

PHILLIPS 66 COMPANY ANNUAL MEETING OF SHAREHOLDERS
MAY 11, 2022
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Members of the Board,

As one of the largest asset managers in Europe, in the past year DWS Group GmbH & Co. KGaA became a signatory of the Net Zero Asset Managers initiative. The Net Zero Asset Managers initiative is committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius; and to supporting investing aligned with net zero emissions by 2050 or sooner. As a responsible investor in Phillips 66, it is our fiduciary duty to express our expectations on sustainability in the best interest of our clients. Our commitment to sound corporate governance and responsible environmental and social practices among our investees is not only a crucial element of our responsibilities, but also forms an integral part of our investment process. Thus, we make this statement not just as a shareholder but also as a supporter of the Climate Action 100+ and the Net Zero Asset Managers initiatives with the aim to enhance the governance of climate change risk and opportunities, curb emissions and strengthen climate-related financial disclosures.

We appreciate the constructive dialogue we had to date and would like to ask you a couple of questions at your annual meeting of shareholders this year. Thank you for your consideration and we would appreciate a written response. Please note that we will be also sharing our questions on our www.dws.com website on the day of the meeting.

As the primary representatives of shareholders' interests, you as board members have the important responsibility to critically monitor and guide Phillips 66 to a long-term sustainable performance and development. Thus, at DWS, we strongly believe that qualified, experienced and independent directors are essential for competent and diverse boards to ensure efficient decision making processes. Especially in these turbulent times, it becomes clearer, how vulnerable our social systems and global capital market are to such unexpected developments of this scale and how we need to act together to address a common issue- be it a global pandemic or climate change.

Oil and Gas companies are at a crossroads and we as investors expect them to create clear and comprehensible long-term energy transition plans, with Paris-aligned short-, mid- and long-term emission reduction targets such as explicit plans on the path to reduce capital expenditure in activities associated with high GHG emissions and increase those in low-carbon activities, set decarbonisation targets and provide explicit link of these targets to executive remuneration. Furthermore, we expect Phillips 66 to demonstrate proactive public policy advocacy in order to accelerate a clean energy transition. In that regard, we would like to ask you the following questions:

Earlier this year, Phillips 66 announced that it intends to reduce GHG emissions from its operations 50% by 2050. The company stated that it supports the ambitions of the Paris Agreement, however these targets fall short of alignment with requirements of the Paris Agreement.

Question 1: When can we expect Phillips 66 to set net-zero targets for scopes 1,2 and 3 by 2050? Also, when will the company set corresponding short, medium and long term reduction goals that are aligned with the Paris Agreement?

The board has stated the company has disciplined capital allocation to support the energy transition.

Question 2: How do your capital expenditure plans align with a transition to a lower-carbon economy? Do you plan to commit to plans to decarbonise your future capital expenditures?

Question 3: Do you plan to enhance your disclosure on your climate policy lobbying, whether direct or through trade associations, including how it aligns with the Paris Agreement's goals?

Question 4: Why do you choose not to report to the CDP's climate questionnaire? Is this something you will do in the future? If so, when can we expect this commitment?

DWS acknowledges that the objectivity and criticality of auditors can be impeded due to long tenure. We therefore expect companies to rotate their auditors after ten years. The current audit firm's tenure is 11 years.

Question 5: How do you evaluate and ensure the objectivity and independence of the audit firm, in particular, after a long tenure? Would you consider a rotation of the audit firm in the near term?

To conclude, we would like to thank all members of the Board and all the Phillips 66 employees cordially on their commitment and dedication over the past year but also in these difficult times.

Thank you!