



December 2016

Re: Changes to the Chevron Phillips Chemical Company LP 401(k) Savings and Profit-Sharing Plan (the “Plan”)

The Chevron Phillips Chemical Company LP Investment Committee (“Committee”) selects the core Investment Funds available under the Plan and reviews fund performance. With assistance and input from independent investment consultants, the Committee evaluates each Investment Fund based upon a variety of criteria, including, but not limited to, historical performance, investment manager strategy/style, trading practices, return vs. volatility, and fees. Based on these reviews, changes will be made to the Plan’s Investment Fund lineup.

Summary of Changes to Plan Investment Funds

Beginning January 17, 2017, changes will be made to the Plan’s Investment Fund lineup as summarized below.

- The BlackRock LifePath[®] (hereinafter “LifePath[®]”) Index Non-Lendable Fund N Shares will be added to the Plan’s Investment Fund lineup and will serve as the Plan’s Designated Default Fund
- The LifePath[®] Index Non-Lendable Fund O Shares will be removed from the Plan

I. Plan Designated Default Fund Change

When you contribute to the Plan but have not specified an Investment Fund, by default your contributions are made to the Plan’s Designated Default Fund, the LifePath[®] Index Non-Lendable Fund O Shares. Effective as of the market close (generally 4:00 p.m. Eastern time) on January 17, 2017, the LifePath[®] Index Non-Lendable Fund N Shares will be added to the Plan’s Investment Fund lineup and will become the Plan’s Designated Default Fund, replacing the LifePath[®] Index Non-Lendable Fund O Shares. Any contributions for which you do not provide investment direction will be invested in the Plan Designated Default Fund, as shown in the following table:

Date of Birth	Fund Name	Retirement Date Range
Before 1953	LifePath [®] Index Retirement Non-Lendable Fund N	Before 2018
01/01/1953–12/31/1957	LifePath [®] Index 2020 Non-Lendable Fund N	2018–2022
01/01/1958–12/31/1962	LifePath [®] Index 2025 Non-Lendable Fund N	2023–2027
01/01/1963–12/31/1967	LifePath [®] Index 2030 Non-Lendable Fund N	2028–2032
01/01/1968–12/31/1972	LifePath [®] Index 2035 Non-Lendable Fund N	2033–2037
01/01/1973–12/31/1977	LifePath [®] Index 2040 Non-Lendable Fund N	2038–2042
01/01/1978–12/31/1982	LifePath [®] Index 2045 Non-Lendable Fund N	2043–2047
01/01/1983–12/31/1987	LifePath [®] Index 2050 Non-Lendable Fund N	2048–2052
01/01/1988–12/31/1992	LifePath [®] Index 2055 Non-Lendable Fund N	2053–2057
01/01/1993 and Later	LifePath [®] Index 2060 Non-Lendable Fund N	2058 and Later

The foregoing table indicates which fund your contributions will be directed to, as determined by CPChem, based on the date of birth. The table assumes retirement at age 65.

Effective as of the market close (generally 4:00 p.m. Eastern time) on January 17, 2017, LifePath® Index Non-Lendable Fund O Shares will no longer be available under the Plan. Unless you instruct us otherwise as specified below under “Actions to Consider,” all existing balances and future contributions in LifePath® Index Non-Lendable Fund O Shares will be transferred to LifePath® Index Non-Lendable Fund N Shares as of market close (generally 4:00 p.m. Eastern time) on January 17, 2017. The transfer of balances will appear as an exchange on your account history and quarterly statement. Please see the table below for details on how your existing balances and future contributions will be transferred.

Old Investment Options	Fidelity Fund Code		New Investment Options	Fidelity Fund Code
LifePath® Index Retirement Non-Lendable Fund O	OH26	→	LifePath® Index Retirement Non-Lendable Fund N	ORLO
LifePath® Index 2020 Non-Lendable Fund O	OH28	→	LifePath® Index 2020 Non-Lendable Fund N	ORLP
LifePath® Index 2025 Non-Lendable Fund O	OH29	→	LifePath® Index 2025 Non-Lendable Fund N	ORLQ
LifePath® Index 2030 Non-Lendable Fund O	OH30	→	LifePath® Index 2030 Non-Lendable Fund N	ORLR
LifePath® Index 2035 Non-Lendable Fund O	OH31	→	LifePath® Index 2035 Non-Lendable Fund N	ORLS
LifePath® Index 2040 Non-Lendable Fund O	OH32	→	LifePath® Index 2040 Non-Lendable Fund N	ORLT
LifePath® Index 2045 Non-Lendable Fund O	OH33	→	LifePath® Index 2045 Non-Lendable Fund N	ORLU
LifePath® Index 2050 Non-Lendable Fund O	OH34	→	LifePath® Index 2050 Non-Lendable Fund N	ORLV
LifePath® Index 2055 Non-Lendable Fund O	OH35	→	LifePath® Index 2055 Non-Lendable Fund N	ORLW
LifePath® Index 2060 Non-Lendable Fund O	OO3J	→	LifePath® Index 2060 Non-Lendable Fund N	ORLX

The dates shown are based on the timing and accuracy of a variety of factors, including the transfer of data, receipt of instructions, and receipt of assets. Changes in any of these factors may result in changes to the dates and timing, including the dates on which, and thus the prices at which, assets in your account are sold and/or reinvested.

Please see the Comparison Table below for information concerning the historical performance of these funds.

Understanding investment performance: As you review the information below, please remember that the performance data stated represents past performance, which does not guarantee future results. Current performance may be higher or lower than the performance stated. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. To learn more or to obtain the most recent month-end performance, call Fidelity or visit www.netbenefits.com (log on, choose “CP CHEM 401K PLAN,” select “Investments,” and then select the investment option).

Comparison Table
LifePath® Index Non-Lendable Fund O Shares vs.
LifePath® Index Non-Lendable Fund N Shares

Average Annual Returns and Expense Ratios as of **September 30, 2016**
[All amounts are expressed in %/year]

Old Investment Options	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
LifePath® Index Non-Lendable Fund O Shares (Inception Date 1/23/2009)	8.07- 12.62	5.98- 11.79	N/A	3.26- 12.94	N/A	0.15- 0.16	0.15- 0.16
New Investment Options	1 Year	5 Year	10 Year	Life of Fund	Short-term Trading Fee (% / days)	Gross Expense Ratio	Net Expense Ratio
LifePath® Index Non-Lendable Fund N Shares (Inception Date 1/23/2009)	8.09- 12.65	6.00- 11.81	N/A	3.27- 12.96	N/A	0.13- 0.14	0.13- 0.14

Actions to Consider: If you do not want your existing balances or future contributions in the *Old Investment Options* to transfer to the *New Investment Options*, you must contact Fidelity Investments® before 4:00 p.m. Eastern time on January 17, 2017, and request an exchange (with respect to existing balances) or an election change (with respect to future contributions) to other Plan Investment Fund(s) or to BrokerageLink®. You can do so by logging on to Fidelity NetBenefits® at www.netbenefits.com or by calling the Chevron Phillips Pension & Savings Service Center at 1-866-771-5225, Monday through Friday (excluding most New York Stock Exchange holidays), between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Service Center Representative.

For more information concerning the New Investment Options, please see the description in Attachment I, *Fund Descriptions*.

II. Real-Time Traded Stock Restrictions

The Plan offers Real-Time Traded Stock. Exchanges out of ConocoPhillips Stock Fund, Chevron Corporation Stock Fund, or Phillips 66 Stock Fund (collectively, the “Company Stock Funds”) into LifePath® Index Non-Lendable Fund O Shares will be restricted after 4:00 p.m. Eastern time on January 12, 2017. All Good ‘Til Canceled (GTC) sell orders involving the Company Stock Funds where the proceeds are to be used to purchase shares of the LifePath® Index Non-Lendable Fund O Shares will be canceled after 4:00 p.m. Eastern time on January 12, 2017.

For More Information

You have the right under the Plan to direct the investment of your existing balances and future contributions to any available Plan Investment Fund. To obtain information about Plan Investment Funds, or to change your investment election for future contributions and existing balances, please log on to Fidelity NetBenefits at www.netbenefits.com or call the Chevron Phillips Pension & Savings Service Center at 1-866-771-5225, Monday through Friday (excluding most New York Stock Exchange holidays), between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Service Center Representative.

To receive important benefits information electronically, update your email address:

- Log on to Fidelity NetBenefits® at www.netbenefits.com.
- Go to “Profile.”
- Click “E-mail Address.”

To receive prospectuses for the Plan's mutual fund investment options or fact sheets (or similar documentation) for non-mutual fund investment options (including those that may be delivered as a result of these changes to your investment lineup):

- Log on to Fidelity NetBenefits® at www.netbenefits.com.
- Go to "Profile."
- Click "Mail Preferences."

Best regards,

The Chevron Phillips Chemical Benefits Team

Attachment

Designate your beneficiary election online

Take a few moments to name your beneficiaries to ensure that your Plan benefits will be distributed according to your wishes.

1. Log on to Fidelity NetBenefits® at www.netbenefits.com.
2. Click "Profile."
3. Click "Beneficiaries" and follow the online instructions.

Attachment I

Fund Description

The following description is intended to provide an overview of your new investment options available under the Plan. For more detailed information, please read the prospectus (with respect to mutual funds) or fact sheets or similar documentation (with respect to collective trust funds).

About Your New Investment Options

LifePath® Index Retirement, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055, 2060 Non-Lendable Fund N

Objective: The Fund provides for retirement outcomes consistent with investor preferences throughout the savings and draw down phase based on quantitatively measured risk that investors, on average, may be willing to accept.

Strategy: The Fund is a collective investment trust maintained and managed by BlackRock Institutional Trust Company, N.A. ("BTC").

The Fund shall be invested and reinvested in securities and other assets with the objective of providing for retirement outcomes consistent with investor preferences throughout the savings and drawdown phase based on quantitatively measured risk that investors, on average, may be willing to accept.

In pursuit of that objective, the Fund will be broadly diversified across global asset classes, with asset allocations becoming more conservative over time if the Fund has a year in its name. The Fund's investments may include: equity securities (including those issued by real estate companies); depositary receipts; debt securities and other fixed income obligations (including those issued or guaranteed by the U.S. government, its agencies or instrumentalities, and those issued by corporations or other entities); mortgage-backed securities; other asset-backed securities; commodities; and/or cash equivalents.

The Fund may invest in securities and other obligations of U.S. issuers or non-U.S. issuers, and those issuers may be of any market capitalization. The Fund's fixed income investments may be investment-grade or non-investment grade, and may include securities and other obligations of any maturity.

In addition to, or in lieu of, investing in the assets listed above, the Fund may engage in structured transactions in these asset classes, as well as over-the-counter forward contracts, swaps and options. When deemed appropriate by BTC, the Fund may invest in futures contracts, for the purpose of acting as a temporary substitute for investment in securities and/or to gain exposure to commodities.

The difference between the normal and current securities holdings for the Fund varies over time and is based on the factors analyzed by the asset allocation model used by BTC to manage the Fund. The normal asset allocations will gradually change over the investment horizon of the Fund to become more heavily oriented toward debt and debt-like securities. As time passes, the Fund is managed more conservatively - prior to retirement - in terms of its allocation to equity securities and markets, on the premise that individuals investing for retirement desire to reduce investment risk in their retirement accounts as their retirement date approaches.

The trajectory along which asset allocations are adjusted over time to gradually become more conservative is called the "glidepath". The glidepath illustrates the target allocation among asset classes as the Fund approaches its target date. The target asset allocation of the Fund at its retirement date is expected to be 40% in underlying index funds that invest primarily in equity and equity-like securities and 60% in underlying index funds that invest primarily in fixed income and fixed income-like securities.

BTC employs a proprietary investment model that analyzes securities market data, including risk, correlation and expected return statistics, to recommend the portfolio allocation among the asset classes.

Rather than choosing specific securities within each asset class, BTC selects among indices representing segments of the global equity and debt markets and invests in securities that comprise the chosen index. The Fund generally invests in a chosen index through a series of collective investment trusts maintained and managed by BTC, each such fund representing one of the indices (each, an "Underlying Fund").

The Fund will not engage in securities lending.

In the event of a conflict between this summary description of the Fund's investment objective and principal investment strategies and the Trust Document under which the Fund was established, the Trust Document will

govern. For more information related to the Fund, please see the Fund's Trust Document, Profile and most recent audited financial statements.

Risk: Any of the principal risks summarized below may adversely affect the Fund's net asset value, performance, and ability to meet its investment objective. An investment in the Fund is not a bank deposit, is not guaranteed by BlackRock, Inc. or any of its affiliates, and is not insured by the Federal Deposit Insurance Corporation or any other agency of the U.S. government.

Active Strategy Risk. Active strategies could result in underperformance as compared to funds with similar investment objectives and strategies.

Asset Allocation Model Risk. The asset allocation model may not effectively maximize returns or minimize risk, or be appropriate for every investor seeking a particular risk profile.

Commodity-Related Investment Risk. The value of commodity-linked derivative investments may be significantly affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

Equity Investment Risk. The price of an equity security fluctuates based on changes in the issuer's financial condition and overall market and economic conditions. Equity securities are subject to changes in value that may be more volatile than other asset classes.

Fixed Income Investment Risk. An increase in interest rates may cause the value of fixed income securities held by the Fund to decline. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Foreign Investment Risk. The Fund may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. The prices of non-U.S. securities may be more volatile than those of securities issued by U.S. corporations or other U.S. entities. Securities of non-U.S. issuers denominated in non-U.S. currencies will expose the Fund to fluctuations in foreign currency exchange prices.

Real Estate-Related Investment Risk. Real estate values can be negatively affected by many factors including both the general and local economies, the amount of new construction in a particular area, the laws and regulations affecting real estate, the costs of owning, maintaining and improving real estate, availability of mortgages, and changes in interest rates.

Underlying Fund Risk. The investment objective and strategies of an Underlying Fund in which the Fund invests may differ from the Fund, and there is no assurance that an Underlying Fund will achieve its objective.

Target Date Risk. Risks associated with "target date" funds include the risk of losses close to or after the target retirement date. There is also no guarantee that the Fund will provide adequate income for an investor's retirement.

Securities Lending Risk. The Fund may engage in securities lending. Securities lending involves the risk that the Fund may lose money because the borrower of the Fund's securities fails to return the securities in a timely manner or at all or in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral.

Derivatives Risk. Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce the Fund's returns and/or increase volatility. Fluctuations in the values of derivatives may not correlate perfectly with the overall securities markets. Derivatives are also subject to the risk that the other party in the transaction will not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose the Fund to losses.

Short-term redemption fee: None

Footnotes: The investment options are collective investment trusts. The trustee is BlackRock Institutional Trust Company, N.A. They are managed by BlackRock. These descriptions are only intended to provide a brief overview of the funds.

These investment options are not mutual funds.

A mutual fund expense ratio is the total annual fund or class operating expenses (before waivers or reimbursements) paid by the fund and stated as a percent of the fund's total net assets. For other types of investments, the figure in the expense ratio field reflects similar information, but may have been calculated differently than for mutual funds. Mutual fund data comes from the fund's prospectus. For non-mutual fund investment options, the information has been provided by the plan sponsor, the investment option's manager or the trustee. When no ratio is shown for these options it is because none was available. There may be fees and expenses associated with the investment option. Expense information changes periodically. Please consult NetBenefits for updates.

Expense Ratio After Reductions (Net Expense Ratio) is an annualized figure that reflects amounts reimbursed by the fund company or reductions from brokerage service arrangements or other expense offset arrangements. For Fidelity Funds, brokerage service and other offset arrangements may be discontinued at any time and expense data is from the fund's most current annual or semiannual report. For non-Fidelity funds, expense data is from the fund's most current prospectus and is provided by Morningstar.

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