

**MARATHON PETROLEUM CORPORATION**

**CORPORATE GOVERNANCE PRINCIPLES**

(Amended and Restated effective April 28, 2021)

**Corporate Governance Principles**  
**Table of Contents**

<u>Article</u>	<u>Page</u>
I. Board of Directors: General	1
A. Role and Responsibilities	1
B. Board Size	1
C. Director Elections	1
D. Limits on Number of Board Memberships	2
II. Board of Directors: Independence and Committees	2
A. Majority of Independent Directors/Definition of Director Independence/Categorical Standards	2
B. Conflicts of Interest	4
C. Committee Composition and Audit Committee Evaluation	4
III. Board of Directors: Board Leadership	5
A. Separation of Chairman of the Board and CEO Positions	5
B. Chairman Responsibilities	5
C. Lead Director Responsibilities	6
D. Presiding Director	7
IV. Board of Directors: New Director Selection/Orientation/Evaluation	7
A. Process for Director Selection/Director Qualifications	7
B. Director Orientation and Continuing Education	8
C. Full Board and Individual Director Performance Evaluations	8
V. Board of Directors: Planning/Oversight Functions	9
A. Non-management Directors Meet Independent of CEO and Management	9
B. Succession Plan for CEO and Management	9
C. Directors Have Direct Access to Management	9
D. Effective Communications with Investors, Media and Others	10
E. Evaluation of CEO Performance	10
F. Board May Retain Independent Advisors	10
VI. Board of Directors: Compensation of Directors	10
A. Directors Paid Partially in Equity	10
B. Stock Ownership by Directors Encouraged	11
VII. Board of Directors: Director Retirement and Resignation	11
A. Mandatory Retirement Age for Directors	11
B. Term Limits for Directors	11
C. Directors Expected to Submit Resignation Upon Change in Employment or Health Condition	12

## **I. Board of Directors: General**

### **A) Role and Responsibilities**

The business and affairs of Marathon Petroleum Corporation (the “Company”) are managed under the direction of the Board of Directors (the “Board”) for the benefit of the stockholders. The members of the Board (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 officers (the “Officers”), its auditors and other independent advisors, to the extent permitted by Delaware law. Although the Board should exercise vigorous and diligent oversight over the Company’s affairs, it should not perform or duplicate the role of management. It is the policy of the Company that management speaks for the Company.

One of the Board’s most important responsibilities is to elect the Company’s Chief Executive Officer (“CEO”) and the rest of the Company’s Officers. Directors are expected to attend and actively participate in Board meetings and to review in advance the meeting materials sent to them. Directors are also expected to attend the annual meeting of stockholders. Each Director is expected to ensure that other commitments do not materially interfere with the Director’s service to the Company.

### **B) Board Size**

The Board has the authority to fix the size of the Board pursuant to the Company’s Amended and Restated Bylaws (as amended or amended and restated from time to time, the “Bylaws”) and will periodically review the size of the Board based on the recommendation of the Corporate Governance and Nominating Committee; *provided, however*, that pursuant to the Company’s Restated Certificate of Incorporation (as amended or amended and restated from time to time, the “Certificate of Incorporation”), the number of Directors on the Board shall not be less than three nor more than 12.

### **C) Director Elections**

Directors shall be elected and re-elected, and any vacancy on the Board shall be filled, in accordance with the Certificate of Incorporation, any Certificate of Designation for a series of preferred stock approved by the Board and the Bylaws. The Corporate Governance and Nominating Committee will recommend candidates for election or re-election to the Board in accordance with the policies and principles in its charter and the criteria described in these Corporate Governance Principles.

## **D) Limits on Number of Board Memberships**

Service on the board of directors of other companies often broadens and deepens the knowledge and experience of our Directors. In addition, Officers of the Company who serve on other boards gain valuable insight and experience which prove beneficial to the Company. However, service on too many boards can interfere with an individual's ability to perform his or her responsibilities to the Company. Accordingly, before accepting an additional directorship with another company, a Director shall consider whether the new directorship will compromise the Director's ability to perform his or her responsibilities to the Company. Similarly, a Director must consult with the Board before accepting a new directorship to ensure that it is permissible under the Clayton Act, the Company's Code of Business Conduct, Conflicts of Interest Policy, Related Person Transactions Policy and other applicable governance policies and principles. Because time demands from board to board and capacities of individual Directors will vary, the Company does not endorse a specific limitation on the number of directorships a Director may hold.

## **II. Board of Directors: Independence and Committees**

### **A) Majority of Independent Directors/Definition of Director Independence/ Categorical Standards**

The Board shall be comprised of a majority of independent Directors. In determining whether or not a Director is independent, the Board shall affirmatively determine whether or not the Director has a material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). When assessing materiality, the Board shall broadly consider all relevant facts and circumstances, including, without limitation: (i) transactions between the Company and the Director directly, or between the Company and organizations with which the Director is affiliated; (ii) the frequency and dollar amounts associated with such transactions; and (iii) whether or not the transactions are consummated on terms and conditions not less favorable to the Company than similar transactions with unrelated parties. In particular, when assessing the materiality of a Director's relationship with the Company, the Board shall consider the issue not merely from the standpoint of the Director, but also from that of persons or organizations with which the Director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others, provided that the ownership of even a significant amount of the Company's securities, in and of itself, does not preclude a Director from being independent.

In addition, the Board shall determine that a Director is not independent if the Director:

1. is or has been an employee of the Company within the last three years, or has an immediate family member who is or has been an executive officer (as used in the applicable independence requirements of the New York Stock Exchange) of the Company within the last three years;

2. has personally received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than compensation for Board or Committee service, pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), or compensation paid to an immediate family member who is a non-executive employee of the Company;
3. is a current partner or employee of the Company's external auditor;
4. has an immediate family member who is a current partner of the Company's external auditor, or who is a current employee of the Company's external auditor and personally works on the Company's audit;
5. has been, or has an immediate family member who has been, within the last three years, a partner or employee of the Company's external auditor and personally worked on the Company's audit within that time;
6. is or has been, or has an immediate family member who is or has been, employed within the last three years as an executive officer of another company where any of the Company's present Officers at the same time serve or served on the other company's compensation committee;
7. is, or has an immediate family member who is, a current executive officer of a company that makes or made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of the other company's consolidated gross revenues as reported in the last completed fiscal year of such other company;
8. is an executive officer of a tax-exempt organization of which the Company has, within the last three years, made any contributions to that organization in any single fiscal year that exceeded the greater of \$1 million, or 2% of the tax-exempt organization's consolidated gross revenues;
9. is a partner of or of counsel to a law firm that provides substantial legal services to the Company on a regular basis; or
10. is a partner, officer or employee of an investment bank or consulting firm that provides substantial services to the Company on a regular basis.

The following relationships will not be considered to be material relationships that would impair a Director's independence:

- a) if the Director is, or has an immediate family member who is, a partner (general or limited) in, or a controlling stockholder, equity holder, executive officer or a director of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the last three fiscal years where the amount involved in such transaction in any such fiscal year was less than the greater of \$1 million or 2% of the recipient's consolidated gross revenues for that year;

- b) if the Director is, or has an immediate family member who is, a director or trustee of any organization to which the Company has made, or from which the Company has received, payments for property or services, and the Director (or his/her immediate family member) was not involved in the negotiations of the terms of the transaction, did not, to the extent applicable, provide any services directly to the Company, and did not receive any special benefits as a result of the transaction; or
- c) if the Director, or an immediate family member of the Director, serves as an officer, director or trustee of a foundation, university, charitable or other not-for-profit organization, and the Company's discretionary charitable contributions to the organization, in the aggregate, are less than the greater of \$1 million or 2% of that organization's latest publicly available annual consolidated gross revenues.

When used herein, "immediate family member" includes a person's spouse, parents, children, siblings, mothers-in-law and fathers-in-law, sons-in-law and daughters-in-law, brothers-in-law and sisters-in-law, and anyone (other than an employee of such person) who shares such person's home.

For relationships not covered by the categorical standards in this Article II, Section A, the determination of whether the relationship is material or not, and therefore whether the Director or Director nominee would be independent or not, shall be made by the Board of Directors. The Company shall disclose in its annual proxy statement each Director, or each Director nominee, that is determined to be independent under the above standards, and any transactions by any independent Director that would be considered a related-person transaction under rules established by the Securities and Exchange Commission.

## **B) Conflicts of Interest**

If an actual or potential conflict of interest develops because of significant dealings or competition between the Company and a business with which a Director is affiliated, the Director should report the matter promptly to the Chairman of the Board for evaluation by the Board. A significant conflict must be resolved, or it is expected that the Director will resign. If a Director has a personal interest in a matter before the Board, the Director should disclose the interest to the full Board and should consider whether it is appropriate to excuse himself or herself from participation in the discussion and any vote on the matter.

## **C) Committee Composition and Audit Committee Evaluation**

All principal standing committees of the Board (the "Committees") shall be composed entirely of independent Directors. The principal standing Committees of the Board are the Audit Committee, the Compensation and Organization Development Committee and the Corporate Governance and Nominating Committee. Each principal standing Committee shall have a written charter adopted by the Board that complies with the requirements of all applicable law and stock exchange listing standards. Each principal standing

Committee shall review its charter on an annual basis and conduct an annual performance self-evaluation and report its findings to the Board. In addition, the full Board shall evaluate the performance and effectiveness of the Audit Committee on an annual basis due to the role of the Audit Committee in ensuring an effective control environment and adequate internal controls over financial reporting.

The membership and Chairs of each Committee are recommended to the Board by the Corporate Governance and Nominating Committee. The Board does not require mandatory rotation of Committee assignments or Chairs of the Committees, but consideration will be given to rotating Committee members and Chairs of the Committees periodically.

While the Board is ultimately responsible for oversight of risks facing the Company, the Board, where appropriate, may delegate oversight responsibility to particular Committees of the Board.

### **III. Board of Directors: Board Leadership**

#### **A) Separation of Chairman of the Board and CEO Positions**

The Board does not have a policy requiring the role of the Chairman of the Board and CEO to be filled by separate persons or a policy requiring the Chairman of the Board to be a non-management Director. The Board shall make such determinations about the leadership structure based on what is best for the Company given the specific characteristics or circumstances of the Company at the time. In the event that the role of the Chairman of the Board is filled by the CEO, the Board shall consider appointing an independent Director to serve as a “Lead Director.”

#### **B) Chairman Responsibilities**

Whether the role of Chairman is filled by the CEO or by a non-management or an independent Director, the Chairman shall have all of the authority permitted under Delaware law, the Certificate of Incorporation, the Bylaws, Board Committee charters and these Corporate Governance Principles. The Chairman’s responsibilities as included herein shall not limit any authority of the Chairman as founded in applicable law or otherwise.

In the event that an independent Chairman is elected, such independent Chairman’s responsibilities shall include leadership of the Board, advising and supporting Company management, engaging with stockholders when appropriate and other responsibilities as determined by the Board from time to time. Such responsibilities are more fully described below.

The Chairman’s Board leadership responsibilities include: (i) providing guidance to the Board and overseeing the effective discharge of its duties; (ii) assisting the Board in reviewing and monitoring the strategy and direction of the Company (iii) communicating

with the Board to ensure timely discussion of key developments; (iv) having the authority, pursuant to the Bylaws, to call meetings of the Board; (v) ensuring that meetings of the Board are conducted in an efficient, effective and focused manner by approving Board meeting agendas and schedules; (vi) presiding at meetings of the Board and executive sessions of the non-management Directors; (vii) attending all Committee meetings; (viii) serving as a member of the Executive Committee of the Board of Directors; (ix) assisting the Chair of the Corporate Governance and Nominating Committee with the recruitment of Director candidates, the composition of Committees, the selection of Committee Chairs; and the Board's self-evaluation process, including as a participant in individual director performance evaluations; and (x) assisting with the evaluation of CEO performance as set forth in Article V, Section E, below and the periodic review of the succession plan for the Officers, including the CEO.

The Chairman's responsibilities to advise and support management include: (i) acting in an advisory capacity to the CEO, as well as other Officers in matters concerning the interests of the Company and the relationship of management and the Board; (ii) providing feedback, as applicable, from the Board to the CEO following executive sessions of the non-management Directors; (iii) monitoring information delivered by management to the Board and providing input, as appropriate, as to the quantity, quality and timeliness of such information; and (iv) facilitating effective communications between Directors and management, both inside and outside of Board meetings.

The Chairman's responsibilities to engage with the stockholders of the Company include: (i) having the authority, pursuant to the Bylaws, to call meetings of the Company's stockholders; (ii) presiding as Chairman at meetings of the Company's stockholders; (iii) in consultation with management, responding to stockholder concerns regarding issues relating to the Board; (iv) representing the Board at meetings of stockholders, stakeholders and/or regulators when advisable or required; and (v) in consultation with the Corporate Governance and Nominating Committee and the Sustainability Committee, establishing effective communications with the Company's stakeholders and being available for direct communication from significant stockholders.

### **C) Lead Director Responsibilities**

In the event that a Lead Director is appointed, such Lead Director's responsibilities shall include: (i) consulting with the Chairman and CEO to include on the agenda for Board meetings any matters requested by the Lead Director; (ii) consulting with the Chairman and CEO on schedules to assure there is sufficient time for discussion of all agenda items; (iii) presiding at meetings of the Board in the absence of, or upon the request of, the Chairman and CEO, including presiding over all executive sessions of the non-management and/or independent Directors, and providing feedback from the Board to the Chairman and CEO following each executive session; (iv) serving as liaison between the Chairman and CEO and the independent Directors; (v) serving as a member of the Executive Committee of the Board of Directors; (vi) assisting the Chairman and CEO and the Chair of the Corporate Governance and Nominating Committee with the recruitment of Director candidates; (vii) consulting with the Chairman and CEO and the Corporate

Governance and Nominating Committee on the selection of Committee Chairs; (viii) having the authority to call meetings of the independent Directors and coordinating the agenda for moderating sessions of the Board's independent Directors; (ix) being available for direct communication from significant stockholders; (x) overseeing the self-evaluation of the Board in coordination with the Corporate Governance and Nominating Committee; (xi) assisting with the evaluation of CEO performance as set forth in Article V, Section E, (xii) providing leadership to the Board in any situation where the Chairman and CEO role may be perceived to be in conflict; (xiii) monitoring information delivered by management to the Board and providing input, as appropriate, as to the quantity, quality and timeliness of such information that is necessary for the Directors to effectively and responsibly perform their duties; and (xiv) other responsibilities as determined by the Board from time to time.

#### **D) Presiding Director**

The Chairman of the Board presides at meetings of stockholders and of the Board. In the event the Chairman of the Board is not able to preside at a meeting of the stockholders or the Board, or the non-management and/or independent Directors meet without the Chairman of the Board; then if a Lead Director has been appointed, the Lead Director shall preside at such meetings and if no Lead Director has been appointed, the Board shall designate another Director to preside at such meetings.

### **IV. Board of Directors: New Director Selection/Orientation/Evaluation**

#### **A) Process for Director Selection/Director Qualifications**

The Board is responsible for recommending Director nominees for election by the stockholders and for selecting Directors to fill vacancies, based upon the recommendations of the Corporate Governance and Nominating Committee, and as provided in the Company's Bylaws or by applicable law. The Board has delegated the Director recruiting process to the Corporate Governance and Nominating Committee with input from the Chairman of the Board and the CEO. The Corporate Governance and Nominating Committee may work with a third-party professional search firm to review Director candidates and their credentials. Whether recruitment is undertaken by the Corporate Governance and Nominating Committee alone, or with the assistance of a search firm, the Board is committed to actively seeking women candidates and candidates of diverse ethnic and racial backgrounds who possess the experience, skills and characteristics noted below.

At least one member of the Corporate Governance and Nominating Committee, the Chairman of the Board, and the CEO should meet with each potential Director candidate as part of the recruiting process. After the personal meetings, the Corporate Governance and Nominating Committee should make a recommendation to the Board. An invitation to become a candidate to join the Board should be extended in writing by the Chairman of the Board or the CEO on behalf of the Board. The foregoing recruiting process applies to nominees recommended by the Corporate Governance and Nominating Committee, as well

as nominees recommended by stockholders in accordance with the Company's Bylaws or applicable law.

The Corporate Governance and Nominating Committee is responsible for reviewing with the Board the appropriate skills and characteristics required of Directors in the context of the current composition of the Board. Candidates should have the background and experience that demonstrates an understanding of the financial and operational aspects of a large, complex, global company, including the risks associated therewith. Candidates with knowledge of the energy industry are preferred. This assessment will include consideration of the following specific criteria: (i) chief executive officer or general manager experience; (ii) financial experience; (iii) current or prior board appointments; (iv) global business experience with businesses and other organizations of comparable size; (v) demonstrated leadership capabilities and ability to represent all stockholders as opposed to a specific special interest group or constituency; (vi) independence, as defined by applicable law, stock exchange standards and the Company's categorical standards; (vii) business or professional experience; (viii) integrity and judgment; (ix) records of public service; (x) ability to devote sufficient time to the affairs of the Company; and (xi) the current characteristics and perceived needs of the Board, including the Board's diversity, average age and breadth of skills, such as an understanding of financial statements and financial reporting systems, manufacturing processes and technology.

In addition, candidates should have experience in addressing the following issues generally faced by public companies: (i) strategic direction; (ii) risk assessment; (iii) corporate organization; (iv) asset re-deployment; (v) corporate finance; (vi) internal and external forces which affect corporate activities; and (vii) corporate governance and ethics. Finally, the candidate should be able to offer critical review and analysis and to deliver his or her opinions in a tone of partnership.

## **B) Director Orientation and Continuing Education**

The Company maintains an orientation program for new Directors that includes presentations by Company management. Continuing education programs shall be recommended by the Board and by the CEO and management to the Directors, and Directors are encouraged to attend these enrichment programs, from time to time.

## **C) Full Board and Individual Director Performance Evaluations**

The Board will engage in an annual self-evaluation. The purpose of the evaluation will be to determine whether the Board and its Committees are functioning effectively. This evaluation will include a review of these Corporate Governance Principles. In addition, each independent Director whose term expires at the annual meeting of stockholders the following year, shall meet with the Chairman of the Board (unless a Lead Director has been appointed, in which case, the Lead Director) and the Chair of the Corporate Governance and Nominating Committee to discuss such Director's individual performance. The evaluation process will be administered by the Corporate Governance and Nominating Committee.

## **V. Board of Directors: Planning/Oversight Functions**

### **A) Non-management Directors Meet Independent of CEO and Management**

The non-management Directors of the Company shall meet at regularly scheduled executive sessions without the CEO and management. In addition, a majority of the non-management Directors may call a meeting of the non-management Directors at any time. If one or more non-management Directors does not satisfy the applicable independence requirements set forth in the New York Stock Exchange listing requirements and under applicable law, then at least once annually an executive session including only independent Directors shall be held.

At executive sessions, the presiding Director shall be determined in accordance with directives set forth in Article II, Section F, above. The presiding Director shall supervise the conduct of the meetings of the executive sessions, shall communicate the results of the meetings to the CEO, as appropriate, and shall have other responsibilities which the non-management Directors may designate from time to time. Consistent with the New York Stock Exchange rules, if a single non-management Director is chosen to serve as the presiding Director at all executive sessions, the Company shall identify the presiding Director in the proxy statement for the Company's annual meeting of stockholders.

### **B) Succession Plan for CEO and Management**

Management succession planning is one of the most important roles of the Board. The Board, with the assistance of the Compensation and Organization Development Committee, shall be responsible for the selection of the CEO, and for establishing policies regarding succession in the event of an emergency or the incapacitation or retirement of the CEO. The Compensation and Organization Development Committee shall review, at least annually, with the Chairman of the Board and the CEO the succession plan relating to positions held by other Officers of the Company, and make recommendations to the Board with respect to the selection of potential successors to those positions.

### **C) Directors Have Direct Access to Management**

Directors shall have direct access to members of management, inside counsel, members of internal audit staff, accounting personnel and the independent auditors.

### **D) Effective Communications with Investors, Media and Others**

The Chairman of the Board and the CEO are responsible for establishing effective communications with the Company's stakeholder groups (i.e. stockholders, employees, customers and others). Notwithstanding the foregoing, interested parties may communicate directly with the independent Directors by submitting a communication in an envelope addressed to the "Board of Directors (independent members)" in care of the Company's Corporate Secretary or for Company employees only, by complying with the procedures set forth in the Company's Code of Business Conduct.

## **E) Evaluation of CEO Performance**

In consultation with the Board, the CEO shall develop annual goals and objectives. The Chairman of the Board or Lead Director, as applicable, and the Chair of the Compensation and Organization Development Committee shall provide feedback to the CEO, and the CEO goals and objectives shall be finalized. The CEO shall report to the Board, and the Board shall evaluate, the CEO's performance in light of these goals and objectives. The Chairman of the Board or Lead Director, as applicable, shall communicate the Board's performance assessment to the CEO. Further, in consultation with the Chairman of the Board or Lead Director, as applicable, the Compensation and Organization Development Committee shall determine and approve the CEO's compensation taking into consideration the CEO performance assessment. The Chair of the Compensation and Organization Development Committee shall report to the Board the Compensation and Organization Development Committee's CEO compensation decisions and communicate any compensation adjustments to the CEO each year in the presence of the Chairman of the Board or Lead Director, as applicable.

## **F) Board May Retain Independent Advisors**

The Board and its Committees have the right to communicate directly with the Company's principal external and internal advisors and, to the extent it deems appropriate, without consulting or obtaining the approval of any Officer of the Company in advance, to engage and obtain advice and assistance from legal, accounting or other advisors. The Company shall provide for appropriate funding for payment of compensation to any such advisors, as well as administrative expenses necessary or appropriate in carrying out their duties.

## **VI. Board of Directors: Compensation of Directors**

### **A) Directors Paid Partially in Equity**

Only non-management Directors shall be compensated for their service as Directors. Director compensation is established and reviewed by the Board from time to time in relation to comparable companies and other factors deemed appropriate. The Corporate Governance and Nominating Committee is responsible for making recommendations to the Board concerning non-management Director compensation. Non-management Director compensation is intended to be sufficient to attract the most qualified candidates available, in line with the compensation provided by comparable companies.

Director compensation shall include cash and equity-based compensation. The latter is intended to align the interests of the Directors with those of the equity holders. All non-management Directors are paid a cash retainer fee and granted an equity-based fee. In addition, the Chairs of each Committee are paid a cash retainer fee. All of the foregoing fees are paid or granted quarterly. In the event a non-management Director retires in accordance with the Company's mandatory retirement policy or leaves the Board, such non-management Director is entitled to the cash retainer fee and equity-based grant for the quarter in which his or her retirement from the Board is effective as calculated in

accordance with the Marathon Petroleum Corporation Deferred Compensation Plan For Non-Employee Directors. In addition to equity grants made by the Company, non-management Directors may receive as part of their compensation equity-based grants from MPLX LP, as determined by the Board of Directors of MPLX GP LLC. Directors are also given the option to defer up to 100% of the cash retainer fee. The Company has no retirement benefit program for Directors.

#### **B) Stock Ownership by Directors Encouraged**

The Board encourages Directors to have a financial stake in the Company as stockholders.

### **VII. Board of Directors: Director Retirement and Resignation**

#### **A) Mandatory Retirement Age for Directors**

Each Director who is also an Officer shall retire from the Board at the time of retirement from service as an Officer of the Company, except that a former CEO of the Company may serve on the Board for such period as may be recommended by the Corporate Governance and Nominating Committee; but in no event shall a former CEO of the Company be nominated to stand for election or re-election to the Board if such former CEO has attained or will attain the age of 70 prior to the date of his or her election or re-election. No person shall stand for election or re-election, or be nominated to stand for election or re-election, to the Board if such person has attained or will attain the age of 72 prior to the date of election or re-election.

#### **B) Term Limits for Directors**

The Company does not favor the establishment of term limits for Directors. Such limits often cause the loss of Directors who have gained valuable knowledge concerning the Company and its operations and whose tenure over time has given them an important perspective on long-term strategies and initiatives of the Company. As an alternative to term limits, the Corporate Governance and Nominating Committee will review each Director's qualifications, suitability and willingness to continue on the Board in connection with the recommendations of nominees to take office when the Director's term expires.

#### **C) Directors Expected to Submit Resignation Upon Change in Employment or Health Condition**

It is the policy of the Board that its non-management Directors consist of individuals who are (i) actively engaged in their occupations or professions or otherwise regularly involved in the business, professional or academic community, and (ii) normally available for meetings of the Board and its Committees. These criteria shall be considered by the Corporate Governance and Nominating Committee prior to the time at which candidates are normally approved by the Board for nomination for election or re-election as Directors by the stockholders. In its review, the Corporate Governance and Nominating Committee shall focus particularly on those Directors who have undergone or are expected to undergo

a significant change in their business or professional careers in order to assure that such Directors continue to meet the criteria set forth above. It is not the sense of the Board that every such change in position should necessarily result in the applicable Director resigning from the Board or any Committees. There should, however, be an opportunity for the Board to review the continued appropriateness of Board and Committee membership under the circumstances and to avoid any potential conflicts of interest or inadvertent impairments to a Director's independence. Any Director who (i) undergoes a significant change in his or her business or professional career or (ii) experiences a disabling health condition that, in each case, adversely affects his or her ability to perform the essential functions and responsibilities of a Director, is expected to submit a written resignation to the Board for consideration.