

Company Name Marathon Oil
Industry Extractives
UNGP Core Score (*) 3.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
1	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
3.5	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The Company indicates in its sustainability report 'Marathon Oil is committed to safety, environmental stewardship, ethical business conduct, sound labor practices and human rights, and we expect our contractors and suppliers to share our commitment'. The sustainability report 'was reviewed by Marathon Oil subject-matter experts, legal and accounting staff, executives, the board of Directors and thirds-party ESG consultant'. Contains a letter signed by the Chairman & CEO. In addition, on its website, security and human rights, it states that 'Marathon Oil respects the human, cultural and legal rights of individuals and communities'. [2018 Sustainability Report, 08/2019: cdn.sanity.io & Security & Human Rights, N/A] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: ILO Core: The Company indicates that 'Our commitment is consistent with (...) the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work'. However, 'consistent with' is not considered a formal commitment following CHRB wording criteria. [2018 Sustainability Report, 08/2019: cdn.sanity.io] • Not met: UNGC principles 3-6 • Not met: Explicitly list All four ILO apply to EX BPs <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core • Met: Respect H&S of workers: The Company indicates that 'We are committed to providing a safe and healthy workplace'. [Code of Business Conduct, 18/09/2017: cdn.sanity.io] • Not met: H&S applies to EX BPs
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement: The Company indicates that 'Marathon Oil is committed to communicating appropriately with key internal and external stakeholders to address potential health, environmental, safety, security (HES&S) and social issues'. However, it is not clear it is committed to engage in dialogue with its potentially and actually affected stakeholders. [2018 Sustainability Report, 08/2019: cdn.sanity.io] • Not met: Regular stakeholder engagement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with EX BPs to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to ILO core conventions Not met: Senior responsibility for HR: Dan Kalisek is the Director, Health, Environment, Safety and Security. However, it is not clear whether this position is responsible for other relevant human rights issues within the Company, besides Health, Safety and Security. [2018 Sustainability Report, 08/2019: cdn.sanity.io] Score 2 <ul style="list-style-type: none"> Not met: Day-to-day responsibility Not met: Day-to-day responsibility for EX BRs
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Identifying risks in own operations Not met: identifying risks in EX business partners Score 2 <ul style="list-style-type: none"> Not met: Ongoing global risk identification Not met: In consultation with stakeholders Not met: In consultation with HR experts Not met: Triggered by new circumstances: The Company 'assesses the security and social risks associated with our business activities when entering a new location'. However, it is not clear if this assessment is part of a global system in place to identify its human rights risks/human rights are considered. [2018 Sustainability Report, 08/2019: cdn.sanity.io] Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Salient risk assessment (and context) Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Action Plans to mitigate risks: The Company indicates that 'based on risks we identify, we develop mitigation activities to promote business continuity, protect assets and personnel, and minimize potentially negative impacts on our operations and stakeholders'. However, no description found of its global system to take action to prevent, mitigate or remediate its salient human rights issues. [2018 Sustainability Report, 08/2019: cdn.sanity.io] Score 2 <ul style="list-style-type: none"> Not met: Including amongst EX BPs Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: System to check if Actions are effective Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Comms plan re identifying risks Not met: Comms plan re assessing risks Not met: Comms plan re action plans for risks Not met: Comms plan re reviewing action plans Not met: Including EX business partners Score 2 <ul style="list-style-type: none"> Not met: Responding to affected stakeholders concerns Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Channel accessible to all workers: The Company indicates that 'Employees may report questions or concerns through Human Resources, Audit, Health, Environmental, Safety and Security (HES&S), Law, Corporate Compliance and other internal resources'. On the website Ethics point, there is an option to report a human right concern, after indicating the country the issue may have happened. [2018 Sustainability Report, 08/2019: cdn.sanity.io & EthicsPoint, N/A: secure.ethicspoint.com] Score 2 <ul style="list-style-type: none"> Not met: Number grievances filed, addressed or resolved Not met: Channel is available in all appropriate languages Not met: Expect EX BPs to have equivalent grievance system Not met: Opens own system to EX BPs workers: The Company indicates that 'all third parties are directed to report business ethics concerns to our Integrity Helpline'. However, it is not clear business partners' workers have access to the Company's own channel(s)/mechanism(s) to raise complaints or concerns about the Company's extractive business partners or their operations. [2018 Sustainability Report, 08/2019: cdn.sanity.io]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Grievance mechanism for community: In the webpage Ethics point, there is an option to report a human right concern, after indicating the country the issue may have happened. In it costumers, general public and other can file a complaint. [EthicsPoint, N/A: secure.ethicspoint.com] Score 2 <ul style="list-style-type: none"> Not met: Describes accessibility and local languages Not met: Expects EX BPs to have community grievance systems Not met: EX BPs communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Describes how remedy has been provided Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> Headline: Marathon Oil to pay GBP 1 million fine over workplace health and safety breaches linked to a 2015 gas leak at its Brae Alpha platform in the UK Area: H&S - potential damage Story: In May 2019, Marathon Oil was fined GBP 1.16 million for a gas leak in the North Sea that took place in May 2015. According to the press, the company admitted Offshore Installations (Prevention of Fire and Explosion, and Emergency Response) and Health and Safety at Work Act breaches. The leak was caused by ruptured pipework, which allegedly could have been prevented by proper inspections. The leak, which happened on a public holiday, caused no injuries as most personnel were gathered in the accommodation block, which was not near the leak. The damage, however, was significant and according to a Health and Safety investigator "During any normal period of operations personnel could easily have been working in, or transiting through Module 14, and they would almost certainly have been killed or suffered serious injury" Sources: [BBC - 20/05/2019: bbc.co.uk]
E(1).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Public response available: According to the press, the Company made the following statement: 'Marathon Oil confirms that the company has been fined in a case relating to a gas release which occurred on the Brae Alpha platform on 26 December 2015.' [Marathon Oil firm fined £1.16m for North Sea gas release, 20/05/2019: bbc.com] Score 2 <ul style="list-style-type: none"> Not met: Response goes into detail: No further details were provided about the leak.

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).2	The Company has appropriate policies in place	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company's Code of Business Conduct includes health and safety commitments. [Code of Business Conduct, 18/09/2017: cdn.sanity.io] • Not met: Policies apply to the type of business relationships involved Score 2 <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Company reports injury and fatality indicators in its Corporate Sustainability report. [2018 Sustainability Report, 08/2019: cdn.sanity.io]
E(1).3	The Company has taken appropriate action	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Provides remedies to affected stakeholders • Met: Has reviewed management systems to prevent recurrence: In a statement, it indicated that 'The company has fully co-operated with the HSE and complied with the measures suggested in the improvement notice.' [Marathon Oil firm fined £1.16m for North Sea gas release, 20/05/2019: bbc.com] Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote

continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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