

GOVERNANCE & INTEGRITY



MPC Chairman of the Board Thomas Usher addresses shareholders at the 2016 Annual Shareholders Meeting. This was Usher's last meeting before retiring.

GOVERNANCE & INTEGRITY

OUR COMPANY IS LED BY DIRECTORS WHO ADHERE TO SOUND GOVERNANCE PRINCIPLES

MPC's management team – officers of the company who run it on a day-to-day basis – are accountable to our board of directors. Our directors oversee the company's affairs, including its strategic direction, with long-term shareholder value foremost in their considerations.

Our owners are MPC's shareholders – pension funds, investment funds and individual investors. The makeup of our board of directors is designed to ensure that our shareholders' interests are served. If you own MPC stock, our directors chart the company's strategic direction on your behalf.

There are several factors that help to ensure our board of directors' interests are aligned with those of our owners:

- ▶ Independence: Eight of our board's 10 members are independent. In other words, they have no executive role in the day-to-day operation of the company and they meet independence requirements outlined in our proxy statement (information on the proxy statement is at the end of this article). These requirements are to ensure that the board exercises independent judgment.
 - In addition, our independent directors regularly meet in closed sessions without MPC's chief executive officer (who is also chairman of the board, and is not an independent director).
- ▶ Experience: Eight of our board's 10 members are current or former chief executive officers. This brings an enormous amount of expertise from a variety of industries and sectors of society.
- ▶ Engagement: Our directors' attendance averaged 98 percent of all board and committee meetings in 2015.
- ▶ Alignment: To help ensure our board of directors keep in mind our owners' interests, we maintain stock ownership guidelines for directors.

For more information about how MPC protects our owners' interests, please look through our annual proxy statement. This easy-to-read publication contains information about our executives' pay, compensation of our directors, proposals brought by our shareholders, background information about the directors who serve on our board, and much more.

The proxy statement can be found on MPC's website, <http://www.marathonpetroleum.com>, by clicking on the "Investor Center" tab, and then clicking on "Proxy Statement."



MPC Chairman, President and Chief Executive Officer Gary R. Heminger speaks with shareholders at the 2016 Annual Meeting of Shareholders.



John Evans is one of MPC's Government Affairs managers. Pictured here in the New Jersey Statehouse, John works with lawmakers, regulators and others in six states in the Northeast.

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WE ARE TRANSPARENT ABOUT LOBBYING AND POLITICAL CONTRIBUTIONS

The involvement of corporations in politics is a touchy subject. As a company, we have to keep in mind that millions upon millions of people rely on us to produce the fuels and other products they use every day to make their lives better. And they expect us to do it in a safe, clean and affordable manner.

At the same time, lawmakers and regulators are considering, debating, passing and enforcing laws and rules that can have a profound effect on our ability to meet the public's expectations for reliable, affordable fuels.

So the question is: How do we balance these sometimes conflicting factors?

The answer is: political engagement. Here are the four primary ways we are involved in policy matters:

- **Lobbying:** We have lobbyists on staff, as well as contracted lobbyists, who work at the federal and state levels. Why? It's often the case that lawmakers and regulators are not experts in our industry. So we work with them on ways to meet their objectives without compromising our ability to meet energy consumers' needs.
- **Corporate contributions:** Where allowed by law, we make contributions to candidates for state and local offices. We focus on candidates who support policies that help us do our important work efficiently and effectively. We don't care what party they belong to – we consider only their positions on issues important to us.
- **Employee contributions:** The Marathon Petroleum Corporation Employees Political Action Committee (MPAC) is a voluntary organization that some employees are eligible to join. If they choose to join, they make contributions to MPAC, which then decides (through a board of directors) which political candidates should receive funding. About 53 percent of eligible employees are members of MPAC.
- **Trade association memberships:** We belong to trade associations that represent our industry. These associations, like the American Petroleum Institute or the American Fuel and Petrochemical Manufacturers, allow us to join other companies in our industry as we speak out on issues that affect us all.

In order to be transparent about our involvement, we disclose our lobbying, political contributions and high-cost trade association memberships on our website, <http://www.marathonpetroleum.com>. On our "Political Engagement and Disclosure" pages, found under the "Corporate Citizenship" tab, we provide links to these disclosures so that interested parties can access this important information. Below is the information we provide access to:

- Our quarterly federal lobbying disclosure reports for the past five years
- Corporate contributions to political candidates, including names, dates and amounts
- MPAC contributions to political candidates, including names, dates and amounts
- Maps of the states where we have filed lobbyist disclosures and political contributions
- A list of the trade associations to which we paid annual dues of more than \$50,000 in 2014 and 2015
- A detailed discussion of the philosophy and purpose of our political engagement