

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Phillips 66 Retirement Plan	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Phillips 66 Company	D Employer Identification Number (EIN) 37-1652702	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	2,327,620,560	
b Actuarial value	2b	2,256,213,590	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	354	117,309,225	117,309,225
b For terminated vested participants.....	728	39,125,952	39,125,952
c For active participants.....	12,590	1,823,005,573	1,926,299,649
d Total.....	13,672	1,979,440,750	2,082,734,826
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	6.19%	
6 Target normal cost.....	6	116,891,034	

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Terry McFadden <i>TJM</i>	<u>9/15/2016</u>
	Signature of actuary	Date
	TERRY MCFADDEN	1406240
	Type or print name of actuary	Most recent enrollment number
	WILLIS TOWERS WATSON	214-530-4200
	Firm name	Telephone number (including area code)
	500 N. AKARD STREET SUITE 4100	
	Address of the firm	
	DALLAS TX 75201	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 0

22 Weighted average retirement age **22** 60

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6).....	31a	116,891,034
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33** 0

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ... **34** 116,891,034

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	116,891,034	116,891,034

36 Additional cash requirement (line 34 minus line 35) **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 287,398,413

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	287,398,413
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	116,891,034

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0

40 Unpaid minimum required contributions for all years **40** 0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected 2 plus 7 years 15 years

b Eligible plan year(s) for which the election in line 41a was made 2008 2009 2010 2011

42 Amount of acceleration adjustment **42** 0

43 Excess installment acceleration amount to be carried over to future plan years **43** 0

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

Economic Assumptions

Interest rate basis:

- Applicable month January
- Interest rate basis 3-Segment Rates

Interest rates:

- | | Reflecting
Corridors |
|--|-------------------------|
|--|-------------------------|

Annual rates of increase

- Compensation: 4.00%
- Future Social Security wage bases 3.75%
- Statutory limits on compensation 2.25%

Administrative “and investment” expenses \$0

Cash Balance Interest Credit Rate

- **Titles II, III, and VI** 2.85% for 2015 and 2016, and 3.00% thereafter.
- **Title VII** None assumed. Balances were assumed to be paid out immediately.
- **Deferred participants of all titles** 3.00% from current age to date of commencement.

Schedule SB, Part V – Summary of Principal Plan Provisions

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Calculation of Lump Sum

The following assumptions are used to convert Accrued Benefits to lump sums:

- **Accruals before January 1, 2009**

Gross Benefits for Participants in Title I

Interest: 2.85% in 2015 and 2016, and 3.00% thereafter.

Mortality: The 1994 Group Annuity Reserving Table with a 50%/50% blend of male and female rates.

PAR Benefits for Participants in Title I

Interest: 1.25%

Mortality: UP84 Mortality, PBGC basis.

Benefits for Participants in Title IV

For the portion of benefit earned before January 1, 2000:

Interest: 1.25%

Mortality: The 1971 Group Annuity Mortality Table set back two years (sex neutral, consisting of 90% male rates and 10% female rates).

For the portion of the benefit earned after December 31, 1999:

Interest: 2.85% in 2015 and 2016, and 3.00% thereafter.

Mortality: The 1994 Group Annuity Reserving Table with a 50%/50% blend of male and female rates.

Gross Benefits under Title VI

Interest: : 2.85% in 2015 and 2016, and 3.00% thereafter.

Mortality: The 1994 Group Annuity Reserving Table with a 50%/50% blend of male and female rates.

- **Accruals after December 31, 2008**

Accruals after December 31, 2008 are converted based on the applicable mortality and interest rate assumptions outlined in 417(e)(3) as amended by the Pension Protection Act. The January 2015 segment rates were used as the applicable interest rate assumption outlined in 417(e)(3).

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
(cont.)**

Plan Name: Phillips 66 Retirement Plan
 EIN/PN: 37-1652702/001
 Plan Sponsor: Phillips 66 Company

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Mortality

- **Healthy** The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants projected to valuation date.

- **Disabled** Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.

Disability rates

- **Titles III and IV:** The rates at which participants become disabled by age:

Age	Annual Rate of Disability
Under 27	0.03%
27-28	0.04%
29-30	0.05%
31	0.06%
32	0.07%
33	0.08%
34	0.09%
35	0.10%
36	0.11%
37	0.13%
38	0.14%
39	0.16%
40	0.17%
41	0.19%
42	0.20%
43	0.22%
44	0.23%
45	0.25%
46	0.28%
47	0.32%
48	0.35%
49	0.39%
50-51	0.42%
52-53	0.41%
54-65	0.40%

- **Titles I, II and VI** Since no separate disability benefit is payable, the incidence of disability is added to the other rates of withdrawal or retirement, depending upon eligibility.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Phillips 66 Retirement Plan
 EIN/PN: 37-1652702/001
 Plan Sponsor: Phillips 66 Company

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- Titles V, VII and VIII Not applicable.

Termination

- Titles I, II, III, IV, and VI: The rates at which participants terminate employment by age:

Age	Annual Rate of Termination
Under 20	10.0%
20-29	7.5%
30-34	5.0%
35-39	4.0%
40-49	3.0%
50-64	2.0%

- Titles V, VII, and VIII: Not applicable (no active participants).

Retirement

- Titles I, II and VI:

Age	Annual Rate of Retirement
55-56	7.5%
57-59	10.0%
60-61	20.0%
62-64	50.0%
65	100.0%

- Title III: Same as above, with the exception that participants who have reached 85 points are assumed to retire at the rate of 20% per year.

- Title IV:

Age	Annual Rate of Retirement
50-54	4.0%
55-56	7.5%
57-59	10.0%
60-61	20.0%
62-64	50.0%
65	100.0%

- Titles V, VII, and VIII: Not applicable (no active participants).

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Phillips 66 Retirement Plan
EIN/PN: 37-1652702/001
Plan Sponsor: Phillips 66 Company

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Benefit commencement date: Commencement dates vary by title, as described in Summary of Principal Provisions.

Form of Payment

Title I Participants (Phillips Retirement Income Plan)

- Current Employees
100% assumed to elect a Lump sum commencing at the later of age 55 or actual retirement.
- Vested Terminated Employees
100% assumed to elect a Lump Sum commencing at the later of age 55 and attained age.

Title II Participants (Phillips 66 Cash Balance Account)

- Current Employees
100% assumed to elect their Cash Balance account commencing at termination.
- Vested Terminated Employees
100% assumed to elect their Cash Balance account commencing immediately.

Title III Participants (Tosco Pension Plan)

- Current Employees
100% assumed to elect a Lump Sum commencing at the later of age 55 or actual retirement.
- Vested Terminated Employees
100% assumed to elect a Lump Sum commencing at the later of age 55 or attained age.

Title IV Participants (Retirement Plan of Conoco)

- Current Employees
100% assumed to elect a Lump Sum commencing at the later of age 50 or actual retirement.
- Vested Terminated Employees
100% assumed to elect a Lump Sum commencing at the later of age 50 or attained age.

Title VI Participants (Burlington Resources, Inc. Pension Plan)

- Current FAE Employees
100% assumed to elect a Lump Sum at retirement.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Phillips 66 Retirement Plan
 EIN/PN: 37-1652702/001
 Plan Sponsor: Phillips 66 Company

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- Current CB Employees
100% assumed to elect their Cash Balance at retirement.
- FAE Vested Terminated Employees
100% assumed to elect a Lump Sum at age 65.
- CB Vested Terminated Employees
100% assumed to elect to take their Cash Balance account commencing at age 65.

Title VII Participants (Phillips 66 Store Retirement Plan)

- Vested Terminated Employees
100% assumed to elect a Lump Sum at age 65.

Percent married	It is assumed that 85% of eligible participants are married.
Spouse age	Males are assumed to be 3 years older than their spouses.
Covered pay	Plan compensation is actual compensation during the prior year provided by the employer, annualized for participants who did not work for a full year.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the previous plan year.)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Phillips 66 Retirement Plan
EIN/PN: 37-1652702/001
Plan Sponsor: Phillips 66 Company

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The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued Willis Towers Watson has reviewed the plan provisions with Phillips 66 Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Cash Balance Interest crediting rate	The plan credits interest to cash balance accounts as described in the economic assumptions. After examining historical variability in these rates, we believe that the selected assumption does not significantly conflict with what would be reasonable based on a combination of market conditions at the measurement date and future expectations consistent with other economic assumptions used, other than the discount rate.
Lump sum conversion rate	Lump sum benefits are valued using a select and ultimate assumption for the plan's lump sum conversion rate, and thus reflects both current conditions and expected future conditions. We believe the assumption is not significantly inconsistent with what would be reasonable and consistent with other economic assumptions used, other than the discount rate.
Rates of increase in compensation, National Average Wages (NAW), CPI	Assumed increases were chosen by the plan sponsor and they represent an estimate of future experience.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination/Retirement	Termination and retirement rates were based on an experience study conducted prior to the spinoff.
Form of Payment	The percentage of retiring participants assumed to take lump sums is based on an examination of the election rates over the preceding years.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Source of Prescribed Methods

Funding methods

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Schedule SB, Part V – Summary of Principal Plan Provisions

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Plan Sponsor

Phillips 66 Company

Plan

Phillips 66 Retirement Plan

Effective Date

The Plan was spun off of the ConocoPhillips Retirement Plan as of May 1, 2012.

Plan Year

The twelve-month period ending December 31.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title I: Phillips Retirement Income Plan

Coverage and Participation

Title I of the Plan was closed to new hires after December 31, 2001.

Credited Service

A participant is credited with 1/12 of a year of Credited Service for each multiple of 190 hours of Deemed Service he/she has earned in an anniversary year, not to exceed one full year of Credited Service in each.

Vesting Service

A participant is credited with 1 year of Vesting Service for each anniversary year in which he/she has completed 1,000 or more Deemed Hours of Service.

Compensation/Salary

Base pay received during each plan year plus overtime, shift differential, bonus, premium holiday pay, and Variable Compensation Incentive Program (VCIP) Payments.

Final Average Compensation/Salary

The average of the highest 3 consecutive calendar years of compensation during the 11-year period ending on the earliest of termination, early retirement or normal retirement dates.

Accrued Benefit

The greater of:

- a. The final average benefit equal to 1.6%¹ of final average earnings multiplied by years of Credited Service (maximum of 48 years) less 1.5% of Primary Social Security benefit for each year of Credited Service at Normal Retirement (maximum of 33-1/3 years), multiplied by the ratio of Credited Service to projected Credited Service at Normal Retirement; and
- b. \$15 per month per year of Credited Service.

¹ For service from January 1, 1973 to January 1, 1975 the final average percentage was 1.5% and for service from July 1, 1971 to January 1, 1973 the final average percentage was 1.4%. Prior to July 1, 1971, and subsequent to January 1, 1975 the percentage is 1.6%. If the participant "makes up" missed months of participation prior to July 1, 1971, the percentage is 1.6% for all months of participation. Subsidiaries that were merged into the Plan on January 1, 1990 have minimum past service benefits based on their respective formulas.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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The Accrued Benefit will be offset for:

- a. Benefits provided by Prudential, under the non-participating annuity contract GA-40176, established 9/1/1986; and
- b. Benefits provided by BP/ARCO retirement plan for certain employees acquired in 2000. This offset will be reduced for early retirement based on the smaller of either reduction factors in effect at BP/ARCO at the time of acquisition or those in the Phillips Retirement Income Plan.

Normal Retirement Benefit

1. Eligibility: First of the month nearest to the attainment of age 65.
2. Benefit: Accrued Benefit.
3. Normal Form of Benefit: Single Life Annuity.

Late Retirement Benefit

1. Eligibility: Following Age 65.
2. Benefit: Accrued Benefit.
3. Payment: Immediate.

Early Retirement Benefit

1. Eligibility: Before the first of the month nearest the attainment of age 65 and on or after attaining age 55.
2. Benefit: Accrued Benefit.
3. Payment: Immediate payment available reduced 5% for each year of payment before age 60.

Disability Benefit

None.

Vested Benefits upon Termination of Service

1. Benefit: A percentage of the Accrued Benefit to date of termination as follows:
 - a. Less than 5 years of Vesting Service – 0%.
 - b. 5 or more years of Vesting Service – 100%.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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2. Payment: Deferred to age 65. Immediate payment available upon attainment of age 55 reduced 6% for each year of payment before 65.

Death Benefits for Participants in Active Service

1. Pre-retirement:
 - a. Non-vested participant: No benefit.
 - b. Retirement-eligible participants: The spouse of a participant who dies after becoming eligible to retire may elect to receive a lump sum Actuarially Equivalent to the participant's Accrued Benefit or a surviving spouse annuity (adjusted for early/late retirement and for difference in spousal/participant age as necessary). Unmarried participants may name a beneficiary to receive the lump sum Actuarially Equivalent to the participant's Accrued Benefit. Spouses of participants who terminated before January 1, 2008 are not eligible to receive a lump sum payment. Different provisions apply for participants terminated prior to August 31, 2004.
 - c. Retirement-ineligible participants: A non-spouse beneficiary of a participant who dies before becoming eligible to retire will receive an immediate lump sum payment that is Actuarially Equivalent to the participant's benefit payable at age 65. A surviving spouse may elect to receive a Single Life Annuity instead of the lump sum. The earliest commencement date for such benefit will be the participant's age 55. Different provisions apply for participants terminated prior to August 31, 2004.
2. Post-Retirement: Dependent on the form of payment in effect.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: Single Life Annuity.
2. Automatic Form:
 - a. Unmarried participant: Normal Form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.
3. Optional Forms:
 - a. Joint & Survivor Annuity: The spouse percentage may be between 10% and 100% subject to certain constraints.
 - b. Lump sum.

Pension Increases

None.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Plan Participants' Contributions

They are neither required nor permitted.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title II: Phillips 66 Cash Balance Account

Coverage and Participation

New employees become Plan participants in Title II upon the first of the month following their date of hire.

Heritage Tosco and Heritage Phillips

Employees hired after 2001 become participants upon their date of hire. Employees hired before 2002 became participants on July 1, 2002, contingent upon their election of Title II coverage.

Heritage Conoco

Employees hired after 2002 become participants upon their date of hire. Employees hired before 2003 became participants on July 1, 2003, contingent upon their election of Title II coverage.

Vesting Service

A participant is credited with 1 year of Vesting Service for each anniversary year in which he/she has completed 1,000 or more Hours of Service.

Compensation/Salary

Base pay received during each plan year plus overtime, shift differential, bonus, premium holiday pay, and Variable Compensation Incentive Program (VCIP) Payments.

Cash Balance Benefit

The hypothetical balance is equal to the accumulation of pay and interest credits. The cash balance is payable as a lump sum or an annuity upon termination or retirement at any age.

Pay Credits

Years of Service plus Attained Age	Pay credit percent (%)
Less than 44	6%
At least 44 but less than 66	7%
66 or more	9%

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Interest Credits

The average rate for 30-year Treasury securities for the fourth month prior to each calendar quarter.

Normal Retirement Benefit

1. Eligibility: First of the month nearest to the attainment of age 65.
2. Benefit: Annuity derived from the Cash Balance Benefit.
3. Normal Form of Benefit: Single Life Annuity.

Disability Benefit

None.

Vested Benefits upon Termination of Service

1. Benefit: A percentage of the Cash Balance Benefit to date of termination as follows:
 - a. Less than 3 years of Vesting Service – 0%.
 - b. 3 or more years of Vesting Service – 100%.
2. Payment: Vested Cash Balance Benefit. Immediate annuity available.

Death Benefit

1. Pre-retirement:
 - a. Non-vested participants: No benefit.
 - b. Vested participants: Cash Balance Benefit.
2. Post-Retirement: Dependent on the form of payment in effect.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: Single Life Annuity at age 65.
2. Automatic Form:
 - a. Unmarried participant: Normal Form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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3. Optional Forms:

- a. Lump sum equal to the vested Cash Balance Benefit available.
- b. Joint & Survivor Annuity: The spouse percentage may be between 10% and 100%, subject to certain constraints.

Pension Increases

None.

Plan Participants' Contributions

They are neither required nor permitted.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title III: Tosco Pension Plan

Coverage and Participation

Title III of the Plan was closed to new hires after December 31, 2001.

Credited Service

Before January 1, 1976: Full and fractional years after Plan Date during which the Participant worked an average of at least 20 hours per week and worked at least 5 months per year.

After December 31, 1975: Beginning with the later of Plan Date and January 1, 1976, each completed month of service while an employee, including periods in which no services are performed following termination, provided the employee was rehired before one full year elapses.

Vesting Service

All years of Credited Service.

Compensation/Salary

Aggregate of all payments for services, but excluding benefits under an employee benefit plan, severance pay, retainers, fees, bonuses, unscheduled overtime or reimbursements.

Final Average Compensation/Salary

The monthly average of the highest 36 consecutive months' Compensation in the 120 months preceding retirement.

Social Security Benefit

The monthly primary insurance benefit payable to a Participant under Title II of the Social Security Act on his Normal or Late Retirement Date.

Accrued Benefit

Pay Credits (Alliance Cash Balance only)

4%, 5% or 6% of Compensation up to 25% of Social Security Taxable Wage Base, plus 7%, 9% or 11% of Compensation above 25% of Social Security Taxable Wage Base.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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For employees hired at Alliance Refinery within six months before or after September 1, 2000, the (5%, 9%) credit applies at the earlier of 10 years of service or age 40; (6%, 11%) credit applies at earlier of 20 years of service or age 50. For all other Alliance Refinery Employees, the (5%, 9%) credit applies at 10 years of service; (6%, 11%) credit applies at 20 years of service.

Interest Credits (Alliance Cash Balance only)

The average rate for 30-year Treasury securities for the fourth month prior to each calendar quarter.

Tosco Pension Plan (excludes Alliance Cash Balance)

The sum of 1. and 2. minus 3. payable monthly:

1. Final Average Benefits computed as:
 - a. Final Average Compensation times “accrual rates” times Credited Service (accrual rate equals 1.6% for all employees except the accrual rate for former BP employees at the Ferndale refinery before January 1, 1971 is 1.3%) offset by
 - b. Service at Normal Retirement Date (not to exceed 33-1/3 years) times 1.5% times the Social Security Benefit times Credited Service divided by Projected Credited Service at Normal Retirement Date (latter fraction may not exceed one).

The offset under 1.b. for a participant with 85 Points and an Early or Disability Retirement Date preceding age 60 shall not exceed the product of his Social Security Benefit times Credited Service divided by Service at Normal Retirement Date (latter fraction may not exceed one), and the applicable percentage below.

Age at Annuity Start	Percentage
60	50.0%
59	47.5%
58	45.0%
57	42.5%
56	40.0%
55	37.5%

2. Prior Plan Benefits: Accrued Benefit under Bakersfield Pension Plan that became payable under the Plan as a result of a plan merger.
3. Benefit Offsets: The sum of a., b., c., d., e., f., g., and h. as follows:
 - a. Phillips Benefit: The maximum of (i) and (ii) as follows:
 - i. Unit benefit accrued as of April 1, 1976.
 - ii. The excess of (A) / (B) x (C)

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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- (A) Adjusted earnings rate as of January 1, 1975 times “benefit percentages” based on accrual rates under the Phillips Plan as of March 31, 1976 and Credited Service through April 1, 1976.
- (B) Phillips theoretical Social Security offset.
- (C) The ratio of Credited Service at April 1, 1976 to total Credited Service.

- b. Corporate Offset: The accrued monthly benefit, if any, under the Tosco Corporation Pension Plan (terminated) as of July 31, 1985 and paid out in a lump sum. In some cases, the benefit was distributed by means of individual deferred annuity contracts purchased from Allstate Life Insurance Company (then called “Allstate” offset). These contracts provide a life income deferred to age 65 with the option to commence unreduced early retirement on or after age 60.
- c. CILP Offset: Annuitized value of accumulated contributions in lieu of pension made to Tosco CAP for participants with delayed eligibility for the Plan.
- d. Monsanto Offset: The Accrued Benefit, if any, payable under the Monsanto Company Salaried Employees’ Pension Plan.
- e. Bayway Offset: The Accrued Benefit, if any, payable at age 65 from the Annuity Plan, Edition of September 1, 1992, in the Benefit Plan of Exxon Corporation and Participating Affiliates. This offset will be reduced for early retirement based on the reduction factors in effect in the prior plan at the time of the acquisition.
- f. Ferndale Offset: The Accrued Benefit, if any, payable at age 65 from the BP America, Inc. Master Hourly Plan for Represented Employees. This offset will be reduced for early retirement based on the reduction factors in effect in the prior plan at the time of the acquisition.
- g. Unocal Offset: The Accrued Benefit, if any, payable at age 65 from the Unocal Retirement Plan. This offset will be reduced for early retirement based on the reduction factors in effect in the prior plan at the time of the acquisition or the applicable Tosco Pension Plan early receipt factors, whichever produces the larger Tosco Pension Plan benefit.
- h. Shell/Equilon Offset: The Accrued Benefit, if any, payable at age 65 from the Shell Pension Plan plus the annuitized cash balance payable at age 65 from the Equilon cash balance plan. (If an acquired employee did not have both 68 points and 19 years of service as of June 1, 2000, the Shell and Equilon benefit is reduced for early retirement before offset, using the predecessor employer early retirement factors.)

Normal Retirement Benefit

1. Eligibility: Age 65.
2. Benefit: Accrued Benefit.
3. Normal Form of Benefit: Single Life Annuity.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Late Retirement Benefit

1. Eligibility: Following age 65.
2. Benefit: Larger of the Accrued Benefit based on Normal Retirement benefit formula using Credited Service at Late Retirement Date and the Actuarial Equivalent of the prior year's benefit.
3. Payment: Immediate.

Early Retirement Benefit

1. Eligibility: Former Phillips employees upon attainment of age 55. All other employees upon attainment of age 55 and completion of 10 or more years of service.
2. Benefit: Accrued Benefit.
3. Payment: Deferred to age 65. Immediate payment available reduced by 1/15 for each year Early Retirement precedes age 60. No reduction applies if age and service total 85 or more at retirement.

Disability Benefit

1. Eligibility: Termination due to disability.
2. Benefit: Accrued Benefit based on current pay and including service for the period from termination of employment to retirement date.
3. Payment: Deferred to Early or Normal Retirement.

Vested Benefits upon Termination of Service

1. Benefit: A percentage of the Accrued Benefit to date of termination as follows:
 - a. Less than 5 years of Vesting Service – 0%.
 - b. 5 or more years of Vesting Service – 100%.
2. Payment: Deferred to age 65. Immediate payment available upon attainment of age 55 reduced 1/15 for each of the first 5 years that benefit commencement precedes age 65 and further by 1/30 for each year benefit commencement precedes age 60.

Death Benefits for Participants in Active Service

1. Pre-Retirement:
 - a. Non-vested participants: No benefit.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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- b. Vested married participants (post-August 31, 2004): The surviving spouse of a participant who dies after completing 5 years of service will be paid the participant's Accrued Benefit for life. The amount of the Accrued Benefit will be actuarially adjusted to account for the difference in age between the participant and spouse. The annuity is payable at the earliest date the participant could have retired under the Plan and includes any applicable early retirement reduction. Different provisions applied to participants who died before September 1, 2004.
 - c. Retirement-eligible married participants (post-December 31, 2008): The surviving spouse of a participant who dies after becoming eligible to retire may elect to receive a lump sum Actuarially Equivalent to the participant's Accrued Benefit.
 - d. Vested unmarried participants (post-August 31, 2004): The beneficiary of a participant who dies before commencing payment of their Accrued Benefit will receive a lump sum death benefit equal to the present value of the Accrued Benefit. The benefit is payable immediately following death. Different provisions applied to participants who died before September 1, 2004.
2. Post-Retirement: Dependent on the form of payment in effect.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: Single Life Annuity.
2. Automatic Form:
 - a. Unmarried participant: Normal Form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.
3. Optional Forms:
 - a. Lump sum available only for Alliance Cash Balance.
 - b. Joint & 50%, 75% or 100% Survivor Annuity.
 - c. 10-year Certain and Life Annuity – only available on benefits accrued through December 31, 2013.

Pension Increases

None.

Special Provisions for Exxon Mobil, Wood River and Alliance Groups

Coverage was extended effective March 1, 2000 to certain employees of Exxon Mobil Corporation in connection with an acquisition by Tosco. These employees receive a benefit that would have been

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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payable under the predecessor plan in effect on March 1, 2000, as if they had remained employed with Exxon Mobil and continued to be covered by the predecessor plan during their period of employment with Tosco. Benefits are offset by predecessor plan benefits based on age and service at the time of sale and by the annuitized value of the Pension Equity Retirement Contributions account.

Coverage was extended effective June 1, 2000 to certain employees of Wood River Refinery in connection with its acquisition by Tosco. These employees receive a benefit based on both Tosco and predecessor employer service with an offset of predecessor plan benefits based on age and service at the time of sale.

Coverage was extended effective September 1, 2000 to certain employees of Alliance Refinery in connection with its acquisition by Tosco. These employees do not participate in the final average pay benefit but receive a cash balance pay credit based on Tosco and predecessor employer service and starting with a balance of \$0.

Plan Participants' Contributions

They are neither required nor permitted.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title IV: Retirement Plan of Conoco

Coverage and Participation

Title IV of the Plan was closed to new hires after December 31, 2002.

Credited Service

For each 12 month period beginning on the enrollment date in which a plan participant is credited with at least 1,000 Hours of Service, the participant will be credited with the lesser of 1 or Hours of Service divided by 2,080 Years of Credited Service.

190 Hours of Service are credited for each month in which a participant works 1 hour.

Participants retiring need not be credited with 1,000 Hours of Service to receive partial credit for their final 12 month period.

Vesting Service

Years of Service are used to determine eligibility to participate, vesting and eligibility for Separation, Early or Incapacity Retirement.

One Year of Service is earned for each consecutive 12-month period following employment in which 1,000 Hours of Service are credited.

190 Hours per Month are credited for each month in which at least 1 hour is worked.

Compensation/Salary

Base Pay received during each plan year plus commissions, overtime, shift differential, bonus, premium holiday pay, Variable Compensation Incentive Program (VCIP) Payments and a 401(k) plan or non-qualified cash deferred arrangement.

Final Average Compensation/Salary

“High-3 Year Compensation” means the higher of the highest 36 consecutive months’ compensation divided by 3 and the highest 3 calendar years (not necessarily consecutive) divided by 3.

“High-10 Year Compensation” means the highest 120 consecutive months of compensation divided by 10.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Social Security Benefit

The estimated monthly amount payable to a participant at full Social Security retirement age under the Social Security Law in effect on the first day of the year of his/her termination date. For a participant who terminates employment before full Social Security retirement age, the primary Social Security benefit is determined as if 1) there were no further Social Security earnings in the years after termination of employment, 2) earnings for years back to age 22 are estimated using the percentage changes in the National Average Wage Base as published by the Social Security Administration.

Accrued Benefit

The largest of the following:

1. High-3 Formula

1.6% of "High-3 Year Compensation" times years of Membership

minus

1.5% times "Primary Social Security Benefit" (PSSB) times Years of Membership (maximum of 50% of the PSSB)

2. High-10 Formula (only if a participant prior to January 1, 1971)

1% of "High-10 Year Compensation" not in excess of \$3,000

plus

1.5% of "High-10 Year Compensation" in excess of \$3,000

times

Years of Membership

3. Minimum Formula

\$144 times Years of Membership

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Normal Retirement Benefit

1. Eligibility: First of the month following the date of attainment of age 65.
2. Benefit: Accrued Benefit.
3. Normal Form of Benefit: Single Life Annuity.

Late Retirement Benefit

1. Eligibility: Following age 65.
2. Benefit: Accrued Benefit.
3. Payment: Immediate.

Early Retirement Benefit

1. Eligibility: Before Normal Retirement date after attainment of age 50 and 10 Years of Service and prior to termination.
2. Benefit: Accrued Benefit.
3. Payment: Deferred to age 65. Immediate payment reduced by the following schedule:

Age at Benefit Start Date	Percentage of Age 65 SLA	
	Schedule I ¹	Schedule II ²
65	100	100
64	100	100
63	100	100
62	100	100
61	100	97
60	100	94
59	96	91
58	92	88
57	88	85
56	83	82
55	78	79
54	73	76
53	68	73
52	63	70
51	58	67
50	53	64

¹ Applies to the High-10 and Minimum Formulae accrued after December 31, 1970 and the High-3 Formula.

² Applies to the High-10 and Minimum Formulae accrued prior to January 1, 1971.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Disability Benefit

1. Eligibility: Termination due to disability after attaining age 40 and 10 Years of Service.
2. Benefit: Accrued Benefit.
3. Payment: Immediate unreduced payment. Disability retirees may not receive lump sums.

Vested Benefits upon Termination of Service

1. Benefit: A percentage of the Accrued Benefit to date of termination as follows:
 - a. Less than 5 Years of Service: 0%.
 - b. 5 or more Years of Service: 100%.
2. Payment: Deferred to age 65. May commence benefits as early as age 50 reduced for early retirement.

Death Benefits

1. Non-vested Participants: No benefit.
2. Vested Participants:

For vested participants who die while an active employee, a Lump Sum Survivor's Benefit ("LSSB") shall be paid to the beneficiary. The LSSB for a participant is the lump sum benefit that a participant would have received had the participant terminated on the date of death, lived to the first of the next month and elected an immediate lump sum form of benefit offset by the present value of any other survivor's benefits to be paid under the terms of the Plan.

For vested former participants who die after termination, but before their annuity starting date, a LSSB shall be paid to the beneficiary. The LSSB is the lump sum the participant would have received had he/she lived to the first of the month after his/her death and had that date been his/her annuity start date.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: Single Life Annuity.
2. Automatic Form:
 - a. Unmarried participant: Normal Form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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3. Optional Forms:

- a. Joint & 75% or 100% Survivor Annuity.
- b. Lump sum.

Pension Increases

None.

Plan Participants' Contributions

They are neither required nor permitted.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title VI: Burlington Resources, Inc. Pension Plan

Coverage and Participation

Title VI of the Plan was closed to new entrants as of March 31, 2006.

Eligible employees who were hired before January 1, 2003 became participants after completing a year of service in which 1,000 hours were worked. If these employees continued employment and did not choose to move to the Burlington Cash Balance plan, they are referred to as “**Final Average Earnings**” or “**FAE**” participants.

Eligible employees hired or rehired after January 1, 2003 became participants at the later of January 1, 2003 or their hire date. There are also FAE participants who elected to enter the Cash Balance Plan. All participants under the Cash Balance Plan are referred to as “**Cash Balance**” participants.

Credited Service

FAE Participants Only

- Prior to January 1, 1999:

Between January 1, 1989 and January 1, 1999, one year of Credited Service was granted for each year in which 1,000 hours were worked. In the employee's year of hire and termination, prorated Credited Service was granted based on the number of months worked divided by 12.

- After December 31, 1998 but prior to April 1, 2006:

Credited Service was earned for each month and year of service with Burlington Resources, Inc. For each month of service in which the employee was paid or entitled to payment and in which one hour was worked, one month of Credited Service was earned.

- After March 31, 2006:

Credited Service was/is earned for each month and year of service with Phillips 66 Company. For each month of service in which the employee was/is paid or entitled to payment and in which one hour was/is worked, one month of Credited Service was/is earned.

Vesting Service

The period beginning on the employment date and ending on the date of termination, retirement, death, or discharge. Participants become 100% vested after completion of 5 years of service (FAE Participants) or 3 years of service (Cash Balance Participants).

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Compensation/Salary

Base pay received during each plan year plus commissions, overtime, shift differential, bonus and premium holiday pay.

Final Average Compensation/Salary

F AE Participants Only

Average of the highest 36 consecutive months during the last 120 months immediate preceding retirement/termination (“FAE3”).

Pay Credits for Cash Balance Participants

- Prior to January 1, 2009

Years of Service	Pay credit percent (%)
Less than 5	4%
At least 5 but less than 10	5%
At least 10 but less than 15	6%
15 or more	7%

- After December 31, 2008

None – pay credits are granted in Title II.

Interest Credits for Cash Balance Participants

- For all pay credits prior to January 1, 2009

The yield on the 10-Year Treasury Constant Maturities for the month of November immediately preceding the Plan Year, credited quarterly.

Accrued Benefit

The Accrued Benefit is calculated as follows:

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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FAE Participants

The monthly benefit payable is equal to the sum of the following:

- a. 1.1% times Final Average Earnings times Credited Service.
- b. 0.5% times Final Average Earnings in excess of the “Integration level” times Credited Service.

“Integration Level” is defined to be one-third of the Social Security Taxable Wage Base in the year of termination or retirement. The Social Security Taxable Wage Base for 2009 and 2010 is \$106,800.

Special provisions apply to former participants of the Retirement Income Plan of the El Paso Natural Gas Company or the LL&E Pension Plan.

Cash Balance Participants

While a Participant, the Cash Balance Account is credited with Pay Credits each month based on the Participant’s Covered Compensation paid during the month. The Cash Balance Account is credited with Interest Credits quarterly, based on the Cash Balance Account as of the last day of the prior quarter.

Normal Retirement Benefit

1. Eligibility: Age 65 and at least 5 years of participation.
2. Benefit: See ‘Accrued Benefit’.
3. Normal Form of Benefit: For FAE participants, Single Life Annuity. For Cash Balance participants, the Normal Form is equal to Actuarial Equivalent of the amount in the participant’s Cash Balance Account.

Late Retirement Benefit

1. Eligibility: Attainment of age 65 with at least 5 years of participation and retirement from active status.
2. Benefit: Greater of the benefit calculated using service and earnings to Late Retirement and the benefit at age 65 actuarially increased to Late Retirement Date.

Early Retirement Benefit

FAE Participants Only

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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1. Eligibility: Age 55 and completion of 10 or more years of Credited Service.
2. Benefit: Accrued Benefit plus special supplemental early retirement benefit of 1% times the Final Average Monthly Earnings up to the monthly integration level times Credited Service reduced by 2% for each year Early Retirement Date precedes age 65. The special supplemental early retirement benefit ends at age 65.
3. Payment: Deferred to Age 65. Immediate payment available reduced by 2% for each year Early Retirement date precedes age 65. Employees who were participants as of December 31, 1998 will not have their benefits reduced below the benefits earned up to that date.

Disability Benefit

None.

Vested Benefits upon Termination of Service

FAE Participants

1. Benefit: A percentage of the Accrued Benefit to date of termination as follows:
 - a. Less than 5 years of Vesting Service – 0%.
 - b. 5 or more years of Vesting Service – 100%.
2. Payment: Deferred to Age 65. Immediate payment available reduced by 5% for each of the first 10 years preceding age 65 and actuarially reduced for any additional years. Employees who were participants as of December 31, 1998 will not have their benefits reduced below the benefits earned up to that date.

Cash Balance Participants

1. Benefit: A percentage of the Cash Balance Account at termination as follows:
 - a. Less than 3 years of Vesting Service – 0%.
 - b. 3 or more years of Vesting Service – 100%.
2. Payment: Deferred to Age 65. Immediate lump sum payment is available equal to the amount in the Cash Balance Account.

Death Benefits for Participants in Active Service

FAE Participants

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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1. Vested Married Participants: An employee is eligible if fully-vested, not eligible to retire and has been married for more than one year. The surviving spouse is entitled to 50% of the Normal Retirement income (Joint & 50% Survivor Annuity automatic form of payment) credited up to the time of death, scheduled to start on the deceased's Normal Retirement Date (may elect to begin as early as the deceased's earliest Early Retirement Date, with the appropriate early retirement reduction).
2. Active participants (post-December 31, 2008): The beneficiary of a participant who dies after becoming eligible is eligible to receive an annuity or a lump sum Actuarially Equivalent to 100% of the participant's Accrued Benefit.

Cash Balance Participants

Death benefits are payable if the participant's death occurs while employed or after terminating with a vested benefit but before distribution of benefits. Married participants must designate their spouse as the primary beneficiary. Single participants can designate a beneficiary via filing a form with the company. If the beneficiary is not the spouse, then the Cash Balance Account will be paid to the beneficiary as a lump sum. If the beneficiary is the spouse then it will be distributed as quickly as administratively possible to the beneficiary. If the value of the Cash Balance Account is less than \$5,000, it will be distributed as a lump sum. Otherwise, the spousal beneficiary can choose to receive a lump sum or an annuity, at any date up until the participant would have turned age 65.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: For FAE participants, Single Life Annuity. For Cash Balance participants, the Normal Form is equal to Actuarial Equivalent of the amount in the participant's Cash Balance Account.
2. Automatic Form:
 - a. Unmarried participant: Normal Form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.
3. Optional Forms:
 - a. Lump Sum.
 - b. Joint & 25%, 50%, 75% or 100% Survivor Annuity.
 - c. 10-year Certain and Life Annuity – only available on benefits accrued through December 31, 2013.

Pension Increases

None.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Plan Participants' Contributions

They are neither required nor permitted.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Title VII: Phillips 66 Store Retirement Plan

Coverage and Participation

Title VII of the Plan was closed to new hires on August 1, 2009.

Vesting Service

All Years of Service on elapsed time basis including predecessor service credited under Circle K Kash Plus Plan.

Compensation/Salary

Aggregate of all base plus overtime pay.

Pay Credits

- Prior to August 1, 2009

4% of Covered Compensation credited monthly.

- After July 31, 2009

All Pay Credits to the Plan ceased, except as may be necessary for the purposes of satisfying the minimum coverage requirements of Section 410(b) of the Code or the nondiscrimination requirements of Treasury Regulations 1.401(a)(4)-3 promulgated under Section 410(a)(4) of the Code.

Interest Credits

The yield on one-year Treasury Constant Maturities for the week including October 31 of the prior Plan Year, credited annually.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Cash Balance Account

While a Participant, the Cash Balance Account was credited (prior to August 1, 2009) with Pay Credits each month based on the Participant's Covered Compensation paid during the month. The Cash Balance Account is credited with Interest Credits at the end of each Plan Year, based on the Cash Balance Account as of the last day of the prior Plan Year.

Effective January 1, 2003, the Plan was amended to provide a \$3,700 minimum payout upon termination to those employees who were hired after December 31, 1999 and who were participants on December 31, 2002.

Effective January 1, 2006, the Plan was amended to provide a \$2,500 minimum payout upon termination to those employees who became participants on or after January 1, 2003 and who were participants on December 31, 2005.

Effective January 1, 2007, the Plan was amended to provide a \$3,100 minimum payment upon termination to those employees who were participants on December 31, 2006.

For all participants whose participation dates were on or after January 1, 2007 who were active participants on December 31, 2007, account balances as of December 31, 2007 were subject to a \$350 minimum.

For all participants whose participation dates were on or after January 1, 2007, and who were active participants on December 31, 2008 with IRS section 415(c)(3) compensation for 2008 of \$18,000 or less, an additional pay credit of \$1,000 was granted effective December 31, 2008.

Normal Retirement

1. Eligibility: Age 65.
2. Benefit: Actuarial Equivalent of the amount in the Cash Balance Account.
3. Payment: Immediate on the first of the month coinciding with or next following attainment of age 65.

Late Retirement Benefit

1. Eligibility: Following age 65.
2. Monthly Benefit: Actuarial Equivalent of the amount in the Cash Balance Account as of end of the month preceding date of termination.
3. Payment: Immediate on the first of the month coinciding with or next following the date of termination.

Schedule SB, Part V – Summary of Principal Plan Provisions (cont.)

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702/001

Plan Sponsor: Phillips 66 Company

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Vested Benefits upon Termination of Service

1. Benefit: A percentage of the Cash Balance Account at termination as follows:
 - a. Less than 3 years of Vesting Service – 0%.
 - b. 3 or more years of Vesting Service – 100%.
2. Payment: Deferred to age 65. Immediate lump sum payment is available equal to the amount in the Cash Balance Account.

Death Benefits for Vested Participants

1. Pre-Retirement: The surviving spouse receives a Life Annuity equal in amount to the Actuarial Equivalent of the participant's Cash Balance Account as of the end of the month coinciding with or next following the date of death. A lump sum equal to the account balance is available.
2. Post-Retirement: Dependent on the form of payment in effect.

Optional Forms of Retirement Income in Lieu of Normal Form

1. Normal Form: Single Life Annuity equal to the Actuarial Equivalent of the amount in the Cash Balance Account.
2. Automatic Form:
 - a. Unmarried participant: Normal form.
 - b. Married participant: Joint & 50% Survivor Annuity Actuarially Equivalent to the Normal Form.
3. Optional Form for married participants: Joint and 75% Survivor Annuity

Employee Contributions

They are neither required nor permitted.

Schedule SB, Statement by Enrolled Actuary

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Plan Sponsor	Phillips 66 Company
EIN/PN	37-1652702 / 001
Plan Name	Phillips 66 Retirement Plan
Valuation Date	January 1, 2015
Enrolled Actuary	Terry McFadden
Enrollment Number	14-06240

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Schedule SB, Line 22 – Description of Weighted Average Retirement Age as of January 1, 2015

Plan Name: Phillips 66 Retirement Plan
 EIN/PN: 37-1652702 / 001
 Plan Sponsor: Phillips 66 Company

Assumed Retirement Age Calculation

Active Employees for Titles I, II, III and VI

(A) Retirement Age	(B) Probability of Active Participant Attaining Retirement Age (A) *	(C) Probability of Retirement at Age (A) Given that Active Participant Attains Retirement Age (A).	(D) (A) x (B) x (C)
55	1.000	0.075	4.125
56	0.925	0.075	3.885
57	0.856	0.100	4.879
58	0.770	0.100	4.466
59	0.693	0.100	4.089
60	0.624	0.200	7.488
61	0.499	0.200	6.088
62	0.399	0.500	12.369
63	0.200	0.500	6.300
64	0.100	0.500	3.200
65	0.050	1.000	3.250

T I, II, III and VI Active Participants Weighted Average Retirement Age: 60.139

Active Employees for Title IV

(A) Retirement Age	(B) Probability of Active Participant Attaining Retirement Age (A) *	(C) Probability of Retirement at Age (A) Given that Active Participant Attains Retirement Age (A).	(D) (A) x (B) x (C)
50	1.000	0.04	2.000
51	0.960	0.04	1.958
52	0.922	0.04	1.918
53	0.885	0.04	1.876
54	0.850	0.04	1.836
55	0.816	0.075	3.366
56	0.755	0.075	3.171
57	0.698	0.100	3.979
58	0.628	0.100	3.642
59	0.565	0.100	3.334
60	0.509	0.200	6.108
61	0.407	0.200	4.965
62	0.326	0.500	10.106
63	0.163	0.500	5.135
64	0.082	0.500	2.624
65	0.041	1.000	2.665

T IV Active Participants Weighted Average Retirement Age: 58.683

	(A) Number of Participants	(B) Weighted Average Retirement Age	(C) [(A)/Total (A)]*(B)
Active Participants Titles I, II, III, and VI	10,807	60.139	51.696
Active Participants Title IV	1,765	58.683	8.239
Total	12,572		59.935

Overall Weighted Average Retirement Age: 59.935

* No decrements other than retirement are assumed to be in effect.

Schedule SB, Line 24 – Change in Actuarial Assumptions

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Changes in Non Prescribed Assumptions Since Last Actuarial Valuation

The assumed GATT interest rates for lump sum conversion of pre-January 1, 2009 accrued benefits and cash balance interest crediting were updated to better reflect current interest rate trends.

The assumed PBGC interest rates for lump sum conversions for Title I PAR benefits and pre-2000 accrued benefits for Title IV were updated to better reflect current interest rate trends.

Schedule SB, Line 26 – Schedule of Active Participant Data as of January 1, 2015

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25			337	75,539																
25 – 29			850	85,618	257	107,972	3													
30 – 34			799	93,722	475	111,770	136	116,424	2											
35 - 39			545	99,437	402	118,102	319	118,669	110	120,765										
40 - 44			409	105,205	370	115,311	283	119,280	283	124,388	60	123,301	5							
45 - 49			320	109,833	266	123,235	271	128,602	261	125,570	275	144,544	192	137,586	4					
50 - 54			281	108,992	216	123,532	241	121,174	208	125,236	260	127,763	404	135,940	228	131,036	24	112,050		
55 - 59			203	121,252	172	120,434	227	125,112	199	122,784	193	126,114	310	124,507	543	142,293	325	132,488	4	
60 - 64			72	109,020	79	122,819	109	125,475	107	118,520	73	117,359	101	113,029	159	115,175	217	129,162	87	114,516
65 - 69			29	119,876	22	119,351	20	117,828	27	111,811	22	113,143	25	102,172	26	118,205	33	118,834	48	117,284
70 & Over			7		4		7		6		2		2		3		5		8	

Schedule SB, Line 26 – Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2015

Plan Name: Phillips 66 Retirement Plan

EIN/PN: 37-1652702 / 001

Plan Sponsor: Phillips 66 Company

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.
Under 25			337	4,400																
25 – 29			850	8,623	257	33,440	3													
30 – 34			799	10,069	475	40,519	136	65,872	2											
35 - 39			545	10,355	402	44,117	319	71,807	110	86,335										
40 - 44			409	11,961	370	46,832	283	77,359	283	93,945	60	102,981	5							
45 - 49			320	14,529	266	52,832	271	89,612	261	94,579	275	88,297	192	107,058	4					
50 - 54			281	13,843	216	56,196	241	83,758	208	99,200	260	83,290	404	95,563	228	86,012	24	86,776		
55 - 59			203	15,236	172	57,140	227	91,080	199	95,648	193	92,430	310	95,415	543	59,948	325	65,828	4	
60 - 64			72	13,218	79	60,362	109	90,996	107	84,012	73	102,154	101	90,521	159	47,113	217	59,754	87	55,532
65 - 69			29	17,106	22	71,708	20	89,080	27	87,123	22	62,565	25	95,139	26	27,423	33	68,007	48	75,651
70 & Over			7		4		7		6		2		2		3		5		8	