



June 4, 2021

Dear Phillips 66<sup>®</sup> Lubricants Marketer,

This letter is to advise you that Phillips 66 Lubricants will raise finished lubricants prices up to 10% with an effective date of July 6, 2021. Pricing will be evaluated on a product-by-product basis and individual products may fall outside of the price increase amount. This increase is being driven by recent increases in raw materials that have occurred despite our efforts to limit their impact on our product manufacturing.

We realize this price increase impacts both you and your customers. The advance notice provided is intended to allow reasonable time for you to communicate, as needed, to your customers. Segment-specific price increases will be provided the week ending June 18, 2021. New customer-specific prices and list prices incorporating this increase will be available for download on Lubestream the week of June 28, 2021.

We expect increased demand prior to the price change. To ensure a fair order fulfillment process, we will limit the volume Marketers can purchase to 100% of their monthly base volume from June 7, 2021 to July 5, 2021. Also, to fairly meet the needs of all customers, we ask that Marketers place orders consistent with the historical needs of their customers and with plenty of lead time. In situations involving shortage of product or raw materials, Phillips 66 Lubricants will establish a plan to ensure all of our customers are treated fairly and reasonably, which may include limiting purchases to less than 100% of your average monthly purchases. Phillips 66 Lubricants reserves the right to limit purchases of any product if deemed to be excessive. For questions regarding your base volume, please contact your Account Manager.

Phillips 66 Lubricants remains committed to providing our customers with high quality products at competitive prices. As always, we thank you for your continued business, support and understanding.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dirk Macfarlane'.

Dirk Macfarlane  
Manager, Finished Lubricants

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