

2020 SUSTAINABILITY REPORT

LIVING OUR VALUES



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marathonoil.com/sustainability-report



2020 SUSTAINABILITY REPORT

TABLE OF CONTENTS

SECTION I

Report Overview

About this Report	5
Marathon Oil at a Glance	7
Letter to Our Stakeholders	9
Message from Our Board	13
Stakeholder Map	15

SECTION II

Governance

Introduction	17
Board Oversight	18
Sustainability Oversight	23
Management Systems	25
Ethical Business Practices	30
Political Contributions and Lobbying Activities	32

SECTION III

Highlight Stories

Pandemic Response	39
Equatorial Guinea	43
Technology and Innovation	50
Emissions Management Committee	53

SECTION IV

Environment

Introduction	56
Climate Change	59
Emissions Management	75
Land Stewardship and Biodiversity	82
Water Stewardship	84
Spill Prevention and Response	93
Hydraulic Fracturing	95
Seismicity	98
Materials Management	100

SECTION V

Safety and Workforce

Introduction: Safety	102
Safety Progress	105
Contractor Safety	109
HES Training	111
Occupational Health	112
Emergency Preparedness and Response Capabilities	113
Introduction: Workforce	115
Diversity, Equity and Inclusion	118
Employee Benefits and Engagement	123
Learning, Development and Engagement	125

Continued on next page

SECTION VI

Social

Introduction	129
Stakeholder Engagement	130
Social Impact Investments	132
Supply Chain Management	140
Human Rights	143

SECTION VII

Supplementary Metrics

Performance Highlights	146
Financial Highlights	147
Five-Year Performance	149

SECTION VIII

Appendix and Index

Board Skills Matrix	155
Emissions Reduction Strategies	156
GRI, TCFD, SASB, IPIECA, SDG Index	159

Helpful Hint



Anywhere you see the button below, you can use it to navigate back here. Simply click on the icon in the top right corner and you'll be back to the Table of Contents.

Back to Table of Contents



Questions or Comments?

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SECTION I

REPORT OVERVIEW

INTRODUCTION

ABOUT THIS REPORT

As we produce the affordable energy the world needs, we believe being responsible, safe and ethical is necessary to preserve our ability to operate.

Recognizing the importance of transparency, we're committed to providing an annual account of our performance on environmental, social and governance (ESG) issues. The content and data included in our *2020 Sustainability Report* were determined based on an assessment of risks and impacts identified during our annual Enterprise Risk Management process and through discussions with our stakeholders. These stakeholders include Marathon Oil managers and subject-matter experts; investors; business partners, industry associations and nongovernmental organizations; and nonprofit and community partners. We also benchmark reporting practices of peer companies and review investment reports and media coverage.

In this report, we provide information about our nonfinancial and financial performance, supported by quantitative metrics and qualitative examples. We've designed this report to be our definitive ESG source document and a one-stop resource for a variety of stakeholders, including ESG rating and ranking services. This single-source disclosure is consistent with our strategy to be the lowest-cost, highest-margin independent exploration and production company.

We select ESG performance indicators using the [Sustainability Reporting Guidance for the Oil & Gas Industry](#). This joint publication of IPIECA, the American Petroleum Institute (API) and the International Association of Oil & Gas Producers (IOGP) provides a reporting framework for the petroleum industry. Our approach is also informed by the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). We recognize that ESG performance reporting is a rapidly evolving area and we'll continue to enhance our reporting as best practices are identified.

Information and performance data in this report relate to Marathon Oil operations, unless otherwise stated. We include certain information on non-operated assets and equity method investments, such as Equatorial Guinea LNG Operations, S.A. (EG LNG). Unless specified otherwise, data and information in this report pertain to efforts in 2020.

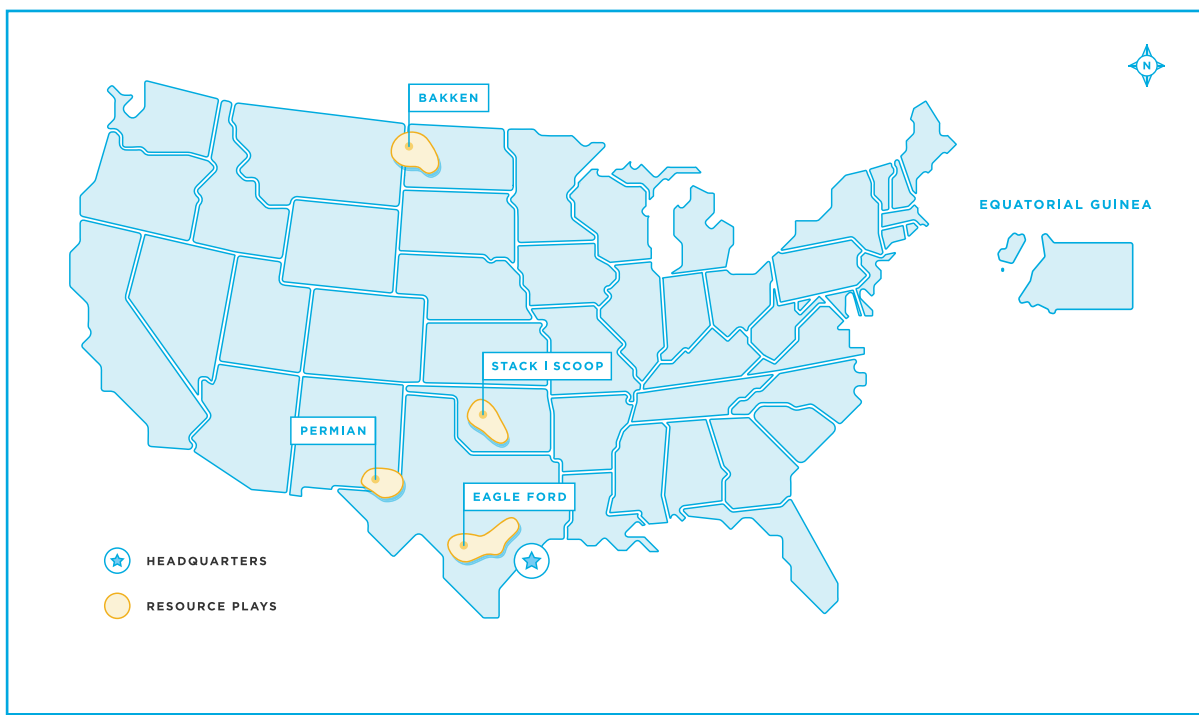
This report was reviewed by Marathon Oil subject-matter experts, legal and accounting staff, executives, the board of directors and a third-party ESG consultant. The financial highlights were sourced directly from the [2020 Annual Report on Form 10-K](#) filed with the U.S. Securities and Exchange Commission (SEC). ESG data is non-GAAP and not audited.



Forward-looking Statement: This report contains forward-looking statements. These are statements, other than statements of historical fact that give current expectations or forecasts of future events, including, without limitation: the company's future performance, business strategy, air emissions targets and mitigation strategies, our projected performance in a lower-carbon future, our actions to manage and reduce future emissions, asset quality, drilling plans, production, oil growth, cost and expense estimates, future capital budgets and allocations, returns of capital to investors (and the focus of such returns), reinvestment rates, free cash flow breakeven, leverage targets, leasing and exploration activities, future financial position, tax rates and other plans and objectives for future operations. Words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "model," "outlook," "plan," "project," "seek," "should," "target," "will," "would" or similar words may be used to identify forward-looking statements; however, the absence of these words does not mean that the statements are not forward-looking. While the company believes our assumptions concerning future events are reasonable, a number of factors could cause actual results to differ materially from those projected, including, but not limited to: conditions in the oil and gas industry, including supply/demand levels for crude oil and condensate, natural gas liquids (NGLs) and natural gas and the resulting impact on price; changes in expected reserve or production levels; changes in political or economic conditions in the U.S. and Equatorial Guinea, including changes in foreign currency exchange rates, interest rates and inflation rates; actions taken by the members of the Organization of the Petroleum Exporting Countries (OPEC) and Russia affecting the production and pricing of crude oil; other global and domestic political, economic or diplomatic developments; capital available for exploration and development; risks related to the company's hedging activities; voluntary or involuntary curtailments, delays or cancellations of certain drilling activities; well production timing; liability resulting from litigation; drilling and operating risks; lack of, or disruption in, access to storage capacity, pipelines or other transportation methods; availability of drilling rigs, materials and labor, including the costs associated therewith; difficulty in obtaining necessary approvals and permits; non-performance by third parties of contractual or legal obligations, including due to bankruptcy; changes in our credit ratings; hazards such as weather conditions, a health pandemic (including COVID-19), acts of war or terrorist acts and the government or military response thereto; security threats, including cybersecurity threats and disruptions to our business and operations from breaches of our information technology systems, or breaches of the information technology systems, facilities and infrastructure of third parties with which we transact business; changes in safety, health, environmental, tax and other regulations, requirements or initiatives, including initiatives addressing the impact of global climate change, air emissions or water management; other geological, operating and economic considerations; and the risk factors, forward-looking statements and challenges and uncertainties described in the company's 2020 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings and press releases, available at www.marathonoil.com. Except as required by law, the company undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise.

INTRODUCTION

MARATHON OIL AT A GLANCE



OUR VISION

To be the premier independent exploration and production company

OUR STRATEGY

Lowest-cost, highest-margin U.S. resource play focused

OUR VALUES

1. We are responsible, safe and ethical
2. We are bold
3. We take ownership
4. We are one team
5. We deliver results

OUR OPERATIONS

Marathon Oil Corporation (NYSE:MRO) is an independent exploration and production (E&P) company focused on four of the most competitive resource plays in the U.S., complemented by a world-class integrated gas business in Equatorial Guinea.

We're based in Houston, Texas, and as of Dec. 31, 2020, we employed approximately 1,700 full-time employees worldwide who share a common set of values and together create a culture of being responsible, safe and ethical.

We remain committed to our framework for success, with the foundation of a strong balance sheet, ESG excellence and the competitive advantages of our multi-basin portfolio, including the Eagle Ford in Texas, the Bakken in North Dakota, the STACK and SCOOP in Oklahoma and the Permian in New Mexico. This diverse portfolio is oil weighted, but well balanced with an approximate 50% oil and 50% gas/NGL production mix.

We believe we have the right portfolio of assets and the right strategy: putting returns first, generating sustainable free cash flow at conservative oil prices and sharing that cash flow with investors.



Competitive Advantage

Our multi-basin portfolio includes the Eagle Ford, Bakken, STACK/SCOOP and Permian

CEO MESSAGE

TO OUR STAKEHOLDERS

Marathon Oil recognizes the unprecedented impact the COVID-19 pandemic has had on our employees, our company and the communities where we live and operate. It's been demanding and tragic on a personal level for millions of people around the globe.

Our first responsibility during this ongoing crisis has been to the health and safety of our employees, contractors and communities. And as critical infrastructure providers, we're also focused on keeping our operations functioning and the supply of energy uninterrupted.

We know how important it is to deliver reliable, affordable energy to the world while also prioritizing environmental, social and governance (ESG) excellence. Marathon Oil was among the first to move to an exploration and production (E&P) business model that prioritizes corporate returns and sustainable free cash flow as opposed to a singular focus on production growth.

This underlying framework for success has delivered financial sustainability that is competitive not only with our direct E&P peers, but the broader market. As we move forward, we must continue to embed strong ESG practices to deliver non-financial outcomes that similarly compete with the broader market as the world transitions to a lower-carbon future.

Record Safety Performance

I'm extremely proud to announce that 2020 was our safest year on record. This is a major achievement, but the fact that this performance was accomplished with the backdrop of the current pandemic demonstrates the impact of our daily commitment to safety as a core value and the continuous improvement in our processes and best practices.

This is the second consecutive year of record safety performance, as measured by Total Recordable Incident Rate (TRIR) for both employees and contractors. It reflects the maturity of our safety culture, the rigor of our management systems, the engagement of our leadership at all levels of the organization and our unwavering commitment to continuous improvement.



Lee Tillman
Chairman, President and CEO

0.24

Best TRIR* in company history

*Total Recordable Incident Rate

New Environmental Targets

We believe oil and gas will remain an essential part of the energy future, and we're working to be part of the transition to a lower-carbon economy. It's imperative that Marathon Oil and our industry address the dual challenge of meeting the world's growing energy demand while responding to the impacts of climate change.

We're taking action, and in early 2021 we raised the bar on environmental performance with the announcement of quantitative greenhouse gas (GHG) emissions intensity targets:

- A short-term target to reduce 2021 GHG emissions intensity 30% compared to 2019, which is hard-linked to compensation.
- A mid-term goal to reduce GHG emissions intensity by at least 50% by 2025 compared to 2019, a time horizon that ensures clear accountability.

These build on the momentum we established in 2020, when through companywide efforts we reduced GHG emissions intensity by approximately 26% compared to our 2019 levels. The significant year-over-year reduction was due in large part to the hard work to improve total company gas capture to 98.5% in the fourth quarter of 2020. Looking ahead, in our 2021-2025 benchmark maintenance scenario, we've allocated \$100 million over the next five years to high-impact emissions reduction strategies and technologies.

30%

Target to reduce 2021
GHG emissions intensity
compared to 2019
baseline

50%

Goal to reduce GHG
emissions intensity by
2025 compared to 2019
baseline

Responsible Governance

We believe strong corporate governance is foundational to delivering shareholder value, and have modified our executive compensation framework to further align management interests with stakeholders' interests and to incentivize the behaviors we believe are most important:

- Safety
- GHG emissions intensity reduction
- Capital discipline
- Enterprise breakeven
- Balance sheet/financial performance

In recognition of the importance of these behaviors, several actions were taken related to executive officer compensation. Executive officers saw their base salaries reduced by 10% during 2020 in response to the severe market conditions brought on by the COVID-19 pandemic and for 2021, the company reduced annual board compensation by 25% and my total direct compensation by 25% including a 35% reduction to my

long-term incentive awards. These changes are intended to better align compensation with the investor experience and to the broader industry, as well as the current business environment. Other senior officers also participate in total compensation reductions and our revised compensation program.

In early 2021, we also welcomed two new members to the Marathon Oil board of directors: Holli C. Ladhani and Brent Smolik. Holli most recently served as president and CEO of Select Energy, a provider of end-to-end water management solutions for energy producers. Brent most recently served as president and chief operating officer at Noble Energy. We also made leadership changes to the board this year, naming Marcela Donadio as our independent lead director following the 2021 Annual Meeting of Stockholders. We continue to prioritize strong board of director refreshment, independence and diversity. Of our eight current directors, seven are independent, three are female, and two self-identify as an ethnicity other than Caucasian/White. Our average director tenure is below the S&P 500 average, and our board maintains a diverse mix of short- and longer-tenured directors that reflects a balance of company experience and new perspectives.

DIVE DEEPER

Safety	+
Governance	+
Enterprise Risk Management	+
Climate Change	+

Social Equality

The past year was marked by tragic events that elevated awareness and recognition that racism and inequality continue to exist in society. It was a powerful reminder that we have work to do as a nation, as an industry and as a company to promote and protect the diversity that has made our company and country so great. First and foremost, we respect the human rights, as well as cultural and legal rights of individuals and communities. One of our key corporate values is being 'One Team,' and we stand together with our employees to denounce discrimination in any form. We know there is more to be done and will continue to drive equity at Marathon Oil by scrutinizing and enhancing our own approach to diversity, equity and inclusion policies and practices. To that end, we continue to assess our disclosures in the area of human capital in both this report and our regulatory filings.

Sustainable Business Practices

When I think of Marathon Oil's ESG performance in 2020, integrity, resilience, dedication and respect come to mind. These traits underscore our commitment to sustainable business practices and to a culture that allows every employee to work to their fullest potential and drive innovation.

As we manage through continued commodity price volatility and the ongoing COVID-19 pandemic, I take great pride in the contribution of our employees and contractors who deliver the energy that powers our modern way of life. Throughout this report, I'm confident you'll see how we strive to operate responsibly, work together as 'One Team,' support the communities where we live and work, maintain the values we believe in, and produce affordable and reliable energy.

The energy industry has done more to power human progress than any other and that mandate will not change. Oil and gas will be part of any future energy transition to deliver the products required to support the world's economy and to elevate the standard of living for many decades to come. There will be energy to provide for a growing world population and we're positioning Marathon Oil as one of the elite companies to deliver that energy through a powerful combination of capital efficiency, low costs and ESG excellence.

Sincerely,



Lee Tillman

Chairman, President and CEO

BOARD OVERSIGHT

A MESSAGE FROM OUR BOARD

At Marathon Oil, we understand that successful companies not only must be financially strong, but also committed to environmental, social and governance (ESG) excellence.

Our stakeholders have come to expect the company's measured, fact-based approach to drive results. And, early in 2021, Marathon Oil did just that by setting an aggressive goal to meaningfully reduce our GHG emissions intensity by 2025. This medium-term emissions reduction goal ensures clear accountability, which we complemented with a short-term GHG emissions intensity reduction target that directly impacts executive compensation.

This helps position the company for success in a lower-carbon future, and also directly closes one of our gaps with regard to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

We know that aligning incentives to objectives is a powerful and effective way to achieve results, so we made meaningful changes to our executive compensation. These modifications incentivize achievement of our core strategic objectives and encourage the behaviors the company believes are most likely to maximize long-term shareholder value.

We reduced CEO and board total compensation and simplified our short-term incentive scorecard to focus on Marathon Oil's core financial and ESG objectives. Our long-term incentive structure was redesigned to mitigate overreliance on relative total shareholder return against direct E&P peers, and instead promotes improved performance compared to the broader market. In addition, we introduced a new long-term incentive award that incentivizes sustainable free cash flow generation.

In 2020, we made progress on our ESG performance despite the unprecedented challenges related to the COVID-19 pandemic. We demonstrated nimbleness by acting quickly to protect the health of our employees and communities, including implementing strict COVID-19 protocols and work-from-home options, while also remaining financially disciplined and taking action to protect the enterprise.



Lisa Hyland
Chair, HES&CR Committee
Marathon Oil Corporation
Board of Directors

One of the things the board is most proud of is our second straight year of best-ever safety performance. This is an excellent example of how Marathon Oil's core value of "taking ownership" translates into results.

Over the last year, the company grew more resilient as we responded to the market impacts created by the pandemic. Our financial and non-financial performance during such a generational crisis is a testament to our employees and their commitment to our core values. Our focus moving forward will be providing low-cost and reliable energy that supports a strong economy and our quality of life, while also innovating to address the risks of climate change. Marathon Oil is up to the challenge.

Sincerely,



Lisa Hyland

Chair, HES&CR Committee

Marathon Oil Corporation Board of Directors

STAKEHOLDER MAP

Engaging with stakeholders is a key part of risk management, and helps us manage community impacts, access new resources and avoid project delays.

INVESTORS	GOVERNMENTS	COMMUNITIES	EMPLOYEES	NGOs	INDUSTRY
↓	↓	PRIORITIES		↓	↓
<ul style="list-style-type: none"> • Ethics • Financial performance • Risk management • Access to resources • Long-term shareholder value • ESG performance • Board diversity and expertise • Human capital management 	<ul style="list-style-type: none"> • Regulatory requirements • Taxes and royalties • Energy supply • Economic development • Job creation and national capacity • Air emissions • Seismicity • Hydraulic Fracturing 	<ul style="list-style-type: none"> • Operational impacts • Local employment • Local supplier opportunities • Land access and compensation • Community development • Issues management • Public health and safety 	<ul style="list-style-type: none"> • Safety and health • Job security • Compensation and benefits • Professional development • Career advancement 	<ul style="list-style-type: none"> • Air emissions • Water impacts • Hydraulic fracturing • Seismicity • Human rights • National capacity • Revenue transparency • Sustainable development 	<ul style="list-style-type: none"> • Safety, health and environment • Access to resources • Regulatory oversight • Public policy positions • Contractor management • Innovation
↓	↓	CORPORATE ENGAGEMENT		↓	↓
<ul style="list-style-type: none"> • Investor presentations, conferences and webcasts • Investor discussions • SEC filings • Questionnaires and surveys from rating and ranking services 	<ul style="list-style-type: none"> • Policy development • Industry and trade associations • Advocacy • Social investment programs • Public-private partnerships 	<ul style="list-style-type: none"> • Corporate website, media and social media • Social investment programs • Owner relations 	<ul style="list-style-type: none"> • Performance management • Training and development • Internal communications • Code of Business Conduct and Integrity Helpline • Participation on industry and trade association committees 	<ul style="list-style-type: none"> • Environmental management programs • Respect for human rights 	<ul style="list-style-type: none"> • Trade associations • Research and consortia • Emergency response organizations • International business councils
↓	↓	OPERATIONS ENGAGEMENT		↓	↓
<ul style="list-style-type: none"> • Tours 	<ul style="list-style-type: none"> • Regulatory compliance • Permit reviews • Regulatory audits • Regional development • Tours • Collaboration on social investment programs • County commissions and local officials 	<ul style="list-style-type: none"> • Employment opportunities • Local supply • Community outreach and investment • Landowner and town hall meetings • Media and social media • Feedback 	<ul style="list-style-type: none"> • Management systems • Safety leadership • Cost management • Volunteering • Employee resource groups 	<ul style="list-style-type: none"> • National training, education and scholarship programs • Respect for human rights • Security training • Feedback 	<ul style="list-style-type: none"> • State and regional trade organizations • Chamber of commerce meetings • Peer-to-peer engagement • Coordination on best practices



SECTION II

GOVERNANCE

GOVERNANCE

GOOD GOVERNANCE, GOOD STEWARDSHIP

At Marathon Oil, operating responsibly means effectively managing and mitigating environmental, safety, security, operational, social, reputational and other risks.

We prioritize best-in-class corporate governance, including a robust risk management system, as well as processes and foundational principles that govern the way we do business every day.

We believe it's our obligation to operate with ethics and integrity and to promote open and transparent communication. Strong leadership and governance are critical to good stewardship.

The Marathon Oil [board of directors](#) oversees our business and assesses risk to ensure high levels of environmental, social and governance (ESG) performance for the benefit of our stakeholders. Our [Corporate Governance Principles](#) describe the roles, responsibilities and functions of the board. Detailed information about the selection, election, independence, diversity, committees, evaluation, risk management responsibilities and compensation of our board is available in our [2021 Proxy Statement](#).

DIVE DEEPER

Board Oversight	+
Sustainability Oversight	+
Management Systems	+
Ethical Business Practices	+
Political Contributions	+

Performance Highlights

- In early 2021, we elected two new independent directors, Holli Ladhani and Brent Smolik, to the company's board of directors, adding valuable strategic perspectives and diversity.
- Following the 2021 Annual Meeting of Stockholders, Marcela Donadio was named as independent lead director. As of the 2021 Annual Meeting, of our eight directors, seven are independent, three are female and two self-identify as an ethnicity other than Caucasian/White.
- In early 2021, Marathon Oil reduced annual board and total CEO compensation by 25%, including a 35% reduction to CEO long-term incentive (LTI) awards, with all LTI awards denominated in shares. We've also modified our executive compensation framework to further align management interests with stakeholders' interests and to incentivize the behaviors we believe are most important.
- We implemented an overarching Cybersecurity Policy to strengthen information governance and more clearly define our approach to information security and use.

BOARD OVERSIGHT

BOARD COMPOSITION, INDEPENDENCE AND STRUCTURE

Marathon Oil's board of directors consists of eight members, seven of whom are independent. Lee Tillman is our chairman, president and CEO, and Marcela Donadio is our lead independent director.

The non-employee directors selected Ms. Donadio to serve as independent lead director, effective May 26, 2021. Our board doesn't have a policy regarding whether the roles of the chairman and CEO should be separate, but rather makes this determination based on what's best for our company at a given point in time.

We believe that independent board oversight is essential to effective governance. Our [Corporate Governance Principles](#) require that non-employee directors meet at regularly scheduled executive sessions without the CEO present. The lead independent director presides at these meetings. In addition, our Corporate Governance Principles require that all our principal committees be composed entirely of independent directors.

The board has four principal standing committees: [Audit and Finance](#); [Compensation](#); [Corporate Governance and Nominating](#); and [Health, Environmental, Safety and Corporate Responsibility \(HES&CR\)](#). The HES&CR committee plays a vital oversight role in our sustainability efforts and includes board members with experience in this area.

For more information on board composition, structure and independence, please refer to our [2021 Proxy Statement](#).

Board Diversity

At Marathon Oil, promoting a culture of diversity and inclusion is important to us, and it begins at the top. We've made progress on balancing various aspects of diversity so that our board and workforce better represent our stakeholders and the communities where we operate. We view and define diversity in its broadest sense, encompassing gender, ethnicity, age, education, experience and leadership qualities.



Board Independence

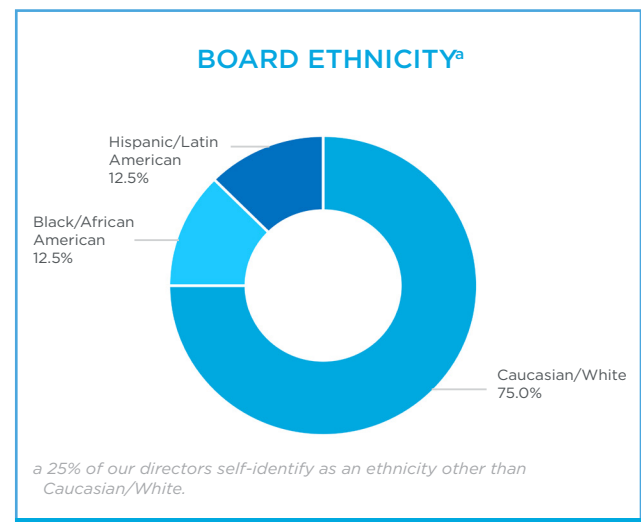
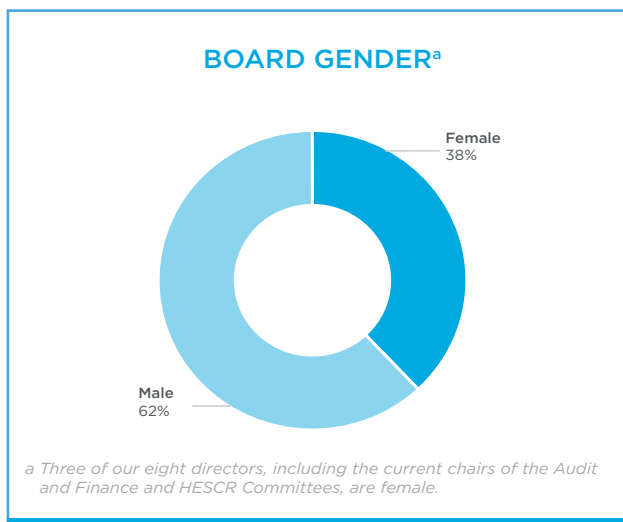
Marcela Donadio serves as our lead independent director

98%

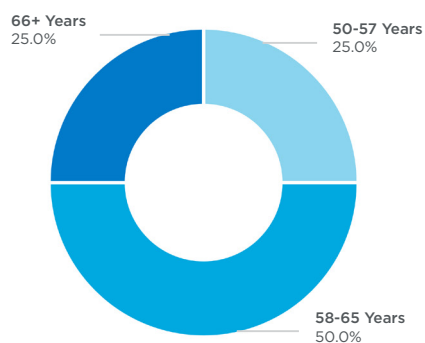
Attendance for board
and committee meetings
for the full year

The Corporate Governance and Nominating Committee reviews the appropriate size and composition of the board with the full board. When considering director nominees, we look at a diverse pool of candidates, considering each candidate's business or professional experience, demonstrated leadership ability, integrity and judgment, record of public service, diversity, financial and technological acumen and international experience. As of May 26, 2021, three of our four board committees are led by women or ethnically diverse individuals.

Our directors have experience spanning a broad range of industries in the public and not-for-profit sectors. They bring a variety of skills, qualifications and viewpoints that strengthen our board's ability to carry out its oversight role on behalf of our shareholders. Please see the Appendix for our board of directors' skills matrix. The charts below are reflective of our board as of May 2021.

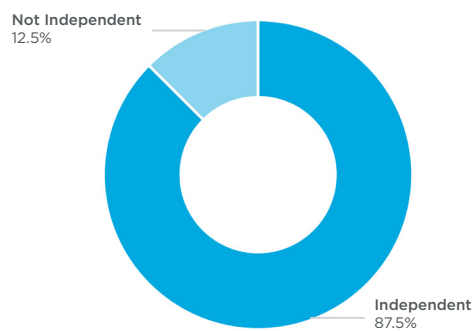


BOARD AGE^a



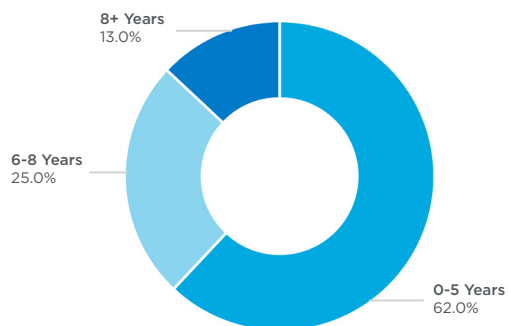
^a The average age of the directors is 61 years.

BOARD INDEPENDENCE^a



^a The NYSE requires that independent directors must comprise the majority of the board. The board has determined that each of the directors, other than Mr. Tillman, meets the NYSE's independence standards.

BOARD TENURE^a



^a We believe the mix between short- and long-tenured directors reflects a balance of company experience and new perspectives.

Executive Compensation Philosophy

The board's Compensation Committee reviews and recommends to our board all matters of policy and procedure relating to executive officer compensation. Our compensation program incorporates a number of best practices in executive compensation, including the Compensation Committee's engagement of an independent compensation consultant to advise the committee. The committee:

- Reviews and approves the corporate philosophy, goals and objectives relevant to the CEO's compensation, and determines and recommends to the independent directors for approval the CEO's compensation level based on our board's performance evaluation.
- Determines and approves the compensation of the other executive officers, and administers our incentive compensation and equity-based plans.
- Reviews the executive compensation program to ensure it doesn't encourage excessive risk-taking.
- Reviews our executive compensation, incentive compensation program and succession plans so we have appropriate practices in place to support the retention and development of the talent necessary to achieve our business goals and objectives.

Our success is based on financial performance and operational results, and we believe that our executive compensation program is an important driver of that success. The primary objectives of our program are to pay for performance, encourage creation of long-term shareholder value and pay competitively. We believe continuously improving our ESG performance is essential to successfully executing our long-term strategy of maximizing shareholder value, and we've made changes to reflect that in both CEO and our other executive officers' compensation.

Executive compensation includes base salary, annual cash bonuses, long-term incentive awards and other benefits and limited perquisites. By design, a significant portion of our executive officers' overall compensation, including annual cash bonuses and long-term incentive awards, is "performance based," and the opportunity to earn value is largely dependent on both company and individual performance. For 2020, our CEO's awarded compensation was approximately 91 times the median of the annual total compensation for all our employees.

Our short-term incentive program metrics align our financial and operational goals with our health, environmental, safety, security (HES&S) and corporate sustainability commitments. In 2020, we reinforced our HES&S and sustainability commitments by adding a greenhouse gas (GHG) intensity metric to our strategic objectives.

Building on that commitment, in 2021, we added a GHG emissions intensity goal to our executive short-term incentive scorecard, which aims for an approximate 30% reduction to GHG emissions intensity measured against 2019 levels. We believe adding this metric strengthens the link between our operations and our commitment to addressing climate change risk.

For more information about our 2020 executive compensation program, as well as the roles and responsibilities of the Compensation Committee, please see our [2021 Proxy Statement](#) and the [Compensation Committee Charter](#).

SUSTAINABILITY OVERSIGHT

UNDERSTANDING OUR IMPACT

Marathon Oil's values – to collaborate, take ownership, be bold and deliver results – underpin our efforts to build a sustainable business.

To create long-term value, we believe a company must produce strong operational and financial performance, foster a strong safety culture and follow through on its commitments to responsible environmental, social and governance (ESG) performance.

To address our stakeholders' critical needs, we look beyond our office walls and operational facilities and consider the broader effects of our business decisions, actions and operations. Collaboration with our employees, managers and board is informed by engagements with our investor, community, nonprofit, government and industry stakeholders.

Our board of directors provides oversight of our operations, risk management efforts and strategic plans. The board's Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee assists the full board by identifying, evaluating and monitoring trends, issues, practices and concerns related to: climate change; HES&S public policy; legislation; regulations; political, charitable and educational contributions; and other matters.

Our vice president of Health, Environment, Safety, Security (HES&S) and Corporate Sustainability has leadership accountability for driving our corporate sustainability programs. This role provides the opportunity to align all areas of our corporate ESG strategy and embed sustainability practices into the way we run our business. He also leads our cross-functional Sustainability Forum, which provides a mechanism for ongoing dialogue on issues related to our ESG strategy, including:

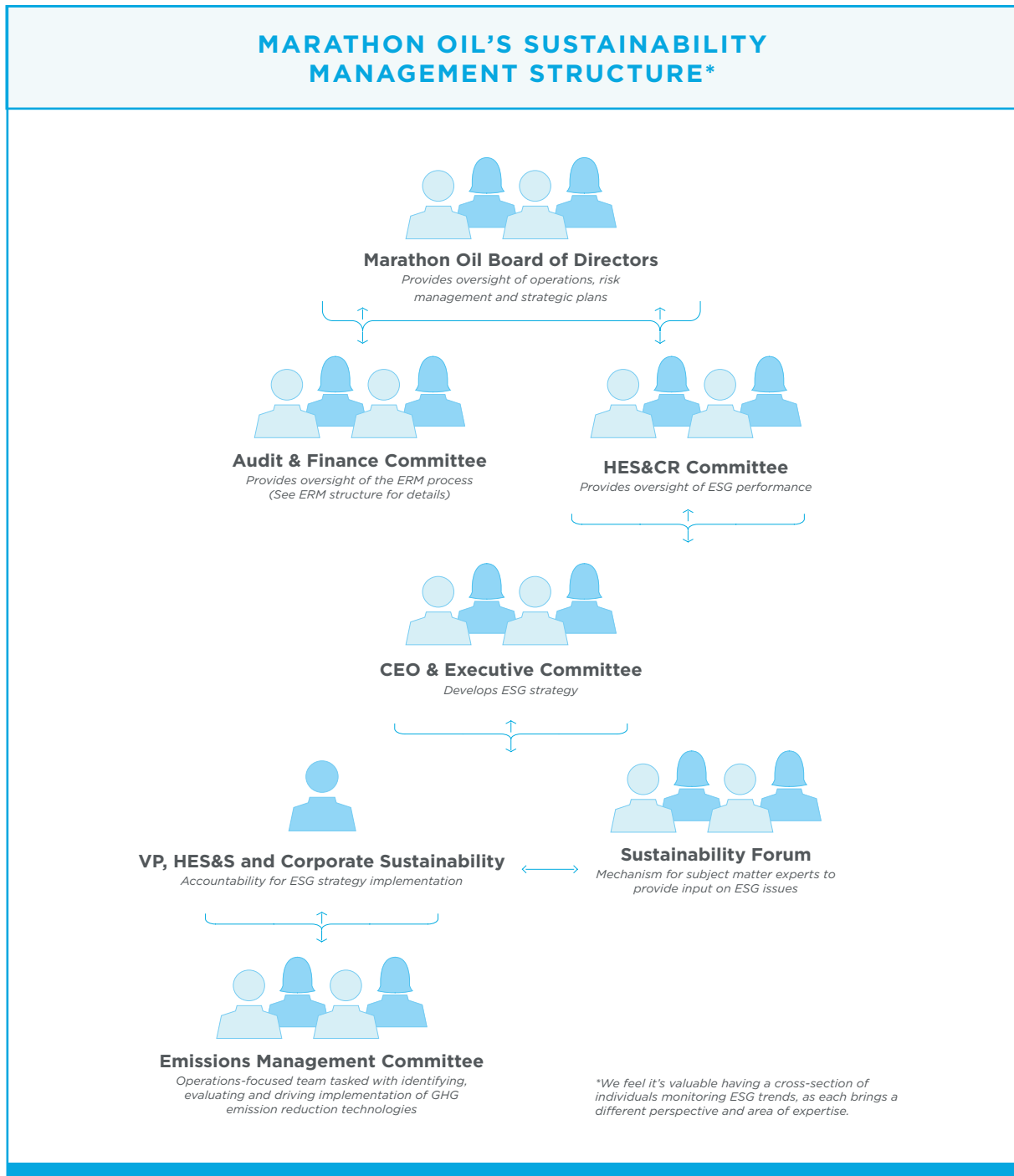
- Sustainability risks and available mitigations.
- Performance updates against reported goals and targets.
- Updates on reporting and performance trends.

Forum members include senior leaders from operations, HES&S, investor relations, business planning, treasury, human resources, law, communications, government relations and supply chain.



Michael Lattibeaudiere
Vice President, HES&S and
Corporate Sustainability

We also have an Emissions Management Committee (EMC), which is an operations-focused team of Marathon Oil employees tasked with identifying, evaluating and driving implementation of high-impact emissions reduction strategies and technologies to reduce the company's greenhouse gas (GHG) intensity at an enterprise level. For more information see the EMC Highlight.



MANAGEMENT SYSTEMS

IDENTIFYING AND MITIGATING RISK

Marathon Oil uses management systems to help identify enterprise, business unit and operational risks, enabling our employees to mitigate issues, leverage opportunities, drive continuous improvement and promote sustainability.

Risk Management: Roles and Responsibilities

Our board of directors and its committees oversee corporate risk management, while Marathon Oil executive and senior management is responsible for day-to-day risk management at the enterprise level.

Each board committee has specific risk oversight responsibilities:

- The Audit and Finance Committee annually reviews our Enterprise Risk Management (ERM) process, the latest assessment of risks and key mitigation strategies. It regularly reviews risks associated with financial and accounting matters and reporting; financial strategies and capital structure; and operational risks, including cybersecurity. The committee also monitors compliance with legal and regulatory requirements and internal control systems.
- The Corporate Governance and Nominating Committee reviews the board's and company's governance policies and procedures to ensure adherence to best practices and legal requirements. This committee also reviews director succession planning and committee assignments to leverage the directors' skills and backgrounds in the best interests of the company.
- The Compensation Committee reviews the executive compensation program to prevent excessive risk-taking, along with our incentive compensation program and succession plans to promote best practices for talent retention and development.
- The Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee regularly reviews and oversees operational risks, including those relating to climate change, HES and security. It reviews risks associated with global social, political and environmental trends, issues and concerns that affect, or could affect, our business activities, performance or reputation.

Our board receives regular updates from these committees and reviews additional strategic risks not specifically within the purview of any particular committee. Key risks associated with the strategic plan are reviewed annually at our board's strategy meeting and periodically throughout the year.

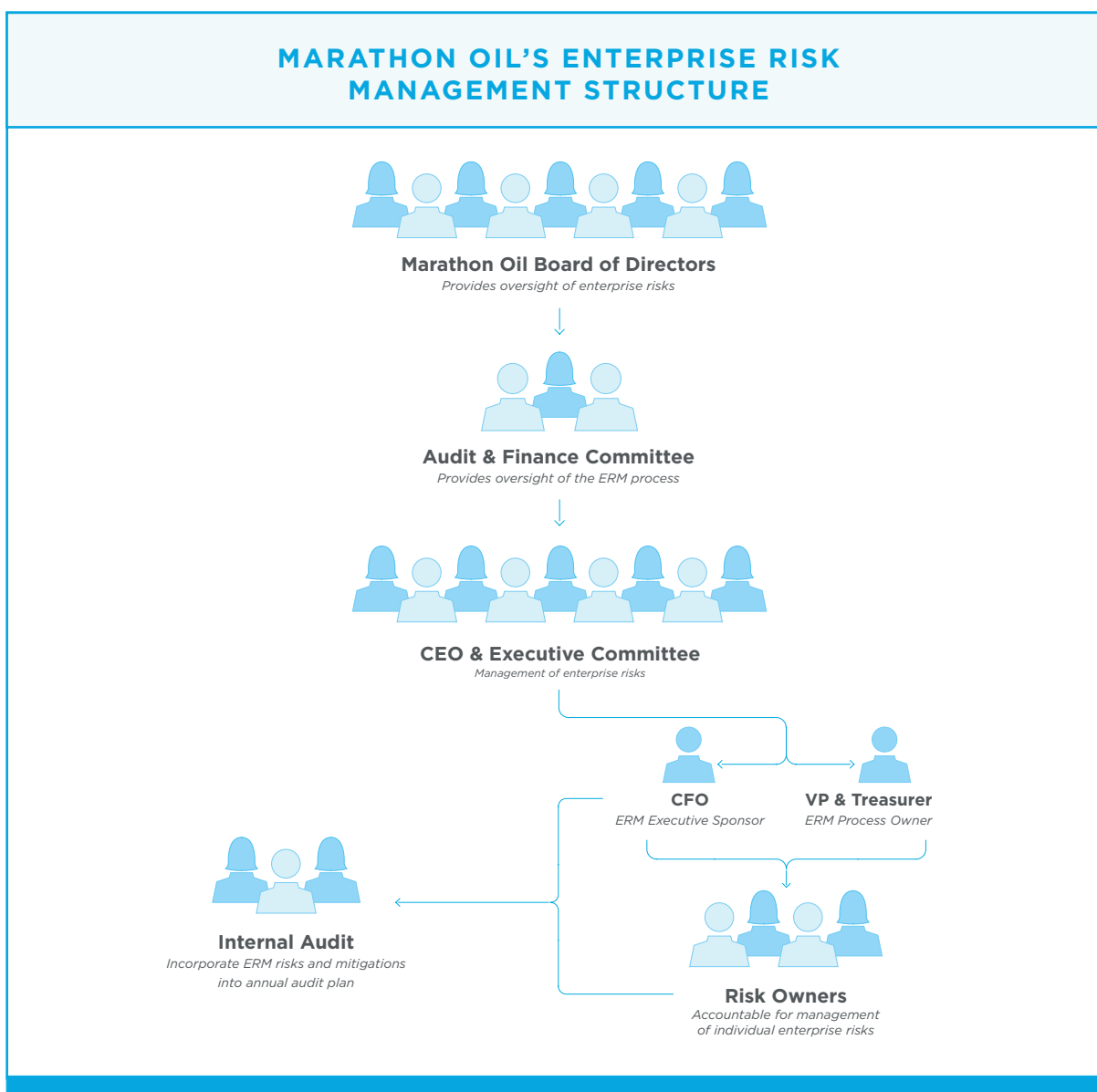


Driving Continuous Improvement

Team members learn more about the ROMS framework

Enterprise Risk Management (ERM)

Marathon Oil employs the ERM process to identify and manage the most significant risks to our business. Led by treasury and internal audit, the process includes group interviews with senior leaders and key personnel in their organizations, biannual internal risk assessments and risk-owner meetings, in addition to an annual board update and discussion. Feedback from the board and senior managers serves as an input into strategy discussions. Enterprise risks are managed through existing and new mitigations and controls supported by the Marathon Oil business plan. ERM ensures accountability by validating risk controls and mitigations, and includes metrics where possible. ERM roles and responsibilities are identified for clear oversight and accountability.



ERM identifies and evaluates risk based on the impact to the organization from an enterprise value perspective and from the perspective of our employees, customers, suppliers, communities where we operate and other stakeholders. Each identified enterprise risk has an owner and an assessor to ensure ownership, accountability and transparency. The ERM risks identified for 2021 are below:

IDENTIFIED ERM RISKS	
Higher Risk	Commodity Price Climate Change Regulatory Resources
Medium Risk	Financial Strength EG Sovereign Portfolio Cyber Compliance HES&S Operational Execution
Lower Risk	Talent Reserves

Marathon Oil describes our material risks in our forward-looking statement disclosures in our [Annual Report on Form 10-K](#), our Quarterly Reports on Form 10-Q, and other public filings and press releases. These resources are available at www.marathonoil.com.

Responsible Operations Management System



The Responsible Operations Management System (ROMS) is the framework we use to drive continuous improvement and regulatory compliance and reduce operational risk across Marathon Oil. Business units must meet the minimum standards for HES&S performance set within ROMS.

The ROMS ownership structure assures accountability and transparency and promotes knowledge sharing across the enterprise. An executive steering committee oversees ROMS implementation, with business unit-level ROMS committees further driving accountability. Each ROMS element, as set forth below, has an executive owner, technical advisors and subject-matter experts who drive progress.

ROMS ELEMENT	ELEMENT OWNER ¹	TECHNICAL ADVISOR ²
Leadership and Accountability	EVP, Operations	VP, HES&S and Corporate Sustainability
Regulatory Compliance	VP, HES&S and Corporate Sustainability	Corporate Environmental Manager
Risk Assessment and Management	VP, Operations (Oklahoma and Permian)	Corporate HES Training and Risk Manager
Management of Change	Regional VP, Equatorial Guinea	Corporate HES Training and Risk Manager
Design and Construction	VP, Operations (Bakken and IPO)	Production Manager
Safe Work Practices	VP, HES&S and Corporate Sustainability	Corporate Health and Safety Manager
Training and Competency	VP, HES&S and Corporate Sustainability	Corporate HES Training and Risk Manager
Operations, Maintenance and Integrity Management	VP, Operations (Bakken and IPO)	Surface Solutions Manager
Operational Readiness	Operations Director	Facilities and Construction Manager
Emergency Preparedness and Community Awareness	VP, Operations (Oklahoma and Permian)	Corporate Security and Emergency Preparedness Manager
Event Management	Regional VP, Eagle Ford	Corporate Health and Safety Manager
Third-Party Services	Operations Director	HES Manager
Governance and Document Control	Production Manager	ROMS Coordinator
Audit and Improvement	EVP, Operations	HES Manager

¹Sets priorities and expectations, and tracks and reports progress to Steering Committee

²Facilitates element implementation and monitors progress

HES&S Policies, Standards, Practices and Audits

Mandatory health, environmental, safety and security (HES&S) policies, standards and procedures drive consistency, communicate expectations and set performance requirements across Marathon Oil. Our policies and standards cover a range of activities including: Stop Work Authority, Event Management, Control of Hazardous Energy and Hot Work. We update our standards to reflect changes in laws or regulations, incorporate recommendations arising from audits and incident investigations, and share lessons learned to drive continuous improvement in HES&S performance.

Through sharing of lessons learned and contractor engagement, we raise awareness of our requirements among employees, contractors and suppliers.

The ROMS Audit and Improvement element promotes adherence to our standards and regulatory requirements that focus on:

- **Tier I:** Physical checks of facilities and equipment to ensure conditions are satisfactory.
- **Tier II:** Risk-based audit to monitor effectiveness of processes, procedures and systems.
- **Tier III:** Management system audit to determine conformance and effectiveness of management system expectations.

Business units develop plans to address audit findings, track the plans through completion of corrective actions and share lessons learned. Key audit findings and trends are communicated to HES&S leadership and executive management, who then set priorities to seek solutions for gaps or issues that are identified.

ETHICAL BUSINESS PRACTICES

LIVING OUR VALUES

We're committed to being responsible, safe and ethical. Our Code of Business Conduct reinforces our commitment to ethical business practices and applies to all employees, officers, directors and other parties acting within the scope of representing Marathon Oil.

Every new Marathon Oil employee receives a communication summarizing their roles and responsibilities under the Code, including ways they can raise Code-related questions and concerns. New employees are also required to complete online [Code of Business Conduct](#) (Code) training, which includes a cybersecurity module, as well as disclose potential conflicts of interest. Active employees are required to complete an annual Code Questionnaire and Certification, and additional Code training on a scheduled basis.

We regularly assess our business environment and update our compliance programs to address current and emerging risks, and to strengthen compliance and mitigations. Our assessment mechanisms include, but are not limited to:

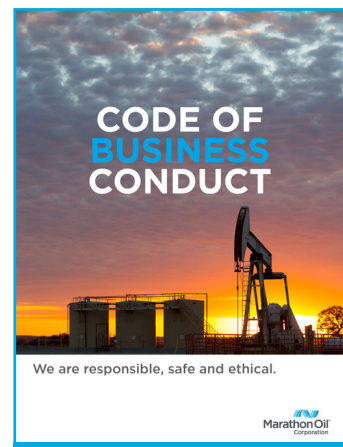
- Internal monitoring through the Marathon Oil audit and compliance functions.
- Inclusion in the annual enterprise risk assessment.
- External monitoring through peer and industry benchmarking.
- Discussions with external experts.

Preventing Corruption and Bribery

Marathon Oil maintains a framework of requirements and procedures to detect, prevent and address potential violations of applicable anti-corruption and commercial bribery (collectively, anti-corruption) laws and to support our commitment to conducting business honestly and ethically.

This framework includes an Anti-Corruption Compliance Policy (ACCP) and supporting Anti-Corruption Standard (ACS), and well-established processes to address potential anti-corruption risk areas. Our ACCP outlines clear expectations and specific prohibitions, including the prohibition of facilitation payments, as well as processes for addressing anti-corruption risk areas.

In addition, we regularly conduct anti-corruption training for designated personnel and conduct compliance audits to test the effectiveness of our ACCP.



Commitment to Ethical Operations

Our Code of Business Conduct applies to all employees across the enterprise

Reporting Mechanisms

Marathon Oil publicizes, both publically and internally, resources for those individuals who want to ask a question about the Code or to report an actual or potential Code violation. These resources include:

- Members of management.
- Marathon Oil organization(s) referenced in each section of the Code.
- Marathon Oil's **Corporate Compliance & Ethics organization** at integrity@marathonoil.com.
- Marathon Oil's **Integrity Helpline**, which allows for anonymous reporting by telephone (877-713-8314) or via the internet (www.integrity-helpline.com/MarathonOil.jsp).

Marathon Oil does not tolerate retaliation for good faith reporting of actual or potential Code violations, and we consider retaliation for good faith reporting a violation of the Code.

POLITICAL CONTRIBUTIONS AND LOBBYING ACTIVITIES

ENGAGING IN THE CONVERSATION

Marathon Oil promotes responsible energy development and advocates for reasonable and balanced regulations. We also support policies and legislation that are designed to preserve societal access to affordable energy.

We regularly communicate with our legislators, regulators and other policymakers through our Government Relations team, and our executives and subject-matter experts where needed. We have a three-pronged approach to advocacy:

- Educating our elected officials and regulators on issues affecting the company and our industry.
- Elevating the conversation above partisan politics.
- Engaging with legislators and regulators to support responsible and reasonable laws and regulations.

DIVE DEEPER

Climate Change	+
Enterprise Risk Management	+
Stakeholder Engagement	+

Engaging Stakeholders through Industry Collaboration

Trade associations advocate for targeted public policies and allow us to proactively engage with our stakeholders as an industry. Marathon Oil employees participate and take leadership roles in organizations including the [Texas Oil and Gas Association](#) (TXOGA), [Texas Independent Producers and Royalty Owners Association](#) (TIPRO), [The Petroleum Alliance of Oklahoma](#) (PAO), [Permian Basin Petroleum Association](#) (PBPA), [New Mexico Oil and Gas Association](#) (NMOGA), [North Dakota Petroleum Council](#) (NDPC), [Independent Petroleum Association of New Mexico](#) (IPANM), [American Petroleum Institute](#) (API), [Independent Petroleum Association of America](#) (IPAA) and the [American Exploration & Production Council](#) (AXPC).

We support these organizations with our membership dues (a portion of which are used for lobbying efforts). We recognize that our advocacy positions will not always align with all advocacy positions taken by our various trade organizations. Therefore, we provide our advocacy positions on key issues with respect to climate change in this report for clarity.

Engaging on Climate Change Public Policy

Marathon Oil shares the oil and gas industry's commitment to providing abundant, low-cost and reliable energy while reducing carbon emissions. We believe real, lasting climate solutions are driven by innovation and technology breakthroughs that enhance our way of life and reduce emissions.

We believe that successful public policy must recognize that oil and gas underpins our standard of living and American oil and gas is critical to our national security and economic prosperity. We'll support policy that:

- Facilitates meaningful GHG emissions reductions.
- Requires proportional participation from all sectors of the economy.
- Utilizes fair, consistent and transparent measurement methodologies across industries.
- Encourages and appropriately accounts for early and/or voluntary actions.
- Minimizes inconsistent, redundant and/or contradictory regulations and policies.
- Attributes to energy producers only emissions arising during production operations.
- Balances economic, environmental and energy security needs.
- Ensures the development of critical energy infrastructure.
- Makes the costs and associated climate benefits of any policy fully transparent to the American public.
- Ensures that the United States shoulders an equitable burden under international agreements.
- Does not disadvantage American oil and gas producers and workers against foreign competitors.
- Promotes innovation.
- Champions economy-wide public and private investment to develop cost-effective technologies that will materially reduce GHG emissions.
- Relies upon predictable and economically efficient policy frameworks, such as the use of market-based policies and/or offsets, to deliver outcomes at the lowest cost to society.
- Allows all energy sources to compete for innovation funding.

Working with Elected Officials and Community and Tribal Leaders

We believe that constructive engagements with local and state elected officials help us to be a more effective operator and community partner. Our asset teams meet with county commissioners, mayors, county judges and other local officials to update them on our plans, resolve issues and understand community concerns. Though COVID-19 severely limited in-person stakeholder engagement activities in each of our assets, we quickly transitioned to virtual and physically-distant activities, where possible. For more information see the Stakeholder Engagement section.

BAKKEN ASSET, NORTH DAKOTA

In the Williston Basin, key stakeholders include North Dakota legislators and regulators and leaders of the Three Affiliated Tribes (TAT) on the Fort Berthold Indian Reservation. Our relationship with the Tribes started in 2008 when we became the first company to drill on the TAT reservation, home to the Mandan, Hidatsa and Arikara (MHA) Nation. We respect and honor the TAT culture, tribal traditions and beliefs, and through more than 10 years of interactions with the Tribes, we've developed positive and meaningful relationships.

Marathon Oil engages the TAT on tribal consultation, infrastructure, economic development, employment opportunities, operational impacts, permitting, land access, regulations and other issues. We comply with tribal regulations, such as those set by the Tribal Employment Rights Office (TERO), which aim to strengthen business opportunities for companies owned 100% by a member of the TAT. For more information on our engagement with Indigenous suppliers, see the Supply Chain Management section.

In 2020, we participated in a bi-weekly operator task force that was organized through the Tribal Chairman's Office. This helped foster a two-way conversation with industry operators and the TAT regarding impacts from COVID-19, including safety and health measures. This allowed us to better understand the TAT's needs, and resulted in Marathon Oil providing personal protective equipment (PPE) and food bank donations.



Bakken Asset, North Dakota

EAGLE FORD ASSET, TEXAS

Many local stakeholders in the Eagle Ford region were strong advocates against a proposal to prorate oil production in the state due to the negative financial impact it would have on their communities. These local stakeholders wrote a letter to the Railroad Commission of Texas and participated in hearings. Our CEO, Lee Tillman, also testified before the Railroad Commission of Texas in opposition to the proration proposal. Read more [here](#).

“The best solution to our current crisis is to get the world healthy and back to work, while not abandoning the free market principles that have created U.S. energy independence.” – Marathon Oil CEO Lee Tillman, April 2020, in remarks on the issue of oil proration before the Railroad Commission of Texas

While we were unable to host stakeholder engagement tours of Marathon Oil rigs in 2020 due to COVID-19, we were able to safely host newly elected Railroad Commissioner Jim Wright at our Eagle Ford operations in March 2021.



Eagle Ford Asset, Texas

STACK/SCOOP ASSET, OKLAHOMA

Marathon Oil joined a broad coalition to support the passage and signing into law of the Oil and Gas Produced Water and Waste Recycling and Reuse Act in Oklahoma in May 2020. The act designates who owns and is responsible for produced water and waste from oil and natural gas drilling and production operations. The Act also seeks to encourage producers to use recycled produced water for their operations, allowing freshwater resources to be saved for other uses.

We are a founding member of the Energize for Safety Coalition, which brings together county commissioners, sheriffs, fire chiefs, the State Department of Public Safety and the State Department of Transportation to address road safety concerns in our operating areas. We also lead an industry work group and engage directly with the Oklahoma Corporation Commission to address regulatory issues.

In Oklahoma, we also contribute a percentage of our oil and gas sales to participate in the [Oklahoma Energy Resources Board](#) (OERB). During the challenges of the COVID-19 pandemic in 2020, the OERB continued its work to provide STEM curriculum content and professional development resources to teachers transitioning to virtual learning. The OERB provided online lesson plans and weekly distance-learning resources to families and educators throughout the state. Marathon Oil's manager of HES for our Oklahoma Resource Basin Asset joined the OERB board of directors in 2020.



STACK/SCOOP Asset, Oklahoma

PERMIAN ASSET, NEW MEXICO

At the beginning of 2020, our Permian Asset Leadership Team met with New Mexico's cabinet Secretaries of the Environment and Energy, Minerals and Natural Resources departments to help provide input on the direction of the Permian's emissions reduction strategy.

We also spoke to an interim committee of the New Mexico legislature on produced water and participated in various webinars. This included an Interstate Oil and Gas Compact Commission's Produced Water session to inform regulators and stakeholders in various states about the Produced Water Act in New Mexico and to advocate for similar legislation elsewhere. The Act encourages and facilitates the recycling and reuse of produced water by oil and gas producers.



Permian Asset, New Mexico

Political Contributions

We contribute to candidates and organizations that support responsible energy development. In 2020, Marathon Oil made direct corporate contributions totaling \$62,500 to six candidates, political party organizations and political action committees (PACs), as allowed by state law in New Mexico.

Through the Marathon Oil Company Employees Political Action Committee (MEPAC), eligible employees can contribute to candidates for U.S. federal and state elected office. In 2020, MEPAC donated \$178,825 to 123 candidates, political party organizations and PACs. MEPAC is registered with the U.S. Federal Election Commission (FEC) and complies with all FEC, state and local rules and reporting requirements.

MEPAC is managed by a board of employee directors, with the Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee of the Marathon Oil board of directors serving in an advisory role. All PAC contributions are based on a candidate's position on business issues and without regard for the personal political preferences of company executives or PAC board members.

Marathon Oil also makes payments to organizations and trade associations that engage in, among other things, lobbying activities. Through these trade associations, we participate in the U.S. public policy dialogue about critical environmental and energy policies, including rulemaking comment periods regarding issues related to climate change. In the interest of good governance and transparency, we voluntarily report these payments (as more specifically described below), and our policies and procedures for lobbying and political activities, in our Report of Lobbying and Political Contributions.

Our [2020 Lobbying Report](#) discloses corporate contributions made to tax-exempt 527s and 501(c)(4)s that exceeded \$35,000, and which the recipient may use for political purposes. Based on information we received from our trade associations, the report also discloses the lobbying portion of our payments and dues made to trade organizations that, if made directly by the company, would not be deductible under section 162(e) of the Internal Revenue Code and that exceed \$35,000.



SECTION III

HIGHLIGHTS

PANDEMIC RESPONSE

PREPARED TO RESPOND

The COVID-19 pandemic has affected people and organizations across the globe and across industries. Our first responsibility was to the health and safety of our employees, contractors and communities.

As critical infrastructure providers, we also had to keep business functions operating and the supply of much-needed affordable energy uninterrupted.

We leveraged our emergency response protocols, business continuity plans and multidisciplinary Centralized Emergency Response Team (CERT) to manage and coordinate our efforts throughout the pandemic and to respond to the ever-changing challenges. These plans and continuity efforts, as well as regularly conducted drills and training, helped prepare Marathon Oil when COVID-19 struck.

The Emergency Preparedness and Community Awareness element of our Responsible Operations Management System (ROMS) provided tailored response plans to local operating conditions, while CERT worked quickly to create a COVID-19 Response Team and COVID-19 Playbook, described in more detail in the Safety section of this report.



Keeping Our Team Safe
Throughout the pandemic, we've worked to prioritize the well-being of our workforce

Supporting Our Workforce: One Team

One of our core values at Marathon Oil is 'One Team.' The pandemic provided an opportunity to further demonstrate this value as we worked to prioritize the well-being of our workforce.

We acted quickly and implemented remote work beginning in March 2020 where possible, while restricting travel because of health risks. To promote the safety of our employees and contractors who continued to work onsite to help keep the U.S. supplied with energy, we were informed by guidance from the [Centers for Disease Control](#) (CDC), as well as state and local authorities. Our response included:

- Adjusting operations to protect our employees and contractors, including physical distancing and increased sanitation efforts.
- Daily health screenings for employees and contractors going onsite to a Marathon Oil location.
- Distributing face coverings and sanitizers to employees and contractors and requiring their use.

- Developing COVID-19-specific health and safety procedures, including contact tracing and attestations to verify compliance for anyone going to a Marathon Oil location.
- Implementing Return to Work protocols for employees and contractors who experienced COVID-19 symptoms or close contact.
- Providing employees with COVID-19 awareness training to familiarize them with the requirements of our new procedures.
- Posting informational signage at our locations.
- Maintaining frequent communications with employees and our partners through our emergency messaging system and CERT communications team.

For office-based staff, we provided managers with training and resources to help them lead their teams in this new virtual environment with specific guidance on how to maintain our culture of inclusion and collaboration. We worked to keep our virtual employees connected and engaged, holding regular leadership broadcasts and online “coffee chats” that often included senior leaders.

To support employees as many child- or elder-care centers closed, we allowed employees to adjust their work schedules if needed, and offered up to 15 days of emergency back-up child- or elder-care services. In addition, through our partner Bright Horizons, Marathon Oil parents could access online educational videos and activities including yoga and mindfulness, STEM learning, story time and cooking.

We also worked to raise awareness of our Employee Assistance Program, including available mental health benefits and resources, as well as webinars on topics such as coping with isolation and building resilience. In addition, we put in place a Pandemic Paid Leave of Absence Plan for any employee who exhausted their normal sick leave, and was unable to work due to their own or a household member’s eligible illness.

We implemented a phase-based return-to-office plan, with added health and safety procedures designed to minimize the transmission of COVID-19.

Supporting Our Communities

Outside of our operations, we found opportunities to support the needs of our local communities, many hit hard by the pandemic. Our response was aligned with our social investment priority areas – building healthier, safer, stronger and more resilient communities. Importantly, we targeted our support to where we could have the greatest impact on the most critical needs.

With millions of people out of work and schools closed across the country in 2020, food banks faced unprecedented demand – some citing a 400% increase in individuals seeking services month over month.

Marathon Oil donated more than \$75,000 in immediate emergency relief to help feed our neighbors across our operating areas – from urban communities in Houston to tribal communities in North Dakota and rural communities in south Texas. In Oklahoma, our donation was matched through a special disaster relief fund, helping to feed an estimated 80,000 families in 53 counties through the state’s Food for Kids Program.

In New Mexico, we collaborated with Roadrunner Food Bank to launch a new Childhood Hunger Initiative in the Carlsbad Municipal School District. This program is the first of its kind in the county and provides approximately 50 pounds of food to 150 southeast New Mexico families each month. While it was set up to meet immediate needs stemming from COVID-19, this program will be on going within the school district.

In North Dakota’s Bakken, we donated emergency relief funds to both the Great Plains Food Bank and the Three Affiliated Tribes. Our investment supplied 24,200 pounds of fruit and vegetables to children and their families living in western North Dakota.

“ The funding we received from Marathon Oil was crucial in our efforts to respond to this sky-rocketing need.” – Marcia Paulson, Chief Development Officer for the Great Plains Food Bank

In addition to food relief, in Texas, Oklahoma and North Dakota, our environmental, health and safety team organized a donation of more than 12,900 N95 masks and 10,000 nitrile gloves from our warehouses to local healthcare organizations.



Emergency Relief

Due to the pandemic, some food banks saw a 400% increase in demand

With schools closing across the country and the shift to distance learning, many students faced challenges to remain connected. To help, we donated 25 laptops to Comp-U-Dopt, a Houston-based nonprofit that distributes retired computers to families in need. In addition to refurbishing the computers, Comp-U-Dopt loads them with learning software.

In Carlsbad, New Mexico, we provided a grant to the local Boys & Girls Club for a new ventilation system in their gymnasium. With schools closed, the center saw a significant increase in the number of children spending entire school days at their facility. The new ventilation system allowed the club to safely open its doors to additional children.

Read about our COVID-19 response in our Equatorial Guinea Highlight.

We're proud of our responses to the pandemic and will continue to evolve our safety, workforce and social impact programs to best respond to the changing landscape in 2021.



Keeping Students Connected
Laptop donations helped students-in-need transition to distance learning

EQUATORIAL GUINEA

BUILDING LONG-TERM VALUE AND SUSTAINABILITY

Since entering Equatorial Guinea (EG) in 2002, Marathon Oil has invested in and operated the Punta Europa integrated gas business to world-class standards of performance.

We've established the largest petroleum facility in the country, including a liquefied natural gas (LNG) processing facility and one of the largest methanol production facilities in Africa.

During this time, Marathon Oil has built a largely national workforce, contributed to local economic sustainability, and helped develop local human capacity to enhance community health and education. We've also contributed to improved public health and quality of life with significant social investments to eradicate endemic malaria on Bioko Island. We've achieved all of this with a commitment to being a responsible, safe and ethical operator.

Now, with declining production of developed natural gas and associated liquids from the Marathon Oil-operated Alba Field, we're focused on the next stage of our business. Together with the government of EG and our partners, we're working on creating the Gas Mega Hub in the Gulf of Guinea region, with Punta Europa as the center of the hub. The vision for the Gas Mega Hub will be to process and liquefy gas from proximate fields in EG and neighboring countries. The first phase of the Gas Mega Hub started early 2021 with delivery of wet gas from the offshore Alen Field by pipeline to Punta Europa for processing and liquefaction.

To keep all Punta Europa facilities operating at capacity for the foreseeable future, we're pursuing other resource opportunities for future phases of development. Our goal is to continue to be a good corporate neighbor for EG's people and its economy.

Developing Our National Workforce

Marathon Oil has consistently increased the percentage of national citizens in our workforce in EG through recruiting, training and development assignments, workforce integration and educational and vocational programs. We continue to develop and promote Equatoguineans for supervisory and leadership roles. From 2019 to year-end 2020, Marathon EG Production Limited (MEGPL) nationalized five manager positions. This has resulted in three departments being fully nationalized: MEGPL's human resources, supply chain and external programs and liaison.



High-performing Resource
We're pursuing other resource opportunities to keep our Punta Europa facilities operating at maximum capacity

SPANISH VERSION

En español	+
<hr/>	
Descargar en español	+

At year-end 2020, 750 national citizens were employed directly or indirectly at MEGPL. We continue to meet our nationalization commitments and have increased Equatoguinean representation to approximately 90% of the total MEGPL workforce in 2020. In addition, Equatorial Guinea LNG Operations, S.A. (EG LNG) and Atlantic Methanol Production Company (AMPCO) employed another approximately 630 national workers at year-end 2020.

We're also developing the local workforce by providing educational and skill-building opportunities. Over the past five years, more than 80 Equatoguinean students attending universities within and outside of the country have received on-the-job experience through our internship programs during their academic breaks. Our partnerships with government educational institutions like "12 de Octubre" Technical College and the National University of Equatorial Guinea (UNGE) demonstrate our ongoing commitment to building local capacity in the oil and gas sector. In addition, two Equatoguineans studying on MEGPL scholarships are expected to graduate from Prairie View A&M University in Texas, USA, in 2021 and 2022.

Responding to COVID-19 in Equatorial Guinea

The oil price environment and global COVID-19 pandemic made 2020 a challenging year for our operations in EG. Marathon Oil is proud to have implemented a number of measures designed to protect our personnel from COVID-19. These included enabling office-based staff to work remotely and implementing workplace protocols such as social distancing, quarantining and contact tracing to enable the safe continuation of our operations.

We supported the Government of EG by converting the Baney laboratory, normally used to support our Bioko Island Malaria Elimination Program (BIMEP), to deal with the COVID-19 pandemic. The lab was endorsed by and received emergency accreditation from the World Health Organization (WHO) to test and diagnose COVID-19 on behalf of the Ministry of Health and Social Welfare of Equatorial Guinea. The staff was able to leverage its clinical trial experience, protocol design and implementation, and diagnostic capacity to pivot from malaria to COVID-19, demonstrating successful local capacity building.

Unique for the region, the Baney laboratory has the capability to analyze samples for Ebola, malaria and COVID-19. To operate the equipment needed to analyze the samples requires a reliable and permanent power supply. With affordable, reliable energy provided by Turbogas, the electrical power plant built by Marathon Oil, this laboratory is able to rapidly and cost-effectively diagnose diseases.

In addition, MEGPL coordinated with our industry partners, multiple government agencies and the Swiss Tropical and Public Health Institute to purchase materials and equipment for the Baney laboratory and



Impact on the Ground

Our support of stable electric power was an important factor in establishing the Baney lab

90%

Percentage of
Equatoguineans in
MEGPL workforce*

*Year-end 2020

Sampaka Hospital. Two specialized machines were acquired, boosting lab-testing capacity for COVID-19 from 20 to 40 tests per day in March 2020 to 900 to 1,000 tests per day. A robot was also purchased to automate and speed up testing, as well as reagents and kits for approximately 40,000 tests.

Strengthening Local Supply Chain

By increasing local supplier capabilities for our operations, we contribute to economic sustainability in Equatorial Guinea. Since 2013, MEGPL has spent approximately U.S. \$1 billion with Equatoguinean suppliers. In 2020, 96% of our expenditures for contract services and 20% of material purchases were awarded to locally-owned contractors, despite the reduced availability of opportunities because of COVID-19. To increase local purchasing, we've organized engagement programs and training sessions for local suppliers, and we improved our bidding process to allow local material suppliers increased opportunities to supply a greater portion of frequently purchased items.

Twice a year, our procurement staff shares upcoming commercial opportunities by providing procurement plans to local suppliers, as well as the Ministry of Mines and Hydrocarbons National Content Director. These are designed to be interactive sessions to answer questions and provide additional information to suppliers for items listed in the procurement plan. Participants receive refresher training on the Punta Europa procurement and tendering process. We continue to work with the EG National Alliance of Hydrocarbons Services Company (NAHSCO) in all presentations, seminars and workshops to understand and find solutions to local suppliers' challenges.

MEGPL, EG LNG and AMPCO continue to collaborate through the Punta Europa National Content Committee to help local businesses throughout the procurement process. The committee offers a simplified new vendor set-up process across the three companies, promotes consistency in the engagement with local service and material providers and reviews strategies to increase the participation of Equatoguinean suppliers.

Keeping Our Workforce Safe

We invest in health, environment and safety (HES) activities to help achieve world-class safety performance and minimize environmental impacts in Equatorial Guinea. MEGPL, EG LNG and AMPCO had a combined Total Recordable Incident Rate (TRIR) of 0.24 in 2020, with over 3 million hours worked. EG LNG achieved a full year without an OSHA recordable event or a Lost Time Incident (LTI). Our safety improvements in 2020 included more than 400 field leadership safety engagements and more than 2,000 behavior-based safety observations.

96%

Percentage of spend on contract services awarded to locally-owned contractors

0.24

Combined TRIR* for Punta Europa companies

*Total Recordable Incident Rate

Improving Public Health and Quality of Life

Malaria is one of the main public health threats in Equatorial Guinea, reducing life expectancy and causing productivity loss due to illness. For 17 years, MEGPL has supported the BIMEP, a multi-system public health program that expanded in 2013 to include clinical research into a malaria-candidate vaccine. Implemented by Medical Care Development International (MCDI), a U.S.-based nongovernmental organization (NGO), the BIMEP is funded through a public-private partnership of Marathon Oil, Noble Energy EG Ltd (a Chevron Company), AMPCO and the Government of Equatorial Guinea.

The BIMEP combats malaria with a series of integrated malaria-control measures centered on:

- Distribution of long-lasting insecticide nets (LLIN), targeted indoor residual spraying and larval source management.
- Intermittent preventive therapy for pregnant women and universal access to malaria case management at public health facilities.
- Epidemiological surveillance and mosquito vector monitoring.
- Advocacy.

All BIMEP malaria-control interventions are provided free of charge to all residents on Bioko Island.

MEGPL and other oil sector partners, in collaboration with the EG Ministry of Health and Social Welfare, have invested more than U.S. \$148 million in this effort since 2004. Of the investment in the BIMEP, U.S. \$93 million has been applied to build national capacity with a malaria intervention team. Over 500 Equatoguineans are employed as spray-team operators, social behavior and communication agents, case management, clinicians and nurses and study doctors, laboratory, entomology and geographical information system technicians, and clinical trial and community outreach workers dedicated to malaria education and behavioral change nationwide.

The BIMEP has had positive impacts on all economic sectors, the health sector and all socio-economic levels of Equatoguinean society. The project's major accomplishments in the fight against malaria include:

- 55% reduction in the malaria parasite prevalence (from 45% in 2004 to 20% in 2020) in children ages 2-14 years.
- More than 63% reduction of all-cause mortality among children under 5 years old (largely attributed to malaria interventions).
- 92% reduction in severe anemia under 5 years old (from 15% in 2004 to 1.2% in 2020).



Combating Malaria

Our malaria program has had positive impacts on all socio-economic levels of EG society

63%

Reduction in child*
mortality since 2004

**Among children under age 5*

- 97% reduction in the rate of transmission of the parasite by the vectors (from more than 1,000 infected bites per person per year in 2004 to fewer than 27 potentially infected bites per person per year in 2019), with molecular analysis of the 2020 mosquito samples underway.
- Elimination of two of the three main malaria vector species (*An. Funestus* and *An. gambiae*).
- 77% reduction in anemia and 68% reduction in parasite prevalence in pregnant women.
- Improved access to diagnostic services and malaria treatments.
- Continued provision of LLINs and intermittent preventive treatment to pregnant women visiting public prenatal care facilities.

97%

Drop in malaria transmission*

*Transmission of the parasite by the vectors

These outcomes opened the door to fund the development of a candidate vaccine that protects recipients from malaria infection. Marathon Oil and our BIMEP partners have invested approximately U.S. \$52 million for the trials of a highly promising vaccine to block malaria transmission in humans and mosquitos. Trials of the PfSPZ Vaccine® developed by the U.S. biotechnology company Sanaria Inc. are underway, including the preparation of a Phase 3 clinical trial to license the vaccine for use as an additional tool against malaria.

The positive effects of the vaccine initiative continue to ripple through Equatorial Guinea. Over 150 Equatoguinean doctors, nurses, lab technicians, pharmacists and other support staff have been trained to run the vaccine trials. Infrastructure created by the BIMEP enables the Government of Equatorial Guinea to participate in the international medical science research community. Through the BIMEP, the country established its first internationally-recognized national ethics review committee and instituted a food and drug regulatory office within the Equatoguinean Ministry of Health and Social Welfare.

In the future, the BIMEP and the Ministry of Health will seek WHO accreditation to establish the Baney vaccine laboratory as a reference lab to serve Equatorial Guinea and the Central African Economic and Monetary Community (CEMAC) region.

Key vaccine initiative activities in 2020 included:

- Completion and unblinding of the EGSPZV3 vaccine trial seeking to collect data on safety, tolerability, immunogenicity and protection that indicates the best regimen(s) for further development of the vaccine.
- Completion of the Equatorial Guinea Malaria Epidemiology (EGMALEP) incidence study to establish a baseline malaria epidemiology in preparation for the Phase 3 EGSPZV4 vaccine trial on Bioko Island to seek licensure of the vaccine. The aim was to collect data on malaria incidence to determine the sample sizes required for the Phase 3 trial.

- Recruitment and training of new staff for the EGRESPAR and EGSPZV4 studies. As part of the Phase 3 EGSPZV4 vaccine trial, a pilot study began in the third quarter. A total of 36 new employees, including doctors, nurses, mobilizers, registrars and facilitators were recruited and given intensive trainings on the studies' standard operating procedures/protocols, Good Clinical Practice (GCP) and Good Laboratory Practice (GLP).

Through the BIMEP, we're striving to improve lives in line with two United Nations Sustainable Development Goals (SDGs):

- SDG3: Ensure healthy lives and promote well-being for all at all ages.
- SDG9: Build resilient infrastructure, promote sustainable industrialization and foster innovation.

Capacity Building for Health and Education

We invest in building human capacity focused on health and education in Equatorial Guinea. For example, MEGPL helped fund a program aimed at increasing the quantity and quality of nursing professionals available to the public health sector to improve the quality of service delivery and increase the use of district health centers for prenatal and neonatal care. Since 2018, MEGPL has invested U.S. \$1.5 million on a nurse training program in collaboration with the Foundation for Nursing Development, the EG Ministry of Health and Social Welfare and UNGE. In September 2020, 51 of 55 trainees in the second cohort graduated after passing all required tests and went on to work with prenatal and postnatal mothers and newborns in every health district in Equatorial Guinea. In total, over 111 nurses have been trained in the most up-to-date methods and skills required to practice pediatric nursing in a low-tech environment.

Since entering Equatorial Guinea, EG LNG has spent over U.S. \$25 million to provide water wells, and build and renovate schools across the country. These have significantly increased the ability of students from rural areas to receive an education.

In addition, we support smaller projects that benefit the community, such as the Books for Bioko program. Since 2004, Marathon Oil employees worldwide have raised over U.S. \$1 million for much-needed supplies for more than 6,000 students in nine Malabo schools.



Health Education

We're helping to increase the quantity and quality of nursing professionals in EG

A Clear Vision for Equatoguinean Youth

We're committed to helping Equatoguinean youth improve their academic and social opportunities. To ensure youth with eyesight issues get proper care and medical attention, MEGPL started the Ver Bien EG Project in 2017 and secured training for our corporate social responsibility (CSR) staff to screen children for eyesight issues in certain private and public primary schools on Bioko Island. After the success of the initial screenings, MEGPL decided to expand Ver Bien to help children throughout the country. To acquire additional resources needed to improve project coverage and impact, we began establishing partnerships with important organizations in the country interested in Ver Bien's goal.

In collaboration with ONCIGE and Doctor Cruz Clinic, in 2020 the MEGPL CSR team ran a year-round, school-based intervention of vision services for children attending primary and secondary schools on Bioko Island and Bata. The program provided early detection of visual impairment by diagnosing visual deficiencies through vision screening and clinical examination, as well as treatment with corrective eyeglasses.

Since 2017, Ver Bien has screened over 10,500 children for vision issues, provided over 1,000 clinical eye examinations and donated 800 prescription eyeglasses to youth.



The Future is Bright

We're helping children with eyesight issues get proper care and medical attention

Respecting Human Rights

We adhere to well-established and effective security and human rights policies and have had no known security-related incidents resulting in a human rights violation in our operations since acquiring the EG asset. We employ a proprietary guard force to protect our onshore facilities and engage with the Navy of Equatorial Guinea to protect offshore facilities. In 2020, we worked with the Government of Equatorial Guinea and the U.S. Coast Guard to review the International Ship and Port Facility Security to enhance safety and security at the country's ports. For more information, see our Human Rights section.

Marathon Oil's operations in Equatorial Guinea continue to demonstrate how an oil and gas company can run a safe and responsible enterprise, promote strong governance and build long-term shareholder value, and contribute to improved public health and quality of life.

TECHNOLOGY AND INNOVATION

OILFIELD OF THE FUTURE

We're making data more consistent, accessible and integrated – putting it to work to support our goal to be a low-cost, high-margin, safer and more environmentally responsible producer.

Marathon Oil has made significant progress in using technologies and data to achieve operational excellence and boost business performance. We're able to monitor the health of our fields remotely in real time, proactively manage our production assets, predict production early in a well's life and automate wells, facilities and repetitive tasks. As a result, we've increased efficiency, enhanced well and facility uptime, improved safety and environmental performance and lowered costs. Our investment in technology also prepared us to seamlessly migrate to a work-from-home environment when COVID-19 struck, allowing us to remain connected to our teams.

We believe integrating the digital and physical worlds differentiates Marathon Oil and sets the foundation for even more innovation in the future. We're using unconventional thinking to solve problems and drive the power of data even further.

Ensuring Strong Cyber Security Resiliency

As society's reliance on energy and information technology grows, so do the number and sophistication of cyber security threats. Managing these risks has become more important than ever.

Like all entities, our information network and systems are subject to constantly-evolving cyber threats and threat actors. Over the past three years, because of the safeguards we have put in place, Marathon Oil has avoided any material impacts to our business, operations or reputation due to cyberattacks or other security-related incidents. We must, however, remain vigilant.

We've designed our enterprise cyber security programs to fortify people, processes and technologies across our assets, facilities and operations. We also seek to do business with partners and service providers who share our vision of implementing and enforcing effective cyber security controls across these key areas.

- In terms of people, cyber security awareness remains one of our best defenses. We leverage formal training in our required annual compliance training, and incorporate other training and



Boosting Performance

We believe integrating the digital and physical worlds differentiates Marathon Oil

educational opportunities in videos, hands-on training and periodic cyber security-related bulletins and helpful tips. We also conducted a month-long cyber security awareness campaign aligned with National Cybersecurity Awareness Month and provided resources to help employees work from home safely.

- Our processes include a suite of IT and security policies and procedures, including a corporate security incident response plan, a new Information Use and Management Policy, and tabletop simulation exercises that involve different stakeholder groups that leverage our relationships with external legal, forensics and crisis communications partners.
- Our technical controls are continuously evaluated and assessed. In 2020, we focused on improvement in the following areas:
 - Access management
 - Perimeter defense
 - Malware defense
 - Data encryption
 - Event correlation
 - Endpoint detection and response

Our approach is informed by external cyber security experts and assessed against the U.S. National Institute of Standards and Technology (NIST) standards. In 2020, we worked with third-party cyber security firms to conduct a maturity assessment of our cyber security environment and to perform penetration tests of our networks. We used common threats such as social engineering and vulnerability scanning to assess the effectiveness of our cyber defenses and staff awareness. The results will inform our cyber-defenses strategies moving forward.

Marathon Oil's senior leadership and the Audit and Finance Committee of our board receive regular cyber security updates, with formal reporting to the full board at least twice annually. We're led by two board members who have experience with cyber security issues facing the oil and gas industry. In addition, 100% of our Audit and Finance Committee members are independent.

We believe our current insurance coverage is adequate to rebuild and reinstate assets should we experience a cyber-related event. We also have processes to provide redundant computing operations should a cyber-event occur that requires the back up of data both online and offline.



Raising Awareness
Cyber security awareness remains one of our best defenses

Enhancing Performance by Adopting a Data-Driven Culture

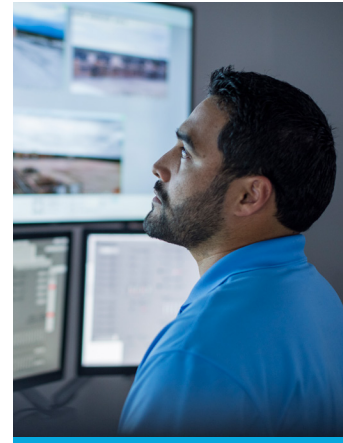
We use data and our digital oilfield operations center (OCC) to make better decisions across our production management value chain, allowing our Field Service Management (FSM) system to optimize maintenance, measurement, pigging and production operations. Using FSM, we're addressing the challenge of managing these key processes on a fully integrated mobile platform that operators can access in real-time on their smartphones to ensure operational efficiency and safety performance. With FSM, work is prioritized and scheduled based on predefined business rules and objectives, and then individuals or crews that meet the required skill set are automatically dispatched. It also assigns the optimal driving route, which reduces drive time and the associated risk of accidents.

We first deployed the FSM system – a platform customized for Marathon Oil's needs – to our Eagle Ford asset in 2019. Based on learnings, we expanded it to all our assets in 2020. Since the rollout of FSM, we're seeing positive results from increased equipment uptime due to reduced task cycle time; increased utilization, productivity and efficiency of field support personnel by streamlined communications, improved transparency and elimination of duplicate work; increased efficiency by boosting first-time fix rate and completing more tasks during a single visit. In addition, by leveraging our field personnel know-how, we've been able to improve the system logic to optimize work execution and reduce our field paper-based processes by more than 70%.

To further enhance our environmental performance monitoring, during 2020, FSM was expanded to incorporate health, environmental and safety (HES) functionality. This allowed us to shift our in-field inspections from a time-consuming manual process to a fully digital one that integrates leak detection and drone-captured repair data with our maintenance system. We expect these changes to strengthen data-collection efficiency and data quality while reducing travel time for our teams.

Using the same core technology as FSM, we're addressing the complicated and costly challenge of managing the produced water disposal process. The transportation management system (TMS) we developed combines our OCC, vendor dispatchers and truck drivers onto a common mobile workflow platform. It schedules haulers in advance, assigns the most efficient and safest driving route, tracks progress from the OCC in real-time using GPS, and assures delivery to an approved water-disposal site.

We're seeing positive results from faster haul times, more accurate information and vendor alignment in the Permian Basin. In 2020, we implemented TMS across all of our operations, gaining better visibility into the overall process and compliance with our contract terms. We also enhanced TMS to dispatch hauling of produced water directly to frac locations in the Bakken, reducing disposal costs and freshwater requirements.



Better Decisions

We use data to make better decisions across our operations

EMISSIONS MANAGEMENT COMMITTEE

IMPACTFUL SOLUTIONS

Marathon Oil recognizes the reduction of greenhouse gas (GHG) emissions as a key component of minimizing our environmental impacts and addressing the risks of climate change.

In 2020 we reinforced this commitment, aiming for reductions of GHG emissions intensity by 30% by 2021 and more than 50% by 2025 compared to a 2019 baseline. We're making notable progress, achieving a 2020 GHG emissions intensity reduction of approximately 26%, and improving our total gas capture to 98.5% in the fourth quarter of 2020.

However, we recognize that fulfilling this goal requires action, continuous attention and the application of innovative solutions. In 2019, we formed an Emissions Management Committee (EMC), tasked with evaluating and prioritizing emissions reductions strategies and technologies at an enterprise level. In early 2021, we earmarked \$100 million over a five-year period for emission reduction projects within our 2021-2025 benchmark maintenance scenario.

The operations-focused EMC identifies potential projects based on cost-effectiveness, feasibility and expected emissions reductions. In doing so, they are assembling an invaluable resource – a prioritized list of emission reduction opportunities to continue to optimize and enhance our operations to reach our target. This structured approach to our emissions reduction pathway also allows us to quickly scale successful pilot projects by sharing these achievements across the organization.

The EMC's mission goes well beyond “low-hanging fruit,” exploring innovative strategies through multiple angles. Our goal is to eliminate or reduce our emissions first, offset and store second.

Marathon Oil has initiated the following projects as initial steps to achieve our GHG emissions reductions goals:

- Conversion of existing field gas pneumatic actuated controllers to instrument air or electric-action, permanently reducing methane emissions. Future devices installed on Marathon Oil-owned equipment will be instrument air or electric-action.
- Purchase of renewable energy credits (RECs) to fully offset 2021 Scope 2 emissions created from purchased electricity use.
- Improved gas capture.
- Optimization of compression associated with gas lift.



Avery Carson
Corporate Environmental
& Regulatory Compliance
Manager and head of the EMC

One example of a beneficial collaboration is our support for soil carbon sequestration by funding a credit development project with Grassroots Carbon, formerly Soil Value Exchange. The organization is focused on unlocking the massive carbon storage potential of sustainably grazed pasture and rangelands, which cover over one third of the U.S. and represent an important ecosystem. Marathon Oil's purchase of verified agricultural soil carbon storage credits through Grassroots Carbon will directly benefit U.S. ranchers who practice regenerative grazing techniques that draw carbon from the atmosphere and restore soil health. This method has the additional benefits of preserving or improving local biodiversity, the soil's water retention in arid regions, and the quality of water in the watersheds where it's utilized.

Marathon Oil is interested in using high-quality nature-based carbon credits where they make sense. The Grassroots Carbon credits will be certified under the new [BCarbon](#) standard, a scalable soil carbon storage standard designed to work for landowners and carbon storage buyers. In order to deliver soil carbon storage credits of the highest quality, Grassroots Carbon will utilize an internationally-recognized soil measurement methodology as well as BCarbon's independent verification and certification requirements.

We'll continue to dedicate our effort and resources to the "dual challenge" of meeting energy demands while also minimizing the environmental impacts of exploration, production and energy use.



Soil Carbon Sequestration

We're collaborating with Grassroots Carbon to unlock the carbon storage potential of grazed pasture and rangeland



SECTION IV

ENVIRONMENT

ENVIRONMENT

MINIMIZING OUR IMPACT ACROSS OPERATIONS

We believe that protecting the environment is about more than just complying with regulations. Safe, environmentally responsible operations are central to our company values and a key part of our commitment to stakeholders.

Our reputation, built on our core values to collaborate, take ownership, be bold and deliver results, enables us to maintain the trust of our stakeholders and to generate long-term value in our business. To achieve this, we aim to continually evaluate the impact of our operations on the people living in our communities and have a long-standing commitment to harnessing innovation to lessen that impact on both people and the environment.

Compliance is embedded in our corporate values, and we strive for continuous improvement of environmental performance to achieve that goal.

Providing Additional Transparency

Our Environmental Management Standard guides our business units in identifying environmental risks relevant to our operations. To mitigate operational environmental impacts, we've developed sound practices for local and regional management of emissions, water, waste and sensitive habitats. These practices include:

- Designing and constructing facilities that are intended to comply with existing, applicable regulations.
- Identifying and installing, where feasible, solutions to reduce air emissions and waste, reduce fresh water use and mitigate spill potential.
- Vetting waste disposal facilities prior to use to minimize negative outcomes, such as induced seismicity or mishandling of waste.
- Tracking environmental performance and reporting data and management practices to internal and external stakeholders.
- Conducting appropriate due diligence before major acquisitions to determine potential environmental issues or liabilities.



Environmental Stewardship
We strive to be a valued member of the communities where we operate

DIVE DEEPER

Climate Change	+
Emissions Management	+
Land Stewardship	+
Water Stewardship	+
Spill Prevention	+

To align with stakeholder interest and climate-guidance frameworks, we have expanded disclosures related to our methane and air emissions. In addition, the Climate Change section of this Sustainability Report is aligned with the format recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

Innovating to Minimize Environmental Impact

We acknowledge our role in the industry's dual challenge – providing affordable, reliable energy to meet growing global demand while minimizing environmental impacts of exploration, production and energy use.

Although we firmly believe that oil and gas development will remain crucial to the world economy for the foreseeable future and an integral part of any future energy transition, we recognize the increasing interest of our stakeholders on the potential impacts of climate-related factors on Marathon Oil. We're committed to sustainably deliver the energy the world needs, in a way that fosters long-term value creation. The measures we've taken include using pipelines as a low-carbon transport for our products and waste and implementing new technologies to reduce air emissions and fresh water use.

A Priority from the Top Down

Our sustainability efforts inform our risk management processes and our business strategy. The executive vice president of Operations has overall leadership accountability for our environmental function. Oversight is provided by the Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee of the board of directors, which meets at least twice per year. In addition, all directors bring experience and understanding of industry regulatory issues to their board role. For additional information see the Sustainability Oversight section.

Our Responsible Operations Management System (ROMS) consists of policies, procedures and guidelines designed to reduce health, environmental and safety risks, comply with regulations and drive performance improvement in key identified metrics.

Performance Highlights

Highlights of our environmental management and performance in 2020 include¹:

- Reduced 2020 GHG emissions intensity by approximately 26% relative to 2019 and established a 2021 reduction target of more than 30% relative to 2019, which was added to the executive compensation short-term incentive (STI) scorecard.
- Announced a goal for 2025 to reduce GHG intensity by more than 50% relative to a 2019 baseline. We identified multiple operational and design solutions to achieve this goal, including but not limited to continued replacement of instrument gas pneumatic controllers with lower or non-emitting technologies, connecting additional sites to utility power where feasible and investing in soil carbon sequestration to offset emissions.
- Improved annual gas capture for 2020 to 97%, with the last two quarters of 2020 and the first quarter of 2021 meeting or exceeding 98%.
- Increased low carbon transport of produced water by 20% in 2020, to a total of approximately 60%, utilizing Marathon Oil-owned pipelines and midstream transportation providers.
- Reduced the number of spill incidents exceeding one barrel outside of containment by approximately 10%.
- Actively participated in The Environmental Partnership, Texas Methane and Flaring Coalition, New Mexico Produced Water Consortium and API and AXPC efforts to share best practices, create uniform metrics and refine definitions to contribute to overall improvement in the industry's environmental performance.

26%

Reduction in GHG
emissions intensity
compared to 2019

¹ All comparisons relative to 2020 performance unless otherwise stated

CLIMATE CHANGE

ADDRESSING THE IMPACT

Marathon Oil recognizes the impact of greenhouse gas (GHG) and other air emissions on global climate and air quality.

We understand that market changes could result from U.S. policy, global agreements and evolving climate change laws and regulations. At the same time, we recognize the need for reliable, affordable energy and petrochemical feedstock to fuel global economic progress and to meet increasing energy demand across the world.

As part of Marathon Oil's commitment to sustainability and managing climate-related risks, we've established business processes that we continue to evaluate and refine to reduce our emissions and mitigate both current and future energy transition risks to our business. Engaging with external stakeholders to understand their perspectives is a vital component of this effort.

For 2021, we established a quantitative GHG intensity target, representing a reduction of more than 30% relative to 2019, which has been added to the executive compensation STI scorecard. Marathon Oil has disclosed a new medium-term goal to reduce GHG emissions intensity by 50% by 2025 compared to 2019, highlighting our commitment to significant ongoing improvement to environmental performance. Over the course of 2020, Marathon Oil built out processes to monitor progress on this goal. We believe that focusing on our overall GHG intensity provides us the flexibility to use multiple solutions for the largest impact rather than focusing at a constituent level, which may have limited solutions and less overall impact. Learn more about our progress in the Emissions Management section.

The Climate Change section of our Sustainability Report is consistent with the format recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

TCFD

30%

Target to reduce 2021 GHG emissions intensity compared to 2019 baseline

50%

Goal to reduce GHG emissions intensity by 2025 compared to 2019 baseline

CORE ELEMENTS OF RECOMMENDED CLIMATE-RELATED FINANCIAL DISCLOSURES FROM TCFD IMPLEMENTATION GUIDE



GOVERNANCE

The organization's governance around climate-related risks and opportunities

STRATEGY

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning

RISK MANAGEMENT

The process used by the organization to identify, assess and manage climate-related risks

METRICS & TARGETS

The metrics used to assess and manage relevant climate-related risks and opportunities

GOVERNANCE: CLIMATE CHANGE

Our board of directors, senior management and operations-level employees all have a role in identifying, assessing and managing climate-related risk, mitigation and opportunities.

The board has ultimate responsibility for risk management, and their decision-making takes climate-related risks into account. In 2019, we added climate change risk oversight to the charter of the Health, Environmental, Safety and Corporate Responsibility (HES&CR) committee of the board of directors to highlight how seriously we approach robust understanding and evaluation of climate risk. This committee meets at least twice per year to understand and monitor climate-related trends, issues, legislation, policies, practices and concerns.

Our executive vice president of Operations, who reports directly to the CEO, has leadership responsibility for climate-related issues. He provides regular updates to the board regarding performance.

Our vice president of Health, Environment, Safety, Security (HES&S) and Corporate Sustainability, who reports to the executive vice president of Operations, has leadership accountability for driving our corporate sustainability programs. This role provides the strategic focus necessary to align all areas of our corporate ESG strategy and embed sustainability practices into the way we run our business.

STRATEGY: IDENTIFYING AND MANAGING RISKS

The Enterprise Risk Management (ERM) and Responsible Operations Management System (ROMS) processes are the primary internal assessment tools we use to identify and communicate climate-related risk.

We use the ERM process to identify and manage the most significant risks facing the company, with the goals of facilitating risk oversight by the board, ensuring enterprise risks are managed effectively and ensuring accountability for risk management. Internal risk assessors present our ERM process outcomes related to climate risk to the HES&CR, Audit and Finance committees to inform the board's oversight responsibilities.

Through our ERM process, our board and management examine a wide range of strategic, reputational, operational and financial risks that could impact the company. The primary potential climate-related risks identified through the ERM process are:

- Market forces that could affect commodity prices, including renewables uptake and pace of energy transition.
- Access to capital markets.
- Evolving U.S. federal and state and global climate change policies, laws and regulations.
- Chronic physical risks (such as persistent drought, increased severity and frequency of wildfires and sea level rise).
- Business interruption and acute physical risks from extreme weather events.
- Value chain disruption.

We continue to evaluate and enhance our risk assessment processes to ensure company leaders have the information they need to manage climate risk.

Our corporate HES&S group monitors performance and provides regular updates on reporting and performance trends. Operational leaders identify, assess and manage GHG emissions and other aspects of climate change risk using ROMS. The ROMS executive steering team and owners of relevant ROMS elements are then accountable for driving performance improvement, including managing climate change risk.

See the Management Systems and Sustainability Oversight sections for a more fulsome discussion.

Strategy to Mitigate Our Risks

We evaluate our business model by applying our risk assessment tools and measuring alignment with our governance models, and we monitor and mitigate risks to our business strategy related to climate change. We also assess climate-related opportunities to create long-term value for our stakeholders.

We have operationalized key environmental performance indicators that are used to drive performance improvements in the individual assets. In addition, we monitor regulatory changes and risks through our trade organizations, which allows us to adjust business plans and operations to mitigate risks.

CLIMATE-RELATED RISK	MANAGEMENT STRATEGY
Market forces, access to capital markets and renewables penetration	<ul style="list-style-type: none"> • Active portfolio management and high-quality multi-basin portfolio • Disciplined Reinvestment Rate Capital Allocation Framework • Maintaining a strong balance sheet • Reducing our GHG intensity
Laws and regulations	<ul style="list-style-type: none"> • GHG emissions management • Voluntary industry initiatives • Government engagement
Acute weather events	<ul style="list-style-type: none"> • Emergency response and business continuity planning
Chronic weather risks	<ul style="list-style-type: none"> • Sustainable water sourcing and management
Value chain disruptions	<ul style="list-style-type: none"> • Flexible global supply chain management • Multi-vendor strategy for critical products and services

RISKS: MANAGING OUR BUSINESS FOR RESILIENCE TO MARKET FORCES

Marathon Oil executes our business strategy to be the lowest-cost, highest-margin, U.S.-focused resource play operator, a strategy that seeks to mitigate market risks.

Resilience of our Capital Expenditure Program

Marathon Oil allocates the vast majority of our capital expenditures to short-cycle, unconventional resource plays – consistent with our concentrated and optimized multi-basin portfolio. Due to the production profile for the typical unconventional well, the commodity price during the first few years of production has a much greater effect on project economics than longer-dated commodity prices. The majority of the wells we drill have relatively short payback periods. This mitigates the longer-term commodity price risk related to our capital investment decisions and enhances our capital allocation flexibility and ability to respond to changes in the macro environment.

Our short-term planning horizon is limited to two years, while our medium-term planning horizon is five years, consistent with both the short-cycle nature of our portfolio and SEC rules governing proved reserve bookings. We provide a detailed annual plan and budget generally in the first quarter of every calendar year and have augmented that disclosure recently with a five-year benchmark maintenance scenario that holds oil production flat. The financial returns and competitiveness of our capital investment program are routinely stress-tested across these time horizons with conservative commodity price assumptions – prices that are typically below the lower range of forecasts from investment banks and well-known energy forecasting agencies, including the U.S. Energy Information Administration (EIA) and the International Energy Agency (IEA). Projects must meet specific financial targets and/or strategic objectives to be sanctioned. We also frequently assess our capital investment program and the robustness of our portfolio over a longer-term 10-year time horizon, using similarly conservative commodity price assumptions and investment criteria.

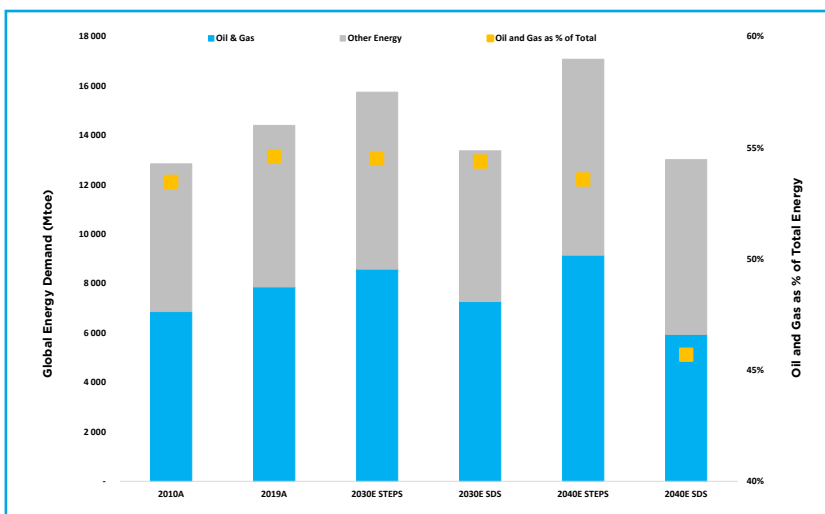
Longer-term Energy Market Scenarios

Due to the short-cycle nature of our portfolio, our capital allocation flexibility and our limited risk for “stranded assets,” we believe scenario analysis beyond 10 years has its limitations. IPIECA’s 2019 awareness briefing (*The Role of Scenario Analysis in Climate Reporting*) agrees, pointing out the risks of scenario analysis for E&P companies. The briefing states that “companies are valued on proven reserves, which are usually monetized over a shorter horizon than, for example, the extent of the IEA Sustainable Development Scenario, thus indicating that the risk of ‘stranded assets’ is small and unlikely to be indicated by such a scenario.”

While understanding its limitations, we still find that longer-term scenario analysis is a useful tool to inform our overall corporate strategy, better understand how energy supply and demand dynamics and the market environment may evolve in the coming decades, test the robustness of our strategy and portfolio across different long-term environments and satisfy the interests of our stakeholders.

We monitor a number of longer-term forecasts and scenarios regarding the evolution of oil and gas supply and demand fundamentals, oil and gas commodity prices and the potential for a price on carbon. This includes forecasts and scenarios from widely relied upon energy agencies, including the EIA and IEA, and forecasts from leading investment banks. However, we're price takers not price predictors and test our business model across a broad range of commodity price outcomes while also continuing to drive our enterprise free cash flow breakeven price as low as practical.

While an analysis of these scenarios highlights a wide range of potential outcomes for oil and gas supply and demand fundamentals and commodity prices over the next 20 to 30 years, most of these scenarios and forecasts indicate that oil and gas will continue to comprise a significant share of the global energy mix. For example, within the *IEA's 2020 World Energy Outlook*, the IEA estimates that oil and gas comprised 55% of global energy demand in 2019 (latest data available). Under their Stated Policies Scenario (STEPS), oil and gas demand continues to grow through at least 2040, at which point it's expected to account for 54% of global energy demand. According to the IEA, this scenario reflects all of today's announced policy intentions and targets. Further, the IEA noted, "inventories are high and markets are well supplied in the near term, but the prospects for continued ample supply to meet the projected demand rebound in STEPS over the period to 2030 should not be taken for granted."



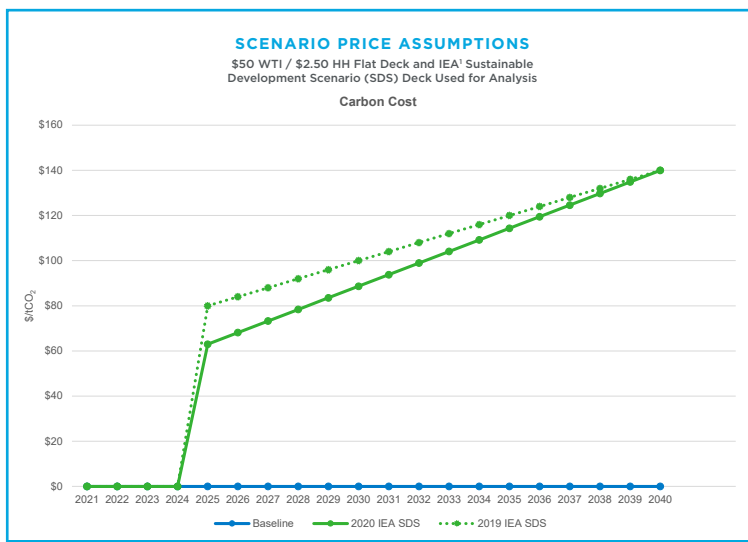
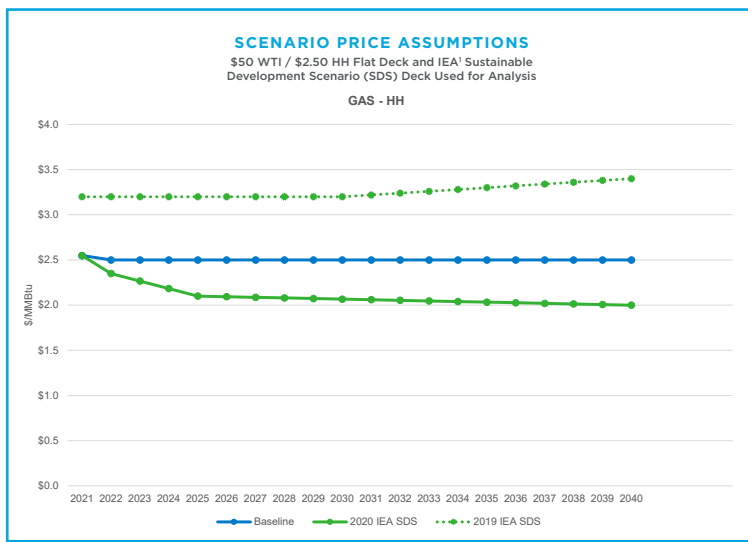
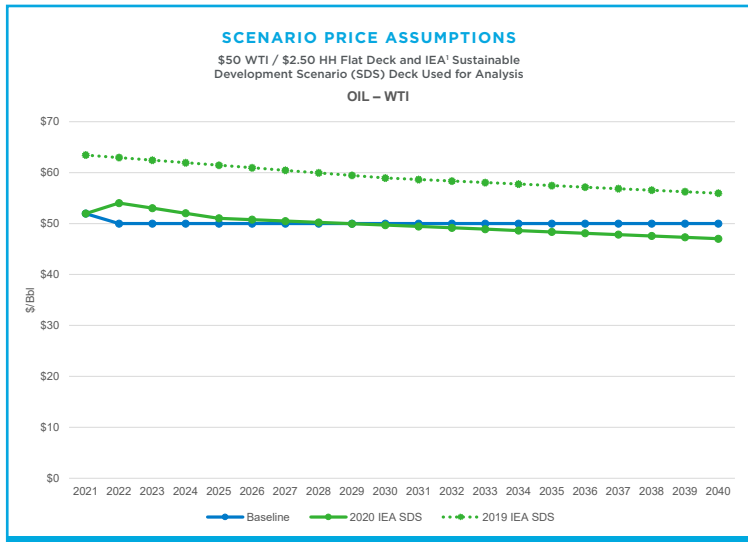
Certain carbon-constrained, Paris-aligned longer-term scenarios also indicate that oil and gas is likely to continue to comprise a significant share of the global energy mix. For example, while the IEA's latest Sustainable Development Scenario (SDS) estimates that global oil and gas demand will decline from 2019 levels, oil and gas still accounts for 54% of global energy demand in 2030 and 46% of global energy demand in 2040.

Assessing Our Portfolio in a Carbon-constrained Future

To test the competitiveness of our portfolio in a more carbon constrained future, we leveraged the SDS from the *IEA's 2020 World Energy Outlook*. The IEA's intent is for the SDS to explore the potential impacts of more far-reaching changes in policies relative to those that have already been announced – even when those policies appear ambitious and aspirational.

According to the IEA, the key outcomes the SDS delivers are drawn from the United Nations Sustainable Development Goals: effective action to combat climate change by holding the rise in global average temperature to levels consistent with the Paris Agreement; universal access to affordable, reliable and modern energy services by 2030; and a substantial reduction in air pollution. Other key modeling assumptions and outputs of the SDS include the following:

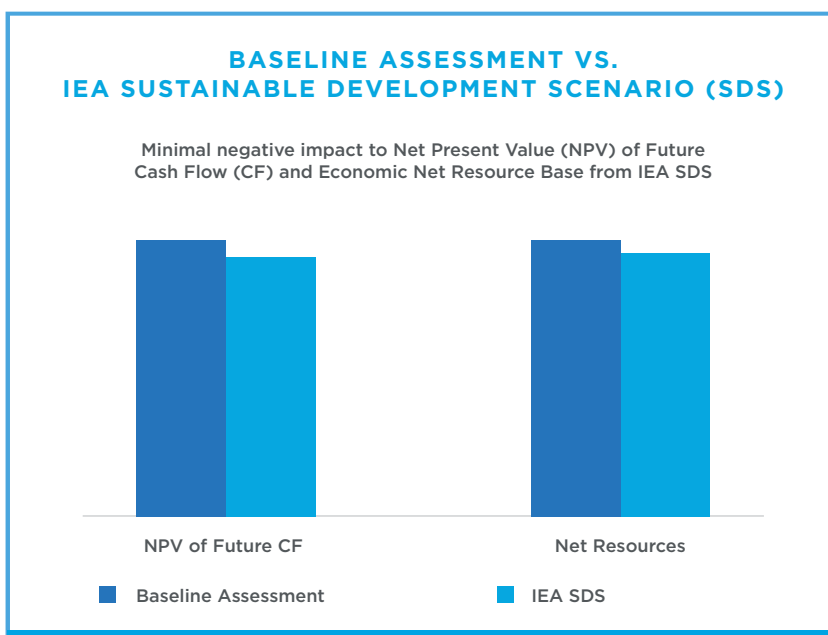
- **Global Oil Demand:** From 2019 to 2030, global oil demand declines at a 1.2% compound annual growth rate (CAGR) and from 2019 to 2040 at a 1.9% CAGR. Oil accounted for 31% of global energy demand in 2019. Oil's share of the global energy mix is expected to decline to 30% in 2030 and 23% in 2040.
- **Global Gas Demand:** From 2019 to 2030, global gas demand declines at a 0.1% CAGR and from 2019 to 2040 at a 0.6% CAGR. Gas accounted for 23% of global energy demand in 2019. Gas's share of the global energy mix is expected to rise to 25% in 2030, declining to 23% in 2040.
- **Commodity Prices:** Crude oil prices are forecast to average \$57/bbl in 2025, declining to \$53/bbl in 2040. U.S. natural gas prices are forecast to average \$2.10/MBtu in 2025, declining to \$2.00/MBtu in 2040 (real 2019 dollars).
- **Carbon Price:** A price on carbon is assessed at \$63/tonne by 2025, rising to \$140/tonne in 2040 (real 2019 dollars).



¹ IEA sustainable development 2019 price deck is based on 2018 real prices with no inflation. Similarly, 2020 IEA deck is based on 2019 real prices with no inflation.

In conducting our scenario analysis, we first established a baseline value for our portfolio using a non-escalated commodity price deck of \$50/bbl oil and \$2.50/MBtu natural gas. We assumed no inflation with respect to these commodity price assumptions for the sake of conservatism. We also made no assumptions for a cost of carbon in our baseline assessment as there is currently no cost of carbon for U.S. producers and it's unclear how a price on carbon may ultimately affect the price of commodities. We believe using conservative long-term commodity price assumptions, while excluding a price of carbon, enables us to establish a transparent baseline portfolio value against which we can sensitize the robustness of our portfolio to different market environments.

In conducting our sensitivity analysis, we utilized modeling inputs fully consistent with the IEA's SDS, including projected commodity and carbon price assumptions through 2040. We then assessed the impact to our net present value and resource base by comparing the results from the IEA scenario to results from our baseline scenario. Our analysis indicates that in a more carbon-constrained future, consistent with United Nations Sustainable Development Goals and climate objectives of the Paris Agreement, Marathon Oil remains well-positioned to execute our long-term strategy of delivering solid corporate returns, sustainable free cash flow generation and meaningful return of capital to investors. The SDS scenario has a minor negative impact on the net present value of our future cash flows and our economic resource base in comparison to our baseline case (negative impact well below 10%), due primarily to lower natural gas prices and the escalating cost on carbon. However, the net present value of our future cash flows remains significantly positive and our economic resource base remains robust and competitive. In short, we believe our portfolio is well-positioned and our strategy is appropriate for a more carbon-constrained future. Further, our business model retains the flexibility to appropriately respond to future dramatic changes in the market.



As part of our analysis of longer-term energy market scenarios, we have also reviewed the IEA's recently published report *Net Zero by 2050 (NZE)*, which outlines the conditions for the global energy sector to reach net-zero CO₂ emissions by 2050. Our analysis of this scenario, in combination with our analysis of other long-term scenarios and forecasts, helps to inform our corporate strategy and our approach to mitigating longer-term climate related risks. However, we didn't utilize the NZE as the basis for testing our portfolio as the IEA's approach of back-solving for the desired net-zero outcome in 2050 results in the use of less credible market and behavioral assumptions in light of prevailing energy demand trends, policies and technologies. This underscores the fact that scenarios are not solutions and generally reflect broad based assumptions that rely on many factors, including both policy changes and technical innovation.

Our Approach to Mitigating Market Risks

As noted, Marathon Oil's corporate strategy is informed by our assessment of the competitive environment for energy and longer-term oil and gas fundamentals. We mitigate risks and uncertainties associated with climate change and market forces, including the potential for lower future commodity prices and the potential for a future cost on carbon emissions, in numerous ways. This includes actively managing our portfolio and maintaining a high-quality multi-basin portfolio; sticking to a disciplined capital allocation framework; maintaining a strong balance sheet; and driving significant GHG intensity reductions.

Framework for Success

COMMITTED TO OUR FRAMEWORK	Corporate Returns	Disciplined reinvestment in strongest rate-of-return opportunities
	Free Cash Flow	Sustainable free cash flow across wide range of commodity prices
	Return of Capital	Return meaningful capital to investors
	Differentiated Execution	Continuously improve performance, reduce costs and deliver on commitments
POWERED BY OUR FOUNDATION	Multi-Basin Portfolio	Capital allocation flexibility, broad market access, supplier diversification, rapid sharing of best practices, platform for talent development
	Balance Sheet Strength	Continue improving investment grade balance sheet; maintain financial strength and flexibility to execute business plan
	ESG Excellence	Safe operations, strong environmental performance, trusted partner to local communities and best-in-class governance

Active Portfolio Management and High-Quality, Multi-Basin Portfolio

We have concentrated our asset portfolio to generate a competitive advantage and deliver value to our shareholders. Over the last decade, we've divested higher-cost, higher-risk, lower-margin assets including Canadian oil sands, Libya, the U.K. and Norway North Sea, Kurdistan, Wyoming and conventional offshore exploration. These divestments have lowered our enterprise and regulatory risk, enhanced our financial performance, improved our cost structure, reduced our corporate free cash flow breakeven, and mitigated our longer-term liabilities.

As previously noted, Marathon Oil allocates the majority of our capital to our high-quality, shorter-cycle, U.S. resource plays. Our U.S. resource plays are complemented by our long-life, low-decline integrated gas business in Equatorial Guinea, which is highly cash flow generative with minimal sustaining capex requirements. Our U.S.-focused unconventional portfolio has less regulatory and strategic execution risk in comparison to more globally diversified operations. Our low-cost, high-margin U.S. assets also contribute to our low enterprise breakeven that mitigates our vulnerability to lower commodity prices. Additionally, the short-cycle nature of our portfolio reduces our "stranded asset" risk and enhances our capital allocation flexibility and ability to respond to changes in the macro environment.

Our strategic decision to optimize our portfolio and primarily focus our capital investment in high-quality U.S. resource plays is affirmed by IEA SDS modeling assumptions that testify to the global cost competitiveness and expected resilience of U.S. tight oil production. Under the IEA's SDS, the global supply of tight oil – the majority of which is sourced from the U.S. and the focus of Marathon Oil's production operations – is expected to increase at a 0.6% CAGR from 2019 to 2040. So even though global oil demand is expected to decline through 2040, the supply of tight oil is expected to rise considerably from current levels to meet global demand.

Disciplined Capital Allocation Framework

Marathon Oil's disciplined reinvestment rate capital allocation framework prioritizes strong corporate returns, sustainable free cash flow generation and meaningful return of capital to investors. We believe this capital allocation framework is optimal for a cyclical commodity business and that it appropriately contemplates the longer-term risks and uncertainties associated with climate change and related market forces.

Clear Priorities for Capital Allocation

<p>>\$60/bbl WTI</p>	<p>Significant Price Support</p> <ul style="list-style-type: none"> • Return at least 40% of CFO to equity investors; >\$1B of capital return annually • Retire future debt at maturity • Production growth cap of 5% underscores commitment to discipline and sustainable FCF
<p>\$50 to \$60</p>	<p>Modest Price Support</p> <ul style="list-style-type: none"> • Return at least 30% of CFO to equity investors; >\$600MM of capital return annually • Retire future debt at maturity • Production growth cap of 5% underscores commitment to discipline and sustainable FCF
<p>\$40 to \$50</p>	<p>Conservative Planning Basis</p> <ul style="list-style-type: none"> • Reinvestment rate of ~70% or less at \$45/bbl+ WTI • Return at least 30% of CFO to equity investors at \$45/bbl+ WTI and retire future debt at maturity • Maintain sub 1.5x net debt to EBITDAX assuming this price environment • Competitive and sustainable base dividend (~10% of CFO assuming this price environment)
<p><\$40</p>	<p>Lower Price Environment</p> <ul style="list-style-type: none"> • Corporate FCF breakeven below \$35/bbl WTI solidifies resilience • Competitive and sustainable base dividend

To ensure we adhere to our disciplined framework, we closely monitor our reinvestment rate, our corporate free cash flow breakeven and the portion of our cash flow from operations that we return to investors. We believe these are tangible metrics upon which investors concerned with longer-term market risk should remain focused.

- **Reinvestment Rate:** Our reinvestment rate represents the ratio of expected capital spending to cash flow generation and is a core metric within our short-term incentive compensation scorecard. Assuming an oil price of \$45/bbl WTI or higher, we target a reinvestment rate of 70% or less of our cash flow from operations and at \$60/bbl WTI or higher, we expect a reinvestment rate of 60% or less. Our reinvestment rate framework instills discipline and competition into our capital allocation framework that enhances our financial returns, protecting our ability to generate free cash flow throughout the commodity price cycle. Investing with discipline further reduces the risk that we overcapitalize our business into a potentially more difficult market environment.
- **Corporate Free Cash Flow Breakeven:** Our corporate free cash flow breakeven represents the oil price necessary to generate cash flow from operations to cover our capital spending. Our corporate free cash flow breakeven is a core component of our short-term incentive compensation scorecard. For 2021, we estimate that our breakeven is below \$35/bbl WTI – well below both the current oil price and most third-party commodity price forecasts from investment banks and energy forecasting agencies. Through ongoing cost structure optimization, disciplined capital allocation and a relentless focus on our capital and operating efficiency, our objective is to continue to drive our corporate breakeven lower over time. Our focus is consistent with our objective to be the low-cost operator in our industry, better positioning us to manage through market environments that could be more challenging in the future.
- **Return of Capital:** Returning capital to investors is a critical strategic objective for Marathon Oil. More specifically, our goal is to direct at least 30% of our cash flow from operations to investor-friendly purposes, prioritizing debt reduction, dividends and potential share repurchases. Above \$60/bbl WTI, we would expect that return to investors to be at least 40%. We're on track to exceed this objective in 2021. We believe that significant return of capital helps mitigate the longer-term commodity price and market risks for investors that are exposed to our sector.

Maintaining a Strong Balance Sheet

Maintaining a strong balance sheet is foundational to executing our strategy and enhancing our resilience to market forces. Our balance sheet is strong, as evidenced by our investment grade credit rating from each of the three primary credit rating agencies. We have a demonstrated track record of conservative financial policy. We plan to maintain our balance sheet strength through our disciplined capital allocation framework and our conservative leverage targets, including a net debt to EBITDA objective of sub-1.5x assuming a \$45/bbl to \$50/bbl WTI oil price. A strong balance sheet would help us execute our strategy in a potentially more challenging market environment.

Reducing Our GHG Intensity

Driving significant and continuous reductions to our GHG emissions intensity is a core part of our strategy to mitigate the longer-term market risks related to climate change. Our GHG reduction initiatives are supported by transparent, quantitative objectives intended to promote accountability and ingenuity throughout our organization. We believe that our 2025 Scope 1 and 2 goal is more ambitious than the emissions reduction trajectory necessary to meet the objectives of the Paris Agreement.

While our target-setting efforts are focused on GHG intensity, we also closely monitor and attempt to reduce our absolute GHG emissions. Our disciplined capital allocation framework, which prioritizes free cash flow generation contributes to lower absolute emissions in comparison to a framework more focused on growing production. To underscore our commitment to capital discipline and free cash flow generation, we have instituted a cap on our annual production growth of 5%, regardless of the strength of the prevailing commodity price environment. In 2021, our total company production is expected to decline modestly in comparison to 2020 with full year average oil production essentially flat to 4Q20 exit rate. So absolute GHG emission reductions in 2021 should outpace the expected reduction in our GHG emissions intensity. Overall, we believe the combination of our GHG intensity reduction initiatives and disciplined capital allocation framework mitigate our exposure to longer-term market forces, including a potential cost on carbon.

RISKS: REGULATORY, WEATHER AND VALUE CHAIN

We're subject to numerous legal, regulatory and other requirements intended to uphold the health and safety of people and protect the environment, including those relating to natural gas flaring and greenhouse gas emissions.

We remain focused on complying with or exceeding legal and regulatory requirements, and have incurred and may continue to incur capital, operating, maintenance and remediation expenditures as a result of these laws, regulations and other requirements. We believe that scientific, political and the general public's attention on issues concerning the extent, causes and responsibility for climate change will continue.

In 2016, the United Nations Framework Convention on Climate Change finalized an agreement among 195 nations at the 21st Conference of the Parties in Paris (the Paris Agreement) with an overarching goal of preventing global temperatures from rising more than 2 degrees Celsius above pre-industrial levels. The U.S. officially rejoined the accord in January 2021. In April, President Biden announced a new target for the United States to achieve a 50-52% reduction from 2005 levels in economy-wide net greenhouse gas pollution in 2030.

Although uncertain, these developments could: set limits on emitted greenhouse gases; reduce the demand for crude oil, condensate, natural gas liquids and natural gas; increase costs to operate and maintain our facilities, install new emissions controls or participate in potential GHG or carbon trading or tax programs; and delay obtaining air pollution permits for our new or modified facilities. Marathon Oil monitors and prepares for regulatory changes that could impact our business and has implemented mitigation practices that help ensure resilience to a number of regulatory and legislative scenarios.

Our primary strategies for managing regulatory risk are applying technologies and techniques to reduce emissions; participating in voluntary industry initiatives to reduce emissions; monitoring proposed regulatory or legislative changes; and engaging in the regulatory and legislative process at all levels of government. These are discussed elsewhere in this report.

Managing Weather-Related Risks

Scientists have concluded that the increase in greenhouse gases in the earth's atmosphere produces climate changes that have significant chronic physical effects.

This includes more frequent and severe droughts and higher sea levels, in addition to acute physical risks like increased frequency and severity of storms and floods. If any of these occur in our operating areas, we could experience safety or environmental impacts, downtime or damaged equipment or other incidents at our sites. These risks are managed locally by our asset teams and our Centralized Emergency Response Team to ensure the most effective mitigation strategies are implemented. Water Stewardship and Emergency Response are discussed elsewhere in this report.

Managing Value Chain Risk

Our value chain is subject to some of the same climate-related physical risks as Marathon Oil, and we manage these largely through contractual risk allocation and other terms and conditions. We maintain a diverse set of critical suppliers and service providers to ensure that we maintain competitiveness and flexibility. We constantly evaluate ways to be more efficient and nimble in managing our value chain, including through business interruption planning and vertical integration such as self-sourcing specific goods and services. See our Technology and Innovation Highlight for more information on our ability to remotely monitor our assets.

EMISSIONS MANAGEMENT

MEASURING OUR PROGRESS

Metrics that incentivize execution of our company's overall strategy are set forth in our corporate scorecard and linked to employee pay.

We recognize that reducing GHG emissions from our operations is crucial to addressing the dual challenge of meeting the world's energy demand while responding to the impacts of climate change. In addition, reducing our GHG emissions is essential to maintaining our market position, investment appeal and stakeholder confidence. We decreased our global GHG intensity by approximately 26% in 2020 compared to 2019. This was driven by improvements in gas capture and efforts to coordinate and streamline supply chain infrastructure, which resulted in significant reductions in flaring.

Emissions Reporting Methodology

To determine the overall greenhouse gas (GHG) emissions across our drilling, completions and production operations, we inventory a range of emissions sources, including flares, storage tanks, equipment leaks, engine fuel combustion, liquids unloading, pneumatic devices and electricity usage.

We report our direct emissions (Scope 1) and indirect emissions (Scope 2) as defined by the IPIECA/API/IOPG *Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions* on an operated basis. We calculate Scope 1 direct emissions from U.S. facilities using EPA's Greenhouse Gas Mandatory Reporting Rule. We calculate emissions from our facilities in Equatorial Guinea using the API *Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry*. Our Scope 2 indirect emissions are calculated based on purchased electricity consumption using EPA's eGrid (Emissions & Generation Resource Integrated Database) emission factors.



Committed to Progress
Marathon Oil team members are committed to managing our impact

GHG Emissions Performance

Marathon Oil is focused on continuously improving our emissions management. The company actively works to reduce our environmental footprint and has a history of taking elective and collaborative measures to further our goal, such as actively participating in The Environmental Partnership and its applicable programs. This growing coalition of U.S. oil and natural gas companies represents over 70% of total onshore U.S. oil and natural gas production. Its mission is to continuously improve the industry's environmental performance by taking action, learning about best practices and technologies and fostering collaboration among stakeholders.



THE ENVIRONMENTAL PARTNERSHIP PROGRAMS	MARATHON OIL ACTIONS
Flaring Program	Helped establish The Environmental Partnership flaring program to reduce flare volumes, promote the beneficial use of associated gas and improve flare reliability and efficiency when flaring does occur. We are actively focused on reducing and improving our gas capture percentage which increased from 94.4% in 2019 to 97% in 2020.
Leak Detection and Repair Program	Began using aerial surveys for two of our assets in addition to regular optimal gas imaging (OGI) surveys.
Pneumatic Controllers Program	Met the commitment to eliminate all high-bleed pneumatic controllers from our operations and are looking at further reductions from intermittent and low-bleed controllers.
Compressor Program	Implemented a maintenance program to replace compressor packing with latest available technology.
Manual Liquids Unloading Program	Monitored 100% of manual unloading operations.

Marathon Oil was an active participant in establishing The Environmental Partnership's latest flare management program announced in December 2020. Participants have committed to report data to calculate flare intensity, a measurement of flare volumes relative to production. The program will analyze and aggregate this data for its annual report and utilize the insights from the participant's combined actions and reporting to better understand and identify additional opportunities for the industry to further reduce flaring. In 2020, our flare intensity was 3%, which includes purge gas volumes from the Eagle Ford necessary for emergency flare system operation.

Reducing the GHG emissions intensity of our operations is a central pillar of our climate risk mitigation strategy. We track operational performance through our overall GHG emissions intensity and methane emissions intensity. Intensity metrics are measured as CO₂e emissions in metric tonnes per thousand barrels of oil equivalent of all hydrocarbon produced. We believe the intensity rate is a more comparable measurement over time because it takes into account our overall activity level, including portfolio changes from acquisitions and dispositions. We initially prioritized methane intensity given its outsized impact on the environment, but believe that utilizing overall GHG intensity as a central key performance indicator provides more opportunities for continued improvement.

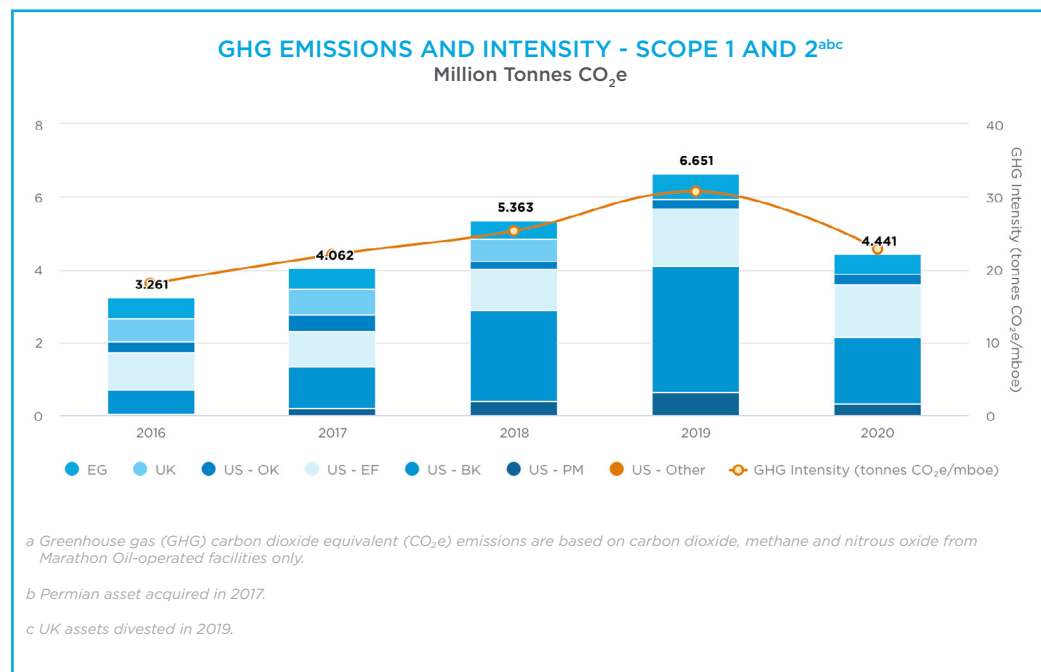
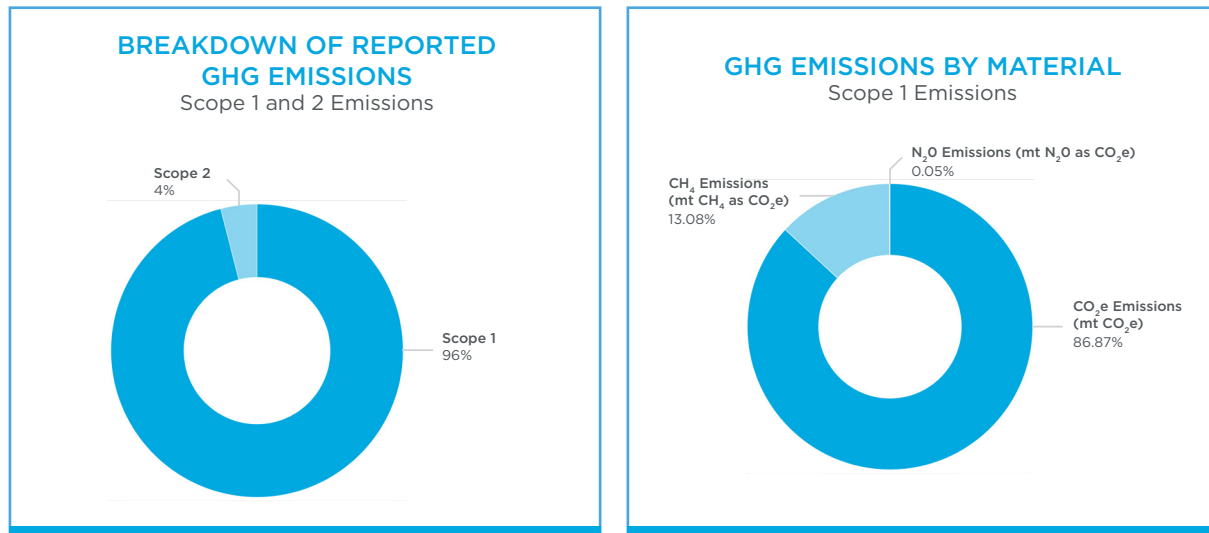
In 2020, we focused on mitigating the impacts of gas-capture infrastructure limitations related to our North Dakota Bakken asset. In previous years, associated natural gas production outpaced midstream gathering and processing service providers' ability to align infrastructure development with construction.

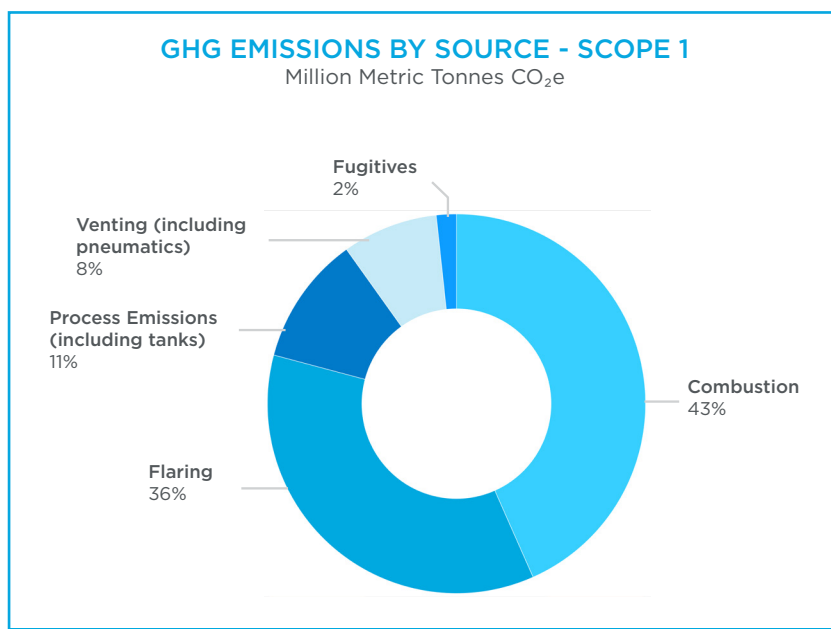
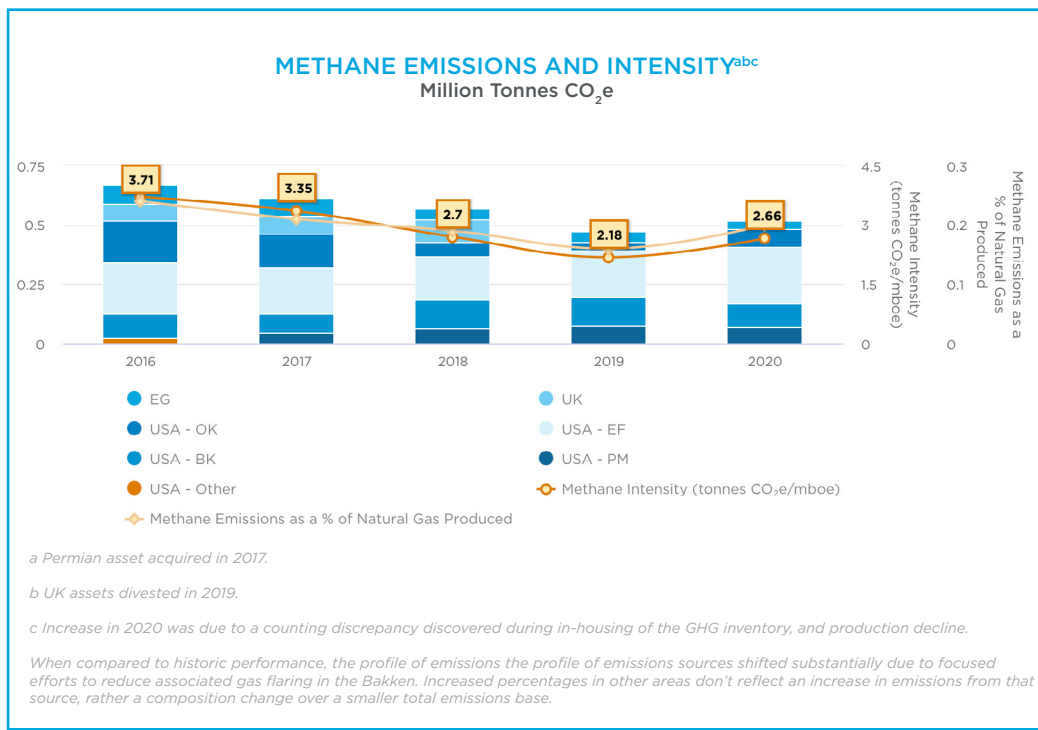
Throughout 2019 and 2020, we took concrete actions to expedite delivery of critical infrastructure to aid gas capture efforts that reduced flaring in the Bakken. This involved working closely with our third-party midstream providers to encourage timely buildout of the infrastructure. We assigned dedicated resources to support our third parties with right-of-way efforts and appointed a company midstream manager in the Bakken whose primary focus is securing access to midstream infrastructure.

In our field operations, we use NGL units to reduce the volumes of gas flared by condensing NGLs from the gas stream that would otherwise be flared due to lack of a gas connection or gas takeaway capacity constraints, and generate electricity to power co-located computing and data centers used for Bitcoin mining. We also developed a gas-capture model to ensure integration of gas capture requirements into our future development plans.

Our asset team is evaluating potential capital projects in parallel with the Emissions Management Committee's efforts to identify practices, strategies and projects to lower GHG intensity further.

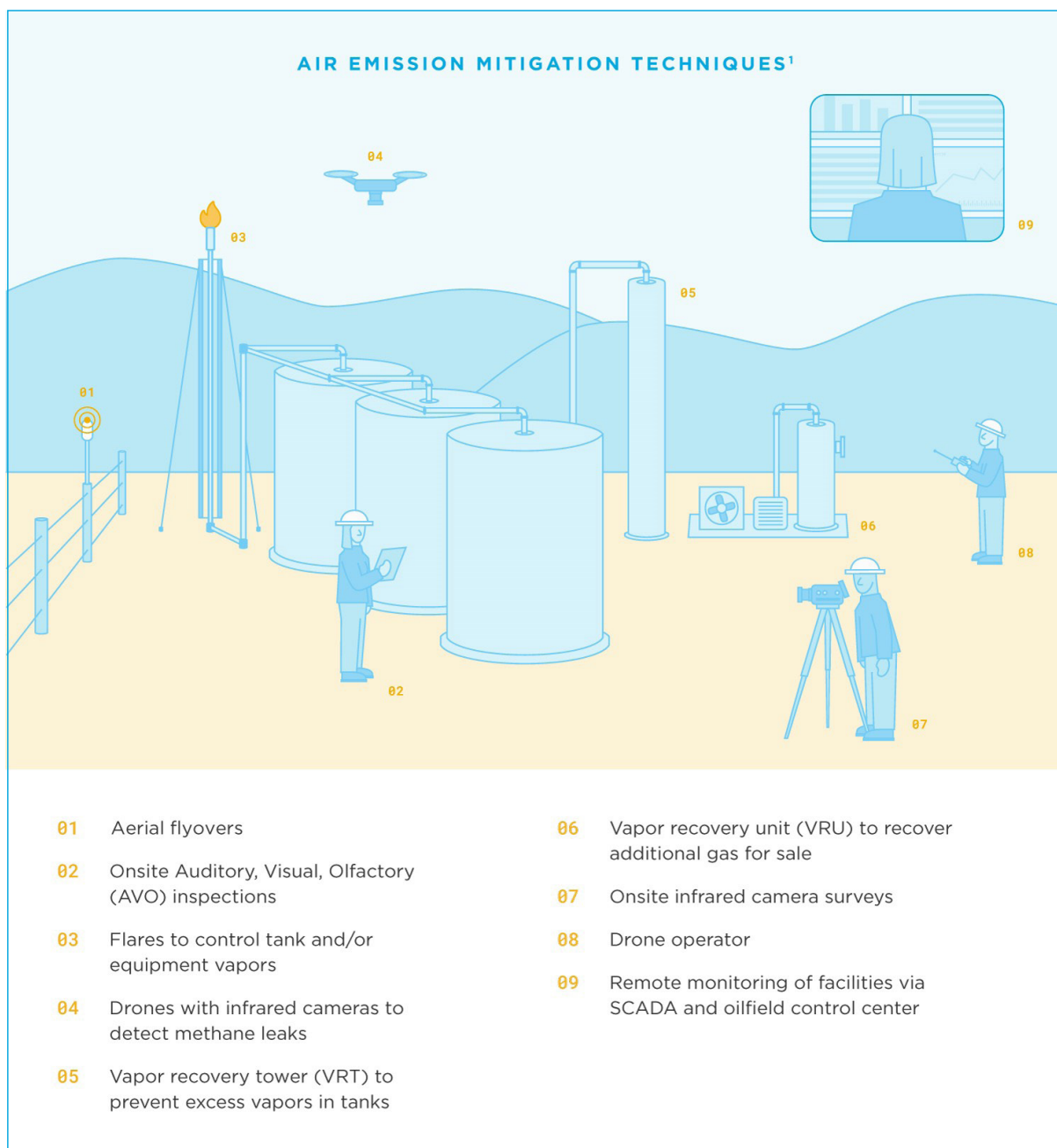
Our methane intensity increased approximately 22%, from 2.18 tonnes CO₂e/MBOE in 2019 to 2.66 in 2020. This rise was driven by production decline and inventory methodology adjustments to improve the accuracy of reporting. To manage methane emissions intensity, we implement the use of emission-free controllers and pumps, vapor recovery towers (VRTs) and units (VRUs) and flares that exceed destruction efficiency minimums where practical.





A Technology-Driven Mindset

Through the Emissions Management Committee, we evaluate new emission reduction technologies, carbon sequestration technologies and offset opportunities to determine if and when to apply these measures to our operations. See the Appendix for descriptions of these technologies.



¹ All or some of these technologies are used at various Marathon Oil locations where we believe they are operationally appropriate.

Environmental Proceedings

In January 2020, we received a Notice of Violation from the EPA alleging Clean Air Act violations associated with our North Dakota operations. Enforcement action is expected to result in monetary sanctions and injunctive requirements.

While the ultimate outcome to us cannot be predicted with certainty, we believe these enforcement actions will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

We're cooperating fully with associated federal agencies, and are aggressively working in a transparent manner to ensure on-going compliance with applicable requirements. Specifically, we're reviewing and enhancing how we design closed vent systems and calculate air emissions. The extent of the injunctive terms and penalty amount are not yet known. We take such allegations and issues very seriously and are focused on enhancing our systems and programs.

LAND STEWARDSHIP AND BIODIVERSITY

PROTECTING ECOSYSTEMS

Marathon Oil strives to be a good steward of the land by mitigating environmental impact and promoting biodiversity.

Our Environmental Management Standard, which is governed by the Responsible Operations Management System (ROMS), requires a pre-site survey for wetlands, endangered species and historical sites. Depending on the situation, we do a tabletop or onsite survey to ensure that such sensitive areas will not be disturbed.

When we identify areas impacted by past operations, we restore the site. If a sensitive area is identified in the development plan, we relocate, work to get the permits required to develop in the sensitive area and develop appropriate mitigations. Species of concern that have been identified in the areas where we operate are listed in the table below.

SPECIES OF CONCERN

New Mexico	North Dakota	Oklahoma	Texas
Lesser prairie chicken	Dakota skipper butterfly	n/a	Golden orb mussel
Dune sagebrush lizard	Raptors		
Texas hornshell mussel			

Before construction, we screen each site for endangered species and U.S. Army Corps of Engineers jurisdictional wetlands and streams, and take mitigating actions as needed. Marathon Oil builds and maintains our facilities to prevent wildlife from accessing equipment stacks, vents or fluid impoundments. To protect neighboring streams and wetlands, we implement erosion and sedimentation control systems, and use spill prevention measures. We inspect and maintain our sites through routine checks after significant storm events, and promptly repair the erosion and sedimentation control systems if necessary.

We have legal, regulatory and contractual obligations to remove and dismantle assets and to restore land or seabed at the end of oil and gas production operations. For more information on our asset retirement obligation, please see our [Annual Report on Form 10-K](#).

In our Permian Basin asset, we signed U.S. Fish and Wildlife Service Candidate Conservation Agreements with Assurances (CCAA) to preserve habitats in our development areas for three key species: the lesser prairie chicken, the dune sagebrush lizard and the Texas hornshell mussel. These voluntary agreements help address conservation needs of these species by taking specific actions to remove or reduce adverse impacts.

Conservation and Beautification Projects

Marathon Oil supports a number of conservation and beautification projects. These often involve partnerships and opportunities for employees to contribute to our communities.

As an operator in the New Mexico Permian Basin, we joined a coalition of oil and gas operators in making a three-year financial commitment to the [Pecos Watershed Conservation Initiative](#). This partnership with the National Fish and Wildlife Foundation (NFWF) invests in conserving landscapes in the greater Trans-Pecos region of eastern New Mexico and West Texas.

Specific conservation projects include:

- Strengthening habitats.
- Protecting fish and aquatic species found only in Chihuahuan Desert ecosystems.
- Restoring native grasslands.
- Addressing water quality and scarcity concerns for wildlife and agricultural uses.

See our Social Impact Investment section for more information on the Pecos Watershed Conservation Initiative.

In the Eagle Ford shale region, we're part of a public-private partnership that created the [Escondido Creek Parkway Project](#) in the town of Kenedy, Texas. The 1.25-mile parkway is an attractive place to enjoy the tributary in the southern basin of the San Antonio River Watershed, while maintaining a balanced relationship with the ecosystem. In part, it functions as a safe thoroughfare, connecting park and sports fields to homes and schools by providing trails under Highway 181. With support from the San Antonio River Authority (SARA), City of Kenedy, Kenedy Chamber of Commerce, foundations and donors, the completed parkway opened to the public in October 2020.



Conservation Landscapes

Our partnership with NFWF is helping restore grasslands and strengthen habitats

25,000

Acres of grassland managed

WATER STEWARDSHIP

MANAGING A VALUABLE RESOURCE

Water is vital for our business and to the ecosystems and communities where we operate.

Our regional water management strategy is designed to reduce the impacts of our water use on stakeholders and the relevant watersheds, and to minimize risks associated with produced water disposal, supply sourcing and business interruption.

We use the water scarcity evaluation tool, Aqueduct, to align our water management with physical water stress levels and availability in the areas where we operate. According to Aqueduct, physical water stress measures the ratio of total annual water withdrawals to total available annual renewable supply, accounting for upstream consumption.



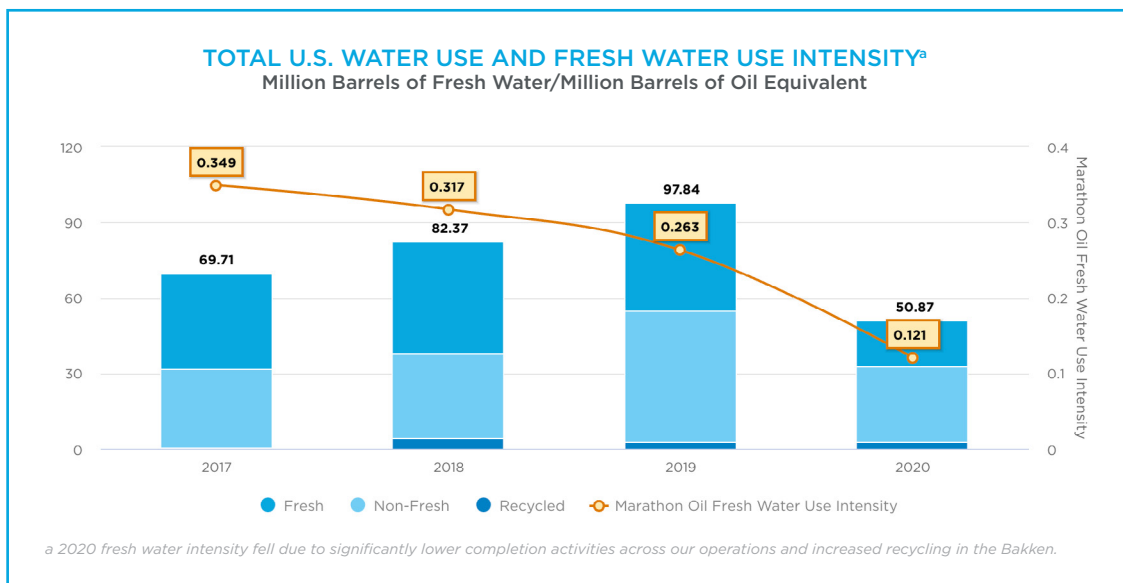
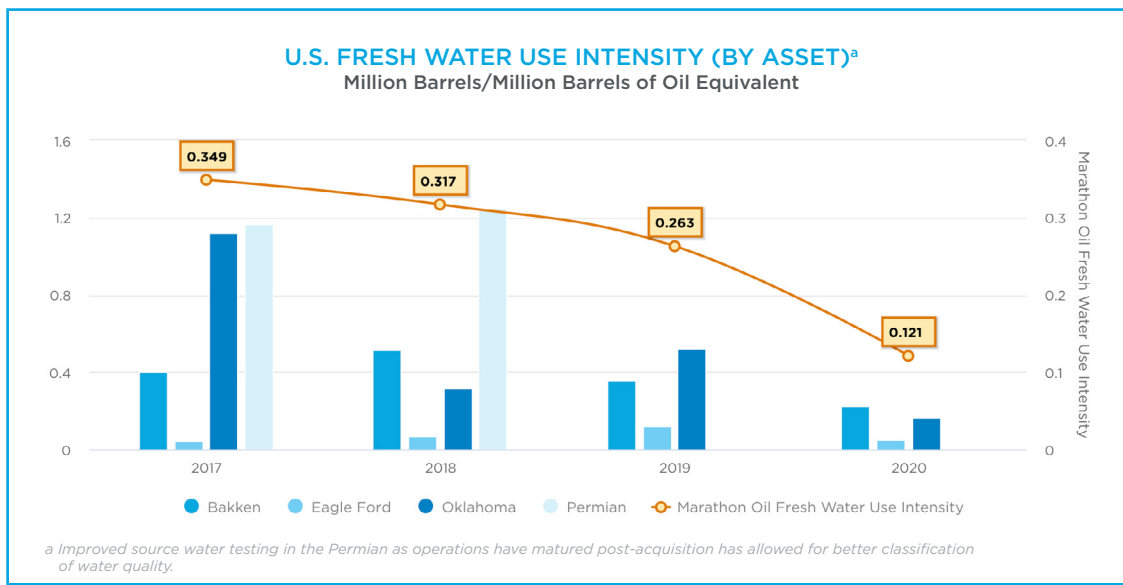
WATER STRESSED AREA ¹			
New Mexico	Eagle Ford	Oklahoma	North Dakota
All of our Permian acreage is within the extremely high-risk category.	The majority of our Eagle Ford acreage is within the medium-high to high-risk categories.	The majority of our acreage in the STACK and SCOOP falls within the low-medium to medium-high risk categories, with small portions in the high-risk category.	The majority of our acreage in the Bakken is in the low to low-medium risk categories.
KEY Low Risk (0-1) Medium to High Risk (2-3) Extremely High Risk (4-5) Low to Medium Risk (1-2) High Risk (3-4) No Data			

¹ Classifications are for Marathon Oil-specific acreage

Reducing Impacts

We practice responsible water sourcing, conservation, reuse, recycling and disposal

We evaluate our water needs and target opportunities to conserve fresh water. Water use is tracked by quantity, quality (fresh, brackish, recycled) and source (groundwater, surface). Produced water disposition is tracked by volume, transport and disposition method. All produced water in our U.S. onshore operations is either recycled for use in the oilfield or disposed of via salt water disposal wells. We do not discharge treated, produced water to surface. Tracking water use and disposal is mandated by our Environmental Management Standard and the Regulatory Compliance element of our Responsible Operations Management System (ROMS).



To facilitate sustainable water sourcing opportunities in our U.S. resource plays, we have a manager of sustainable operations with leadership accountability. Our ROMS system requires assets to conduct a risk assessment addressing local and regional sourcing constraints, capacity limitations, operational needs and disposal and infrastructure alternatives. While we seek alternative sources to freshwater, such as brackish or grey water, opportunities are very limited in areas such as Oklahoma. Our ability to economically recycle produced water is highly dependent on proximity between supply and demand, local constraints/regulations and continuity of acreage position. While we strive to use more produced water, we must balance the benefits of reuse with the higher spill risk associated with handling larger volumes of produced water.

We provide industry leadership in trade groups that share lessons learned and best practices for sustainable water management. For example, Marathon Oil is a founding member of the Energy Water Initiative, a group that focuses on sustainable water management practices in the U.S. In addition, we're a participant in the New Mexico Produced Water Research consortium and in the National Alliance for Water Innovation (NAWI)-led Department of Energy desalination grant project. These projects study environmental risks and technological developments associated with discharging or beneficially using produced water outside the oilfield. Through our involvement, Marathon Oil seeks to mitigate environmental risks of produced water, while providing additional management options to deep well disposal.

Water Consumption and Sourcing

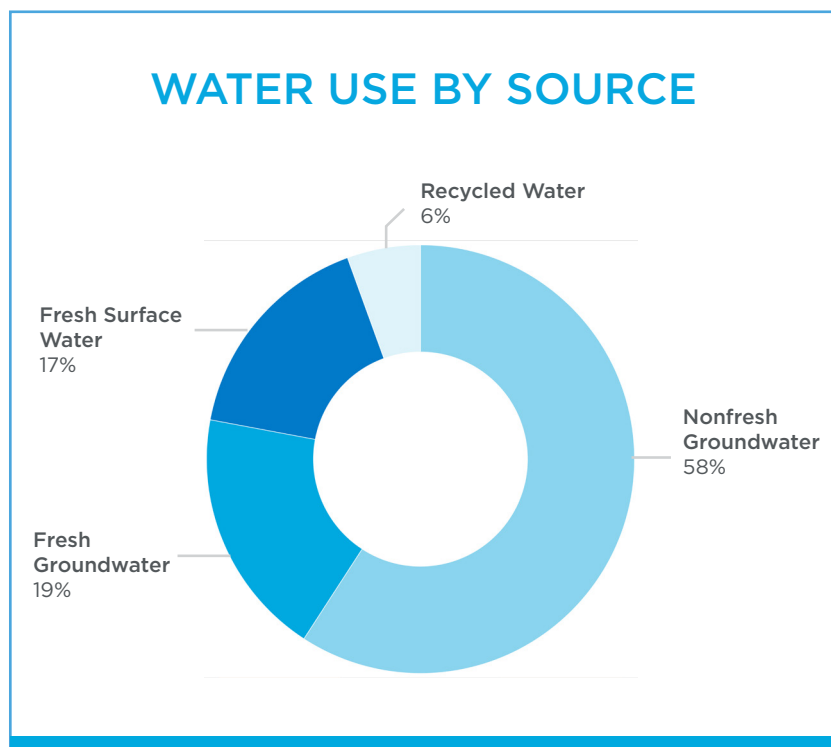
The vast majority of our water consumption, typically more than 95%, is used in completions during hydraulic fracturing. Water consumption in our U.S. resource plays was 51 million barrels in 2020, compared to 98 million barrels in 2019. This reduction is largely due to a lower level of completion activity in 2020 due to the COVID-19 pandemic and the associated impact on commodity prices. Of this amount, approximately 3 million barrels were recycled. Recycled water increased from approximately 3% in 2019 to 6% in 2020.

In our Eagle Ford asset, productive saline aquifers and company-owned supply infrastructure are available. They allow us to make significant use of water resources that are otherwise of no or limited use, so we can conserve high-quality water resources and reduce the risk of constraints on our operational water use. We've made continued improvements in the Bakken overcoming the technical challenges of using high-salinity produced water in our completions operations. Bakken recycling drove year-on-year improvements with very limited activity in the Permian and Oklahoma.

COMPETITIVELY ADVANTAGED MULTI-BASIN MODEL

Marathon Oil wants to preserve fresh water for drinking and other community needs while reducing business risk linked to access to water resources.

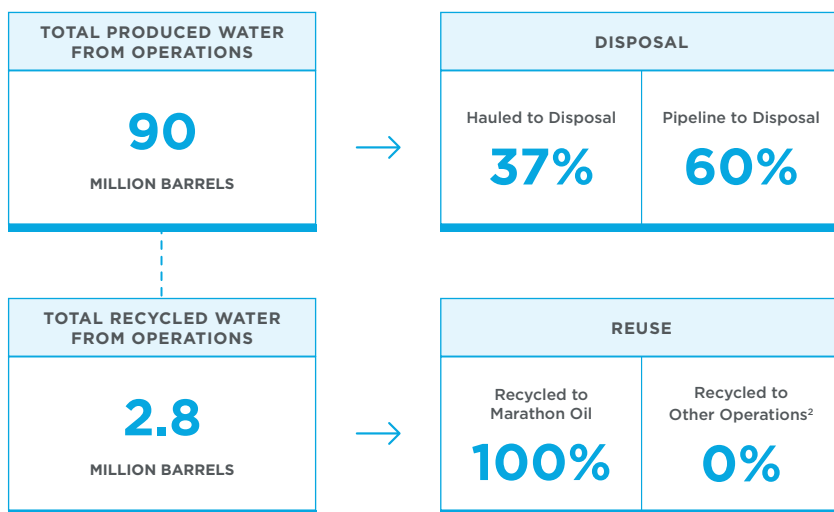
Three primary drivers of alternative water usage are: the availability of alternative water sources, including commercial solutions; the ability of our assets to develop contiguous acreage; and the regulatory environment, including local governments' flexibility in transporting and storing produced, brackish and alternative water. As our assets mature and the subsurface qualities are better understood, we're able to make data-driven decisions about alternative water source viability and infrastructure.



Marathon Oil has significantly increased the percentage of produced water we move via pipeline (i.e. low-carbon transportation). In 2020, approximately 60% of produced water in our U.S. operations was disposed of using pipelines, eliminating approximately 435,000 truckloads and associated emissions of 28,000 MT of CO₂, and also improving road safety. We achieved this through strategic use of midstream water providers and internal development of produced water-handling infrastructure in our Eagle Ford and Bakken assets.

PRODUCED WATER MANAGEMENT¹

U.S. Operations



¹ Numbers are in barrels of oil (42 gallons per barrel).

² Where Marathon Oil utilizes midstream solutions for water management, water collected by mainstream and recycled to other operations is not captured in data.

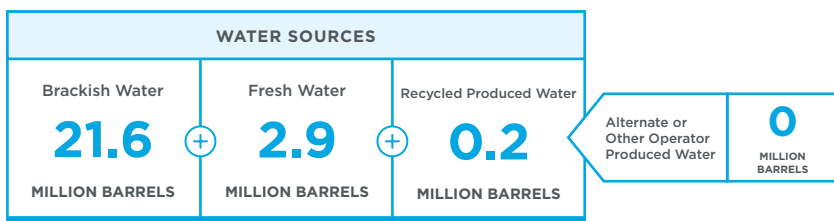
WATER USAGE BY RESOURCE PLAY

We take a thoughtful approach to managing water sourcing, recycling, treatment, storage and disposal infrastructure across our assets.

Eagle Ford

In 2020, more than 85% of our source water in the Eagle Ford was brackish, with limited or no agricultural or livestock applications and unsuitable for human consumption. We developed water-sourcing infrastructure that mainly taps available brackish groundwater, leading to a long-term sustainable system with minimal risk of volume curtailment.

EAGLE FORD¹ 2020 Water Usage



Monitoring Water Usage
Eagle Ford Resource Play

EAGLE FORD AT A GLANCE

% 2020 PRODUCTION
29% OF U.S. PRODUCTION

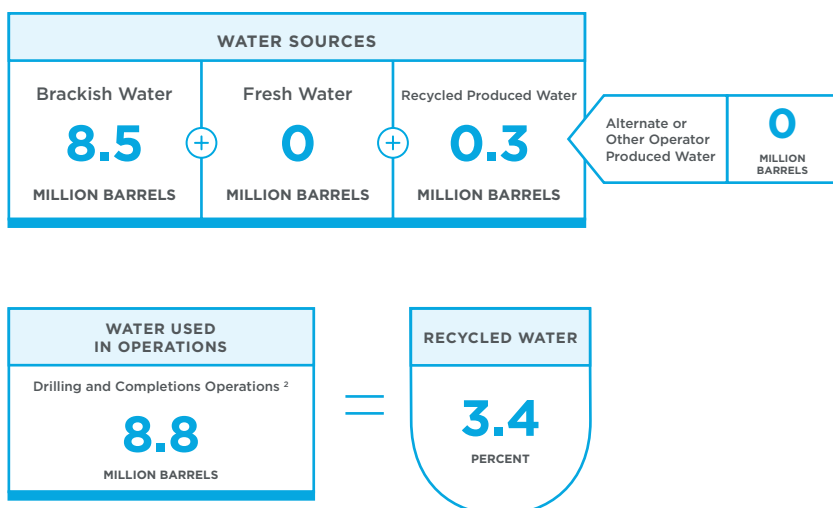
¹ Numbers are in barrels of oil (42 gallons per barrel).

² 95% of all water used in Hydraulic Fracturing.

Permian

Marathon Oil has developed various solutions to increase recycled water use in the Permian. Pad-to-pad transfer of minimally treated water has proven to be economically advantageous while mitigating curtailment risk, reducing hauling and supplemental water needs. This solution is highly dependent upon proximity of well completions. Use of treated produced water supplied by midstream water vendors is utilized when available and has allowed us to minimize internally managed water infrastructure, saving capital and reducing surface impact of operations. Low-carbon transport of produced water for reuse or disposal increased from 66% in 2019 to 89% in 2020.

PERMIAN¹ 2020 Water Usage



PERMIAN AT A GLANCE

2020 PRODUCTION
8% OF U.S. PRODUCTION

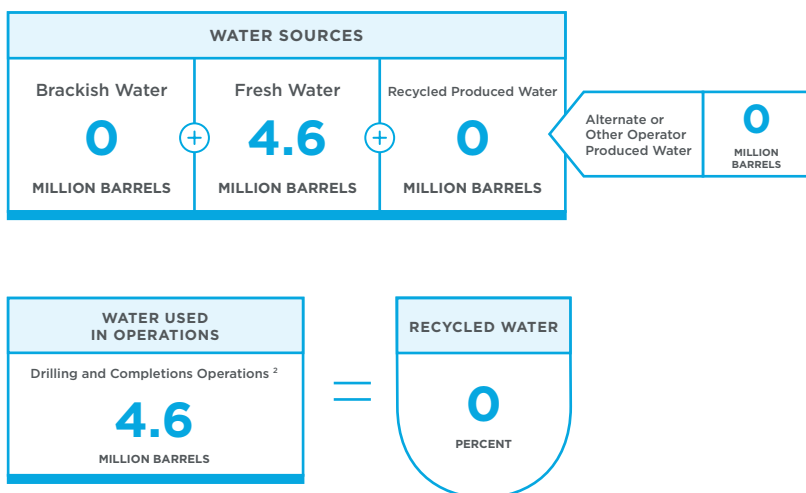
¹ Numbers are in barrels of oil (42 gallons per barrel).

² 95% of all water used in Hydraulic Fracturing.

Oklahoma

In Oklahoma, we've established commercial midstream partnerships to transport produced water to disposal via pipeline where economically feasible. Produced water transported using low-carbon transport methods increased from 51% in 2019 to 52% in 2020.

STACK | SCOOP¹ 2020 Water Usage



STACK | SCOOP AT A GLANCE

% 2020 PRODUCTION
21% OF U.S. PRODUCTION

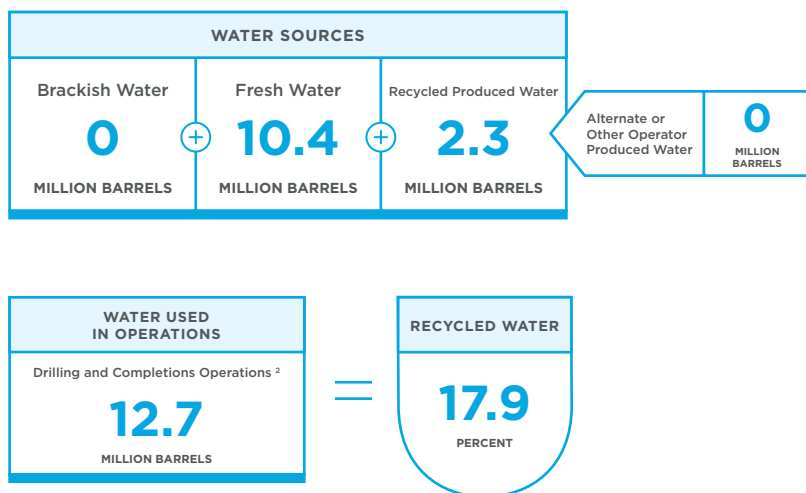
¹ Numbers are in barrels of oil (42 gallons per barrel).

² 95% of all water used in Hydraulic Fracturing.

Bakken

Produced water in the Bakken region typically has a high saline content. Efforts to use produced water have resulted in a significant increase in the amount of recycled water use in the Bakken, an increase of almost 500% since 2018. This increase in recycled produced water has decreased fresh water demand, truck transport distances and costs.

BAKKEN¹ 2020 Water Usage



BAKKEN AT A GLANCE

% 2020 PRODUCTION
39% OF U.S. PRODUCTION

¹ Numbers are in barrels of oil (42 gallons per barrel).

² 95% of all water used in Hydraulic Fracturing.

SPILL PREVENTION AND RESPONSE

A CONSTANT FOCUS

Our spill prevention activities are governed by the regulatory compliance elements of ROMS, while emergency preparedness and response activities are covered under the ROMS Emergency Preparedness and Community Awareness element.

To mitigate spill potential and protect the environment, Marathon Oil designs, operates and maintains our facilities with mechanical safeguards and secondary containment systems and uses spill-control plans. In all resource plays, Marathon Oil stores both hydrocarbons and untreated produced water at our production facilities in storage tanks with secondary containment. Produced water may also be stored in open-top tanks during fracturing and flowback operations, when crews are onsite and able to respond quickly to a spill. To protect wildlife, we use active deterrents such as netting, strobe lights, flags and air horns for temporary pits that may hold recycled water during completions activities.

If a spill does occur, we activate our comprehensive response capabilities to contain the spill and protect the surrounding environment. We train local, regional and corporate response teams, and conduct drills and exercises to maintain their readiness. We also have a network of response contractors and consultants.

When investigating spills and discharges to determine their cause, we look at both the actual and potential severity of the spill. The company takes incident-specific actions and, if necessary, broad corrective actions including remediation.

In addition, we contributed to the development of the American Exploration and Production Council (AXPC) ESG Metrics Framework, which outlines five key groupings for ESG performance, including spills.

The number of spill events to the environment (outside of secondary containment) and greater than or equal to one barrel decreased by 10% in 2020. In 2019, we experienced two large spill events as a result of pipeline integrity issues on produced water lines. Total spill volume decreased approximately 14% in 2020 from 2018, the preceding non-anomalous year.

We continue to enhance our control logic for our pipeline systems to better detect leaks in dynamic flow conditions to reduce the probability of recurrence of isolated, high-impact events.

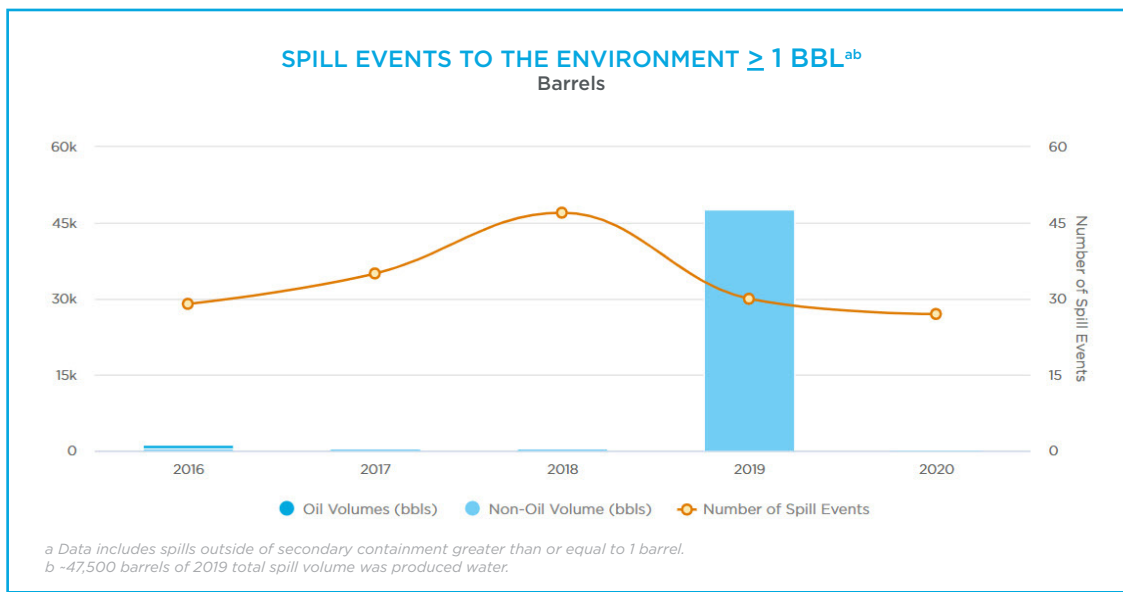


Prevention and Response

We design, operate and maintain our facilities with mechanical safeguards

10%

Decrease in the number of spill events to the environment greater than or equal to one barrel



HYDRAULIC FRACTURING

SAFELY UNLOCKING THE POTENTIAL OF SHALE

Hydraulic fracturing involves pumping a mixture of mostly water and sand, with a small amount of additives (disclosed in FracFocus), into the reservoir under high pressure to create fractures, or cracks, in the target rock formation. This increases the production rate and ultimate recovery of oil and natural gas from a well.

Coupled with advanced horizontal drilling, hydraulic fracturing makes it possible to develop shale plays that were previously uneconomic. These technologies have unlocked oil and gas deposits for Marathon Oil in the South Texas Eagle Ford shale, North Dakota Bakken shale, Oklahoma STACK and SCOOP, and New Mexico Delaware Basin. We take steps to minimize the impacts by:

- Ensuring well integrity
- Conserving freshwater
- Reducing air emissions from flaring and other sources
- Managing waste responsibly

Well Integrity

To protect well integrity, Marathon Oil follows industry best practices, internal procedures and applicable laws and regulations for proper well construction. This includes selecting the appropriate materials of construction, testing and monitoring of hydraulic fracturing during production operations.

Pre-Drilling Evaluation

Marathon Oil's Environmental Management Standard requires each business unit to develop a plan to conduct pre-drill sampling to evaluate the baseline quality of water sources located within a quarter mile of drill sites. Water sources are tested for common, naturally occurring components and other parameters that can be found in hydraulic fracturing fluids or produced water. Groundwater wells are resampled if there are any indications that a casing integrity issue may exist.

To protect groundwater, we use steel casing and cement in the wellbore as physical barriers. Our suppliers' tubular materials must meet API



Hydraulic Fracturing
Unlocking oil and gas deposits
across our resource plays

specifications and our own expectations for manufacturing, as well as the chemistry quality of steel for casing and tubing. If our pre-drilling evaluation indicates potential for hydrogen sulfide, we select tubing that meets the relevant ANSI/NACE sour service standards based on the region. This helps mitigate any material integrity issues.

Well Construction

During well construction, we apply industry best practices and comply with state rules for drilling and completions. These include pumping cement back to surface to ensure isolation and pressure testing the casing string on every well. We also perform pressure tests to determine the integrity of casing connections. Any casing left isolated is filled with packer fluid, a mixture of water, corrosion inhibitors and biocide, to mitigate corrosion.

Our onsite supervisors are certified in well control via industry developed, third-party classes. Regular drills and audits are required by the company to maintain preparedness on site. Before we perform hydraulic fracturing operations, we identify potential fracturing corridors in relation to surrounding wells to detect any wells that need to be shut in or monitored for pressure communication during the operation.

Hydraulic Fracturing Operations

While hydraulic fracturing is under way, Marathon Oil operations control center staff create a dashboard using our telemetry system. The dashboard includes pressure alarms established for each individual monitor well based on our engineers' criteria. These alarms notify the control center if hydraulic fracturing operations approach the maximum acceptable pressure or in the loss of pressure that could indicate a casing integrity issue. Our control centers operate around the clock to provide status updates of current operations and notify Marathon Oil staff if action is required.

Production

During production, our operations personnel monitor casing via telemetry. Additional production safeguards include packer isolation and fluid, casing chemical treatments with corrosion inhibitor, and casing integrity testing such as caliper logs and pressure testing. Known production casing integrity repairs are documented in our central well history repository for knowledge management.

Fluid

To protect surface and groundwater resources and natural habitat, we have procedures that help us manage and dispose of our produced fluid waste in accordance with all federal, state and local regulations. Oilfield produced fluids are stored in tanks, which have secondary containment to mitigate the risk of spills to the environment. We utilize electronic and physical means for monitoring recovered and stored fluids.

See the Materials Management section for waste handling utilizing third parties. Marathon Oil uses SCADA (supervisory control and data acquisition) to monitor and operate company-owned disposal facilities. These facilities are located in the Eagle Ford and Bakken assets. Injection pressure and rate is continually monitored and regular casing integrity verification is performed in accordance with state and/or federal regulations or if there are indicators a more frequent check is advisable.

Marathon Oil supports state-level disclosure of fracturing fluid components. We worked with other operators and trade organizations to implement FracFocus, a voluntary online chemical registry for hydraulically fractured wells. We have logged all our wells drilled and hydraulically fractured in the U.S. in FracFocus, a total of approximately 3,500 wells through December 2020. Our contracts routinely require our service companies to disclose their fracturing components to FracFocus, but we can't contractually require a service company to disclose constituents that are protected by trade secret laws.



SEISMICITY

TAKING ACTION

Marathon Oil is working to prevent or minimize induced seismicity in our operating areas.

As information continues to mature around potential links between induced seismicity and underground injection of waste water or hydraulic fracturing, we incorporate this knowledge into our risk management program. We're a leader in determining and employing risk mitigation strategies such as seismic reviews of disposal wells, minimizing use of disposal wells in sensitive geologic areas, participating in area-wide arrays and using temporary seismometers when necessary during hydraulic fracturing.

In 2020, our company-wide seismicity program was integrated into ROMS, further advancing our systematic approach to mitigating seismic risk. Seismic risk and its potential causes are generally related to local geologic conditions requiring a tailored approach for mitigation. While seismic events are rare in North Dakota, all unconventional assets are included in the program, which is designed to apply the appropriate analysis and mitigation procedures to local conditions. Company subject-matter experts share our learnings with other operators and industry organizations to increase industry-wide capacity to prevent and minimize induced seismicity.

We support scientific research into links between seismicity and oil and gas activity, as well as regulatory oversight and information sharing to prevent and mitigate seismic activity potentially connected to our operations.

Marathon Oil sponsors or supports academic organizations and government agencies involved in research into seismicity and oil and gas operations, such as the Center for Integrated Seismicity Research (CISR) at the University of Texas at Austin, a collaborative that collects high-quality data on earthquakes in Texas and conducts fundamental and applied research to better understand naturally occurring and potentially induced earthquakes and the associated risks. Historically, we've also supported the Stanford Center for Induced and Triggered Seismicity, and helped establish the Oklahoma Corporation Commission (OCC) rules. We also work collaboratively with trade associations, including the Texas Oil and Gas Association and The Petroleum Alliance of Oklahoma's seismic subcommittees and the Permian Basin Petroleum Association.



Supporting Research

We support scientific research into links into seismicity and oil and gas operations

Preventing Seismic Activity

Most injection wells aren't associated with felt earthquakes, according to the USGS, which has found that a combination of many factors is necessary for injection to contribute to earthquakes that can be felt rather than measured. Generally, the magnitude required for a person to feel seismic activity is ~2.5. In general, there is considerable natural seismic activity that goes unnoticed below this level, but is measurable using technology.

We take precautions to prevent disposal of produced water from our sites into wells/areas where we've identified an increased risk of salt water injection induced seismicity due to geologic conditions or historical seismic activity. Risk analysis associated with injection well disposal is managed through our ROMS system with documentation and site approval through our Waste Management and Vetting Approval Process. Use of our electronic transportation management system for waste haulers allows for adherence verification that our waste is transported to approved sites.

While seismicity associated with completion activity is rare, we monitor our completion sites in areas of concern to mitigate seismic activity through participation in a multi-operator, area-wide seismic array. Initiating mitigation activities promptly reduces the severity of seismic activity that may be associated with well stimulation. Marathon Oil's mitigation protocols exceed regulatory requirements in the areas where we operate.

MATERIALS MANAGEMENT

MANAGING WASTE ACROSS THE COMPANY

We strive to minimize the environmental impact of generating, storing, transporting and disposing of waste.

Marathon Oil maintains a vetting and monitoring program for disposal sites, which is tailored based on the wastes disposed. The program reviews the regulatory status of existing facilities every three years and new facilities upon request for approval. Salt water disposal sites are reviewed for seismic risk prior to approval and asset teams perform on-site inspections for 10% of approved disposal sites annually.

Marathon Oil's waste management procedures for handling hazardous and other regulated waste comply with all federal and state regulations.

During the drilling and completions phases, we capture residuals (a mixture of mud, cuttings, sand and fluids) and dispose of them in accordance with applicable regulations in all of our operating areas. Disposal of residual drilling and completions waste is tightly regulated by individual states where we operate. While regulations differ slightly among states, they generally have requirements for classifying, manifesting, transportation and disposal methods.

Produced water, drilling muds and cuttings, and completions fluids are not included in the waste inventory in accordance with IPIECA's *Oil and Gas Industry Guidance on Voluntary Sustainability Reporting*. Refer to the Water Stewardship section for discussion of produced water recycling.



A Culture of Responsibility

We remind team members of our values every day that they're on the job



SECTION V

SAFETY AND WORKFORCE

SAFETY

ACHIEVING EXCELLENCE THROUGH SAFE OPERATIONS

Marathon Oil is committed to providing safe, healthy and secure workplaces where all those involved can work free of injury and illness.

As a low-cost, high-margin operator, Marathon Oil recognizes that taking the time to run our business responsibly and safely is more important than doing things quickly. We strive to achieve excellence through safe operations by working together to fulfill the expectations of our Responsible Operations Management System (ROMS).

We use best practices and integrate proven, effective safe work practices throughout the exploration and production lifecycle. We actively look out for each other, maintain a safe work environment, continuously improve our procedures, train our workforce to reduce the risk of unplanned incidents and continually reinforce our mature safety culture.

Operating safely is critical not only to protect our workforce, but to maintain stakeholder trust. Establishing a tone of safety and operational integrity starts at the top and is reinforced at every level of the organization.

Our executive vice president of Operations, who reports to our CEO, is accountable for our safety performance, with oversight from the Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee of the board of directors. In addition, all directors bring experience in, or a strong understanding of, HES issues to their board role as outlined in our [annual proxy statement](#). To further reinforce safety as a priority, we incorporate enterprise-wide safety metrics in our annual incentive plan for all employees and executives.



Open Conversations

We actively engage our teams to promote our strong safety culture

DIVE DEEPER

Safety Progress	+
Engaging Contractors	+
Emergency Preparedness	+
Diversity, Equity and Inclusion	+
Learning and Development	+

Performance Highlights

Our safety achievements in 2020 included:

- Achieving the best safety performance in our company's history for the second consecutive year based on Total Recordable Incident Rate (TRIR). We believe this reflects the continuing maturity of our ROMS management system, as well as our efforts to enhance our safety culture.
- Implementing programs to drive strong safety leadership engagements, as well as striving to drive out risk through the use of weekly management reviews of both potential and actual serious events.
- Building a comprehensive Pandemic Response Safety Program from the ground up to protect our workforce.
- Completing a nearly two-year project to update our safety management system and our safe work practices and procedures. The effort built upon a strong culture of safety and has allowed us to gain additional consistency in how we work regardless of location or business unit.
- Rolling out simplified tool kits for our field employees that set clear, consistent and understandable safety expectations.

0.24

Second straight year of best TRIR* in company history

*Total Recordable Incident Rate



SUPPORTING SAFETY IMPROVEMENTS ACROSS THE INDUSTRY

Marathon Oil has worked with the American Petroleum Institute to form the Onshore Safety Alliance (OSA), which is working toward a shared goal of maintaining safe operations. Our employees served on the Executive Steering, Leadership Framework, Data Collection, Personal Safety and Process Safety committees. Through these leadership roles, we contributed to the development of tools and processes to help companies across the industry reduce serious injuries and fatalities. The new OSA program, launched in 2021, includes access to a resource library, training webinars and safety experts for all participating onshore operators free of charge to improve safety performance across the industry.

SAFETY PROGRESS

TOP SAFETY PERFORMANCE IN 2020

We routinely measure the effectiveness of our safety efforts, such as personal and process safety; health, environmental, safety and security (HES&S) training; workforce health; and emergency preparedness and response.

“ Last year, COVID-19 was a rapidly-emerging threat and we responded by implementing controls to ensure the safety of our workforce. We stood up a 60-person COVID-response team who worked around the clock to oversee the safety of our operations. I’m proud that our response to the pandemic was strong and even prouder that we did it without sacrificing our other safety programs or safety culture. This speaks to the strength of our HES culture.” – Jon Kizzee, Corporate Health & Safety Manager



Jon Kizzee
Corporate Health & Safety
Manager

Marathon Oil’s HES&S activities are guided by our Responsible Operations Management System (ROMS), which includes HES&S Standards, Procedures, [Life Critical Expectations](#) and HES Beliefs. The HES Beliefs define Stop Work Authority, pre-job planning, reporting and sharing of lessons learned, and open communication. They affirm that no job will be performed if we cannot protect our people.

In 2020, we again had zero fatalities and achieved the best safety performance in our company’s history for the second consecutive year. Our combined TRIR for both employees and contractors declined to 0.24 in 2020 compared to 0.32 in 2019. We believe the maturity of our safety culture and ROMS were primary factors, with ROMS continuing to drive improvements through standards and procedures, leadership engagements, risk assessments and other essential safety activities.

OVERVIEW: 2020 SAFETY METRICS



^a TRIR = Incidents x 200,000 / Work Hours

Maintaining a Robust Reporting Culture

We believe that Marathon Oil has a strong and transparent reporting culture, which is encouraged by our leadership. All employees and contractors are trained on our processes and required to report all incidents, including “near misses.” A near miss is an unplanned or uncontrolled event or chain of events that didn’t result in a recordable injury, illness, physical damage or environmental damage, but had the potential to do so in other circumstances. We evaluate and track all near misses with the intent of preventing them from becoming actual events. In 2020, our near miss frequency rate was approximately 16.7. We also expanded the definition of a near miss in 2020 to include unlit flare events and other air releases that have no actual regulatory impact.

Process Safety

Process safety encompasses programs to prevent hydrocarbon releases that have the potential to affect people, property and the environment. It means designing and maintaining our facilities so they work as intended, thus striving to protect our employees and the communities where we operate. These programs include our design and construction standards, mechanical integrity, safe work practices, operating procedures and management of change.

In 2020, Marathon Oil completed a targeted, in-depth audit of our process hazard analyses (PHAs), which are used to assess process safety-related risks. We are committed to auditing the PHAs at least every three years.

In 2020, we also strengthened our focus on process safety through the development of process safety awareness training and advanced level training. In addition, we worked to standardize our process safety procedures across our business units and improved the quality of our Hazardous Operations (HAZOP) assessments, a multi-day assessment which aims to prevent process safety events. We completed two of these assessments in 2020, one of which was conducted virtually due to the pandemic. To maintain high quality assessments, we use third-parties with expertise in the HAZOP methodology to lead the assessments as we identify risks and appropriate safeguards, such as alarms and relief devices.

We continue to strive to improve our process safety performance, track and investigate process safety incidents and near misses, develop corrective actions and share them throughout the company. Process safety events (PSEs) are classified using the American Petroleum Institute’s Recommended Practice 754. In 2020, we experienced 0 Tier 1 (high-consequence) or Tier 2 (medium-consequence) PSEs at our designated facilities in our U.S. resource plays, Marathon EG Production Limited (MEGPL) and Equatorial Guinea LNG Operations, S.A. (EG LNG).



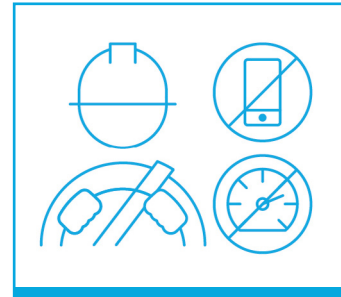
Awareness and Training

We continue to strive to improve our process safety performance

Road Safety

Our commitment to safety extends to road safety. We utilize industry standards, evaluate and implement improvements to our systems, and continually train employees on best practices. An important component of managing safe and responsible transport is leveraging technology and data. We use real-time vehicle tracking and monitoring and have installed GPS devices on all company vehicles. The data allows us to monitor employee performance and intervene if deficiencies are identified.

Our Driving Safety Standard reinforces existing Marathon Oil rules to wear seat belts and drive within the speed limit, as well as prohibits the use of mobile communication devices while driving. It also sets minimum requirements for driver qualification and fitness, vehicle safety devices, security, company vehicle specifications, maintenance and inspection, removal of driving distractions, event reporting and investigation, journey management and driving in challenging international locations. All employees who drive a vehicle for company business are required to take driving safety awareness-level training.



Driving Safety Standard
Reinforcing our rules and expectations for safe driving

CONTRACTOR SAFETY

HOLDING OUR CONTRACTORS ACCOUNTABLE

Marathon Oil's goal is to work with top-rated contractors who share our commitment to safeguarding our workforce, communities, property and the environment.

The strong relationships we build with our contractor workforce can help to prevent fatalities, injuries, fires, spills or explosions that can affect our people and our communities. We take a risk management-based approach to contractor oversight and provide safety-based orientation to all new contractors and companies when they begin to work with us.

We hold suppliers accountable for executing our required Life Critical Expectations training and safety orientation programs, complying with our safety policies and adhering to our contractor management plans. While we strive to maintain a stable contractor workforce, we will stop working with vendors who don't meet our HES expectations and performance requirements.

In addition, we conduct field-based safety inspections and audits, track our contractors' OSHA recordables and serious event rate, and oversee our contractors in line with the ROMS Third-Party Services element.

Marathon Oil leverages Safety Leadership Engagements to convey our safety culture, expectations, preventive measures and work requirements such as our Life Critical Expectations and Stop Work Authority. Despite the ongoing pandemic, we remained committed to conducting safety leadership engagements in 2020 by shifting to virtual formats.

We also continued to enforce our contractor safety requirement process, which bars individuals from working on all Marathon Oil locations if they fail to follow our drug and alcohol policy, or knowingly violate our Life Critical Expectations. These individuals are identified by a red flag in ISNetworld, and contractors aren't allowed to perform work onsite if the red flag appears when their badge is scanned at a Marathon Oil location.

In 2020, we launched an all-virtual version of Marathon Oil's Life Critical Expectations training prior to the pandemic. Approximately 9,300 individual contractors successfully completed the online training and passed the associated safety exam.



Setting Expectations

We use leadership engagements to convey our safety culture

9,300

Individual contractors trained on our safety orientation life critical expectations in 2020

OUR LIFE CRITICAL EXPECTATIONS

Marathon Oil's 10 Life Critical Expectations are the core of our safety program, and our leadership is committed to communicating and mandating that these standards are followed. These expectations address personal safety hazards that can result in serious injuries, or even fatalities if not properly managed. All of our operating organizations adopt and follow the Life Critical Expectations that are relevant to their operations and the type of work they perform. We expect our contractors to have equivalent programs in place that at least meet our safety expectations and hold all employees and contractors accountable to these standards.

HEALTH, ENVIRONMENT AND SAFETY TRAINING

BUILDING OWNERSHIP AND ACCOUNTABILITY

Training and verifying workforce capabilities is fundamental to responsible, safe and ethical operations.

We promote our safety culture by attracting, developing and retaining individuals and partners who share our commitment to operational excellence. We provide orientation, training, coaching and mentoring to strengthen the skills of our employees and contractors as well as the preparation and qualifications necessary for them to perform work in the field safely and efficiently.

The Training and Qualification element of our Responsible Operations Management System (ROMS) and related standards enable our field personnel to operate safely and to adapt to changes in our drilling and production activity and portfolio. Each ROMS element sets minimum training requirements considering compliance, hazard recognition and implementation of standards and procedures. Additionally, field supervisors incorporate coaching and mentoring techniques that influence positive safety behaviors.

As the executive owner of this ROMS element in 2020, our vice president of Health, Environment, Safety & Security (HES&S) and Corporate Sustainability sets priorities and expectations, tracks and reports progress to the ROMS steering committee, and is accountable for the results of our training and competency programs. To strengthen accountability, our HES support staff ensures training is properly designed, assigned, delivered, monitored, tracked and recorded.

In 2020, we reformatted and shifted all instructor-led training to virtual courses due to COVID-19. We achieved a 90% compliance rate with training requirements. Employees recorded more than 21,000 hours of HES training in our Learning Management System (LMS) in 2020. Topics included training for essential workers and return-to-office processes, environmental and regulatory content, and safe work practices. We also qualify individuals at the awareness or advanced level of operational skills through our Qualification Management System (QMS).

In 2020, we completed a multi-year effort to centralize and increase consistency in how our safe work practices are implemented across all of our assets and created simplified tools for our field employees. We also condensed our safety manuals and policies into toolkits to further support our field employees

21,000

Hours of HES training
recorded in our LMS* by
employees in 2020

**Learning Management System*

OCCUPATIONAL HEALTH

PROTECTING OUR EMPLOYEES' HEALTH

Marathon Oil values the health and wellness of our employees and their families, and we're committed to promoting and protecting their health on and off the job.

The Responsible Operations Management System (ROMS) guides our efforts to identify and address key health challenges in our operations.

Areas we address include:

- Occupational hygiene and exposure control
- Respiratory protection program
- Fitness-for-duty and medical surveillance
- Public and community health impacts

Our exposure assessment process builds upon and aligns exposure risk management with our HES&S risk assessment process. We identify and rank potential chemical, physical and biological exposure hazards according to risk, and then apply industrial hygiene monitoring to control hazards.

Product Stewardship

Marathon Oil has established product stewardship principles as part of our safety management system. In alignment with our principles, we work with applicable parties to foster the safe use, handling, transportation, storage, recycling, reuse and disposal of materials, products and wastes.

We also provide employees, contractors, suppliers, emergency service personnel and others with online Safety Data Sheets (SDS) for 100% of our products and make them available at our well sites. These SDSs contain information on the health and safety aspects of the products we produce.

Exclusive of third-party firefighting chemicals and materials containing Teflon (e.g. seals or gaskets), we don't use any fluorinated-based chemicals (PFAS/PFOA) in our operations.

EMERGENCY PREPAREDNESS AND BUSINESS CONTINUITY CAPABILITIES

TRAINED AND READY TO RESPOND

Marathon Oil maintains plans to protect communities in the event of natural disasters, security incidents, operational disruptions and other events.

We maintain detailed business continuity plans to protect our workforce and continue critical business functions during sustained events, including a public health event such as a pandemic or a natural disaster. These plans and continuity efforts helped to ensure we were prepared when COVID-19 struck in 2020.

We have comprehensive capabilities to protect personnel, facilities, neighbors and the environment in the event of an emergency. The Emergency Preparedness and Community Awareness element of our Responsible Operations Management System (ROMS) provides tailored response plans to local operating conditions.






Marathon Oil's capabilities include:

- Response teams at the local, regional and corporate levels including the Centralized Emergency Response Team (CERT) and executive-level crisis management team.
- Annual training, drills and exercises for all levels of response teams along with government agencies and key stakeholders.
- A network of responders and consultants that regularly interface with local and regional team members.



Niell Irvin
Corporate Security &
Emergency Preparedness
Manager

Our emergency preparedness strategies include Emergency Action Plans designed for office use including security threats; Emergency Response Plans designed for spills, fires and water releases; and a 24-hour call center connected from Houston to all of our business offices and emergency response teams. Our Corporate Emergency Response Process, a part of ROMS, is consistent with standard industry incident response protocols and is reviewed and updated on a prescribed frequency.

EMERGENCY PREPAREDNESS STRATEGIES	
 <p>Emergency action plans</p>	 <p>Emergency response plans</p>
 <p>Security plans</p>	 <p>Security assessments</p>
 <p>24-hour call center</p>	 <p>Corporate emergency response process</p>

We were well prepared to address the workforce, safety, community and business impacts of the COVID-19 pandemic due to our robust emergency response and business continuity plans, as well as regularly conducted drills and training on these plans. Our CERT team led these efforts and created a COVID-19 Response team. We adhered to Centers for Disease Control and Prevention (CDC), state and local guidelines as minimum expectations, consulted with our medical experts and adjusted our plans as information evolved. For more details, see our Pandemic Response Highlight.

WORKFORCE OVERVIEW

ALIGNING OUR CULTURE

As we work to produce the energy the world needs, we know our current and future success depends on attracting, engaging, developing and deploying a diverse, engaged workforce with the technical expertise to support our business.

We believe talent is one of the critical capabilities foundational to delivering on our corporate strategy. Intentional human capital management strategies enable us to attract, develop and retain our employees. Marathon Oil also believes in creating a safe, clean and ethical environment where employees feel empowered to make a difference to achieve business objectives.

Our vice president of Human Resources has leadership accountability for our talent management policies and programs and reports directly to our CEO. Our board of directors provides oversight to our human capital management strategies as an integral part of our overall Enterprise Risk Management process. Due to the importance of our workforce capabilities, the board receives updates on our human capital management on a regular cadence.

We are focused on:

- Delivering an employee experience and supportive culture that encourages employees to collaborate, take ownership, act boldly and deliver results.
- Building a culture of inclusion so that everyone can bring their best selves to work.
- Supporting employee development by building critical skills and competencies that support the long-term business needs of the organization.
- Developing our leaders with experiences and exposures needed for success in future senior leadership roles.



Critical Capability

We believe that talent is foundational to delivering on our corporate strategy

Respectful Relationships

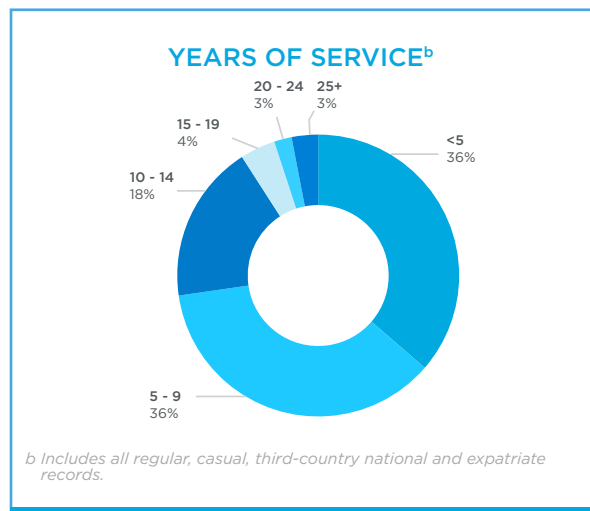
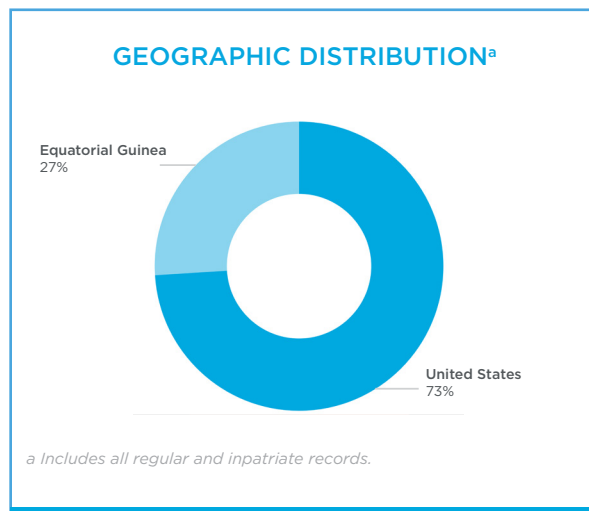
Respectful relationships are core to our culture. Our current Code of Business Conduct is applicable to all Marathon Oil employees, officers, directors and other parties acting within the scope of representing Marathon Oil. It prohibits workplace harassment, violence or discrimination against anyone based on race, age, national origin, sexual orientation, gender identity and other factors. This code applies to all aspects of employment at Marathon Oil – recruitment, training, development, compensation, performance management and benefits.

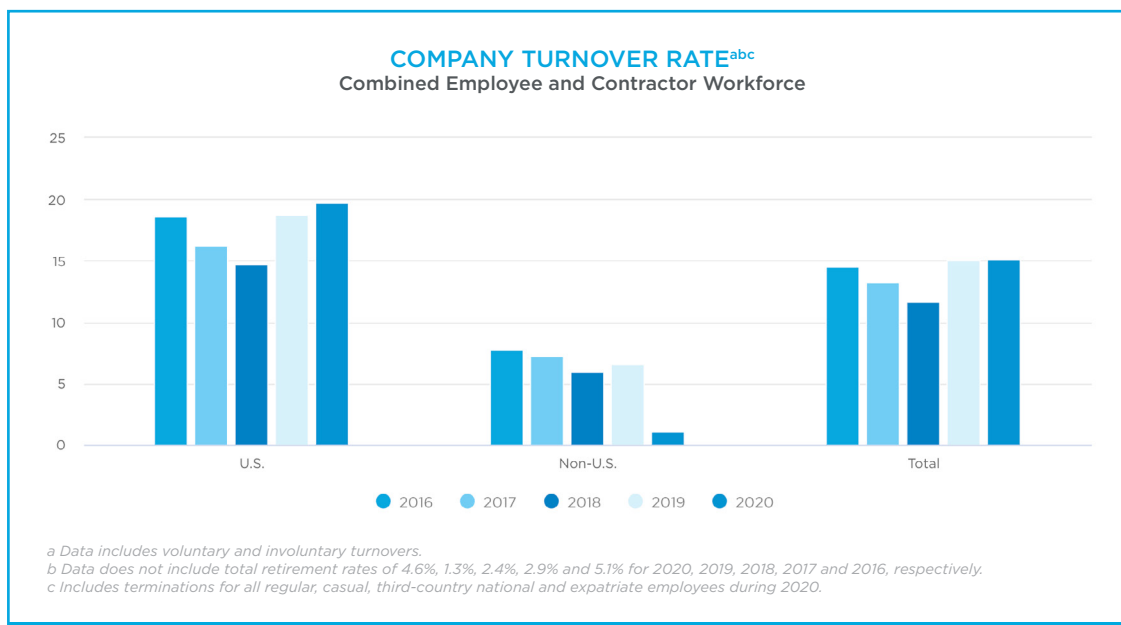
WORKFORCE STATISTICS

OUR TALENT LANDSCAPE

As of Dec. 31, 2020, we had approximately 1,700 active, full-time employees worldwide. Approximately 73% of our full-time workforce was based in the United States with 27% in Equatorial Guinea. Through recruiting, training, workforce integration, education and vocational programs, we strive to have a workforce reflective of the areas in which we operate. As a result of prioritized nationalization efforts, 90% of our Marathon EG Production Limited (MEGPL) workforce was Equatoguinean in 2020. See the EG Highlight for more information on our EG workforce.

Our 2020 combined voluntary and involuntary turnover rate, not including retirements, was 15%, the same as in 2019. Our 2020 retirement rate was 4.6%, compared to 1.3% in 2019. In March 2020, in response to low commodity prices and reduced oil demand due to COVID-19, we took unfortunate but necessary cost-cutting measures, including a headcount reduction of approximately 16% of our U.S. workforce. In conjunction with these actions, executive officers' base salaries were reduced by 10% and the board reduced its cash retainer by 20% for the remainder of 2020. Separated employees were eligible for severance, extended outplacement services and health benefits.





During the first quarter of 2021, Marathon Oil announced that we expected to drive further cash-cost reductions in 2021. This included the board reducing its annual compensation by 25%, the CEO's total direct compensation by 25%, including a 35% reduction to long-term incentive awards, and an 8% reduction in our U.S. workforce. This action was a necessary part of a comprehensive approach we're taking in 2021 to safeguard our financial flexibility and firmly establish a cost structure we believe will set us up to outperform our peers.

DIVERSITY, EQUITY AND INCLUSION

BROADER PERSPECTIVES, BETTER SOLUTIONS

At Marathon Oil, individuals with different talents, ideas and experiences fuel our ingenuity and innovative spirit.

We believe in promoting an inclusive corporate culture to ensure the strength and resilience of our business. In 2020, Marathon Oil continued to strengthen its approach to diversity, equity and inclusion (DEI). Our Leadership Development and Inclusion team leads our DEI efforts, reporting directly to our vice president of Human Resources.

To develop our DEI strategy, we gathered feedback at employee listening sessions to make sure our team members had a voice in shaping our programs. We also hosted culture workshops, provided leadership education on how to cultivate a diverse workforce and laid the foundation to set aspirational DEI goals.

Building on this work, in 2020 we reported this feedback to our executive team and intentionally shifted our focus to increasing equity across the organization. We also worked to broaden our cultural competencies, increased and evolved our communications to better raise awareness of our DEI efforts, and assessed the strategic alignment of our workplace practices and policies with DEI. Throughout the year we worked to strengthen our ability to retain, recruit and develop a diverse workforce.

We continued to offer internal and external training courses on unconscious bias and inclusive leadership to all employees. As an example, we partnered with the Chinese American Professionals group to offer virtual monthly training events from March through December 2020. These events covered topics such as Bystander Training; Feeling Safe in the Workplace: Psychological Safety; and Moving Beyond Crisis: A Systems Approach to Advance Inclusion and Equity.



Supportive Workplace Culture

We believe in promoting an inclusive corporate culture to ensure the strength and resilience of our business

An important example of our strategy in action was the October 2020 launch of our newest employee resource group (ERG), the Black Employees and Allies of Marathon (BEAM) Network. BEAM seeks to promote a corporate environment that supports Black employees and allies, diverse backgrounds and bold perspectives, and foster an inclusive 'One Team' community where members can grow, support and learn from one another. The Network works to:

- Cultivate a sense of belonging and an inclusive culture where talented and diverse employees can connect with each other and support personal and professional development.
- Encourage Black employees to advance their professional career goals through mentorship, networking opportunities and organizational partnerships.
- Create programs and share experiences that increase awareness and understanding of various perspectives in the workplace.
- Partner to increase and promote a diversified workforce, including Black community representation in our talent pipelines, and to support various job functions and experience levels within our industry.
- Increase awareness within the Black community of the opportunities in the oil and gas industry, and at Marathon Oil, and participate in community outreach events focused on elevating STEM careers.

Our CEO serves as the executive champion of BEAM, which is open to all company employees. We will continue to support the formation of additional ERGs, which will promote inclusion, culture and diverse talent pipelines.



Employee Resource Groups

Our Black Employees and Allies of Marathon (BEAM) Network cultivates a sense of belonging and inclusion

A Spotlight on Our Women's Network

Our Women's Network, launched in 2018 and open to all employees, cultivates a culture where talented, diverse women can connect with and support each other. Participants enjoy leadership development and volunteer, mentoring and networking opportunities.

“We all have something we're going through but we have a huge support network in this program to keep going and achieve our career goals.”
Elizabeth Leija, Billing Coordinator, Law Planning & Administration

The Network receives support from champions and allies, from the executive level to first-line leaders. Special interest groups within the Network focus on topics such as petrotechnical careers, managing careers at different phases of life, the challenges of care giving and parenting children with special needs. Our senior vice president and general counsel and our executive vice president of Operations serve as the executive champions of the Network.

In 2020, the Women's Network shifted to virtual programming with workshops and events on topics such as how to navigate dynamic workplace experiences from a virtual environment, managing dual careers and support for new mothers. The Network also hosted a virtual Brené Brown movie night and discussed ways to create a braver workplace. The Network devoted significant time in 2020 to increasing male allyship, hosting a two-part event on gender intelligence.

In 2020, the Network launched a training program specifically for women leaders, and nearly 30 Network members participated in a virtual mentoring pilot. Based on the positive results from the pilot, we plan to expand the mentoring program to additional employees in 2021.

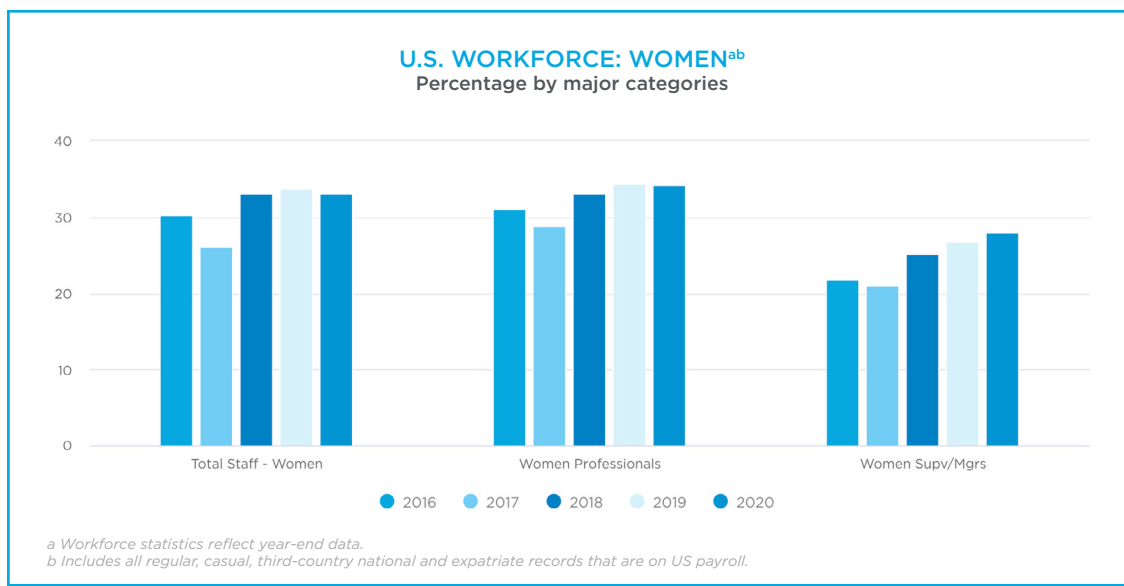
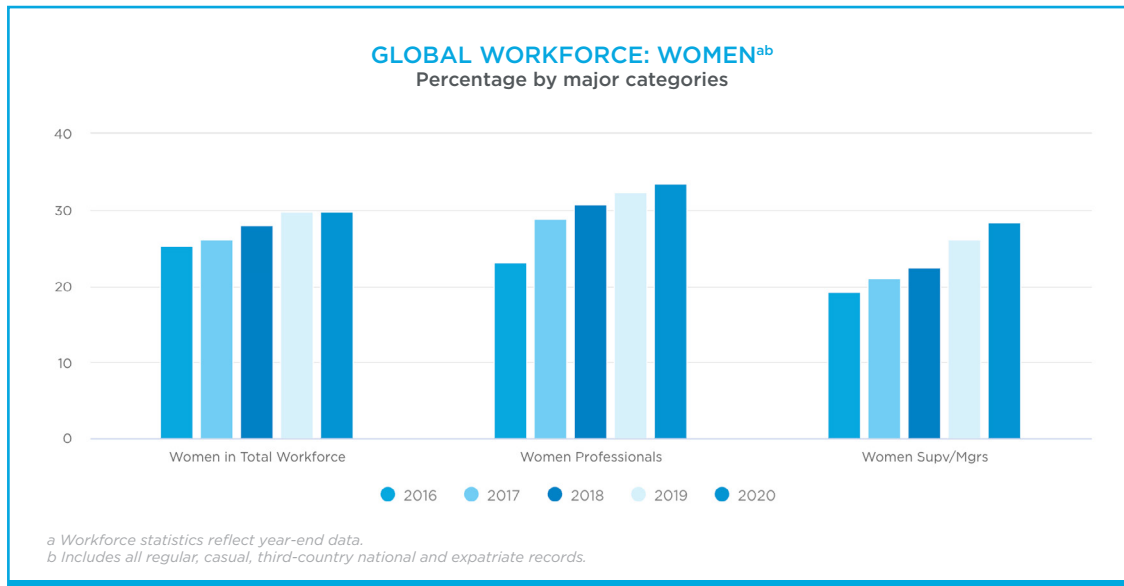
In an effort to accelerate Board access and opportunity for our senior women leaders, Marathon Oil also continued its support for 50/50 Women on Boards™, a leading global education and advocacy campaign driving the movement toward gender balance and diversity on corporate boards. In 2020, Marathon Oil lead independent board director Marcela Donadio participated in a panel discussion titled “Women Directors in Times of Crisis.”



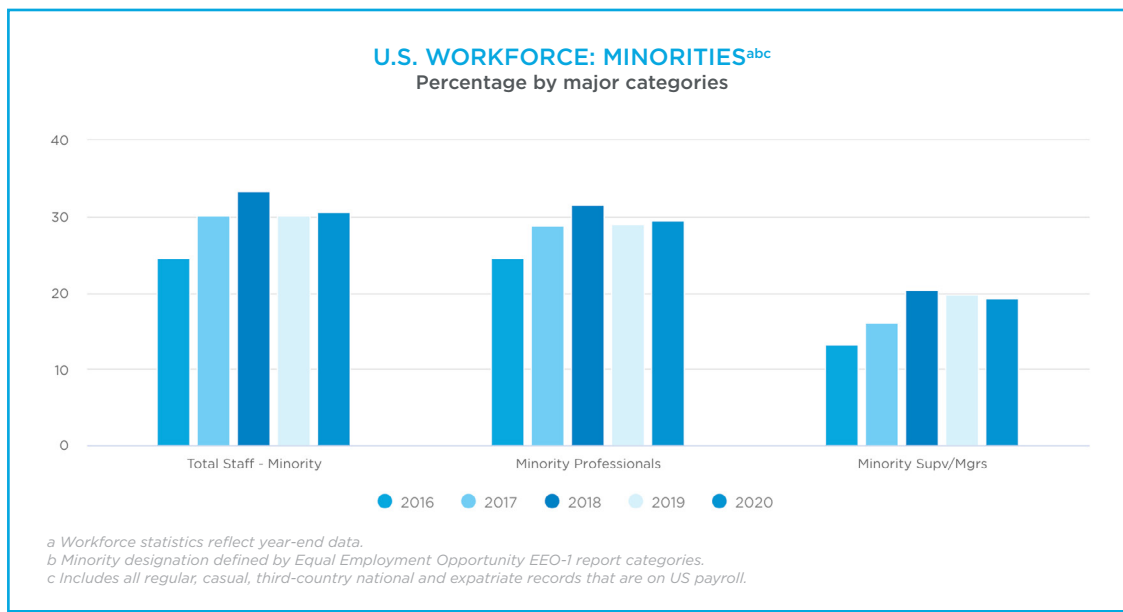
Women's Network
Members are exposed to leadership development, mentoring and networking opportunities

DIVERSITY STATISTICS

In 2020, women and minorities¹ accounted for 33.1% and 30.6% of our U.S. full-time workforce, respectively. While we've made progress with our diversity and inclusion efforts, we know there is more work ahead.



¹ Minority designation defined by Equal Employment Opportunity EEO-1 report categories



EMPLOYEE BENEFITS AND ENGAGEMENT

COMPETITIVE AND COMPREHENSIVE

We attract and retain talent by offering a benefit program that is competitive and comprehensive. This program creates flexibility that allow employees to develop a career and overall well-being for themselves and their families.

In 2020, we expanded our paid family leave benefit from eight to 12 weeks for primary caregivers and from two to six weeks for secondary caregivers. We also created a Workplace Flexibility Program to allow eligible employees the opportunity to work from home up to two days per week coupled with our existing option for a 9/80 flex schedule.

Our success is based on financial performance and operational results, and we believe that our compensation program is an important driver of that success. The primary objectives of our program are to pay for performance, pay competitively and encourage long-term shareholder value.

To accomplish this, our compensation program is designed to reward employees for their performance and to motivate them to continue performing at a high level through both absolute feedback and relative performance assessments. The annual cash bonus is our short-term incentive for eligible employees, which reinforces both corporate and individual annual performance and prioritizes both financial and operational metrics. Eligible employees may also receive long-term incentives in the form of restricted stock awards that vest over multiple years to support retention and aligns employee interests with those of our shareholders, by driving value at the enterprise level. We provide market-competitive pay levels to attract and retain the best talent. We regularly benchmark each component of our pay program, including our benefit program against our peers and a broader subset of the oil and gas industry, to ensure we remain competitive.

Due to the challenges caused by the COVID-19 pandemic, including material reductions in the employee workforce, performance metrics and objectives in our annual cash bonus were revised to align with the company's modified business plan for the remainder of 2020 and only absolute feedback was provided at the individual level. This resulted in a flat percentage bonus based on company performance paid to all employees. Read more in our Pandemic Response Highlight.

Additional benefits can include health, dental and vision assistance plans for employees and their families, including domestic partners and children of domestic partners in the United States; retirement savings plans; adoption assistance; vacation; paid holidays; sick pay; life and accident insurance; leaves of absence; educational reimbursement; matching gifts; workplace giving; and a volunteer incentive program. To see a full list of benefits visit <https://www.mrobenefits.com/>.



Protecting Employee Health
Building awareness around issues like heart disease and stroke is one of the ways we protect our employees' health

Employee Wellness

Marathon Oil values the health and wellness of our employees and their families. Our voluntary wellness program, established in 2007, offers programs and incentives to employees to encourage healthy lifestyle behaviors and improve their overall health.

Through [Well onTarget](#) from BlueCross BlueShield of Texas, employees can choose from several activities to understand their health status and potential risks and learn practical steps to improve or maintain their health.

Marathon Oil also offers employees free biometric screenings, an employee assistance program (EAP) that provides confidential counseling and fitness discounts. In 2021, we enhanced our EAP to include new full-spectrum digital self-care tools to help with common concerns from managing stress, anxiety and depression to improving sleep and mindfulness.



Encouraging Healthy Lifestyles

Our wellness program offers programs and incentives to improve overall health

Employee Engagement

We generally conduct a full employee engagement survey every two years. Our most recent employee survey was conducted in 2018; our 2020 survey was postponed due to COVID-19. We conducted a pulse survey in 2021 and plan to conduct a full employee engagement survey in 2022. In addition, we conducted a Total Rewards Survey in 2019, which provided helpful input into our decision to expand our family leave and flexible workplace policies in 2020.

We also host monthly all-employee meetings and more focused employee workshops and ask for feedback from employees before, during and after these presentations. We encourage employee feedback and input when developing new employee tools and gather social intelligence wherever possible to inform our employee programs and policies. Our employee resource groups also offer continuous opportunities to engage employees.

LEARNING AND DEVELOPMENT

MEETING BUSINESS NEEDS

Lead Self, Lead Others and Lead Leaders is our framework for success. We take a strategic, multi-pronged approach to organizational learning, which evolves with corporate learning needs and internal/external challenges.

Our approach to learning and development blends online, on-the-job and classroom training with 360 assessments and leadership coaching to help ensure all employees receive the feedback, tools and time they need to reach their fullest potential. Recognizing the cyclical nature of our business and the dynamic talent demands, we conduct a proactive risk analysis as part of our Enterprise Risk Management process, including a multi-year view of any potential talent risks to ensure we're prepared to respond to the macro-environment while setting ourselves up for long-term success. In 2020, we conducted an enterprise-wide talent assessment to determine development priorities and will be analyzing outcomes in 2021.

In 2020, much of our work on learning, development and engagement was centered on pivoting to virtual tools and experiences. Our Human Resources teams updated all existing learning and development materials and delivery methods, tested new technologies and created new communications plans to update our employees on these changes.

Lead Self, Lead Others, Lead Leaders

We encourage employees to lead themselves by taking charge of their professional development. Our self-service, on-demand "micro learnings" deliver timely and relevant information to targeted audiences. They're available on our Development Hub, a one-stop shop where employees can access recommended readings, practical tips and learning guides. The Hub is a convenient way for employees to boost their knowledge and skills in bite-sized increments when they need to, without having to wait for scheduled courses.

Our Leadership Essentials Program provides employees a structured path to hone skills to lead others and the organization. These courses enable employees to reach their professional potential and contribute to the company's growth, as well as support our succession-planning process. Topics covered include how corporate functions affect the exploration and production business, improving team effectiveness, giving and receiving feedback, recognizing unconscious bias and inclusive leadership.



Leadership

We encourage employees to take charge of their professional development

10,000+

Hours of annual
computer-based training

We review talent across the enterprise, measuring both technical and leadership capabilities. While we don't have a formal rotational program for high-talent employees due to the size of our organization, we do create intentional and focused plans for all executive succession candidates. These may involve special assignments in various functional areas key to individual development for future company success.

We track participation in training and development opportunities through our Learning Management System (LMS). In 2020, we saw increased engagement in our events and trainings. Employees recorded approximately 10,500 hours of computer-based training (CBT) related to health, environmental and safety (HES) regulatory compliance; ethics compliance; mandatory annual diversity training; petrotechnical skills; information technology; and personalized learning.

Ensuring a Highly Skilled Pettechnical Workforce

Employees with strong petrotechnical skills are vital to Marathon Oil's resource exploration, development and production efforts. To ensure that we have the technical capabilities needed to run the business today and in the future, we continue to leverage the partnership between our Human Resources professionals and senior technical leaders who serve as the chiefs of our technical disciplines. Together, these technical leaders focus on:

- Improving technical capabilities by identifying strengths and gaps in technical staff, and through mentoring.
- Improving functional and cross-functional collaboration to promote innovation and collaboration.
- Partnering with Human Resources on workforce planning and development.

These technical discipline chiefs meet regularly to review the development progress of our petrotech workforce, and in 2021 launched our technical progression framework, which included a refresh of our formal skills assessment and calibration of our entire petrotech workforce. In 2021, we've also continued our work with a third-party partner to expand our online micro-learning training opportunities for our petrotech professionals. Beyond that, we're working to create further targeted proficiency level and discipline specific development opportunities that span the balanced development model (training, coaching/mentoring, on-the-job experiences and exposure).



Valuing Expertise

Strong leadership support ensures we have the technical capabilities needed to run the business today and in the future

Increasing the STEM Pipeline

Our future success depends on a robust pipeline of students with degrees in science, technology, engineering and math (STEM) subjects. The company recruits students and graduates in STEM fields primarily on the campuses of Texas A&M University, University of Texas, University of Houston, University of Oklahoma and University of North Dakota. We funded scholarships totaling approximately \$200,000 for students at these universities to study core disciplines in 2020.

Because we compete with a variety of companies and industries to attract a diverse workforce, this funding also included scholarships for diverse students studying engineering and geosciences. We also partner with student chapters of the Society of Women Engineers, the National Society of Black Engineers, the Society of Hispanic Professional Engineers, LGBTQ Engineers and other organizations.



\$200K

In scholarships for
STEM-related degrees



SECTION VI

SOCIAL

SOCIAL

COLLABORATING IN OUR COMMUNITIES

Producing energy in a socially responsible way requires a strong network of relationships built on integrity and trust.

Social responsibility, collaboration and stakeholder engagement are critical to our ability to develop and maintain meaningful relationships, operate efficiently, create long-term value and return capital to shareholders.

Our vice president of Health, Environment, Safety, Security & Corporate Sustainability is accountable for Marathon Oil's overall sustainability efforts. This leader works closely with our senior vice president and general counsel who is responsible for our governance, stakeholder engagement efforts and social investments. The Health, Environmental, Safety and Corporate Responsibility (HES&CR) Committee of our board of directors provides oversight of our social responsibility and sustainability efforts and meets at least quarterly. Once a year our full board receives an update on our social investments.



Engaging with Stakeholders
Developing meaningful relationships is core to our business

Performance Highlights

In 2020, we:

- Transitioned our in-person stakeholder engagement efforts to virtual, where possible, due to COVID-19.
- Leveraged our internal FasTask customer service system to streamline our landowner engagement process.
- Continued our support of the Bioko Island Malaria Elimination Program (BIMEP), which has resulted in a 55% reduction in the malaria parasite prevalence (from 45% in 2004 to 20% in 2020) in children ages 2-14 years.
- Supported local communities, including the Three Affiliated Tribes in North Dakota's Bakken region, by providing personal protective equipment (PPE) and food bank donations.
- Substantially fulfilled our social investment commitments, helping to build healthier, safer, stronger and more resilient communities, despite the challenges of COVID-19.
- Enhanced our sustainable supply chain processes and procedures to include COVID-19 safety guidelines.

DIVE DEEPER

Stakeholder Engagement	+
Social Impact Investments	+
Supply Chain Management	+
Human Rights	+

STAKEHOLDER ENGAGEMENT

FOSTERING EFFECTIVE RELATIONSHIPS

Engaging with stakeholders is a key part of risk management, and helps us manage community impacts, access new resources and avoid project delays.

At our core, our mission to provide affordable energy underpins socio-economic development in regions where we operate. Fulfilling our mission in a socially responsible way requires collaboration and partnership. To build trust and mutual understanding and to understand how our operations impact communities where we operate, we regularly and thoughtfully engage with a variety of stakeholders – landowners, suppliers, community organizations, lawmakers, elected officials, regulators, industry peers, employees, business partners and others.

We offer stakeholders multiple options for contacting us, including direct contact with our staff, toll-free phone lines, e-mail and social media channels. Our proactive engagement practices cover a range of activities, including direct meetings and dialogue with landowners, tribal communities and other community stakeholders, formal consultation efforts as required for regulatory approvals, and ongoing discussions with nonprofit organizations receiving social investments.

The results of these conversations serve to deepen our understanding of what's important to our stakeholders and provide opportunities to collaborate on sustainable solutions. In 2020, many industry conferences and landowner and community engagement events were canceled or postponed due to COVID-19. We conducted the majority of engagement virtually to promote the safety of our stakeholders and employees. In 2021, we hope to return to in-person engagement, when it's safe to do so, and to formalize a stakeholder engagement plan.

Learn more about our work with elected officials, community and tribal leaders and trade associations in the Political Contributions and Lobbying section.



Building Relationships
Engaging with our stakeholders builds trust

Engaging with Landowners

By engaging with landowners, we seek to foster understanding and trust and lay the foundation for mutually beneficial, long-lasting relationships. Our actions are guided by our values, internal standards and operating culture. Our Land team is committed to proactively sharing our plans, project updates or changes, answering questions and addressing concerns in a timely manner.

Typical landowner engagement begins with a Marathon Oil Field Surface Land Professional sitting down with the landowner to proactively discuss what to expect once operations begin. This person continues to engage with landowners after operations begin. Due to COVID-19, we shifted many of our engagements with landowners from in-person to virtual meetings and phone calls. We also increased the frequency of our engagement to help landowners adjust to the new virtual format. When teams did meet in person, we limited the number of people on site to essential personnel only, required masks and adhered to safety protocols.

In addition to face-to-face and community meetings, landowners can contact Marathon Oil at any time by phone, email, fax and mail. We track landowner concerns in an internal system and follow through until an issue is resolved. In 2020, our team continued to handle an average of 1,300 calls and emails each month. The vast majority of these requests were questions about payment details and ownership. We provide ongoing training to our call center employees and make process improvements where needed.

In March 2020, in response to COVID-19, our Land team began working from home full-time, processing an estimated 18,000 pieces of mail and helping to mitigate delays in addressing landowner requests. We continued to transition more owners to direct deposit to alleviate issues of misplaced or delayed checks, as well as reduce our environmental footprint by digitizing paper processes where possible. To date, we have saved more than 300,000 sheets of paper due to our digitalization efforts.

“Thank you so much for taking the time. I do a lot of work in the oil and gas field and deal with a lot of companies. I just want you to know that you have been great to work with and very responsive. I know you said taking care of these matters was your job, but I can tell you, you are one of a kind.” – An email from a landowner to a member of our Owner Relations Team

~18,000

Pieces of landowner mail processed in 2020

~300,000

Pieces of paper saved by going digital

SOCIAL IMPACT INVESTMENT

IMPROVING QUALITY OF LIFE

Marathon Oil's social investment strategy brings partners together to improve the quality of life in the communities where we live and work.










We take time to listen to our stakeholders and understand the unique needs of the communities where we operate. Their insights, as well as our internal business priorities, inform our social impact investment strategy, outlined in more detail below. We also use the United Nations Sustainable Development Goals, a collection of 17 global goals intended to achieve a better and more sustainable future, to guide our strategy.

Our social investment strategy seeks to improve the quality of life in the communities where we live and work by building healthier, safer, stronger and more resilient communities. Our partnerships go beyond financial contributions. We also invest in local communities through advisory services, pro bono work, in-kind donations and encourage our employees to join us through our dollar-for-dollar matching programs, volunteer events and annual giving campaign. Whenever possible, we bring our community partners together to amplify our impact.



Supporting Communities
Our employee volunteers are vital to our partnerships

SOCIAL INVESTMENT STRATEGY

Goal	Investment Areas	Related United Nations Sustainable Development Goals
Build healthier and safer communities by addressing infrastructure stressors	<ul style="list-style-type: none"> • Hunger • Road Safety • First Responders • Healthcare • Human Trafficking 	    
Build more resilient communities by protecting and restoring natural resources	<ul style="list-style-type: none"> • Water • Land & Air • Research & Education 	 
Build stronger communities by ensuring inclusive and equitable quality education for all	<ul style="list-style-type: none"> • Students • Teachers • Career Readiness 	 

In 2020, we refined our strategic investment focus areas and enhanced our measurement system. During our annual funding assessment, we review the financial and operational performance of potential partners and evaluate their missions and values to confirm alignment with one or more of our investment areas. We also require that partners report clearly defined program goals, provide additional program details and report data on project outcomes using our Social Investment Evaluation Rubric.

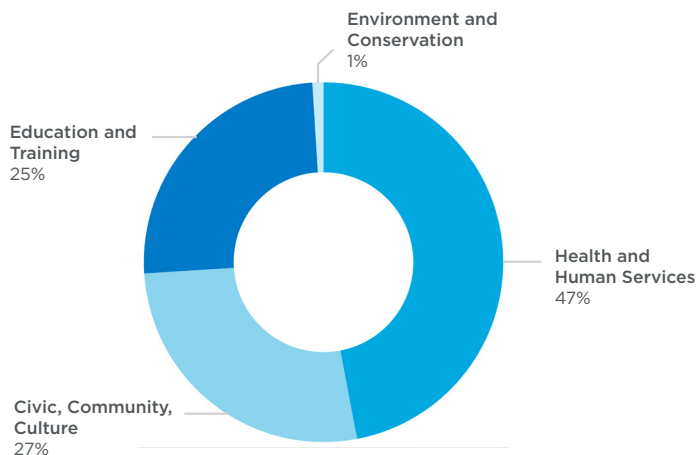
In response to COVID-19, we supported partner recommendations to re-direct funding, as needed, to meet the most critical needs of their constituents. See our Pandemic Response Highlight for information on social investments related to COVID-19.

\$14.5M

Invested in global social projects and programs in 2020

SOCIAL INVESTMENTS BY GIVING AREA^a

Total Social Investments: \$14.5 million



^a Total Philanthropic Giving: \$2 million in corporate giving and \$.2 million in employee giving; Total Sustainable Investments: \$12.3 million.

Healthy and Safe Communities

We're helping to create healthier and safer communities by addressing infrastructure stressors in the communities where we operate. We invest in five areas: hunger, healthcare, road safety, first responders and anti-trafficking.

Hunger

We support food banks and school-based food programs that help us feed our neighbors. We have long-standing partnerships with the Houston Food Bank, Regional Food Bank of Oklahoma and Great Plains Food Bank in North Dakota.

In 2020, we began new partnerships in the Eagle Ford and Permian with the Food Bank of the Golden Crescent, San Antonio Food Bank and Roadrunner Food Bank. At the beginning of the COVID-19 pandemic, we brought the Roadrunner Food Bank together with the Carlsbad Municipal School District to start a new childhood hunger initiative in Eddy County, New Mexico, the first of its kind in the county. By May, their monthly drive-thru food distributions were providing nearly 8,000 meals to students and families at seven elementary schools, two preschools, two middle schools and one high school. In total, our support to food banks provided more than 454,000 meals in 2020.

Healthcare

In collaboration with community leaders in our operating areas, Marathon Oil works to advance public health initiatives that promote the common good and protect the public, our employees and their families. In the United States, we focus on heart disease and stroke, the leading and fifth causes of death, respectively. One example is our decades-long relationship with the American Heart Association (AHA) in Houston. In 2020, we continued our support of AHA's Bear Bryant Awards. During the past 12 years, the awards have raised millions of dollars for critical research and helped train more than 1 million Houston-area adults and teenagers in CPR and other basic life-saving skills.

Malaria is one of the main public health threats in Equatorial Guinea, reducing life expectancy and causing productivity loss due to illness. For 17 years, MEGPL has supported the Bioko Island Malaria Elimination Program (BIMEP), a multi-system public health program that expanded in 2013 to include clinical research into a malaria-candidate vaccine. Our support of the BIMEP has resulted in a 55% reduction in the malaria parasite prevalence (from 45% in 2004 to 20% in 2020) in children ages 2-14 years. For more information see our Equatorial Guinea Highlight.



Innovative Partnerships

Our food bank partners constantly innovate to find the best way to get food to clients safely

454,000

Number of meals our support to food banks provided in 2020

Road Safety

We're a founding member of the Energize for Safety Coalition, a nonprofit dedicated to making busy roadways less dangerous in the operating areas of our Oklahoma asset where traffic patterns have changed dramatically. In partnership with the Oklahoma Department of Transportation and the Oklahoma Department of Public Safety, the coalition established a safety corridor on Highway 33 between Watonga and Kingfisher. Since the corridor was established in 2018, the number of collisions has declined by 61%. In 2020, the effort won the Best Use of Technology & Innovation Award for the western region at the America's Transportation Awards, hosted by American State Highway Transportation officials and sponsored by the U.S. Chamber of Commerce.

61%

Drop in collisions along
Oklahoma safety corridor
since it was established
in 2018

First Responders

Our investments to first responders provide much-needed equipment, technology and training. In 2020, we provided \$75,000 to first responders in Dunn and Mountrail counties in North Dakota. These investments helped buy new computers to allow for better locating capabilities for 911 calls from rural areas and isolated industrial sites. It also supported the purchase of cardiac monitors, defibrillators, CPR devices and updated extraction tools. Our support of the American Red Cross in the Texas Gulf Coast Region helped provide disaster relief assistance to 6,500 individuals in the region.



AFFORDABLE ENERGY KEEPS THE MALDI-TOF ON

Near our operations in Equatorial Guinea, we've provided funding to help build a medical laboratory, which today houses a matrix assisted laser desorption ionization time-of-flight (MALDI-TOF) mass spectrometry machine. The machine can hold up to 500,000 bacteria samples, which can be matched electronically to global bio databases to help rapidly identify microorganisms responsible for common bacterial infections. To operate, the MALDI-TOF – one of just two in West Africa – requires a reliable and permanent power supply. With affordable, reliable energy provided by Turbogas, the electrical power plant built by Marathon Oil, this laboratory is able to rapidly and cost-effectively diagnose diseases such as malaria.

Anti-Trafficking

Human trafficking, also known as modern-day slavery, is defined by the United Nations as the recruitment, transportation, transfer, harboring or receipt of persons by improper means – such as force, abduction, fraud or coercion – for an improper purpose. Human trafficking is a rising epidemic affecting more than 25 million people worldwide, including those in our operating areas. Texas, where we're headquartered, has one of the highest rates of human trafficking in the United States.

"It's time for companies to join forces to help stop human trafficking, and I'm proud that Marathon Oil is part of this important effort. We need to leverage our networks and our workplaces to raise the awareness on what has become a human rights crisis," said Marathon Oil CEO Lee Tillman.

In October of 2020, we partnered with Truckers Against Trafficking to host a virtual coalition build with the New Mexico Attorney General's Office. This effort brought together more than 29 organizations from the southeast New Mexico community to identify how the energy and trucking industries can partner with local law enforcement to prevent human trafficking.

“Houston is the energy capital of the world, and I applaud the energy industry's efforts to raise awareness about human trafficking and work toward eradicating these crimes in our society. We are fortunate that Houston also has exceptional corporate citizens taking the lead as OGTAG members work together to take a stand on this critical issue.” – Houston Mayor Sylvester Turner

We also led the Oil and Gas Trafficking Awareness Group (OGTAG), a group of more than 45 Houston-based energy companies, in the first industry-wide anti-trafficking event in Houston, Energy Empowers Freedom Week. During this week-long event, which corresponded with National Human Trafficking Awareness Month, OGTAG members hosted events to increase awareness of human trafficking among their employee populations, reaching more than 1,000 oil and gas industry employees. We hosted two events at our Houston office to educate employees, and we also added anti-trafficking language in our Code of Business Conduct. See the Human Rights section for more information.



Partnering for Freedom

We engage with local and national non-profits in the fight against human trafficking

Resilient Communities

We work to create more resilient communities by investing in the protection and restoration of natural resources, including water, land and air, as well as increasing education and awareness of environmental protection. In 2020, our funding helped Trees for Houston plant nearly 15,000 trees and helped the Wildlife Center and Houston Zoo provide virtual wildlife and conservation education.

2020 marked the final year of our investment in the [Pecos Watershed Conservation Initiative \(PWCI\)](#). PWCI enhances a unique desert landscape in eastern New Mexico and West Texas where cattle ranching and oil and gas production coexist with species found nowhere else. PWCI is a coalition of The National Fish and Wildlife Foundation, the U.S.D.A.'s Natural Resources Conservation Service, and other oil and gas corporations. The initiative focuses on restoring the Chihuahuan Desert grasslands to benefit migratory grassland birds and pronghorn, and improving aquatic habitats.

In 2020, PWCI made possible a total of \$3.3 million in funding to support on-the-ground projects implementing critical habitat and species-conservation efforts. Since its inception, the initiative has improved the management of nearly 25,000 acres of grasslands, restored or enhanced 4,000 acres of grasslands and 20.1 acres of riparian habitat, and improved more than 90 miles of fencing for pronghorn passage.

“There are a number of endemic species here, like Pecos pupfish that have evolved in these conditions. They don’t exist anywhere else in the world, and they are important to maintaining this ecosystem that makes this place unique.” – Joanna Hatt, native fish biologist, New Mexico Department of Game and Fish



Amplifying Impact

Our investment in the PWCI is leveraged to receive federal and private matching funds, creating a greater impact

25,000

Acres of grassland managed since inception of Pecos Watershed Conservation Initiative

Strong Communities

We build a foundation for strong communities by investing in inclusive and equitable quality education for all. Education has the power to improve lives by breaking the cycle of family poverty and enabling a person to reach their full potential. Our investments aim to improve student education through mentoring, counseling and literacy programs; expand the availability of qualified teachers through professional development and recognition; and increase the number of students receiving technical certification or degrees.

In the Houston area, only 21% of third graders have mastered reading standards and 29% fail to meet minimum reading expectations. We've partnered with the Barbara Bush Houston Literacy Foundation since its inception in 2013 to combat the city's literacy crisis. Our partnership focuses on strategies shown to enhance literacy, such as increasing the number of books in a home, mentoring children in reading, and prioritizing support for economically disadvantaged children who are most likely to read below standard. Through the My Home Library program, Marathon Oil has donated books to children in need for five consecutive years. As a result, every child in the program now has a home library of at least 30 books. We are also proud to serve on the nonprofit's Advisory Council of corporate leaders.

While there were fewer opportunities for our employees to volunteer in person at Literacy Foundation events in 2020 due to COVID-19, our employees participated in virtual "read alouds." In addition to the My Home Library program, we also distributed 3,000 books to economically disadvantaged students at the Foundation's Camp Adventure summer learning program.

More than 375,000 students received enhanced learning opportunities as a result of our investments in Communities in Schools of Houston, the Houston Area Urban League and the NAACP. We also supported 1,745 students through partnerships with Junior Achievement and the Boys & Girls Clubs of Carlsbad, and helped provide technical energy education to more than 42,000 students through workshops, conferences and career days.



Safely Supporting Communities

We continue to find ways to support our partners, while following COVID-19 protocol

375,000

Students who received enhanced learning opportunities as a result of our investments

SUPPLY CHAIN MANAGEMENT

ENSURING SUSTAINABILITY IN OUR SUPPLY CHAIN

Marathon Oil expects our suppliers to share our commitment to safety, environmental stewardship, ethical business conduct, sound labor practices and human rights.

Our supply chain efforts include a robust monitoring program, respect for human rights, seeking out suppliers that represent our diverse local communities and building strong, long-lasting relationships.

Marathon Oil's vice president of Global Supply Chain oversees our supplier relationships, which are governed by the Third-Party Services element of our Responsible Operations Management System (ROMS), Procurement and Contracting Policy, Anti-Corruption Compliance Policy, Code of Business Conduct and our health, environmental and safety (HES) standards and policies.

In 2020, our Global Supply Chain team focused on changing processes and procedures to fit new COVID-19 safety guidelines. This was especially difficult in Equatorial Guinea (EG), where internet reliability and network support challenged our ability to work remotely. See our Equatorial Guinea Highlight for more details.

As a result of our continuous efforts to work with and support our suppliers, as well as the implementation of our COVID-19 response plan, our North American operations did not sustain any supply chain shortages. We also created COVID-19 Safety Protocols for field employees and contractors, which represent the minimum expectation for our suppliers. Our Global Supply Chain team performed ongoing risk assessments to review the number of COVID-19 cases in an area or with a particular supplier and created plans to shift crews and suppliers as needed to keep our business units operating safely. In late 2020, we collaborated with our suppliers to develop safe reopening plans.



Ensuring Safe Operations
Compliance throughout our supply chain protects our employees, contractors and communities

Supply Chain Monitoring

Before working with a new supplier, Marathon Oil follows a vetting process to determine technical capabilities, complexity and risk of the associated service, and a supplier's health, environment and safety record. Potential suppliers within specified higher-risk categories may need to successfully complete an added layer of due diligence and be approved by Marathon Oil's Law function before engagement. Our supplier agreements mandate adherence to relevant standards and policies as well as our Code of Business Conduct, which covers ethical, social, labor and anti-discrimination standards.

Once approved, suppliers are informed of Marathon Oil's anti-bribery policies, have the opportunity to participate in Marathon Oil's anti-bribery training, and are informed about how to report potential violations of our code, policies or standards to our Integrity Helpline. Our Global Supply Chain team monitors compliance with our Procurement and Contracting Policy as well as our Anti-Corruption Compliance Policy. Suppliers may also undergo internal contracts and compliance audits.

Marathon Oil is committed to working with suppliers who uphold the law and applicable regulations, including those related to employment, the environment and safety. We proactively research companies developing emerging technologies that meet our criteria of safety, commercial viability and those that help us reduce GHG emissions. Additionally, we're committed to ensuring that human rights violations and human trafficking don't exist in any part of our business. We also regularly assess critical vendors for financial stability and, when beginning work with a new critical supplier, visit their operations in-person when possible.

Supporting Local Content

Through our supplier diversity efforts, we work to increase collaboration with local suppliers. We regularly engage with Indigenous communities in discussions about ongoing and new business opportunities, seeking to understand how those communities and Marathon Oil can work together in a way that is culturally sensitive and enhances the community's economic capacity.

To help develop local capacity in the Bakken, Marathon Oil strives to award business to companies that comply with the Tribal Employment Rights Office (TERO) on the Fort Berthold Indian Reservation.

In Equatorial Guinea (EG), we continue to increase the procurement of goods and services from local suppliers. Strengthening local content continues to be a focal point in 2021 and beyond. Read more in our Equatorial Guinea Highlight.

DIVE DEEPER

Approach to Business Ethics +

Safety and Workforce +

Operations in EG +

Additional HES Assessments for Safety-Sensitive Suppliers

Before a supplier is approved to work with Marathon Oil, we conduct an assessment of its HES performance and capabilities. We develop management plans for safety-sensitive suppliers aligned with recognized industry HES practices such as those published by API and IOGP. These plans are based on the supplier's potential to impact the safety of other workers, the public, the environment or our facilities. Suppliers who provide personnel for safety-sensitive work in the United States must first register with ISNetworld, a global online source that manages, evaluates and qualifies suppliers based on Marathon Oil's criteria.

All safety-sensitive suppliers are required to complete our HES orientation and Life Critical Expectations course before they're allowed on our work sites. Our HES team conducts formal, structured safety leadership engagements with critical and new suppliers, as well as those with HES performance concerns. These engagements may include a review of the suppliers' internal policies and procedures, and interviews with their leadership and field workforce to gauge their understanding of their employer's policies and programs. We also work with suppliers on corrective actions with specific deadlines. If safety and operational performance does not improve, the contract could be terminated.

HUMAN RIGHTS

RESPECTING RIGHTS THROUGHOUT OUR BUSINESS

We endorse and respect the goals and principles of the United Nations Universal Declaration of Human Rights (UDHR) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

This includes everyone's right to life and liberty, the protection of law, and freedom from slavery and torture – within our operations and business relationships. We also seek to apply relevant sections of the UN Guiding Principles on Business and Human Rights.

While governmental authorities have the primary responsibility for protecting human rights, we believe Marathon Oil has a responsibility to respect the human, cultural and legal rights of individuals and communities, and to avoid adverse human rights impacts through our own activities. This includes the fair treatment and meaningful involvement of all people, regardless of race, color, gender, gender identity, national origin, religion, sexual orientation or income level. In addition, we adhere to and comply with all local and national regulations in our operating areas, and aim to respect the rights of all people within our spheres of influence.

While we don't have a standalone human rights policy, Marathon Oil's commitment to many of these rights is articulated in our Code of Business Conduct and other company policies. Our Code and related policies prohibit workplace harassment, violence or discrimination. These policies apply to employee recruitment, training, development, compensation, performance management and benefits at Marathon Oil. We're developing a human rights standard to supplement our Code.

Under the Emergency Preparedness and Community Awareness element of our Responsible Operations Management System (ROMS), we identify and proactively engage with stakeholders within or adjacent to our operations regarding potential risks, including human rights risks and our response plans. These stakeholders include local communities, government emergency responders and Indigenous peoples, and we strive to operate in a way that respects their rights and beliefs. Additionally, we're committed to ensuring that slavery, human trafficking and other human rights violations don't exist in our supply chain or in any part of our business.

DIVE DEEPER

Operations in EG	+
Approach to Corporate Governance	+

We offer stakeholders multiple grievance mechanisms by which human rights issues can be reported, including direct contact with our staff, our anonymous toll-free phone lines, e-mail and social media channels. Our proactive engagement practices cover a range of activities, including direct meetings and dialogue with landowners and other community stakeholders, formal consultation efforts as required for regulatory approvals, and ongoing discussions with local nonprofit organizations receiving social investments.

- The company's publicly available [business integrity helpline](#) is a conduit for any individual to anonymously report ethical or legal concerns associated with any Marathon Oil personnel or operation, including those related to human rights.
- Community members are also able to report during local meetings and by direct contact with Marathon Oil community liaison personnel.
- Human Resource professionals throughout the Company serve as the initial point of engagement with our workforce for reporting suspected issues.
- Field personnel have a responsibility to report health, environment, safety and security (HES&S) incidents via their respective line authority.

See our Social Impact Investments for more information on our efforts to combat human trafficking and our Political Contributions and Lobbying section for more information on our engagement with tribal communities.

Security and Human Rights

The U.S. State Department has flagged the country of Equatorial Guinea (EG) for human rights risks stemming in part from public and private security forces. EG continues to be a key asset in Marathon Oil's portfolio and we have well-established and effective security and human rights policies to establish expectations that those providing security for our personnel, facilities and operations, provide those services in a manner that respects human rights.

We employ a proprietary guard service to protect our onshore facilities and engage with the Navy of Equatorial Guinea to protect our offshore facilities. Marathon Oil had no known security-related incidents that resulted in a human rights violation in 2020.

To bolster safety and security at Equatoguinean ports, we work with the government of Equatorial Guinea and the U.S. Coast Guard to review International Ship and Port Facility Security (ISPS). Two Marathon Oil employees are currently certified to serve as ISPS auditors.



SECTION VII

SUPPLEMENTARY METRICS

PERFORMANCE

SUSTAINABILITY HIGHLIGHTS^{ab}

Category	2020	2019	Change	Comments
Fatalities (Employee and Contractor Workforce)	0	0	N/A	No fatalities since becoming an independent in 2011.
Global Safety Performance - Total Recordable Incident Rate (TRIR)	0.24	0.32	↓	Best year of safety performance in company's history.
Global GHG Emissions (Scope 1 & 2) (million tonnes CO ₂ e) ^c	4.44	6.65	↓	Decrease primarily driven by a reduction in flaring, particularly in the Bakken.
Global GHG Intensity (Scope 1 & 2) (tonnes CO ₂ e/production) ^c	22.87	30.76	↓	Decrease primarily driven by a reduction in flaring, particularly in the Bakken.
Methane Emissions (million tonnes CO ₂ e) ^c	0.52	0.47	↑	Increase in 2020 was due to a counting discrepancy discovered during in-housing of the GHG inventory, and production decline.
Methane Intensity (tonnes CO ₂ e/production) ^c	2.66	2.18	↑	Increase in 2020 was due to a counting discrepancy discovered during in-housing of the GHG inventory, and production decline.
Energy Use (trillion BTU)	39.13	36.18	↑	See Five-Year Performance table for details.
Global Spill Events to the Environment ≥ 1 bbl - number ^d	27	30	↓	See Environment section for details.
Global Spill Volumes to the Environment ≥ 1 bbl - barrels (Oil) ^d	590	841	↓	See Environment section for details.
Global Spill Volumes to the Environment ≥ 1 bbl - barrels (Non-Oil) ^{d,e}	249	47,624	↓	2020 represents more historic spill performance. See Environment section for details.
Employees - Minorities as a Percentage of Workforce (U.S.) ^{f,g}	30.6	30.1	↑	See Workforce section for details.
Employees - Females as a Percentage of Workforce (Global) ^{f,g}	29.8	29.8	N/A	See Workforce section for details.
Social Investments - Philanthropic & Sustainable (million dollars)	\$14.5	\$14.9	↓	See Social section for details.

^a In the second quarter of 2019, we closed on the sale of our non-operated interest in Kurdistan marking a complete country exit. We also closed on the sale of our U.K. business in the third quarter of 2019.

^b See five-year performance table for 2020 gross production. Applies to all intensity metrics based on total gross production.

^c Greenhouse gas (GHG) carbon dioxide equivalent (CO₂e) emissions are based on carbon dioxide, methane and nitrous oxide from Marathon Oil-operated facilities only.

^d Data includes spills outside of secondary containment ≥ 1 barrel.

^e Non-oil includes some produced fluids, such as produced water, which may contain trace amounts of hydrocarbons and non-produced fluids such as drilling muds, fracturing and production chemicals.

^f Workforce statistics reflect year-end data.

^g Minority designation defined by Equal Employment Opportunity EEO-1 report categories.

FINANCIAL AND OPERATING HIGHLIGHTS (DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)

Category	2020	2019
Revenues and Other Income	\$3,086	\$5,190
Income (Loss) from Operations	\$(1,180)	\$636
Income Tax Expense (Benefit)	\$(14)	\$(88)
Net Income (Loss)	\$(1,451)	\$480
Net Income (Loss) Per Share	\$(1.83)	\$0.59
Long-term Debt	\$5,404	\$5,501
Stockholders' Equity	\$10,561	\$12,153
Operating Cash Flow Before Working Capital - Per Share	\$1.79	\$3.56
Dividends	\$64	\$162
Dividends Per Share	\$0.08	\$0.20
Share Repurchases	\$85	\$345
Capital Expenditures ^a	\$1,151	\$2,591
Market Prices		
WTI	\$39.34	\$57.04
Henry Hub	\$2.08	\$2.63
Price Realizations - Excluding Derivatives		
Oil	\$35.93	\$55.80
Gas	\$1.77	\$2.18

FINANCIAL AND OPERATING HIGHLIGHTS (CONTINUED)

(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)

Category	2020	2019
Price Realizations - Including Derivatives		
Oil	\$38.07	\$56.47
Gas	\$1.77	\$2.18
Average Daily Net Sales		
United States Segment (mboed)	306	323
International Segment (mboed) ^b	77	91
LNG (mtd) ^c	4,289	4,933
Methanol (mtd) ^c	1,017	1,082
Condensate and LPG (boed) ^c	10,288	11,104
Net Proved Reserves		
Crude Oil and Condensate, Natural Gas Liquids and Natural Gas (mmboe)	972	1,205
Employees		
Number of Employees ^d	1,672	2,000

^a Capital expenditures include accruals.

^b Includes natural gas acquired for injection and subsequent resale.

^c Reflects net share of equity method investee volumes.

^d Reflects year-end data.

In the second quarter of 2019, we closed on the sale of our non-operated interest in Kurdistan marking a complete country exit. We also closed on the sale of our U.K. business in the third quarter of 2019.

FIVE-YEAR PERFORMANCE DATA

Governance	2020	2019	2018	2017	2016
Independent Board Members - percent	88	88	86	89	89
Political Contributions - thousand dollars ^a	241	85	289	65	194

Environment	2020	2019	2018	2017	2016
GHG Emissions (Global) ^{b, c, d}					
Direct Emissions (Scope 1) - million tonnes CO ₂ e	4.24	6.47	5.20	3.91	3.07
Indirect Emissions (Scope 2) - million tonnes CO ₂ e	0.20	0.18	0.16	0.16	0.19
Total GHG Emissions - million tonnes CO ₂ e	4.44	6.65	5.36	4.06	3.26
GHG Intensity (Scope 1 and 2) - tonnes CO ₂ e/production (mboe)	22.87	30.76	25.35	22.06	18.11
Total Methane Emissions - million tonnes CO ₂ e	0.52	0.47	0.57	0.62	0.67
Total Methane Intensity - tonnes CO ₂ e/production (mboe)	2.66	2.18	2.70	3.35	3.71
Methane Emissions as a % of Natural Gas Produced	0.20	0.16	0.19	0.21	0.24
GHG Emissions by Source					
Flaring - percent of direct (Scope 1) GHG emissions	36.0	52.0	50.0	-	-
Venting - percent of direct (Scope 1) GHG emissions	8.0	4.0	6.0	-	-
Fuel Combustion - percent of direct (Scope 1) GHG emissions	43.0	38.0	42.0	-	-
Fugitives - percent of direct (Scope 1) GHG emissions	2.0	1.0	2.0	-	-
Process Emissions - percent of direct (Scope 1) GHG emissions	11.0	5.0	-	-	-

Environment	2020	2019	2018	2017	2016
Gas Capture					
Gas Capture Percentage - million cubic feet	97.0	94.4	96.0	-	-
Other Operational Air Emissions (Global)					
Sulfur Dioxide (SO _x) - tons	450.5	462.0	560.0	538.1	104.5
Nitrogen Oxides (NO _x) - tons	13,674	23,755	29,050	27,923	23,733
Volatile Organic Compounds (VOCs) - tons ^e	6,095	12,225	12,959	22,739	16,226
Water					
U.S. Onshore Water Usage - million barrels used	48	95	82	70	29
U.S. Freshwater Intensity Rate - million barrels used/mmboe produced ^f	0.121	0.263	0.317	0.349	-
Gross U.S. Production Volumes - mmboe	148				
Spills					
Global Spill Events to the Environment ≥ 1 bbl - number ^g	27	30	47	35	29
Global Spill Volumes to the Environment ≥ 1 bbl - barrels (Oil) ^g	590	841	578	583	1,114
Global Spill Volumes to the Environment ≥ 1 bbl - barrels (Non-Oil) ^{g, h}	249	47,624	396	445	466
Other					
Energy Use - trillion BTU	39.13	36.18	44.86	43.74	49.44
Total Off-Site Waste Disposal (thousand tons)	127	183	73	26	16
Orphan Site Remediation and Reclamation - million dollars	0.2	0.8	1.8	0.9	1.0
Global Production for Emission Intensity Metrics					
Gross Total Production - mmboe	194	-	-	-	-
Gross Gas Production - million mcf	550	-	-	-	-
Gross Oil Production - mmbbl	103	-	-	-	-

Safety	2020	2019	2018	2017	2016
Safety — Global (combined employee and contractor)					
Fatalities - number	0	0	0	0	0
Total Recordable Incident Rate (TRIR) - incidents x 200,000/work hours	0.24	0.32	0.53	0.71	0.35
Employee TRIR - incidents x 200,000/work hours	0.05	0.08	0.16	0.32	0.12
Contractor TRIR - incidents x 200,000/work hours	0.32	0.37	0.63	0.74	0.47
Hours Worked (employee and contractor) - million hours	14.9	25.1	25.1	19.1	15.4
Lost Time Incident Rate (LTIR) - incidents x 200,000/work hours	0.12	-	-	-	-
Employee LTIR Rate - incidents x 200,000/work hours	0.05	-	-	-	-
Contractor LTIR Rate - incidents x 200,000/work hours	0.15	-	-	-	-
Serious Incident & Fatality (SIF) Rate (employee and contractor) - cases per 100 workers per year	0.54	-	-	-	-
Near Miss Frequency Rate - near misses x 200,000/work hours	16.71	5.90	6.85	8.50	-
Process Safety Management					
Tier 1 Process Safety Events - number	0	0	2	0	0
Tier 2 Process Safety Events - number	0	0	0	0	0
Tier 3 Process Safety Events - number	2	2	22	31	22

Workforce	2020	2019	2018	2017	2016
Employees					
Employees (Global - Not Including part-time/casual) - number ⁱ	1,672	2,000	2,437	2,345	2,302
U.S. Employees (Not Including part-time/casual) - percent ⁱ	73.0	74.0	58.0	64.0	63.0
Non-U.S. Employees (Not Including part-time/casual) - percent ⁱ	27.0	26.0	42.0	36.0	37.0
Full-time Employees (Global) - percent ⁱ	99.0	-	-	-	-
Part-time Employees (Global) - percent ⁱ	1.0	-	-	-	-
Turnover					
Global Turnover (Voluntary and Involuntary) - percent ^{i,j}	15.1	15.0	11.7	13.2	14.5
U.S. Turnover (Voluntary and Involuntary) - percent ^{i,j}	19.7	18.7	14.7	16.2	18.6
Non-U.S. Turnover (Voluntary and Involuntary) - percent ^{i,j}	1.1	6.6	6.0	7.3	7.8
Global Retirement Rate - percent ^{i,j}	4.6	1.3	2.4	2.9	5.1
Years of Service					
Less than 5 Years - percent	36.0	40.0	42.0	45.0	46.0
5-9 Years - percent	36.0	35.0	29.0	27.0	29.0
10-14 Years - percent	18.0	15.0	16.0	16.0	10.0
15-19 Years - percent	4.0	4.0	5.0	5.0	5.0
20-24 Years - percent	3.0	2.0	3.0	2.0	2.0
25+ Years - percent	3.0	4.0	5.0	5.0	8.0

Workforce	2020	2019	2018	2017	2016
Minority Breakdown					
Minority Employees (U.S.) - percent ^{i, k}	30.6	30.1	33.3	30.1	24.5
Minority Professionals (U.S.) - percent ^{i, k}	29.5	29.0	31.6	28.8	24.6
Minority Supervisors/Managers (U.S.) - percent ^{i, k}	19.3	19.8	20.4	16.1	13.2
Female Employees (Global) - percent ⁱ	29.8	29.8	28.1	26.1	25.4
Female Professionals (Global) - percent ⁱ	33.4	32.4	30.7	28.7	23.1
Female Supervisors/Managers (Global) - percent ⁱ	28.3	26.2	22.4	21.1	19.4
Workforce Represented by Unions (Global) - percent ⁱ	0.0	0.0	0.0	0.0	0.0

Social	2020	2019	2018	2017	2016
Social Investments (Global) - million dollars	14.5	14.9	19.3	21.7	20.5
Civic, Community & Culture - percent of spend	27.0	27.0	22.0	20.0	20.0
Education - percent of spend	25.0	32.0	32.0	36.0	51.0
Health & Human Services - percent of spend	47.0	40.0	44.0	39.0	25.0
Environment & Conservation - percent of spend	1.0	1.0	2.0	3.0	1.0
Other - percent of spend	N/A	N/A	N/A	2.0	3.0
Human Rights Security Incidents - number	0	0	0	0	0

a Includes political action committee and corporate contributions. **b** Greenhouse gas (GHG) carbon dioxide equivalent (CO₂e) emissions are based on carbon dioxide, methane and nitrous oxide from Marathon Oil-operated facilities only. **c** 2017 air emissions have been updated based on a review and resubmittal of emissions data to the EPA. **d** See 2020 gross production. Applies to all intensity metrics based on total gross production. **e** Increase in VOCs is primarily due to accounting changes in the Resource Plays. **f** Excludes recycled water volumes. **g** Data includes spills outside of secondary containment ≥ 1 barrel. **h** Non-oil includes some produced fluids, such as produced water, which may contain trace amounts of hydrocarbons and non-produced fluids such as drilling muds, fracturing and production chemicals. In 2019, two produced water spills of ~47,500 barrels accounted for total volume. **i** Workforce statistics reflect year-end data. **j** Data does not include total retirement rates of 4.6%, 1.3%, 2.4%, 2.9% and 5.1% for 2020, 2019, 2018, 2017 and 2016, respectively. **k** Minority designation defined by Equal Employment Opportunity EEO-1 report categories.

These tables contain data relevant to Marathon Oil's governance, environmental, safety, workforce and social performance. We understand that the accuracy of the data is inherently constrained by differing reporting rules, definitions, estimating methods and other factors. Marathon Oil endeavors to strengthen global data reporting systems and methodologies but recognizes as accuracy is improved, corrections will be needed periodically. In this table, some totals may not equal the sum of their components and separate calculations of other data may be affected due to independent rounding. The metrics above are for operations under direct Marathon Oil management and operational control. GHG emissions are estimated using industry guidelines (API's Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry and the IPIECA/API/IOGP Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions). Except as noted, metrics in this table represent global performance.









SECTION VIII

APPENDIX AND INDEX

BOARD SKILLS AND EXPERIENCE DIVERSITY MATRIX

Our directors have a diversity of experience and skills that span a broad range of industries in the public and not-for-profit sectors. They bring to our board a wide variety of skills, qualifications and viewpoints that strengthen our board's ability to carry out its oversight role on behalf of our stockholders. The table below summarizes key qualifications, skills and attributes each director brings to our board. The lack of a mark for a particular item does not mean the director does not possess that qualification or skill. However, a mark indicates a specific area of focus or expertise that the director brings to our board.

	Tillman	Deaton	Donadio	Few	Hyland	Ladhani	Smolik	Wells
 Public Company CEO Experience working as a CEO of a public company	•	•		•		•	•	
 Financial Oversight/Accounting Senior executive level experience in financial accounting and reporting, auditing, corporate financing and/or internal controls or experience in the financial services	•	•	•	•	•	•	•	•
 E&P Industry Experience Experience as executives or directors in, or in other leadership positions working with, the exploration and production industry	•	•	•	•		•	•	•
 Engineering Expertise Expertise through relevant undergraduate or graduate in engineering disciplines	•				•		•	•
 Public Policy/Regulatory Experience in or a strong understanding of the regulatory issues facing the oil and gas industry and public policy on a local, state and national level	•	•	•	•	•	•	•	•
 HES Experience Experience in managing matters related to health, environmental, safety and social responsibility in executive and operating roles	•	•		•	•	•	•	•
 International Global business or international experience	•	•	•	•	•	•	•	•
 Information Technology Experience in or strong understanding of the information technology and cyber-security issues facing the oil and gas industry				•				•
 Risk Management Executive experience managing risk	•	•	•	•	•	•	•	•
 Outside Public Boards	—	2	2	1	1	—	—	—

EMISSION REDUCTION STRATEGIES

We constantly seek out technology innovations and new opportunities to lower air emissions across our operations. See the GHG Emissions Management section for additional details on other key emission management technologies.

CARBON SEQUESTRATION

Key to reducing: General CO₂ emissions

Regenerative land management practices capture carbon and store it in the soil. In addition to removing carbon dioxide from the atmosphere, soil carbon sequestration is a nature-based solution that promotes improved soil health, cleaner surface water through improved watersheds and increases biodiversity due to grassland health. See the Emissions Management Committee highlight for more information on a collaboration with Grassroots Carbon, a company that specializes in soil sequestration of atmospheric carbon using regenerative agricultural practices.

BITCOIN COMPUTER MINING CENTERS

Key to reducing: Flaring

Bitcoin mining utilizes stranded gas production to generate electricity to power the energy intensive computing necessary to produce bitcoin. This results in a beneficial use for gas that might alternatively have been flared, thus reducing overall flaring in our Bakken Asset.

PNEUMATIC CONTROLLERS, EMISSION-LESS CONTROLLERS AND PUMPS

Key to reducing: Process Emissions

Pneumatic controllers regulate different process conditions, such as pressure, temperature or fluid levels in tanks or vessels. Low-bleed or intermittent-bleed, gas-driven pneumatic controllers emit less gas than high-bleed pneumatic controllers. Pneumatic-driven pumps are used in a variety of applications but are frequently used for chemical injection needs. Using air instead of gas-powered pneumatic devices to operate pneumatic controllers and pumps also reduces GHG emissions by minimizing process emissions of methane and VOCs discharged when the pneumatic device actuates. Electric/mechanical driven, solar-powered controllers may be used in non-emergency service control applications when grid electricity is not feasible. The application is dependent upon specific service and power needs for the drive mechanisms. Our active program of installing or replacing instrument gas operated pneumatic controllers has resulted in the elimination of high-bleed pneumatic controllers in our U.S. assets.

WEIGHTED THIEF HATCHES WITH HIGH-PERFORMANCE GASKETS

Key to reducing: Fugitive Emissions

Adequately weighting thief hatches reduces the likelihood that vapors will escape from inside storage tanks. Gasket materials that hold up to the elements also reduce the likelihood of tank emissions. When designing facilities, Marathon Oil considers thief hatch weight and gasket material and selects products that reduce the likelihood of emissions from thief hatches. Using the data captured through LDAR, we've been installing and/or upgrading to the latest lower-leak thief hatch models in new facilities across our assets where data indicates it is warranted.

INFRARED CAMERAS FOR LEAK DETECTION

Key to reducing: Fugitive Emissions

Infrared camera inspections detect temperature differences that can indicate equipment gas leaks. We routinely survey pneumatic controllers and pumps for incorrect operation, exceeding federal requirements. In addition, we voluntarily utilized flyovers in our Permian acreage and performed additional OGI surveys targeting tanks in the Eagle Ford to further identify and correct fugitive emissions from leaks. We repair leaking equipment as soon as practicable, often on the same day the leak is found. Infrared camera monitoring, along with maintenance and operating practices, helps us minimize air emissions from company facilities. Training for infrared camera operators includes certification on thermal contrast, gas plume motion, camera distance limitations and camera adjustments for varying environmental conditions. All four U.S. business units use infrared cameras to detect leaks at new facilities. The scope and frequency of our leak detection programs are driven by regulatory requirements and risks such as facility size and production throughput. In addition to repairing leaks, we use the data obtained through LDAR to apply technological solutions and make strategic investments to prevent leaks.

NATURAL GAS LIQUIDS (NGL) REMOVAL UNITS

Key to reducing: Flaring and volatile organic compound emissions

These units reduce volumes of gas flared by condensing NGLs from the gas stream that would otherwise be flared due to either a lack of gas connection or gas takeaway capacity constraints. NGLs are condensed from the gas stream to a liquid, which is then transported via truck for sale.

AUDIO, VISUAL AND OLFATORY (AVO) INSPECTIONS

Key to reducing: Fugitive emissions

AVO inspectors use their senses of hearing, sight and smell to help determine if a facility is operating normally. A trained inspector can detect gas leaks. To mitigate the risks associated with gas leaks, qualified individuals conduct routine AVO inspections of our production locations. A program to survey, prioritize, address and verify is applied with regulations dictating the frequency of inspections. Field employees are trained to perform AVO inspections for possible leaks as a part of their overall competency training. New employees must demonstrate competency in safety and operating requirements before conducting field work without the supervision of more experienced employees.

VAPOR RECOVERY UNITS (VRU) AND VAPOR RECOVERY TOWERS (VRT)

Key to reducing: Low Pressure Flaring

A VRU recovers vapors in crude oil or condensate tanks. A VRT is a tall pressure vessel installed between the production separators and liquid storage tanks to capture pressurized gas that would otherwise be sent to the tanks.

REDUCED EMISSIONS COMPLETIONS (REC)

Key to reducing: Venting/Flaring

This practice captures gas produced during well completions and workovers following hydraulic fracturing. Portable equipment is brought on site to separate the gas from the solids and liquids produced during flowback. The gas can then be delivered to the sales pipeline or routed to a control device instead of being vented. RECs reduce methane, volatile organic compounds (VOC) and hazardous air pollutants (HAP) emissions during well cleanup. Routing gas to a sales line can eliminate or significantly reduce the need for flaring during flowback operations. Marathon Oil uses 100% reduced emissions completions in our U.S. operations.

REDUCED DIESEL USE

Key to reducing: Combustion

Replacing diesel generators with natural gas-fired generators reduces emissions. The majority of our active drilling rigs are dual-fuel, which reduces our consumption of diesel and improves air quality. We are currently reviewing equipment availability to continue piloting for fracturing needs.

REDUCING EMISSIONS FROM LIQUIDS UNLOADING

Key to reducing: Venting

Artificial lift is a production technology that is used to remove the buildup of liquids that can impede the flow of natural gas through the well. We use several methods to further minimize emissions associated with unloading liquids from the well. While many factors contribute to the decision to use various forms of artificial lift, including the rate at which liquids accumulate in the wellbore, use of artificial lift can limit the need to manually unload a well. We typically rely on artificial lift methods where economic and feasible. In cases where manual unloading is required, we monitor 100% of manual unloading operations to minimize emissions from the process.

2020 CONTENT INDEX

This report is based on the IPIECA/API/IOGP *Oil and Gas Industry Guidance on Voluntary Sustainability Reporting*. In this report, we disclose additional indicators informed by the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainable Development Goals (SDGs). We have also continued our practice of including additional indicators informed by the Global Reporting Initiative (GRI) Standard. The index lists indicators from IPIECA, SASB, TCFD, GRI and the SDGs on which we have full or partially reported. A linked index is available online.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPIECA/API/IOGP	SDG
GRI 102: GENERAL DISCLOSURES						
102-1	Name of the organization	Our Report: Marathon Oil at a Glance	EM-EP-000.B EM-EP-000.C			
102-2	Activities, brands, products and services	Our Report: Marathon Oil at a Glance Financial and Operating Highlights	EM-EP-000.A			
102-3	Location of headquarters	Our Report: Marathon Oil at a Glance				
102-4	Location of operations	Our Report: Marathon Oil at a Glance Environment: Hydraulic Fracturing Highlight: Equatorial Guinea 2020 Annual Report and SEC Form 10-K (Pages 5-9)	EM-EP-000.B EM-EP-000.C			
102-5	Ownership and legal form	2020 Annual Report and SEC Form 10-K (Pages 7, 64, 71, 99-100 and 104) 2021 Proxy Statement (Page 22)				
102-6	Markets served	Our Report: Marathon Oil at a Glance Environment: Climate Change Highlight: Equatorial Guinea 2020 Annual Report and SEC Form 10-K (Pages 5, 13, 20 and 37)				
102-7	Scale of the organization	Our Report: Marathon Oil at a Glance Highlight: Equatorial Guinea				
102-8	Information on employees and other workers	Our Report: Marathon Oil at a Glance Highlight: Equatorial Guinea Workforce: Statistics Metrics: Five-Year Performance			SOC-5	Goal 8. Decent Work and Economic Growth Goal 10. Reduced Inequalities
102-9	Supply Chain	Highlight: Equatorial Guinea Social: Supply Chain Management				

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 102: GENERAL DISCLOSURES						
102-10	Significant changes to the organization and supply chain	Social: Supply Chain Management 2020 Annual Report and SEC Form 10-K (Pages 5-6)				
102-12	External initiatives	Social: Performance Highlights Social: Stakeholder Engagement	EM-EP-530a.1		GOV-1	
102-13	Memberships of associations	Governance: Political Contributions and Lobbying Environment: Seismicity Safety: Overview Social: Stakeholder Engagement				
102-14	Statement from senior decision-maker	Our Report: CEO Message				
102-15	A description of key impacts, risks and opportunities	Our Report: CEO Message Our Report: Board Message Governance: Management Systems Environment: Overview Environment: Climate Change	EM-EP-540a.2	Strategy (a) Risk Management (a, c)	GOV-1 GOV-2 CCE-1	
102-16	Values, principles, standards and norms of behavior	Our Report: CEO Message Governance: Management Systems Governance: Sustainability Oversight Governance: Ethical Business Practices Workforce: Overview Social: Supply Chain Monitoring Social: Human Rights			GOV-1 GOV-2	Goal 16. Peace, Justice and Strong Institutions
102-18	Governance structure	Governance: Overview			GOV-1 GOV-2	

TCFD Strategy (a): Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

TCFD Risk Management (a): Describe the organization's processes for identifying and assessing climate-related risks.

TCFD Risk Management (c): Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPIECA/API/IOGP	SDG
GRI 102: GENERAL DISCLOSURES						
102-20	Executive-level responsibility for economic, environmental and social topics	Our Report: CEO Message Governance: Board Oversight Social: Social Impact Investments Social: Supply Chain Monitoring		Governance (b)	GOV-1	
102-21	Consulting stakeholders on economic, environmental and social topics	Social: Stakeholder Engagement				Goal 16. Peace, Justice and Strong Institutions
102-24	Nominating and selecting the highest governance body	2021 Proxy Statement - Letter to Stockholders				Goal 5. Gender Equality Goal 16. Peace, Justice and Strong Institutions
102-29	Identifying and managing economic, environmental and social impacts	Our Report: CEO Message Governance: Sustainability Oversight Environment: Overview Social: Social Impact Investments 2021 Proxy Statement (Page 14)		Governance (a)	GOV-2	Goal 16. Peace, Justice and Strong Institutions
102-31	Review of economic, environmental and social topics	Our Report: CEO Message 2021 Proxy Statement (Page 17)		Governance (a)	GOV-1 GOV-2	
102-32	Highest governance body's role in sustainability reporting	Our Report: CEO Message Governance: Board Oversight Governance: Sustainability Oversight Environment: Climate Change Safety: HES&S Training		Governance (a)	GOV-2	

TCFD Governance (a): Describe the board's oversight of climate-related risks and opportunities.

TCFD Governance (b): Describe management's role in assessing and managing climate-related risks and opportunities.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 102: GENERAL DISCLOSURES						
102-35	Remuneration policies	Governance: Overview				
		Governance: Board Oversight				
		Compensation Committee Charter (Pages 1-6)				
		2021 Proxy Statement (Pages 20-59)				
		2020 Annual Report and SEC Form 10-K (Page 118)				
102-36	Process for determining remuneration	Compensation Committee Charter (Pages 1-6)				
		2021 Proxy Statement (Pages 20-59)				
		2020 Annual Report and SEC Form 10-K (Pages 119)				
102-40	List of stakeholder groups	Our Report: Stakeholder Map				
102-41	Percent of employees covered by collective bargaining agreements	Metrics: Five-Year Performance				Goal 8. Decent Work and Economic Growth
102-42	Identifying and selecting stakeholders	Our Report: Stakeholder Map				
102-43	Approach to stakeholder engagement	Our Report: CEO Message				
		Governance: Sustainability Oversight				
		Social: Stakeholder Engagement				
102-44	Key topics and concerns raised	Governance: Sustainability Oversight				
		Governance: Management Systems				
102-45	Entities included in consolidated financial statements	Governance: Political Contributions and Lobbying				

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 102: GENERAL DISCLOSURES						
102-46	Defining report content and topic boundaries	Our Report: What We Report On				
102-48	Restatements of information	Highlight: Equatorial Guinea				
102-49	Changes in reporting	Governance: Performance Highlights Governance: Sustainability Oversight Environment: Performance Highlights Safety: Performance Highlights				
102-50	Reporting period	Our Report: What We Report On				
102-51	Date of most recent report	Marathon Oil's most recent report is for 2020, and was published in September 2021. The most recent prior report was for 2019, and was published in August 2020.				
102-52	Reporting cycle	Marathon Oil publishes a sustainability report on an annual basis.				
102-53	Contact point for questions regarding the report	Email: ESGReport@marathonoil.com				
102-54	Claims of reporting in accordance with the GRI Standards	Our Report: What We Report On				
102-55	GRI content index	Our Report: Content Index				
102-56	External assurance	Governance: Sustainability Oversight				

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPIECA/API/IOGP	SDG
GRI 103: MANAGEMENT APPROACH						
103-1	Explanation of the material topic and its boundary	The disclosures of the management approach for each material topic meet or exceeds the requirements of the GRI 103 Management approach requirement.				
103-2	The management approach and its components	The disclosures of the management approach for each material topic meet or exceeds the requirements of the GRI 103 Management approach requirement.	EM-EP-420a.3 EM-EP-160a.1	Governance (a) Strategy (a, b, c) Risk Management (b) Metrics and Targets (b, c)	GOV-4 CCE-1 CCE-2 CCE-3 CCE-5 CCE-7 ENV-3 ENV-4 ENV-6 ENV-7 ENV-8 SOC-6 SOC-7 SOC-11 SOC-12 SOC-13	
103-3	Evaluation of the management approach	The disclosures of the management approach for each material topic meet or exceeds the requirements of the GRI 103 Management approach requirement.				

TCFD Governance (a): Describe the board's oversight of climate-related risks and opportunities.

TCFD Strategy (a): Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

TCFD Strategy (b): Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

TCFD Strategy (c): Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

TCFD Risk Management (b): Describe the organization's processes for managing climate-related risks.

TCFD Metrics and Targets (b): Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks.

TCFD Metrics and Targets (c): Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 201, 204 AND 205: ECONOMIC PERFORMANCE, PROCUREMENT PRACTICES, ANTI-CORRUPTION						
201-1	Direct economic value generated and distributed	Metrics: Five-Year Performance 2020 Annual Report and SEC Form 10-K (Pages 31-54)			GOV-4 SOC-13	Goal 8. Decent Work and Economic Growth Goal 9. Industry, Innovation and Infrastructure
201-2	Financial implications and other risks and opportunities due to climate change	Governance: Management Systems Environment: Climate Change 2020 Annual Report and SEC Form 10-K (Pages 31-54)	EM-EP-540a.2	Strategy (b, c) Risk Management (a, b, c) Metrics and Targets (a)	CCE-1 CCE-2	Goal 13. Climate Action
201-3	Defined benefit plan obligations and other retirement plans	2020 Annual Report and SEC Form 10-K (Pages 50-52, 60-67, 80, 91-98)				
204-1	Proportion of spending on local suppliers	Highlight: Equatorial Guinea Social: Supply Chain Management			SOC-4 SOC-14	Goal 8. Decent Work and Economic Growth
205-2	Communication and training about anti-corruption policies and procedures	Governance: Ethical Business Practices Social: Supply Chain Monitoring Code of Ethics for Senior Financial Officers Code of Business Conduct	EM-EP-510a.2		GOV-3 SHS-7 SOC-8	Goal 16. Peace, Justice and Strong Institutions

TCFD Strategy (b): Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

TCFD Strategy (c): Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

TCFD Risk Management (a): Describe the organization's processes for identifying and assessing climate-related risks.

TCFD Risk Management (b): Describe the organization's processes for managing climate-related risks.

TCFD Risk Management (c): Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

TCFD Metrics and Targets (a): Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 301, 303 AND 304: MATERIALS, WATER AND EFFLUENTS, BIODIVERSITY						
301-1	Materials used by weight or volume	2020 Annual Report and SEC Form 10-K (Pages 11-13)			ENV-7	Goal 8. Decent Work and Economic Growth Goal 12. Responsible Consumption and Production
303-1	Interactions with water as a shared resource	Environment: Water Stewardship	EM-EP-140a.1		ENV-1 ENV-2	Goal 6. Clean Water and Sanitation Goal 12. Responsible Consumption and Production
303-2	Management of water discharge-related impacts	Environment: Water Stewardship	EM-EP-140a.2		ENV-2	Goal 6. Clean Water and Sanitation
303-3	Water withdrawal	Environment: Water Stewardship	EM-EP-140a.3		ENV-1	
303-4	Water discharge	Highlight: Technology and Innovation Environment: Water Stewardship			ENV-2	Goal 6. Clean Water and Sanitation
303-5	Water consumption	Environment: Water Stewardship Metrics: Five-Year Performance			ENV-1	Goal 6. Clean Water and Sanitation
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment: Land Stewardship & Biodiversity Social: Social Impact Investments	EM-EP-160a.3		ENV-3	Goal 6. Clean Water and Sanitation Goal 14. Life Below Water Goal 15. Life on Land
304-2	Significant impacts of activities, products and services on biodiversity	Environment: Land Stewardship & Biodiversity	EM-EP-160a.1		ENV-3	Goal 6. Clean Water and Sanitation Goal 14. Life Below Water Goal 15. Life on Land

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 301, 303 AND 304: MATERIALS, WATER AND EFFLUENTS, BIODIVERSITY						
304-3	Habitats protected or restored	Environment: Land Stewardship & Biodiversity			ENV-4	Goal 6. Clean Water and Sanitation Goal 15. Life on Land
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment: Land Stewardship & Biodiversity			ENV-3 ENV-4	Goal 6. Clean Water and Sanitation Goal 14. Life Below Water Goal 15. Life on Land
GRI 305: EMISSIONS						
305-1	Direct (Scope 1) GHG emissions	Environment: Emissions Management Metrics: Five-Year Performance	EM-EP-110a.1 EM-EP-110a.2 EM-EP-110a.3 EM-MD-110a.1 EM-EP-420a.3	Metrics and Targets (b)	CCE-3 CCE-4 CCE-5 CCE-7	Goal 3. Good Health and Well-Being Goal 12. Responsible Consumption and Production Goal 13. Climate Action Goal 14. Life Below Water Goal 15. Life on Land
305-2	Energy indirect (Scope 2) GHG Emissions	Environment: Emissions Management Metrics: Five-Year Performance		Metrics and Targets (b)	CCE-4	Goal 3. Good Health and Well-Being Goal 13. Climate Action Goal 14. Life Below Water Goal 15. Life on Land

TCFD Metrics and Targets (b): Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks.

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPIECA/API/IOGP	SDG
GRI 305: EMISSIONS						
305-4	GHG emissions intensity	Environment: Emissions Management				Goal 13. Climate Action
		Metrics: Five-Year Performance			CCE-4	Goal 14. Life Below Water
						Goal 15. Life on Land
305-5	Reduction of GHG emissions	Highlight: Emissions Management Committee				Goal 13. Climate Action
		Environment: Performance Highlights	EM-EP-110a.3		CCE-3 CCE-4 CCE-6	Goal 14. Life Below Water
		Environment: Emissions Management				Goal 15. Life on Land
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environment: Performance Highlights				Goal 3. Good Health and Well-Being
		Metrics: Five-Year Performance	EM-EP-120a.1		ENV-5	Goal 12. Responsible Consumption and Production
						Goal 14. Life Below Water
						Goal 15. Life on Land

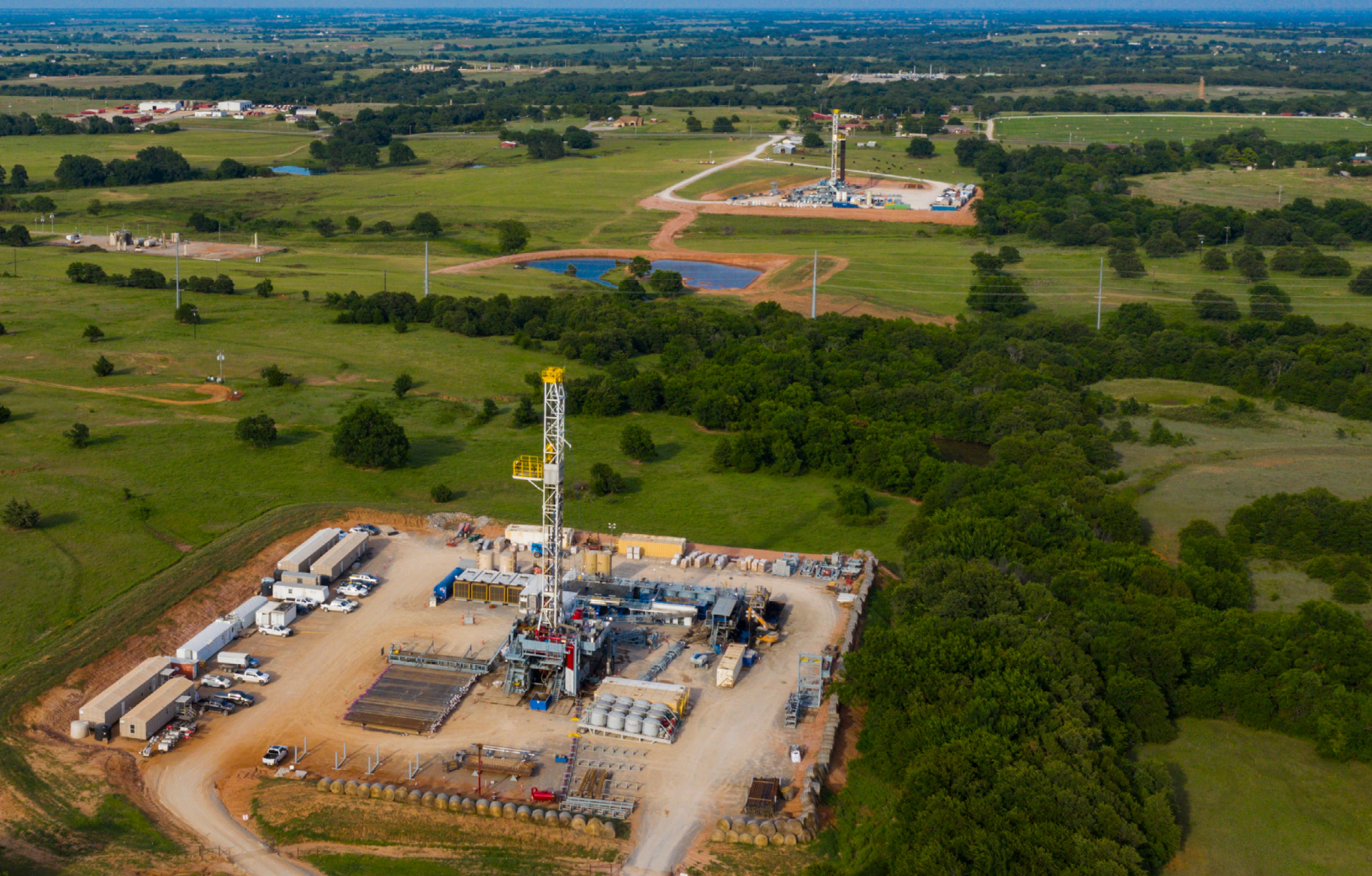
GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 306: EFFLUENTS AND WASTE						
306-1	Water discharge by quality and destination	Highlight: Technology and Innovation	EM-EP-140a.2		ENV-2 ENV-6 ENV-7	Goal 3. Good Health and Well-Being
		Environment: Water Stewardship				Goal 6. Clean Water and Sanitation
		Metrics: Five-Year Performance				Goal 12. Responsible Consumption and Production
						Goal 14. Life Below Water
306-2	Waste by type and disposal method	Environment: Hydraulic Fracturing			ENV-2 ENV-6 ENV-7	Goal 3. Good Health and Well-Being
		Environment: Materials Management				Goal 6. Clean Water and Sanitation
						Goal 12. Responsible Consumption and Production
306-3	Significant spills	Environment: Spill Prevention	EM-EP-160a.1		ENV-2 ENV-5 ENV-6 ENV-7	Goal 3. Good Health and Well-Being
		Metrics: Five-Year Performance				Goal 6. Clean Water and Sanitation
						Goal 12. Responsible Consumption and Production
						Goal 14. Life Below Water
306-4	Transport of hazardous waste	Environment: Materials Management			ENV-2 ENV-6 ENV-7	Goal 15. Life on Land
						Goal 3. Good Health and Well-Being
						Goal 12. Responsible Consumption and Production

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPIECA/API/IOGP	SDG
GRI 401 AND 403: EMPLOYMENT, OCCUPATIONAL HEALTH AND SAFETY						
401-1	New employee hires and turnover	Workforce: Statistics Metrics: Five-Year Performance			SOC-5 SOC-6	Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth Goal 10. Reduced Inequalities
403-1	Occupational health and safety management system	Our Report: Marathon Oil at a Glance Our Report: CEO Message Governance: Sustainability Oversight Highlight: Equatorial Guinea Safety: Overview	EM-EP-320a.2		SHS-1 SHS-2	Goal 8. Decent Work and Economic Growth
403-2	Hazard identification, risk assessment and incident investigation	Safety: HES&S Training Safety: Process Safety Metrics: Five-Year Performance	EM-EP-320a.1 EM-EP-320a.2		SHS-1 SHS-2 SHS-3 SHS-6	Goal 8. Decent Work and Economic Growth
403-3	Occupational health services	Highlight: Equatorial Guinea Safety: Performance Highlights Safety: Contractor Safety	EM-EP-320a.2		SHS-2 SHS-3	Goal 8. Decent Work and Economic Growth
403-4	Worker participation, consultation, and communication on occupational health and safety	Highlight: Equatorial Guinea Safety: Contractor Safety	EM-EP-320a.2		SHS-1 SHS-2 SOC-6	Goal 8. Decent Work and Economic Growth Goal 16. Peace, Justice and Strong Institutions

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 401 AND 403: EMPLOYMENT, OCCUPATIONAL HEALTH AND SAFETY						
403-5	Worker training on occupational health and safety	Safety: Contractor Safety	EM-EP-320a.1		SHS-1 SHS-2	Goal 8. Decent Work and Economic Growth
		Safety: HES&S Training				
		Safety: Emergency Preparedness				
403-6	Promotion of worker health	Highlight: Pandemic Response			SHS-2	Goal 3. Good Health and Well-Being
		Highlight: Equatorial Guinea				
		Safety: HES&S Training				
403-9	Work-related injuries	Safety: Occupational Health				Goal 3. Good Health and Well-Being
		Highlight: Equatorial Guinea				Goal 8. Decent Work and Economic Growth
		Safety: Safety Progress				Goal 16. Peace, Justice and Strong Institutions
		Metrics: Five-Year Performance				

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 404 AND 405: TRAINING AND EDUCATION, DIVERSITY AND EQUAL OPPORTUNITY						
404-1	Average hours of training per year per employee	Workforce: Learning, Development and Engagement			SOC-7	Goal 4. Quality Education Goal 8. Decent Work and Economic Growth
404-2	Programs for upgrading employee skills and transition assistance programs	Governance: Sustainability Oversight Workforce: Learning, Development and Engagement Social: Supply Chain Monitoring Social: Human Rights			SOC-7	Goal 8. Decent Work and Economic Growth
405-1	Diversity of governance bodies and employees	Governance: Board Composition Workforce: Diversity, Equity and Inclusion Metrics: Five-Year Performance 2021 Proxy Statement (Page 6)			SOC-5	Goal 5. Gender Equality Goal 8. Decent Work and Economic Growth
GRI 410: SECURITY PRACTICES						
410-1	Security personnel trained in human rights policies or procedures	Highlight: Equatorial Guinea Social: Human Rights	EM-EP-210a.3		SHS-7 SOC-3 SOC-10	Goal 16. Peace, Justice and Strong Institutions

GRI INDICATOR	DISCLOSURE TITLE	REFERENCE	SASB	TCFD	IPECA/API/IOGP	SDG
GRI 411, 413 AND 415: RIGHTS OF INDIGENOUS PEOPLES, LOCAL COMMUNITIES, PUBLIC POLICY						
411-OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	Social: Stakeholder Engagement Social: Human Rights			SOC-9 SOC-10 SOC-11 SOC-12	Goal 2. Zero Hunger
413-1	Operations with local community engagement, impact assessments, and development programs	Highlight: Equatorial Guinea Safety: Occupational Health Social: Stakeholder Engagement Social: Social Impact Investments	EM-EP-210b.1 EM-EP-210b.2		SOC-9 SOC-12 SOC-13	
413-2	Operations with significant actual and potential negative impacts on local communities	Environment: Emissions Reductions Environment: Hydraulic Fracturing Environment: Seismicity			SOC-9	Goal 1. No Poverty
415-1	Political contributions	Governance: Political Contributions and Lobbying Environment: Seismicity Metrics: Five-Year Performance Report of Lobbying and Political Contributions for Fiscal Year 2020	EM-EP-530a.1		GOV-4 GOV-5	



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Questions or Comments?
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Read the report online:
marathonoil.com/sustainability-report



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