

**ANDEAVOR
GOVERNANCE COMMITTEE CHARTER**

Adopted by the Board of Directors July 27, 2017

PURPOSE

The Governance Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Andeavor (the “Company”). The purpose of the Committee is to assist the full Board in fulfilling its responsibilities to assure that the Company is governed in a manner consistent with the best interests of the Company and its stockholders.

MEMBERSHIP

- The Committee will be composed of no fewer than three members of the Board, each of whom is determined by the Board to be “independent” under the rules of the New York Stock Exchange (“NYSE”).
- The Chair and members of the Committee will be appointed by the Board and shall serve until their successors are duly elected and qualified, or until their earlier death, resignation or removal.

MEETINGS

- The Committee will meet as often as the members shall determine to be necessary or appropriate, but at least once per year.
- The Chair of the Committee or a majority of the Committee members may call a meeting of the Committee at any time.
- The presence of a majority of the Committee members will constitute a quorum for the transaction of business.
- Meeting agendas will be prepared by or under the supervision of the Chair of the Committee, taking into consideration the input from other members of the Committee, and provided in advance to members, along with appropriate briefing materials. Any Committee member may submit items for consideration to be included on the agenda.

- The Chair of the Committee will supervise the conduct of the meetings and will have other responsibilities as the Committee may specify from time to time. Should the Chair of the Committee be absent or unavailable, the members of the Committee may designate an Acting Chair of the Committee by majority vote of the Committee membership.
- The Committee will determine its own rules of procedure, consistent with the Company’s Amended and Restated Bylaws, Corporate Governance Guidelines, and the rules of the NYSE and applicable regulations.
- The Committee will have the authority to request any officer, employee or advisor of the Company to attend meetings of the Committee or to meet with any advisors engaged by the Committee.
- Minutes of each Committee meeting will be prepared, and the Chair of the Committee will report regularly to the Board regarding such meetings.

AUTHORITY

- The Committee will have the authority, in its sole discretion, to retain or obtain the advice of a consultant, search firm, outside legal counsel or other advisor (an “Advisor”), including the authority to approve the fees and other terms of engagement of any Advisor retained by the Committee, to assist the Committee, in the full performance of its functions.
 - The Committee may retain these Advisors without seeking Board approval.
 - The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such Advisor retained by the Committee.
 - The Company will provide appropriate funding, as determined by the Committee, for payment of the compensation of any Advisor engaged by the Committee.
- The Committee may delegate its duties and responsibilities to the Chair of the Committee or one or more subcommittees, consisting of not less than two members of the Committee, as it deems appropriate. However, the Chair of the Committee and any subcommittees shall not have the authority to engage Advisors unless expressly granted such authority by the Committee. Each

subcommittee shall keep minutes of meetings and report them to the Committee.

RESPONSIBILITIES

The Committee shall have the following principal responsibilities:

Corporate Governance Guidelines, Issues and Trends

1. Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company, annually evaluate such guidelines, recommend to the Board changes to such guidelines as appropriate, and assist the Board in implementing those guidelines or changes.
2. Regularly review emerging corporate governance issues and trends, and recommend to the Board any action on matters concerning corporate governance that may be required or considered advisable.

Director Candidates

3. Develop and recommend to the Board criteria for identifying and evaluating director candidates and periodically review these criteria.
4. Recommend to the Board candidates for election or reelection to the Board at each annual stockholder's meeting.
5. Recommend to the Board candidates to be elected by the Board as necessary to fill vacancies and newly created director positions.
6. Assess the contributions and independence of incumbent directors in determining whether to recommend them for reelection to the Board.
7. Consider the irrevocable resignation of any director not reelected by the stockholders of the Company, and recommend to the Board whether it should accept or reject such resignation or take alternative action.
8. Consider the resignation of any director whose primary affiliation has changed substantially as set forth in the corporate governance guidelines.

9. Establish procedures for the consideration of Board candidate recommendations submitted for the Committee's consideration by the Company's stockholders.

Director Matters

10. Consider questions of independence and possible conflicts of interest of members of the Board and executive officers.
11. Make recommendations to the Board and Company management regarding the new director orientation process and continuing education for directors.
12. Annually review compliance by directors with the Company's stock ownership guidelines.
13. Review the non-employee directors' compensation program and recommend changes to the Board as appropriate.

Board and Committee Leadership Structure and Composition

14. Develop and maintain a long-term plan for Board composition that takes into consideration the current strengths, skills and experience on the Board, retirement policy and the strategic direction of the Company.
15. Make recommendations to the Board regarding the size, leadership structure, organization, composition and functioning of the Board and its committees.
16. Recommend committee members and chair appointments to the Board.

Board and Committee Performance Evaluations

17. Oversee the annual evaluation of the Board and each committee:
 - a. Coordinate an annual performance evaluation of the Board and review the results of such evaluation.
 - b. Review the results of the annual performance self-evaluations conducted by each committee, and based upon the results of such evaluations, assess the appropriateness and role of each committee and make recommendations to the Board as appropriate.

18. Periodically, but not less than once every three years, retain a third party to conduct the performance evaluation of the Board and review and discuss the results of such evaluation.

Additional Duties

19. Oversee a process to ensure the evaluation of management's performance.
20. Review successions plans for the Company's Chief Executive Officer, and discuss such plans at least annually with the Board.
21. Annually provide input to the Compensation Committee or the Chief Executive Officer of the Company, as appropriate, regarding the performance of the Company's General Counsel, or if no such officer exists, the senior officer of the Company most directly responsible for the legal functions of the Company.
22. Review semi-annually the Company's charitable and direct and indirect political contributions.
23. Review and approve the Company's Related Party Transaction Policies and Procedures.
24. Oversee the preparation of the disclosure in the Company's annual proxy statement regarding director independence and the Committee's operations.

ANNUAL EVALUATIONS

25. Annually evaluate the Committee's performance consistent with the responsibilities set forth in this charter, and report its findings to the Board.
26. Assess and report to the Board, on an annual basis, regarding the adequacy of this charter.