



NEWS RELEASE

Contra Costa County Supervisors Unanimously Approve Phillips 66 Bay Area Renewable Fuels Plant

Supervisors' 5-0 vote supports conversion of 126-year-old refinery that will improve air quality in Bay Area while making possible California's renewable energy future

RODEO, Calif., May 3, 2022 – Local leaders from Phillips 66 (NYSE: PSX) today applauded a 5-0 vote by Contra Costa County Board of Supervisors to approve the land-use permit necessary to reconfigure the San Francisco Refinery in Rodeo to produce renewable fuels. Under a permitting review process overseen by County leaders and under authority of the California Environmental Quality Act (CEQA), the plant can now proceed with its conversion away from crude oil-based fuel production toward used cooking oils, fats, greases and vegetable oils, pending a final investment decision by Phillips 66 and other regulatory approvals.

“Elected leaders and staff in Contra Costa County have overseen a robust two-year, multi-faceted public process that resulted in not only a detailed administrative review of our proposed project but also earned thousands of public comments in support,” said Phillips 66 San Francisco Refinery Vice President Rich Harbison. “This is great news for the hundreds of refinery employees who work here, and it’s especially promising for California, which will realize significant lifecycle greenhouse gas emissions reductions.”

The proposed facility conversion, known as the Rodeo Renewed project, stands to have an initial production capacity of 800 million gallons per year (50,000 barrels per day) of renewable diesel, renewable gasoline, and sustainable aviation fuel. The fully permitted throughput is 67,000 barrels per day. Production of these fuels is projected to slash lifecycle carbon emissions by an estimated 65% – the equivalent of taking 1.4 million cars off California roads each year. Rodeo Renewed also stands to cut criteria pollutant emissions at the site by 50% and water use by 160 million gallons per year.

“We know it won’t happen overnight,” said Richard Corey, Executive Officer at the California Air Resources Board, at a March 29 Contra Costa County Planning Commission meeting. “With the regulations being adopted in California, the most progressive regulations in the world, if you look at sectors like aviation, marine and long-haul trucking, they’re going to be in liquid fuels for a long time. That is a fact. It’s an honest assessment.”

Renewable diesel is a “drop-in” replacement fuel that is chemically equivalent to crude oil-derived diesel but with lower carbon intensity. Renewable gasoline and sustainable aviation fuel are also considered “drop-in” replacements when blended to make low-carbon, low-sulfur, high-performing fuels. The project scope outlined in the Final Environmental Impact Report included the construction of a pre-treatment units and the repurposing of existing hydrocracking units to enable production of renewable fuels.

The conversion will create more than 500 construction jobs and preserve more than 650 family-wage jobs, including full-time employees and contractors. It will also help California meet both its demand for renewable and conventional transportation fuels while assisting the state achieve its environmental goals, including carbon neutrality by 2045.

“This is a game-changing moment, and what happened today is precisely what must occur to make life better for working families seeking a true and just transition,” said Local 326 President Tyson Bagley of the United Steelworkers. “Since 1934, United Steelworkers Local 326 has been an integral member of both the refinery and the Rodeo/Crockett community. Our members are proud to be among the first to work on one of the most significant renewable fuels projects in Contra Costa County, California, and the nation.”

An all-of-the-above energy policy solution set is what’s required to usher in a sustainable future that also meets the growing need for affordable energy. Phillips 66’s operations in California have demonstrated the leadership that is necessary to bring innovative solutions to a sustainable energy future. Once reconfigured, the Rodeo Refinery will no longer transport or process crude oil. Renewable fuels production at Rodeo is expected to begin in early 2024.

To learn more about the project, visit www.RodeoRenewed.com.

About Phillips 66

Phillips 66 (NYSE: PSX) manufactures, transports and markets products that drive the global economy. The diversified energy company’s portfolio includes Midstream, Chemicals, Refining, and Marketing and Specialties businesses. Headquartered in Houston, Phillips 66 has employees around the globe who are committed to safely and reliably providing energy and improving lives while pursuing a lower-carbon future. For more information, visit phillips66.com or follow @Phillips66Co on [LinkedIn](https://www.linkedin.com/company/phillips66) or [Twitter](https://twitter.com/Phillips66Co).

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CAUTIONARY STATEMENT FOR THE PURPOSES OF THE “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

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hostilities, expropriation of assets, and other political, economic or diplomatic developments, including those caused by public health issues and international monetary conditions and exchange controls; changes in governmental policies relating to NGL, crude oil, natural gas, refined petroleum products, or renewable fuels pricing, regulation or taxation, including exports; changes in estimates or projections used to assess fair value of intangible assets, goodwill and property and equipment and/or strategic decisions with respect to our asset portfolio that cause impairment charges; investments required, or reduced demand for products, as a result of environmental rules and regulations; changes in tax, environmental and other laws and regulations (including alternative energy mandates); 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.

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