



Marathon Oil Company Statement of Commitments, Principles and Strategies

Marathon will be Best In The Long Run.

Believing that success follows commitment, we commit to the following principles as a means of saying, “This is who we are, and what we stand for.”

To Our Customers — recognition as a company that provides high quality products and services.

To Our Shareholders — a company that achieves superior financial performance to enhance shareholder returns by fully utilizing the creativity of its employees, financial and technical resources and physical assets.

To Our Employees — provide a safe and satisfying work environment to foster a responsive organization of highly motivated, team-oriented employees who contribute to our success.

To Future Growth — be an aggressive, innovative company, constantly seeking improvement, building upon the competitive strengths of our integrated operations, to take advantage of worldwide business opportunities.

To The Community — conduct our business with a high regard to health, safety, and stewardship of the environment.

Our Guiding Principles

Build trust, respect, and personal integrity

Maintain the highest ethical standards

Instill teamwork and open communication

Question the status quo; constantly improve

Know our customers; meet their expectations

Provide job and development opportunities equally to all employees

Reward performance and contribution

Marathon Oil Company

Best In The Long Run

Corporate Services Statement of Mission & Strategies

The Services Organizations will contribute to Marathon's success as an integrated energy company by supporting the strategic objectives of our upstream and downstream operations. We will provide cost-efficient resources that maximize the value of our integrated operations utilizing innovative technologies, the creativity of our people, and teamwork. We will represent the company to external agencies, and manage corporate risks in a manner that allows our operating organizations to accomplish their objectives. We recognize that all services and resource capabilities must add value and will focus our efforts to increase income and reduce costs. We will provide a cost advantage to the company over competitive alternatives.

Strategies to Accomplish the Mission

! Support strategic objectives

- Deliver value-added services that cost effectively satisfy customer needs and company goals.
- Identify and foster partnerships with our internal and external customers.
- Develop and apply technologies that enhance our ability to efficiently compete in our upstream and downstream operations.

! Provide cost-effective resources

- Jointly identify those services required by our customers.
- Implement optimal company service arrangements considering shared, decentralized, in house, and out-sourced services.
- Emphasize the application of technology as a means of providing cost-effective services.
- Measure our performance by actively seeking feedback from our internal customers, participating in benchmarking and other industry surveys, on a regular basis.

Downstream Statement of Mission & Strategies

Downstream will contribute to Marathon's success as an integrated energy company by being the most profitable organization in the industry on the basis of operating income per barrel sold and return on assets, while maintaining cash-flow objectives. We will accomplish this by acquiring the most cost competitive feedstocks and products, cost efficiently manufacturing quality products, and increasing the efficiency of distribution systems. We will profitably increase natural gas and refined product sales and pursue alternative marketing strategies. We will foster partnerships with all internal and external customers. We will utilize the latest technology, highly motivated personnel, and the strengths of our coordinated Refining, Marketing & Transportation systems.

Strategies to Accomplish the Mission

! Grow income per barrel sold and reduce operating costs

- Increase processing capabilities that add economic value consistent with capital investment objectives.
- Invest strategically in key transportation systems while evaluating third-party alternatives.
- Continue to use the flexibility of marketing through all classes of trade to enhance profitability.
- Protect values through utilization of hedge techniques

! Increase sales and market share

- Increase Emro market penetration through remodeling and/or building stations, continued development of truckstop network and image, and strategic acquisitions.
- Develop Brand via jobbers using existing programs and filling voids created by market withdrawals.
- Profitably maximize sales of equity natural gas production while creating and taking advantage of other market opportunities.
- Improve understanding of alternative fuels and take appropriate strategic action.
- Utilize Downstream expertise to seek opportunities in international markets.

! Optimize operations

- Optimize key business and manufacturing processes within and across organizational boundaries.
- Develop and de-bottleneck transportation systems.
- Maximize return on investment utilizing system synergies and cost-efficient technologies.
- Focus on the manufacturing of higher value products

! Foster partnerships

- Improve understanding of our internal and external customers' needs and respond as appropriate.
- Pursue third-party alliances in areas which provide increased income opportunities.

Upstream Statement of Mission & Strategies

Upstream will contribute to Marathon's success as an integrated energy company by maximizing profitability from production operations, with the goal of being an industry leader on an income-per-barrel-of-oil-equivalent basis, while meeting cash-flow and return-on-assets objectives. To attain this goal, we will cost-efficiently optimize production and recovery from producing fields, and grow income streams and reserves. We will maintain a competitive edge through the effective utilization of the work force, the application of value-added technologies, and the strategic exploitation of new business opportunities.

Strategies to Accomplish the Mission

! Increase income per barrel of oil equivalent

- Find, develop and acquire quality, economical, long-life reserves.
- Manage our assets by selling high-operating-cost, low-upside-potential properties, and acquiring assets where operational synergies exist.
- Continue to evaluate viability of core operating areas and direct resources accordingly.
- Concentrate resources on projects proportional to contribution.
- Conduct cost-efficient operations consistent with corporate safety and environmental goals.

! Optimize recoveries from existing fields and assets

- Use multi-disciplinary team approach to reservoir and operations management.
- Use cost-efficient technologies to produce reservoirs.
- Optimize production for income growth, from the reservoir to the sales point.

! Grow income streams and reserves

- Focus exploration in the Gulf of Mexico, U.K. Continental Shelf and other select areas where prospectivity is high, fiscal terms are favorable, and successful efforts will have an impact on the Company's future.
- Exploit added income potential in our primary producing areas where we have infrastructure, technology, and experience.
- Create new business opportunities, including opportunities in nations with emerging economies and those privatizing industry, consistent with the resource strengths of the Company.