

# Marathon Petroleum Vacation Plan

Effective January 1, 2022



# Vacation Plan

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# Vacation Plan

This summary is intended to describe the benefit available to you under the Marathon Petroleum Vacation Plan (“Vacation Plan” or “Plan”). Certain provisions and/or pay practices related to vacation may vary by organization, local application, and/or collective bargaining agreement requirements or practices.

## I. Definitions

**Accredited Service:** Accredited Service reflects the total years, months, and days of employment with the Company as indicated by your Continuous Service Date in Workday.

**Active Employee:** An employee who is actively at work on the first day of a calendar year (January 1). Employees in any of the following categories will be considered Active Employees for purposes of this Plan:

1. An employee on an approved vacation, holiday, or floating holiday on January 1;
2. An employee on a Medical Leave of up to two years (paid or unpaid) and not receiving LTD on January 1;
3. An employee on a Parental Leave on January 1;
4. An employee on a Military Leave of up to two years (paid or unpaid) on January 1;
5. An employee on a Family Leave of 12 workweeks or less on January 1; or
6. An employee on a Wounded Warrior Family Leave of 26 workweeks or less on January 1.

**Active Duty Service:** Full time active duty service in the United States Armed Forces, as determined at the discretion of Human Resources.

**Casual Employee:** An employee who is employed to work on a time, special job completion, or call-when-needed basis.

**Company:** Includes Marathon Petroleum Company LP, Marathon Petroleum Corporation, Marathon Petroleum Service Company, Marathon Petroleum Logistics Services LLC, and Marathon Refining Logistics Services LLC and affiliated organizations. (These are the companies and/or affiliated organizations that participate in the Vacation Plan.)

**Controlled Group:** Any entity or organization required to be aggregated with the Company pursuant to Code Section 414(b), (c), (m), (n), or (o). Within this Plan document, the term “Controlled Group” refers to the Controlled Group to which the Company belongs, as in effect from time to time.

**Designated Employee:** An employee who performs the work of hourly employees or serves in a position that backfills for replacement workers during a work stoppage.

**Marine Transportation Boat Crew Employee:** An employee who works in an offshore position within the Marine Organization.

**New Hire:** An employee who has not previously worked for the Company, or an employee who previously worked for a non-participating Controlled Group member. For purposes of this Plan, this also includes a current employee who transfers from Casual to Regular employment.

**Normal Scheduled Hours:** All Regular Full-time and Regular Part-time employees are assigned normal scheduled hours in a week. Your annual vacation benefit for any calendar year is based on your Normal Scheduled Hours as of January 1.

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**Regular Employee:** An employee who is not a Casual employee, a leased employee, an Intern, an independent contractor, or for purposes of this Plan, a Marine Transportation Boat Crew Employee. Notwithstanding any ruling or determination made by any agency or entity, in no circumstances will employees who are leased or independent contractors be considered Regular Employees as defined in this Vacation Plan. A Regular Employee may be classified as:

1. **Regular Full-time:** An employee who has a normal work schedule with the Company of at least 40 hours per week or at least 80 hours on a bi-weekly basis and is not a member of an employee group for which another vacation plan has been established; or
2. **Regular Part-time:** A non-supervisory employee who has a normal work schedule with the Company of a minimum of 20 hours, but less than 35 hours per week, and is not a member of an employee group for which another vacation plan has been established.

For purposes of this Plan, a Regular Employee includes an International Commuter, Seasonal employee, and Expatriate.

**Rehired Employee:** An employee who previously worked for the Company who is either:

1. Rehired by the Company in a year other than the one in which he or she terminated employment; or
2. Rehired in the same year as he or she terminated employment, if he or she did not receive equivalent pay for unused vacation at the time of termination.

**Rehired Non-Eligible Employee:** An employee who previously worked for the Company who is rehired by the Company in the same calendar year in which he or she terminated employment and has already received equivalent pay for unused vacation at the time of termination.

**Relevant Experience:** Prior relevant work experience, as determined at the discretion of Human Resources.

**Retirement Eligible:** For purposes of this Plan, an employee who is at least age 50 with 10 years of Accredited Service under the Marathon Petroleum Employee Service Plan.

**Returning Leave Employee:** An employee who returns to work from a Personal Leave, an Educational Leave, a leave where he or she received a Long Term Disability (“LTD”) benefit, a Medical Leave in excess of two years and not receiving LTD, a Military Leave in excess of two years, or a layoff.

**Vacation Bank:** Your Vacation Bank reflects the total hours of vacation benefit available for use in a calendar year.

**Vacation Benefit Cap:** The maximum amount of earned or accumulated vacation benefit you can have in your Vacation Bank at any one time.

**Vacation Service:** Vacation Service reflects the total years, months, and days recognized for vacation purposes; Vacation Service may include external Relevant Experience and/or active Duty Service, as well as adjustments to account for a break in service for a Rehired Employee.

# Vacation Plan

## II. Eligibility

If you are classified as a Regular Full-time or Regular Part-time employee (including an International Commuter, Seasonal employee, and Expatriate) and meet the other requirements set forth in this Plan, you are eligible for a vacation benefit.

## III. Vacation Service

Your vacation benefit for the year of hire or rehire is determined based on the number of years of Vacation Service at the time of hire, pro-rated based on the month in which your employment begins. Following the year of hire or rehire, your annual vacation benefit is based on the amount of Vacation Service that will be completed within that calendar year.

Vacation Service is determined as follows:

- A. **A New Hire Without Vacation Service Enhancement:** Vacation Service begins on your date of hire and is the same as Accredited Service under the Marathon Petroleum Employee Service Plan.
- B. **A New Hire Who is Eligible for Vacation Service Enhancement, as Defined in Appendix A:** Prior Relevant Experience and/or Active Duty Service is recognized for purposes of determining Vacation Service; Vacation Service following the year of hire consists of Relevant Experience and/or Active Duty Service recognized upon hire plus Accredited Service as recognized under the Marathon Petroleum Employee Service Plan. (**Note:** Accredited Service under the Marathon Petroleum Employee Service Plan is not adjusted to reflect Relevant Experience or Active Duty Service.)
- C. **A Rehired Employee:** Vacation Service from the prior employment period is recognized upon being rehired; Vacation Service following the year of rehire consists of your prior Vacation Service plus Accredited Service as recognized under the Marathon Petroleum Employee Service Plan.
- D. **A Returning Leave Employee:** Vacation Service prior to the leave is recognized upon returning to work for one calendar day; Vacation Service following return from leave consists of your prior Vacation Service plus Accredited Service as recognized under the Marathon Petroleum Employee Service Plan. (The time on leave is considered as set forth below and is dependent upon the type of leave.)
- E. **A Marine Transportation Boat Crew Employees Who Transfers Onshore:** Prior Company service will be recognized as Vacation Service; Vacation Service following the year of transfer consists of your prior Vacation Service plus Accredited Service as recognized under the Marathon Petroleum Employee Service Plan.
- F. **An Employee Who Transfers Among Participating Companies:** An employee who transfers employment among participating companies, as specified in the definition of Company, is not impacted for vacation purposes and will remain a participant in the Plan with the same amount of Vacation Service in force at the time of transfer.

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G. **An Employee Who Transfers From a Non-Participating Controlled Group Member:** An employee who transfers from a non-participating Controlled Group member will receive credit for his or her service with the non-participating Controlled Group member for purposes of Vacation Service. For employee transfers prior to May 14, 2021, this includes service with Speedway LLC.

For purposes of this Plan, "Speedway LLC" includes Speedway LLC affiliates that are employer entities.

**Note:** This applies only to an employee who transfers directly from a non-participating Controlled Group member, not to a former employee of a non-participating Controlled Group member who is a New Hire.

While you are on a Medical Leave, a Leave While Receiving a Long Term Disability Benefit, a Family Leave, a Military Leave, or a layoff of less than 30 consecutive days, the period of time you are absent is counted as Vacation Service.

If you are on a Personal Leave, an Educational Leave, a layoff of longer than 30 consecutive days, and/or a permissible absence other than those described above which are longer than 30 consecutive days, the period will not be counted as time toward Vacation Service. Your Time Off Service Date will be adjusted accordingly upon your return to work.

## IV. Vacation Service Enhancement

If you are hired or rehired directly into a Regular Full-time exempt position and are determined to have Relevant Experience and/or Active Duty Service, you may have such Relevant Experience and/or Active Duty Service recognized as Vacation Service under the Vacation Plan, as provided in Appendix A.

The recruiter or hiring HRC, at his or her discretion, utilizing the factors set forth in Appendix A, will determine the amount of Relevant Experience and/or Active Duty Service you are eligible to have recognized upon hire or rehire and your vacation benefit for the year of hire or rehire will be calculated accordingly.

Vacation Service Enhancement is a one-time adjustment, generally applied at the time of hire or rehire (except as defined in Appendix A). You should be notified if you are eligible for Vacation Service Enhancement for Relevant Experience and/or Active Duty Service prior to your employment, generally at the time an offer of employment is extended.

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## V. Time Off Service Date *(previously “Vacation Service Date”)*

Once your Vacation Service is established, a Time Off Service Date is calculated by applying the applicable amount of Vacation Service to your hire or rehire date, as follows:

- A. **New Hire Not Eligible for Vacation Service Enhancement:** Your Time Off Service Date is the same as your date of hire. (Your Time Off Service Date will be the same as your Continuous Service Date, as defined in the Employee Service Plan.)
- B. **New Hire Eligible for Vacation Service Enhancement:** The total years, months, and days of Vacation Service are applied to your date of hire to establish your Time Off Service Date.
- C. **Rehired Employee or Rehired Non-Eligible Employee:** The total years, months, and days of Vacation Service from your prior employment period are applied to your date of rehire to establish your Time Off Service Date.
- D. **Returning Leave Employee:** Your prior years, months, and days of Vacation Service are applied to the date you return from leave to determine your adjusted Time Off Service Date, if applicable. (As set forth in Article III., the time on leave may or may not be recognized as Vacation Service, depending on the type of leave.)
- E. **A Marine Transportation Boat Crew Employees Who Transfers Onshore:** The total years, months, and days of Vacation Service are applied to your date of transfer to establish your Time Off Service Date.
- F. **An Employee Who Transfers Among Participating or Non-Participating Companies:** Your Time Off Service Date remains the same as it was prior to the transfer.

## VI. Vacation Benefit — New Hires

A New Hire, except as provided in the subsequent paragraph below, is eligible for a pro-rated vacation benefit and becomes immediately eligible for a vacation benefit on the first date of employment. This vacation benefit can be used any time (with supervisor approval) during the calendar year in which the employee is hired.

New Hires who previously worked for a non-participating Controlled Group member and terminated employment from that employer in the same calendar year in which he or she is hired by the Company will not be eligible for a vacation benefit under this Plan until the January 1 following the year of hire if he or she received equivalent pay for unused vacation at the time of termination. (In this case, the Normal Vacation Benefit Schedule as provided in Article VII. will apply.)

Your vacation benefit during the year of hire is determined by applying the years of Vacation Service you receive upon hire to one of the following New Hire Vacation Schedules. Your benefit is based on your Normal Scheduled Hours and is pro-rated based on the month in which you are hired. (Refer to Appendix B for vacation benefit examples for a New Hire under each schedule.)

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## A. New Hires Without Vacation Service Enhancement

Schedule A provides the vacation benefit for a New Hire who is not eligible for Vacation Service Enhancement, as described in Appendix A, and who is not a Rehired Employee or a Returning Leave Employee.

<b>NEW HIRE SCHEDULE A</b>	
<b>Vacation for New Hires <i>Without</i> Vacation Service Enhancement</b>	
<b>Hired Anytime During the Month of:</b>	<b>Vacation Benefit:</b>
<b>January</b>	100% of two weeks
<b>February</b>	100% of two weeks
<b>March</b>	100% of two weeks
<b>April</b>	90% of two weeks
<b>May</b>	80% of two weeks
<b>June</b>	70% of two weeks
<b>July</b>	60% of two weeks
<b>August</b>	50% of two weeks
<b>September</b>	40% of two weeks
<b>October</b>	30% of two weeks
<b>November</b>	20% of two weeks
<b>December</b>	10% of two weeks

## B. New Hires With Vacation Service Enhancement

Schedule B provides the vacation benefit for a New Hire who is eligible for Vacation Service Enhancement, as described in Appendix A. See Article VII. for the Normal Vacation Benefit Schedule.

<b>NEW HIRE SCHEDULE B</b>	
<b>Vacation for New Hires <i>With</i> Vacation Service Enhancement</b>	
<b>Hired Anytime During the Month of:</b>	<b>Vacation Benefit:</b>
<b>January</b>	100% of Normal Vacation Benefit
<b>February</b>	100% of Normal Vacation Benefit
<b>March</b>	100% of Normal Vacation Benefit
<b>April</b>	90% of Normal Vacation Benefit
<b>May</b>	80% of Normal Vacation Benefit
<b>June</b>	70% of Normal Vacation Benefit
<b>July</b>	60% of Normal Vacation Benefit
<b>August</b>	50% of Normal Vacation Benefit
<b>September</b>	40% of Normal Vacation Benefit
<b>October</b>	30% of Normal Vacation Benefit
<b>November</b>	20% of Normal Vacation Benefit
<b>December</b>	10% of Normal Vacation Benefit



## VII. Vacation Benefit — Rehired Employees, Returning Leave Employees, and Marine Transportation Boat Crew Employees Who Transfer Onshore

A Rehired Employee, a Returning Leave Employee, and a Marine Transportation Boat Crew Employee who transfers to an onshore position are eligible for a benefit during the year of rehire or transfer, as provided below. (Refer to Appendix B for vacation benefit examples for employees who are rehired or transfer.)

- A. **Rehired Employee:** A Rehired Employee is eligible for a pro-rated vacation benefit and becomes immediately eligible for a vacation benefit on the first date of re-employment.
- B. **Rehired Non-Eligible Employee:** A Rehired Non-Eligible Employee is eligible for a vacation benefit on January 1 of the year following the date of rehire.
- C. **Returning Leave Employee:** A Returning Leave Employee who returns to work in a calendar year other than the calendar year in which the leave commenced is eligible for a pro-rated vacation benefit for the remainder of the year and becomes immediately eligible for this vacation benefit after returning to work for one full day.
- D. **Marine Transportation Boat Crew Employees Who Transfer Onshore:** A Marine Transportation Boat Crew Employee who transfers to an onshore position is eligible for a pro-rated vacation benefit and becomes immediately eligible for a vacation benefit on the date of transfer.

Your vacation benefit in the year of rehire or transfer to an onshore position is determined by applying the years of Vacation Service you receive upon rehire or transfer to the New Hire Vacation Schedule B. Your benefit is based on your Normal Scheduled Hours and is pro-rated based on the month in which you are rehired or transfer positions.

NEW HIRE SCHEDULE B	
Vacation for Rehired Employees, Returning Leave Employees, and Marine Transportation Boat Crew Employees who Transfer to Onshore Positions	
Hired Anytime During the Month of:	Vacation Benefit:
January	100% of Normal Vacation Benefit
February	100% of Normal Vacation Benefit
March	100% of Normal Vacation Benefit
April	90% of Normal Vacation Benefit
May	80% of Normal Vacation Benefit
June	70% of Normal Vacation Benefit
July	60% of Normal Vacation Benefit
August	50% of Normal Vacation Benefit
September	40% of Normal Vacation Benefit
October	30% of Normal Vacation Benefit
November	20% of Normal Vacation Benefit
December	10% of Normal Vacation Benefit

## VIII. Annual Vacation Benefit

Beginning with the calendar year following hire or rehire, and each calendar year of employment thereafter, Active Employees become eligible for an annual vacation benefit under the Normal Vacation Benefit Schedule on January 1.

The amount of your annual vacation benefit for a calendar year is based on your Normal Scheduled Hours\* and the amount of Vacation Service you will complete within that calendar year based on your Time Off Service Date, as provided below, except for employees on an International Assignment.

If you are on a Personal Leave, an Educational Leave, a leave while receiving LTD, a Medical Leave in excess of two years and not receiving LTD, a Military Leave in excess of two years, or if you are on a layoff on the first day of a calendar year (January 1), you become eligible for an annual vacation benefit under the Normal Vacation Benefit Schedule once you return to work for one full day in that calendar year. Your benefit will be prorated as provided in Section VII.

Normal Vacation Benefit Schedule	
Starting With the Calendar Year in Which an Employee Completes the Following Amount of Vacation Service Based on Their Time Off Service Date:	Vacation Benefit*:
<b>1 year of Vacation Service</b>	2 weeks with pay
<b>5 years of Vacation Service</b>	3 weeks with pay
<b>10 years of Vacation Service</b>	4 weeks with pay
<b>20 years of Vacation Service</b>	5 weeks with pay
<b>30 years of Vacation Service</b>	6 weeks with pay

\* Although expressed in weeks, your vacation benefit is calculated based upon your Normal Scheduled Hours. For example, a Regular Part-time employee working a 20-hour per week schedule as of January 1, with 15 years of Vacation Service will be eligible for a total of 80 hours vacation (4 weeks x 20 hours per week schedule) in that calendar year.

Once earned on the first day of the calendar year, your vacation benefit will not be adjusted if you transfer from Regular Full-time to Regular Part-time employment, or vice versa. The amount of vacation benefit earned in a calendar year is dependent upon your status on January 1.

### *Company Transfers and International Assignments*

The annual vacation benefit for a current employee who transfers companies and a current employee who commences an international assignment is determined as provided below.

#### **A. Company Transfers**

1. An employee who transfers employment among participating companies, as specified in the definition of Company, remains a participant in the Plan; unused vacation at the time of transfer remains in his or her Vacation Bank.

The employee becomes eligible for a benefit under the Normal Vacation Benefit Schedule the following January 1.

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2. An employee who transfers from a non-participating Controlled Group Member will retain the amount of vacation benefit he or she had at the time of transfer, and the amount of vacation benefit for that year is not adjusted.

The benefit remains based on the vacation schedule of the former employer, in coordination with any Vacation Service Enhancement for Transferred Employees, as stated in Appendix A. Any unused vacation benefit at the time of transfer remains in his or her Vacation Bank for the remainder of the year.

The employee becomes eligible for a benefit under the Normal Vacation Benefit Schedule the following January 1. (For employee transfers prior to May 14, 2021, this includes Speedway LLC.)

## B. International Assignment

In the calendar year an employee begins an international assignment, he or she remains a participant in this Plan and any unused vacation remains in his or her Vacation Bank.

Effective January 1 following the commencement of an international assignment, he or she is eligible for a vacation benefit, as follows:

1. An employee with **less than 10 years** of Vacation Service: earns a vacation benefit of four weeks;
2. An employee with **10 or more years** of Vacation Service: earns a vacation benefit under the Normal Vacation Benefit Schedule in this Plan.

When an employee on an international assignment is reassigned or reclassified to the United States, any unused vacation remains in his or her Vacation Bank. Effective the following January 1, he or she becomes eligible for a benefit under the Normal Vacation Benefit Schedule, as provided above.

**Temporary international assignment:** An employee on a temporary international assignment will continue to be eligible for a vacation benefit under this Vacation Plan. Any vacation benefit for which he or she is eligible should be scheduled prior to the assignment or subsequent to the completion of assignment. However, if it is not possible to schedule vacation prior to departure to the new assignment or subsequent to the completion of the assignment, an employee scheduled for a long-term temporary assignment may, subject to the approval of the local manager, take vacation during the period of assignment.

## IX. Vacation Bank

Subject to the provisions outlined above, your annual vacation benefit is credited to your Vacation Bank each January 1, up to the Vacation Benefit Cap, as provided below. You are immediately vested in this benefit for the year and no additional vacation benefit is earned or granted until the following January 1.

At the end of each calendar year, any earned but unused vacation benefit will remain in your Vacation Bank for the following calendar year, except in no circumstances will the amount of vacation benefit in your Vacation Bank at any one time exceed the Vacation Benefit Cap. (Refer to Appendix C for unused vacation and Vacation Bank examples.)



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### **X. Vacation Benefit Cap**

The Vacation Benefit Cap limits the amount of earned vacation you can accumulate in your Vacation Bank at any one time. The Vacation Benefit Cap under this Plan is two times your normal vacation benefit, which means the amount of vacation in your Vacation Bank cannot exceed two times the amount of vacation you earn for a calendar year under the Normal Vacation Benefit Schedule, as provided above.

Once you reach the Vacation Benefit Cap, you will not earn additional vacation benefit until the January 1 following the year in which the balance reduces below the Vacation Benefit Cap.

### **XI. General Provisions**

#### **A. Scheduling Vacation**

1. You may not waive vacation and draw double pay.
2. Vacation may be taken only after you exhaust your floating holidays for the calendar year (if eligible and part of the Marathon Petroleum Holiday Plan).
3. Vacation may be scheduled at any time during the calendar year in accordance with applicable organizational, local, and/or collective bargaining agreement requirements or practices, unless stated otherwise in this Vacation Plan.
4. You may express preference as to scheduling vacation, but such preferences or requests may be granted or denied at the discretion of management.
5. Vacation may be scheduled and reported to Payroll as follows:
  - a. Salaried Exempt Employees — in full-day or half-day increments
  - b. Salaried Nonexempt and Hourly Employees — in one-hour increments.

#### **B. Illness or Injury During Vacation**

If an illness or injury occurs when you are on a scheduled vacation, you will be paid as though the illness or injury began on the day you were scheduled to return to work from the vacation. You cannot apply sick pay in place of your vacation benefit when an illness or injury occurs during a scheduled vacation.

#### **C. Vacation in Connection with Absence**

Employees on a Medical Leave, Family Leave, or Military Leave may request to utilize vacation in connection with the absence, as provided below.

1. Vacation can be applied during any unpaid period of absence. For purposes of this Plan, an unpaid period of absence is any period during which an employee is not receiving any form of pay from the Company.
2. Vacation can be substituted or used in lieu of Marathon Petroleum Short Term Disability (“STD”) pay or Paid Sick Leave (“PSL”). When using vacation in conjunction with STD or PSL, the total hours recorded in one day cannot exceed an employee’s total daily scheduled working hours.

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3. An employee receiving a benefit under the Marathon Petroleum Sick Benefit Plan cannot apply vacation in the same workday in which sick pay is applied, unless otherwise required by law.

Any vacation benefit applied during a leave does not alter or extend the effective date or duration of the leave.

## **D. Vacation Payout**

1. Employees on the following leaves will receive a payout of their entire Vacation Bank near the time the leave commences:
  - a. Leave While Receiving a Long Term Disability Benefit;
  - b. Personal Leave;
  - c. Educational Leave.
2. Employees who transfer from Regular to Casual employment will be paid out their earned but unused vacation benefit at the time of the change in employment.
3. Designated Employees who are unable to utilize sufficient vacation in a calendar year in which their ability to take vacation is limited due to work requirements that are the direct result of a work stoppage may be permitted a vacation payout.

Eligibility will be determined after the conclusion of the work stoppage and the payout amount will be a percentage of the Designated Employee's vacation balance that exceeds one week over one times the normal vacation benefit for the number of months the Designated Employee is affected by the work stoppage.

Any employee who receives equivalent pay for unused vacation under this Plan or under the plan of a Controlled Group member in a given calendar year is not eligible for a vacation benefit under this Plan until the following January 1, subject to the provisions outlined above.

## **E. Pay Treatment**

1. Vacation pay is computed at your base rate or rates, including any Geographic Pay Differential, regardless of whether paid on an hourly or monthly basis.
2. Vacation pay shall include contributions to the Thrift Plan's Pre-Tax account, contributions made under the 125 Plan, and contributions to the Health Care Flexible Spending Account.
3. Vacation pay includes certain allowances to which an employee is entitled.
4. Vacation pay does not include any premium pay, such as shift differential, overtime, 7<sup>th</sup> day pay, Location Premium Pay, Critical Position Premium, or call-in/call-out pay.

## **F. Holiday**

When a Company-observed holiday falls on a regularly scheduled working day while you are on scheduled vacation, you will not be charged vacation for that day and will receive holiday pay instead, unless otherwise required under local pay practices.

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## **G. First Work Day**

An employee who has an original hire date on the first work day in January, as described in Appendix D, will be deemed to complete a year of vacation service on December 31 of each calendar year following the calendar year of original hire. This provision applies only to employees hired before January 1, 2006.

## **XII. Vacation When Employment Terminates**

If your employment terminates, you will be paid an amount equivalent to the earned but unused vacation benefit in your Vacation Bank at the time of separation.

- A. If your last day of employment is on or after January 1, you will be vested in your vacation benefit for that calendar year and your Vacation Bank will be credited accordingly, up to the Vacation Benefit Cap. Upon separation, you will be paid an amount equivalent to the earned but unused vacation benefit in your Vacation Bank at that time.
- B. The date of separation for a discharge, termination, or resignation is the day following the last day an employee has responsibilities pertinent to his or her occupation. This date should not be moved forward to include unused vacation or holidays.
- C. The date of separation for an employee who is Retirement Eligible may be moved forward to include up to two weeks of unused vacation. This option to “vacation out” is available to Retirement Eligible employees, unless otherwise superseded by a collective bargaining agreement and/or unless the employee is involuntarily separated due to discharge or termination.

When a Retirement Eligible employee requests to vacation out, it is intended that the employee works up to the start of the vacation out period. If an employee is on vacation prior to that, they must first return and work for an amount of time that is equivalent to the time they were on vacation prior to being permitted to vacation out and then retire.

## **XIII. Modification and Termination**

The Company reserves the right to modify or terminate this Vacation Plan, in whole or in part, in such manner as it shall determine, either alone or in conjunction with other plans of the Company. Modification or termination may be made by the Company for any reason.

## **XIV. Further Information**

Payroll coordinates the pay practices associated with administration of the Vacation Plan.

## Appendix A

### **Vacation Service Enhancement Relevant Experience and Active Duty Service**

An employee may have prior relevant work experience (“Relevant Experience”) and/or full time active duty service in the United States Armed Forces (“Active Duty Service”) recognized as Vacation Service under the Vacation Plan, as provided below.

#### **A. New Hire**

An employee hired directly into a Regular Full-time exempt position with Relevant Experience and/or Active Duty Service may have such Relevant Experience and/or Active Duty Service recognized as Vacation Service. The employee’s vacation benefit upon hire will be calculated accordingly.

#### **B. Rehired Employee**

A Rehired Employee hired directly into a Regular Full-time exempt position with Relevant Experience and/or Active Duty Service will have such Relevant Experience and/or Active Duty Service recognized as Vacation Service, in addition to prior Company service, provided such experience was not previously recognized. A Rehired Employee’s vacation benefit upon hire will be calculated accordingly.

#### **C. Current Employee**

1. An employee whose employment changes from Casual to Regular Full-time exempt on or after October 1, 2007, who was hired or rehired on or after January 1, 1998, and has not had Vacation Service previously adjusted to recognize Relevant Experience and/or Active Duty Service, may have such Relevant Experience and/or Active Duty Service recognized as Vacation Service upon change in employment status.
2. A Marine Transportation Boat Crew Employee who transfers to an onshore position that is Full-time exempt status on or after October 1, 2007, who was hired or rehired on or after January 1, 1998, and has not had Vacation Service previously adjusted to recognize Relevant Experience and/or Active Duty Service, may have such Relevant Experience and/or Active Duty Service recognized as Vacation Service upon change in employment status.
3. An employee whose employment changes from Regular Part-time to Regular Full-time exempt on or after October 1, 2007, and who was hired or rehired on or after January 1, 1998, and has not had Vacation Service previously adjusted to recognize Relevant Experience and/or Active Duty Service, may have such Relevant Experience and/or Active Duty Service recognized as Vacation Service upon change in employment status.

This is considered on rare occasions and applies only to an employee who was hired into a Regular Part-time position that would have otherwise been classified as a Regular Full-time exempt position. (i.e., hired into a professional position on a part-time basis due to extenuating circumstances) This is reviewed on a case-by-case basis and, if approved, the employee’s vacation benefit will be calculated accordingly on a go-forward basis.

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As stated in Article VIII., the vacation benefit in effect prior to the employment status change will be maintained for the remainder of the calendar year of the change. On the January 1 immediately following the employment status change, an employee is eligible for a vacation benefit based on the normal scheduled hours as of January 1, adjusted to reflect Relevant Experience and/or Active Duty Service. The employee will maintain the adjusted Vacation Service, if applicable, even if the employee later returns to Regular Part-time status.

## D. Transferred Employee

An employee who transfers from a non-participating Controlled Group company is not considered a hire or rehire, so Relevant Experience and/or Active Duty Service will not be applied at the time of transfer.

However, any adjustment to Vacation Service that was previously applied by the prior company will remain in effect should that employee transfer to another member within the Controlled Group.

## E. Previous Adjustments

1. A one-time adjustment to Vacation Service has been made for Regular Full-time exempt employees who were hired or rehired during the period from January 1, 1998, through December 31, 2005. This one-time adjustment affected employees who satisfied the conditions established in paragraph I of this Appendix A and who did not have their Vacation Service previously adjusted based on "Critical Skill" status.
2. A one-time adjustment to Vacation Service has been made for Regular Full-time exempt employees who were identified as having served in the United States Armed Forces ("U.S. Armed Forces") and who were hired or rehired on or after January 1, 2007, through December 31, 2016, to recognize all or a portion of Active Duty Service for those employees with less than 4 weeks' vacation as of January 1, 2017. Active Duty Service was added to their current Vacation Service such that new Vacation Service is not greater than ten years in the 2017 calendar year, and provided such Active Duty Service had not already been recognized as Relevant Experience.

## F. Definitions

When the hiring HRC or Recruiter is determining the amount of Relevant Experience and/or Active Duty Service to recognize as Vacation Service, the following definitions should be applied.

1. **Relevant Experience:** Relevant Experience is defined as prior work experience (which may include experience obtained during service in the U.S. Armed Forces) that is directly relevant to the position for which the employee is being hired, as determined by the hiring organization, while:
  - a. Employed by a non-participating employer as a regular, full-time exempt employee after receipt of a relevant degree from an accredited college or university; or while
  - b. Employed by a non-participating employer as a non-degreed candidate whose experience is directly relevant to the hired position; or while
  - c. Employed by the Company in a position whose service was not previously recognized for vacation purposes; or while
  - d. Employed by a non-participating Controlled Group company in a position whose experience is directly relevant to the position for which the employee is being hired. (Includes Speedway LLC).



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2. **Active Duty Service:** Active Duty Service is defined as full-time active service in the U.S. Armed Forces, as follows:
  - a. U.S. Armed Forces includes the Air Force, Air Force Reserve, Air National Guard, Army, Army Reserve, Army National Guard, Coast Guard, Coast Guard Reserve, Marine Corps, Marine Corps Reserve, Navy, Navy Reserve, and Space Force.
  - b. A maximum of ten years of Active Duty Service will be recognized.
  - c. In the event an employee has Relevant Experience and Active Duty Service, Relevant Experience will be applied first. If Relevant Experience equates to ten or more years, Active Duty Service will not be applied. If Relevant Experience is less than ten years, the maximum Active Duty Service that will be applied is the difference between ten years and recognized Relevant Experience.
  - d. Active Duty Service cannot be applied as both Relevant Experience and Active Duty Service.
  - e. An employee who wants Active Duty Service recognized as Vacation Service should provide supporting documentation such as form DD214 or other similar official military documentation to Human Resources for verification of Active Duty Service.

## G. Additional Provisions

The following additional provisions apply to Vacation Service Enhancement:

1. Vacation Service Enhancement is applied only at time of hire or rehire, except as defined in item C., above.
2. Once the amount of Relevant Experience and/or Active Duty Service has been established, adjustments to recognize additional service will not occur at a later date.
3. Relevant Experience and/or Active Duty Service will not be recognized as Vacation Service more than once in establishing an employee's vacation benefit.
4. An individual should be made aware he or she is eligible for a Vacation Service Enhancement for Relevant Experience and/or Active Duty Service, if applicable, prior to employment. This information should be communicated at the time an offer of employment is extended.

## Appendix B

### **Vacation Benefit Examples**

- A. Employees Hired Under Schedule A — Vacation for New Hires Without Vacation Service Enhancement
  - 1. An Administrative Assistant is hired on April 1. The vacation benefit for which the employee becomes immediately eligible is 2 weeks, pro-rated at 90%, or 9 days. This employee becomes eligible for a vacation benefit of 2 weeks, or 10 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
  - 2. A college graduate with no experience is hired as an Accountant on September 8. The vacation benefit for which the employee becomes immediately eligible is 2 weeks, pro-rated at 40%, or 4 days. This employee becomes immediately eligible for a vacation benefit of 2 weeks, or 10 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
- B. Employees Hired Under Schedule B — Vacation for New Hires With Vacation Service Enhancement, Rehired Employees, Returning Leave Employees, and Marine Transportation Boat Crew Employees Who Transfer to an Onshore Position
  - 1. With Relevant Experience
    - a. An employee is hired on January 5 into a Regular Full-time exempt position. The employee has 9 years prior relevant work experience. The vacation benefit for which the employee becomes immediately eligible is 3 weeks, pro-rated at 100%, or 15 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
    - b. An employee returns to work on June 23, following a Personal Leave of 18 months. The employee has 14 years of Vacation Service upon commencement of the leave. The vacation benefit for which the employee becomes immediately eligible is 4 weeks, pro-rated at 70%, or 14 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of rehire.
    - c. An employee returns to work on November 1, following an Educational Leave of 7 months. When the leave commenced, the employee was paid for unused vacation. Since the employee was rehired in the same year the leave commenced and received a vacation payout for their unused vacation benefit upon commencement of their leave, the employee has no vacation benefit for the remainder of the calendar year of rehire. This employee becomes eligible for a vacation benefit on January 1, immediately following the year of rehire, based on the Normal Vacation Benefit Schedule.

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## 2. With Active Duty Service

- a. An employee is hired on January 5 into a Regular Full-time exempt position. The employee has 5 years of full-time active service with the Marines. The vacation benefit for which the employee becomes immediately eligible is 3 weeks, pro-rated at 100%, or 15 days. This employee becomes eligible for a vacation benefit of 3 weeks, or 15 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
- b. An employee is hired on November 2 into a Regular Full-time exempt position. The employee has 15 years of full-time active service with the Air Force. In this example, 10 years will be recognized as Active Duty Service, for a total of 10 years of Vacation Service. The vacation benefit for which the employee becomes immediately eligible is 4 weeks, pro-rated at 20%, or 4 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
- c. An employee is hired on June 23 into a Regular Full-time exempt position. The employee has 8 years of service with the National Guard, but was never called to full-time active service. In this example, National Guard service is not recognized since it is not full-time active service. The vacation benefit for which the employee becomes immediately eligible is 2 weeks, pro-rated at 70%, or 7 days. This employee continues to be eligible for a vacation benefit of 2 weeks, or 10 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.

## 3. With Relevant Experience and Active Duty Service

- a. An employee is hired on January 5 into a Regular Full-time exempt position. The employee has 4 years of prior relevant work experience, as well as 7 years of full-time active service with the Navy. In this example, the employee will have 4 years of Relevant Experience and 6 years of Active Duty Service recognized, for a total of 10 years of Vacation Service. The vacation benefit for which the employee becomes immediately eligible is 4 weeks, pro-rated at 100%, or 20 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.
- b. An employee is hired on July 23 into a Regular Full-time exempt position. The employee has 3 years of prior relevant work experience as well as 4 years of full-time active service with the Army. In this example, the employee will have 3 years of Relevant Experience and 4 years of Active Duty Service recognized, for a total of 7 years of Vacation Service. The vacation benefit for which the employee becomes immediately eligible is 3 weeks, pro-rated at 60%, or 9 days. This employee becomes eligible for a vacation benefit of 3 weeks, or 15 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.

## Vacation Plan

- c. An employee is hired on December 1 into a Regular Full-time exempt position. The employee has 12 years of prior relevant work experience and 5 years of full-time active service with the Marines. In this example, the employee will have 12 years of Relevant Experience and 0 years of Active Duty Service recognized, for a total of 12 years of Vacation Service. The vacation benefit for which the employee becomes immediately eligible is 4 weeks, pro-rated at 10%, or 2 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.

### C. Vacation for New Hires Who Previously Worked for a Non-Participating Controlled Group Member

1. An employee who previously worked for Speedway LLC as a Customer Service Representative is hired by the Company as an Accountant on April 1. Because the prior service is not relevant work experience, the Speedway service is not recognized for vacation purposes; the employee is considered a New Hire Without Vacation Service Enhancement and is eligible for a vacation benefit under Schedule A.

The vacation benefit for which the employee becomes immediately eligible is 2 weeks, pro-rated at 90%, or 9 days. This employee becomes eligible for a vacation benefit of 2 weeks, or 10 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.

2. An employee who previously worked for Speedway LLC as an Accountant for 9 years is hired by the Company as an Accountant on May 1. Because the prior service is relevant work experience, the Speedway service is recognized for vacation purposes; the employee is considered a New Hire With Vacation Service Enhancement and is eligible for a vacation benefit under Schedule B.

This vacation benefit for which the employee becomes immediately eligible is 3 weeks, pro-rated at 80%, or 12 days. This employee becomes eligible for a vacation benefit of 4 weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire. (The employee will reach the 10 year milestone for vacation purposes on January 1 following the calendar year of hire.)

## Appendix C

### Unused Vacation and Vacation Bank Examples

At the end of each calendar year, any earned but unused vacation benefit will remain in your Vacation Bank for the following calendar year. However, because the amount of vacation benefit in your Vacation Bank at any one time cannot exceed the Vacation Benefit Cap, your annual benefit for the new calendar year may not be the full amount as set forth in the Normal Vacation Benefit Schedule. Following are examples of how your Vacation Bank may affect the amount of your annual benefit for the following year. (Note: these examples assume the employee is an Active Employee on January 1.)

1. **Employee A** has 5 years of Vacation Service, which equates to a vacation benefit of 3 weeks under the Normal Vacation Benefit Schedule. The Vacation Benefit Cap for this employee is 6 weeks. (2 x the normal benefit of 3 weeks or  $2 \times 3 = 6$  weeks)

If this employee has unused vacation totaling 4 weeks in their Vacation Bank on December 31, only 2 weeks of vacation benefit will be added to the Vacation Bank on January 1, since 6 weeks is the maximum this employee may have in their Vacation Bank.

This employee will have a total of **6 weeks** of vacation benefit for the new calendar year.

2. **Employee B** has 25 years of Vacation Service, which equates to a vacation benefit of 5 weeks under the Normal Vacation Benefit Schedule. The Vacation Benefit Cap for this employee is 10 weeks (2 x the normal benefit of 5 weeks or  $2 \times 5 = 10$  weeks).

If this employee has unused vacation totaling 2 weeks in their Vacation Bank on December 31, the full 5 weeks of vacation benefit will be added to the Vacation Bank on January 1, since this employee may have up to 10 weeks in their Vacation Bank.

This employee will have a total of **7 weeks** of vacation benefit for the new calendar year.

3. **Employee C** has 4 years of Vacation Service, which equates to a vacation benefit of 2 weeks under the Normal Vacation Benefit Schedule. This employee will reach the next milestone on January 1, so will be eligible for 3 weeks of vacation in the new calendar year. The Vacation Benefit Cap for this employee is 6 weeks. (2 x the normal benefit of 3 weeks or  $2 \times 3 = 6$  weeks).

If this employee did not use any vacation and has the full 2 weeks of vacation benefit in their Vacation Bank on December 31, the full 3 weeks of vacation benefit will be added to the Vacation Bank on January 1, since this employee may have up to 6 weeks in their Vacation Bank.

This employee will have a total of **5 weeks** of vacation benefit for the new calendar year.

## **Appendix D**

### **Employees Hired on the First Work Day in January**

This provision applies to previously identified employees who were hired prior to January 1, 2006. The “first work day” provision is not available for any other employees hired or rehired on or after January 1, 2006.

For an employee who had a “first work day” designation prior to January 1, 2006, such designation is indicated in the electronic record in the current HRIS system. This designation will continue as follows:

- A. An employee hired on the first work day in January will move to each higher level of annual vacation eligibility under the Normal Vacation Benefit Schedule one calendar year in advance of others with similar Vacation Service, since a year of service for vacation purposes for this group is deemed to be completed on December 31, rather than the calendar year of the anniversary date.

For example, January 4 was the first work day in 1999; an employee hired on January 4, 1999, is deemed to have completed five years of Vacation Service as of December 31, 2003, versus January 4, 2004, resulting in one more year of Vacation Service than the date of hire would indicate.

# Appendix E

## **Supplemental Vacation Account for Certain Legacy Andeavor Employees**

### **History:**

The Supplemental Vacation Account (“SVA”) is a separate, stand-alone vacation benefit established for a closed group of Legacy Andeavor employees prior to the MPC acquisition. At the time it was established, it was available to U.S.-based employees who were hired before January 1, 2012 **and** were active as of June 1, 2012. (Retail employees, represented employees working without a ratified contract, and Senior executives and other employees in grades 1 through 3 were excluded from the SVA.)

The amount credited to the SVA for eligible employees was the annualized vacation benefit (in hours) as specified in the Tesoro Vacation Policy Benefit Schedule, based on years of credited service and regular work schedule on December 31, 2011.

For example, an employee eligible for five weeks of vacation as of December 31, 2011, had an SVA benefit of five weeks x the number of weekly hours in a regular work schedule as of December 31, 2011).

Employees with an SVA benefit become vested in the hours upon reaching age 55 with 5 years of service or upon reaching age 50 with 80 points (age + years of service). Once vested, the SVA benefit may be applied after an employee’s regular vacation benefit is exhausted, with any remaining balance paid out upon separation.

The SVA hours are not included with or added to the Annual Vacation Benefit employees receive in their Vacation Bank under this Plan; the SVA is also not included when calculating the Vacation Benefit Cap.

### **Payout of SVA Balances from December 2021 Forward:**

Starting in 2021, SVA balances will be paid out each December to those employees who would have become vested in the following calendar year (the “Payout Program”). The December 2021 payout under the Payout Program will also include a payout of the SVA balances of those employees who are already vested.

Therefore, vested SVA benefits can no longer be applied after regular vacation is exhausted, as all balances will be paid out prior to vesting.

Any unvested employee who terminates prior to the annual payout otherwise applicable to them will forfeit their eligibility to any SVA benefit.

A blue-tinted photograph of a beach scene with a lounge chair and an umbrella in the foreground, and the ocean in the background.

## Vacation Plan

### **Certain Represented Employee Groups:**

The Payout Program will apply to those groups of represented employees for whom advance notification of the changes made here to the SVA is required. In such circumstance, the Payout Program will be implemented following satisfaction of the advance notification requirement, and where such requirement is satisfied after the date of a scheduled December payout, the payout for employees subject to the requirement will occur as soon as administratively practicable following the satisfaction of the requirement. For example, it is expected that for certain applicable represented employee groups, the notification requirement will be satisfied in mid-January 2022, such that it is forecast that the payout otherwise scheduled for December 2021 will occur on or about January 17, 2022, for such employees.