



**Amoco Corporation**

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H. Laurance Fuller  
Chairman, President and CEO

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**Dear Employee:**

In striving to reach Amoco's vision of preeminence in a climate of rapidly changing business conditions, our company must be ever more capable of tackling the challenges we face as an organization. Recognizing that Amoco's success depends upon our ability to identify and overcome barriers to our progress, and to renew ourselves through continuous improvement, we encourage employees and supervisors to work together to effectively achieve business objectives in an environment of openness and trust. Amoco's management has agreed that:

- a positive future for Amoco requires that all employees reach their fullest potential and that employee contributions be recognized and maximized;
- only with a participative management approach can Amoco address the challenges that our future will bring; and
- a performance management process is necessary to enable Amoco to meet its future strategic performance goals.

Amoco Performance Management was designed to be highly *participative*--meaning that supervisors and employees will work together during each performance cycle. This emphasis on mutuality helps to align an individual's objectives to those of the business plan. The process is also forward-looking, rather than a one-time assessment of past performance, which makes it significantly different than the performance appraisal system of the past.

Amoco Performance Management encourages a philosophy and management style that we believe will result in higher levels of performance corporate-wide. It means more satisfaction for both you and your supervisor--because you both will know in advance what is expected throughout the year. Most important, it reflects a greater emphasis on employee involvement and participation.

To sustain this process effectively, Amoco Performance Management will require strong commitment and involvement from each of us. I am positive that collectively we will be successful and, as a result, the organization will be better positioned to achieve our goal of preeminence, the standard by which other companies measure themselves. I appreciate your support.

*Larry*