MARATHON OIL CORP
Form DEF 14A
April 12, 2019
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

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Check the appropriate box:
o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
x Definitive Proxy Statement
o Definitive Additional Materials
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Marathon Oil Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(3) Filing Party:

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Marathon Oil Corporation
5555 San Felipe Street
Houston, TX 77056

April 12, 2019

Dear Marathon Oil Corporation Stockholder,

2018 was another exceptional year for Marathon Oil. With the foundation of a peer leading balance sheet and our multi-basin U.S. portfolio, we delivered more oil growth, generated positive free cash flow post-dividend, and continued to return cash to shareholders through the combination of our dividend and repurchases.

We continued to enhance and refresh our Board of Directors and in April of 2019 we added two directors, J. Kent Wells and Jason B. Few.

We value the communication we have established with our stockholders. We look forward to continuing to hear your views and we ask for your continued support as we work to maximize the value of your investment in our Company.

Your Board of Directors and management cordially invite you to attend our 2019 Annual Meeting of Stockholders, to be held in the Conference Center Auditorium of the Marathon Oil Tower, 5555 San Felipe Street, Houston, Texas, on Wednesday, May 29, 2019, at 10:00 a.m. Central Time.

We are making our proxy materials accessible over the Internet, which allows us to provide our stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of our Annual Meeting. Please read the Proxy Statement for more information about how to access the proxy materials over the Internet.

On April 17, 2019, we plan to mail to our U.S. stockholders a notice explaining how to access our 2019 Proxy Statement and 2018 Annual Report, request a printed copy of these materials, and vote online. All other stockholders will continue to receive copies of the Proxy Statement and Annual Report by mail. You can find information about the matters to be voted on at the meeting in the 2019 Proxy Statement.

Your vote is important. Whether or not you plan to attend the meeting, we encourage you to vote promptly so that your shares will be represented and properly voted at the meeting.

Sincerely,

Lee M. Tillman	Gregory H. Boyce
Chairman, President and	Independent Lead Director
Chief Executive Officer	

MARATHON OIL CORPORATION
Notice of 2019 Annual Meeting of Stockholders

Dear Stockholders,

You are invited to attend Marathon Oil Corporation's 2019 Annual Meeting of Stockholders, to be held in the Conference Center Auditorium of the Marathon Oil Tower, 5555 San Felipe Street, Houston, Texas 77056 on Wednesday, May 29, 2019, at 10:00 a.m. Central Time.

The meeting will be held for the following purposes:

You are entitled to vote if you were a stockholder of record on April 1, 2019. If you plan to attend the meeting, you will need to show proof of your stock ownership, such as a recent account statement, letter or proxy from your broker or other intermediary, along with a photo identification.

By order of our Board of Directors,
Reginald D. Hedgebeth
Senior Vice President, General Counsel and Secretary
April 12, 2019

Your vote is very important. Please vote right away, even if you plan to attend the Annual Meeting, to ensure your vote is counted. There are four ways to vote:

INTERNET	TELEPHONE	MAIL	IN PERSON
Visit www.proxyvote.com or scan the QR code on your Notice or proxy card with a smart phone. You will need the 16-digit number included in your Notice, proxy card or voting instructions.	Dial 1-800-690-6903 and follow the recorded instructions. You will need the 16-digit number included in your Notice, proxy card or voting instructions.	If you received a proxy card by mail, send your completed and signed proxy card in the envelope provided.	You may vote in person at the Annual Meeting in certain circumstances outlined in this proxy.

PROXY STATEMENT

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Q&A ABOUT THE ANNUAL MEETING

When and where is the Annual Meeting?

The 2019 Annual Meeting of Stockholders (Annual Meeting) will be held in the Conference Center Auditorium of the Marathon Oil Tower, 5555 San Felipe Street, Houston, Texas 77056 on Wednesday, May 29, 2019 at 10:00 a.m. Central Time.

Who may vote?

You may vote if you held Marathon Oil Corporation (Marathon Oil or Company) common stock at the close of business on April 1, 2019, the record date for the meeting. Each share of common stock is entitled to one vote. As of the record date, there were 819,786,662 shares of Marathon Oil common stock outstanding and entitled to vote.

Who is soliciting my vote?

Our Board of Directors (Board) is soliciting your proxy to vote your shares at the Annual Meeting. In connection with this solicitation, we mailed a Notice Regarding the Availability of Proxy Materials (Notice) to our stockholders on or about April 17, 2019. You may access the proxy materials on the Internet or request a printed set of the proxy materials by following the instructions in the Notice.

What is included in the proxy materials for the Annual Meeting?

The proxy materials include the Notice, this Proxy Statement, and our 2018 Annual Report. If you requested printed versions by mail, the proxy materials also include the proxy card or voting instructions. The proxy materials are being distributed and made available on or about April 17, 2019.

What am I voting on and how does our Board recommend that I vote?

Proposal Number	Subject of Proposal	Recommended Vote	For details see pages starting on
1	Election of Directors	FOR the proposal	4
2	Ratification of Independent Auditor for 2019	FOR the proposal	53
3	Advisory Vote to Approve the 2018 Compensation of Our Named Executive Officers	FOR the proposal	55
4	Approval of 2019 Incentive Compensation Plan	FOR the proposal	56

How do I vote?

There are four ways to vote:

INTERNET	Vote by Internet at www.proxyvote.com or scan the QR code on your Notice or proxy card with a smart phone. You will need the 16-digit number included in your Notice, proxy card or voting instructions.
TELEPHONE	Vote by phone by dialing 1-800-690-6903 and following the recorded instructions. You will need the 16-digit number included in your Notice, proxy card or voting instructions.
MAIL	If you received a proxy card by mail, send your completed and signed proxy card in the envelope provided.
IN PERSON	You may vote in person at the Annual Meeting if you are a registered stockholder or obtain a valid proxy from the record owner.

To be counted, votes by Internet, telephone or mail must be received by 11:59 p.m. Eastern Time on May 28, 2019, for shares held by registered holders directly, and by 11:59 p.m. Eastern Time on May 23, 2019, for shares held in the Marathon Oil Company Thrift Plan and the Marathon Petroleum Thrift Plan.

If I am a beneficial owner of Marathon Oil shares, how do I vote?

If you are a beneficial owner of Marathon Oil common stock held in street name, you should have received either a Notice or a voting instruction card with these proxy materials from the record owner of the shares. Follow the instructions in the Notice or the voting card to vote by mail, telephone or Internet. To vote in person at the Annual Meeting, you must obtain a valid proxy from the record owner. Follow your broker's instructions to obtain this proxy.

Why did I receive a Notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

We provide our proxy materials over the Internet. Unless you request a printed copy of the proxy materials or reside outside the United States, we will send you a Notice explaining how to access the proxy materials over the Internet or to request a printed copy. You can request proxy materials in printed form by mail or electronically by e-mail on an ongoing basis.

May I change my vote?

If you are a record holder of Marathon Oil common stock, you may change your vote or revoke your proxy at any time before your shares are voted at the meeting by:

- voting again by telephone or over the Internet;
- sending us a signed proxy card dated later than your last vote;
- notifying the Secretary of Marathon Oil in writing; or
- voting in person at the meeting.

How many votes are needed to approve each of the proposals?

Directors will be elected by a majority of the votes cast. To be elected, the number of shares voted "FOR" a director must exceed the number of shares voted "AGAINST" that director. Abstentions will have no effect in director elections. Each other proposal will require the affirmative vote of a majority of the shares of common stock represented in person or by proxy at the meeting and entitled to vote. Abstentions will have the same effect as a vote against such proposal. Broker non-votes are not counted as either votes for or votes against a proposal.

What are broker non-votes?

Brokers may vote on routine matters, such as ratification of the independent auditor, without customer voting instructions. However, brokers may not vote on non-routine matters, such as the election of directors and approval of executive compensation, without customer voting instructions. Broker-held shares that are not voted on non-routine matters are referred to as broker non-votes.

How many votes are needed for a quorum?

Under our By-laws, a quorum is one third of the voting power of the outstanding shares entitled to vote. Both abstentions and broker non-votes are counted in determining that a quorum is present for the meeting.

Who pays for the proxy solicitation related to the meeting?

We do. In addition to soliciting proxies by mail, our directors, officers and employees may solicit proxies by telephone, in person or by other means. They will receive no additional compensation for this work. We will arrange for brokerage firms and other custodians, nominees and fiduciaries to forward proxy solicitation material to the beneficial owners of common stock, and we will reimburse them for reasonable out-of-pocket expenses incurred in connection with forwarding the material.

How will other matters raised at the meeting be voted?

If any matters other than those on the proxy card are presented at the meeting, the proxy committee will vote on them using its best judgment. Under our By-laws, notice of any matter to be presented by a stockholder for a vote at the meeting must have been received by our corporate Secretary between December 19, 2018 and January 18, 2019, accompanied by certain information about the stockholder presenting it. We have not received notice of any matter to be presented.

If I want to submit a stockholder proposal for consideration at the 2020 Annual Meeting, when is that proposal due?

Stockholder proposals submitted for inclusion in our 2020 Proxy Statement must be received in writing by our corporate Secretary no later than the close of business on December 19, 2019. Stockholder proposals submitted outside the process for inclusion in the Proxy Statement must be received in writing by our corporate Secretary on or after December 19, 2019, and no later than the close of business on January 18, 2020, and must be accompanied by certain information about the stockholder making the proposal, in accordance with our By-laws.

If I want to nominate a director for consideration at the 2020 Annual Meeting, when is that nomination due?

Eligible stockholders may nominate a candidate for election to our Board for inclusion in our 2020 Proxy Statement in accordance with the "proxy access" provisions of our By-laws. Stockholder nominations for director submitted for inclusion in our 2020 Proxy Statement must be received in writing by our corporate Secretary on or after December 19, 2019, and no later than the close of business on January 18, 2020, and must otherwise comply with all of the requirements of the By-laws.

Stockholder nominations for director submitted outside the "proxy access" process must be received in writing by our corporate Secretary on or after December 19, 2019, and no later than the close of business on January 18, 2020, and must otherwise comply with all of the requirements of the By-laws.

Will I receive more than one copy of the proxy materials if multiple stockholders share my address?

Unless we have received contrary instructions from one or more of the stockholders sharing your address, we will send only one set of proxy materials to your household. Upon oral or written request, we will promptly send a separate copy of the proxy materials to any stockholder at your address. To request separate or single delivery of these materials now or in the future, call us at 1-866-984-7755 or write to us at Marathon Oil Corporation, Investor Relations Office, 5555 San Felipe Street, Houston, Texas, 77056-2701.

PROPOSAL 1: ELECTION OF DIRECTORS

Under our Restated Certificate of Incorporation, directors are elected for terms expiring at the next succeeding Annual Meeting of stockholders. We currently have 8 directors whose terms expire in 2019. Each director is nominated for a one-year term expiring at the 2020 Annual Meeting.

Directors are elected by a majority of votes cast. For a director to be elected, the number of shares cast "FOR" a director must exceed the number of votes cast "AGAINST" that director. Abstentions will have no effect in director elections. If any nominee for whom you have voted becomes unable to serve, your proxy may be voted for another person designated by our Board.

Our By-laws require any incumbent who does not receive sufficient votes to promptly tender his or her resignation to our Board. Our Corporate Governance and Nominating Committee will recommend to our Board whether to accept or reject the tendered resignation or take other action. Our Board will act on the tendered resignation, taking into account the Corporate Governance and Nominating Committee's recommendation, and publicly disclose its decision regarding the tendered resignation within 90 days after certification of the election results. In the event of a vacancy, our Board may fill the position or decrease the size of our Board.

DIRECTOR QUALIFICATIONS AND NOMINATIONS

Our Corporate Governance Principles set forth the process for director selection and director qualifications. In summary, the chairman of the Corporate Governance and Nominating Committee, the CEO, and the secretaries of the Compensation Committee and Corporate Governance and Nominating Committee generally work with a third-party professional search firm to review director candidates and their credentials. At least one member of the Corporate Governance and Nominating Committee, the Independent Lead Director and the CEO meet with the director candidate. This screening process applies to nominees recommended by the Corporate Governance and Nominating Committee, as well as nominees recommended by our stockholders in accordance with our By-laws or applicable law. Once a director has been selected either by our Board to serve until the next annual meeting or by election at the annual meeting, they undergo orientation and training. In 2018, two new directors joined our Board, and in 2019, Mr. Wells and Mr. Few also joined our Board. The Corporate Governance and Nominating Committee is responsible for reviewing with our Board the appropriate skills and characteristics required of directors. Directors should be individuals of substantial accomplishment with demonstrated leadership capabilities, and they should represent all stockholders rather than any special interest group or constituency. Selection of director nominees includes a consideration of numerous skills and qualifications, including:

- an evaluation of their independence,
- their business or professional experience,
- their integrity and judgment,
- their record of public service,
- their ability to devote sufficient time to the affairs of the Company,
- the diversity of backgrounds and experience they will bring to our Board, and
- the Company's needs at that particular time.

DIRECTOR INDEPENDENCE

In accordance with applicable laws, regulations, our Corporate Governance Principles and the rules of the New York Stock Exchange (NYSE), the Board must affirmatively determine the independence of each director and director nominee. The Corporate Governance and Nominating Committee considers all relevant facts and circumstances including, without limitation, transactions during the previous year between the Company and the director directly, immediate family members of the director, organizations with which the director is affiliated, and the frequency and dollar amounts associated with these transactions. The Corporate Governance and Nominating Committee further considers whether the transactions were at arm's length in the ordinary course of business and whether the transactions were consummated on terms and conditions similar to those of unrelated parties. The Committee then makes a recommendation to the Board with respect to the independence of each director and director nominee.

In assessing the independence of each director, the Corporate Governance and Nominating Committee considered: contributions to the University of Arizona Foundation, of which Mr. Boyce serves as an Advisory Council Member to the University of Arizona's Lowell Institute of Mineral Resources; contributions to the Massachusetts Institute of Technology, of which Ms. Donadio serves on the Corporation Development Committee; contributions to the American Heart Association, of which Mr. Tillman and Mr. Few serve on the Board; contributions to MD Anderson, of which Mr. Few serves on the Board; and payments made to and received from Newfield Exploration, of which Mr. Wells previously served on the Board.

Based on these considerations, the standards in our Corporate Governance Principles and the recommendation of the Corporate Governance and Nominating Committee, the Board determined that the following directors are independent:

Gregory H. Boyce	Jason B. Few	J. Kent Wells
Chadwick C. Deaton	Douglas L. Foshee	
Marcela E. Donadio	M. Elise Hyland	

As CEO of the Company, Mr. Tillman is not independent.

DIRECTOR DIVERSITY

The Corporate Governance and Nominating Committee is responsible for reviewing with our Board the appropriate size and composition of the Board. When considering the director nominees, we will always 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. We view and define diversity in its broadest sense, which includes gender, ethnicity, age, education, experience and leadership qualities.

SKILLS MATRIX

Our directors have a diversity of experience that spans 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. More details on each director's qualifications, skills and attributes are included in the director biographies on the subsequent pages.

Name & Tenure	Outside Public Boards	Public Co. CEO (1)	Financial Oversight/ Accounting (2)	E&P Industry Experience (3)	Engineering Expertise (4)	Public Policy/ Regulatory(5)	HES Experience (6)	Inter-national (7)	Info. Technology (8)	Risk Mgmt. (9)
Lee M. Tillman 5 years	—	×	×	×	×	×	×	×		×
Gregory H. Boyce 11 years	1	×	×		×	×	×	×		×
Chadwick C. Deaton 5 years	3	×	×	×		×	×	×		×
Marcela E. Donadio 4 years	2		×	×		×		×		×
Jason B. Few < 1 year	1		×	×		×	×	×	×	×
Douglas L. Foshee 1 year	—	×	×	×		×	×	×		×
M. Elise Hyland 1 year	1		×		×	×	×	×		×
J. Kent Wells <1 year	—		×	×	×	×	×	×	×	×

(1) Experience working as a CEO of a public company
(2) Senior executive level experience in financial accounting and reporting, auditing, corporate financing and/or internal controls or experience in the financial services
(3) Experience as executives or directors in, or in other leadership positions working with, the exploration and production industry
(4) Expertise through relevant undergraduate or graduate in engineering disciplines
(5) 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
(6) Experience in managing matters related to health, environmental, safety and social responsibility in executive and operating roles
(7) Global business or international experience
(8) Experience in or strong understanding of the information technology and cyber security issues facing the oil and gas industry

[9] Executive experience managing risk

NOMINEES FOR DIRECTOR |TERMS EXPIRE 2020

YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH NOMINEE

Gregory H. Boyce
Director since: 2008
Independent Lead Director since: 2019
Age: 64

BUSINESS EXPERIENCE

- Independent Lead Director, Marathon Oil Corporation (since 2019)
- Former Executive Chairman and Chairman, Peabody Energy Corporation, a private-sector coal company, St. Louis, MO (Executive Chairman in 2015 and Chairman 2007-2015)
- Chief Executive Officer, Peabody (2006-2015); Chief Executive Officer Elect, Peabody (2005); President, Peabody (2003-2008); Chief Operating Officer, Peabody (2003-2005)
- Chief Executive Officer - Energy, Rio Tinto pl (2000-2003)
- President and Chief Executive Officer, Kennecott Energy Company (1994-1999)
- President, Kennecott Minerals company (1993-1994)
- Joined Kennecott in 1977 and served in positions of increasing responsibility

CURRENT PUBLIC COMPANY BOARDS

- Newmont Mining Corporation

PUBLIC COMPANY BOARDS DURING THE PAST 5 YEARS

- Peabody (former chairman and executive chairman)
- Monsanto Company

OTHER POSITIONS

- Trustee, Heard Museum
- Advisory Council, University of Arizona's Lowell Institute of Mineral Resources
- Business Council Member and past board member, U.S.-China Business Council
- Past chairman, National Mining Association and Coal Industry Advisory Board of the International Energy Agency
- Past member, National Coal Council and Past trustee, Washington University in St. Louis

EDUCATION

- B.S. (mining engineering), University of Arizona
- Advanced Management Program, Graduate School of Business at Harvard University

Mr. Boyce's former role as a chief executive officer has provided him with experience running a major corporation with international operations, including developing strategic insight and direction for his company, and exposed him to many of the same issues we face in our business, including markets, competitors, operational, regulatory, technology and financial matters.

BUSINESS EXPERIENCE

Chadwick C. Deaton
Director since: 2014
Age: 66

- Former Executive Chairman and Chairman, Baker Hughes Incorporated, an oilfield services company, Houston, TX (Executive Chairman 2012-2013 and Chairman 2004-2012)
- Chief Executive Officer, Baker Hughes (2004-2011)
- President, Baker Hughes (2008-2010)
- President and Chief Executive Officer, Hanover Compressor Company (2002-2004)
- Senior Advisor to Schlumberger Oilfield Services (1999-2001)
- Executive Vice President, Schlumberger Oilfield Services (1998-1999)

CURRENT PUBLIC COMPANY BOARDS

- Air Products and Chemicals, Inc. (independent lead director)
- CARBO Ceramics Inc.
- Transocean Ltd.

OTHER POSITIONS

- Board Member, Ariel Corporation
- Board Member, Piri Technologies
- Board Member, University of Wyoming Foundation
- Member, Society of Petroleum Engineers
- Wyoming Governor's Engineering Task Force

EDUCATION

- B.S. (geology), University of Wyoming

Mr. Deaton's over 30 years of executive and management experience in the energy business, including over 15 years of senior executive experience in the oilfield services industry, provides him valuable knowledge, experience and management leadership regarding many of the same issues that we face as a publicly traded company in the oil and gas industry. His service on the boards of other publicly traded companies has provided him exposure to different industries and approaches to governance.

Marcela E. Donadio
Director since: 2014
Age: 64

BUSINESS EXPERIENCE

- Former Partner, Ernst & Young LLP, a multinational professional services firm, Houston, TX (1989-2014)
- Americas Oil & Gas Sector Leader, Ernst & Young LLP (2007-2014)
- Audit Partner for multiple oil & gas companies, Ernst & Young LLP (1989-2014)
- Joined Ernst & Young LLP in 1976 and served in positions of increasing responsibility, including various energy industry leadership positions

CURRENT PUBLIC COMPANY BOARDS

- National Oilwell Varco, Inc.
- Norfolk Southern Corporation

OTHER POSITIONS

- Board Member, Theatre Under the Stars
- Trustee, Great Commission Foundation of the Episcopal Diocese of Texas
- Member, Corporation Development Committee, Massachusetts Institute of Technology
- Member of National Board, Louisiana State University Foundation

EDUCATION

- B.S. (accounting), Louisiana State University

Ms. Donadio has audit and public accounting experience with a specialization in domestic and international operations in all segments of the energy industry, and is a licensed certified public accountant in the State of Texas. Her comprehensive knowledge of public company financial reporting regulations and compliance requirements contributes valuable expertise to our Board. She also has a deep understanding of the strategic issues affecting companies in the oil and gas industry. In addition, her extensive audit and public accounting experience in the energy industry, both domestic and international, uniquely qualifies her to serve as a member of our Audit and Finance Committee. The Board has determined that she qualifies as an “Audit Committee Financial Expert” under the SEC rules based on these attributes, education and experience.

Jason B. Few
Director since: 2019
Age: 52

BUSINESS EXPERIENCE

- President and Director, Sustayn, L.L.C., a privately-held cloud-based waste and recycling optimization company (since 2018)
- Founder and Senior Managing Partner, BJF Partners, L.L.C., a privately-held strategic transformation consulting firm (since 2016)
- Senior Advisor, Verve Industrial Protection, a privately-held software company (since 2016)
- President and CEO and Director, Continuum Energy, an energy products and services company (2013-2016)
-

President, Reliant Energy and EVP & Chief Customer Officer, NRG (2008-2012)

CURRENT PUBLIC COMPANY BOARDS

- FuelCell Energy, Inc.

OTHER POSITIONS

- Board Member, Memorial Herman Healthcare System
- Board Member and past Chairman, American Heart Association
- Board Member, MD Anderson Cancer Center
- Board Member, St. John’s School

EDUCATION

- BBA (computer systems in business), Ohio University School of Business
- MBA, Northwestern University, J.L. Kellogg

Mr. Few’s broad understanding of advanced technologies, combined with his extensive energy industry experience adds valuable insight to our Company. His service on other publicly traded company boards has given him valuable insight and exposure to a variety of industries and approaches.

Douglas L. Foshee
Director since: 2018
Age: 59

BUSINESS EXPERIENCE

- Founder and Owner, Sallyport Investments, LLC, an energy investment company (since 2012)
- Chairman, President and Chief Executive Officer, El Paso Corporation (2003-2012)
- Executive Vice President and Chief Operating Officer, Halliburton Company (2003)
- Executive Vice President and Chief Financial Officer, Halliburton Company (2001-2003)
- Chairman, President and Chief Executive Officer, Nuevo Energy Company (1998-2000)
- Chief Operating Officer, Chief Executive Officer, and other capacities, Torch Energy Advisors Inc. (1993-1997)
- Joined ARCO International Oil in 1992 and served in various financial roles

PUBLIC COMPANY BOARDS DURING THE PAST 5 YEARS

- Cameron International

OTHER POSITIONS

- Founder and Board Member, NextOp Vets
- Founder, Houstonians for Great Public Schools
- Regional Board Member, KIPP Houston
- Board of Trustees, Rice University
- Chair, Rice Management Company
- Council of Overseers at Jesse H. Jones Graduate School of Management at Rice University
- Board Member, Texas Business Hall of Fame Foundation
- Board Member, Welch Foundation
- Board Member, Houston Endowment, Inc.

EDUCATION

- MBA, Jesse H. Jones School at Rice University
- BBA, Southwest Texas State University
- Graduate, Southwestern Graduate School of Banking at Southern Methodist University

As a former chairman, president and CEO of a public oil and gas exploration and production company with over 30 years of energy industry experience, Mr. Foshee has a comprehensive knowledge and understanding of our business, provides superb leadership to our management team, and provides the Board with essential insight and guidance from an inside perspective on the day-to-day operations of our Company.

M. Elise Hyland
Director since: 2018
Age: 59

BUSINESS EXPERIENCE

- Former Senior Vice President, EQT Corporation and Senior Vice President and Chief Operating Officer, EQT Midstream Services, LLC (2017-2018)
- Executive Vice President of Midstream Operations and Engineering, EQT Midstream Services, LLC (2013-2017)
- President of Commercial Operations, EQT Midstream Services, LLC (2010-2013)
- President of Equitable Gas Company, a previously owned entity of EQT (2007-2010)
- Joined EQT Corporation in 2000 and served in positions of increasing responsibility in finance, strategic planning and customer service
- Joined Alcoa, Inc. in 1980 and held roles of increasing responsibility in research, materials and business development leading to her appointment as Manager of the Alloy Design Group at Alcoa Research Laboratories

CURRENT PUBLIC COMPANY BOARDS

- Entergy Corporation

PUBLIC COMPANY BOARDS DURING THE PAST 5 YEARS

- EQT Midstream Partners, LP

EDUCATION

- MBA, Tepper School of Business at Carnegie-Mellon University
- M.S. and B.S. (Metallurgical Engineering and Materials Science), Carnegie-Mellon University

Ms. Hyland has over 15 years of executive level management in both the midstream and manufacturing industries. Through her strong engineering background and leadership she brings commercial acumen and valuable insight into marketing fundamentals and key issues our Company faces as a publicly traded company in the oil and gas industry.

Lee M. Tillman Director since: 2013 Chairman since: 2019 Age: 57	BUSINESS EXPERIENCE • Chairman (since 2019), President and Chief Executive Officer of Marathon Oil Corporation, Houston, TX (since 2013) • Vice President of Engineering, ExxonMobil Development Company • North Sea Production Manager and Lead Country Manager, ExxonMobil subsidiaries in Stavanger, Norway, 2007-2010 • Acting Vice President, ExxonMobil Upstream Research Company, 2006-2007 • Joined Exxon Corporation in 1989 as a research engineer and served in positions of increasing responsibility OTHER POSITIONS • Board Member, American Heart Association • Board Member, American Petroleum Institute • Board Member, American Exploration & Production Council • Member, University of Houston Energy Advisory Board • Member, Engineering Advisory Council and Chemical Engineering Advisory Council of Texas A&M University • Member, National Petroleum Council • Member, Business Roundtable • Member, Society of Petroleum Engineers • Member, Celebration of Reading Committee within the Barbara Bush Houston Literacy Foundation • Chairman of the Board, Spindletop Charities EDUCATION • B.S. (chemical engineering), Texas A&M University • Ph.D. (chemical engineering), Auburn University As our Chairman, President and CEO, Mr. Tillman sets our Company's strategic direction under the Board's guidance. He has extensive knowledge and experience in global operations, project execution and leading edge technology in the oil and gas industry gained through his executive and management positions with our Company and ExxonMobil. His knowledge and hands-on experience with the day-to-day issues affecting our business provide the Board with invaluable information necessary to direct the business and affairs of our Company.

BUSINESS EXPERIENCE

•

J. Kent Wells
Director since: 2019
Age: 62

Former CEO and President, Fidelity Exploration & Production Company, an oil and natural gas production company (2011-2015) and Vice Chairman of MDU Resources, the parent company of Fidelity (2013-2015)

- Senior Vice President, BP America (2007-2011)
- General Manager, Abu Dhabi Company for Onshore Oil Operations (2005-2007)
- Vice President, BP America (Rockies 2000-2002 and Gulf of Mexico 2002-2005)

PUBLIC COMPANY BOARDS DURING THE PAST 5 YEARS

- Newfield Exploration Company
- MDU Resources

OTHER POSITIONS

- Board of Directors, MS Society
- Board of Directors, Juvenile Diabetes Research Foundation

EDUCATION

- BS (mechanical engineering), Queen’s University

Mr. Wells has more than 35 years of experience in the oil and gas industry. His former service as CEO and President of Fidelity Exploration & Production Company and other senior leadership positions provide valuable experience in overseeing many issues that our Company may face.

Proposal 1 þ

For the reasons stated above, your Board of Directors recommends a vote FOR Proposal 1 electing each nominee standing for election as a director.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

Our business and affairs are managed under the direction of our Board, which met 11 times in 2018. Attendance for Board and committee meetings was over 94% for the full year. Under our Corporate Governance Principles, directors are expected to attend the Annual Meeting of Stockholders. All of our directors nominated at the 2018 Annual Meeting attended the 2018 Annual Meeting in person.

Our Corporate Governance Principles require our non-employee directors to meet at regularly scheduled executive sessions. An offer of an executive session is extended to non-employee directors at each regularly scheduled Board meeting. In 2018, the non-employee directors held nine independent executive sessions.

COMMITTEES OF OUR BOARD

Our Board has four standing committees: (i) the Audit and Finance Committee, (ii) the Compensation Committee, (iii) the Corporate Governance and Nominating Committee, and (iv) the Health, Environmental, Safety and Corporate Responsibility Committee. Each committee is comprised solely of independent directors as defined under the rules of the NYSE. Each committee's written charter, adopted by our Board, is available on our website at www.marathonoil.com under About—Board of Directors.

The following tables show each committee's current membership, principal functions and number of meetings in 2018.

Audit and Finance Committee(1)

Marcela E. Donadio, Chair Members: Gregory H. Boyce M. Elise Hyland Meetings in 2018: 7* * Including five in-person meetings. The Committee met with the Company's internal audit organization and independent auditor at four of the meetings, with and without management present.	• Appoints, compensates and oversees the work of the independent auditor. • Reviews and approves in advance all audit, audit-related, tax and permissible non-audit services to be performed by the independent auditor. • Meets separately with the independent auditor, the internal auditors and management with respect to the status and results of their activities annually reviewing and approving the audit plans. • Reviews, evaluates and assures the rotation of the lead audit partner. • Reviews with management, and if appropriate the internal auditors, our disclosure controls and procedures and management's conclusions about their efficacy. • Reviews, approves, where applicable, and discusses with management, the independent auditor and the internal auditors, as appropriate, the annual and quarterly financial statements, earnings press releases, reports of internal control over financial reporting, and the annual report. • Discusses with management guidelines and policies for risk assessment and management. • Reviews and recommends to our Board dividends, certain financings, loans, guarantees and other uses of credit. • Reviews codes of conduct and compliance activities. • Reviews and recommends to our Board all policies that are financial in nature.

Compensation Committee[2]	
Douglas L. Foshee[3], Chair Members: Gregory H. Boyce Chadwick C. Deaton Marcela E. Donadio Meetings in 2018: 7	• Reviews and recommends to our Board all matters of policy and procedure relating to executive officer compensation. • Reviews and approves 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 reviews the executive officer succession plan. • Administers our incentive compensation plans and equity-based plans, and confirms the certification of the achievement of performance levels under our incentive compensation plans. • Reviews with management and recommends for inclusion in our annual Proxy Statement our Compensation Discussion and Analysis.

Corporate Governance and Nominating Committee	
Chadwick C. Deaton, Chair Members: Gregory H. Boyce Douglas L. Foshee Meetings in 2018: 5	• Reviews and recommends to our Board the appropriate size and composition of our Board, including candidates for election or re-election as directors, the criteria to be used for the selection of director candidates, the composition and functions of our Board committees, and all matters relating to the development and effective functioning of our Board. • Reviews and recommends to our Board each committee's membership and chairperson, including a determination of whether one or more Audit and Finance Committee members qualifies as a "financial expert" under applicable law. • Assesses and recommends corporate governance practices, including reviewing and recommending to our Board certain policies applicable to our directors, officers and employees. • Oversees the evaluation process of our Board and all Committees. • Reviews and, if appropriate, approves related person transactions.

Health, Environmental, Safety and Corporate Responsibility Committee	
M. Elise Hyland, Chair Members: Chadwick C. Deaton Marcela E. Donadio Meetings in 2018: 2	• Reviews and recommends Company policies, programs, and practices concerning broad health, environmental, safety, social, public policy and political issues. • Identifies, evaluates and monitors the health, environmental, safety, social, public policy and potential trends, issues and concerns, which affect or could affect our business activities. • Reviews legislative and regulatory issues affecting our businesses and operations. • Reviews our political, charitable and educational contributions.

(1) All the members of the Audit and Finance Committee meet the additional independence standards under the Securities Exchange Act of 1934 (Exchange Act) Rule 10A-3. Based on the recommendation of the Corporate Governance and Nominating Committee, our Board has determined that Ms. Donadio qualifies as an "Audit Committee Financial Expert" under the Securities and Exchange Commission's (SEC) rules based upon the attributes, education and experience discussed in her biography above.

(2) All the members of the Compensation Committee meet the additional independence standards of the NYSE and the SEC.

(3) On February 27, 2019, Mr. Foshee replaced Mr. Boyce as Chair of the Compensation Committee.

BOARD LEADERSHIP STRUCTURE

We believe that independent Board oversight is essential. Our Board does not have a policy regarding whether the roles of the Chairman and CEO should be separate, but rather makes this determination on the basis of what is best for our Company at a given point in time. Effective February 1, 2019, Mr. Tillman, our President and CEO, was appointed Chairman of the Board and Mr. Boyce was appointed as Independent Lead Director.

Our Corporate Governance Principles require that non-employee directors, all of which are independent, meet at regularly scheduled executive sessions without the CEO present. The lead director presides at these meetings. In addition, our Corporate Governance Principles require that all our principal committees be comprised of entirely independent directors.

INDEPENDENT DIRECTOR LEADERSHIP

As Independent Lead Director, Mr. Boyce is responsible for:

- presiding at independent executive sessions of independent directors;
- reviewing with Mr. Tillman the proposed Board and committee meeting agendas;
- serving as a liaison between the independent directors and Mr. Tillman in discussing issues from the independent executive sessions and ensuring the flow of information;
- reviewing and recommending to Mr. Tillman the retention of consultants who report directly to our Board or committees thereof;
- overseeing Board performance; and
- establishing effective communications with stakeholder groups.

BOARD AND COMMITTEE EVALUATIONS

Each year, our Board performs a rigorous full Board evaluation. In addition, each committee also performs an annual evaluation. Generally, the evaluation process is managed by the Corporate Secretary's office with oversight from the Corporate Governance and Nominating Committee.

OUR BOARD'S ROLE IN RISK OVERSIGHT

While our Board and its committees oversee risk management, Company management is responsible for the day-to-day management of risk. We have a robust enterprise risk management process for identifying, assessing and managing risk, and monitoring risk mitigation strategies. Our CEO and CFO and a committee of executive officers and senior managers work across the business to manage each enterprise level risk and to identify emerging risks. Responsibility for risk oversight by our Board and its committees is delegated as set forth below:

- The Audit and Finance Committee annually reviews our enterprise risk management process and the latest assessment of risks and key mitigation strategies. It regularly reviews risks associated with financial and accounting matters and reporting. It reviews operational risks, including cyber-security, monitors compliance with legal and regulatory requirements and internal control systems, and reviews risks associated with financial strategies and the Company's capital structure.

- The Compensation Committee reviews the executive compensation program to ensure it does not encourage excessive risk-taking. It also reviews our executive compensation, incentive compensation and succession plans to ensure we have appropriate practices in place to support the retention and development of the talent necessary to achieve our business goals and objectives.
- The Health, Environmental, Safety and Corporate Responsibility Committee regularly reviews and oversees operational risks, including those relating to health, environment, safety, security and climate change. It reviews risks associated with social, political and environmental trends, issues and concerns, domestic and international, which affect or could affect our business activities, performance and reputation.
- Our Board receives regular updates from the committees about these activities, and reviews additional risks not specifically within the purview of any particular committee and risks of a more strategic nature. Key risks associated with the strategic plan are reviewed annually at our Board’s strategy meeting and periodically throughout the year.

RISK ASSESSMENT RELATED TO OUR COMPENSATION STRUCTURE

The Compensation Committee regularly evaluates and considers the role of executive compensation programs in ensuring that our executive officers take only appropriate and prudent risks, and that compensation opportunities do not motivate excessive risk-taking. The practices we employ include:

- All executive officer compensation decisions are made by either the Compensation Committee, which is comprised solely of independent directors, or by the independent directors, for CEO compensation.
- The Compensation Committee is advised by an independent compensation consultant that performs no other work for executive management or our Company.
- Our executives do not have employment agreements.
- The Compensation Committee manages our compensation programs to be competitive with those of peer companies and monitors our programs against trends in executive compensation on an annual basis.
- Our compensation programs are intended to balance short-term and long-term incentives.
- Our annual cash bonus program is based on a balanced set of objective metrics that are not predominantly influenced by commodity prices. In addition, the Compensation Committee considers the achievement of individual performance goals and overall corporate performance.
- Annual cash bonuses are determined and paid to executive officers only after the Audit and Finance Committee has reviewed audited financial statements for the performance year.
- The Compensation Committee regularly evaluates share utilization in our 2016 Incentive Compensation Plan by reviewing overhang levels (dilutive impact of equity compensation on our stockholders) and annual run rates (the aggregate shares awarded as a percentage of total outstanding shares).
- Our clawback policy applies to annual cash bonuses and is generally triggered with respect to an executive officer in the event of a material accounting restatement due to noncompliance with financial reporting requirements or an act of fraud by that executive officer. Our long-term incentive awards for executive officers have similar provisions.

CORPORATE GOVERNANCE PRINCIPLES

Our Corporate Governance Principles address our Board's general function, including its responsibilities, Board size, director elections and limits on the number of Board memberships. These principles also address Board independence, committee composition, the process for director selection and director qualifications, our Board's performance review, the Board's planning and oversight functions, director compensation and director retirement and resignation. The Corporate Governance Principles are available on our website at www.marathonoil.com under Investors—Corporate Governance.

CODE OF BUSINESS CONDUCT

Our Code of Business Conduct, which applies to our directors, officers and employees, is available on our website at www.marathonoil.com under Investors-Corporate Governance. In addition, our Code of Ethics for Senior Financial Officers, applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, is available on our website at www.marathonoil.com under Investors-Corporate Governance.

We intend to disclose any amendments and any waivers to our Code of Ethics for Senior Financial Officers on our website at www.marathonoil.com under Investors -Corporate Governance within four business days. The waiver information will remain on the website for at least 12 months after the initial disclosure of such waiver.

POLICY FOR REPORTING BUSINESS ETHICS CONCERNS

Our Policy for Reporting Business Ethics Concerns establishes procedures for the receipt and treatment of business ethics concerns received by the Company, including those regarding accounting, internal accounting controls, or auditing matters. The Policy for Reporting Business Ethics Concerns is available on our website at www.marathonoil.com under Investors—Corporate Governance—Policies and Statements.

COMMUNICATIONS FROM INTERESTED PARTIES

All interested parties, including security holders, may send communications to our Board through the Secretary of the Company. You may communicate with our outside directors, individually or as a group, by emailing non-managedirectors@marathonoil.com. You may communicate with the Chairs of each of our Board's committees by email as follows:

Committee Chair	Email Address
Audit and Finance Committee	auditandfinancechair@marathonoil.com
Compensation Committee	compchair@marathonoil.com
Corporate Governance and Nominating Committee	corpgovchair@marathonoil.com
Health, Environmental, Safety and Corporate Responsibility Committee	hescrchair@marathonoil.com

The corporate Secretary will forward to the directors all communications that, in his judgment, are appropriate for consideration by the directors. Examples of communications that would not be considered appropriate for consideration by the directors include commercial solicitations and matters not relevant to the Company's affairs.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Messrs. Boyce, Deaton, and Ms. Donadio served on the Compensation Committee for all of 2018. Mr. Foshee has served on the Compensation Committee since April 26, 2018, and became the chair on February 27, 2019. There are no matters relating to interlocks or insider participation that we are required to report.

DIRECTOR COMPENSATION

Our Board determines annual retainers and other compensation for non-employee directors. Mr. Tillman, the only director who is also an employee, receives no additional compensation for his service on our Board. Non-employee director compensation is intended to attract qualified directors, ensure that they are fairly compensated for their contributions to our performance, and align the interests of directors and stockholders.

CASH COMPENSATION

Following are the annual cash retainers and fees we paid our non-employee directors for 2018:

Type of Fee	Amount ($)
Annual Board Retainer	150,000
Additional Retainer for Chairman of the Board	125,000
Additional Fee for Audit and Finance Committee Chair	25,000
Additional Fee for Compensation Committee Chair	25,000
Additional Fee for Corporate Governance and Nominating Committee Chair	12,500
Additional Fee for Health, Environmental, Safety and Corporate Responsibility Chair	12,500

Directors do not receive meeting fees for attendance at Board or committee meetings.

Non-employee directors may defer up to 100% of their annual retainer into an unfunded account under the Marathon Oil Corporation Deferred Compensation Plan for Non-Employee Directors. These deferred amounts may be invested in certain investment options, which generally mirror the investment options offered to employees under our Thrift Plan.

In 2019, our Board approved a retainer for the Independent Lead Director of $25,000. As of February 1, 2019, the Chairman, Mr. Tillman, will not receive the “Additional Retainer for Chairman of the Board,” as he is not a non-employee director. Mr. Boyce will receive the Independent Lead Director Retainer.

EQUITY-BASED COMPENSATION AND STOCK OWNERSHIP REQUIREMENTS

For 2018, non-employee directors received an annual common stock unit award valued at $175,000. These awards were credited to an account on the first business day of the calendar year, based on the closing stock price on the grant date. Directors may elect to defer settlement of their common stock units until after they cease serving on our Board. Directors who make such a deferral election receive dividend equivalents in the form of additional common stock units, which will be settled in common stock.

Directors who elect not to defer their common stock units receive dividend equivalents in cash, payment of which is deferred until the distribution date of the related common stock units. These awards vest and are payable shortly after the earlier of (a) the third anniversary of the grant date, or (b) the director's departure from our Board.

In 2019, we increased our stock ownership guidelines. Under our stock ownership guidelines, each non-employee director is expected to hold five times the value of his or her annual cash retainer in Marathon Oil stock. Directors have five years from their initial election to our Board to meet this requirement. Directors who do not hold the required level of stock ownership due to fluctuations in the price of our common stock are expected to hold the awards they receive until they have met their requirement. As of April 1, 2019, each non-employee director meets the requisite threshold other than Ms. Hyland, Mr. Few and Mr. Wells, who are still within the five year window.

MATCHING GIFTS PROGRAMS

Under our matching gifts programs, we will annually match up to $10,000 in contributions made by non-employee directors to certain tax-exempt educational institutions. This annual limit is based on the date of the director's gift to the institution. We will also make a donation to a charity of the director's choice equal to the amount of his or her contribution to the Marathon Oil Company Employees Political Action Committee (MEPAC) for contributions above $200. MEPAC contributions are subject to a $5,000 annual limit.

2018 DIRECTOR COMPENSATION TABLE

Name	Fees Earned or Paid in Cash ($)	Stock Awards(1) ($)	All Other Compensation(2) ($)	Total ($)
Gaurdie E. Banister, Jr. (3) (retired)	— (4)	175,000 (4)	—	175,000
Gregory H. Boyce	175,000	175,000	10,000	360,000
Chadwick C. Deaton	162,500	175,000 (4)	—	337,500
Marcela E. Donadio	168,750	175,000 (4)	—	343,750
Jason B. Few (7)	—	—	—	—
Douglas L. Foshee	112,500	131,250	—	243,750
M. Elise Hyland	118,750	131,250	—	250,000
Philip Lader (3) (retired)	3,125 (5)	175,000 (4)	10,000	188,125
Michael E. J. Phelps (3) (retired)	84,375	175,000 (4)	—	259,375
Dennis H. Reilley (6) (retired)	275,000	175,000	—	450,000
J. Kent Wells (7)	—	—	—	—

(1) Represents the amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2018, in accordance with generally accepted accounting principles in the United States regarding stock compensation, for the annual common stock unit award. These amounts are also equal to the grant date fair value of the awards. The aggregate number of stock unit awards outstanding as of December 31, 2018 for each director is as follows: Mr. Boyce, 62,214; Mr. Deaton, 34,144; Ms. Donadio, 34,144; Mr. Foshee, 8,429; Ms. Hyland, 8,429; and Mr. Reilley, 112,218.

(2) Represents contributions made under our matching gifts programs. In addition, spouses were allowed to accompany directors on company aircraft for business travel. These additional passengers did not result in an aggregate incremental cost to the Company.

(3) Each of Mr. Banister's, Mr. Lader's and Mr. Phelps' service on our Board concluded on May 30, 2018.

(4) Deferred under the Marathon Oil Corporation Deferred Compensation Plan for Non-Employee Directors.

(5) Mr. Lader deferred payment of his annual retainer under the Marathon Oil Corporation Deferred Compensation Plan for Non-Employee Directors, but received his additional retainer for serving as the Chair of the Health, Environmental, Safety and Corporate Responsibility Committee in cash during the first quarter.

(6) Mr. Reilley's service on our Board concluded on February 1, 2019.

(7) Messrs. Few and Wells did not serve on the Board during 2018.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table shows the beneficial owners of five percent or more of the Company's common stock, based on information available as of March 8, 2019:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Outstanding Shares
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	93,599,050(1)	11.25%
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	68,345,081(2)	8.2%
State Street Corporation State Street Financial Center One Lincoln Street Boston, MA 02111	44,076,694(3)	5.3%
Macquarie Group Limited and associated entities 50 Martin Place Sydney, New South Wales, Australia Macquarie Investment Management Holdings Inc. and associated entities 2005 Market Street Philadelphia, PA 19103 Macquarie Investment Management Austria Kapitalanlage AG L3, Kaerntner Strasse 28 Vienna C4 1010, Austria	41,766,089(4)	5.02%

(1) Based on its Schedule 13G/A filed with the SEC on February 11, 2019, the Vanguard Group, as an investment advisor, beneficially owns 93,599,050 shares, has sole voting power over 958,538 shares, shared voting power over 207,441 shares, sole dispositive power over 92,438,657 shares, and shared dispositive power over 1,160,393 shares. Vanguard Fiduciary Trust Company, a wholly owned subsidiary of Vanguard, is the beneficial owner of 700,661 shares as a result of its serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd., a wholly owned subsidiary of Vanguard, is the beneficial owner of 705,602 shares as a result of its serving as investment manager of Australian investment offerings.

(2) Based on its Schedule 13G/A filed with the SEC on February 6, 2019, BlackRock, Inc., through itself and as the parent holding company or control person over certain subsidiaries, beneficially owns 68,345,081 shares, has sole voting power over 60,423,175 shares, shared voting power over no shares, sole dispositive power over 68,345,081 shares, and shared dispositive power over no shares.

(3) Based on its Schedule 13G filed with the SEC on February 14, 2019, State Street Corporation, together with certain of its direct or indirect subsidiaries, beneficially owns 44,076,694 shares, has sole voting power over no shares, shared voting power over 40,518,821 shares, sole dispositive power over no shares and shared dispositive power over 44,069,411 shares.

(4) Based on its Schedule 13G/A filed with the SEC on February 14, 2019, Macquarie Group Limited through its subsidiaries Macquarie Bank Limited, Macquarie Investment Management Limited, Macquarie Investment Management Austria Kapitalanlage AG, Macquarie Investment Management Australia Limited, Macquarie Investment Management Holdings Inc. and Macquarie Investment Management Business Trust (all aforementioned

entities collectively referred to herein as Macquarie), beneficially owns 41,766,089 shares. Macquarie Group Limited and Macquarie Bank Limited have no sole or shared voting power and no sole or shared investment over any shares. Macquarie Investment Management Holdings Inc. and Macquarie Investment Management Business Trust have sole voting and sole dispositive power over 39,495,964 shares, and shared voting and shared dispositive power over no shares. Macquarie Investment Management Limited has sole voting and sole dispositive power over 5,700 shares, and shared voting and shared dispositive power over no shares. Macquarie Investment Management Austria Kapitalanlage AG has sole voting and sole dispositive power over 3,317 shares, and shared voting and shared dispositive power over no shares. Macquarie Investment Management Australia Limited has sole voting and sole dispositive power over 7,200 shares, and shared voting and shared dispositive power over no shares.

SECURITY OWNERSHIP OF MANAGEMENT

The following table shows the number of shares of Marathon Oil common stock beneficially owned as of March 8, 2019, by each director, by each executive officer named in the Summary Compensation Table and by all directors and executive officers as a group. Unless otherwise indicated by footnote, we believe, based on the information furnished to us, that the persons named in the table have sole voting and investment power with respect to all shares shown as beneficially owned by them. Unless otherwise provided, the address of each individual listed below is c/o 5555 San Felipe, Houston, Texas 77056.

Name	Shares(1)	Restricted Stock(2)	Stock Options or Restricted Stock Units Exercisable Prior to May 7, 2019(3)	Total Shares(4)	% of Total Outstanding
Gregory H. Boyce	46,801	—	60,255	107,056	*
Chadwick C. Deaton	25,645	—	32,186	57,831	*
Marcela E. Donadio	20,263	—	32,186	52,449	*
Jason Few	—	—	—	—	*
Douglas L. Foshee	60,000	—	20,317	80,317	*
M. Elise Hyland	—	—	20,317	20,317	*
J. Kent Wells	—	—	—	—	*
Lee M. Tillman	326,304	303,808	1,454,335	2,084,447	*
Reginald D. Hedgebeth	4,503	95,445	89,623	189,571	*
T. Mitchell Little	72,026	221,483	328,554	622,063	*
Patrick J. Wagner	37,969	121,350	161,569	320,888	*
Dane E. Whitehead	63,543	173,172	125,884	362,599	*
All Directors and Executive Officers as a group (13 persons) (1)(2)(3)				4,066,480	*

*Does not exceed 1% of the common shares outstanding.

(1) Includes all shares held, if any, under the Marathon Oil Thrift Plan, a Dividend Reinvestment and Direct Stock Purchase Plan, the Non-Employee Director Stock Plan and in brokerage accounts.

(2) Reflects shares of restricted stock which are subject to limits on sale and transfer and can be forfeited under certain conditions.

(3) Includes options and restricted stock units exercisable within sixty days of March 8, 2019.

(4) None of the shares are pledged as security.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed with management the Company's Compensation Discussion and Analysis for 2018. Based on that review, the Compensation Committee has recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

COMPENSATION COMMITTEE
Douglas L. Foshee, Chair
Gregory H. Boyce
Chadwick C. Deaton
Marcela E. Donadio

COMPENSATION DISCUSSION AND ANALYSIS

The following Compensation Discussion and Analysis describes in detail the compensation paid to the named executive officers (NEOs) listed in the Summary Compensation Table. It is designed to provide stockholders with an understanding of our compensation principles and practices and insight into our decision-making process as it relates to the compensation of our NEOs.

For 2018, our NEOs were:

Name	Title
Lee M. Tillman	Chairman (effective February 1, 2019), President and Chief Executive Officer
T. Mitchell Little	Executive Vice President, Operations
Dane E. Whitehead	Executive Vice President and Chief Financial Officer
Patrick J. Wagner	Executive Vice President, Corporate Development and Strategy
Reginald D. Hedgebeth	Senior Vice President, General Counsel and Secretary

EXECUTIVE SUMMARY

2018 OPERATIONAL & FINANCIAL HIGHLIGHTS

During 2018, we continued our outstanding operational execution and capital efficiency across our multi-basin U.S. portfolio, maintained a strong balance sheet and delivered solid financial results. Total proved reserves were 1.3 billion boe and total assets were $21.3 billion at December 31, 2018. Additionally in 2018, we closed on the sale of our subsidiary, Marathon Oil Libya Limited and entered into agreements to complete a full country exit in Kurdistan. Our 2018 financial and operating results highlighted below reflect our ongoing commitment to our core strategy of continuous improvement in corporate returns, sustainable cash flow generation at conservative oil prices and the return of capital to stockholders.

Financial and operational results

- Total net sales volumes for the year were 420 mboed, including 298 mboed in the U.S. Our U.S. net sales volumes increased by 64 mboed and our wells to sales increased 18% compared to 2017.
- Development capital held at $2.3 billion per original budget.
- Added proved reserves of 186 mmboe for a reserve replacement ratio from continuing operations of 125%.
- Our net income per share from continuing operations was $1.30 in 2018 as compared to a net loss per share of $0.97 in 2017. Included in the 2018 net income are

An increase in revenues of approximately 39% compared to 2017, as a result of increased price realizations of 28% and a 27% increase in net sales volumes in the United States.

Our net gain on disposal of assets increased in 2018 to $319 million due to the sale of our Libya subsidiary for $255 million.

Production expense, taxes other than income and shipping, handling and other increased 18%, 63% and 33%, during 2018 as a result of an increase in net sales volumes across our U.S. resource plays.

Exploration and impairment expenses decreased by $274 million to $364 million, year over year, primarily due to non-cash impairment charges on proved and unproved properties in 2017.

Strengthened balance sheet and liquidity

- Returned additional capital to shareholders in 2018 by acquiring 36 million of common shares at a cost of $700 million, with $800 million of repurchase authorization remaining.
- Reduced estimated costs of our asset retirement obligations by $338 million primarily through accelerating our U.K. abandonment timing to capture favorable market conditions and through the disposition of Gulf of Mexico assets.
- Cash and cash equivalents increased approximately $900 million as a result of the sale of our Libya subsidiary and the receipt of the remaining proceeds from the sale of our Canadian business.
- Cash provided by operating activities from continuing operations increased by 63%, compared to the same period last year, to $3,234 million primarily as a result of increased price realizations and net sales volumes in our U.S. resource plays.
- Over 25% of our net operating cash flow was returned to stockholders via our dividend and share repurchases.

Simplifying and concentrating our portfolio

- Early in 2018, we closed on the sale of our Libya subsidiary for proceeds of approximately $450 million resulting in a gain of $255 million and received $750 million in remaining proceeds from the sale of our Canadian business.
- During 2018 we entered into agreements for the sale of our interest in the non-operated Sarsang and Atrush blocks which will complete our full country exit from Kurdistan. We expect the remaining transaction for our subsidiary Marathon Oil KDV B.V., which holds our non-operated interest in the Atrush block, to close in the first half of 2019.
- In July 2018, we closed on the sale of non-core, non-operated conventional assets in the U.S. segment for a pre-tax gain of $32 million, including three in the Gulf of Mexico.
- In Northern Delaware we acquired 1,800 net acres in New Mexico for $105 million from the Bureau of Land Management lease sale, which is synergistic with our existing footprint in the resource play.
- Captured approximately 260,000 net acres in the emerging Louisiana Austin Chalk play at a cost of less than $850 per acre.

EXECUTIVE COMPENSATION HIGHLIGHTS

The Compensation Committee (Committee) demonstrated its sustained commitment to corporate governance and sound compensation practices, continuing to align the interests of executive officers with the long-term interests of our stockholders.

Annual Bonus Plan Metrics: Enhanced Financial Metrics

Through continued commitment to financial discipline and alignment with stockholders, we introduced new strategic metrics to our short-term incentive plan, further tying our short-term incentive plan to financial performance metrics:

Strategic Metrics Added in 2018:	Strategic Metrics Added in 2019:
Cash Return on Invested Capital (CROIC)	Total Cash Return to Stockholders (CRS)
Cash Flow per Dept Adjusted Share (CFPDAS)	

Our 2018 metrics focus on aligning our compensation programs with our capital allocation philosophy and long term value creation. They feature a strong emphasis on financial performance, including unit cash cost, finding and development cost and unit margin, coupled with CROIC and CFPDAS.

The addition of CRS in 2019 tied in excess of 70% of our total short-term incentive to financial performance with only about 17% weighted to absolute production volumes. Total Cash Return to Stockholders in our short-term incentive plan is calculated by taking the total dividend paid to stockholders and adding the total share repurchase amount.

Additionally, we believe our ongoing commitment to health, environment and safety is appropriately captured in both our quantitative and strategic metrics under the Total Recordable Incident Rate (TRIR) metric and Safe, Clean and Responsible (SCR) Day metrics, respectively. For more information, see Annual Cash Bonus.

We recognize no single metric can fully capture E&P business performance. As such, we will continue to consider multiple financial and operating metrics that strike an appropriate balance and ensure alignment with both our strategic intent and the shareholder experience.

Double-Trigger Equity Vesting

The Committee modified officer change in control provisions to better align with competitive practices and recent market trends. Beginning with awards granted in 2018, accelerated vesting of restricted stock and stock options will occur only upon an executive's termination without cause or for good reason following a change in control (i.e., double-trigger vesting).

COMPENSATION PHILOSOPHY

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. Our program is designed to reward executives for their performance and motivate them to continue to perform at a high level. Cash bonuses based on annual performance, combined with equity awards that vest over several years, balance short-term and long-term business objectives.
- Encourage creation of long-term stockholder value. Equity awards and robust stock ownership requirements align our executives' interests with those of our stockholders. A substantial portion of our NEOs' long-term incentive awards is comprised of restricted stock, stock options and performance units tied to our absolute and relative stockholder returns.
- Pay competitively. We provide market-competitive pay levels to attract and retain the best talent, and regularly benchmark each component of our pay program, including our benefit programs, to ensure we remain competitive.

COMPENSATION GOVERNANCE AND BEST PRACTICES

The Committee periodically evaluates market best practices in executive compensation and modifies our compensation program as necessary to ensure it continues to provide balanced incentives, while managing compensation risks appropriately in the context of our business objectives. Our program incorporates the following best practices:

WHAT WE DO

ü Emphasize at-risk compensation designed to link pay to performance
ü Engage an independent compensation consultant to advise the Committee
ü Maintain stock ownership requirements for executive officers and directors
ü Maintain "double-trigger" change in control cash payments and accelerated equity vesting
ü Dedicate significant time to robust executive succession planning and leadership development each year
ü Incorporate compensation clawback provisions in annual and long-term incentives
ü Offer minimal use of perquisites and no related tax gross-ups

WHAT WE DON'T DO

û Offer employment agreements to our executive officers, who are all at will employees
û Provide gross-up payments to cover excise taxes for executive officers
û Allow margin, derivative or speculative transactions, such as hedges, pledges and margin accounts, by executive officers and directors
û Reward executives for excessive, inappropriate or unnecessary risk-taking

PAY FOR PERFORMANCE

Our executive compensation program is closely tied to both individual and Company performance as well as direct alignment with the interest of our stockholders. Our annual bonus delivers payments directly aligned with strategic operational and financial performance achieved and is designed so that Company performance significantly impacts the realizable pay of our NEOs. Additionally, our long-term incentives align with stockholder value creation and create a meaningful ownership stake in the Company stock performance through payout based on the performance of stock price and TSR. In combination, the realizable compensation from these awarded opportunities reflects both the Company's near-term financial and operating successes and the Company's long-term stock performance. As demonstrated in the following graphs, the Company's TSR performance has impacted Mr. Tillman's pay, resulting in realizable pay over the past three years that is aligned with the performance of the Company.

In the following graphs, the value shown (in thousands) as of December 31, 2018 represents for Mr. Tillman the annual base salary, the actual bonus paid for each year's performance, the year-end value of restricted stock, the updated Black-Scholes valuation of stock options, and the estimated prevailing value of performance awards. The ultimate value of these stock-based awards will depend on our future stock price performance and our TSR relative to industry peers through the end of each respective performance period.

Values for these illustrations were determined with the following inputs:

- Our closing stock price of $14.34 as of December 31, 2018;
- An updated Black-Scholes valuation of outstanding stock options as of December 31, 2018; and
- Our rank in our TSR peer group as of December 31, 2018 and the corresponding payout percentage as measured under our performance unit programs: 150% for 2016, 100% for 2017, and 100% for 2018 (actual ranking payout percentage is 164% for 2017 and 2018 but is capped at 100% payout due to negative TSR, per a provision in these awards).

HOW WE DETERMINE EXECUTIVE COMPENSATION

COMPENSATION COMMITTEE

The Committee is responsible for establishing and overseeing executive compensation programs and policies that are consistent with our overall compensation philosophy. In making such decisions, the Committee considers a variety of factors, including stockholder feedback, information provided by its independent compensation consultant, our CEO's input, peer group data, each executive's experience in the role, Company and individual performance, internal pay equity and any other information the Committee deems relevant in its discretion.

STOCKHOLDER ENGAGEMENT

The Committee also considers the outcomes of the Company's advisory stockholder vote on our executive compensation program and any associated stockholder outreach initiatives when making compensation decisions. At our 2018 Annual Meeting, our stockholders expressed support for the Company's proposals and all of our agenda items were approved. Within those approvals, approximately 95% of shares voted were in favor of our 2018 "say-on-pay" agenda item.

Overall, investor feedback has been positive regarding our executive compensation program and its link between our pay and performance both philosophically and historically. We proactively engage a broad base of investors to ensure transparency and to solicit valuable feedback, which we then share with the Committee and our Board. We generally cover a wide range of topics including corporate strategy, environment, safety, and executive compensation. Specifically, we have listened closely to investor feedback regarding the metrics that matter within our executive compensation structure. As a result, we have incorporated a returns based metric and a per share metric into our 2018 short-term incentive compensation program. We have also incorporated a Total Cash Return to Stockholders metric into our 2019 short-term incentive compensation program. We remain committed to engaging stockholders regularly and to ensure alignment of our compensation programs and stockholder interests.

COMPENSATION CONSULTANT

For 2018, the Committee directly engaged Meridian Compensation Partners LLC (Meridian) as its independent compensation consultant to advise the Committee on executive compensation matters. Meridian provides the Committee with information on industry trends, market practices and legislative issues. Meridian provides no other services to the Company or our executive officers, and the Committee has the right to terminate the services of Meridian and appoint a new compensation consultant at any time.

Meridian interacts with several of our officers and employees as necessary. In addition, Meridian may seek input and feedback from members of our management regarding its work product prior to presentation to the Committee to confirm that information is accurate or address other issues. We believe that Meridian provides an independent perspective to the Committee.

THE CEO'S ROLE

The Committee seeks significant input from the CEO on compensation decisions and performance appraisals for all executive officers other than himself. However, all final compensation decisions for our executive officers are made by the Committee, except that the independent members of our Board determine and approve the CEO's compensation level. The CEO does not provide recommendations or participate in Committee or Board discussions concerning his own compensation.

PEER GROUP

Peer group benchmarking is one of several factors the Committee considers in setting pay. Our peer group, which the Committee reviews annually, is comprised of the industry companies the Committee believes provide the best external benchmarks for executive compensation and general company performance.

In its review of the peer group in 2018, the Committee considered pertinent financial measures for each company, including market capitalization, assets and revenue, as shown (in millions) in the table below as of January 30, 2019.

	Enterprise Value	Market Capitalization	Assets	Revenue
Peer Group 50th Percentile	$24,086	$16,083	$21,649	$5,379
Marathon Oil	$19,078	$14,385	$22,947	$4,988

Our peer group also reflects the companies against which we compete for executive talent as an independent exploration and production company.

Following its review of the peer group, the Committee decided not to make changes in 2018.

2018 Peer Group Companies

Anadarko Petroleum Corporation	EOG Resources, Inc.
Apache Corporation	Hess Corporation
Chesapeake Energy Corporation	Murphy Oil Corporation
Continental Resources, Inc.	Noble Energy, Inc.
Devon Energy Corporation	Pioneer Natural Resources Company
Encana Corporation	

COMPENSATION BENCHMARKING PROCESS

The Committee conducts an annual comparison of the compensation of our NEOs to the compensation of executives with similar job responsibilities among companies in our peer group, based upon information gathered and provided by Meridian through surveys and public company disclosure. The Committee references this competitive market analysis in making compensation decisions for the coming year. The Committee generally targets executive total direct compensation opportunities at the 50th percentile of the peer group for average performance and adjusts total direct compensation opportunities higher or lower based on the Committee's assessment of each executive position. We define total direct compensation as the sum of base salary, target annual cash bonus and the target grant-date value of long-term incentive awards.

In October 2018, Meridian provided the Committee a market analysis that included information regarding peer group executives' base salaries, target annual bonus levels and the mix and level of long-term incentives. According to this analysis, NEO compensation levels varied by individual, but overall were appropriately positioned relative to 50th percentile benchmarks of comparable roles. Additionally, as part of this exercise, the Committee reviewed supporting benchmarks for the broader oil and gas industry and general industry.

ELEMENTS OF OUR EXECUTIVE COMPENSATION

Our executive compensation program includes base salary, annual cash bonuses, long-term incentive (LTI) awards and other benefits and perquisites. By design, a significant portion of our executive officers' overall compensation, including annual cash bonuses and LTI awards, is "performance-based," and the opportunity to earn value is largely dependent on both Company and individual performance. The Committee determines a total compensation opportunity for each executive officer based on a review of competitive market data, a review of our compensation philosophy and the Committee's subjective judgment. The Committee does not set fixed percentages for each element of compensation, so the mix may change over time as the competitive market moves, governance standards evolve or our business needs change.

The following pie charts show the 2018 pay mix of total target direct compensation components for our CEO and other NEOs, respectively. Ninety percent of our CEO's total target direct compensation is influenced by Company performance. The allocation of our compensation components, with a significant emphasis on LTI awards, aligns with the practices of our peer group.

2018 TOTAL TARGET DIRECT COMPENSATION OVERVIEW

The Committee determined 2018 base salaries, target annual cash bonus opportunities and LTI awards in February 2018. The Committee determined the payment of 2018 annual cash bonuses in February 2019, after 2018 business results were known and audited.

The following table summarizes the elements of total direct compensation the Committee awarded to our NEOs for 2018 as part of our regular compensation program. The amounts shown differ from the amounts shown in the Summary Compensation Table because this table provides the target value for short-term and LTI compensation. Target LTI values reflect established compensation valuation methodologies that are similar to, but may differ from, the methodologies used for accounting purposes as reflected in the Summary Compensation Table and the Grants of Plan-Based Awards Table. Additionally, this table excludes changes in pension value.

Name	Year End Base Salary	Target Bonus Opportunity	LTI Award Target Value	Total Target Compensation
Mr. Tillman	$1,150,000	$1,495,000	$8,250,000	$10,895,000
Mr. Little	$600,000	$510,000	$2,500,000	$3,610,000
Mr. Whitehead	$575,000	$488,750	$2,200,000	$3,263,750
Mr. Wagner	$500,000	$425,000	$1,800,000	$2,725,000
Mr. Hedgebeth	$575,000	$431,250	$1,600,000	$2,606,250

BASE SALARY

The primary purpose of base salary is to recognize and reward overall responsibilities, experience and established skills. In setting base salary, the Committee compares each NEO's current salary to the market 50th percentile, and considers each individual's experience and expertise, the value and responsibility associated with the role and internal pay equity. The Committee does not use a formula to calculate base salary increases for NEOs.

In February 2018, the Committee reviewed base salaries and the considerations noted above. The Committee determined to make no base salary increases for the NEOs at that time, except for Mr. Tillman who was positioned below the median of the peer benchmark at the time of the analysis and received a base pay increase in recognition of the Company's ongoing transformation in the prevailing commodity price environment.

Name	Base Salary as of January 1, 2018	Base Salary as of December 31, 2018
Mr. Tillman	$1,100,000	$1,150,000
Mr. Little	$600,000	$600,000
Mr. Whitehead	$575,000	$575,000
Mr. Wagner	$500,000	$500,000
Mr. Hedgebeth	$575,000	$575,000

ANNUAL CASH BONUS

The annual cash bonus rewards executives for achieving short-term financial, operational and strategic goals that drive stockholder value, as well as for individual performance during the year.

When determining target bonus opportunities for our executives, the Committee considers the range of market practices, as well as each executive's experience, relative scope of responsibility, internal pay equity considerations and any other information the Committee deems relevant in its discretion. Our targeted performance goals, established by the Committee during the first quarter of the year, are defined to focus and challenge our NEOs to perform at a high level. Payout results may be above or below target based on actual Company and individual performance.

The Committee determined the 2018 annual cash bonus payout for each NEO based on its assessment of the following:

- Quantitative company performance goals, weighted at 70%;
- Strategic company performance goals, weighted at 30%; and
- Individual performance, including achievement of pre-established goals, leadership and ethics, and overall value that the officer created for the Company.

The illustration below summarizes the framework the Committee uses to determine individual officer bonus payouts:

[	Base Salary	x	Bonus Target (as % of Base Salary)	=	Target Bonus Opportunity	] x	Company Performance Score 70% Quantitative Performance 30% Strategic Performance	+/-	Individual Performance Adjustment	=	Annual Bonus Payout

The quantitative and strategic performance scores can range between 0% and 200%; (target is 100%). The final payout for each NEO may be adjusted based on the Committee's discretionary assessment of the NEO's individual performance.

2018 QUANTITATIVE PERFORMANCE METRICS

During the first quarter of 2018, the Committee established quantitative performance goals for the bonus program, representing 70% of the total bonus award opportunity, by taking into consideration key safety, financial and operational performance measures that are important indicators of success in our industry. The Company's business strategy in 2018 focused on execution and portfolio transformation, while maintaining our disciplined approach to cost control.

Considering this strategy, the Committee reviewed and modified the list and weighting of quantitative bonus metrics at the start of 2018. Reserve Replacement was eliminated as a separate quantitative metric for 2018 because it is considered in the F&D Cost/BOE Reserve metric. The quantitative bonus metrics established for 2018 emphasize operational excellence and financial stewardship.

The Committee determined the target level of performance for each metric by evaluating factors such as performance achieved in the immediately preceding year, anticipated challenges for 2018, top tier peer performance, and Company strategy. The Company set steep, competitive target and stretch goals to challenge our employees and drive stockholder value throughout the year. In the case of Cash Costs/BOE, a stretch goal was set at the best of our oil weighted peers, and in the case of EBITDAX/BOE, a stretch goal was set at the top quartile of our peers.

In early 2019, the Committee evaluated the Company's 2018 quantitative performance against goals established in early 2018. The Company delivered results that met or exceeded those targets in the categories of Production, F&D Cost/BOE and EBITAX/BOE, with Cash Cost/BOE just under target. While disappointed we did not reach our targeted best in Company history safety metric, we will continue to refine our safety practices, empower our employees and educate all personnel to ensure that we reinforce and strengthen the robust safety culture that we have built. The Company is committed to providing a safe workplace and continuing to focus on improved safety performance.

The following table shows the targets and weightings established by the Committee and the performance achieved during 2018.

Critical Capability Weight (%)