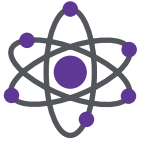


Andeavor believes that sound public policies relevant to our industry should align with the following principles, which also guide our policy positions and engagement in the political process.



Energy Matters — Affordable, reliable and plentiful energy improves the quality of life.



Free Markets — Market-based solutions have a proven track record of success, benefit consumers and the economy and are the preferred option. Government policies should encourage market-based solutions that allow for the most effective and efficient approaches to emerge.



Reasoned and Balanced Approach — Policies should be science-based, technologically achievable, economically sound and should address the intended issue.



Transparency – The need for public policy action must be clear and transparently communicated to stakeholders. All scientific or research data gathered and relied upon as a premise for a policy decision should be transparent and publicly available.



Cost Effective — Costs should be the lowest to achieve the objective and be transparent. The most cost effective measures should be pursued. Benefits should be clear and measurable.



Safety and Environment — Policies should be pursued in a manner which considers impacts to the environment and prioritizes the safety of people and communities. They should place value on conservation of resources, including air, water, and energy.



Purposeful Revenue Collection — Revenues collected should address the purpose for which they are collected. Collection should occur as close to the end-user as possible to ensure transparency.



Level Playing Field — Policies should not favor or penalize one industry relative to another, nor should they create an imbalance in treatment of entities within an industry. All impacted parties should be given the same requirements and opportunity to comply. Consumers and the economy benefit when policies promote an equitable environment among and within industries.