

## Phillips 66 Retirement Plan Interest Rates

Interest rates used for Phillips 66 Retirement Plan calculations are listed below. The current rates for the plans are generally available by mid-month.

<b>2020 Rates</b>					
Benefit Commencement Date <sup>1</sup>	30-year TSR <sup>2</sup> (quarterly)	PBGC <sup>3</sup> (monthly)	Corporate Bond Segment Rates <sup>4</sup> (quarterly)		
			1st	2nd	3rd
Jan 1, 2020	2.16%	0.25%	2.13%	3.07%	3.65%
Feb 1, 2020		0.25%			
Mar 1, 2020		0.00%			
Apr 1, 2020	2.30%	0.00%	2.03%	3.06%	3.59%
May 1, 2020		0.50%			
Jun 1, 2020		0.00%			
Jul 1, 2020	1.46%	0.00%	2.22%	3.08%	3.73%
Aug 1, 2020		0.00%			
Sep 1, 2020		0.00%			
Oct 1, 2020	1.49%	0.00%	0.74%	2.57%	3.32%
Nov 1, 2020					
Dec 1, 2020					

<sup>1</sup> The earliest your **Benefit Commencement Date (BCD)** can be is the first day of the month following your Employment End Date. To begin the pension application process, the Phillips 66 Benefits Center must receive your BCD request no later than the 15<sup>th</sup> of the month prior to your desired BCD.

**Example:** If your last date of employment is June 30, your first eligible BCD would be July 1 using the rates in effect for July 1. Your BCD request needs to be received no later than June 15.

<sup>2</sup> The **30-year Treasury Securities Rate (TSR)** is the effective annual interest rate from which the monthly interest credit rate is determined for the Phillips 66 Cash Balance Account. The 30-year TSR is also used in the lump sum calculations for 1) the benefit accrued through 12/31/08 under the Phillips Retirement Income Plan, 2) the benefit accrued from 1/1/00 through 12/31/08 under the Retirement Plan of Conoco and 3) the benefit accrued through 12/31/08 under the Burlington Resources Inc. Pension Plan-FAE Formula. The quarterly TSR listed above is based on the monthly TSR per the following schedule. (Note: The monthly TSR rates are not published on this page.)

- September monthly rate: used for the 1st quarter of the following year (BCD for Jan 1, Feb 1 and Mar 1)
- December monthly rate: used for 2nd quarter of the following year (BCD for Apr 1, May 1 and Jun 1)
- March monthly rate: used for 3rd quarter of the same year (BCD for Jul 1, Aug 1 and Sep 1)
- June monthly rate: used for 4th quarter of the same year (BCD for Oct 1, Nov 1 and Dec 1)

If the interest rate for the month prior to the month for which interest is being credited or a lump sum is being paid declines by 1 percentage point or more from the rate in effect for the quarter (e.g., dropping from 6% to 5%), the actual interest rate used will be the lower rate. (This is not applicable for effective annual interest rate purposes for Title II, the Phillips 66 Cash Balance Account (formerly the ConocoPhillips Cash Balance Account) or Title III, the Alliance Cash Balance Plan of the Tosco Pension Plan effective 1/1/2011.)

[This rate is referred to as 'Anticipated Interest/Lump Sum Conversion Rate (30-yrTSR)' on the Project Your Retirement Income page on UPoint.]

<sup>3</sup> The **Pension Benefit Guaranty Corporation (PBGC)** rate is used for Retirement Plan of Conoco calculations for benefit accruals prior to January 1, 2000. The rate is published monthly.

[This rate is referred to as 'Lump Sum Conversion Rate for Pre 2000 Accruals (PBGC)' on the Project Your Retirement Income page on UPoint.]

<sup>4</sup> The **Corporate Bond Segment** rates are used for lump sum calculations of the benefit accrued on or after January 1, 2009, in the Phillips Retirement Income Plan, Retirement Plan of Conoco and the Final Average Earnings component plan of the Burlington Resources Inc. Pension Plan. There are three segment rates. The 1st segment is used in determining the lump sum value of the single life annuity payments that would otherwise be made in the first 5 years after benefit commencement. The 2nd segment is used for the period after the first 5 years up through 20 years and the 3rd segment is used for the period after 20 years. (For BCD's from 1/1/2009 through 12/1/2011, the Corporate Bond Segments rates were blended as required by the Pension Protection Act.)

[This rate is referred to as 'Adj to Lump Sum Conversion Rate for Post 2008 Accruals (PPA)' on the Project Your Retirement Income page on UPoint.]

For more information about the rates, click on the following links: [TSR](#), [PBGC](#) and [Corporate Bond Segment](#).

<b>2019 Rates</b>					
<b>Benefit Commencement Date<sup>1</sup></b>	<b>30-year TSR<sup>2</sup> (quarterly)</b>	<b>PBGC<sup>3</sup> (monthly)</b>	<b>Corporate Bond Segment Rates<sup>4</sup> (quarterly)</b>		
			<b>1st</b>	<b>2nd</b>	<b>3rd</b>
Jan 1, 2019	3.15%	1.50%	3.21%	4.26%	4.55%
Feb 1, 2019		1.25%			
Mar 1, 2019		1.25%			
Apr 1, 2019	3.10%	1.25%	3.38%	4.32%	4.69%
May 1, 2019		1.00%			
Jun 1, 2019		1.00%			
Jul 1, 2019	2.98%	0.75%	2.86%	4.00%	4.42%
Aug 1, 2019		0.50%			
Sep 1, 2019		0.50%			
Oct 1, 2019	2.57%	0.00%	2.41%	3.51%	4.16%
Nov 1, 2019		0.25%			
Dec 1, 2019		0.25%			

<b>2018 Rates</b>					
<b>Benefit Commencement Date<sup>1</sup></b>	<b>30-year TSR<sup>2</sup> (quarterly)</b>	<b>PBGC<sup>3</sup> (monthly)</b>	<b>Corporate Bond Segment Rates<sup>4</sup> (quarterly)</b>		
			<b>1st</b>	<b>2nd</b>	<b>3rd</b>
Jan 1, 2018	2.78%	.75%	1.96%	3.58%	4.35%
Feb 1, 2018		.75%			
Mar 1, 2018		.75%			
Apr 1, 2018	2.77%	1.00%	2.33%	3.55%	4.11%
May 1, 2018		1.00%			
Jun 1, 2018		1.25%			
Jul 1, 2018	3.09%	1.25%	2.91%	3.99%	4.43%
Aug 1, 2018		1.25%			
Sep 1, 2018		1.25%			
Oct 1, 2018	3.05%	1.25%	3.12%	4.20%	4.60%
Nov 1, 2018		1.25%			
Dec 1, 2018		1.50%			

<b>2017 Rates</b>					
<b>Benefit Commencement Date<sup>1</sup></b>	<b>30-year TSR<sup>2</sup> (quarterly)</b>	<b>PBGC<sup>3</sup> (monthly)</b>	<b>Corporate Bond Segment Rates<sup>4</sup> (quarterly)</b>		
			<b>1st</b>	<b>2nd</b>	<b>3rd</b>
Jan 1, 2017	2.35%	1.25%	1.47%	3.34%	4.30%
Feb 1, 2017		1.25%			
Mar 1, 2017		1.25%			
Apr 1, 2017	3.11%	1.00%	2.04%	4.03%	4.82%
May 1, 2017		1.00%			
Jun 1, 2017		1.00%			
Jul 1, 2017	3.08%	1.00%	2.06%	3.95%	4.75%
Aug 1, 2017		.75%			
Sep 1, 2017		1.00%			
Oct 1, 2017	2.80%	.75%	1.96%	3.60%	4.39%
Nov 1, 2017		.75%			
Dec 1, 2017		.75%			

To view the monthly TSR interest rates published by the IRS, you may click on the 'TSR' link provided above.