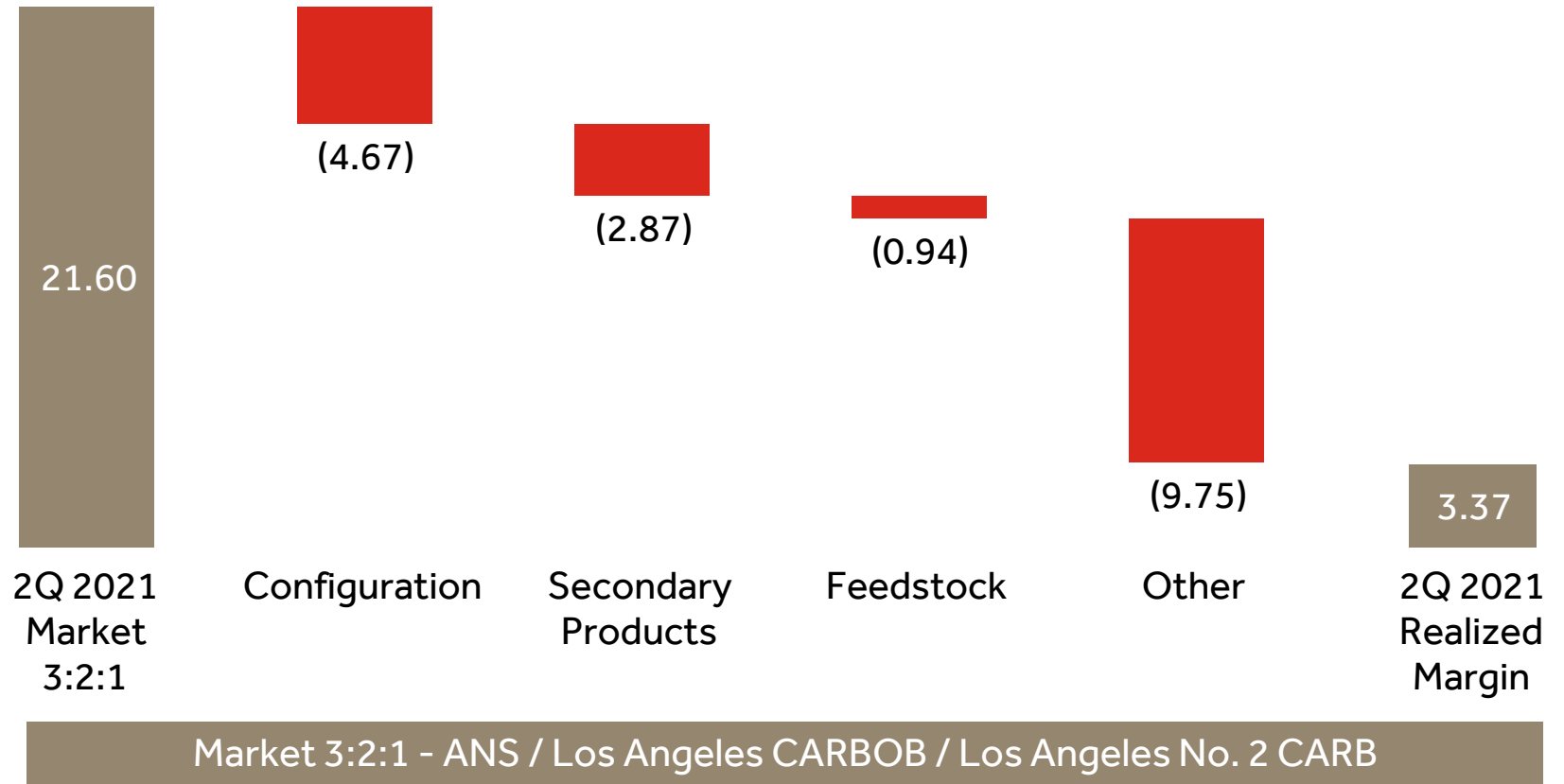
2Q 2021 Refining Margins – Market vs. Realized

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

ANS: \$68.44

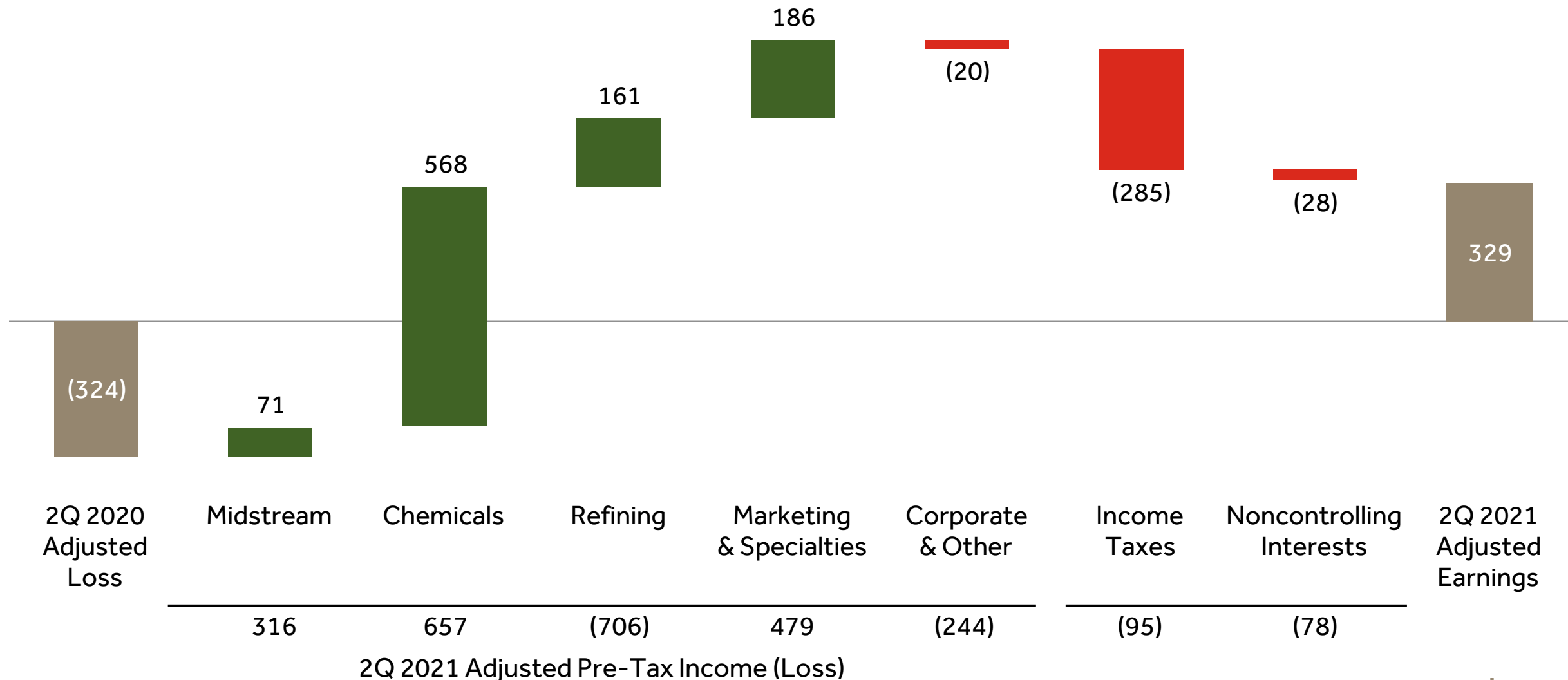
79% crude utilization

16% market capture



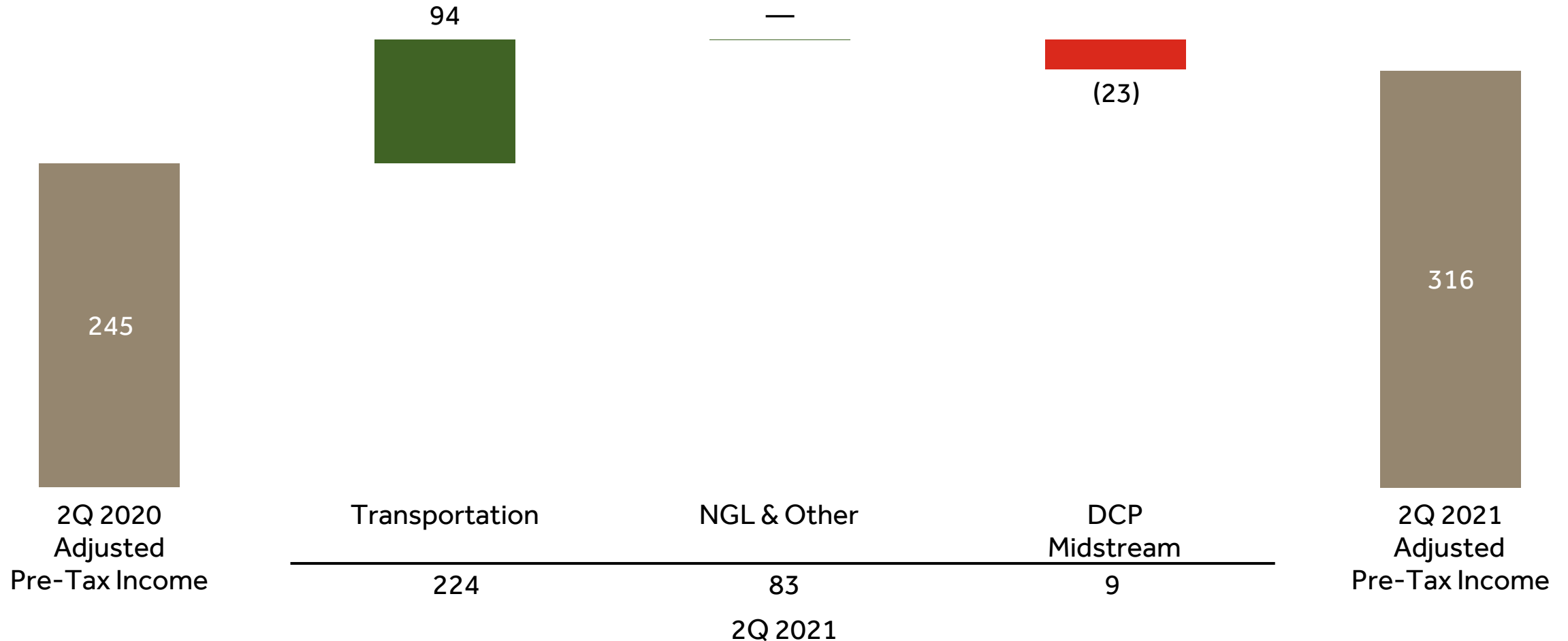
2Q 2021 Adjusted Earnings

2Q 2021 VS. 2Q 2020 (\$MM)



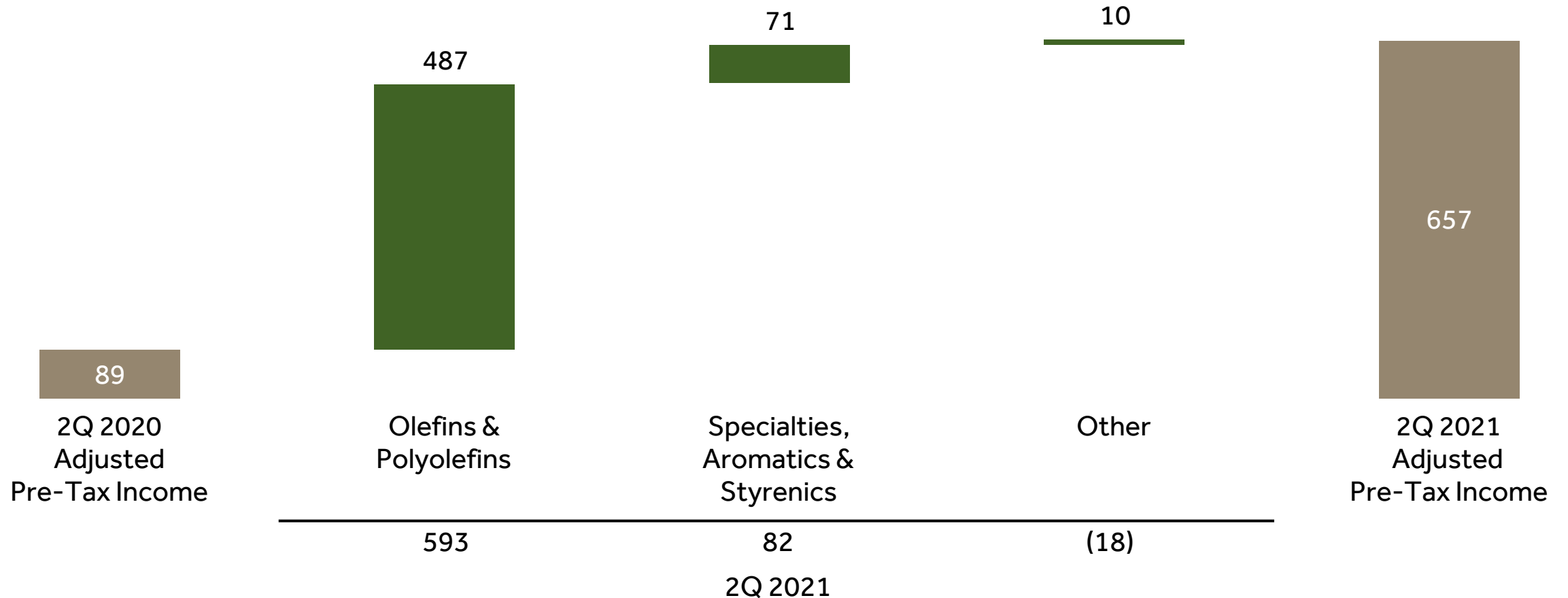
2Q 2021 Midstream Adjusted Pre-Tax Income

2Q 2021 VS. 2Q 2020 (\$MM)



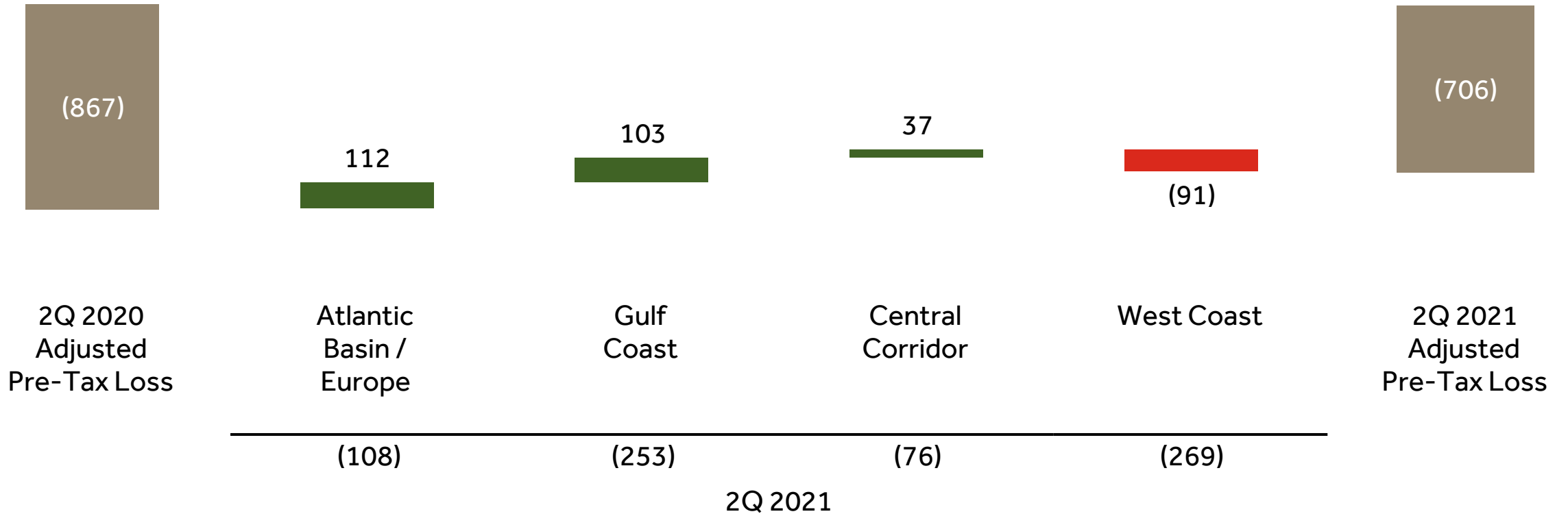
2Q 2021 Chemicals Adjusted Pre-Tax Income

2Q 2021 VS. 2Q 2020 (\$MM)



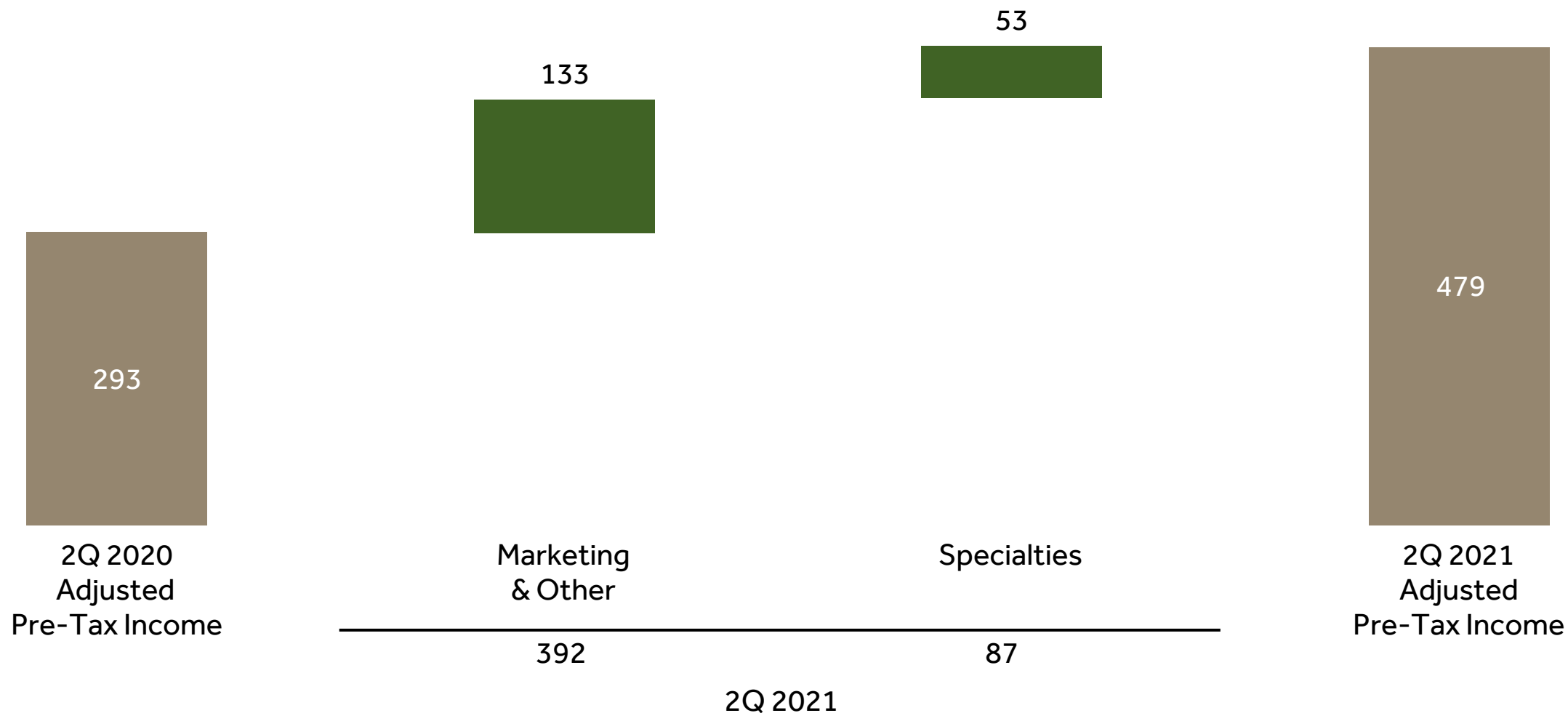
2Q 2021 Refining Adjusted Pre-Tax Loss

2Q 2021 VS. 2Q 2020 (\$MM)



2Q 2021 Marketing & Specialties Adjusted Pre-Tax Income

2Q 2021 VS. 2Q 2020 (\$MM)



2Q 2021 Corporate & Other Adjusted Pre-Tax Loss

2Q 2021 VS. 2Q 2020 (\$MM)

2Q 2020
Adjusted
Pre-Tax Loss

(224)

Net Interest
Expense

(19)

Corporate
Overhead
& Other

(1)

2Q 2021
Adjusted
Pre-Tax Loss

(244)

2Q 2021 Corporate & Other Adjusted Pre-Tax Loss

2Q 2021 VS. 1Q 2021 (\$MM)

1Q 2021
Adjusted
Pre-Tax Loss

(251)

Net Interest
Expense

2

Corporate
Overhead
& Other

5

2Q 2021
Adjusted
Pre-Tax Loss

(244)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Phillips 66					
Consolidated Earnings (Loss)	\$ (358)	296	(654)	(2,637)	(141)
Pre-Tax Adjustments:					
Impairments	198	—	198	3,006	—
Impairments by equity affiliates	—	—	—	15	15
Pending claims and settlements	—	—	—	(37)	—
Certain tax impacts	—	—	—	(8)	(8)
Pension settlement expense	47	47	—	38	38
Winter-storm-related costs	65	19	46	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	72	20
Asset dispositions	—	—	—	(84)	(84)
Tax impact of adjustments ¹	(64)	(16)	(48)	(283)	(208)
Other tax impacts	(17)	(17)	—	20	20
Noncontrolling interests	(51)	—	(51)	24	24
Adjusted Earnings (Loss)	\$ (180)	329	(509)	126	(324)
 Earnings (Loss) Per Share of Common Stock (dollars)	 \$ (0.83)	 0.66	 (1.49)	 (6.00)	 (0.33)
 Adjusted Earnings (Loss) Per Share of Common Stock (dollars) ²	 \$ (0.43)	 0.74	 (1.16)	 0.28	 (0.74)

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) YTD 2020 is based on adjusted weighted-average diluted shares outstanding of 440,653 thousand, 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 Except as Indicated					
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Midstream					
Pre-Tax Income (Loss)	\$ 388	312	76	(378)	324
Pre-Tax Adjustments:					
Impairments	198	—	198	1,161	—
Pension settlement expense	4	4	—	5	5
Winter-storm-related costs	2	—	2	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	1	—
Asset dispositions	—	—	—	(84)	(84)
Adjusted Pre-Tax Income	\$ 592	316	276	705	245
Chemicals					
Pre-Tax Income	\$ 777	623	154	211	42
Pre-Tax Adjustments:					
Impairments by equity affiliates	—	—	—	15	15
Pension settlement expense	18	18	—	—	—
Winter-storm-related costs	46	16	30	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	56	32
Adjusted Pre-Tax Income	\$ 841	657	184	282	89

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Refining					
Pre-Tax Loss	\$ (1,769)	(729)	(1,040)	(3,139)	(878)
Pre-Tax Adjustments:					
Impairments	—	—	—	1,845	—
Pension settlement expense	20	20	—	26	26
Winter-storm-related costs	17	3	14	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	—	(15)
Adjusted Pre-Tax Loss	\$ (1,732)	(706)	(1,026)	(1,268)	(867)
Marketing & Specialties					
Pre-Tax Income	\$ 766	476	290	799	286
Pre-Tax Adjustments:					
Pending claims and settlements	—	—	—	(37)	—
Pension settlement expense	3	3	—	4	4
Lower-of-cost-or-market inventory adjustments	—	—	—	15	3
Adjusted Pre-Tax Income	\$ 769	479	290	781	293
Corporate & Other					
Pre-Tax Loss	\$ (497)	(246)	(251)	(416)	(219)
Pre-Tax Adjustments:					
Certain tax impacts	—	—	—	(8)	(8)
Pension settlement expense	2	2	—	3	3
Adjusted Pre-Tax Loss	\$ (495)	(244)	(251)	(421)	(224)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Midstream - Transportation					
Pre-Tax Income	\$ 231	224	7	414	214
Pre-Tax Adjustments:					
Impairments	198	—	198	—	—
Winter-storm-related costs	1	—	1	—	—
Asset dispositions	—	—	—	(84)	(84)
Adjusted Pre-Tax Income	\$ 430	224	206	330	130
Midstream - NGL & Other					
Pre-Tax Income	\$ 114	79	35	257	78
Pre-Tax Adjustments:					
Pension settlement expense	4	4	—	5	5
Winter-storm-related costs	1	—	1	—	—
Adjusted Pre-Tax Income	\$ 119	83	36	262	83
Midstream - DCP Midstream					
Pre-Tax Income (Loss)	\$ 43	9	34	(1,049)	32
Pre-Tax Adjustments:					
Impairments	—	—	—	1,161	—
Lower-of-cost-or-market inventory adjustments	—	—	—	1	—
Adjusted Pre-Tax Income	\$ 43	9	34	113	32

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Chemicals - Olefins & Polyolefins					
Pre-Tax Income	\$ 707	562	145	247	70
Pre-Tax Adjustments:					
Impairments by equity affiliates	—	—	—	15	15
Pension settlement expense	16	16	—	—	—
Winter-storm-related costs	44	15	29	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	37	21
Adjusted Pre-Tax Income	\$ 767	593	174	299	106
Chemicals - Specialties, Aromatics & Styrenics					
Pre-Tax Income	\$ 105	79	26	4	—
Pre-Tax Adjustments:					
Pension settlement expense	2	2	—	—	—
Winter-storm-related costs	2	1	1	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	19	11
Adjusted Pre-Tax Income	\$ 109	82	27	23	11
Chemicals - Other					
Pre-Tax Loss	\$ (35)	(18)	(17)	(40)	(28)
Pre-Tax Adjustments:					
None	—	—	—	—	—
Adjusted Pre-Tax Loss	\$ (35)	(18)	(17)	(40)	(28)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Refining - Atlantic Basin / Europe					
Pre-Tax Loss	\$ (263)	(110)	(153)	(864)	(227)
Pre-Tax Adjustments:					
Impairments	—	—	—	441	—
Pension settlement expense	2	2	—	7	7
Winter-storm-related costs	1	—	1	—	—
Adjusted Pre-Tax Loss	<u>\$ (260)</u>	<u>(108)</u>	<u>(152)</u>	<u>(416)</u>	<u>(220)</u>
Refining - Gulf Coast					
Pre-Tax Loss	\$ (517)	(264)	(253)	(1,208)	(365)
Pre-Tax Adjustments:					
Impairments	—	—	—	670	—
Pension settlement expense	8	8	—	9	9
Winter-storm-related costs	9	3	6	—	—
Adjusted Pre-Tax Loss	<u>\$ (500)</u>	<u>(253)</u>	<u>(247)</u>	<u>(529)</u>	<u>(356)</u>

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Refining - Central Corridor					
Pre-Tax Loss	\$ (330)	(82)	(248)	(331)	(104)
Pre-Tax Adjustments:					
Impairments	—	—	—	435	—
Pension settlement expense	6	6	—	6	6
Winter-storm-related costs	7	—	7	—	—
Lower-of-cost-or-market inventory adjustments	—	—	—	—	(15)
Adjusted Pre-Tax Income (Loss)	\$ (317)	(76)	(241)	110	(113)
Refining - West Coast					
Pre-Tax Loss	\$ (659)	(273)	(386)	(736)	(182)
Pre-Tax Adjustments:					
Impairments	—	—	—	299	—
Pension settlement expense	4	4	—	4	4
Adjusted Pre-Tax Loss	\$ (655)	(269)	(386)	(433)	(178)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated				
	2021			2020	
	Jun YTD	2Q	1Q	Jun YTD	2Q
Marketing & Specialties - Marketing & Other					
Pre-Tax Income	\$ 600	389	211	726	255
Pre-Tax Adjustments:					
Pending claims and settlements	—	—	—	(37)	—
Pension settlement expense	3	3	—	4	4
Adjusted Pre-Tax Income	\$ 603	392	211	693	259
Marketing & Specialties - Specialties					
Pre-Tax Income	\$ 166	87	79	73	31
Pre-Tax Adjustments:					
Lower-of-cost-or-market inventory adjustments	—	—	—	15	3
Adjusted Pre-Tax Income	\$ 166	87	79	88	34

Non-GAAP Reconciliations

	Millions of Dollars (Except as Indicated)				
	2Q 2021				
	Atlantic Basin/ Europe	Gulf Coast	Central Corridor	West Coast	Worldwide
Realized Refining Margins					
Loss before income taxes	\$ (110)	(264)	(82)	(273)	(729)
Plus:					
Taxes other than income taxes	18	25	11	22	76
Depreciation, amortization and impairments	52	77	34	57	220
Selling, general and administrative expenses	18	14	7	10	49
Operating expenses	217	299	125	281	922
Equity in losses of affiliates	2	—	65	—	67
Other segment income, net	(8)	(6)	(8)	(2)	(24)
Proportional share of refining gross margins contributed by equity affiliates	42	—	125	—	167
Realized refining margins	\$ 231	145	277	95	748
 Total processed inputs (thousands of barrels)	 49,979	 69,364	 23,466	 28,158	 170,967
Adjusted total processed inputs (thousands of barrels) ¹	49,979	69,364	43,189	28,158	190,690
 Loss before income taxes (dollars per barrel) ²	 \$ (2.20)	 (3.81)	 (3.49)	 (9.70)	 (4.26)
Realized refining margins (dollars per barrel) ³	\$ 4.63	2.10	6.40	3.37	3.92

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

	2021 June YTD	
Numerator (\$MM)		
Net Loss	\$	(265)
After-tax interest expense		228
GAAP ROCE loss		(37)
After-tax special items		229
Adjusted ROCE earnings	\$	192
Denominator (\$MM)		
GAAP average capital employed ¹	\$	36,716
2021 Annualized GAAP ROCE		— %
2021 Annualized Adjusted ROCE		1 %

1) Capital employed is total equity plus total debt

Non-GAAP Reconciliations

Millions of Dollars (Except as Indicated)			
June 30, 2021			
	Phillips 66 Consolidated	Phillips 66 Partners ¹	Phillips 66 Excluding Phillips 66 Partners
Total Debt	\$ 15,413	3,910	11,503
Total Equity	20,602	2,426	18,176
Debt-to-Capital Ratio	43 %		39 %
Total Cash	\$ 2,207	2	2,205
Net Debt-to-Capital Ratio	39 %		34 %

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

Non-GAAP Reconciliations

	Millions of Dollars		
	2Q 2021		
	Growth	Sustaining	Total
Capital Expenditures and Investments			
Midstream	\$ 101	40	141
Refining	68	118	186
Marketing & Specialties	10	12	22
Corporate & Other	—	31	31
Adjusted Capital Spending	179	201	380
Capital Expenditures and Investments Funded by a Joint Venture Partner (Midstream)	—	—	—
Capital Expenditures and Investments	\$ 179	201	380

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated	
	2Q 2021	
Effective Tax Rates		
Income before income taxes	\$	436
Special items		66
Adjusted income before income taxes	\$	502
Income tax expense	\$	62
Special items		33
Adjusted income tax expense	\$	95
GAAP effective tax rate		14.2 %
Adjusted effective tax rate		18.9 %