

ANDEAVOR

CORPORATE GOVERNANCE GUIDELINES

Adopted by the Board of Directors

November 7, 2017

The Governance Committee of the Board of Directors (the “Board”) of Andeavor (the “Company”) has recommended to the Board, and the Board has adopted, these Corporate Governance Guidelines to guide the Board. The Governance Committee reviews the Corporate Governance Guidelines annually and recommends changes to the Board as appropriate.

ROLES AND RESPONSIBILITY

The business and affairs of the Company are managed under the direction of the Board for the benefit of the stockholders. The directors are expected to fulfill their fiduciary duties under Delaware law, to act with integrity, to demonstrate a commitment to the company and its strategies and to build long-term stockholder value. Except for matters requiring stockholder action, the Board is the ultimate decision-making body of the Company. In discharging their obligations, directors may rely on the honesty and integrity of the Company’s management, its auditors, and other independent advisors, to the extent permitted by Delaware law. Although the Board should exercise vigorous oversight over the Company’s affairs, it should not perform or duplicate the role of management. Generally, it is the policy of the Company that management speaks for the Company.

Full Board of Directors

Size of the Board

1. The Board should have a minimum of five members. The Board determines the appropriate size of the Board from time to time, with a desired range of five to twelve directors.

Board Composition

2. The Governance Committee develops and maintains a long-term plan for Board composition that takes into consideration the current strengths, skills and experience of the Board, and the strategic direction of the Company, and reviews with the Board annually and makes recommendations to the Board

regarding the size, leadership structure, organization, composition and functioning of the Board and its committees.

3. In making its recommendations to the Board, the Governance Committee's assessment should consider issues of diversity, likely tenure, education, skills, integrity, leadership and judgment. The Board should possess a combination of skills, professional experience and diversity of backgrounds necessary to oversee the Company's business and provide a variety of perspectives. Directors should also generally possess knowledge of the Company's industry and a background that demonstrates an understanding of the financial and operational aspects of a large, complex company like the Company, including the associated risks.
4. The Governance Committee reviews the qualifications of director candidates and incumbent directors in light of criteria approved by the Board and recommends candidates to the Board for election by the Company's stockholders at the annual meeting of stockholders ("Annual Meeting"). The Committee also considers director candidates recommended by the Company's stockholders in accordance with the procedures set forth in the proxy statement.

Leadership Structure

5. The Board does not have a policy requiring the role of Chairman of the Board (the "Chairman") and President and Chief Executive Officer (the "CEO") to be filled by separate persons or a policy requiring the Chairman to be an independent director. The Board shall make such determinations regarding the leadership structure based on the best interests of the Company given the specific characteristics or circumstances at any given time. The Governance Committee will recommend to the Board on an annual basis the election of a Chairman, who will be elected by the other directors. In the event that the role of Chairman is filled by the CEO, the Governance Committee will also recommend to the Board on an annual basis the appointment of a Lead Director, who will be appointed by the independent directors. It is the belief of the Board that a director should generally serve as Lead Director for no more than five successive one-year terms, although a majority of the independent directors may extend such tenure in circumstances in which the Board believes it in the best interest of the Company to do so, including (without limitation) to provide continuity during a Board or executive leadership transition, or to provide continuity to further strategic objectives, or to address external factors affecting the Company. In the event the Lead Director is elected within six

months prior to the annual election of the Chairman and Lead Director, the Lead Director's first one-year term shall be deemed to begin upon his or her first annual election, and the interim time served as Lead Director until the annual election shall not be counted against the term limit.

6. If the CEO serves as Chairman (the "Chairman/CEO"), he/she shall be responsible for the following:

a. Meetings

- i. Chairs the Board as well as the Annual Meeting and, where necessary, Special Stockholder meetings of the Company;
- ii. Chairs confidential sessions of the full Board;
- iii. Coordinates with the Lead Director and the General Counsel and Secretary to prepare Board and Annual Meeting schedules, and with committee chairs to prepare committee meeting schedules;
- iv. In consultation with the Lead Director, sets the Board agenda by taking into consideration the objectives of management as well as the needs of the Board and its individual committees. The Board Meeting agenda should be forward looking, concentrating on strategic matters while containing a review of operational matters and allowing adequate time for the completion of administrative responsibilities; and
- v. Manages the Board meetings to allow sufficient time for discussion of critical and complex or contentious issues.

b. Directors

- i. Ensures that the Board has access to any officer, employee or advisor of the Company;
- ii. Encourages the engagement of all directors during Board meetings; and
- iii. Provides timely information to the Board on material developments occurring between Board meetings.

7. The Lead Director, if applicable, shall be an independent director and shall be responsible for the following:

a. Meetings

- i. Coordinates with the Chairman/CEO and the General Counsel and Secretary to prepare Board and Annual Meeting schedules;
- ii. Assists the Chairman/CEO in setting the Board agenda by taking into consideration the objectives of management as well as the needs of the Board and its individual committees;
- iii. Chairs executive sessions and meetings of the independent directors and briefs the CEO on any substantive concerns, issues or requests arising out of executive sessions and meetings of the independent directors;
- iv. Chairs meetings of the Board at which the Chairman/CEO is not present; and
- v. When possible, attends committee meetings of which he/she is not already a member but does not vote.

b. Directors

- i. Acts as the liaison between the independent directors and the Chairman/CEO and other members of management;
- ii. Facilitates proper flow of information to the Board;
- iii. Coordinates with the independent directors to establish and approve appropriate annual goals and objectives for the Chairman/CEO;
- iv. Communicates to the Chairman/CEO the results of the formal evaluation conducted by the independent directors of the Board of his/her performance pertaining to the established set of goals and objectives; and
- v. Coordinates the recruitment and selection of new Board members with the Chair of the Governance Committee and the Chairman/CEO.

- c. Other
 - i. Establishes a close relationship of trust and mentorship with the Chairman/CEO, providing advice and support while respecting executive responsibility; and
 - ii. Serves as an additional point of contact for stockholders, and communicates with stockholders in those circumstances where the Board determines that direct communication between the Board and stockholders is appropriate.

- 8. If an independent director serves as the non-executive Chairman of the Board, he/she shall be responsible for the following:
 - a. Meetings
 - i. Chairs the Board as well as the Annual Meeting, and where necessary, Special Stockholder meetings of the Company;
 - ii. Coordinates with the CEO and the General Counsel and Secretary to prepare Board and Annual Meeting schedules, and with committee chairs to prepare committee meeting schedules;
 - iii. Assists the CEO in setting the Board agenda by taking into consideration the objectives of management as well as the needs of the Board and its individual committees. The Board Meeting agenda should be forward looking, concentrating on strategic matters while containing a review of operational matters and allowing adequate time for the completion of administrative responsibilities;
 - iv. When possible, attends committee meetings, of which he/she is not already a member but does not vote;
 - v. Encourages the engagement of all members during Board meetings;
 - vi. Manages the Board meetings to allow sufficient time for discussion of critical and complex or contentious issues; and
 - vii. Chairs executive sessions and meetings of both the full Board and the independent directors and briefs the CEO on any substantive

concerns, issues or requests arising out of executive sessions and meetings of the independent directors.

b. Directors

- i. Acts as liaison between the independent directors and the CEO and other members of management;
- ii. Facilitates proper flow of information to the Board;
- iii. Ensures that the Board has access to any officer, employee or advisor of the Company, while respecting the leadership role of the CEO and his/her staff;
- iv. Coordinates with the CEO to provide timely information to the Board on material developments occurring between Board meetings;
- v. Coordinates with the independent directors to establish and approve appropriate annual goals and objectives for the CEO;
- vi. Communicates to the CEO the results of the formal evaluation conducted by the independent directors of the Board of his/her performance pertaining to the established set of goals and objectives; and
- vii. Coordinates the recruitment and selection of new Board members with the Chair of the Governance Committee and the CEO.

c. Other

- i. Establishes a close relationship of trust and mentorship with the CEO, providing advice and support while respecting executive responsibility.

Board Meetings

9. Each director is expected to attend the Annual Meeting.
10. Each director is expected to attend every meeting, but at a minimum shall attend at least 75 percent of the meetings of the Board and committees on which such director serves during each fiscal year, absent unusual circumstances (e.g. health reasons, a death in the family, etc.).

11. Board Agendas

- a. The Company shall, prior to year end of each year, prepare and distribute to the Board a master agenda and schedule of meetings for the following year for approval by the Board. This master agenda will set forth an agenda of items to be considered by the Board at each of its specified meetings during the year.
- b. As applicable, either the CEO in consultation with the non-executive Chairman, or the Chairman/CEO in consultation with the Lead Director, may adjust the agenda to include special items and additional topics not contemplated on the annual master agenda.
- c. The CEO, in consultation with the non-executive Chairman, or the Chairman/CEO in consultation with the Lead Director, as applicable, will establish the agenda for each Board meeting.
- d. As a general rule, directors who wish to have a major agenda item placed on an agenda for a Board meeting should notify the non-executive Chairman and the CEO, or the Chairman/CEO and the Lead Director, as applicable.
- e. Directors are encouraged to suggest the inclusion of items on the agenda. Directors are also free to raise subjects at a Board meeting that are not on the agenda for that meeting.

12. Advance Distribution of Board Materials

- a. The Board must be fully informed in advance of all major proposals and shall have an opportunity to make a meaningful and deliberate contribution to the decision-making process.
- b. Information and data that is deemed important to the Board's understanding of the business and Board materials related to agenda items should be distributed to the Board prior to the Board meeting at which such matters will be considered and the Board is expected to review the materials in advance, except in cases involving urgency or extreme confidentiality.

13. Executive Sessions of Independent Directors

- a. The independent directors should schedule an executive session at each regularly scheduled in-person Board or committee meeting.

- b. The non-executive Chairman or Lead Director, in the case of Board meetings, or the committee chair, in the case of committee meetings, will chair such executive session and appoint a secretary of the executive session who will be responsible for recording the proceedings in the meeting minutes.
 - c. The Board also meets in executive session regularly with the CEO.
14. Regular Attendance of Non-Directors at Board Meetings
- a. Members of management may be invited to Board meetings by the Board or the CEO, when appropriate.
 - b. The Board encourages management, from time to time, to (i) bring managers into Board meetings who can provide additional insight into the items being discussed because of personal involvement in those areas, and/or (ii) present managers with future potential that senior management believes should be given exposure to the Board.

COMMITTEES OF THE BOARD

Number and Responsibilities of Committees

- 15. The standing committees of the Board are Audit, Compensation, Environmental, Health, Safety and Security, and Governance. The Board may, from time to time form a new committee or disband a current committee depending upon the circumstances.
- 16. Each standing committee operates under a written charter that sets forth the purposes and responsibilities of the committee as well as the qualifications for committee membership. Each year the Governance Committee shall assess the appropriateness and role of each committee and make recommendations to the Board as appropriate. In addition, each standing committee reviews its charter annually and submits any recommended changes to the Board for its consideration. All committees report regularly to the full Board with respect to their activities.

Committee Composition and Membership

- 17. The Governance Committee considers and makes recommendations to the Board regarding committee size, structure, composition and functioning. Because committee assignments are made taking into consideration both the

current Board's needs and the experience, skills and knowledge of each director, the Board does not believe that rotation of members among committees should be mandated as a policy.

18. Committee members and chairs are recommended annually (or more frequently as needed) by the Governance Committee and appointed by the full Board. Although there is no maximum term limit, it is the general belief of the Board that Committee chairs should be periodically rotated to refresh the committees' leadership.
19. Before a director may serve as a committee chair, it is desirable that he or she have served on the Board for at least one year.
20. Any individual who ceases to serve as a director shall be deemed to have resigned from any committee(s) on which he or she served.

Committee Meetings and Agendas

21. The chair of the committee, in consultation with committee members, will determine the frequency and length of the meetings of the committee.
22. The chair of the committee, in consultation with the Chairman/CEO or the non-executive Chairman, as applicable, and the appropriate members of management, taking into consideration input from other members of the committee, will develop the committee's agenda.
23. Each committee will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen), which will be shared with the full Board.

DIRECTOR MATTERS

New Director Candidates

24. The Board is responsible for selection of new director candidates and the nomination for re-election of incumbent directors. The screening process for that responsibility is delegated to the Governance Committee, which reviews and recommends candidates for election or re-election to the Board at each Annual Meeting or as necessary to fill vacancies and newly created director positions.

25. The Governance Committee and the non-executive Chairman or the Lead Director, as applicable, will conduct preliminary interviews with new director candidates for nomination to the Board; the CEO or Chairman/CEO, as applicable, will also have an opportunity to meet with such candidates. The Governance Committee will then meet as appropriate to consider such candidates and a potential candidate will then be invited to meet the entire Board. A formal invitation to join the Company as a Board member will be extended by the CEO and the non-executive Chairman or by the Chairman/CEO and Lead Director, as applicable, only after approval by the Governance Committee and the Board.

Director Orientation and Continuing Education

26. The Company and the Board believe that robust director orientation and continuing director education programs are an important part of effective Corporate Governance. The Company provides an orientation process for new directors that includes background material and information concerning the Company's business, operations and philosophy, as well as meetings with Company management. The Company supports director continuing education, both inside and outside of the boardroom, and directors are encouraged to participate in continuing education activities from time to time. Periodically, management or the Governance Committee may inform directors about opportunities for continuing education. The Company will reimburse all reasonable expenses for directors' participation in non-Company continuing education programs.

Majority Vote Resignation

27. As a condition to nomination by the Governance Committee of an incumbent director as a nominee for further service on the Board, such person shall submit an irrevocable resignation to the Board, which resignation shall become effective in the event that (i) such nominee does not receive a majority of the votes cast in an election of directors at a meeting of stockholders in which majority voting applies, and (ii) following the Governance Committee's review and recommendation, the resignation is accepted by the Board by the vote of the majority of directors, not including any director who has not received a majority of votes cast in the election.
28. In the event an incumbent director fails to receive a majority of the votes cast in an election in which majority voting applies, the Governance Committee, or such other committee designated by the Board, will promptly consider the resignation based on the circumstances that led to the majority withheld vote,

if known, and make a recommendation to the Board as to whether to accept or reject the resignation of such incumbent director, or whether other action should be taken. The Board shall act on the resignation, taking into account the Governance Committee's recommendation, and publicly disclose (by a press release and filing an appropriate disclosure with the Securities and Exchange Commission) its decision regarding the resignation and, if such resignation is rejected, the rationale behind the decision within ninety (90) days following certification of the election results. The Governance Committee, in making its recommendation, and the Board, in making its decision, each may consider any factors and other information that they consider appropriate and relevant. If a director's resignation becomes effective pursuant to this guideline, then the Governance Committee will also recommend to the Board whether to fill such vacancy or to reduce the size of the Board.

29. An incumbent director who fails to receive a majority of the votes cast in an election in which majority voting applies shall remain active and engaged in Board activities while the Governance Committee and the Board decide whether to accept or reject such resignation, or whether other action should be taken; provided, however, it is expected that such incumbent director shall not participate in any proceedings by the Governance Committee or the Board regarding whether to accept or reject such director's resignation, or whether to take other action with respect to such director.
30. This corporate governance guideline will be summarized or included in each proxy statement relating to an election of directors of the Company.

Director Independence

31. A substantial majority of the members of the Board and each member of the Audit, Compensation and Governance Committees shall be an independent director. The term "independent" director shall mean a director of the Company who:
 - a. Has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company), in compliance with the definition of an "independent" director in the listing standards issued by the New York Stock Exchange ("NYSE"), as determined by the Board; and
 - b. Is a "non-employee director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

32. Directors who serve on the Audit Committee and the Compensation Committee must meet additional, heightened independence criteria applicable to such committee members in listing standards issued by the NYSE.

Conflicts of Interest, Change in Affiliation and Service on Other Boards

33. Each director shall disclose to the Chair of the Governance Committee for consideration by the full Board, any other business or personal relationships that could create a conflict of interest or the perception of a conflict of interest, even if there is no actual conflict.
34. Any director (including directors who are also an employee of the Company) whose primary affiliation changes substantially after election to the Board will be expected to promptly tender to the Governance Committee a resignation as a director for consideration by the Board.
35. Any director (including directors who are also an employee of the Company) whose non-primary affiliations (including joining or leaving another for-profit organization or public company board of directors) are expected to change after election to the Board will be expected to notify the General Counsel and Secretary of the Company, who will notify the chair of any committees on which such director serves. If the change is the resignation or removal from a position, such notice shall be made promptly after the change. If the change is the appointment or election to a position, such notice shall be made a reasonable period before the anticipated effective date of the appointment or election. The General Counsel and Secretary of the Company will be responsible for determining if any such appointment or election has a reasonable potential for creating, or creating the appearance of, a conflict of interest and will discuss his or her determination with the Chair of the Governance Committee. If the General Counsel and Secretary of the Company determines that the appointment or election has such a reasonable potential, the director must discuss the position with the non-executive Chair or Lead Director, as applicable (or, if the non-executive Chair or Lead Director is the individual with the change in non-primary affiliation, the Chair of the Governance Committee) and the General Counsel and Secretary before accepting any such appointment or election. No later than the next regularly scheduled meeting of the Board, the General Counsel and Secretary of the Company will notify the Governance Committee of any changes of non-primary affiliation for which he or she receives notice.

36. The Board recommends that directors not serve on the board of directors of more than four (4) public companies (including the Company), but no director shall serve on the board of directors of more than five (5) public companies (including the Company). Directors who are serving as chief executives of public companies (other than the Company's CEO, addressed in item 37 below) shall not serve on the board of directors of more than three (3) public companies (including the Company). Service on the boards of subsidiary companies with no publicly traded stock, non-profit organizations and non-public for-profit organizations is not included in this calculation. Moreover, if a director sits on several mutual fund boards within the same fund family, it will count as one board for the purposes of this calculation.
37. The CEO's service on the Board of the Company or on the board of directors of a public company other than the Board of the Company or on the board of directors or similar governing body of any non-profit entity shall require the approval of the independent directors of the Board.
38. No member of the Audit Committee shall serve on an audit committee of more than three (3) public companies (including the Company).

Confidentiality

39. Directors must protect and hold confidential all non-public information that comes to them, from whatever source, in their capacity as director of the Company, unless disclosure is required by law. Proceedings and deliberations of the Board and its committees are confidential.

Retirement

40. Any director who shall attain the age of 75 years while serving as a director shall promptly thereafter tender a resignation as a director for consideration by the Board. Unless specifically waived by the Board, such resignation will become effective at the next Annual Meeting after reaching the age of 75.

BOARD ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS

41. Directors shall have complete access to officers, employees, and advisors of the Company. Directors should use their judgment to ensure that such access does not become distracting to the business operation of the Company, and the director shall report any such contact to the CEO.
42. The Board and each of the standing committees has the authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, outside

legal counsel or other advisor, including the authority to approve the fees and other terms of engagement of any advisor retained by the Board or standing committee, to assist in the full performance of its functions. The Company will provide appropriate funding, as determined by the Board or standing committee, for payment of the compensation of any such advisor.

BOARD OVERSIGHT OF MANAGEMENT

Evaluation of CEO and Other Senior Officers

43. Evaluation of the CEO
 - a. The non-executive Chairman or Lead Director, as applicable, will facilitate the process for establishing and approving annual goals and objectives for the CEO. The independent directors will review and approve the annual goals and objectives of the CEO.
 - b. The non-executive Chairman or Lead Director, as applicable, will annually initiate a formal evaluation of the CEO by all independent directors, based on the CEO's individual performance compared to the annual goals and objectives.
 - c. The results of such evaluation should be communicated to the CEO and to the Board, and such results will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the CEO.

44. Evaluation of Senior Officers
 - a. The Compensation Committee will annually review the CEO's evaluation of the other senior officers based upon each individual's performance compared to his/her annual goals and objectives.
 - b. These evaluations will be used by the Compensation Committee in the course of its deliberations when considering the compensation of such senior officers.

Succession Planning and Management Development

45. The Governance Committee is responsible for reviewing succession plans for the Company's CEO. As part of the broader succession planning process, the CEO shall annually report to the Board on succession planning for other senior officers.

46. The succession planning process includes consideration of both ordinary course succession, in the event of planned promotions and retirements, and planning for situations where the CEO or another senior officer unexpectedly becomes unable to perform the duties of his or her position.

Strategic Planning

47. The Board shall annually review and discuss the Company's long-term strategic plan and business unit initiatives.

Political Contributions

48. The Board, through the Governance Committee, oversees the Company's political contributions and its policies and procedures regarding political contributions. The Governance Committee reviews the Company's political contributions semi-annually, and reports to the Board.

BOARD AND COMMITTEE PERFORMANCE EVALUATIONS

49. The Governance Committee is responsible for coordinating annually a self-evaluation by the Board of its performance and for considering the annual self-evaluations by the committees of their performance. The ability of individual directors to contribute to the Board is considered in connection with the re-nomination process. Periodically, but not less than once every three years, the Governance Committee will retain a third party to conduct the performance evaluation of the Board.

BOARD COMPENSATION REVIEW

50. The Governance Committee of the Board shall make recommendations to the Board regarding director compensation plans. The Compensation Committee will coordinate with its independent compensation consultant to provide competitive market data and other information requested by the Governance Committee for its annual review of the non-employee directors' compensation program. Employee directors do not receive compensation for Board service. It is the Board's compensation philosophy that all non-employee directors should be compensated for service as a director only by the Company and on the same basis as other Company directors in accordance with the non-employee directors' compensation program.
51. Any changes to Board compensation shall be recommended by the Governance Committee, for consideration and approval by the full Board.

COMMUNICATION WITH STOCKHOLDERS AND EXTERNAL PARTIES

52. The Board values the input and insights of the Company's stockholders and seeks an open dialogue to understand their concerns. The Board also believes that effective Board-stockholder communication strengthens the Board's role as an active, informed and engaged fiduciary.

The Board believes that in most circumstances the CEO and other authorized members of senior management are best positioned to speak for the Company with institutional investors and other stockholders, analysts, employees, customers, suppliers, the press, media and other constituencies. The Board is ultimately responsible for supervising management's communication and engagement with stockholders. Management reports to the Board on material stockholder comments and the feedback it receives. Directors may also participate with management from time to time to elicit stockholder views.

The entire Board will attend the Annual Meeting, absent exceptional circumstances, and the chairs of each committee will be available to respond to stockholder questions regarding the Company's corporate governance practices and views on executive compensation and stockholder proposals.

The Company welcomes stockholders to request a meeting with the Lead Director or with the entire Board. Meeting requests will be evaluated on a case-by-case basis, considering several factors, including: the utility of the proposed discussion topic, whether the matter is of general concern to stockholders, how the matter may affect the Company's performance, and whether discussions would likely comply with the Board's duties, regulations and guidelines.

Directors may from time to time be asked by the Board, often through the Chairman and/or Lead Director, to meet or otherwise communicate with a constituency of the Company. While meeting with stockholders, directors will observe confidentiality requirements and laws prohibiting insider trading, tipping and selective disclosure. There may also be circumstances in which the Chairman or Lead Director requests that the Company's General Counsel or his or her designee be present for any such meeting or communication.

The Board believes that the stockholders should also have the ability to send written communications to directors. The Board has established, and the Governance Committee administers, a policy that all written communications from stockholders should be addressed to the Secretary of the Board at the Company's principal executive office, who will review all relevant communications with the Board.