# PHILLIPS 66 THIRD-QUARTER CONFERENCE CALL

OCTOBER 29, 2024

Bayway Refinery
LINDEN, NJ

# Cautionary Statement

This news release contains forward-looking statements within the meaning of the federal securities laws relating to Phillips 66's operations, strategy and performance. Words such as "anticipated," "estimated," "expected," "planned," "scheduled," "targeted," "believe," "continue," "intend," "will," "would," "objective," "goal," "project," "efforts," "strategies" and similar expressions that convey the prospective nature of events or outcomes generally indicate 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 news release are based on management's expectations, estimates and projections as of the date they are made. These statements are not guarantees of future events or 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: changes in governmental policies or laws that relate to our operations, including regulations that seek to limit or restrict refining, marketing and midstream operations or regulate profits, pricing, or taxation of our products or feedstocks, or other regulations that restrict feedstock imports or product exports; our ability to timely obtain or maintain permits necessary for projects; fluctuations in NGL, crude oil, refined petroleum, renewable fuels and natural gas prices, and refining, marketing and petrochemical margins; the effects of any widespread public health crisis and its negative impact on commercial activity and demand for refined petroleum or renewable fuels products; changes to worldwide government policies relating to renewable fuels and greenhouse gas emissions that adversely affect programs including the renewable fuel standards program, low carbon fuel standards and tax credits for renewable fuels; potential liability from pending or future litigation; liability for remedial actions, including removal and reclamation obligations under existing or future environmental regulations;  unexpected changes in costs for constructing, modifying or operating our facilities; our ability to successfully complete, or any material delay in the completion of, any asset disposition, acquisition, shutdown or conversion that we have announced or may pursue, including receipt of any necessary regulatory approvals or permits related thereto; 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 products; failure to complete construction of capital projects on time or within budget; our ability to comply with governmental regulations or make capital expenditures to maintain compliance with laws; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets, which may also impact our ability to repurchase shares and declare and pay dividends; potential disruption of our operations due to accidents, weather events, including as a result of climate change, acts of terrorism or cyberattacks; general domestic and international economic and political developments, including armed hostilities (such as the Russia-Ukraine war), expropriation of assets, and other diplomatic developments; international monetary conditions and exchange controls; 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); political and societal concerns about climate change that could result in changes to our business or increase expenditures, including litigation-related expenses; the operation, financing and distribution decisions of equity affiliates we do not control; 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.

Non-GAAP Measures — This presentation includes non-GAAP financial measures, including, "adjusted earnings," "adjusted pre-tax income (loss)," "adjusted pre-tax costs," "adjusted earnings per share," "realized refining margin per barrel," "net debt-to-capital ratio," "adjusted EBITDA," "controllable costs," "adjusted controllable costs," "refining adjusted controllable costs," "refining JV controllable costs," "operating cash flow or CFO, excluding working capital," and "sustaining capital." These are non-GAAP financial measures that are included to help facilitate comparisons of operating performance across periods and to help facilitate comparisons with other companies in our industry. Where applicable, these measures exclude items that do not reflect the core operating results of our businesses in the current period or other adjustments to reflect how management analyzes results. You can find reconciliations to, or further discussion of, the most comparable GAAP financial measures within or at the end of the presentation materials.

References in the presentation to earnings refer to net income attributable to Phillips 66. References in the presentation to shareholder distributions and returns to shareholders refer to the sum of dividends paid to Phillips 66 stockholders and proceeds used by Phillips 66 to repurchase shares of its common stock. References to run-rate cost savings or run-rate business transformation savings, include cost savings and references to run-rate synergies include cost savings and other benefits that will be captured in the sales and other operating revenues impacting gross margin; purchased crude oil and products costs impacting gross margin; operating expenses; selling, general and administrative expenses; and equity in earnings of affiliates lines on our consolidated statement of income when realized. References to run-rate sustaining capital savings include savings that will be captured in the capital expenditures and investments on our consolidated statement of cash flows when realized. References to run-rate savings represent the sum of run-rate cost savings and run-rate sustaining capital savings.

Basis of Presentation - Effective April 1, 2024, we changed the internal financial information reviewed by our chief executive officer to evaluate performance and allocate resources to our operating segments. This included changes in the composition of our operating segments, as well as measurement changes for certain activities between our operating segments. The primary effects of this realignment included establishment of a Renewable Fuels operating segment, which includes renewable fuels activities and assets historically reported in our Refining, Marketing and Specialties (M&S), and Midstream segments; change in method of allocating results for certain Gulf Coast distillate export activities from our M&S segment to our Refining segment; reclassification of certain crude oil and international clean products trading activities between our M&S segment and our Refining segment; and change in reporting of our 16% investment in NOVONIX from our Midstream segment to Corporate and Other. Accordingly, prior period results have been recast for comparability.

In the third quarter of 2024, we began presenting the line item "Capital expenditures and investments" on our consolidated statement of cash flows exclusive of acquisitions, net of cash acquired. Accordingly, prior period information has been reclassified for comparability.

# 3Q 2024 Strategic Priorities Update

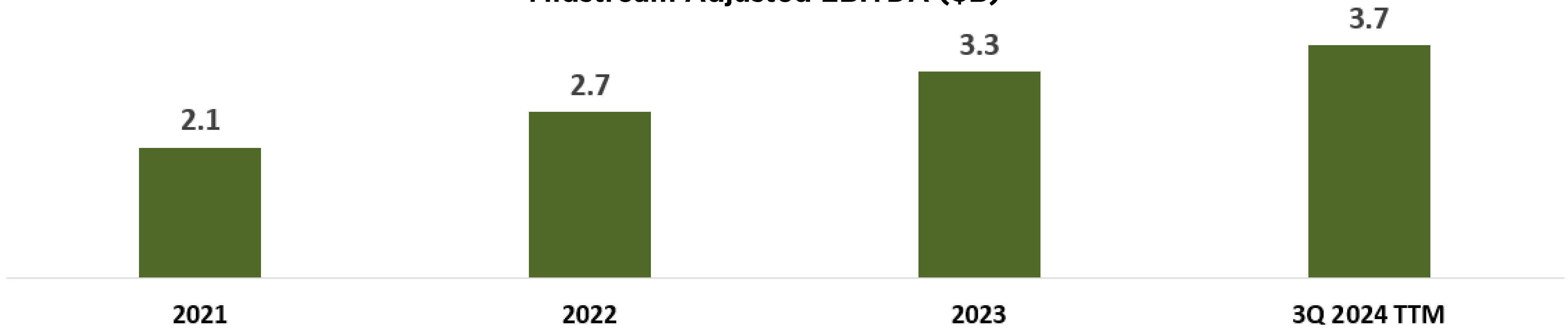
| | |
|---|---|
| **Deliver Shareholder Returns** | • $12.5 B shareholder distributions since July 2022<br>• On track to meet $13 B - $15 B target by YE 2024 |
| **Improve Refining Performance** | • Clean product yield 87%<br>• $1/bbl[1] cost reduction compared with 2022 |
| **Capture Value from Wellhead to Market** | • Fully completed DCP integration and achieved run-rate synergy target<br>• Achieved over $1.4 B mid-cycle adjusted EBITDA uplift from DCP transactions |
| **Execute Business Transformation** | • $1.1 B run-rate cost reductions<br>• $0.3 B sustaining capital efficiencies |
| **Maintain Financial Strength and Flexibility** | • $2.7 B toward $3 B target from asset dispositions, including recent agreements<br>• 38% net debt-to-capital ratio |
| **Drive Disciplined Growth and Returns** | • $1.4 B capital expenditures[2] as of Sept YTD<br>• Rodeo Renewable Energy Complex operating at full design rates |

[1] Refer to slide 6
[2] Excludes acquisitions

# Advancing Wellhead-to-Market Strategy

| 1Q 2022 | 3Q 2022 | 2Q 2023 | 2Q 2024 | 3Q 2024 | 3Q 2024 |
|---|---|---|---|---|---|
| PSXP Buy-In Completed | DCP Initial Transaction (Controlling Interest) | DCP Buy-in Transaction (Public Units) | Rockies Express Pipeline Sale | Pinnacle Acquisition | $400 MM of DCP Synergies Captured |

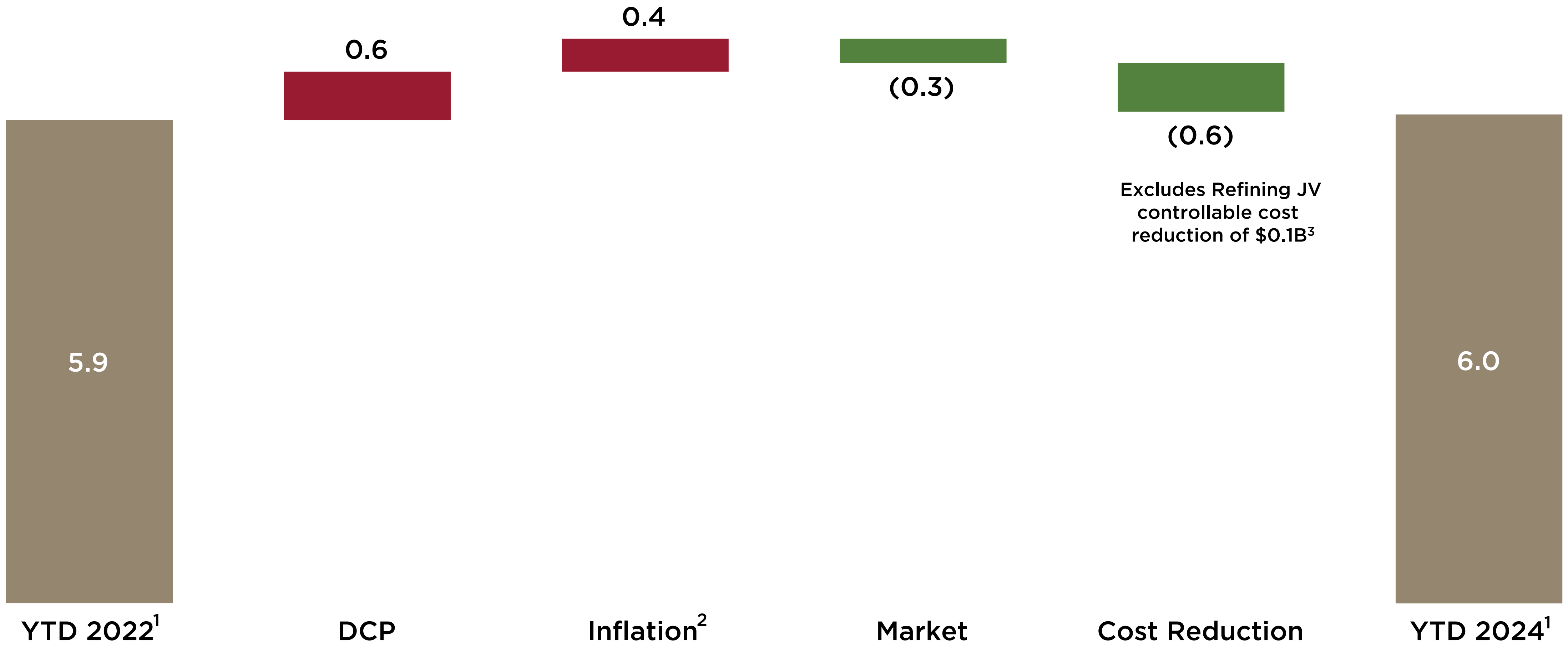
**Midstream Adjusted EBITDA ($B)**




TTM = Trailing Twelve Months

# Adjusted Controllable Costs

## YTD 2024 vs YTD 2022 ($B)

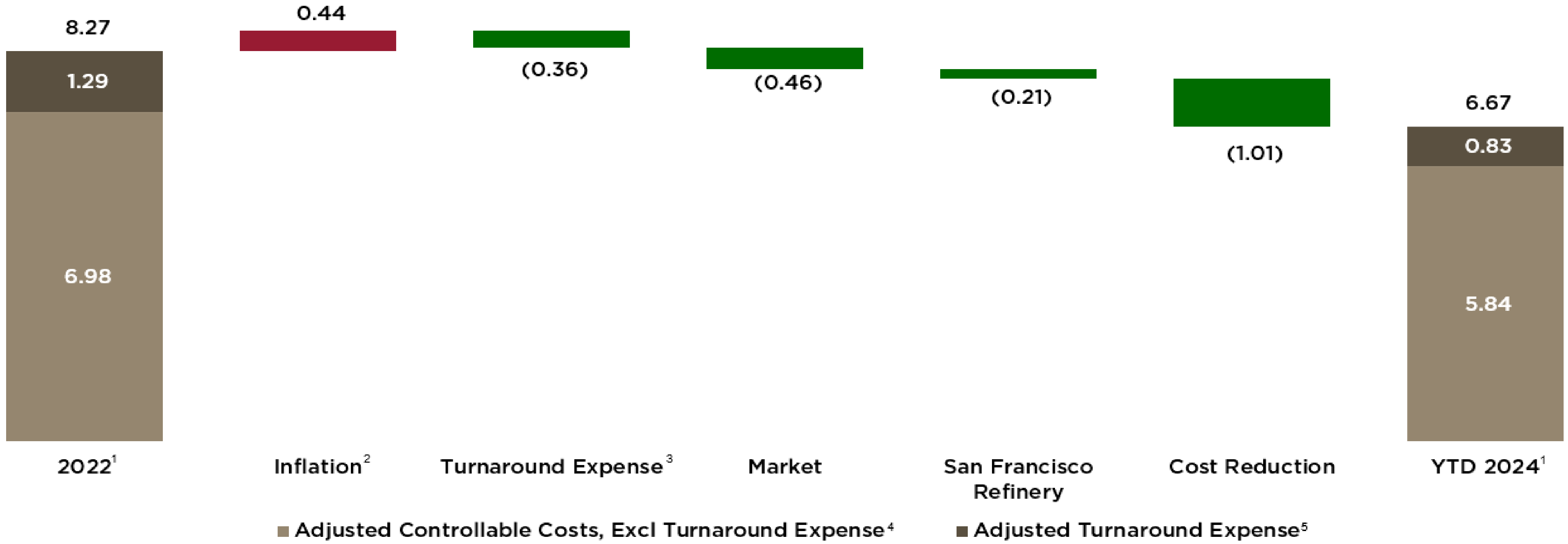



[1] Sum of our operating and SG&A expenses, excluding special items. See non-GAAP reconciliation in Appendix.
[2] Based on an average CPI inflation rate of 7.6%.
[3] Proportional share of operating and SG&A expense savings of an operated, unconsolidated refining equity affiliate that are reflected in equity in earnings of affiliates.

Vertical axis not to scale

# Refining Adjusted Controllable Costs

YTD 2024 vs 2022 ($/BBL)




1 Refining adjusted controllable costs is the sum of operating and SG&A expenses for our Refining segment, plus our proportional share of operating and SG&A expenses of two refining equity affiliates that are reflected in equity earnings of affiliates. The per barrel amounts are based on total processed inputs, including our proportional share of processed inputs of an equity affiliate, for the respective period.
2 Based on an average CPI inflation rate of 6%
3 Excludes business transformation-related cost savings attributed to turnaround expense.
4 Includes operating and SG&A expenses for our Refining segment, excluding turnaround expense, plus our proportional share of operating and SG&A expense of two refining equity affiliates, excluding turnaround expense, that are reflected in equity in earnings of affiliates.
5 Includes turnaround expense for our Refining segment that is in our operating expenses, plus our share of turnaround expense for two refining equity affiliates that is reflected in equity in earnings of affiliates.

Vertical axis not to scale

# 3Q 2024 Overview

$MM (Unless Otherwise Noted)

| | |
|---|---|
| Earnings | $ 346 |
| Adjusted earnings | 859 |
| Adjusted earnings per share (EPS) | 2.04 |
| Operating cash flow | 1,132 |
| Capital expenditures and investments | 358 |
| Shareholder distributions | 1,277 |
| Net Debt-to-Capital | 38% |

Sweeny Refinery
OLD OCEAN, TX

# 3Q 2024 Adjusted Earnings

3Q 2024 vs 2Q 2024 ($MM)

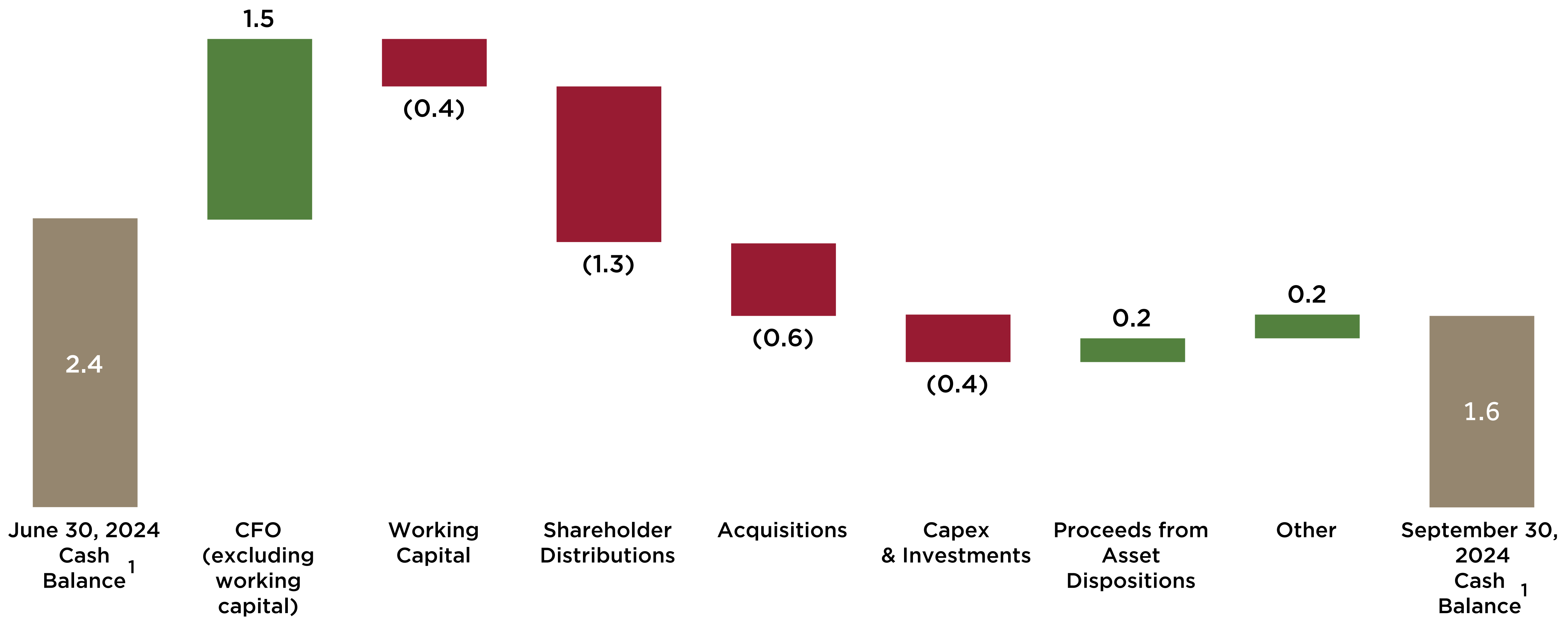
| | | 3Q 2024 | 2Q 2024 | Change |
|---|---|---|---|---|
| Midstream | $ | 672 | 753 | (81) |
| Chemicals | | 342 | 222 | 120 |
| Refining | | (67) | 302 | (369) |
| Marketing and Specialties | | 583 | 415 | 168 |
| Renewable Fuels | | (116) | (55) | (61) |
| Corporate and Other | | (327) | (340) | 13 |
| Adjusted income before income taxes | $ | 1,087 | 1,297 | (210) |
| Less: adjusted income tax expense | | 205 | 278 | (73) |
| Less: adjusted net income attributable to noncontrolling interests | | 23 | 35 | (12) |
| **Phillips 66 Adjusted Earnings** | **$** | **859** | **984** | **(125)** |

- Midstream - Seasonal maintenance costs; lower equity earnings
- Chemicals - Higher margins; lower costs
- Refining - Lower realized margins; market capture 92%[1]
- Marketing and Specialties - Higher margins
- Renewable Fuels - Lower realized margins; higher volumes

[1] Capture reflects the percentage of our Refining Margin Indicator realized in our reported Refining margin. The calculation of our Refining Margin Indicator is available on our website at www.phillips.com/investors.

# 3Q 2024 Cash Flow

$B




[1] Includes cash and cash equivalents

# Outlook

**4Q 2024**

| | |
|---|---|
| Global Olefins & Polyolefins utilization | Mid-90% |
| Refining crude utilization | Low to Mid-90% |
| Refining turnaround expense | $125 MM - $135 MM |
| Corporate & Other costs* | $300 MM - $330 MM |

*Excludes impacts from our investment in NOVONIX

Houston Food Bank Volunteer Event
HOUSTON, TX

# Questions and Answers

3Q 2024 Financial Highlights

| $2.04 | $1.1 B | $1.3 B |
|---|---|---|
| Adjusted EPS | Operating cash flow | Shareholder Distributions |

| | | |
|---|---|---|
| $12.5 B shareholder distributions since July 2022 | Clean product yield 87% | Achieved $400 MM run-rate DCP synergy target |
| Achieved $1.4 B run-rate business transformation savings target | $2.0 B adjusted EBITDA | $1.4 B capital expenditures[1] as of Sept YTD |

[1] Excludes acquisitions

# Appendix

Borger Refinery,
Borger, TX

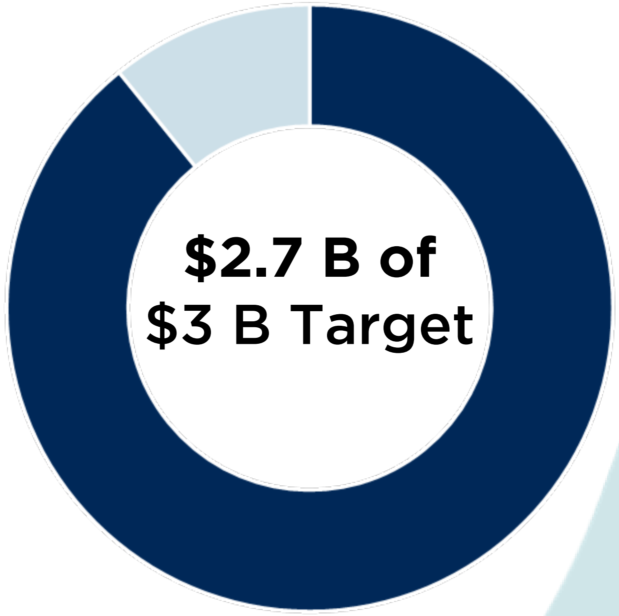
# 2024 Estimated Sensitivities

| | Annual EBITDA $MM[1] |
|---|---|
| **Midstream[2]** | |
| 10¢/Gal Increase in NGL price | 110 |
| 10¢/MMBtu Increase in Natural Gas price | 7 |
| $1/BBL Increase in WTI price | 6 |
| **Chemicals - CPChem (net to Phillips 66)** | |
| 1¢/Lb Increase in Chain Margin (Ethylene, Polyethylene, NAO) | 65 |
| **Worldwide Refining** | |
| $1/BBL Increase in Gasoline Margin | 310 |
| $1/BBL Increase in Distillate Margin | 265 |
| 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 / WTI Differential (LLS less WTI) | 60 |
| $1/BBL Widening LLS / Maya Differential (LLS less Maya) | 50 |
| 10¢/MMBtu Increase in Natural Gas price | (15) |

[1] Sensitivities shown above are independent and only valid within a limited range.
[2] Midstream includes 13% economic interest attributable to noncontrolling interest in DCP Midstream, LP.

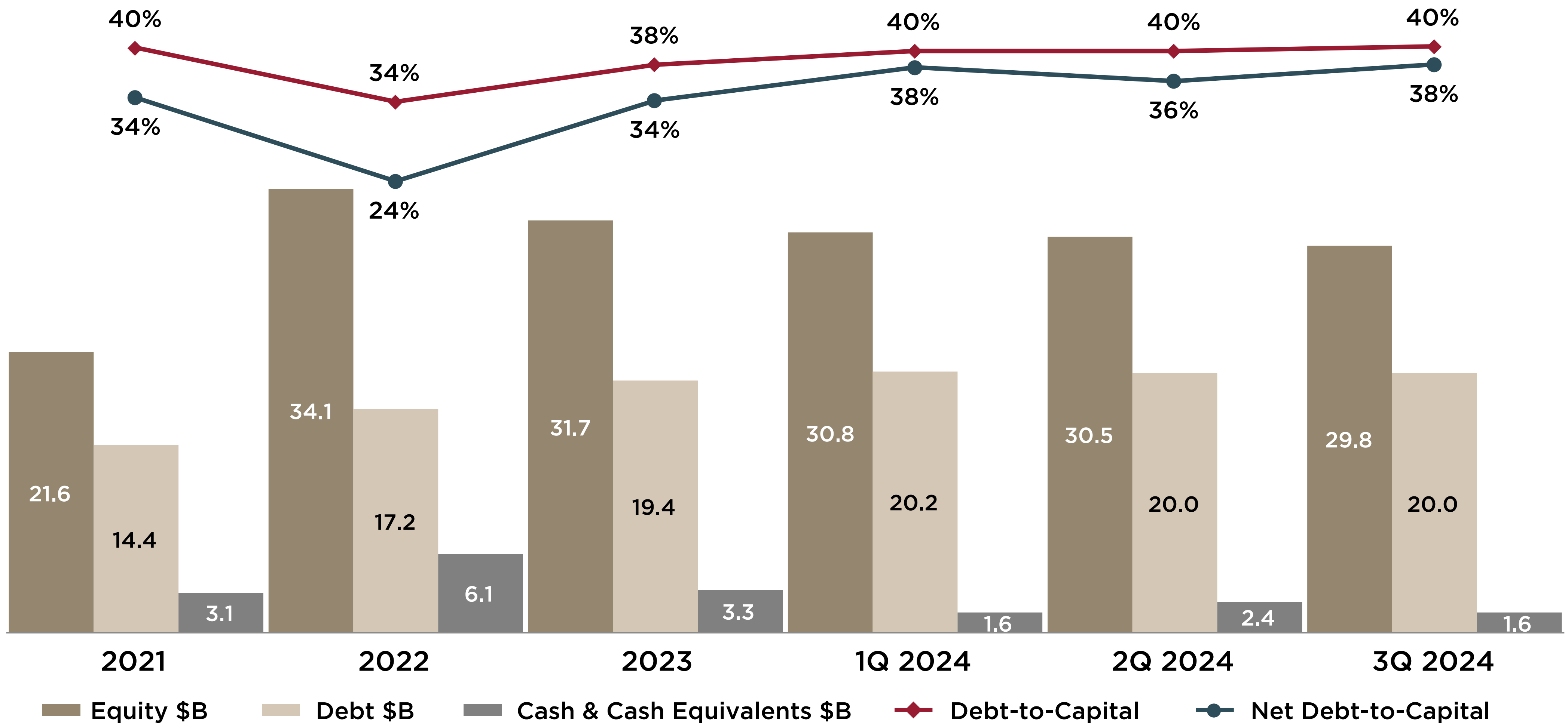
# Progress Toward $3 B Asset Disposition Target

| Announced Disposition | Segment Impact | Proceeds | Announcement Date |
|---|---|---|---|
| Belle Chasse Terminal | Midstream | $0.1 B | 4Q 2022 |
| South Texas Gateway Terminal | Midstream | 0.3 B | 2Q 2023 |
| Rockies Express Pipeline | Midstream | 0.7 B | 2Q 2024 |
| Discovery Pipeline and Offshore Assets | Midstream | 0.2 B | 3Q 2024 |
| COOP (Switzerland) | M&S | 1.2 B | 4Q 2024 |
| Other Midstream Assets[1] | Midstream | 0.2 B | 2023-2024 |
| **Total** | | **$ 2.7 B** | |




[1] Includes various asset dispositions either completed or announced between 1Q '23 and Oct YTD '24.

# Capital Structure



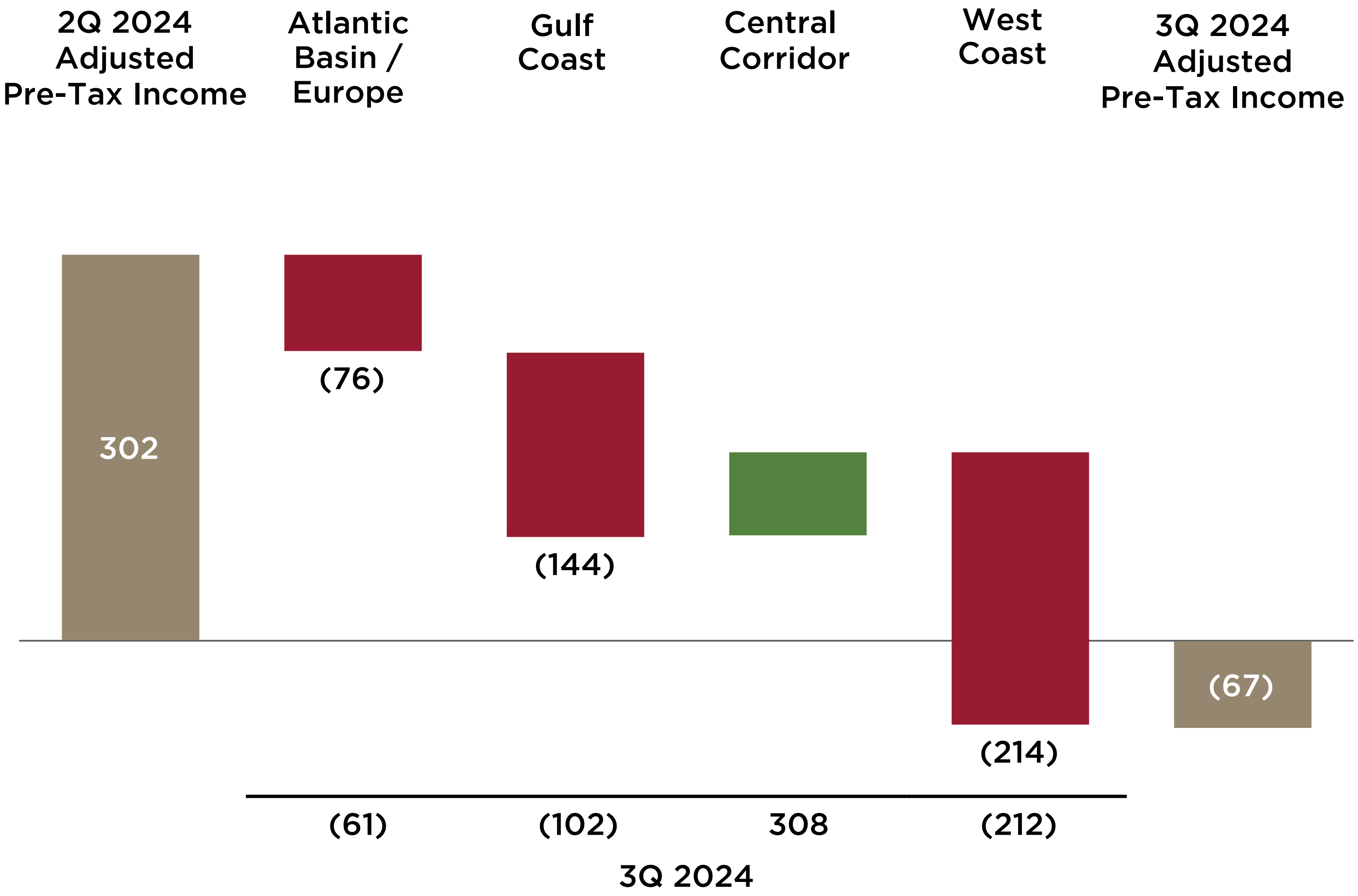
# 3Q 2024 Refining Adjusted Pre-Tax Income

3Q 2024 VS. 2Q 2024 ($MM)

94% crude utilization

87% clean product yield

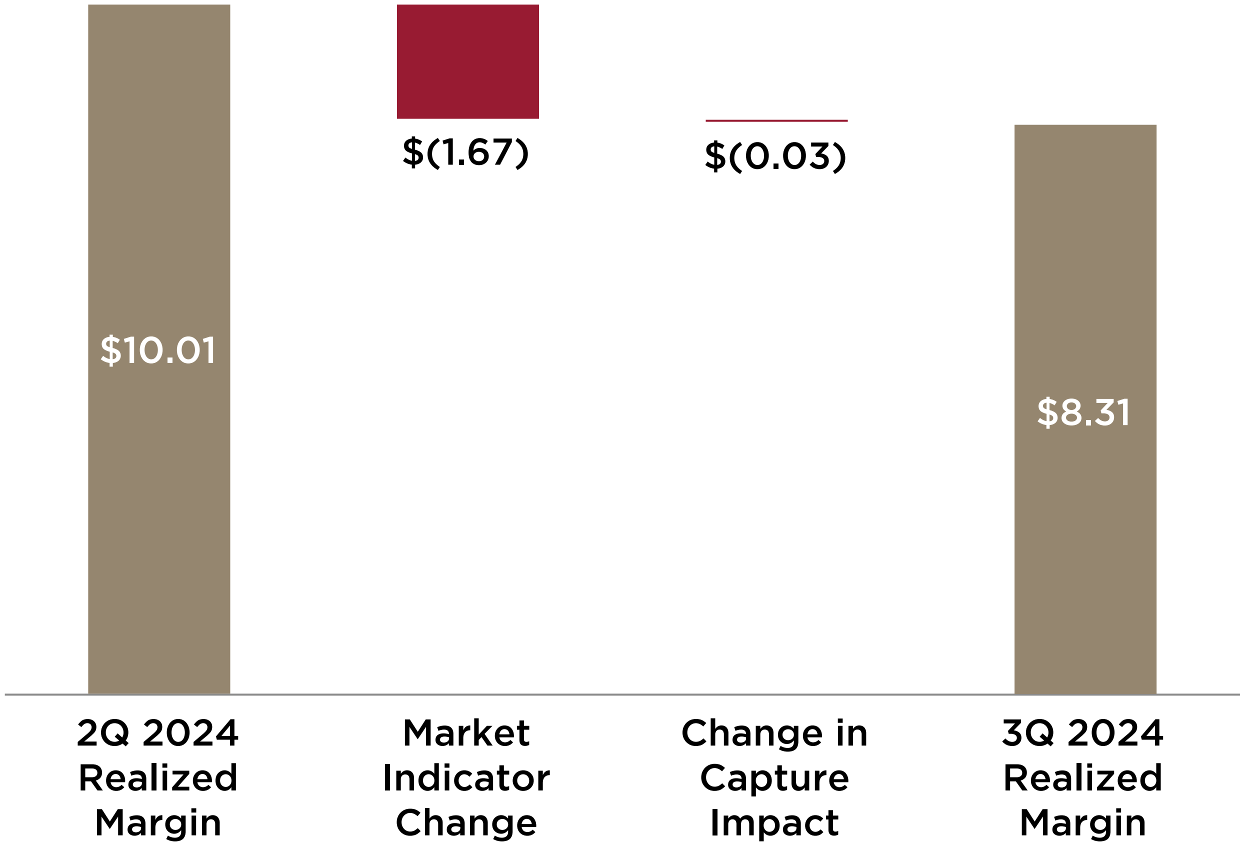
92% market capture[1]




[1] Capture reflects the percentage of our Refining Margin Indicator realized in our reported Refining margin. The calculation of our Refining Margin Indicator is available on our website at www.phillips.com/investors.

# 3Q 2024 Realized Refining Margin

3Q 2024 VS. 2Q 2024 ($/BBL)

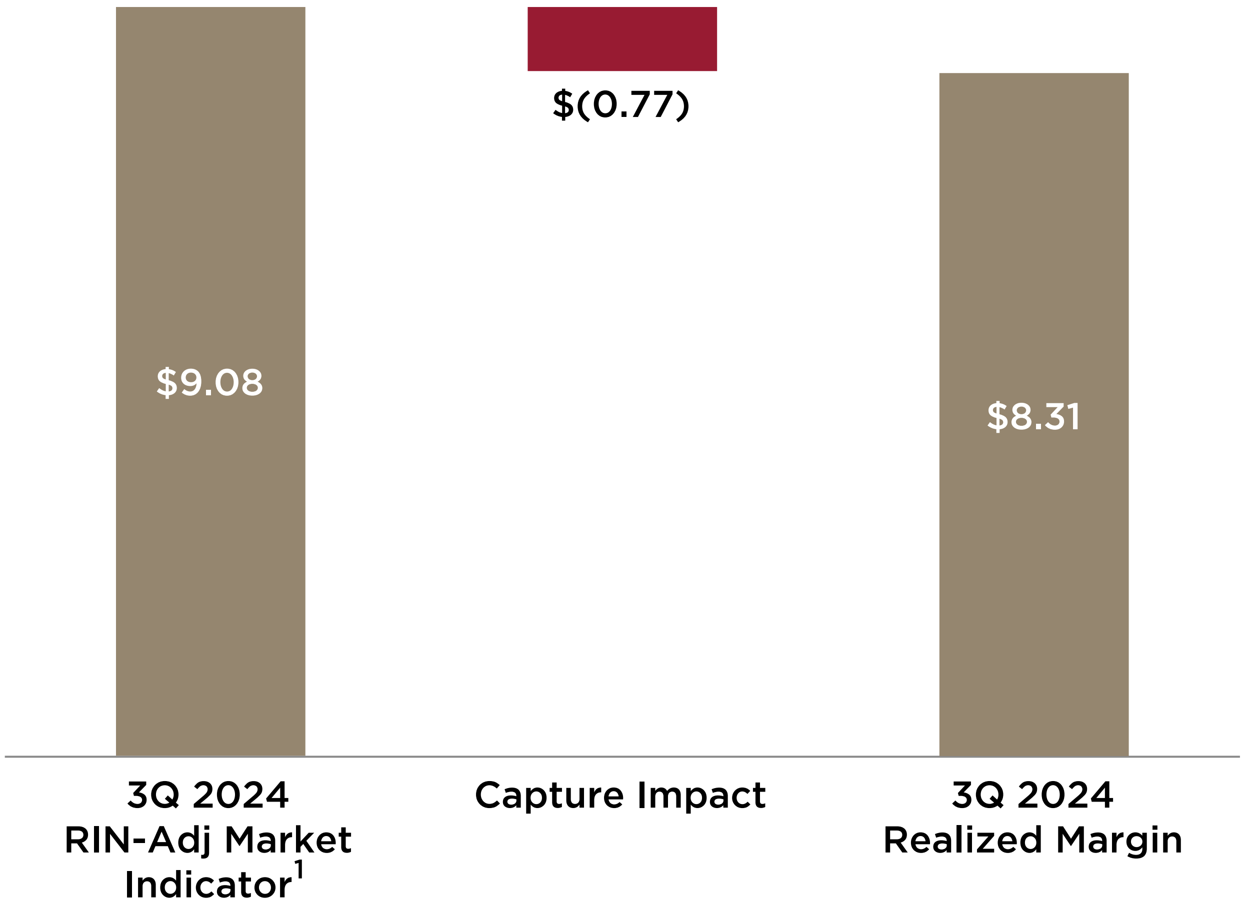



- 92% Market capture[1] vs. 93% in 2Q
- Higher feedstock costs
- Improved clean product yield, offset by lower premium product differentials
- Improved secondary product impacts

[1] Capture reflects the percentage of our Phillips 66 Refining Market indicator realized in our reported earnings. The calculation of our Phillips 66 Refining Market Indicator is available on our website at www.phillips66.com/investors

# 3Q 2024 - Market Indicator vs. Realized Margin

($/BBL)




- 92% Market capture[1]
- 87% Clean product yield
- Higher crude costs and secondary product impacts

[1] Capture reflects the percentage of our Phillips 66 Refining Market indicator realized in our reported earnings. The calculation of our Phillips 66 Refining Market Indicator is available on our website at www.phillips66.com/investors

# Phillips 66 Refining Indicator Market Capture[1]

| | 3Q 2024 | 2Q 2024 |
|---|---|---|
| **Worldwide Realized Margin ($/BBL)** | **8.31** | **10.01** |
| **Worldwide Refining Indicator ($/BBL)** | **9.08** | **10.75** |
| **Worldwide Market Capture (%)** | **92 %** | **93 %** |
| | | |
| Atlantic Basin Realized Margin ($/BBL) | 5.87 | 8.10 |
| Atlantic Basin Indicator ($/BBL) | 6.27 | 10.30 |
| Atlantic Basin Market Capture (%) | 94 % | 79 % |
| | | |
| Gulf Coast Realized Margin ($/BBL) | 6.39 | 7.88 |
| Gulf Coast Indicator ($/BBL) | 7.46 | 8.52 |
| Gulf Coast Market Capture (%) | 86 % | 92 % |
| | | |
| Central Corridor Realized Margin ($/BBL) | 14.19 | 12.75 |
| Central Corridor Indicator ($/BBL) | 14.54 | 12.45 |
| Central Corridor Market Capture (%) | 98 % | 102 % |
| | | |
| West Coast Realized Margin ($/BBL) | 4.34 | 13.06 |
| West Coast Indicator ($/BBL) | 6.93 | 12.90 |
| West Coast Market Capture (%) | 63 % | 101 % |

[1] Capture reflects the percentage of our Phillips 66 Refining Market indicator realized in our reported earnings. The calculation of our Phillips 66 Refining Market Indicator is available on our website at www.phillips66.com/investors

# 3Q 2024 Adjusted Earnings

3Q 2024 vs 3Q 2023 ($MM)

| | | 3Q 2024 | 3Q 2023 | Change |
|---|---|---|---|---|
| Midstream | $ | 672 | 581 | 91 |
| Chemicals | | 342 | 104 | 238 |
| Refining | | (67) | 1,742 | (1,809) |
| Marketing and Specialties | | 583 | 605 | (22) |
| Renewable Fuels | | (116) | 22 | (138) |
| Corporate and Other | | (327) | (303) | (24) |
| Adjusted income before income taxes | $ | 1,087 | 2,751 | (1,664) |
| Less: adjusted income tax expense | | 205 | 660 | (455) |
| Less: adjusted net income attributable to noncontrolling interests | | 23 | 21 | 2 |
| **Phillips 66 Adjusted Earnings** | **$** | **859** | **2,070** | **(1,211)** |

# Non-GAAP Reconciliations

| | | Millions of Dollars | | | | | |
|---|---|---|---|---|---|---|---|
| | | 2021 | 2022 | 2023 | 4Q 2023 | Sep YTD 2024 | 3Q 2024 TTM |
| **Reconciliation of Midstream Income before Income Taxes to Adjusted EBITDA** | | | | | | | |
| Income before income taxes | $ | 1,131 | 5,176 | 2,819 | 759 | 1,965 | 2,724 |
| Plus: | | | | | | | |
| Depreciation and amortization | | 426 | 567 | 923 | 234 | 686 | 920 |
| **Midstream EBITDA** | | **1,557** | **5,743** | **3,742** | **993** | **2,651** | **3,644** |
| Special Item Adjustments (pre-tax): | | | | | | | |
| Certain tax impacts | | — | — | (2) | (2) | — | (2) |
| Net gain on asset dispositions | | — | — | (137) | — | (238) | (238) |
| Impairments | | 208 | — | — | — | 311 | 311 |
| Pension settlement expense | | 8 | — | — | — | — | — |
| Hurricane-related costs | | 4 | — | — | — | — | — |
| Winter-storm-related costs | | 2 | — | — | — | — | — |
| Change in inventory method for acquired business | | — | — | (46) | — | — | — |
| DCP integration restructuring costs | | — | 18 | 35 | — | — | — |
| Merger transaction costs | | — | 13 | — | — | — | — |
| Gain related to merger of businesses | | — | (3,013) | — | — | — | — |
| Total Special Item Adjustments (pre-tax) | | 222 | (2,982) | (150) | (2) | 73 | 71 |
| **Midstream EBITDA, Adjusted for Special Items** | **$** | **1,779** | **2,761** | **3,592** | **991** | **2,724** | **3,715** |
| Other Adjustments (pre-tax): | | | | | | | |
| Proportional share of selected equity affiliates income taxes | | 14 | 13 | 18 | 4 | 13 | 17 |
| Proportional share of selected equity affiliates net interest | | 169 | 119 | 51 | 13 | 26 | 39 |
| Proportional share of selected equity affiliates depreciation and amortization | | 229 | 209 | 156 | 37 | 101 | 138 |
| Adjusted EBITDA attributable to joint venture partners' noncontrolling interests | | (82) | (427) | (493) | (51) | (140) | (191) |
| **Midstream Adjusted EBITDA** | **$** | **2,109** | **2,675** | **3,324** | **994** | **2,724** | **3,718** |

# Non-GAAP Reconciliations

| | Millions of Dollars Except as Indicated | |
|---|---|---|
| | **2024** | **2022** |
| | **Sep YTD** | **Sep YTD** |
| **Reconciliation of Operating and SG&A Expenses to Adjusted Controllable Costs** | | |
| Operating expenses | $ 4,358 | 4,383 |
| Selling, general and administrative expenses | 2,303 | 1,538 |
| **Controllable costs** | **$ 6,661** | **5,921** |
| Special Item Adjustments (pre-tax): | | |
| Hurricane-related costs | — | (17) |
| Alliance shutdown-related costs | — | (20) |
| Legal accrual | (605) | — |
| Los Angeles shutdown-related costs | (41) | — |
| **Adjusted Controllable Costs** | **$ 6,015** | **5,884** |

# Non-GAAP Reconciliations

| | Millions of Dollars Except as Indicated | |
|---|---|---|
| | Sept YTD | 2022 |
| **Reconciliation of Refining Operating and SG&A Expenses to Refining Adjusted Controllable Costs** | | |
| Turnaround expenses | $ 361 | 772 |
| Other operating expenses | 2,398 | 3,995 |
| Total operating expenses | 2,759 | 4,767 |
| Selling, general and administrative expenses | 149 | 115 |
| **Refining Controllable Costs** | **2,908** | **4,882** |
| Plus: | | |
| Proportional share of equity affiliate turnaround expenses[1] | 61 | 118 |
| Proportional share of equity affiliate other operating and SG&A expenses[1] | 467 | 721 |
| Total proportional share of equity affiliate operating and SG&A expenses[1] | 528 | 839 |
| Special item adjustments (pre-tax): | | |
| Hurricane-related recovery | — | 21 |
| Alliance shutdown-related costs | — | (20) |
| Los Angeles shutdown-related costs | (41) | — |
| **Refining Adjusted Controllable Costs** | **$ 3,395** | **5,722** |
| Total processed inputs (MB) | 440,436 | 612,741 |
| Adjusted total processed inputs (MB)[2] | 509,012 | 691,855 |
| | | |
| Refining turnaround Expense ($/BBL)[3] | 0.82 | 1.26 |
| Refining controllable costs, excluding turnaround expense ($/BBL)[3] | 5.78 | 6.71 |
| **Refining Controllable Costs per Barrel ($/BBL)[3]** | **$ 6.60** | **7.97** |
| | | |
| Refining adjusted turnaround expense ($/BBL)[4] | 0.83 | 1.29 |
| Refining adjusted controllable costs, excluding adjusted turnaround expense ($/BBL)[4] | 5.84 | 6.98 |
| **Refining Adjusted Controllable Costs ($/BBL)[4]** | **$ 6.67** | **8.27** |

[1] Represents proportional share of operating and SG&A of equity affiliates for our Refining segment that are reflected as a component of equity in earnings of affiliates on our consolidated statement of income.
[2] Adjusted total processed inputs include our proportional share of processed inputs of an equity affiliate.
[3] Denominator is total processed inputs.
[4] Denominator is adjusted total processed inputs.

# Non-GAAP Reconciliations

| | Millions of Dollars Except as Indicated | | |
|---|---|---|---|
| | 2024 | | 2023 |
| | 3Q | 2Q | 3Q |
| **Reconciliation of Consolidated Earnings to Adjusted Earnings** | | | |
| Consolidated Earnings | 346 | 1,015 | 2,097 |
| Pre-Tax Adjustments: | | | |
| Impairments[1] | 28 | 224 | — |
| Los Angeles Refinery shutdown-related costs[2] | 41 | — | — |
| Net (gain)/loss on asset disposition | — | (238) | (101) |
| Legal accrual[3] | 605 | — | 30 |
| Business transformation restructuring costs | — | — | 51 |
| Change in inventory method for acquired business | — | — | (46) |
| DCP integration restructuring costs | — | — | 4 |
| Tax impact of adjustments[4] | (161) | 13 | 10 |
| Noncontrolling interests | — | (30) | 25 |
| **Adjusted Earnings** | **859** | **984** | **2,070** |
| **Earnings Per Share of Common Stock (dollars) Adjusted** | **0.82** | **2.38** | **4.69** |
| **Earnings Per Share of Common Stock (dollars)[5]** | **2.04** | **2.31** | **4.63** |

1 Impairments primarily relate to certain gathering and processing assets in the Midstream segment, as well as certain crude oil processing and logistics assets in California, reported in the Refining segment.
2 Shutdown-related costs recorded in the Refining segment include pre-tax charges for severance costs.
3 Legal accrual related to ongoing litigation.
4 We generally tax effect taxable U.S.-based special items using a combined federal and state statutory income tax rate of approximately 24%. 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.
5 Q3 2024 and Q3 2023 are based on adjusted weighted-average diluted shares of 419,827 thousand and 447,255 thousand, respectively. 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 | | |
|---|---|---|---|
| | 2024 | | 2023 |
| | 3Q | 2Q | 3Q |
| **Reconciliation of Midstream Pre-Tax Income to Adjusted Pre-Tax Income** | | | |
| Pre-tax income | 644 | 767 | 724 |
| Pre-tax adjustments: | | | |
| Impairments | 28 | 224 | — |
| Net gain on asset disposition | — | (238) | (101) |
| Change in inventory method for acquired business | — | — | (46) |
| DCP Integration restructuring costs | — | — | 4 |
| **Adjusted Pre-Tax Income** | **672** | **753** | **581** |
| | | | |
| **Reconciliation of Chemicals Pre-Tax Income to Adjusted Pre-Tax Income** | | | |
| Pre-tax income | 342 | 222 | 104 |
| Pre-tax adjustments: | | | |
| None | — | — | — |
| **Adjusted Pre-Tax Income** | **342** | **222** | **104** |

# Non-GAAP Reconciliations

| | Millions of Dollars Except as Indicated | | |
|---|---|---|---|
| | 2024 | | 2023 |
| | 3Q | 2Q | 3Q |
| **Reconciliation of Refining Pre-Tax Income to Adjusted Pre-Tax Income** | | | |
| Pre-tax income | (108) | 302 | 1,712 |
| Pre-tax adjustments: | | | |
| Los Angeles Refinery shutdown-related costs | 41 | — | — |
| Legal accrual | — | — | 30 |
| **Adjusted Pre-Tax Income** | **(67)** | **302** | **1,742** |
| | | | |
| **Reconciliation of Marketing & Specialties Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss)** | | | |
| Pre-tax income | (22) | 415 | 605 |
| Pre-tax adjustments: | | | |
| Legal accrual | 605 | — | — |
| **Adjusted Pre-Tax Income** | **583** | **415** | **605** |

# Non-GAAP Reconciliations

| | Millions of Dollars Except as Indicated | | |
|---|---|---|---|
| | 2024 | | 2023 |
| | 3Q | 2Q | 3Q |
| **Reconciliation of Renewable Fuels Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss)** | | | |
| Pre-tax income (loss) | (116) | (55) | 22 |
| Pre-tax adjustments: | | | |
| None | — | — | — |
| **Adjusted Pre-Tax Income (Loss)** | **(116)** | **(55)** | **22** |
| | | | |
| **Reconciliation of Corporate & Other Pre-Tax Loss to Adjusted Pre-Tax Loss** | | | |
| Pre-tax loss | (327) | (340) | (354) |
| Pre-tax adjustments: | | | |
| Business transformation restructuring costs | — | — | 51 |
| **Adjusted Pre-Tax Loss** | **(327)** | **(340)** | **(303)** |

# Non-GAAP Reconciliations

| | | Millions of Dollars | |
|---|---|---|---|
| | | 2024 | |
| | | 3Q | 2Q |
| **Reconciliation of Refining - Atlantic Basin / Europe Pre-tax Income (Loss) to Adjusted Pre-Tax Income (Loss)** | | | |
| Pre-tax income (loss) | $ | (61) | 15 |
| Pre-tax adjustments: | | | |
| None | | — | — |
| **Adjusted Pre-Tax Income (Loss)** | **$** | **(61)** | **15** |
| | | | |
| **Reconciliation of Refining - Gulf Coast Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss)** | | | |
| Pre-tax income (loss) | $ | (102) | 42 |
| Pre-tax adjustments: | | | |
| None | | — | — |
| **Adjusted Pre-Tax Income (Loss)** | **$** | **(102)** | **42** |
| | | | |
| **Refining - Central Corridor Pre-Tax Income to Adjusted Pre-Tax Income** | | | |
| Pre-tax income | $ | 308 | 243 |
| Pre-tax adjustments: | | | |
| None | | — | — |
| **Adjusted Pre-Tax Income** | **$** | **308** | **243** |
| | | | |
| **Refining - West Coast Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss)** | | | |
| Pre-tax income (loss) | $ | (253) | 2 |
| Pre-tax adjustments: | | | |
| Los Angeles Refinery shutdown-related costs | | 41 | — |
| **Adjusted Pre-Tax Income (Loss)** | **$** | **(212)** | **2** |

# Non-GAAP Reconciliations

| | | Millions of Dollars Except as Indicated |
|---|---|---|
| | | 3Q 2024 |
| Total Debt | $ | 19,998 |
| Total Equity | | 29,784 |
| **Debt-to-Capital Ratio** | | **40 %** |
| | | |
| Total Cash | $ | 1,637 |
| **Net Debt-to-Capital Ratio** | | **38 %** |

# Non-GAAP Reconciliations

| | | Millions of Dollars<br>3Q 2024 |
|---|---|---|
| **Reconciliation of Consolidated Net Income to Adjusted EBITDA** | | |
| Net income | $ | 369 |
| Plus: | | |
| Income tax expense | | 44 |
| Net interest expense | | 191 |
| Depreciation and amortization | | 543 |
| **Phillips 66 EBITDA** | **$** | **1,147** |
| Special Item Adjustments (pre-tax): | | |
| Impairments | | 28 |
| Legal Accrual | | 605 |
| Los Angeles Refinery shutdown-related costs | | 41 |
| Total Special Item Adjustments (pre-tax) | | 674 |
| Change in Fair Value of NOVONIX Investment | | — |
| **Phillips 66 EBITDA, Adjusted for Special Items and Change in Fair Value of NOVONIX Investment** | **$** | **1,821** |
| Other Adjustments (pre-tax): | | |
| Proportional share of selected equity affiliates income taxes | | 24 |
| Proportional share of selected equity affiliates net interest | | 12 |
| Proportional share of selected equity affiliates depreciation and amortization | | 188 |
| Adjusted EBITDA attributable to joint venture partners' noncontrolling interests | | (47) |
| **Consolidated Adjusted EBITDA** | **$** | **1,998** |

# Non-GAAP Reconciliations

| | | Millions of Dollars (Except as Indicated) | | | | |
|---|---|---|---|---|---|---|
| | | 3Q 2024 | | | | |
| | | Atlantic Basin/ Europe | Gulf Coast | Central Corridor | West Coast | Worldwide |
| **Reconciliation of Refining Income (Loss) Before Income Taxes to Realized Refining Margins** | | | | | | |
| Income (loss) before income taxes | $ | (61) | (102) | 308 | (253) | (108) |
| Plus: | | | | | | |
| Taxes other than income taxes | | 24 | 26 | 27 | 23 | 100 |
| Depreciation, amortization and impairments | | 53 | 69 | 41 | 67 | 230 |
| Selling, general and administrative expenses | | 14 | 8 | 27 | 11 | 60 |
| Operating expenses | | 253 | 304 | 124 | 241 | 922 |
| Equity in (earnings) losses of affiliates | | 2 | (1) | 11 | — | 12 |
| Other segment (income) expense, net | | (25) | 6 | 8 | 7 | (4) |
| Proportional share of refining gross margins contributed by equity affiliates | | 21 | — | 172 | — | 193 |
| Special items: | | | | | | |
| None | | — | — | — | — | — |
| **Realized Refining Margins** | **$** | **281** | **310** | **718** | **96** | **1,405** |
| | | | | | | |
| **Total processed inputs (MB)** | | **47,819** | **48,609** | **27,025** | **21,987** | **145,440** |
| **Adjusted total processed inputs (MB)[1]** | | **47,819** | **48,609** | **50,536** | **21,987** | **168,951** |
| | | | | | | |
| **Income (loss) before income taxes ($/BBL)[2]** | **$** | **(1.27)** | **(2.10)** | **11.38** | **(11.51)** | **(0.74)** |
| **Realized refining margins ($/BBL)[3]** | **$** | **5.87** | **6.39** | **14.19** | **4.34** | **8.31** |

[1] Adjusted total processed inputs include our proportional share of processed inputs of an equity affiliate.
[2] Income (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.