



2022 Devon Energy






Sustainability Report

Includes updates since original publication.



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Continuing Commitments. We’re proud to highlight our efforts to set high standards as a neighbor, community partner, environmental steward and employer.

					
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About This Report

Our company

Devon Energy (NYSE: DVN) is pleased to present our 2022 Sustainability Report highlighting our environmental, social and governance (ESG) performance and our ongoing efforts to improve in all these areas. We're driven to deliver industry-leading results while being a good neighbor, valued and effective community partner, responsible environmental steward and supportive, caring employer.

On January 7, 2021, Devon Energy and WPX Energy completed our merger of equals. We're proud to be a leader in the energy industry, producing oil and natural gas that are essential to lives and livelihoods around the world. Oil and natural gas allow us to house and feed our families, heat and cool our indoor spaces, travel, manufacture necessities and carry out other essential activities. Devon produces valuable commodities that are fundamental to society, and we do so in a safe, environmentally responsible and ethical way, while striving to deliver strong returns to shareholders.

Based in Oklahoma City, Oklahoma, Devon employs about 1,600 people. Every day, our actions are guided by our values of integrity, relationships, courage and results as we work to earn our social license to operate and the trust of our stakeholders. We believe these values are core to being a cohesive company, making a positive and sustainable impact.



Devon's values

Our values naturally build on one another to achieve results.



Integrity

Openness and honesty unite us and are at the core of everything we do.



Relationships

We are caring, connected and supportive of our employees and stakeholders and succeed as one team.



Courage

We take intelligent risks and share our successes and failures to continuously improve.



Results

We always seek to achieve better results and make a positive and sustainable impact.

Unless otherwise noted, the information in this report is pro forma for the combination of Devon and WPX for 2019, 2020 and 2021 and applies to operated assets under each company's control in the U.S. Certain metrics and results that apply to only one of the legacy companies will be noted as such.

Devon is committed to continuously improving our ESG performance and communicating it transparently. We invite you to provide your feedback on how we're doing by using our stakeholder contact portal.

[CONTACT US](#)

About This Report continued

Materiality assessment

This report reflects our commitment to accountability and transparent reporting of our ESG progress. It covers the most material policies, programs and performance related to our ESG efforts, as determined in a comprehensive materiality assessment completed in the second quarter of 2022 to identify the most relevant and impactful performance areas for Devon and our key stakeholders.

The materiality assessment, facilitated by a third-party ESG consultant, followed a process recommended by the Oil and Gas Industry Guidance on Voluntary Sustainability Reporting, published jointly by the International Petroleum Industry Environmental Conservation Association (IPIECA), the American Petroleum Institute (API) and the International Association of Oil & Gas Producers (IOGP). The assessment process included:

- In-depth, one-on-one interviews with Devon’s chief executive officer, chief operating officer and other executive committee members
- One-on-one interviews with key external stakeholders
- Survey of internal subject matter experts and key ESG reporting stakeholders
- Peer benchmarking
- Reporting framework gap analysis
- Review of external stakeholder materials, such as assessments from Sustainalytics, ISS, Moody’s Vigeo Eiris, RobecoSAM and others

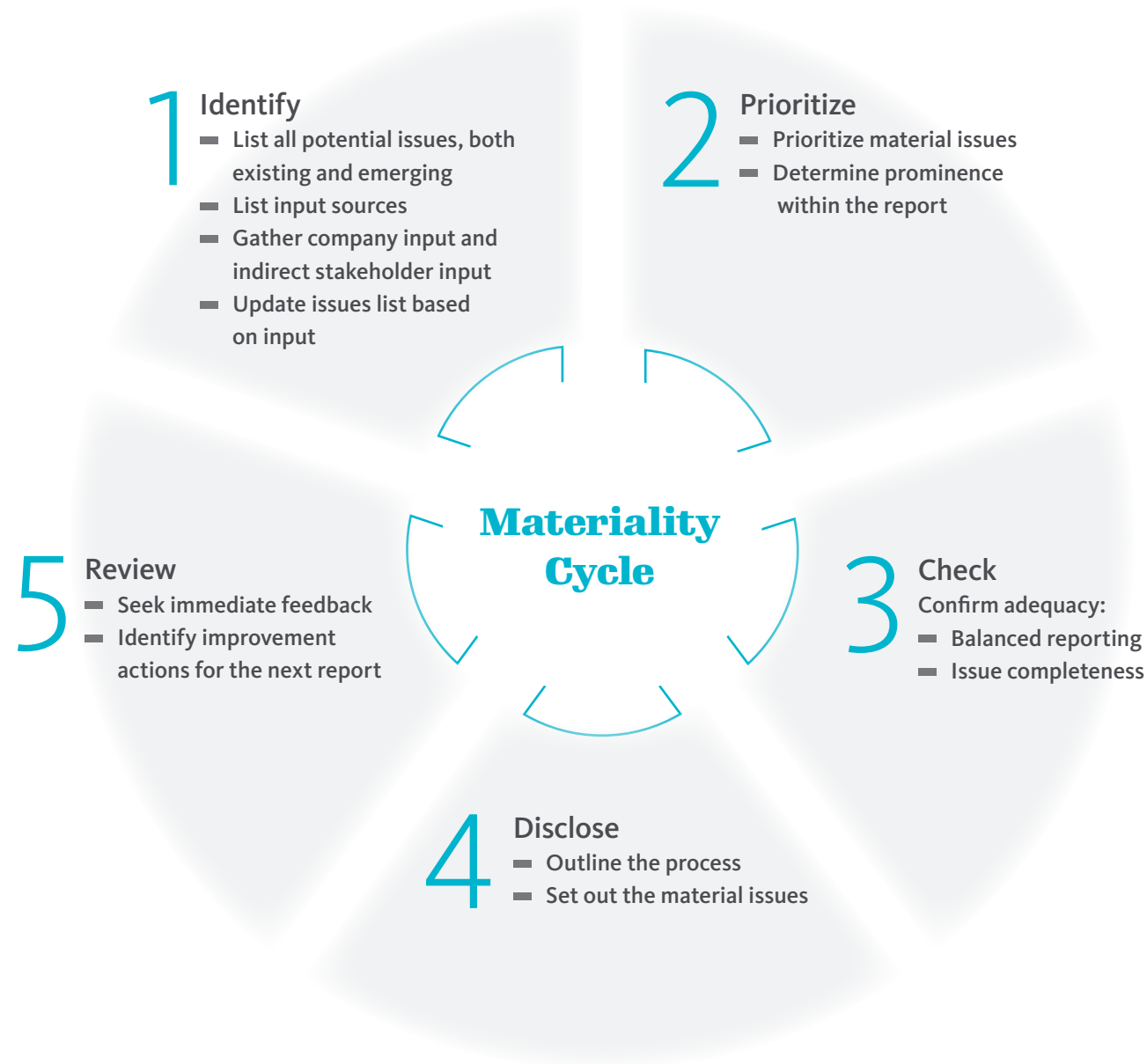
The process also included a full-day, in-person workshop at Devon’s corporate headquarters. Participants included leaders of Devon’s operations, sustainability, environmental, safety, corporate governance, investor relations, human resources, legal, corporate communications, community relations,

accounting, enterprise risk management and internal audit departments. Leaders identified key stakeholders and material areas for reporting and mapped them on a materiality matrix. The workshop included discussion and agreement on Devon’s refreshed ESG reporting vision, strategy and guiding principles for future reporting.

Devon evaluated common reporting frameworks, including those of IPECA, the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDG) and the Global Reporting Initiative (GRI). The U.S. Securities and Exchange Commission’s (SEC) proposed rule for Enhancement and Standardization of Climate-Related Disclosures for Investors was also reviewed. Based on this evaluation, the contents of this report are mapped to IPIECA, TCFD, SASB, SDGs and the American Exploration and Production Council (AXPC) Framework.

Based on this assessment process, this report focuses on the following top material areas of Devon’s ESG performance: emissions, climate change, public advocacy, corporate governance/enterprise risk management, water, workforce safety, cybersecurity, and diversity, equity and inclusion (DEI). Additional topics of reporting interest to Devon and our stakeholders include: land conservation/biodiversity, stakeholder engagement, corporate culture/human capital, employee retention, road safety and driving, emergency preparedness, spill prevention and communities/giving.

The 2022 materiality assessment built on the initial materiality assessment completed in 2018, as well as periodic reviews of material areas in subsequent years to help ensure our reporting remained relevant and meaningful for our stakeholders.



Note that the concept of materiality used to prepare this report is not meant to correspond with the concept of materiality associated with disclosures required by the SEC. We applied the IPIECA/API/IOGP sustainability reporting guidance (4th edition, 2020) definition of materiality:

Any topic that – in the view of management or stakeholders – significantly affects the company’s performance and informs external opinion. They tend to be issues that most affect value creation and the economic and reputational resilience of a company in a positive or negative way.



CEO Letter

Building momentum for the future



Rick Muncrief
President and CEO

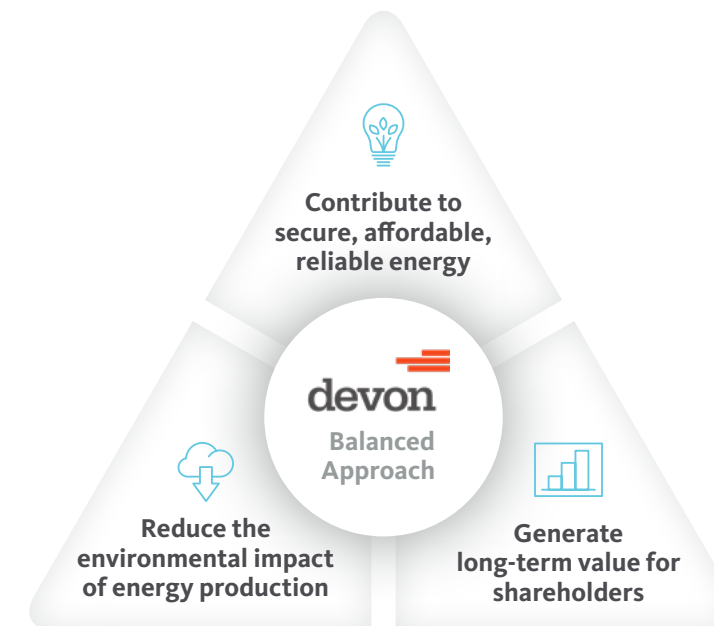
Our core business of delivering responsibly produced oil and natural gas is not only sustainable, but essential to maintain our nation's energy security and to improve the quality of human lives around the world.

I'm proud of what the Devon team accomplished in 2021 and our environmental, social and governance (ESG) momentum. After merging two legacy companies in January 2021, Devon became the #1 performing stock on the S&P 500 by successfully executing our disciplined business model and creating value for our shareholders. Importantly, this was accomplished with integrity, including investing in and safeguarding our employees, being environmental stewards and supporting our communities.

While celebrating the 50th year since Devon's founding, we also explored what it will take to be a sustainable oil and natural gas producer for the next half century. It has become clear to us that the world needs an "all of the above" approach to energy production in order to meet growing global energy demand and to meet global climate change goals. The world also needs affordable, reliable and sustainable supplies of energy, including oil and gas, to meet this growing demand. Affordability, reliability and sustainability are equally important, and will have to be balanced with decarbonization efforts until alternative energy sources can be delivered consistently on a global scale. As the crisis in Ukraine and pandemic show, energy supply disruptions can cause severe impacts on the economic stability of our families, communities, nation and counterparts around the world.

Our core business of delivering responsibly produced oil and natural gas is not only sustainable, but essential to maintain our nation's energy security and to improve the quality of human lives around the world. We are committed to producing low-cost, clean, safe and reliable energy to contribute to energy security and create shareholder value. Our employees, shareholders, contractors and other

Our balanced approach to delivering sustainable energy the world needs



Key beliefs:

- Addressing climate change requires the world to decarbonize while at the same time ensure access to secure, affordable and reliable energy.
- Access to secure, equitable, affordable and reliable energy improves the quality of human lives around the world.
- The world needs an "all of the above" approach to energy production to meet the demands of a growing global population and lower carbon goals.
- Oil and natural gas can and must be part of any lower carbon future.
- As the world continues to change, Devon will adapt and evolve in a way that enables us to continue to be an industry leader.
- We are proud of the work we do and the way we do it.

stakeholders hold us accountable for financial success, as well as for meeting expectations and targets for ESG performance and communicating our progress transparently.

Focusing on environmental targets

Devon takes the same disciplined, thoughtful approach to ESG performance that we take to operational, financial and strategic performance. To continuously improve, we set targets, apply technologies and best practices to meet them, measure progress and take intelligent risks based on what we learn. We also set annual corporate goals for environment, health and safety (EHS) and community engagement, enabling our employees to share in our success.

In June 2021, we set aggressive environmental targets to lower the carbon intensity of our operations and proactively address climate-related risks and opportunities. Our team

quickly integrated data sets from both legacy companies and aligned to meet our targets. Through ongoing emissions reduction efforts, our company-wide greenhouse gas (GHG) emissions for Scope 1 and Scope 2 location-based emissions fell by 19% and methane emissions fell by 13% compared to 2020. Our flaring intensity is headed in the right direction, especially in the Delaware Basin and Williston Basin, falling 36% in 2021 to 0.9%. Devon is evaluating advanced technologies to help us keep detecting, measuring, mitigating and ultimately verifying our emissions performance as we advance toward our target of net zero GHG emissions for Scopes 1 and 2 by 2050.

We have a target to use 90% non-fresh water in our most active Delaware Basin operating areas, where our use of recycled water increased 65% to 61 million barrels in 2021 compared to 2020. Since 2015, Devon has reused over 200 million barrels of water from our water treatment facilities.



CEO Letter continued

Supporting our employees and communities

To fulfill our social responsibility to keep our workforce safe, we focus on our safety culture and take steps to find and retain contractors who meet our high EHS standards and comply with our requirements. Thanks to a team effort, our 2021 serious incidents and fatalities (SIF) rate of 0.07 per 200,000 hours worked was 36% lower than our 2020 rate and surpassed our goal for the year.

By taking ownership of our performance, Devon employees made our 2021 successes possible. We value our employees and will invest in their success to build the talented workforce our company needs in the future. The Devon leadership team is committed to balancing what our employees need as individuals with the best interests of our company, and to fostering a truly diverse, equitable and inclusive workplace where each employee feels a sense of belonging.

Devon focuses on building strong, safe communities and an educated workforce where we live and work. In 2021, we expanded our established STEM (science, technology, engineering and math) education programs, and with valuable input from our Diversity, Equity and Inclusion (DEI) Team, made our first Inclusion and Equity Grants in Oklahoma City. The grant program was so successful that we more than doubled our total investment and added organizations in the New Mexico Delaware Basin in 2022. We continue to look for meaningful ways to have a positive impact on children, families and communities.

Challenging ourselves to do better

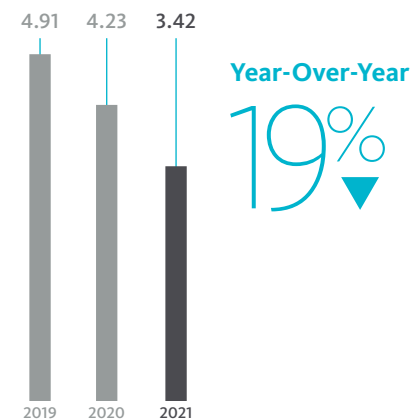
At Devon, we keep learning and do not resist progress. Engaging constructively with a wide range of stakeholders exposes us to ideas and solutions that help us improve. Our company is now one of the largest U.S. energy producers, and this brings new opportunities to listen, learn and share the Devon perspective. With our seat at the table, Devon is joining our industry in underscoring the need for clear and consistent energy policy and sensible regulations that allow us to deliver the affordable, accessible energy we'll need for many decades. We're committed to conducting our core business in the right way for the benefit of our stakeholders.

Devon has the full support of our board of directors to be innovative and take bold, progressive action. The board approved our ESG improvement targets, and its Governance, Environmental and Public Policy (GEPP) Committee maintains an ongoing dialogue with our subject matter experts about our performance against the targets. The board takes an active interest in how we're developing our workforce for the future, in fact, all of our female directors are championing Devon's women leaders through mentorship. We're grateful for the board's counsel and their confidence in our capabilities.

In our pursuit of ESG excellence, Devon is heading in the right direction. We're making progress and preparing for a long future as a climate-conscious, low-cost, low-carbon energy producer. We know there's more to do to safely and responsibly deliver energy needed for both the basic necessities of modern life and to raise the standard of living for millions of people worldwide. Devon employees embrace the possibilities.

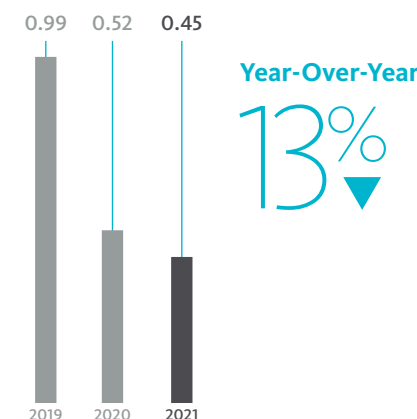
Direct and Indirect GHG Emissions

(Scope 1 and Scope 2 location-based)
(million tonnes CO₂e)



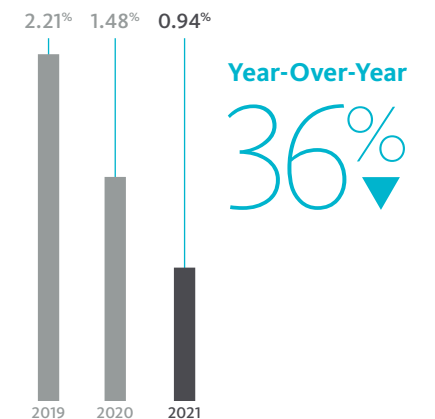
Methane

(million tonnes CO₂e)



Flaring intensity

(% of natural gas produced)



Thank you for your interest in what Devon is doing to improve our environmental, social and governance performance. We take stakeholder feedback to heart and would appreciate your thoughts on this report to help us meet your information needs.

Sincerely,

Richard E. "Rick" Muncrief
President and CEO

Through ongoing emissions reduction efforts, our company-wide greenhouse gas (GHG) emissions for Scope 1 and Scope 2 location-based emissions fell by 19% and methane emissions fell by 13% compared to 2020.



Message from Our Board

Meeting targets and stakeholder expectations



Dave Hager
Executive Chair



Barbara M. Baumann
Chair of Governance,
Environmental and
Public Policy Committee

At Devon, we strongly believe that the company's business performance builds from our environmental, social and governance (ESG) efforts. That's why ESG topics are at the heart of our board's deliberations. We are keenly focused on Devon's efforts on environmental, safety, community and diversity, equity and inclusion initiatives. We review and measure the execution of our ESG initiatives and evaluate future actions. We are proud of our efforts and contend that the hard, creative work of our employees in these areas was a critical component in driving the company's stock price performance to the top spot on the S&P 500 for 2021.

Acknowledging that ESG views and priorities continually evolve, we welcome increasing stakeholder scrutiny in these areas. With ambitious goals in place, Devon is engaging with a broad spectrum of stakeholders, including many who have differing perspectives on how to reach climate change objectives. The board believes the resulting healthy dialogue deepens Devon's understanding and strengthens the company for the future.

The board and our Governance, Environmental and Public Policy (GEPP) Committee, in particular, view our ESG initiatives as critical opportunities for our company and our industry to remain essential contributors to the world's energy needs. We believe that addressing ESG initiatives, particularly emissions reductions and workforce trends, is an imperative. We've endorsed and regularly monitor the company's decarbonization targets, committing capital investments, technology deployments, on-going operational measures and enhanced internal resources to them. Devon's pursuit of aggressive environmental targets is wholly compatible with delivering the strong business results that our shareholders expect.

Devon employees are dedicated to doing the right things with integrity. Diverse views and backgrounds lie at the heart of this company: without them, employees and contractors can't challenge assumptions or share the bold ideas required in this swiftly changing industry. In our board and committee deliberations, we continually challenge how the company can foster a deeper commitment to a diverse, equitable and inclusive workplace.

We believe that Devon — well into the future — will produce oil and natural gas in a safe, environmentally responsible, financially prudent and sustainable manner. The GEPP Committee invites you to share your feedback on how we can continue to improve our ESG efforts. Thank you for taking the time to learn about Devon's focus in these areas, as we continue to deliver energy for the world's needs.

Sincerely,

Dave Hager
Executive Chair

Barbara M. Baumann
Chair of Governance, Environmental,
and Public Policy Committee

Note: Ms. Barbara Baumann was appointed chair of the board, succeeding Dave Hager, who retired on January 7, 2023.



Report Summary



Performance Targets and Progress

Devon's ambitious environmental performance targets focus on further reducing the carbon intensity of our operations, minimizing freshwater use and engaging constructively with our value chain.

SEE OUR PROGRESS ON PAGE 8



Other ESG-Related Publications



2021 CLIMATE CHANGE ASSESSMENT REPORT



2022 POLITICAL ACTIVITY & LOBBYING REPORT

Environmental



- Reduced Scope 1 and Scope 2 location-based GHG emissions 19% and methane emissions 13% in 2021 compared to 2020.

Direct and Indirect GHG Emissions (Scope 1 and Scope 2 location-based)
(million tonnes CO₂e)



Methane (million tonnes CO₂e)



- Reduced Scope 1 and Scope 2 location-based GHG emissions intensity 19% and methane emissions intensity 16% in 2021 compared to 2020.

- Reduced flared volume intensity by 36% in 2021 compared to 2020.

Flaring Intensity (% of natural gas produced)



- Used 61 million barrels of recycled water in 2021, an increase of 65% compared to 2020.

- Became a founding sponsor of the Gas Technology Institute (GTI) Veritas initiative and joined the Oil & Gas Methane Partnership (OGMP 2.0).

- Enhanced our voluntary leak detection and repair (LDAR) program by committing to survey all of our producing assets with OGI cameras annually and an advanced aerial methane screening technology semi-annually, as well as installing continuous monitoring at 20% of our production in 2022.

- Set 2022 standalone emissions reduction goal that accounts for 15% of the overall corporate scorecard.

Safety & Security



- Shared our safety culture with over 400 field-based employees and contractors in our Hearts and Minds workshops and onboardings.

36% Reduction in our Serious Incident and Fatality (SIF) Recordable Rate in 2021 compared to 2020.

- Prepared to implement an ESG module in our Veriforce contractor compliance questionnaire to gauge our contractors' alignment with our ESG priorities.

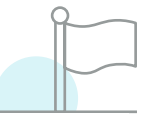
- Set 2022 corporate safety goals that account for 50% of the company's ESG goal or 7.5% of the overall corporate scorecard.



Social

- Invested nearly \$3 million in STEM Education in 2021, an increase of 255% compared to 2020.
- Opened 108 STEM centers across our operating areas in partnership with the Cal Ripken, Sr. Foundation.
- Impacted 80,200 students and 1,350 teachers through our STEM investments.
- Pledged up to \$20 million for humanitarian efforts in Ukraine.
- Increased our Inclusion and Equity Grants to \$268,000 for 19 organizations in Oklahoma City and the Delaware Basin in southeast New Mexico for 2022.

Governance



- Increased board engagement and oversight of environmental targets and strategy, diversity, equity and inclusion (DEI) and other ESG matters.
- Earned top-tier rankings among peer companies on major ESG-focused surveys and assessments.
- Continued track record of increasing transparency on political activity and lobbying through our 2021 Political Activity and Lobbying Report.
- Engaged constructively with federal and state regulators, diverse stakeholders and thought leaders to broaden our perspectives on key public policy issues.



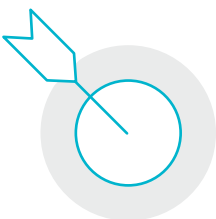
Workforce

- Enhanced our paid time off practices to encourage and support employees to take time off for health, personal and family needs.
- Increasing professional and leadership learning opportunities grounded in Devon's values and employee feedback.
- Set a corporate performance scorecard goal to develop new relationships with charitable organizations involved in DEI programming.
- Increased transparency by disclosing our annual U.S. Equal Employment Opportunity (EEO-1) Report.

Performance Targets and Progress

Devon has established aggressive environmental performance targets focused on reducing the carbon intensity of our operations, minimizing freshwater use and engaging constructively with our value chain. These targets reflect our dedication and commitment to achieving meaningful emissions reductions while pursuing our ultimate goal of net zero GHG emissions.

Targets



NET ZERO


GHG EMISSIONS FOR SCOPE 1 & 2 BY 2050

50%

REDUCTION IN GHG EMISSIONS INTENSITY FOR SCOPE 1 & 2 BY 2030

65%

REDUCTION IN METHANE EMISSIONS INTENSITY BY 2030

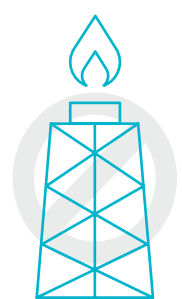


0.5%

OR LOWER FLARING INTENSITY BY 2025


ELIMINATE

ROUTINE FLARING BY 2030



90%

NON-FRESHWATER USAGE FOR COMPLETIONS IN MOST ACTIVE DELAWARE BASIN OPERATING AREAS

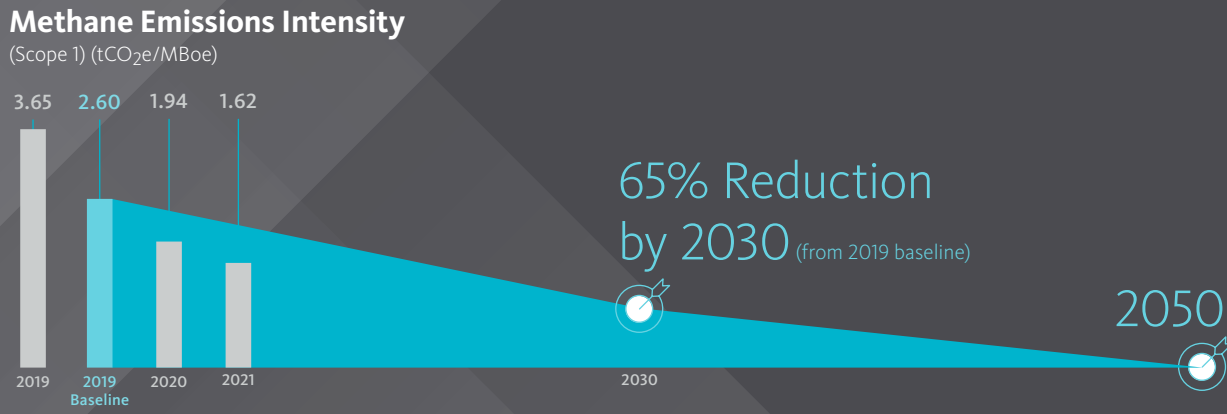
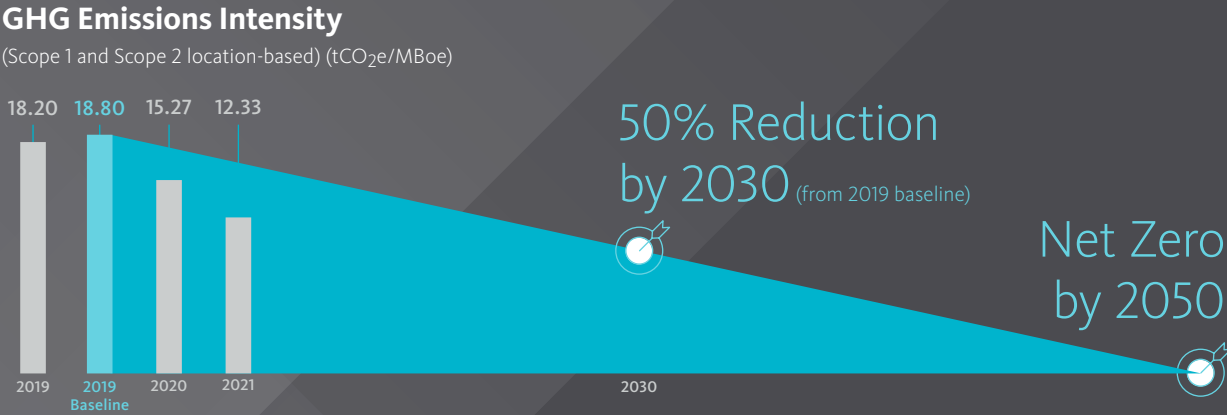


ANNUAL ASSESSMENT

OF DEVON CONTRACTORS IN KEY ESG PERFORMANCE AREAS BY 2023

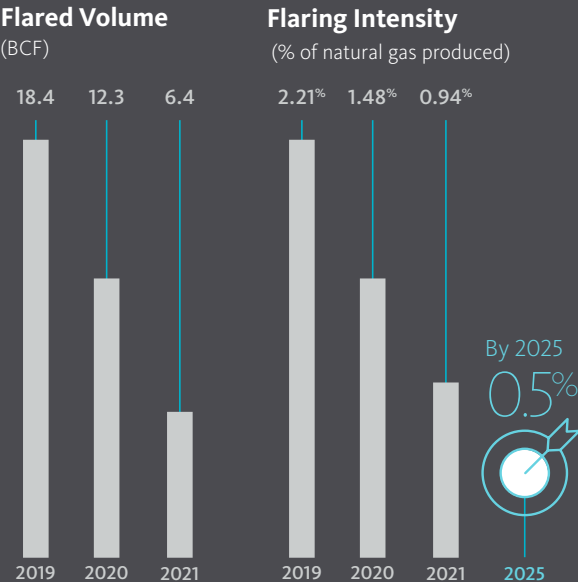


Progress



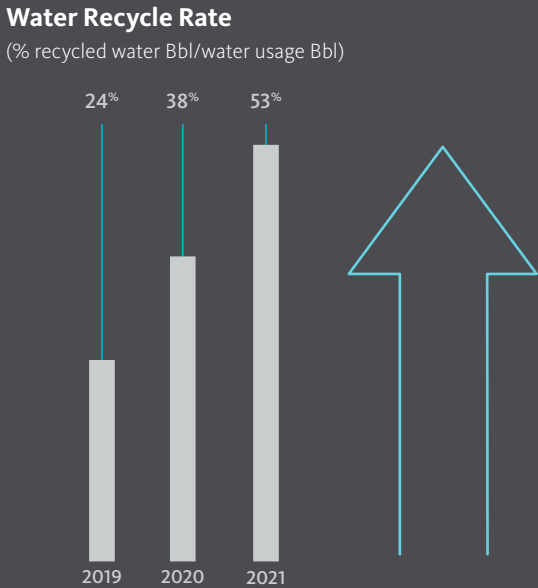
Note: See “Our baseline recalculation methodology” discussion on page 20.

Flaring Intensity



Water Performance

OVER 90%
Non-freshwater used in most active areas of the Delaware Basin in 2021



Value Chain Engagement

BEGINNING IN 2023
Devon contractors, who perform work on the company’s locations, will begin undergoing annual evaluations to assess their ESG performance in key areas.

Devon will continue evaluating how we can constructively engage stakeholders upstream and downstream of our operations to improve ESG performance across our value chain.



Operations Overview

Operational excellence and EHS

Devon Energy strives for sustainable growth by delivering oil and gas from our portfolio of premier assets in a disciplined, capital-efficient and responsible way. We give equal focus to operational excellence and our environmental, health and safety (EHS) performance to drive business progress and keep our social license to operate for decades to come. We're guided by our values to always do what's right, earn trust, take intelligent risks, and make a positive and sustainable impact.

Devon finds and produces oil, natural gas and natural gas liquids in the most prolific basins in the U.S. In 2021, we celebrated 50 years of helping to supply reliable, affordable energy, which enables us to create jobs, strengthen our communities, and contribute to local, state, federal and global economies. We've pioneered operational best practices, proactively applied advanced technologies, and adapted to evolving market conditions, regulations and stakeholder expectations. We do this while actively mitigating our environmental impacts, including setting and investing in meeting ambitious targets to reduce our methane emissions and address stakeholder concerns about climate change and other issues.

Our operating teams are accountable for superior operational execution, protecting people and the environment, and complying with all applicable laws, regulations and company policies. Through continuous improvement in operations and EHS performance, we're able to increase efficiencies, lower costs and reduce our environmental impacts. To reinforce the importance of EHS results, we tie a portion of our annual compensation to achieving corporate EHS targets.

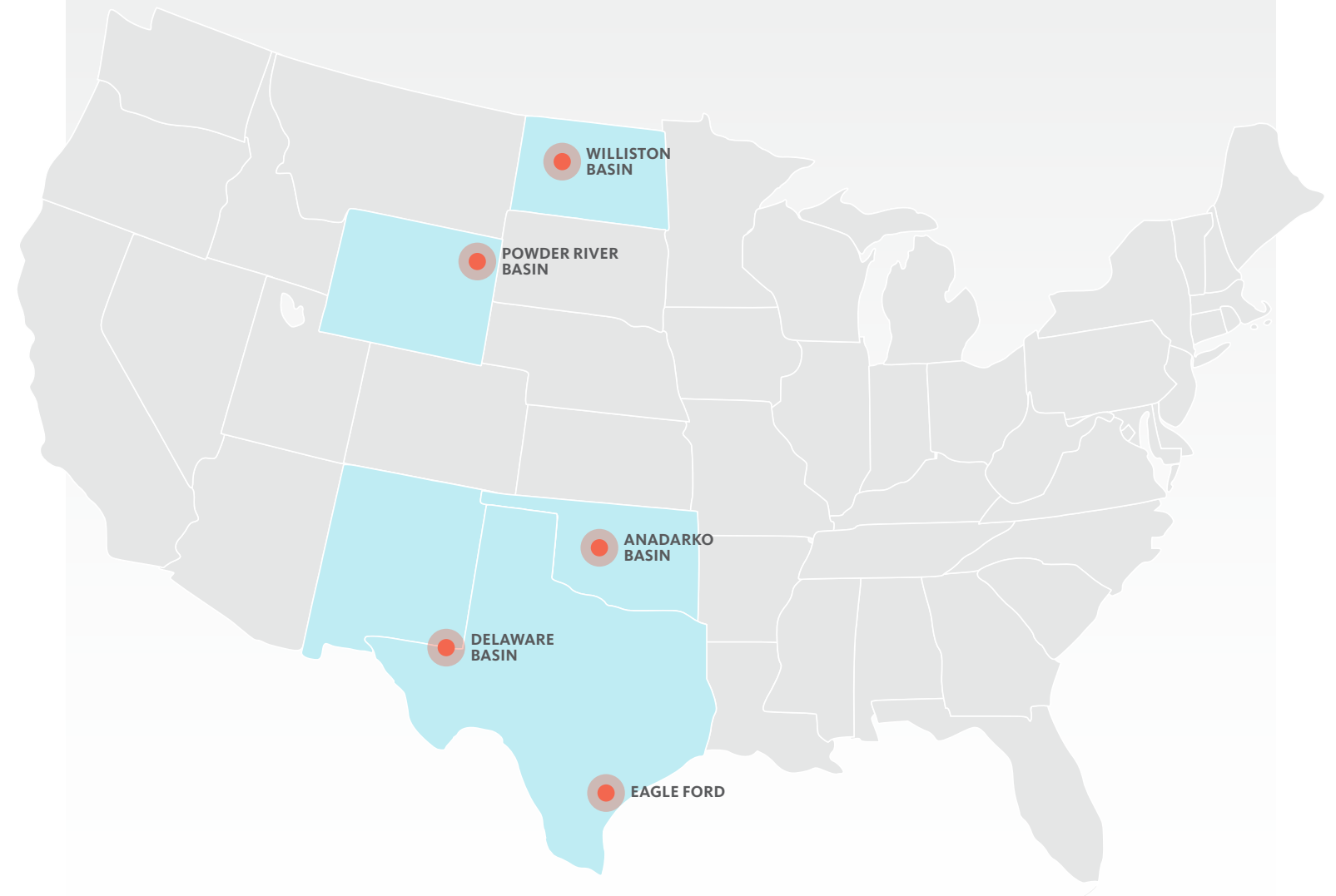
Our cross-functional EHS Council sets our strategy and priorities for improving EHS performance, and regularly communicates plans and progress with our operating teams. EHS professionals in our field operations support our teams with timely guidance and effective policies, protocols and practices. To safeguard our workforce, Devon's operating teams work proactively to strengthen our safety culture, share lessons learned, identify trends, and track leading and lagging indicators.

We evaluate and apply the latest technologies, tools and best practices to improve our environmental performance. One of our top priorities is to accurately measure and mitigate greenhouse gas (GHG) and methane emissions and meet our short- and long-term emission reduction targets. We have significantly reduced flared volumes from our operations and steadily increased the number of voluntary leak detection and repair (LDAR) surveys performed on equipment. Devon has reduced our need for freshwater in our highest-activity basins by increasing our recycling capacity and the volume of recycled water we use. We also seek to limit the use of freshwater as much as possible.

Diversified portfolio across U.S. resource plays

Devon operates premier acreage positions with a deep, high-quality inventory of drilling locations. Our focused development plan centers on drilling activities in our core areas of the Delaware Basin of southeast New Mexico and west Texas, the Eagle Ford Shale in south Texas, the Powder River Basin in Wyoming, the Williston Basin in North Dakota and the Anadarko Basin in western Oklahoma.

We've positioned Devon for sustainable growth through a disciplined, returns-driven strategy, significant financial strength and liquidity, and an advantaged dividend. Our commitment to environmental, social and governance (ESG) excellence supports our growth by keeping us focused on managing risk, operating responsibly and improving continuously.





Operations Overview continued

Investing in innovation

As a long-time industry innovator, Devon invests in, develops, deploys and investigates advanced technologies to improve EHS performance and optimize production. Advanced emissions detection and quantification technologies will be a key component of our strategy for broader emissions reductions. We established a testing facility where we're evaluating and comparing multiple technologies that would allow for faster detection and mitigation of methane emissions in an economically feasible way. We also explore methods to assess flare performance, identify beneficial uses of produced water beyond our industry and identify small fluid spills.

We invest in a dedicated technology team and embed technology professionals in our business units to align solutions to business needs. For example, our technology experts are collaborating with our operations and EHS teams to understand and apply the substantial amount of data generated by the emissions-related technologies we're investigating. Our data science analytics team developed custom artificial intelligence models that evaluate multiple camera images of wellsites every hour to determine if the flaring equipment is functioning properly. If issues are detected, we can alert or dispatch an operator to take action. Devon also holds multiple patents related to drilling and completions operations, including the breakthrough in fracture diagnostics called sealed wellbore pressure monitoring.



Innovative approach to sourcing sand

Operational excellence requires controlling costs, which we've accomplished with operating margin improvements, drilling and completions efficiencies, and improved supply chain efficiencies from our enhanced operating scale. One of our recent supply chain improvements is a first-of-its-kind mobile sand mine for completions operations we developed on surface acreage we own in the Delaware Basin. This innovative approach to sourcing sand provides supply certainty and cost savings, and improves safety and emissions performance by reducing the number of sand trucks on roads and the combustion emissions associated with traditional mining practices.

Keeping people safe and protecting the environment is important to our daily operations, the long-term value of our company and our social license to operate. Devon takes ownership of our environmental, health, safety, operational and financial performance, and works every day to improve it.

Additional information about Devon's performance is available in our detailed quarterly earnings presentations.

[LEARN MORE](#)



Environment

Aiming for industry-leading performance

The Environment section of our 2022 Sustainability Report includes:

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Resource Links:

- [2022 CDP Climate Response](#)
- [2022 CDP Climate Score](#)
- [2022 CDP Water Response](#)
- [2022 CDP Water Score](#)
- [2021 CDP Supplier Engagement Rating *](#)
- [2021 Climate Change Assessment Report](#)
- [Environment, Health and Safety \(EHS\) Philosophy](#)
- [EHS protocols for business processes](#)
- [Reclamation Standard](#)
- [Basis of Reporting GHG Emissions](#)
- [Independent Assurance Statement](#)

* Data reflects legacy Devon only





Overview

Devon is committed to doing what's right for the environment. We want to be a good neighbor, a trusted partner and a responsible, competitive operator as we produce oil and natural gas to help meet global demand. We believe exemplary environmental performance is essential to managing risk and developing forward-looking business opportunities, with the aim of being successful throughout and beyond the energy transition.

To continuously improve our environmental performance, Devon is proactive and results-oriented. We consider the potential impacts of our operations when planning activities and making decisions. We strive to comply with all applicable environmental laws and regulations, often going above and beyond what's required. In the process, we incorporate technology, tools and best practices to help minimize or avoid effects on air, water, land and wildlife.

Devon seeks to work with contractors who share our commitment to environmental stewardship. Our contractors must adequately train their personnel to perform environmentally sound work and have programs to comply with applicable environmental laws, rules and regulations. Contractors as well as employees have responsibility to stop work to prevent spills or other environmental issues. Starting in 2023, contractors who perform work on Devon locations will complete annual assessments to help us evaluate their environmental, social and governance (ESG) performance in key areas.

Devon has established a track record of environmental performance improvements. To document progress on our long-standing priority to reduce our greenhouse gas (GHG) and methane emissions, we've responded to the CDP climate change survey for 18 consecutive years.

For almost two decades, we've been at the forefront of water conservation efforts in our industry, and have responded to CDP's water survey since its inception nine years ago. Devon takes great care to preserve biodiversity and protect wildlife habitat and cultural resources in areas surrounding our operations.

Transparency is important to our stakeholders and keeps us accountable for our results. Devon tracks specific metrics for GHG and methane emissions, flaring, spills, energy use, water use and others. We've consistently increased our disclosures in recent years and continue to share this information in this report and other public disclosures. For additional metrics and details on our environmental practices, please refer to our Climate Change Assessment Report and CDP responses.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established 17 Sustainable Development Goals (SDGs). They're part of a globally agreed-upon action plan for organizations seeking to provide affordable energy, produced responsibly to protect the environment, while also promoting peace and prosperity for all people. In this report, we have identified a variety of Devon's business activities that align with the U.N. SDGs. In the environment section, look for:



Affordable and Clean Energy
page 18



Partnerships for the Goals
page 23



Clean Water and Sanitation
page 25



Life on Land
page 27

Taking Action

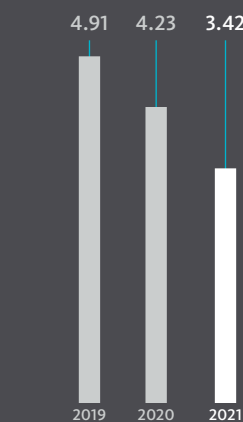


AIR

Reduced Scope 1 and Scope 2 location-based GHG emissions 19% and methane emissions 13% in 2021 compared to 2020.

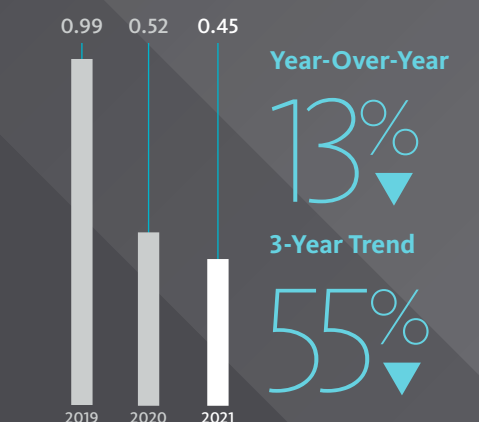
Direct and Indirect GHG Emissions

(Scope 1 and Scope 2 location-based)
(million tonnes CO₂e)



Methane

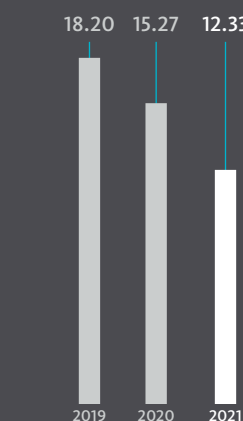
(million tonnes CO₂e)



Reduced Scope 1 and Scope 2 location-based GHG emissions intensity 19% and methane emissions intensity 16% in 2021 compared to 2020.

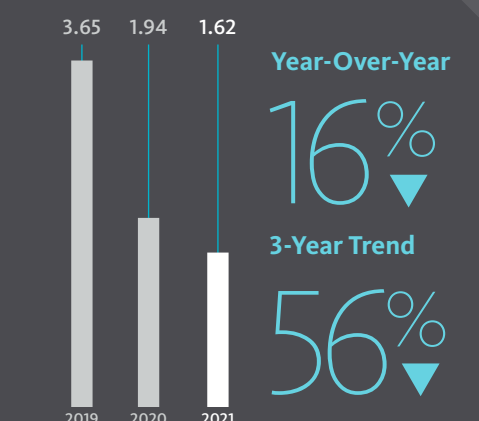
Direct and Indirect GHG Emissions Intensity

(Scope 1 and Scope 2 location-based)
(tCO₂e/MBoe)



Methane Emissions Intensity

(Scope 1) (tCO₂e/MBoe)





Overview continued

Taking Action continued

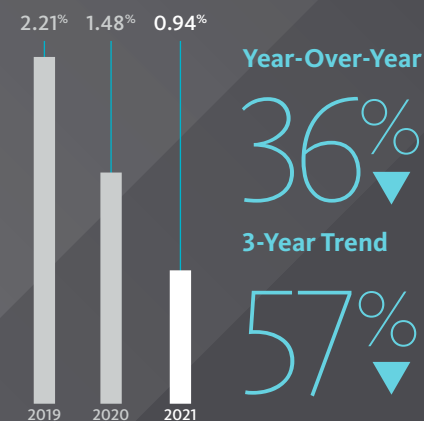


AIR continued

- Reduced flare volume intensity by 36% in 2021 compared to 2020.

Flaring Intensity

(% of natural gas produced)



- Issued our updated 2021 Climate Change Assessment Report aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.
- Set ambitious targets to further reduce the carbon intensity of our operations, minimize freshwater use and engage constructively with our value chain.
- Became a founding sponsor of the Gas Technology Institute (GTI) Veritas initiative that seeks to demonstrate verifiable methane emissions reductions in a consistent, credible and transparent way.



WATER

- Used 61 million barrels of recycled water in 2021, an increase of 65% compared to 2020.
- Since 2015, we have reused over 200 million barrels of water from our water treatment facilities.



BIODIVERSITY

- Established Devon's Biodiversity Council that develops and implements enterprise-wide standards and looks for opportunities to enhance biodiversity value of Devon-owned surface lands.



DEVON'S GOALS

- Set 2022 standalone emissions reduction goal that accounts for 15% of the overall corporate scorecard.

Driving alignment

Devon has a strong organization to manage environmental performance, from our board of directors to field-level environmental, health and safety (EHS) and operations teams. We've been bringing together our EHS and ESG core competencies and capabilities to drive alignment on our broader enterprise goals and objectives.

Our governance practices and organizational structure elevate EHS oversight and discussions, including those related to climate change and the energy transition. In 2021, we recalibrated the board's Governance Committee to become the Governance, Environmental, and Public Policy (GEPP) Committee to sharpen our focus on environmental policies and oversight of management's efforts to integrate sustainability into our business activities. Through its role to nominate candidates for our board, the GEPP Committee establishes a close connection between corporate governance and sustainability. As a component of executive compensation, environmental results included in our corporate goals are reviewed by the board's Compensation Committee. In addition, at least five Devon directors have an educational background or direct work experience in environmental matters.

At the executive level, Devon's executive vice president and chief operating officer (COO) is accountable for our environmental programs and performance. To further emphasize results, in 2021 we appointed our first vice president of ESG and EHS, reporting to the COO. In early 2022, we established our standalone ESG team of subject matter experts on sustainability and ESG, led by the new role of ESG manager. The team provides advisory support across Devon to continue making progress in ESG and sustainability. They engage with shareholders, nongovernmental organizations (NGO), policy makers and other external stakeholders to enhance our understanding of ESG risks and opportunities. Working in tandem with our environmental and operations personnel, the ESG team helps guide strategies to achieve our decarbonization targets.

As a result of our organizational efforts, environmental objectives and targets are considered in capital allocation decisions, corporate and business unit planning, and team strategies to operationalize emissions reductions into the way we do business.

Devon's environmental performance targets

We're improving how we produce and deliver the oil and natural gas the world needs

NET ZERO

GHG emissions for Scope 1 and 2 by 2050

50%

Reduction in GHG emissions intensity for Scope 1 and 2 by 2030

65%

Reduction in methane emissions intensity by 2030

0.5%

Or lower flaring intensity by 2025

ELIMINATE

Routine flaring as defined by the World Bank by 2030

90%

Or higher non-freshwater usage for completions in our most active Delaware Basin operating areas

ENGAGE

Value chain in assessments of performance in key ESG areas by 2023



Overview continued

Operations buy-in

The EHS Council, made up of Devon business unit and operations leaders, helps protect our social license to operate and advance our culture of environmental stewardship. The council sets environmental strategy and goals, tracks performance and evaluates the effectiveness of our environmental policies, protocols and practices. To continuously improve our performance, the group reviews environmental incidents and near misses, develops corrective actions as needed and shares best practices across Devon. Council members hold regular discussions with field production leaders to update them on rapidly evolving stakeholder expectations about climate change and environmental performance.

The Devon EHS Management System, developed by the council, includes an environmental management element to drive program improvements and assessments. Our environmental professionals work closely with Devon leaders to promote and implement environmentally sound operations that comply with applicable laws, regulations and company policies.

To position Devon for long-term success, the council reviews emerging EHS and ESG issues, as well as proposed laws and regulations and their potential financial, operational and reputational impact on the company.

The council drives industry-leading environmental performance by developing environmental goals that are approved by the board as part of our executive compensation formula. In 2021, we set goals to reduce flaring intensity, increase voluntary leak detection and repair (LDAR) surveys and lower our spill rate. The EHS team's post-merger priorities included integrating environmental data and protocols from our two legacy companies, which it

completed in the first quarter of 2022. Full implementation of our integrated environmental policies, protocols and practices is expected by year-end 2022.

Our 2022 corporate goals include a standalone emissions reduction goal with a 15% weighting and an ESG & community engagement goal with a 15% weighting—together accounting for 30% of the company's performance scorecard. Our corporate goals and medium- and long-term goals challenge Devon to improve our performance and hold us accountable for producing oil and natural gas in an environmentally responsible way.

Our environmental philosophy



Reduce emissions



Prevent pollution



Conserve water



Protect biodiversity



Mitigate risk



Track progress

Collaborations for progress

Our corporate value to build relationships is vital to improving our environmental performance. We engage with a variety of stakeholders to understand their perspectives on climate change, water use, seismicity, spills and other environmental issues. Devon teams up with industry trade associations, environmental nonprofit organizations, academic partners and innovative businesses to develop solutions. We remain committed to listening, collaborating, increasing transparency and doing our part to protect the environment.

- Oil and Gas Methane Partnership 2.0
- GTI Veritas
- The Environmental Partnership
- The New Mexico Produced Water Research Consortium
- Stanford Center for Induced and Triggered Seismicity
- Energy Water Initiative
- U.S. Environmental Protection Agency
- U.S. Bureau of Land Management
- Mandan, Hidatsa and Arikara (MHA) Nation
- Columbia Center on Global Energy Policy
- Bipartisan Policy Center
- And others



Overview continued

Taking ownership

Our values, EHS Philosophy and operations standards emphasize that each Devon employee and contractor is responsible for taking ownership of environmental performance. We expect them to demonstrate care for the environment, plan ahead, participate in environmental programs, recognize positive attitudes and behaviors, and communicate openly.

We also enable every employee to share in our environmental achievements. Devon’s corporate scorecard includes annual environmental performance targets that affect every employee’s compensation. By surpassing our 2021 goals to reduce flaring intensity and increase voluntary LDAR surveys, and partially meeting our goal to lower our spill rate, employees made a positive contribution to our EHS score and compensation.

We’ve made progress in reducing air emissions, using less freshwater and more recycled water in our operations, preventing spills, protecting the land and improving transparency through reporting. We’re proud of what Devon has accomplished, but we know there’s more to learn and do to keep making progress.

Environment Performance Metrics ¹			
<i>*Unless otherwise noted, all data presented is pro forma (Devon + WPX) for U.S. operated assets.</i>			
	2019	2020	2021
Direct GHG Emissions (Scope 1) (million tonnes CO ₂ e) ²	4.65	3.91	3.08 ✓
By Constituent			
Carbon Dioxide (million tonnes CO ₂ e)	3.66	3.39	2.64
Methane (million tonnes CO ₂ e)	0.99	0.52	0.45
Nitrous Oxide (million tonnes CO ₂ e)	0.003	0.002	0.002
By Source			
Flaring/Venting (million tonnes CO ₂ e)	2.61	1.92	1.46
Combustion (million tonnes CO ₂ e)	1.84	1.95	1.60
Other (million tonnes CO ₂ e)	0.19	0.04	0.03
Indirect GHG Emissions from Electricity Use (Scope 2 location-based) (million tonnes CO ₂ e) ³	0.27	0.32	0.34 ✓
Direct and Indirect GHG Emissions (Scope 1 and Scope 2 location-based) (million tonnes CO ₂ e) ^{2,3}	4.91	4.23	3.42
Direct GHG Emissions Intensity (Scope 1) (tCO ₂ e/MBoe) ²	17.22	14.10	11.11
Direct and Indirect GHG Emissions Intensity (Scope 1 and Scope 2 location-based) (tCO ₂ e/MBoe) ²	18.20	15.27	12.33
Indirect GHG Emissions from Use of Sold Products (Scope 3) (million tonnes CO ₂ e) ^{4,5}	48	49	73
We report indirect emissions from the use of sold products on an equity basis from sources not owned or controlled by Devon; however, it is important to note that Scope 3 emissions estimates are subject to uncertainty, inconsistency and duplication as further described in the Air Emissions section of this report. In 2021, Devon’s estimated Scope 3 emissions increased, due to an increase in net equity production reported in Devon’s 2021 Annual Report on Form 10-K. 2019 and 2020 estimated Scope 3 emissions are legacy Devon only, while 2021 reflects pro-forma Devon + WPX.			
Methane Emissions Intensity (Scope 1) (tCO ₂ e/MBoe) ²	3.65	1.94	1.62
Methane Emissions Intensity - Production Segment (Scope 1) (% of natural gas produced) ⁶	0.31%	0.19%	0.18%
Flaring Intensity (% of natural gas produced) ⁷	2.21%	1.48%	0.94%
Energy Used - Fuel and Electricity Use (trillion BTU) ³	32.87	31.36	27.18
Water Usage (million Bbl) ⁸	141	98	116
Recycled (million Bbl)	34	37	61
Sourced (million Bbl)	107	61	55
Water Usage Intensity (Bbl/Boe produced) ⁸	0.5	0.3	0.4
Water Usage Intensity (million Bbl/well completion) ⁸	0.3	0.3	0.4
Water Recycle Rate (recycled water Bbl/water usage Bbl) ⁸	24%	38%	53%
Devon’s total water use for completions activities varies with activity levels, targeted formations and lateral lengths, and includes fresh, non-fresh and recycled water volumes. We seek alternatives to fresh water supplies, where possible.			
Reportable Spill Events Released to the Environment (events) ⁹	336	246	280
Reportable Spill Volumes Released to the Environment (barrels) ⁹	4,505	4,042	5,705
EXCEL DOWNLOAD			

¹ The environment metrics have been calculated using the best available data at the time of publication. Historical metrics are subject to change as we continuously seek to improve our data management practices, data sources, and calculation methodologies in order to provide the highest level of transparency, consistency and accuracy. We report environment metrics on an operated basis, unless otherwise noted.

² We include all reportable emissions under EPA’s Greenhouse Gas Reporting Program (GHGRP) for Devon operated facilities, as well as non-reportable emissions from our production assets and, beginning in reporting year 2019, gathering and boosting assets. We calculate emission intensities using gross production as reported under the EPA GHGRP for all reporting segments.

³ We calculate our Indirect GHG Emissions from Electricity Use (Scope 2) on a location-based methodology using EPA fuel and electricity emissions factors.

⁴ We report indirect emissions from the use of sold products (Scope 3) on an equity basis from sources not owned or controlled by Devon. To estimate our Scope 3 emissions, we rely upon IPIECA’s 2016 guidance document Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. Per the IPIECA guidance, we report category 11 “Use of Sold Products” by calculating combustion emissions for our oil, natural gas and marketed natural gas liquids products using emission factors obtained from the EPA and net equity production reported in Devon’s 2021 Annual Report on Form 10-K.

⁵ Performance is limited to legacy Devon performance only in 2019 and 2020 and pro-forma Devon + WPX in 2021, using net equity production reported in Devon’s 2021 Annual Report on Form 10-K for all three years.

⁶ Our methane emissions intensity rate calculation includes all natural gas produced at Devon operated facilities and all methane emissions from Devon operated facilities associated with the production of oil and natural gas.

[Click here to see Devon’s calculation methodology for methane emissions intensity](#)

⁷ Our flaring intensity rate calculation includes high-pressure flared volumes associated with the production of oil and natural gas.

⁸ Our water usage includes all water sources used in completions activities at facilities operated by Devon in 2021.

⁹ Reportable spill events and volumes exclude a well-control event that occurred in 2019.

✓ ERM CVS provided limited assurance in relation to Devon’s Total Scope 1 GHG emissions and Total Scope 2 (location-based method) GHG emissions for the reporting period January 1, 2021 to December 31, 2021. For more information see:

[Basis of Reporting GHG Emissions](#)
[Independent Assurance Statement](#)



Overview continued

Taking action to measure, report and mitigate methane emissions

Achieving meaningful reductions in methane emissions is a central component of Devon's broader emissions reduction strategy. We are taking action to measure, report and mitigate methane emissions in a trusted and transparent way.

We are undergoing independent third-party verification of our Scope 1 and Scope 2 location-based GHG emissions data, including methane emissions. We are evaluating, testing and deploying innovative methane detection technologies, as well as participating in industry-leading methane measurement and reporting initiatives.

Independently verifying our reported GHG emissions data

To bolster the credibility of Devon's emissions reporting on which our emissions reduction targets are based, Devon engaged with ERM CVS to conduct independent third-party limited assurance of our Scope 1 and Scope 2 location-based GHG emissions data, which includes methane, for the reporting year 2021.

See ERM CVS's Independent Assurance Statement to learn more about the third-party verification process, including the conclusion from the verification process.

Evaluating, testing and deploying advanced methane monitoring technologies

Advanced methane detection and quantification technologies are evolving rapidly. Devon has a cross-functional team that evaluates emerging technologies that have the potential to be more effective at finding leaks over broader areas, allowing for faster detection and mitigation. The team is investigating advanced optical gas imaging (OGI) cameras, sensor-, camera- and laser-based continuous and near-continuous monitoring, and fixed-wing aircraft flyovers.

Devon's Methane Detection Test Facility

Three technology types are being tested

Fence Line Sensors

- 1 Laser-based sensors with onsite receptors - technology 1
- 2 Metal oxide sensor - technology 2
- 3 Metal oxide sensor - technology 3
- 4 Metal oxide sensor - technology 4
- 5 Metal oxide sensor - technology 5

Visual Imaging

- 6 Hyperspectral imaging - technology 6

Aerial Flyovers

- 7 LiDAR sensor attached to fixed wing aircraft - technology 7



In 2021, Devon established an emissions monitoring test facility in the Anadarko Basin, near our corporate headquarters, which will play an important role in identifying which innovative technologies are viable candidates to incorporate more broadly across Devon's various operating areas.

In 2022, we enhanced our leak detection and repair program with an aim to achieve the following for the year:

- Survey 100% of production facilities with OGI cameras at least once annually
- Survey 100% of production facilities with aircraft flyovers at least twice annually
- Install continuous emissions monitoring on 20% of production

As Devon continues to evaluate, test and deploy innovative methane detection technologies, we are also developing best practices to operationalize the new data derived from these technologies and exploring how to demonstrate the progress we are making in a consistent, credible and transparent way.

Collaborating with industry to develop methane measurement and reporting methodologies

Working with leading companies that share our commitment to reducing methane emissions is critical for Devon and the broader industry as we seek to develop trusted methodologies for reporting methane emissions, incorporating the types of technologies that Devon and others in the industry are evaluating, testing and deploying.

GTI Veritas

In 2021, Devon became a founding sponsor of Veritas, a GTI Energy Methane Emissions Measurement and Verification Initiative. Veritas is the first-ever standardized, science-based, technology neutral, measurement-informed approach to calculating and reporting methane emissions along the natural gas supply chain from production all the way to distribution.

As a founding sponsor, we are working with GTI Energy to develop and test the protocols in a transparent process together with technical experts, leading academics, environmental NGOs, and companies. The widespread adoption of the Veritas protocols, once completed, across industry ensures that there is a consistent and transparent methodology for companies to calculate and report methane emissions. It also provides a standardized way of evaluating methane emissions monitoring and mitigation technologies.

The Veritas technical protocols currently under development cover six segments of the natural gas value chain and provide companies with guidance on how to measure methane emissions and how to reconcile their current emission-factor inventories with actual measurements.

Oil and Gas Methane Partnership 2.0

In 2022, Devon joined the Oil and Gas Methane Partnership 2.0 (OGMP 2.0), a multistakeholder partnership to improve the accuracy and transparency of methane emissions reporting in the oil and gas sector. OGMP 2.0 is a voluntary, public-private partnership between the United Nations Environment Programme, the European Commission, the Environmental Defense Fund and over 80 oil and gas companies aimed at minimizing methane emissions from global oil and gas operations. Its work has helped to raise awareness of methane emissions and contributed to the growing priority of mitigation activities.

OGMP 2.0 is the only comprehensive measurement-based reporting framework covering all material sources of methane emissions from both operated and non-operated assets across all segments of the value chain.



Climate Change

Proactively addressing risks and opportunities

Devon is focused on producing reliable, affordable and accessible energy the world needs, while continuing to find ways to produce and deliver it more responsibly.

The world relies on oil and natural gas to power the basic systems of our daily lives – transportation, heating and cooling, lighting, manufacturing, agriculture, telecommunications and technology. Many of the products we use every day are made from plastics and compounds derived from oil and natural gas, which also fuel the machinery to manufacture these materials.

At Devon, we're proud to find and produce these valuable commodities and improve our way of life. Through the work our employees do every day, we contribute to local, state, national and global economies. We also recognize that the economic benefits of our industry must be balanced with care for the environment. Devon is focused on delivering strong returns to our shareholders while continuously improving our environmental performance, with specific emphasis on climate change.

In its 2022 outlook, the U.S. Energy Information Administration (EIA) projects that oil and natural gas will continue to be leading sources of energy worldwide for decades to come. For example, in the transportation sector, gasoline and diesel fuel will account for 74% of total consumption in 2050. Devon will continue to produce the oil and gas the world needs in a safe, environmentally responsible and ethical way, and disclose our results publicly. Earning our stakeholders' trust is important for the future of our business, so we'll continue to plan for the risks and opportunities ahead.

Assessing and reporting our climate change-related risks

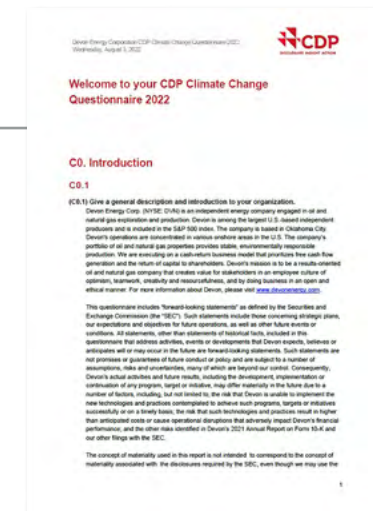
Climate change-related risks receive formal and ongoing consideration in Devon's enterprise risk management process. The company regularly models numerous regional and macro-level scenarios – including acquisitions, divestitures and changes in regulations and market conditions – to test the strength of our portfolio and resources. Each year, the modeled scenarios inform the strategic decision-making of Devon's executive committee and board of directors that factors into Devon's long-range plan. We publicly reported on climate-related risks and the results of our climate-related scenario analysis in our third Climate Change Assessment Report (CCAR), published in 2021, demonstrating our ongoing commitment to transparency.

Our updated 2021 CCAR accounted for material changes to our portfolio since 2018, including the divestment of our Canadian and Barnett Shale assets, as well as closing the merger with WPX Energy. The 2021 report was prepared by Devon with support from third-party consultants and reviewed and approved by our board of directors. Devon retained ICF to help assess the company's oil and natural gas portfolio's resilience in the face of potential impacts of climate policy on oil, natural gas and natural gas liquids (NGL) demand, production and prices. During this assessment, Devon evaluated several possible future climate change scenarios to quantify the potential risks to the company's portfolio and long-range business plan from a possible carbon-constrained future. Devon evaluated pricing scenarios and model results from both ICF and the widely referenced International Energy Agency (IEA), including the IEA's 2020 Sustainable Development Scenario, which targets a rise in global temperatures to “well below 2°C” and “in which countries achieving net-zero emissions by 2050 spur the world as a whole to reach it by 2070.”

2021 CCAR

[LEARN MORE](#)

2022 CDP Climate Response

[LEARN MORE](#)

Devon's approach to managing climate change risk

- Decrease the carbon intensity of our operations by reducing Scope 1 and Scope 2 location-based GHG emissions to net zero by 2050, prioritizing the reduction of flaring and methane emissions.
- Disclose our progress and strengthen governance practice around climate change risk.
- Evaluate opportunities to create value in the transition to ever-cleaner forms of energy with thoughtful capital allocation.



Climate Change continued

In addition, Devon retained Global Affairs Associates, a ClimeCo Company, to enhance the company's alignment to the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), an international, multi-industry led initiative launched to develop recommendations for voluntary disclosure of climate-related risk. We report in alignment with 2017 TCFD recommendations to meet our stakeholders' expectations for reliable and meaningful disclosures.

The 2021 assessment determined that oil and natural gas will remain essential to meeting global energy demand, even in the carbon-constrained future scenarios. Additional conclusions included:

- Models indicate that Devon's portfolio of assets is likely to be resilient, even in various low-carbon scenarios.
- The changes to our portfolio since 2018 – exiting Western Canada and the Barnett Shale and closing the merger with WPX Energy — have made the company more resilient in low oil and natural gas price scenarios.
- Devon's disclosure practices for the governance, management and disclosure of climate-related risks and opportunities seek to align with TCFD recommendations, and include continually assessing new guidance as it becomes available.

Ambitious emissions reduction targets

Devon addresses climate change-related risks proactively in our environmental, operational and governance practices. Our strategy relies in part on energy efficiency and conservation, which we believe are also the most immediate and cost-effective ways to reduce emissions. We actively seek out technology solutions and innovative techniques to enhance our efforts.

To reduce methane emissions, we establish voluntary, company-specific targets that go beyond regulatory requirements. Among our



actions to meet the targets are investing in technology, adopting new work practices and working creatively with stakeholders. To underscore our commitment, achieving our targets is a component of executive and employee compensation.

In 2019, we set a methane intensity target of 0.28% or lower by 2025, and then beat the target level in 2020. In June 2021, we reinforced our commitment to proactively manage climate-related risks and opportunities by establishing additional environmental performance targets to limit GHG and methane emissions in our operations. These operational emissions performance targets are in line with leading industry practices and stakeholder priorities. These targets, endorsed by our board, are the following:

- Achieve net zero GHG emissions for Scopes 1 and 2 by 2050
- Reduce Scopes 1 and 2 GHG emissions intensity by 50% by 2030 (from a 2019 baseline)
- Reduce methane emissions intensity by 65% by 2030 (from a 2019 baseline)
- Achieve flaring intensity of 0.5% or lower by 2025 and eliminate routine flaring by 2030

As we strive to meet or beat these targets, Devon will continue to apply a wide range of advanced technologies and best practices, in tandem with increasing efficiencies, and is committed to providing transparent updates on our progress.

Devon closely monitors possible business impacts of climate change in the market and policy arenas, and we're prepared to adapt as needed. We're committed to ongoing dialogue with our board of directors, shareholders and other stakeholders about our climate change-related risks and opportunities. Our industry will play a pivotal role in delivering global energy for generations to come, and Devon is embracing change to be part of that future.



Air Emissions

Targets, technology and transparency

Devon's approach to reducing air emissions



Set targets to drive continuous performance improvements



Apply technology and best practices to reduce GHG and methane emissions at their source and to mitigate impacts



Increase transparency in alignment with TCFD recommendations, including disclosure of progress we are making toward our targets

Devon is committed to decarbonizing our operations, evaluating new opportunities and transparently reporting our results. We're doing our part to be a responsible operator for the benefit of the environment, our employees and their families, our communities, our shareholders and our business—today and in the future.

Our long-standing commitment to reduce air emissions, particularly GHGs, is embedded in our culture through our Environment, Health and Safety (EHS) Philosophy and our core values to earn stakeholder trust, proactively manage risk and challenge ourselves to continuously improve. To reduce our impacts on the air and climate, we collaborate within and outside the company to implement technology, best practices and tools, and to generate new ideas and innovate.

Reducing the carbon intensity of our operations starts with proactively controlling and reducing air emissions from our operations. Devon focuses on reducing operational emissions of GHGs such as carbon dioxide (CO₂) and methane, as well as volatile organic compounds (VOC), nitrogen oxide (NO_x) and other gases, and reporting our results. In June 2021, we announced aggressive targets to lower the carbon intensity of our operations and outlined our approach to managing climate-related risks and opportunities in our updated 2021 Climate Change Assessment Report. We're taking these actions to lower our regulatory, market and reputational risk, but also because we believe protecting air quality aligns with our values and makes our business more sustainable.

Air emissions performance management

We invest in the latest equipment and deploy well-trained employees and contractors to carry out our emissions reduction programs. Our air quality program supports efficient, effective work by defining responsibilities and requirements for communications, compliance, recordkeeping and training.

Because emissions programs and results are critical to Devon's overall performance, we're organized to drive progress. Our Environmental, Social and Governance (ESG) Steering Committee monitors our air emissions performance in the context of the evolving regulatory, legal and stakeholder landscape. It also advises our senior leaders on issues for consideration in enterprise risk management, stakeholder engagement, and regulatory and legal compliance.

Our vice president of ESG and EHS serves on both the ESG Steering Committee and the cross-functional EHS Council, providing continuity and alignment while elevating our companywide focus on ESG performance, including air emissions. To implement Devon's emissions reduction strategy effectively, the EHS Council sets the strategy in close coordination with the vice president for ESG and EHS, the ESG Steering Committee and senior leaders. In early 2022, we established our ESG team, led by the new role of ESG manager, to provide advisory support across Devon to help achieve our ESG and sustainability-related objectives and goals.

Investing in these resources reinforces the critical importance of meeting our targets and shows the level of leadership buy-in to continue our progress. It has also encouraged and enabled our business units to take ownership and operationalize their goals. Business units are devoting capital and resources to mitigate emissions, evaluate and enhance facility designs, and learn about the new technologies we may use to achieve Devon's emissions goals.

Managing air permitting compliance

Compliance with all applicable federal and state environmental laws and regulations is central to our EHS Philosophy and the Devon Code of Business Conduct and Ethics. Our compliance process guides employees on meeting Devon's air permitting requirements in our operating areas, aided by a web-enabled database that quickly distributes requirements for new and modified air permits to the people directly responsible for compliance.

Devon facilities and equipment may at times emit VOCs, NO_x and other gases that are subject to state and federal emissions authorization permits and limits. We pursue full compliance by clearly communicating requirements to our operating facilities. Some facilities are subject to annual emissions inventories, which we submit to the appropriate regulatory agencies. The information is publicly available in states where these inventories are required. If compliance issues arise, we work expeditiously and constructively with regulators to address them. We'll continue to proactively look beyond compliance to further reduce our air emissions.

Air Emissions continued

Greenhouse gas emissions methodology

Devon reports GHG emissions from fuel combustion, flaring, fugitive emissions, venting and storage tank losses (Scope 1) and electricity consumption (location-based Scope 2) for assets under our operational control. We collect data on GHGs (carbon dioxide (CO₂), methane and nitrous oxide) and submit annual GHG emissions according to the requirements of the U.S. Environmental Protection Agency (EPA) Greenhouse Gas Reporting Program.

We also report indirect emissions from the use of sold products (Scope 3) on an equity basis from sources not owned or controlled by Devon. Scope 3 GHG emissions include indirect emissions from the consumption and use of Devon’s crude oil and natural gas production.

To estimate our Scope 3 emissions, Devon relies on IPIECA’s 2016 guidance document, Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. According to this guidance, category 11, “Use of Sold Products,” is generally the largest contributor of Scope 3 emissions for a fuel-producing company and can account for more than 80% of a company’s total Scope 3 emissions. We report “Use of Sold Products” by calculating combustion emissions for our oil, natural gas and marketed natural gas liquids products.

It is important to note that Scope 3 emissions estimates are subject to uncertainty, inconsistency and duplication due to the reporting of assets outside the control of the reporting company and various reporting methodologies. In addition, two or more companies will account for the same emissions within their Scope 1, 2 or 3 emission inventories (as further described in the IPIECA guidance document).

As an exploration and production company, Devon has no direct control over how the raw materials we produce and sell are ultimately consumed. For this reason, we are committed to and focused on Scope 1 and Scope 2 location-based emissions for assets under our control, where we can most directly and meaningfully effect emissions reductions. We will continue to evaluate ways in which we can reduce value chain emissions and engage constructively with stakeholders upstream and downstream of our production operations.

Third-party verification of GHG emissions data

Devon engaged with ERM CVS to conduct independent third-party limited assurance of our Scope 1 and Scope 2 location-based GHG emissions data for the reporting year 2021. See ERM CVS’s Independent Assurance Statement to learn more about the third-party verification process.

We believe measurement, reporting and verification of our GHG emissions performance plays a central role in our ability to achieve our emissions reduction goals in a trusted and transparent way.

 [INDEPENDENT ASSURANCE STATEMENT](#)

How we calculate our GHG and methane emissions intensity rates

We calculate our direct (Scope 1) GHG and methane emissions by including all emissions reported to the EPA pursuant to the Greenhouse Gas Reporting Program (GHGRP) for production and gathering and boosting assets under our operational control, as well as emissions subject to the GHGRP that fall below the basin-level reporting threshold.

GHG Emissions Intensity

=

SCOPE 1 & SCOPE 2 LOCATION-BASED GHG EMISSIONS (tonnes CO₂e)

GROSS OPERATED PRODUCTION AS REPORTED TO THE EPA (MBoe)

Our baseline recalculation methodology

Devon’s commitment to reduce our Scope 1 and Scope 2 location-based GHG emissions intensity by 50% and methane emissions intensity by 65% by 2030 will be calculated from a 2019 baseline.

This baseline serves as a hypothetical reference point for what the emissions intensity would have been in the absence of emissions reduction efforts over time. To comparably track progress toward the targets, adjustments to the emissions baseline may be necessary to reflect structural, organizational or reporting changes that may occur over time. For example, an acquisition or divestiture could significantly impact our emissions performance and impair comparability from the emissions baseline.

We relied upon guidance from the Greenhouse Gas Protocol and IPIECA in establishing our baseline recalculation methodology. Our baseline will be adjusted if impacted by one or more trigger events

We calculate our indirect (location-based Scope 2) GHG emissions for electricity consumption using EPA fuel and electricity emissions factors for assets under our operational control.

Methane Emissions Intensity

=

METHANE EMISSIONS (tonnes CO₂e)

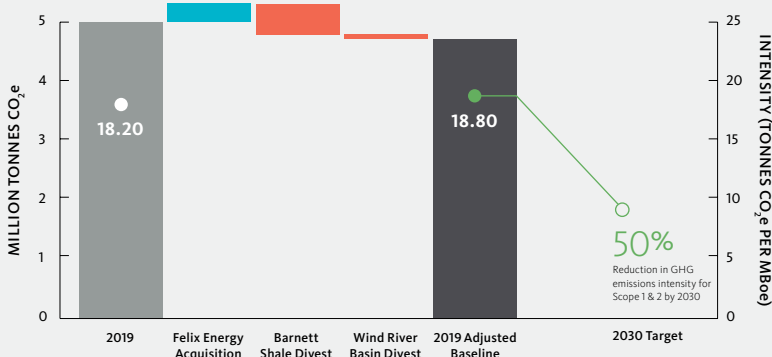
GROSS OPERATED PRODUCTION AS REPORTED TO THE EPA (MBoe)

that result in a change to the emissions baseline of 5% or higher on an absolute or intensity basis. Trigger events include structural changes; source ownership or control changes; changes to reporting boundaries, quantification methodologies or data improvements; or discovery of errors.

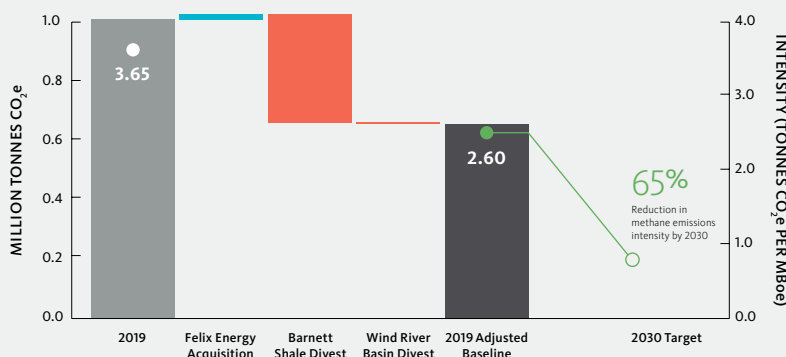
Our 2019 baseline has been recalculated to reflect the divestiture of the Barnett Shale in 2020, divestiture of the Wind River Basin in 2021, and acquisition of Felix Energy in 2020.

We believe our recalculation methodology affirms our commitment to structurally drive down emissions, rather than divesting assets as a means to achieve our ambitious emissions reduction targets. We are committed to the ongoing review and assessment of the appropriateness of our emission reduction target levels and will adjust as needed.

GHG Emissions



Methane Emissions



Note: Consideration of trigger events that occurred in 2022 and any resulting adjustments to Devon’s 2019 baseline will be included in our 2023 Sustainability Report.



Air Emissions continued

Addressing our primary emissions sources

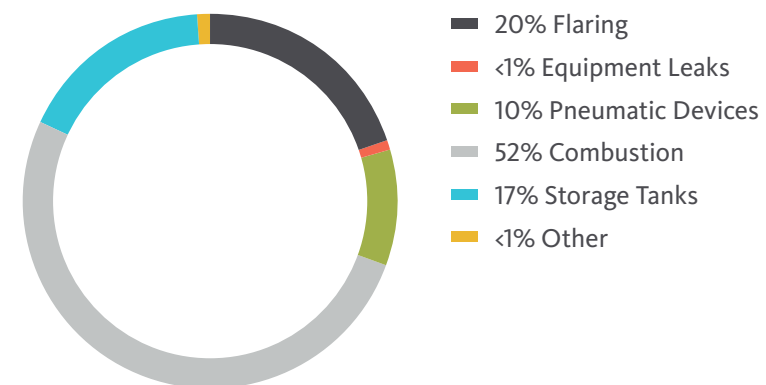
Our continuous improvement culture led Devon to develop a detailed understanding of where our emissions come from. This made it possible to address our air emissions at the primary sources through a variety of effective mitigation strategies:

- Reducing flaring across our entire portfolio of producing assets
- Expanding and enhancing our leak detection and repair program to find and fix equipment leaks
- Transitioning to air-driven pneumatic controllers
- Cutting combustion from drilling, completions and production by increasing the use of engines powered by electricity and alternative fuels
- Minimizing venting and flaring from storage tanks

We evaluate emissions detection and quantification technologies on an ongoing basis and collaborate with industry, environmental groups and agency partners on emissions reduction strategies. In 2022, we continued our focused effort and record of progress in lowering GHG emissions.

2021 GHG Emissions by Source

(Scope 1) (million tonnes CO₂e)



Flaring: Continuing reductions

Flaring of natural gas – a controlled ignition process for eliminating methane and VOC emissions – is necessary for safe operations in various phases of the oil and natural gas production process. Devon strives to avoid entirely the venting of raw gas and to limit flaring to the extent possible at all locations. Reducing flaring is a priority in our broader emissions reduction strategy because we want to protect the environment and capture as much natural gas as possible for its economic value, while also complying with laws, regulations and permits.

We continually evaluate and optimize our facilities, including installing reliable pressure-relief valves to minimize tank releases and vapor recovery equipment to capture flash gas emissions and route them to a pipeline. Devon also uses “green completions” to capture produced natural gas following hydraulic fracturing. Where flaring is unavoidable, we install pilot monitoring equipment to help ensure the gas is properly combusted.

By prioritizing flaring reductions and employing best practices, we have meaningfully improved our flaring performance across the company.

For example, in 2019, the Cotton Draw field accounted for most of Devon’s flared gas volumes in our Delaware Basin operations of New Mexico. Upon investigation, we identified insufficient takeaway capacity or midstream constraints as the primary driver of flaring in the basin. To drive down these upset conditions, Devon took ownership of the associated midstream gas compression equipment. We made operational refinements, upgraded compressors, adjusted the flow rates of some wells and shut-in others. We also made a multi-year commitment to our Cotton Draw Midstream partnership, agreeing to contribute our existing gas gathering and compression infrastructure in an area of mutual interest. We dedicated about 24,000 acres for gathering and compression on the partnership’s system, while our partner, QL Capital Partners (QLCP), agreed to fund a \$100 million distribution to Devon to build out the Cotton Draw Midstream assets over the next several years. As a result, flared

volumes in the Delaware Basin of New Mexico declined from about 4% in mid-2019 to 0.5% in 2020 to 0.2% in 2021.

After seeing significant performance improvement in late 2019 and 2020, we continued making progress in meaningfully reducing our flared volumes in each of our operating areas in 2021. We established a two-pronged approach to continue improving our flaring performance across the company – targeting a flaring intensity of 0.5% of gross natural gas produced by 2025 and eliminating routine flaring, as defined by the World Bank, by 2030. We plan to drive further improvements across our operating areas by continuing to employ best practices that have proven to be effective for reducing flared volumes and minimizing emissions. They include implementing a flare management program; continuous gas capture planning and collaboration with midstream partners; enhancing separation and compression reliability; choke management; pigging lines; and optimizing combustion. As a result, our company-wide flaring intensity improved from 2.2% in 2019 to 1.5% in 2020 to 0.9% in 2021 – an improvement of 57% since 2019.

We’re also sharing our best practices with trade association partners because we believe it’s crucial that we work together to reduce flaring and air emissions across the industry. Devon is a founding member and current steering committee member of The Environmental Partnership, a voluntary coalition of oil and natural gas companies operating across the U.S. seeking to reduce air emissions. In 2020, the partnership announced the launch of its latest initiative, the Flare Management Program, the development of which was chaired by Devon. As part of the program, companies will share best practices to reduce flaring, encourage beneficial use of associated gas, and improve flare reliability and efficiency when flaring does occur.

Devon will continue to look at a broad spectrum of opportunities to reduce flaring and related emissions to not only meet our own targets, but continue improving performance across the industry.

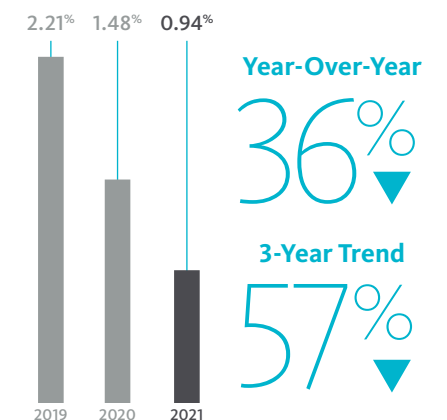


Devon’s best practices for reducing flared volumes and minimizing emissions

- Flare management program
- Continuous gas capture planning and collaboration with midstream partners
- Enhancing separation and compression reliability
- Choke management
- Pigging lines
- Optimizing combustion
- Sharing best practices with our trade association partners to collectively reduce flaring and air emissions across the industry

Flaring Intensity

(% of natural gas produced)





Air Emissions continued

Equipment leaks: Effectively reducing methane emissions over time

Methane emission detection technologies are evolving rapidly and are a central component of Devon's broader emissions reduction strategy.

Using optical gas imaging (OGI) cameras to detect leaks has been one of Devon's primary emissions mitigation tactics since 2014. Our leak detection and repair (LDAR) program has been effective at finding equipment leaks from piping components and associated equipment and was a major contributor to achieving our first methane intensity target well ahead of schedule.

Environmental operators in each operating area focus primarily on conducting LDAR surveys at our sites and then making sure repairs are successful. We analyze the repair data to help us focus on reducing the number and frequency of leaks. If we pinpoint certain components or equipment that have repeat leaks, we consider replacing them on a field-wide basis. This approach led us to install thief hatches that have a lower leak rate and focus on specific equipment failures and settings. It also enabled us to improve flare maintenance and verify performance of vapor recovery units (VRU).

To help meet the regulatory requirements for LDAR inspections, our environmental and operations teams developed a mobile app to capture, enter, track and document LDAR survey findings. The app automatically syncs any needed repairs, all of which are required for compliance. This has resulted in a more efficient, consistent and systematic LDAR program.

We continue to learn from the LDAR data we collect and then refine best practices in facility design, equipment improvements and preventive maintenance to further reduce emissions from our facilities. For example, we conduct

engineering and pre-startup reviews of facilities and take other steps to help verify design and proper installation of closed-vent systems and control devices.

To further reduce emissions from equipment leaks, we're expanding and enhancing our LDAR program. We continue to steadily expand our existing program and aim to achieve the following In 2022:

- Survey 100% of production facilities with OGI cameras at least once annually
- Survey 100% of production facilities with aircraft flyovers at least twice annually
- Install continuous emissions monitoring on 20% of production

Devon has a cross-functional team that evaluates advanced methane detection technologies that have the potential to be effective at not only finding leaks more timely and over broader areas, but also assessing the magnitude of the leaks, allowing for faster detection, mitigation and quantification. We are investigating opportunities for advanced OGI, continuous on-site monitoring, and remote detection using facility flyovers and satellites. We are testing multiple continuous, near-continuous and non-continuous technologies at our emissions monitoring test facility in the Anadarko Basin to inform which innovative technologies are viable candidates for deployment, some of which are being incorporated more broadly across Devon's operating areas.

We will continue to monitor the rapid evolution of the technology solutions on the market and identify the most promising technologies to test and deploy across our operating areas. Ultimately, we'll select the technologies with the best results that can help Devon reach our ambitious emissions reduction objectives and targets.





Air Emissions

continued

To achieve our ambitious emissions reduction goals, we continue to pursue a wide range of proactive strategies and tactics to mitigate GHG and methane emissions.

- Building out Delaware Basin midstream assets to alleviate capacity constraints that exacerbate flaring
- Expanding our LDAR program
- Evaluating and deploying emissions detection and quantification technologies
- Installing remote surveillance technologies
- Installing air-driven pneumatic pumps and controllers in our production operations
- Increasingly replacing diesel engines with dual-fuel or electric engines
- Integrating renewable energy and battery storage into our power supply in the Delaware Basin
- Joining industry-leading methane reporting frameworks, OGMP 2.0 and GTI Veritas
- Collaborating with industry, nonprofits and government agencies
- Improving our data precision and reporting methodologies

SUSTAINABLE DEVELOPMENT GOALS

United Nations member states adopted 17 Sustainable Development Goals in 2015.

At Devon, we value our partnerships with public and nonprofit entities as we pursue our goal to be a responsible operator. We count on strong partnerships to deliver on our commitments and contribute positively to the development of the communities where we operate, as well as share research and knowledge to help advance best practices in the energy sector.



Pneumatic devices: Eliminating natural gas-driven devices

Eliminating gas-driven pneumatic devices is part of Devon's strategy to reduce our air emissions. We replaced high-bleed natural gas pneumatic controllers on hundreds of well sites in Wyoming, Oklahoma, New Mexico and Texas, and we no longer use them on new wells. In the Delaware Basin, legacy Devon has installed air-driven pneumatic pumps and controllers at nearly all new facilities since early 2019.

Combustion: Alternative fuels and power sources

Diesel motors powering drilling rigs and hydraulic fracturing operations can be a significant source of emissions. We've cut these emissions, reduced related noise and shrunk our operational footprint by replacing diesel-only engines with dual-fuel motors that run on diesel or compressed natural gas (CNG), liquefied natural gas (LNG), field gas or electricity. In 2021, about 52% of wells were drilled with rigs running on dual-fuel or electricity. This avoided an estimated 20,200 metric tonnes of CO₂ from 2.7 million gallons of diesel fuel.

Electrification will be a key part of our strategy to meet our net zero GHG emissions for Scopes 1 and 2 by 2050. We seek to plan effectively so we can get grid power to our locations before drilling rigs arrive. Devon is also looking to identify other types of equipment and practices we can power with electricity in the future to avoid using diesel fuel.

In the Delaware Basin, we're piloting an effort to supplement highly dynamic power demand by bringing emissions-reducing renewable energy and battery storage into our power supply. This effort involves integrating a behind-the-meter 5-megawatt solar array into our operations near the Texas-New Mexico state line area. The array will produce power that displaces electricity that would have been purchased from the grid and delivered across state lines. Ultimately, we expect the data generated to help ensure the renewable energy is used efficiently, lowers costs and provides Devon a competitive advantage for future growth.

Storage tanks: Lowering venting and flaring

To reduce venting and flaring from oil and condensate storage tanks, we install vapor recovery towers (VRT) to maximize gas recovery and minimize the volume of tank vapors that need to be flared.

In 2021, we successfully piloted a low-emission storage tank design that further maximizes gas recovery and eliminates the need to flare tank vapors during normal operation. The design also minimizes emissions through a reduction in the number of potential leak sources, as well as open thief hatches and other components that can lead to common equipment failures. We've standardized this low-emission storage tank design in the Delaware Basin, where we're installing the highest number of new facilities.

The Environmental Partnership: Collaborating to reduce emissions



Devon is a founding member and current steering committee member of The Environmental Partnership, a voluntary coalition of almost 100 oil and natural gas companies operating across the U.S. Formed in 2018, the partner companies commit to collaborating, learning about best practices and technologies, and taking action to improve the industry's environmental performance.

Informed by EPA's Greenhouse Gas Reporting Program data, the partnership provides six environmental performance programs that companies can implement, including LDAR and replacing, removing or retrofitting high-bleed pneumatic controllers. Devon chaired the development of the flare management program, which expands on the initiative's core mission to assist in minimizing flaring. Applying practices shared by the partnership, participating companies reduced flaring volumes over 50% from 2019 to 2020, while their oil and natural gas production remained consistent.

Devon has participated in partnership pilot projects in the Permian Basin to understand the methane detection capabilities of LDAR technologies. In 2021, GHGSat deployed an aircraft-mounted spectrometer to monitor emissions over three target areas, including where Devon assets are located. We were included in Bridger Photonics' deployment of its Gas Mapping LiDAR (GML) technology in select areas in 2021, as well as in tests of the Next-Generation Airborne Visible/Infrared Imaging Spectrometer (AVRIS-NG) by the National Aeronautics and Space Administration's (NASA) Jet Propulsion Laboratory (JPL) and the University of Arizona in 2020.

Working together to improve environmental performance is the right thing to do, and we'll continue collaborating to help reduce emissions.



Water Management

Conserve, reuse and recycle

Water is an essential resource for the health, social and economic well-being of our communities, as well as for Devon’s operations. To be a good neighbor and an environmentally sound operator, Devon is committed to conserving freshwater and reusing water in our operations.

We require reliable access to water used or produced in our drilling and completions operations, and the ability to safely dispose of it. Our water management strategy seeks to balance environmental, economic, operational and social needs, and to mitigate physical risks associated with regional water stress. We have a track record for water conservation that goes back to recycling water in the Barnett Shale in north Texas starting in 2004. Since then, we’ve collaborated with government, industry and community stakeholders to find innovative ways to conserve water in our drilling and completions activities across the company.

Every gallon of produced, non-potable or recycled-brackish water Devon uses in our operations reduces our consumption of freshwater. We work to identify and develop alternative sources of water for operational activities and have invested significant capital to reduce our reliance on freshwater. Using less freshwater also reduces the amount of water for disposal, saves money, creates efficiencies and improves our ability to respond if water availability or disposal capacity is constrained. To conserve, we strive to use water that is not suitable for drinking and other public uses and, wherever possible, we use recycled produced water in our drilling and production activities. We take these actions because they’re the right thing to do for the environment and our communities.

Local approach to water management

Water supplies are limited in some of Devon’s operating areas. Based on the World Resources Institute’s definition of baseline water stress, approximately 8% of Devon operated wells as of December 31, 2021, were located in areas of “high” or “extremely high” baseline water stress. We conserve, reuse and recycle as much water as we can to mitigate the physical risks of water stress.

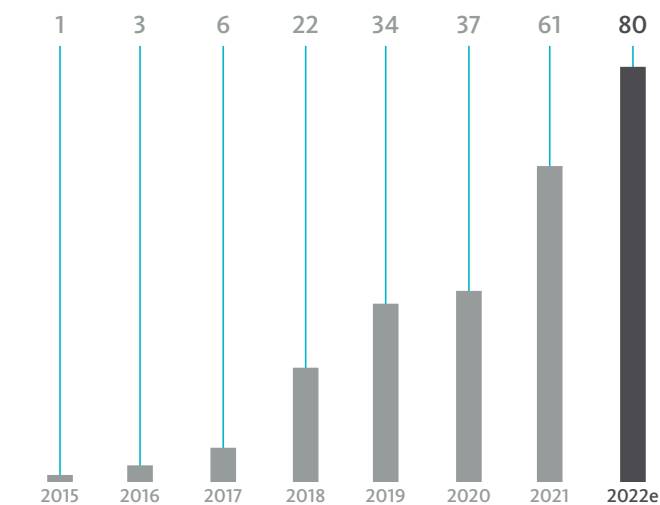
Water availability and disposal options are considerations in our enterprise risk management process and in our daily planning, along with other environmental, health and safety (EHS) risks. Devon’s EHS Council, ESG team and subject matter experts monitor laws, regulations and stakeholder concerns related to water and keep our leadership team well informed on our risks and opportunities.

Guided by our EHS Philosophy, we use economically and operationally feasible alternatives to freshwater. To execute a sustainable water management strategy, Devon follows the water principles of stakeholder engagement, water management planning, technology evaluation and deployment, and best practices development.

Our business unit leaders and subject matter experts oversee our local water management activities, based on their deep understanding of local water issues, challenges and opportunities. As part of our local approach to water management, our teams consider the availability and quality of water, local ecosystems, habitats, regulations and other factors. Devon’s water planning efforts also include evaluating the potential risks to our operations in each area, stakeholder needs and potential opportunities for our business. We update our water plans periodically to account for business needs and local environmental considerations.

Recycled Water Usage

(million Bbl)



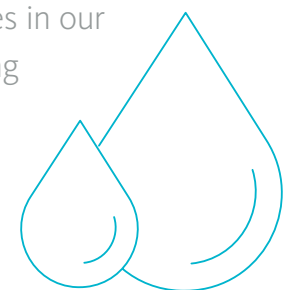
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Devon has reused over 200 million barrels of water from our water treatment facilities since 2015.

To enhance our water management capabilities, Devon stays abreast of new technologies and best practices, often through collaboration. We’re an active participant in the New Mexico Produced Water Research Consortium and a founding member of the Energy Water Initiative. Devon continues to study, communicate and improve lifecycle water use and management together with other oil and natural gas companies that share our commitment to conservation.

As part of evaluating ways to diversify and complement our core business, we’re looking at opportunities for produced water management and beneficial reuse of produced water.

We took our water conservation commitment a step further in 2021 by setting a public target to use 90% or more non-freshwater for completions activities in our most active operating areas within the Delaware Basin.



Water Management continued

Reducing fresh water use in the Delaware Basin

As the first company to recycle flowback and produced water in natural gas wells in north Texas, Devon is an industry pioneer in recycling. We became one of the leading recyclers of treated produced water in New Mexico and led the effort to establish state rules to encourage the practice. Our recycling efforts are now concentrated in the New Mexico Delaware Basin, where we have our highest level of activity and water scarcity is an issue.

Devon uses freshwater in the Delaware Basin only for blending and only when we don’t have sufficient sources of recycled and brackish water.

In 2021, our Delaware Basin operations accounted for nearly 90% of Devon’s total water consumption and we used more than 90% non-freshwater in our most active operating areas within the basin. We significantly increased recycled water capacity at two sites and connected to more third-party suppliers in the Delaware Basin during the year.

Companywide, we used 61 million barrels of recycled water in 2021, up 65% from 37 million barrels in 2020. Since 2015, Devon has reused over 200 million barrels of water from our water treatment facilities.

Impoundment basins we built in the Delaware Basin to store reusable water are integral to our operations and to saving water. The basins are connected by a local pipeline network that reduces the need to haul water away by truck. Taking water trucks off the road has the added benefit of reducing emissions and traffic safety hazards.

In addition, we’re looking for ways to reuse produced water that we don’t need for our operations. Through the New Mexico Produced Water Research Consortium, we’re exploring beneficial reuse opportunities, including technologies to desalinate produced water for uses outside of the oil and gas industry. In cases where we produce more water than we can use, cost-effective desalination could make the water suitable for aquifer recharge and other beneficial uses. This would require development of the regulatory framework for reusing desalinated produced water, which is why we continue to work with stakeholders to find water conservation solutions in New Mexico.

Total Water Usage by Operating Area			
(million Bbl)			
	2019	2020	2021
Delaware Basin	91	83	101
Anadarko Basin	21	1	11
Eagle Ford	6	5	3
Powder River Basin	10	7	2
Williston Basin	14	2	0
Total U.S.	141	98	116

Note: annual totals may not sum due to rounding.

Devon continues to implement our water management strategy to achieve our goal of using 90% or more non-freshwater for completions activities in our most active operating areas in the Delaware Basin. To be a good neighbor, we’ll also keep exploring ways to conserve freshwater and increase our use of brackish, flowback and produced water in all of our operating areas.

61 million barrels of recycled water used in 2021, an increase of 65% compared to 2020.

SUSTAINABLE DEVELOPMENT GOALS



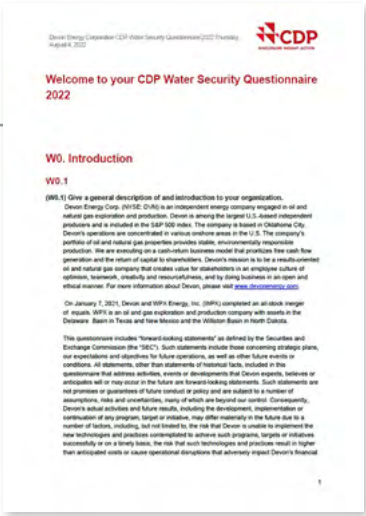
United Nations member states adopted 17 Sustainable Development Goals in 2015.

Devon recognizes the importance of responsible water management in a world that faces drought conditions and water stress. Water is a local issue and Devon takes a local approach to water management, creating plans that consider water availability, quality, regulation and dependence on native ecosystems. We look for innovative water sources and methods to reduce usage. Through our Delaware Basin treatment facilities, we have reused over 200 million barrels of water since 2015. Devon is also exploring beneficial uses of produced water and technologies such as desalination to repurpose produced water for uses outside our industry — including potentially recharging aquifers.

2022 CDP Water Response

For more details on Devon’s water management program and water metrics

LEARN MORE





Land Conservation and Biodiversity

Preserving our shared landscapes

Devon is committed to leaving our work locations in the same or better condition than we found them by being good stewards of the land, wildlife and habitat. To protect biodiversity, we work to minimize our operational footprint and impacts to the landscape, wildlife and their habitats, and cultural and historical resources.

We operate in prairies, grasslands, deserts and forested areas, and on federal, state, tribal and private lands. To preserve our shared landscapes for future generations, Devon's priority is to disrupt the land as little as possible and mitigate any impacts throughout the oil and gas production lifecycle. We also engage in activities to reclaim the lands we've disturbed when our work is complete.

Assessing the environment to avoid impacts

Devon's ecology experts complete an environmental assessment before we build a well pad to identify potential impacts to:

- Wetlands, streams and other waterbodies, including waters of the U.S.
- Protected species and their associated suitable habitat
- Public receptors
- Nearby floodplains
- Environmentally sensitive receptors

In 2021, we harnessed over 70 years of staff experience and deep understanding of biodiversity by forming a team dedicated to preserving, restoring and enhancing biodiversity value as we continue to develop our oil and gas resources. This Biodiversity Council develops and implements enterprise-wide standards that avoid, minimize or mitigate our ecological impact, and looks for opportunities to enhance biodiversity value of Devon-owned surface lands. The council and our biodiversity team work with our business units to integrate biodiversity improvements into our ongoing and future operations.

Through recommendation of the council, Devon adopted an enterprise-wide Reclamation Standard that helps ensure the quality of our disturbance reclamations by taking steps to reestablish biodiversity value consistently across the company. The standard, which went into effect mid-2022, established minimum success criteria for that reclamation work. We track and assess our reclamation results with the goal of increasing native species diversity and richness in areas we once disturbed. We believe that building a track record for consistently high-quality reclamation work will foster strong relationships with government agencies, nongovernmental organizations and other stakeholders.

Additionally, Devon will pilot a project to determine the feasibility of conserving an acre of land for every acre of well pad and access road disturbance caused by Devon operations. As part of this effort, we're assessing the potential of some Devon-owned surface lands for use in mitigating disturbance, and for opportunities to preserve, restore or enhance biodiversity value.

Assessing potential impacts up front

Devon's Pre-Construction Environmental Protocol requires us to identify potential issues up front. Biodiversity management is integrated into our process for selecting the placement of our well pads, access roads and pipeline corridors. We start by completing a desktop environmental assessment in an area where we've staked out a well pad location. If we identify potential environmental impacts during the desktop review, we then conduct field surveys to facilitate our avoid, minimize or mitigate strategy. These environmental assessments help identify sensitive environmental areas, such as threatened and endangered species habitats, wetlands and water bodies.

For example, in New Mexico, we relocated two well pads, removed others from consideration, and moved a proposed pad to avoid cultural resources and a sensitive geological feature identified in an environmental assessment. In North Dakota, our ecological experts are working with the U.S. Fish and Wildlife Services, the Bureau of Indian Affairs (BIA) and the Mandan, Hidatsa and Arikara (MHA) Nation to avoid and minimize direct impact to suitable Dakota Skipper butterfly (*Hesperia*

dacotae) habitat, and mitigate direct impact by recreating more suitable habitat than is disturbed. Additionally, to protect a large, occupied habitat for the Dakota Skipper butterfly, we abandoned a proposed pad location in North Dakota. The remaining choice for a suitable well pad site was located near an active bald eagle nest, and we worked extensively with the MHA Nation on the Fort Berthold Indian Reservation to avoid disturbance to the nest.



Dakota Skipper butterfly (*Hesperia dacotae*). Photo by Corie Ereth.

Reclamation success criteria

For a Devon location to be considered "reclaimed," it must meet our minimum success criteria, including:

- Preparing each location to facilitate native species seeding and limit erosion and sedimentation.
- Establishing vegetation on a location to at least 70% of background areal coverage.
- Seeding/planting to establish 60% native species areal coverage.

Our ecological experts track the progress of each reclamation and are responsible for determining when a location has met the minimum success criteria.

[RECLAMATION STANDARD](#)



Land Conservation and Biodiversity continued

In Wyoming's Powder River Basin, Devon has contracted wildlife biologists to conduct annual spring surveys for the multiple species of raptors that build their nests and raise their young in the areas that we operate. Devon environmental and planning professionals use the year-over-year information regarding nesting activity and history to inform well pad and access road placement. We regularly move well sites and access roads to avoid impacts to raptor nests and use the historical nesting history to help us plan our drill schedules to avoid activity in sensitive nesting areas during the spring months.



Ferruginous hawk (*Buteo regalis*)

Collaborative conservation efforts

Protecting the land involves building relationships with landowners, neighbors, industry groups, and state and federal agencies such as the U.S. Bureau of Land Management (BLM). Working with the BLM wildlife department in the New Mexico Delaware Basin, we created more permanent, quality nesting areas to further protect several species of birds and raptors in our areas of planned activity. Additionally, we worked with Cooks Branch Conservancy in Montgomery County, Texas, to waive our surface rights for development of oil and gas resources. In releasing our rights, we effectively protected the lands so that they could be added to the Cook's Branch Conservancy, a native pine forest and home to the endangered red-cockaded woodpecker, among other species. We're assessing other projects that would restore or enhance the biodiversity value of Devon-owned surface lands in Texas and Oklahoma.

Land stewardship projects

We've shared our love of the land with college students as a sponsor of the Wyoming Conservation Corps (WCC) and its hands-on land stewardship projects since 2007. The students spend 10 days doing work that the BLM considers necessary but lacks the funds to complete, such as removing and rebuilding fencing, removing invasive vegetation and maintaining trails. Devon hosted our traditional volunteer day for students in 2021 with the Casper, Wyoming, BLM office.

We completed our BLM partnership program to plug and reclaim 370 idle coalbed methane natural gas wells and reclaim nearby roads in 2021. These efforts represented thousands of acres of restored landscape in the Wyoming Powder River Basin. In 2022, we're continuing to reclaim appurtenant structures to coal bed methane wells, including three freshwater reservoirs. We intend to complete those

Working on indigenous lands

Nearly all of our operations in North Dakota's Williston Basin are located on the Fort Berthold Indian Reservation that is home to the Mandan, Hidatsa and Arikara (MHA) Nation, also known as the Three Affiliated Tribes.

Ongoing collaboration and mutual respect for people and the environment is our responsibility as a prudent operator and the largest lessee of minerals owned by the MHA Nation. Devon incorporates representatives of the Three Affiliated Tribes into the planning process for our new pads and associated infrastructure. We avoid impact to archeological sites and traditional cultural properties, and we mitigate impact to sensitive wildlife habitat.

Our development plans for drilling sites and pipeline rights-of-way in our Williston, Powder River and Delaware Basin operations often must comply with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) because they are subject to review, comment and approval by the BLM and the Bureau of Indian Affairs.

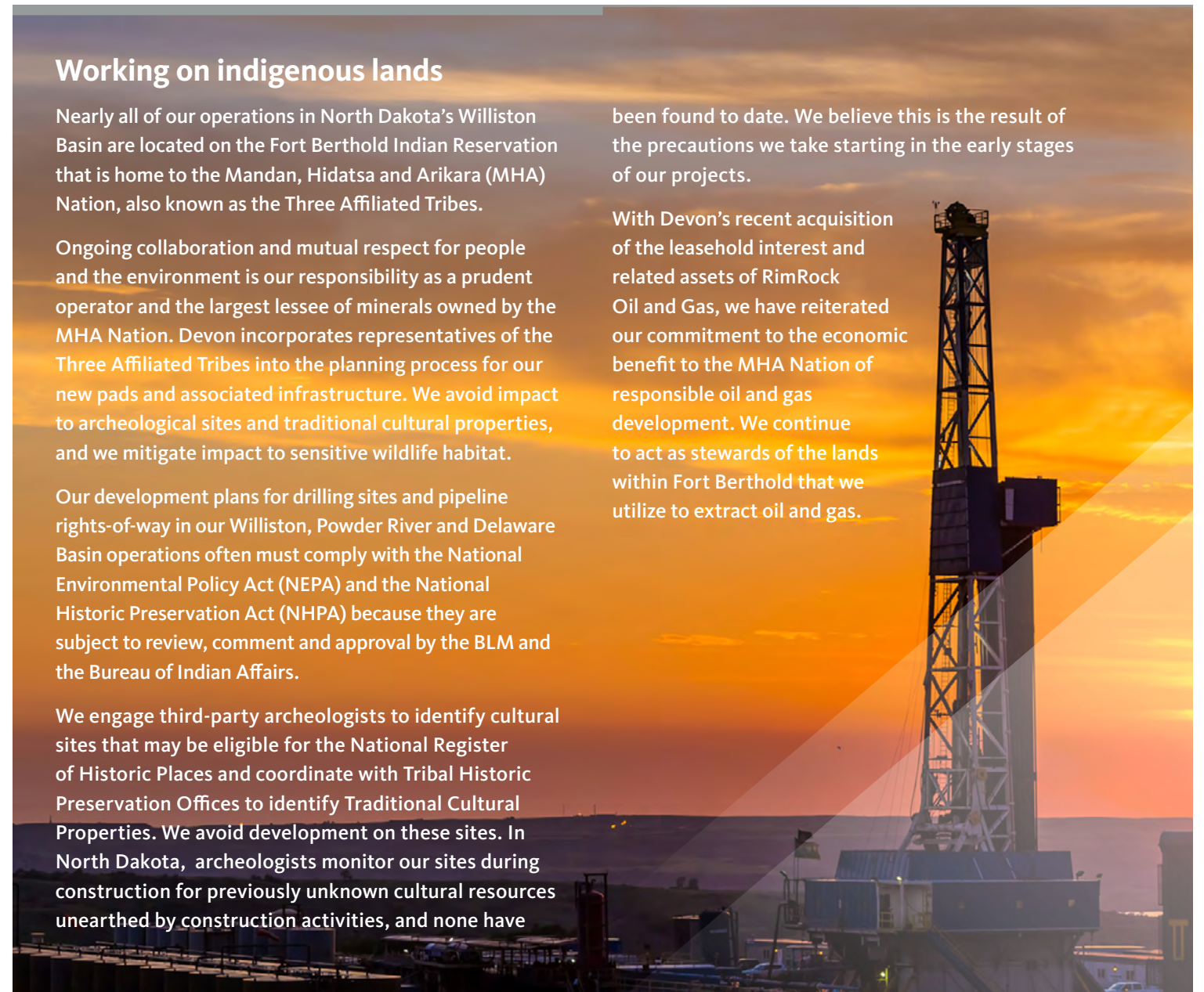
We engage third-party archeologists to identify cultural sites that may be eligible for the National Register of Historic Places and coordinate with Tribal Historic Preservation Offices to identify Traditional Cultural Properties. We avoid development on these sites. In North Dakota, archeologists monitor our sites during construction for previously unknown cultural resources unearthed by construction activities, and none have

been found to date. We believe this is the result of the precautions we take starting in the early stages of our projects.

With Devon's recent acquisition of the leasehold interest and related assets of RimRock Oil and Gas, we have reiterated our commitment to the economic benefit to the MHA Nation of responsible oil and gas development. We continue to act as stewards of the lands within Fort Berthold that we utilize to extract oil and gas.

reclamation projects in 2022, with any work undertaken being completed in accordance with Devon's new Reclamation Standard. Devon continues to reach out to the BLM to help them plant trees, clean up trash and take on other land stewardship projects on federal lands.

The Public Lands Foundation recognized our leadership and vision with its Landscape Stewardship Certificate of Appreciation in 2019, making Devon the only oil and gas company to receive the award.



SUSTAINABLE DEVELOPMENT GOALS

United Nations member states adopted 17 Sustainable Development Goals in 2015.

Oil and gas development inherently requires consideration of the land at the surface level, and we aim to be responsible stewards of the prairies, grasslands, deserts and forested areas where we operate. Devon seeks to avoid or minimize ecosystem disturbances by completing multi-dimension, pre-construction environmental impact assessments; by applying our own avoid-minimize-mitigate strategy to limit direct habitat impact and fragmentation; and by initiating and supporting local conservation projects.





Waste Management

Responsible handling and disposal

Being an environmentally sound company requires responsibly handling the waste generated in our operations and offices. All Devon employees and contractors are responsible for managing waste, and we encourage them to minimize the waste they create, and reuse and recycle materials whenever possible.

Our work can generate waste designated as hazardous and non-hazardous from our drilling and production operations, as well as paper, packaging, bottles and other office waste. Devon maintains waste management plans in our operating areas to help ensure compliance with all applicable regulations and our own corporate policies.

Devon's waste management protocol clearly defines roles and responsibilities for our waste handling, shipping, disposal, training and minimization programs. We hold contractors responsible for managing the waste they generate and for complying with all applicable state and federal waste regulations.



Devon radiation safety officers conduct NORM surveys to ensure regulatory compliance.

For chemicals and other materials used or stored in our workplace, Safety Data Sheets (SDS) summarizing hazard information and disposal considerations are readily available. To reinforce our commitment to compliance, Devon employees and contractors receive job-specific training for waste management and chemicals used or stored in the workplace.

Oil and gas operations sometimes encounter waste containing naturally occurring radioactive material (NORM). Devon's NORM protocol helps us manage the material responsibly and within regulatory requirements. The protocol establishes conditions to address health and safety considerations of our employees, contractors and the environment, including guidelines to reduce potential exposure to NORM.

Devon provides NORM awareness training for any employee who works at a facility where NORM is present and specific training for employees who encounter NORM in the course of their work. We also provide radiation safety officer training for employees who take on the additional responsibilities of that role. Radiation safety officers provide technical resources and tools to maintain regulatory compliance.



Spill Prevention

Comprehensive approach to protecting the land

Each year, Devon handles millions of barrels of fluids. Keeping oil, produced water, recycled water and other materials properly contained is a guiding principle of our Environmental, Health and Safety (EHS) Philosophy. We take a comprehensive approach to preventing, responding to and remediating spills from our equipment and facilities. Devon sets an annual corporate goal for reducing our spill rate that keeps us focused on preventive measures and best practices.

Proactive steps

Our environmental management program includes a Spill Prevention Countermeasures and Control (SPCC) protocol that drives compliance with the U.S. Environmental Protection Agency (EPA) SPCC Rule and other environmental rules and regulations. The protocol details the responsibilities, equipment, procedures and steps to prevent, control and provide adequate countermeasures to an unplanned discharge. It also specifies the training required for all personnel in designing, building and operating oil-handling or storage equipment, including an annual spill response training exercise and briefing. Devon requires our contractors to meet or exceed the standards in our SPCC protocol.

We make every employee and contractor aware of their responsibility to prevent spills by immediately reporting near misses, such as a storage tank approaching full volume or signs of wear that may result in a leak. We respond to near misses and make any necessary adjustments to prevent spills.

Devon uses appropriate tools and techniques to minimize and contain discharges from our equipment and facilities. Our spill prevention measures at facilities with storage tanks include secondary containment, “nearly full” alarms on tanks and offsite monitoring equipment that can shut in facilities remotely.

At our produced water recycling facilities, Devon installs temporary storage reservoirs designed to minimize the risk of overflow from rain. The reservoirs are double-lined and sloped to direct any water that may penetrate the first liner to a sump pump. Any reservoir where we temporarily store water, including saltwater disposal sites, is lined for environmental protection.

To protect the environment and help ensure safety when using oil-based fluids to drill wells, we employ a closed-loop system that is considered an industry best practice. We comply with the U.S. EPA SPCC Rule by keeping plans at drilling locations to minimize the impact of spills. Devon also follows local, state and federal guidelines when handling drilling fluid and mud systems.

When a spill does occur, we remediate, investigate the cause and take corrective action to prevent recurrence. Devon often performs in-situ remediation using naturally occurring microorganisms to remediate and restore impacted soils when feasible. This method also reduces the likelihood of introducing invasive weeds and plants to the area. In-situ remediation has other advantages, as well: It reduces truck traffic because it generally doesn’t require heavy machinery, and it reduces our overall operational waste footprint by eliminating the need to send impacted soil to landfills.

Measuring performance

Devon has a robust EHS incident management system for reporting and tracking spills. We require reporting of unintentional releases of oil, produced water, chemicals and any other material associated with our operations. Spills and near misses are tracked by the total company and business unit, which enables business units to analyze their spill performance and find ways to improve. In 2021, we made changes to our incident management system to continue refining our spill reporting to prevent spills going forward.

Devon’s lost-spill rate is based on the volumes of produced oil, produced water and recycled water handled in our operations. We believe that measuring our spill rate based on the total amount of fluids we manage in our operations gives us the best view of our performance and allows us to better manage our spill prevention procedures.

To drive continuous improvement, Devon sets an annual corporate target for our spill rate and includes it in our annual performance bonus calculation. In 2021, we did not meet our internal lost-spill rate and our lost spilled barrels increased compared to 2020. We identified spill trends, and our environmental and operations teams worked together to take corrective actions to reduce spill risk, such as equipment design changes and targeted preventive maintenance. To be good stewards of the land and deliver strong environmental performance, we continue working to prevent spills in our operations.

Remote monitoring is enhancing environmental performance



We have installed remote surveillance capabilities at hundreds of facilities across our operating areas that are helping to improve our environmental performance. High-definition cameras, infrared sensors and our SCADA (supervisory control and data acquisition) system allow us to remotely monitor our well pads and some saltwater disposal facilities. With real-time, higher-quality data and imagery, we can proactively identify issues with flares and other equipment before they become problems. For example, we can identify a minor leak and dispatch responders before it becomes a larger spill. Our staff can also perform a remote shutdown to stop an identified spill until responders arrive onsite to address it. In addition, these technologies reduce vehicle-related emissions and safety risk for our workforce by allowing us to monitor operations without people going to the locations every day.



Safety & Security

Keeping our people, communities,
assets and the environment safe



This section of our 2022
Sustainability Report includes:

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Emergency Preparedness	38

Resource Links:

- [Environmental, Health and Safety \(EHS\) Philosophy](#)
- [Contractor safety requirements](#)
- [Safety Data Sheets \(SDS\)](#)
- [Emergency Preparedness Protocol](#)

Overview

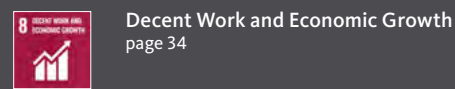
At Devon, providing a safe and healthy workplace and being ready to respond to emergencies is not just our responsibility, it’s how we show we care about our workforce, their families and our communities. We believe our operational success depends on their safety and health, as well as our ability to protect our technology advantage and infrastructure, our assets and the environment.

We prepare our people to work safely with comprehensive orientation and training, on-the-job guidance and tools, safety engagements, recognition and other resources. Employees and contractors are accountable for stopping at-risk work, immediately reporting incidents and near-miss events, and informing visitors of emergency alarms and evacuation plans. Devon uses proven best practices, technologies, tools and materials throughout our operations to safeguard the people working at our worksites and neighbors nearby.

To maintain business continuity, Devon follows federal government guidelines and industry best practices for effective cybersecurity and emergency management. We work continuously to prevent disruptions and provide training and drills, so our employees are prepared and ready to respond to a wide variety of issues.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established 17 Sustainable Development Goals (SDG). They're part of a globally agreed-upon action plan for organizations seeking to provide affordable energy, produced responsibly to protect the environment, while also promoting peace and prosperity for all people. We have identified a variety of Devon's business activities that align with the U.N. SDGs. In the Safety & Security section, look for:



Safety Performance Metrics

**Unless otherwise noted, all data presented is pro forma (Devon + WPX) for U.S. operated assets.*

	2019	2020	2021
Fatalities (Employee and contractor workforce)	1	2	0
Total Recordable Incident Rate (TRIR) (Employee + Contractor)	0.49	0.43	0.49
TRIR - Employee	0.53	0.36	0.58
TRIR - Contractor	0.49	0.44	0.48
Serious Incident and Fatality (SIF) Recordable Rate (Employee + Contractor)	0.10	0.11	0.07
Days Away Restricted Transfer (DART) Incident Rate (Employee + Contractor)	0.24	0.20	0.32
DART Incident Rate - Employee	0.28	0.24	0.34
DART Incident Rate - Contractor	0.23	0.19	0.32
Lost Time Incident Rate (LTIR) (Employee + Contractor)	0.15	0.12	0.18
LTIR - Employee	0.28	0.16	0.29
LTIR - Contractor	0.13	0.11	0.17
Preventable Vehicle Incident Rate (per million miles)	1.50	1.19	2.37
Employee Hours (million)	5.7	5.0	4.2
Contractor Hours (million)	35.7	24.8	22.9

EXCEL DOWNLOAD

Taking Action



- SAFETY AND CONTRACTOR MANAGEMENT**
- Elevated the importance of safety by creating the new position of vice president of ESG and EHS.
 - Increased safety engagement opportunities and initiated safety recognition programs to continue improving safety in the field.
 - Shared our safety culture with over 400 field-based employees and contractors in our Hearts and Minds workshops and onboardings.
 - Took steps to identify and retain contractors who meet our high EHS standards and comply with our requirements.
 - Prepared to implement an ESG module in our Veriforce contractor compliance questionnaire to gauge our contractors’ alignment with our ESG priorities.
 - Completed a comprehensive third-party audit of our entire rig fleet to help identify additional ways to safeguard Devon workplaces.
 - Adopted legacy company best practices for vehicle driving safety, serious incidents and fatalities (SIF) review processes and contractor management practices.
 - Merging both legacy companies’ SIF Preventer Protocols.



- CYBERSECURITY AND EMERGENCY PREPAREDNESS**
- Held incident management training and discussion-based response exercises in all field operating areas and with corporate employees.
 - Built on our cybersecurity disaster recovery capabilities with field and business unit exercises and security training.



- DEVON'S GOALS**
- Recorded SIF events at a rate of 0.07 per 200,000 employee hours worked, which was significantly lower than our 2020 rate and our goal for the year.
 - Set 2022 corporate safety goals that account for 50% of the company’s ESG goal or 7.5% of the overall corporate scorecard.

Workforce Safety

Strengthening our culture and relationships

EHS Management System

Our EHS Management System, developed by the EHS Council, guides us in identifying concrete steps and effective programs to continuously improve in 14 key elements of performance:

- Leadership, Culture and Accountability
- Contractor Management
- Event Management and Investigation
- Environmental, Social and Governance
- Hazard Analysis and Risk Management
- Training and Competency
- Goals and Objectives
- Emergency Management
- Safety Audit
- Asset Integrity
- Environmental Management
- Records and Documentation
- Safe Work Practices
- EHS Management System Review

As a member of API, we support its program committed to accelerating the industry’s safety and environmental progress, and analyzed the maturity of our internal program and practices against the 13 elements of the API Energy Excellence Framework. Our progress report to API showed that we are largely aligned with the Energy Excellence elements.

Every leader, employee and contractor at Devon is expected to actively participate in making Devon a safe place to work. Our values guide us to do what’s right, manage risk, stop work, and support and empower each other to stay safe. We empower our team by providing comprehensive resources to help them work safely and measuring leading and lagging indicators to drive improvement. Setting corporate safety goals and incorporating safety metrics into our compensation focuses everyone at Devon on the actions that will make us safer.

We’re committed to integrating the guiding principles in our Environmental, Health and Safety (EHS) Philosophy into all decisions that affect our operations. Compliance with applicable safety laws, regulations, policies and protocols is one of these principles, and we reinforce it in our Code of Business Conduct and Ethics, EHS Policy and safety orientation, training and engagements.

Our governance structure supports Devon’s commitment to making safety our top priority. The Governance, Environmental, and Public Policy (GEPP) Committee of our board of directors reviews our safety performance and keeps the full board informed. Devon’s executive vice president and chief operating officer (COO) is responsible for our safety performance. In 2021, we created the new position of vice president of environmental, social and governance (ESG) and EHS reporting to the COO to elevate the visibility and importance of ESG and EHS strategy, activities and disclosures.

Devon senior leaders oversee safety policy and performance, with support from the EHS Council, and the ESG Committee supports management’s commitment to safety and health. In turn, our workforce is empowered to take the necessary time and actions to perform work safely and stop work if they see a safety risk.

Setting safety and health strategy

To drive continuous improvement, the Devon EHS Council sets safety and health strategy and helps ensure implementation. To enhance our strategy and alignment, we’ve steadily expanded council membership to include EHS, ESG, operations, business unit and facility managers. The council meets regularly to monitor performance, share lessons learned and engage in roundtable discussions to keep the organization updated on stakeholder expectations for EHS performance.

In 2021, the council played the critical role of identifying and advancing safety priorities following the merger of Devon and WPX. By year-end, the council had established recommendations for targets and strategy for ESG and EHS goals, transitioned to the legacy WPX contractor management system and centralized incident management reporting. Integration of legacy company data, EHS protocols and training is continuing in 2022.

In addition to tracking Devon safety performance, council members engage with peer companies in our operating basins to improve company and industry performance in safety, public policy, the environment and other key areas. Devon plans to lead a strategic roundtable in the Permian Basin in 2022 to collaboratively identify trends and best practices for operating responsibly.

OUR 2022 HEALTH AND SAFETY FOCUS AREAS



Develop our contractor management plan



Develop an electronic audit and inspection platform for drilling, completions and workovers



Roll out our Safe Work Award Program



Implement the safe driving campaign and GPS data utilization



Workforce Safety continued

Building on our positive EHS culture

Encouraging a strong EHS culture at Devon is an ongoing priority for the EHS Council and to the broader organization. We believe that the care and concern we show our workforce can have a positive impact on their safety and health at work and at home. We've learned from our field leaders that transparent communications, positive safety behaviors, proactive reporting and safely meeting operational goals are both signs and outcomes of a healthy EHS culture. The council assesses our EHS culture regularly to identify the most effective approaches and programs to foster strong safety performance.

We begin instilling our safety culture on an employee's first day on the job. During new-hire orientation, they learn the safety behaviors we expect and incorporate into the employee appraisal process: visible commitment, accountability, anticipation, participation, recognition and communication. We keep the safety conversation and engagement going throughout their career.

Job competency is one of our EHS guiding principles, and we emphasize the quality of safety training over the quantity. A combination of online and hands-on training is offered to office and field workers based on their job responsibilities. All employees and contractors must complete our field safety briefing if they work on or visit field locations. Contractors also must complete our Devon Orientation through Veriforce, our third-party contractor performance network. Our training reinforces our requirement to immediately report any incident or near-miss event and to be accountable for our own and others' safety.

The people working closest to the wellhead play a critical role in shaping our EHS culture. To actively seek their input, three production field offices (Gillette, Wyoming, Killdeer, North Dakota, and Carlsbad, New Mexico) formed field safety committees. These committees comprise of operators, technicians, optimizers and other field personnel. They meet monthly to discuss issues and concerns from the field and make recommendations for improvement. Some examples include: replacing pneumatic actuated dumps with electric actuated dumps in treater buildings to reduce lower explosive limit (LEL) levels, installing appropriate platforms and laddering on rod pump units to provide proper fall protection for operators, and developing additional Job Hazard Analyses (JHA) for higher risk activities.

To foster our positive EHS culture and behaviors, in 2021 Devon developed the Safe Work Award Program (SWAP) to recognize and reward proactive reporting for contractors and employees who go beyond minimum EHS requirements. Through SWAP, which combines elements of recognition programs from both legacy companies, each business unit can present up to three employees per month with a \$200 recognition award. Business units are also allotted \$1,500 per quarter to recognize the best near miss, good catch or hazard identification.

Engaging our workforce

Our Hearts and Minds workshops have been a core element of our safety engagement efforts with service, rig and contract drilling crews and leaders across Devon since 2014. During the workshops, we share our safety culture and approach to effective communication, continuous improvement, integrity and situational awareness to reduce safety risk.

1-844-310-3439

We back up our pledge to support anyone who exercises their Stop Work Responsibility. The EHS Hotline (1-844-310-3439) is available for any individual who tried to stop work but felt they were not supported.

We adapt the content to meet the needs of our workforce and business, which prompted us to recognize the ongoing impacts COVID-19 in our 2021 workshops and onboardings. Participants told us they appreciated the honest discussions about mental health and tools to address mental health issues, including Devon's Employee Assistance Program, and suicide prevention and crisis hotline information. Hearts and Minds continues to be a place to talk openly about challenges and listen to our workforce as we drive home why safety is so important to Devon.

Stop Work Responsibility

Proactively managing safety risks is a key factor in maintaining safe working conditions. Starting with new-hire safety orientation and continuing on our work sites, we emphasize the importance of Stop Work Responsibility. Employees have the right, responsibility and obligation to speak up and stop any action, task or behavior that is or could be unsafe. It's also a way we live our value of courage, and Devon pledges to support anyone who exercises their Stop Work Responsibility. We capture and track proactive stops and good catches, and recognize individuals for stopping work to safeguard themselves, each other and the environment.

Participant feedback from our Hearts and Minds workshops



"Love how you shared about mental health to remind people to be kind or even if an individual is going through something how to seek help."



"Hearts & Minds will motivate you to be as safe as you can throughout the day and make it home to your family every day. I really feel like this workshop helps us become better people at the end of the day."



"This course made me believe that Devon really does care about my safety."



Workforce Safety continued

Contractor partnerships

The contract partners who provide work in the field are vital to safe, environmentally responsible and efficient operations, and building relationships with them to succeed as one team is a Devon value. We seek to work with contractors who have the strongest safety programs and track records, and we strive to work only with approved contractors who complete our supplier qualification process and meet our substantial policy and insurance requirements. Contractors are responsible for having EHS programs that meet or exceed all federal, state and local laws, rules and regulations, as well as Devon's standards and protocols for essential safety activities.

As part of integrating best practices, in 2021 we transitioned to Veriforce for third-party contractor verification and management. Our Veriforce dashboard allows us to monitor a contractor's compliance with our EHS, insurance, OSHA verification and other requirements, and enables contractors to upload needed documentation. In addition, we use a separate third-party service to monitor contractors' compliance with our drug and alcohol policy.

We require contractors to perform high-quality, safe and environmentally sound work. Contractors are expected to provide and retain quality personnel who are adequately trained to perform their jobs safely, and we work constantly to raise the level of contractor safety performance through training and engagement.

Contractors must complete the widely used SafeLand, RigPass or equivalent safety training to work with Devon, unless specifically exempted by our EHS Contractor Management protocol. These programs and Devon's contractor safety orientation are available on the Veriforce eLearning platform. Our field orientation reviews critical safety rules for specific activities performed on field locations, such as fall protection, confined space, hot work, energy isolation, spill prevention and waste management, among others. Oil haulers and all other contractors who work in transportation must complete safety briefings specific to their work. Devon's company website provides contractors with easy access to our safety requirements, expectations, protocols, Safety Data Sheets (SDS), forms and tools.

Before starting work, crews participate in pre-task tailgate meetings to proactively manage risk and raise awareness of the potential risks and exposures, required personal protective equipment (PPE) and other aspects of the job.

Leadership engagements in the field can have a positive impact on our workforce, safety performance and operational excellence. Our field personnel wear hard hat stickers that say "Ask me my reason for working safely" to encourage safety-related engagements. The conversations that result often reveal that people work safely so they can return home to their family and friends — a higher motivation than simply following procedures.

To continue building relationships with contractors, in 2022 our field safety professionals are working with each of our business units to select contract companies to audit with the goal of strengthening our partnerships and identifying opportunities for EHS performance improvement. They're reviewing contractor EHS programs, making field visits and interviewing contractor crews to ensure their understanding and alignment of these programs. If any issues are found, they will develop action plans to help bring contractors up to standard.

For contractors who perform work on Devon's locations, we plan to begin annual evaluations of their performance in key ESG areas in 2023. We have begun working with Veriforce to develop a Devon ESG module to add to our contractor dashboard to help us achieve this goal. We believe this will help us understand how contractors align with our core ESG priorities, encourage constructive engagements with contractors who perform services directly on our work sites and ultimately enhance our supplier relationships.

SUSTAINABLE DEVELOPMENT GOALS



United Nations member states adopted 17 Sustainable Development Goals in 2015.

Devon works to promote a safe and secure working environment for all employees and contractors, from office staff to field workers. Our mission is to enable the health, safety and productivity of all persons involved in Devon operations by encouraging an EHS-centered culture. We provide training and tools, swiftly and thoroughly investigate incidents and near-miss events, crowd-source insights, apply new learnings and pledge to support anyone who stops work for any kind of perceived threat to safety.



Workforce Safety continued

Auditing field and process compliance

Audits to identify and correct safety concerns are an element of Devon's EHS Management System. Each business unit is required to perform an annual safety self-audit of compliance with regulations and our EHS protocols. Findings of noncompliance and suggestions for improvement are recorded in our Incident Management System (IMS) and tracked to closure. Business unit EHS professionals lead the audits, with guest auditors from other business units on hand to share best practices and lessons learned.

More than half of the audit time is spent at field locations, focusing on sites where work is under way so auditors can engage employees and contractors. Auditors also check training, competency and inspection records and other documentation. We share trends observed and lessons learned during audits across the company to drive improvement.

Devon's internal audit team provides an additional layer of review by performing operational audits in our field offices to examine processes and controls for supply chain, inventory, fleet management and other functions. Internal audit also periodically assesses the field audit process and recommends improvement opportunities. For example, Devon internal auditors suggested including guest auditors in business unit audits to provide an independent voice.

Audits have also led to streamlining to one toll-free number for ethics, EHS and other issues across all Devon locations. Over time, the corrective actions we complete to address audit findings can lead to safety, operational and process improvements.

Rig fleet safety audit

To help ensure we provide safe workplaces, Devon engaged a well-respected third party to audit our rig fleet in 2021. The thorough process inspected over 700 line items in every area of each rig and the equipment used daily to safely drill wells. Across all 16 rigs, the majority of findings were low risk, with two high-risk findings and no life-critical findings.

The findings from each audit were shared with our drilling leadership team to help them create a safer work environment for our contractors. The team decided to conduct these comprehensive inspections annually, as well as maintain the onsite presence of a person in charge and safety coach at each rig to reinforce our safety culture. In addition, Devon EHS coaches will continue periodic audits on our locations as we keep exploring ways to attain the safest and most hazard-free work areas possible.





Workforce Safety continued

Driving improvement

Devon sets corporate safety goals every year to focus our efforts to improve performance. We want to prevent SIFs and all injuries and incidents so our employees and contractors can return home safely every day.

We achieved our corporate safety goals in 2021 by reducing our SIF event rate (for employees + contractors) to 0.07 per 200,000 hours worked, which was significantly lower than the goal and the 2020 rate, and utilizing SIF learnings throughout Devon to prevent future occurrences. We believe this resulted from the open and transparent evaluation and integration of legacy company best practices following the merger, as well as our focus on safe operations throughout the year. We place special emphasis on the SIF rate because we want to prevent life-threatening and life-altering incidents, and to understand high-risk near misses to help us improve.

SIF investigations are led by each business unit and reviewed and shared by the EHS Council. In 2021, they identified root causes and assigned a wide range of corrective actions, including coaching vendor rig crews, adding trainings, changing and increasing training on protocols, and updating policies. During the higher-risk summer holidays, the drilling and completions team recorded zero SIFs by increasing communications, engagements and re-focus meetings.

We also review SIFs where no one was injured and industry SIFs to better understand trends, mitigations and best practices. Devon is a founding participant in a voluntary industry program driving to eliminate SIF events in U.S. onshore E&P operations. Participants in the API Onshore Safety Alliance (OSA) commit to support the OSA guiding principles, industry sharing and learning, and to carry out a Life Saving Actions program, risk assessments, incident investigations and other safety actions.

To give a comprehensive view of our safety performance, Devon also tracks the Days Away Restricted Rate (DART), Lost Time Incident Rate (LTIR) and Total Recordable Incident Rate (TRIR) for employees and contractors. In 2021, our TRIR (for employees + contractors) increased 14% compared to 2020, with hand and finger injuries accounting for 42% of recordable injuries in 2021. We started off 2022 with a companywide stand-down to have meaningful discussions on preventing hand and finger injuries. In addition, workover operations team leaders gave crews custom Devon gloves and encouraged them to wear them and take to heart the message printed on the wrist: “MY Fingers = MY Future = MY Family.” To keep the injury prevention conversation going, many crews hung a special Devon alert in their workspace.

2022 corporate safety goals

Devon’s 2022 corporate safety goals continue our mission to protect the lives of our employees, contractors and communities. Based on our underlying metrics, the goals are weighted toward leading indicators, and demonstrate our level of commitment to safety and to delivering a superior safety culture.

Safety accounts for 50% of the company’s ESG goal in 2022, or 7.5% of the overall corporate scorecard. SIF event reduction represents the largest portion of the safety goal. Utilizing SIF learnings to reduce SIF exposure and events and improve processes, culture and workplace safety remains a companywide goal for the fourth year.

Guided by our values to always do what’s right, support each other and proactively manage risk, we continue to empower the entire Devon team with the culture, tools and processes to work safely.

Engage Your Mind, Then Drive

Driving is one of the most dangerous activities for Devon employees, who drove 14.7 million miles in 2021, down from 16.2 million in 2020. We rolled out the legacy WPX safe driving campaign in the third quarter of 2021 to raise awareness and share useful habits for safe driving. The “Engage Your Mind, Then Drive” campaign encourages a pre-job planning approach to driving to positively impact Devon employees, as well as their families and communities. Employees received a sticker to place on the driver side window as a visible reminder to complete a 360-degree walkaround of their vehicle before entering it to look for hazards.

In 2022, we’re using onboard GPS data to track company vehicles on speeding, seatbelt use, hard braking, hard

acceleration and other indicators to further improve driving behaviors. We’re also requiring employees who have assigned vehicles to take hands-on commentary driver training administered by a third party. Additionally, EHS and operations professionals completed certifications to teach defensive driving classes to their fellow company drivers. This highlights the approach the company is taking to equip our workforce with the needed knowledge and skills for specific job tasks.



Custom Devon work gloves given to crews to encourage the safety message: “MY Fingers = My Future = MY Family.”





Cybersecurity

Protecting our information systems and technology advantage

TO MITIGATE CYBERSECURITY RISK, WE:



Align our corporate information security policy and program with the U.S. Department of Commerce's National Institute of Standards and Technology (NIST) Cybersecurity Framework for risk assessment.



Require and pay for 100% of Devon security operations team professionals to earn industry certifications in security essentials and incident handling.



Provide training, recognition and enforcement to enhance our culture of prevention.



Use best practices in our external-facing website.

With global cybersecurity threats and Devon's digital technology use both increasing, we focus on protecting our networks, systems and the significant amount of data we use to run our business. Devon invests in state-of-the-art tools and processes to safeguard our technology advantage, operate our business safely and reliably, manage risk and deliver results.

Our highly skilled and trained digital security professionals apply artificial intelligence, process automation, data analytics and other techniques in the field and office. We require and pay for each member of our security operations team to earn SANS Institute certifications for security essentials and incident handling.

Each week, the cybersecurity team meets to discuss cyberthreats, incidents and effective prevention measures. The team proactively develops, uses and shares information on cyberthreats to enhance our knowledge with appropriate levels and layers of automation. Our digital security professionals collaborate with Devon operations, information technology, corporate security and other teams to strengthen our cybersecurity controls and capabilities.

We provide regular quarterly updates to our board and its Audit Committee regarding our information security program. Devon's management team routinely updates the committee on our major cybersecurity plans and initiatives, benchmarking assessments and current events that could impact cybersecurity for our company and industry. Three of our directors have technology or cybersecurity experience that enhances the board's risk oversight role.



Mitigating cybersecurity risk

Our corporate information security policy and program are aligned with the federal NIST Cybersecurity Framework for risk management. To further mitigate cybersecurity risk, our policy and program are assessed by third-party experts, and we maintain specialized insurance for possible liability resulting from a cyberattack on our assets. We also internally exercise and test our incident response and disaster recovery plans as part of Devon's corporate emergency preparedness program. In 2021 and 2022, we have been building on our disaster recovery capabilities with field and business unit exercises and security training.

A culture of prevention and compliance strengthens our digital security. All employees take cybersecurity awareness training during onboarding and through annual refresher training. Teams that have access to sensitive data take specific training and employees receive recognition if they help us avoid cybersecurity events. Our Code of Business Conduct and Ethics, the Information System General Usage Policy and related policies provide guidance on our information systems.

Devon continues to develop our own patented technologies, deploy mobile apps in the field and commercialize and scale technology solutions in partnership with innovators. As part of its role to protect data and technology appropriately, our digital security team evaluates technologies that we build, buy and deploy and makes recommendations to the business owners.

The COVID-19 pandemic, 2021 Colonial Pipeline ransomware attack and the war in Ukraine have highlighted the need to secure our information and infrastructure. We continue to reassess internal controls, follow federal government recommendations and take other precautions, while enabling employees to work efficiently and effectively from any location. Through ongoing efforts to educate employees to recognize increasingly sophisticated threats like malware, ransomware and phishing attempts, we are heightening digital security awareness in our workforce.



Emergency Preparedness

Exercising our capabilities and demonstrating cross-sector leadership

Devon prioritizes life safety and business continuity when incidents occur that could impact our employees, our assets, our business and the environment. We dedicate resources to emergency preparedness and follow nationally recognized standards for effective incident management.

Our centralized corporate emergency management function leads Devon's emergency response and recovery efforts for operational incidents, weather events, supply disruptions and other incidents. We follow the Federal Emergency Management Agency's (FEMA) National Incident Management System (NIMS) to manage emergency response in cooperation with community agencies.

Coordinated incident response

Devon provides in-house training, drills and exercises on the NIMS Incident Command System (ICS) to be ready for timely, effective incident response. Our emergency management program leader is a certified Emergency Manager and ICS instructor, which strengthens our capabilities.

As part of post-merger integration efforts, Devon provided incident management training and discussion-based response exercises in all field operating areas and with corporate employees in Oklahoma City in 2021. About one-third of Devon employees are now trained in incident management, and about 150 employees are trained as floor wardens to lead building and facility occupants to safety and provide medical assistance during an emergency.

In 2022, our emergency preparedness program reflects legacy WPX's strong capabilities in the first hour of response and Devon's coordinated approach that supports sustained communications and emergency management. During drills and incident responses, we continue to integrate best practices that keep us ready to respond. We are building capabilities across the enterprise and strengthening relationships among departments that may need to work together during a response. In 2022, we are also broadening awareness of how a technology disruption could impact our operations and building resilience across teams through simulated response.

Working with partners

To help promote preparedness, Devon engages law enforcement, fire departments, emergency management and emergency medical services. We follow the U.S. Department of Homeland Security (DHS) Security Exercise and Evaluation Program, which allows us to provide community partners with documentation that validates their participation for federal funding and medical facility accreditation requirements.

Continuous improvement

After every exercise and actual response, we document areas for improvement, best practices and strengths. As part of our continuous improvement efforts, corrective actions are incorporated into our EHS incident management system. When emergencies and incidents occur, these practices enable Devon to protect our workforce, our neighbors and our assets. In turn, we're protecting our business and license to operate.



Broad view of critical industries' security, protection and resiliency

We believe robust emergency management capabilities throughout industry and government contribute to community safety and security. We support the head of our emergency management program in her role as the chair-elect for the Cybersecurity & Infrastructure Security Agency (CISA) Critical Infrastructure Cross-Sector Council. The council comprises 16 critical infrastructure industries, including energy, transportation, food and agriculture, and healthcare and public health. The council coordinates the private sector's cooperative efforts to advance its critical infrastructure security, protection and resiliency mission. Devon's involvement in leading this council gives us early insights into emerging issues, pending laws and regulations, and other critical information that enhances our ability to manage risk and maintain business continuity.



Governance

Strong values, oversight and risk management

The Governance section of our 2022 Sustainability Report includes:

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Resource Links:

- [Corporate Governance Guidelines](#)
- [Code of Business Conduct and Ethics](#)
- [Code of Ethics for the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer](#)
- [Anti-Corruption Policy](#)
- [Ethics and Compliance Helpline](#)
- [Certificate of Incorporation](#)
- [Bylaws](#)
- [Privacy Policy](#)
- [ESG Steering Committee Charter](#)
- [Investor Communications](#)
- [Annual Proxy Statements](#)
- [Annual Political Activity and Lobbying Report](#)
- [Devon Energy Corporation Political Action Committee Annual Report](#)





Overview

As we work to be financially, environmentally and socially responsible, Devon is guided by our core values and corporate governance principles. We sustain the trust we’ve built with our stakeholders with ethics, integrity and recognized governance practices such as proactive shareholder engagement and risk management.

To deliver results, we focus on operational excellence, top-tier environmental, social and governance (ESG) performance, and constructive stakeholder engagement. We integrate our environmental, health and safety (EHS) commitment into our operations and incorporate ESG performance goals into our compensation program.

Devon’s senior leaders evaluate risks and opportunities to continuously improve our ESG performance and transparency. Our ESG Steering Committee plays an active role by informing management on current and emerging issues that influence business planning, strategy and operations.

Governance Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Independent Board Members <small>As of March 2023, 11 of our 12 board members (92%) qualify as independent under NYSE standards and SEC regulations.</small>	91% ¹	82% ¹	73%
Women Board Members <small>As of March 2023, four women (33%) serve on our board of directors, including the chair of Devon's Audit Committee.</small>	27% ¹	27% ¹	27%
Contributions - Trades and Political (thousands) <small>In 2019, we began disclosing non-deductible trade association dues.</small>	\$2,144 ²	\$2,234 ²	\$2,385
Lobbying - Federal and State (thousands) <small>Devon's lobbying and political activity is disclosed via public agencies, as well as through the company's Political Activity and Lobbying Report available on our website.</small>	\$1,178 ²	\$743 ²	\$433

¹ Reflects legacy Devon board composition following the annual election of directors each June.

² Legacy Devon only.

[EXCEL DOWNLOAD](#)

Taking Action



CORPORATE GOVERNANCE

- Expanded the former Governance Committee’s responsibilities to include environmental and public policy oversight, renaming it the Governance, Environmental and Public Policy (GEPP) Committee.
- Increased transparency on board diversity by disclosing individual diversity characteristics of board members.
- Increased board engagement and oversight of environmental targets and strategy, diversity, equity and inclusion (DEI), and other ESG matters.
- Tied executive compensation more closely to ESG performance with more quantifiable metrics, increased weighting for ESG and related metrics and additional transparency into our corporate performance scorecard and goals.



ETHICS AND INTEGRITY

- Increased the frequency and depth of reporting on our ethics program to the board’s Audit Committee by establishing the Business Ethics Resource Center.



PUBLIC ADVOCACY

- Engaged constructively with federal and state regulators, diverse stakeholders and thought leaders to broaden our perspectives on key public policy issues.



STRATEGIC ASSESSMENT

- In addition to Devon’s 2022 ESG goal, the company created a standalone emissions reduction goal that accounts for 15% of the overall corporate scorecard.



TRANSPARENCY

- Published our 2021 Climate Change Assessment Report, which is consistent with the core elements of the Task Force on Climate-related Financial Disclosures (TCFD) framework.
- Published our 2021 Political Activity and Lobbying Report and 2022 Sustainability Report as we further advanced our commitment to transparency and disclosure performance.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established 17 Sustainable Development Goals (SDGs). They’re part of a globally agreed-upon action plan for organizations seeking to provide affordable energy, produced responsibly to protect the environment, while also promoting peace and prosperity for all people. In this report, we have identified a variety of Devon’s business activities that align with the U.N. SDGs. Here in the governance section, look for:



Climate Action
page 44

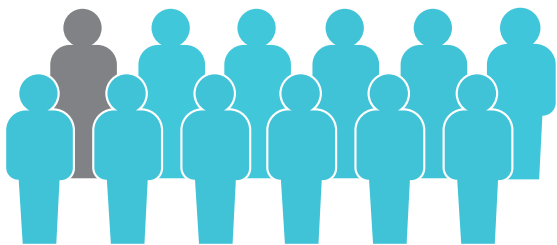
Corporate Governance

Integrity, accountability and disclosure

Devon recognizes that strong corporate governance is required to maintain our social license to operate. We strive for effective decision-making and risk management as we conduct our business in keeping with our corporate values and ESG responsibilities, serving the interests of our stakeholders.

We’ve developed an effective corporate governance framework that evolves with our business. Progressive principles and practices guide our board of directors, executive management and workforce in making a positive and sustainable impact.

Our Corporate Governance Guidelines support the long-term interests of the company and our stakeholders by focusing on certain core principles for effective governance of the company. The guidelines cover board composition, policies, procedures and committees. They also provide direction for the recruitment, selection, responsibilities, compensation and evaluation of individual directors. The guidelines are updated from time-to-time to reflect the evolving needs of our company.



Independence

Eleven of Devon’s 12 directors qualify as independent under NYSE standards and SEC regulations.

As of March 2023

Independent board members bring fresh perspectives and diverse skills to their oversight of the company. The majority of Devon’s board members qualify as independent, based on New York Stock Exchange (NYSE) listing standards and Securities and Exchange Commission (SEC) regulations. Eleven of 12 (92%) Devon board members qualified as independent as of March 2023.

Among other responsibilities, our non-management chair seeks to optimize board performance through regular feedback to help ensure the diverse viewpoints of all directors are heard, and that a climate of constructive candor is created in which frank and thoughtful discussion occurs.

The full board has primary responsibility for risk oversight of the company, with specific areas of risk delegated to four standing committees: Audit, Compensation, Reserves, and Governance, Environmental and Public Policy (GEPP). All members of the GEPP, Audit and Compensation committees are independent, as required in our Corporate Governance Guidelines, and the members of the Reserves Committee are independent as well.




In our first year as a newly merged company, the full board and board committees integrated and aligned their governance approach and adopted best practices from both legacy company boards. The GEPP, Audit and Compensation committees review various aspects of Devon’s ESG activities, metrics and reporting, and the full board is involved in assessing our ESG risks.

Director committee assignments

As of March 2023

C Chair M Member	Audit Committee	Compensation Committee	Governance, Environmental and Public Policy Committee	Reserves Committee
Non-Management Directors				
Barbara Baumann, Chair				
John E. Bethancourt		M		C
Ann G. Fox		M	M	
Gennifer Kelly	M			M
Kelt Kindick		M	C	
John Krenicki Jr.	M			M
Karl F. Kurz		M	M	M
Michael Mears	M		M	
Robert A. Mosbacher Jr.		C	M	
Duane C. Radtke		M		M
Valerie M. Williams	C			M
Management Director				
Rick E. Muncrief, President and CEO				

Charters

-  **Audit Committee Charter**
The Audit Committee assists the board in ensuring the integrity of Devon’s financial statements and reporting system, compliance with legal and regulatory requirements, and performance of internal and external audit functions.
-  **Governance, Environmental and Public Policy Committee**
The GEPP Committee assists the board in identifying qualified individuals for board membership; oversees the company’s corporate governance; reviews Devon’s EHS efforts, social responsibility programs and stakeholder engagement; advises the board on significant public policy issues; and oversees integrating sustainability into strategic and tactical business activities.
-  **Reserves Committee Charter**
The Reserves Committee provides oversight of the annual review and evaluation of Devon’s consolidated petroleum and natural gas reserves, reporting system, compliance, regulatory requirements and related disclosures.
-  **Dividend Committee Charter**
The Dividend Committee assists the board with its duties and responsibilities in the declaration and payment of dividends on Devon’s common stock.



Corporate Governance continued

The GEPP Committee maintains the former Governance Committee’s oversight role for corporate governance and for nominating qualified candidates for director positions. Following the merger, its scope incorporated expanded environmental duties and responsibilities, as well as oversight of management’s efforts to integrate sustainability into Devon’s business and activities. GEPP Committee members regularly hear from Devon leaders and subject matter experts on emissions and other environmental matters, ESG-related stakeholder engagements, public policy developments and our social responsibility programs. The GEPP Committee’s endorsement of ESG matters helps inform the company’s strategy, plans and priorities, and secure internal alignment.

In 2021, the GEPP Committee’s activities included:

- Evaluating the ESG profile of our go-forward company
- Reviewing Devon’s performance on key environmental metrics, including Scope 1 and Scope 2 greenhouse gas (GHG) emissions
- Discussing and endorsing the company’s environmental targets announced in June 2021 and tactics for meeting the targets
- Discussing the contents of Devon’s 2021 Sustainability Report and Climate Change Assessment Report with management before their publication
- Reviewing and discussing Devon’s DEI metrics, and actions and strategy for improving our workforce DEI, with the Compensation Committee and management, reflecting the board’s increased emphasis on diversity, equity and inclusion (DEI)

Deep dives into relevant matters are part of each board meeting. External speakers, stockholders and thought leaders were invited to our September 2021 and 2022 board meetings to share information and insights. In 2022, the board continued to focus on ESG performance and tactics for improvement, as well as the company’s progress with collecting more detailed ESG-related data.

Board diversity

Our decisions and actions have benefited from informed input from board members with a wide range of experiences, skills and backgrounds, including gender, race and ethnic diversity. Our board considers such diversity to be a key feature of a high-functioning board.

In its role of nominating qualified candidates for director, and in compliance with our Corporate Governance Guidelines, the GEPP Committee seeks to include women and minority candidates in the pool it puts forward for selection, and requires any search firm it engages to do the same.

As of March 2023, our board included four women (33%) and one racially diverse (8%) director, including the chair of Devon’s Audit Committee. Current board tenure of approximately 1-13 years provides a balance of fresh viewpoints and continuity. Our directors range in age from 45 to 73. Our board retirement age is 74 for non-management directors.

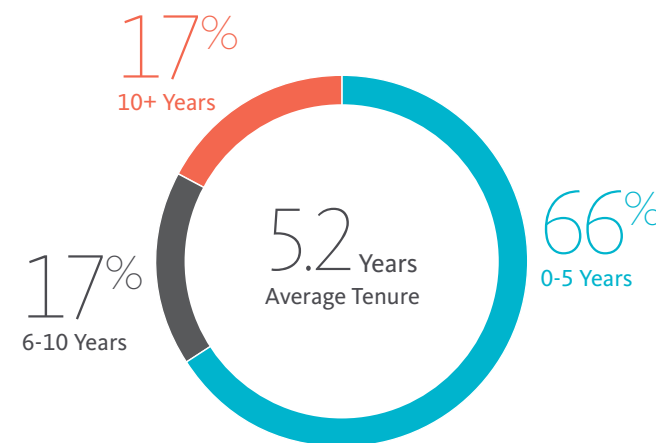
Shareholders elect Devon directors at our annual meeting for one-year terms. Our bylaws require a director who does not receive a plurality of votes in an uncontested election to offer to resign, which has not happened in Devon’s 51-year history. At our 2022 annual meeting, our directors received an average approval rating of 96%.

The GEPP Committee nominates qualified candidates to be Devon directors, seeking factors such as the nominees’ integrity and accountability, ability to provide informed judgment, respect from peers and high performance standards.

Tenure

The tenure of our directors reflects a balance of experience and fresh perspectives.

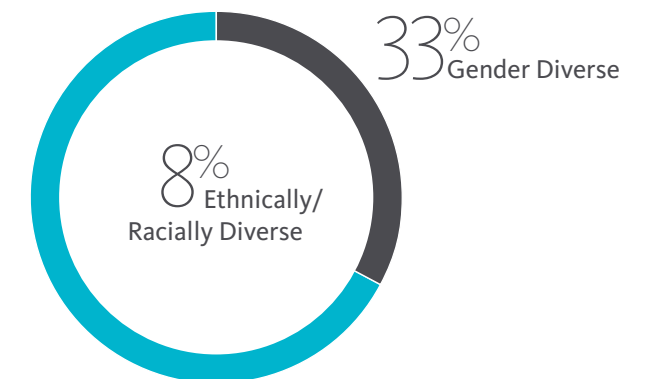
As of March 2023



Diversity

We approached our directors to voluntarily self-disclose their race, ethnicity and gender. The aggregate of these disclosures is reflected in the chart below.

As of March 2023



How to contact Devon’s non-management directors

Any stockholder or other interested party may contact Devon’s non-management directors individually or as a group for any matters by:

- U.S. mail to non-management Directors, c/o Office of the Corporate Secretary, Devon Energy Corporation, 333 W. Sheridan Avenue, Oklahoma City, Oklahoma, 73012

- Calling our non-management directors access line at (866) 888-6179 or
- Sending an email to nonmanagement.directors@dvn.com.

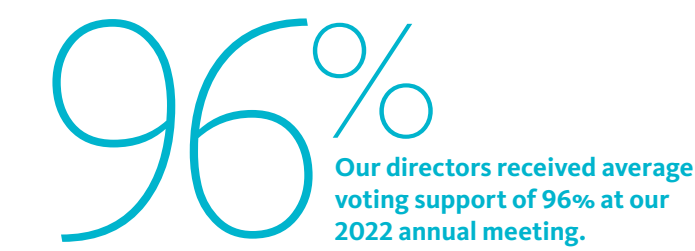
All calls and correspondence are anonymous and kept confidential to the extent possible.

Corporate Governance continued

Board and executive compensation

Under our Corporate Governance Guidelines, non-management directors are expected to have a significant ownership stake in Devon to help align the board’s and stockholders’ interests with our long-term performance. The board determines non-management director compensation annually based on the Compensation Committee’s recommendations. Compensation for our non-management directors, which is based on market norms and includes cash retainers and equity awards, has remained relatively consistent in recent years. In 2022, the Compensation Committee approved non-management directors’ participation in Devon’s matching gift program for qualifying charitable contributions up to \$10,000 annually. Devon employees receive no additional compensation for serving on the board.

Devon focuses on generating positive operating returns by managing a premier asset portfolio, delivering superior execution and exercising disciplined capital allocation. Our executive compensation program seeks to create a strong tie between company performance and executive pay and is closely aligned with shareholders’ interests. This pay-for-performance philosophy is intended to motivate near-term operational and financial success as well as to create long-term stockholder value. Total compensation is weighted in favor of long-term incentives to emphasize value creation and stockholder alignment.



Directors’ Skills and Experience												
	Barbara Baumann	John E. Bethancourt	Ann G. Fox	Gennifer Kelly	Kelt Kindick	John Krenickl Jr.	Karl F. Kurz	Michael Mears	Robert A. Mosbacher Jr.	Rick E. Muncrief	Duane C. Radtke	Valerie M. Williams
Age	67	71	46	50	68	60	61	60	71	64	74	66
Diversity	■		■	■								■
Key Skills and Experience												
Human Capital Mgt./Comp.	■	■	■	■	■	■	■	■	■	■	■	■
Engineering Education/Experience		■		■		■	■	■		■	■	
Finance/Capital Allocation	■	■	■	■	■	■	■	■	■	■	■	■
Regulatory/Policy Matters			■	■	■	■	■	■	■	■	■	
Technology or Cybersecurity		■		■		■						
Environmental Matters	■	■	■	■			■		■	■		
Corp. Governanve/Risk Mgt.	■	■	■	■	■	■	■	■	■	■	■	■
Investment Mgt./Stewardship	■		■		■	■	■					■

■ = All four are women. Ms. Williams is Black/African American.

Devon’s compensation philosophy is also designed to attract and retain highly trained, experienced executives who have the skills, education, business acumen and background to create value in a large and diversified oil and gas business. The primary components of the company’s executive compensation program are base salary, a performance bonus and long-term incentives.

Executive compensation is determined annually by the Compensation Committee, which evaluates the performance of the company and of individual executives and the business unit or organization they manage. The leadership team updates the board regularly on our economic and operational risks and opportunities and on our ESG performance.

In determining executive compensation in 2021, the Compensation Committee considered the company’s operational and financial achievements and performance relative to our corporate goals. Devon set ambitious goals for financial results, expenditures, oil and gas production, ESG/EHS performance, merger integration and strategic initiatives.

The company outperformed our targets on nearly all 2021 goals on our company performance scorecard. In addition, Devon’s share price earned the highest Total Shareholder Return (TSR) of any stock in the S&P 500 Index during 2021, and we achieved the highest TSR in our performance peer group in 2021 (196%) and from 2019-2021 (122%). Based on these results, the Compensation Committee assigned a company performance score of 177%, which led to above-target bonuses for our employees (including executives).

To help ensure that management and our board understand the compensation issues that matter to our stockholders, Devon conducts investor outreach throughout the year. During 2021, the company contacted the majority of our top 100 stockholders, interacted with many other stockholders and met with representatives of approximately 50 investors. The Compensation Committee reviews the feedback resulting from this outreach, as well as the most recent advisory vote by stockholders on executive compensation. In 2022, approximately 95% of voting stockholders voted “for” Devon’s executive compensation.

Additional information about our executive compensation program is available in the Compensation Discussion and Analysis (CD&A) section of our 2022 proxy statement.



Enterprise Risk Management

Identifying, prioritizing and monitoring risk

Systematically identifying and managing economic, operational and reputational risks to our business is essential to Devon's efforts to deliver results safely, ethically and responsibly.

The Devon board of directors has primary responsibility for risk oversight, and each director has experience in risk management. The board's four standing committees consider the current and emerging risks inherent in their areas of oversight and update the full board. Our management team oversees and reports to the board on the company's day-to-day efforts to manage strategic, financial, operational, market, ESG, EHS and other risks to our business. In addition, management executes the board's and committees' risk management directives.

Our internal audit director, who manages our enterprise risk management (ERM) process, reports directly to the board's Audit Committee and receives additional guidance from our executive vice president and chief financial officer. The internal audit director, is certified in risk management assurance by the Institute of Internal Auditors and leads a team of professionals who hold 22 different certifications in accounting, internal auditing, risk management, fraud examination, cybersecurity and other specializations.

Our ERM framework includes an annual risk analysis to help us determine the material risks to our business. The board, management and subject matter experts across the enterprise consider the likelihood that certain risks could cause economic or reputational risk to the company, as well as our level of preparedness for each risk. During this analysis, leaders from multiple work disciplines participate in exercises and workshops to help us identify new and emerging risks and maintain awareness of business risk across Devon.

During our post-merger integration in 2021, we evaluated every risk category, as well as the risk management processes of both legacy companies, and incorporated best practices from each into our ERM process.

In June 2022, climate change, which previously was a facet of other risk categories, was added as a standalone risk category to help ensure we continue to adequately monitor and mitigate climate-related risks.

Risk review is a year-round process and we plan to review individual risk categories again during workshops in 2023.

Please see our Annual Report on Form 10-K for the year ended December 31, 2021, for a more detailed discussion of Devon's material risks.

Devon's ERM framework

Our risk management process enabled us to prepare for and respond quickly to the COVID-19 pandemic and subsequent economic crisis, while executing our business strategy and successfully completing the merger of Devon and WPX.



- Board oversight**
Periodic reporting to the board, executive committee and management
- Enterprise risk inventory**
Documentation covering each risk category including risk-mitigation activities
- Risk workshops**
Quarterly risk discussions
- Annual ERM survey**
Annual survey of board, executive committee, management and subject matter experts

SUSTAINABLE DEVELOPMENT GOALS



United Nations member states adopted 17 Sustainable Development Goals in 2015. As an energy producer, we believe that strong governance of corporate climate risk is foundational to supporting climate action. At Devon, climate-related issues are managed by formal corporate management structures, including board level oversight, and are integrated into our enterprise risk management system. For example, active risk management led us in 2019 to set our first methane reduction target (beyond regulatory requirements). Read more about our targets and other climate tactics in the Environment section and our CDP Climate disclosures.



Shareholder Engagement

Building relationships through active outreach

Building relationships with our shareholders helps Devon anticipate and manage issues that influence our long-term success. We’ve learned through years of active shareholder outreach that our ESG performance is a key component of their valuation of the company. Insights from our shareholder engagements each year inform our environmental targets, shape our ESG programs, impact our compensation structure and focus our reporting.

Based on our ongoing engagements, we’ve strengthened our governance structure and practices to more effectively manage the risks and opportunities of climate change, workforce diversity and other ESG issues of interest to our shareholders. We expanded the responsibilities of the former Governance Committee of our board of directors to include environmental and public policy oversight in 2021. Now known as the Governance, Environmental, and Public Policy (GEPP) Committee, it oversees Devon management in setting strategy, establishing goals and integrating sustainability into our business activities. Our senior-level ESG Steering Committee coordinates related efforts and regularly updates the executive committee, GEPP Committee and the full board on our progress.

Our vice president of corporate governance, secretary and associate general counsel leads Devon’s efforts to communicate directly with shareholders to understand their interests and needs. Devon senior leaders and subject matter experts on ESG topics of interest — including executive compensation, field environmental practices and diversity — join the meetings to share our strategies and plans. They report what they learn to Devon senior management and our board, who appreciate shareholder feedback and welcome the opportunity to engage with shareholders, as appropriate.

Responding to shareholder feedback

We value shareholder feedback and use it to evaluate possible changes to our programs and practices. As interest in climate change has grown, we’ve listened to our shareholders and responded by setting our first methane intensity target in 2019 and additional board-approved environmental targets in 2021. These include goals for net zero operational GHG emissions and reducing GHG and methane emissions intensity, flaring and freshwater use.

To demonstrate our commitment to transparency and reporting, we published Climate Change Assessment Reports in 2018, 2020 and 2021. The 2021 report is consistent with the core elements of the Task Force on Climate-related Financial Disclosures (TCFD) framework. We seek to align with TCFD because many of our investors and other stakeholders prefer this international, multi-industry-led initiative for voluntary disclosure of climate-related risk. We continue to share our tactics to meet our decarbonization targets, as well as information about our water use, biodiversity, land reclamation and other environmental topics.

As a result of shareholder conversations in 2021, our 2022 corporate performance scorecard includes a standalone emissions reduction goal with a 15% weighting. This compares to our 2021 emissions goal that made up a portion of the ESG/EHS goal that had a cumulative weighting of 20%. We believe these actions contributed to approximately 95% of voting stockholders casting ballots “for” Devon’s say-on-pay vote in 2022. We also began sharing individual diversity traits of our board members in response to shareholder requests.

Refining our reporting and transparency

Devon participates in third-party ESG-focused surveys and assessments that help stakeholders benchmark our progress. Our ESG scores are ranked in the top tier of our peer groups by Sustainalytics, ISS, Moody’s Vigeo Eiris, RobecoSAM, CDP Climate and Water, Just Capital and CPA-Zicklin Index.

These assessments also help refine our transparency efforts and improve our ESG performance. We regularly evaluate surveys and additional public disclosures we could make to target our reporting on the information that is most meaningful for shareholders and other stakeholders.

Increasing transparency

Devon’s actions to meet our shareholder needs for ESG information include the following:

- Publishing a Sustainability Report annually since 2018.
- Publishing our Political Activity and Lobbying Report annually since 2018.
- Incorporating emissions, safety and other ESG metrics into our executive compensation structure, including a standalone emissions reduction goal in 2022.
- Participating in CDP climate reporting for 18 consecutive years and CDP water reporting for nine consecutive years.



Public Advocacy

Proactively developing solutions

Public policy discussions about our industry are evolving along with growing interest in the energy transition and the sustainability of oil and gas development and production. Devon is committed to developing solutions that enable us to deliver results. We’re engaging constructively and building relationships with a wide range of stakeholders – from federal and state regulators, to think tanks and nongovernmental organizations (NGO).

As a leading U.S. energy company, Devon participates in local, state, national and global economies. The company monitors developments in regulations, taxes, trade, jobs, ESG performance and other issues that impact our business. We have a responsibility to advocate for laws and rules that meet business and societal needs, and to consider and communicate the impacts and trade-offs of our decisions.

Our board’s Governance, Environmental and Public Policy (GEPP) Committee advises the full board and management on public policy issues that affect Devon and our stakeholders. Our vice president of public and government affairs, who is a member of the ESG Steering Committee, leads our efforts to advocate for Devon’s business interests. This role includes regular discussions with the GEPP Committee on public policy issues and our spending. Our core value of integrity commits us to comply with all applicable laws, regulations and rules in our advocacy role.

Encouraging sound public policy

Important decisions about energy, the environment and the economy require accurate information and thoughtful deliberation across diverse viewpoints. We are committed to having constructive conversations, building relationships and developing solutions—with a broad range of stakeholders—that help us deliver results, meet business and societal needs, address stakeholder concerns and encourage sound public policy. For example, we have worked with stakeholders ranging from New Mexico state regulators to environmental groups such as the Environmental Defense Fund on methane regulations and flaring.

We strive to help stakeholders understand how proposed policies impact our day-to-day operations and longer-term business prospects, as well as the value of oil and gas production to governments and society. This is reflected in our balanced approach to prominent policy issues including federal and state emissions regulations, climate change, financial regulations and global commodity markets. Devon has publicly supported the aims of the Biden Administration to chart a path toward a durable framework for regulating methane at the federal level that encourages innovation and operational flexibility. We continue to engage constructively with the Environmental Protection Agency (EPA) as the agency promulgates more stringent methane regulations in the oil and natural gas industry.

Broadening our perspective

Devon is increasing our involvement in public policy thought leadership by joining think tanks like the Bipartisan Policy Center, Atlantic Council, Columbia SIPA Center on Global Energy Policy and Wilson Center. Proactive engagements with a broad spectrum of leaders help us develop solutions on issues that affect our business and stakeholders before they become the focus of laws and regulations.

We’re building relationships with the University of Oklahoma, Oklahoma State University and other institutions to drive practical discussions on technology, climate change and other issues. This outreach has the added benefit of enhancing our research, recruitment and community engagement capabilities.

In 2022, Devon is monitoring proposed federal emissions regulations, SEC rules on climate disclosures, and other pending administrative and regulatory actions. Our multi-stakeholder approach involves our internal ESG, government relations and other teams, and we plan to continue being part of external efforts aimed at finding mutually beneficial solutions for complex issues.

2022 Political Activity and Lobbying Report

[LEARN MORE](#)

Political Activity and Lobbying Report Archives

[2021](#)[2020*](#)[2019*](#)[2018*](#)[2017*](#)

* data reflects legacy Devon only





Public Advocacy continued

Industry leadership

We're active in industry associations, trade groups, business coalitions and advocacy groups to make our views on regulations and laws known. We share information about industry issues with our employees to aid discussions with their friends and neighbors, and we encourage them to vote.

Devon's CEO is an executive committee member of the American Exploration and Production Council (AXPC) and the American Petroleum Institute (API). We're a founder and current steering committee member of The Environmental Partnership, API's growing coalition taking action to improve the industry's environmental performance. Our involvement in the partnership and in developing a methane rule in New Mexico is a model for Devon's industry collaboration.

Devon employees are leaders in industry associations such as the Petroleum Alliance of Oklahoma, the Petroleum Association of Wyoming (PAW), North Dakota Petroleum Council, New Mexico Oil and Gas Association (NMOGA), Texas Oil and Gas Association (TXOGA), and Texas Methane and Flaring Coalition. Being active in these organizations keeps Devon updated on laws, regulations and issues in the states where we operate.





Ethics and Integrity

Doing what's right

At Devon, we're committed to doing what's right and to demonstrating our fundamental value of integrity in all aspects of our business. Openness, honesty and respect are key to building trusting relationships, demonstrating courage and delivering results for our stakeholders. Our high standards of ethical and legal conduct, transparency and compliance with all applicable laws and regulations are vital to creating sustainable value for our shareholders.

Strengthening our response to ethics reports

We improved our capability for addressing ethics reports by establishing the Business Ethics Resource Center, a best practice from WPX, in 2021. Center participants include the executive vice president and general counsel, vice president of corporate services and associate general counsel, and director of HR business partners. They review all good faith reports from the Helpline, corporate and digital security and other sources to determine next steps to investigate the reports. The team makes quarterly reports to the Audit Committee, an increase from annual reporting in the past, that helps identify issues that might need additional monitoring or require training to raise awareness.

The Audit Committee of Devon's board of directors monitors our business practices and ethical standards and oversees legal and regulatory compliance. Together with Devon's executive vice president and general counsel, the Audit Committee reviews our business ethics program annually, including the Code of Business Conduct and Ethics (code) and our Anti-Corruption Policy and Procedures.

Establishing high standards

Our code and associated policies reflect a blending of best practices of legacy Devon and WPX following our merger in 2021. The code sets out the basic principles for legal and ethical conduct for each Devon director, officer and employee, and guides how we fulfill our responsibilities to each other, business partners, shareholders, governments and the law. We also require our chief executive officer, chief financial officer and chief accounting officer to adhere to an additional, more rigorous code of ethics.

We expect Devon directors, officers and employees to comply with policies associated with the code that provide guidance on specific business practices. These include our Zero Tolerance Anti-Harassment Policy, Drug and Alcohol Abuse Prevention and Testing Policy, Delegation of Authority Policy, Conflicts of Interest Policy and Environmental, Health and Safety Policy.

Ethics and compliance helpline metrics

ETHICS AND COMPLIANCE HELPLINE

92%

of reports were unsubstantiated, simple inquiries or system tests.

100%

of investigations initiated in 2021 were closed by year-end.

50%

of users requested anonymity.

76%

of reports of possible ethics violations came through the online portal.

Devon proactively reinforces the importance and understanding of our ethical standards, legal obligations and regulatory compliance requirements. We require employees to complete an ethics training course when they join the company, and this training was part of onboarding for employees joining Devon from WPX in 2021. All employees receive the same ethics training annually, and must acknowledge and agree to abide by our code and its related policies. We reported a 100% rate of code acknowledgement in 2021 to the Audit Committee.

To maintain high awareness and understanding of Devon's expectations, we review the training, code and policies each year and update them as needed.

Reporting violations

To help us maintain our relationships and reputation, Devon employees have an obligation to enforce the code and report potential violations. We do not allow retaliation for making a report in good faith.

Employees can make a report to our executive vice president and general counsel or to our third-party Ethics and Compliance Helpline, available at all times by phone and online. The Helpline is a secure, safe and confidential channel to report harassment, inappropriate behavior, fraud, unsafe acts, accounting irregularities, human rights violations or any other potential code or policy violation. In addition, employees

can use the Helpline to seek guidance on our ethics policy, follow up on a reported issue or ask an ethics-related question. The Helpline is also available for reporting by stakeholders. Reports will be investigated promptly.

Fraud awareness

We work to prevent invoicing abuse, digital scams and other types of fraud with an active fraud awareness program. Our team of fraud examiners has fraud investigation experience. They help enable us to identify and avoid working with vendors that pose a fraud risk and quickly take action to prevent financial loss and mitigate risk.

Devon has expanded the composition of our internal steering committee that identifies industry trends and emerging threats. Committee members include field operations, supply chain and other functions. The committee also shares information with our corporate security, internal audit and digital security teams to prevent fraud across the company.

In 2022, we're visiting major field offices to provide in-person fraud awareness training for employees who work in the field, in accounting and other functions, and to hear their observations about new threats and scams. We share information on fraud trends with all employees to help them recognize and report fraudulent activity.



Social

Investing in our communities

The Social section of our 2022 Sustainability Report includes:

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STEM	53
Philanthropy	56
Human Rights	58

Resource Links:

- [STEM grants](#)
- [Corporate Giving Policy](#)
- [Statement on Human Rights](#)





Overview

To be a socially responsible operator, Devon focuses on building strong, safe communities and an educated workforce. We invest in aspects of community life where we can have the greatest impact, while aligning with Devon’s values and business goals: STEM (science, technology, engineering and math) education, public safety, social services and vibrancy in the communities where we operate.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established 17 Sustainable Development Goals (SDGs). They’re part of a globally agreed-upon action plan for organizations seeking to provide affordable energy, produced responsibly to protect the environment, while also promoting peace and prosperity for all people. In this report, we have identified a variety of Devon’s business activities that align with the U.N. SDGs. Here in the social section, look for:



Quality Education
page 53

Our core value of relationships grounds Devon’s social investments. We listen to our stakeholders to understand their concerns, assess their needs and find the most effective ways we can help. By bringing together local and national nonprofits, private foundations and corporations, we’re able to expand the reach and effectiveness of our social investments. Devon advocates for tribal traditions, community development and youth programs where we operate. Our employee volunteers show their dedication to enhancing quality of life by helping alleviate hunger, advance education, deliver necessities and by enriching our communities. In our relationships and engagements, we’re committed to work with integrity, earn trust, empower others and keep improving.

We’re responsive to our community stakeholders and available to handle any concerns we receive in person, by phone and online. Devon’s trained team of experienced land, community relations, field operations, corporate communication and other professionals is prepared to respond to issues and collaborate with stakeholders to find solutions.

Social Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Social Investments (millions)	\$7.8	\$5.3	\$13.7

EXCEL DOWNLOAD

Taking Action



STEM EDUCATION

- Impacted 80,200 students and 1,350 teachers through our STEM investments.
- Opened 108 STEM centers across our operating areas in partnership with the Cal Ripken, Sr. Foundation.



INCREASED GIVING

- Invested nearly \$3 million in STEM education in 2021, an increase of 255% compared to 2020, including 47 new Ripken STEM centers in Tulsa, Oklahoma — one in each elementary school.
- Significantly increased our Inclusion and Equity Grants from \$100,000 for ten Oklahoma City organizations in 2021 to \$268,000 and in-kind donations for 19 organizations in Oklahoma City and the New Mexico Delaware Basin in 2022.



HUMANITARIAN SUPPORT

- Pledged up to \$20 million for humanitarian efforts in Ukraine for organizations providing emergency medical care, food supplies, financial support, and housing for displaced civilians and refugees in the region.



DEVON'S GOALS

- Tied social performance to bonus compensation for all employees by setting company performance scorecard goals to enhance STEM education, expand diversity, equity and inclusion (DEI) charitable programming, and increase employee engagement through community programs in 2022.



Community Engagement

Collaborating with stakeholders

Earning the trust of our stakeholders by what we say and do is a part of the Devon culture and one of our corporate values. We're committed to building relationships of mutual respect with our coworkers and their families, shareholders, neighbors, landowners, mineral-rights holders, policymakers, lawmakers, suppliers, vendors, services companies and schools. Together, we can find solutions and lay the foundation for ongoing cooperation.

We recognize that industrial processes and equipment used in oil and natural gas development can cause traffic, noise and other issues that affect our neighbors. We're committed to improving the compatibility of our operations in the communities where we do business and helping mitigate the impact of industry activity. Devon has worked with industry coalitions, state agencies, business owners, individual landowners, local housing developers and others to enhance safety and quality of life in the vicinity of oil and gas operations.

Supporting first responders

Our focus on safety extends to partnering with the emergency responders who protect our communities. A DeWitt County, Texas, official didn't hesitate to ask Devon for help when a brush fire started burning out of control within miles of our Cuero office in early 2022. The official was familiar with our local operations and capabilities because we'd built a relationship with them. Devon immediately called a local partner, who arranged for 7,000 gallons of freshwater, including 2,500 gallons from our field office reservoir, to be transported directly to the fire operations command post. Firefighters and emergency responders were able to control the fire with Devon's help.

Our commitment to safety is reinforced by allocating about one-third of our annual giving in our field areas to helping first responders acquire equipment, trucks, training and supplies to support their crucial work. We also deliver holiday treats and host lunches and dinners to show first responders we appreciate their work. In southeast New Mexico, we participated in the Hometown Heroes program that recognized one emergency responder each month with a gift and a newspaper article about them.

Celebrating our communities

To celebrate the cultures and unique qualities of our communities, Devon donates to local fairs and events where we operate. In 2021, we contributed to the Cuero Turkeyfest, Christmas on the Pecos in Carlsbad, and Oklahoma City National Memorial and Museum. As a sponsor of Frontier Days in Cheyenne, Wyoming, we invited landowners, mineral-royalty owners, elected officials and other stakeholders to join us for the annual western celebration.

Nearly all of our operations in the North Dakota Williston Basin are located on the Fort Berthold Indian Reservation, home of the Mandan, Hidatsa and Arikara Nation (MHA Nation). We collaborate in a straightforward manner to earn and maintain the respect of the MHA Nation, including working closely to comply with their practices to reduce the spread of COVID-19 throughout the pandemic. We also assist tribal communities through charitable giving for educational, health and safety endeavors.

Responding to the urgent need for safer Permian Basin roadways

While only 2% of Texas' population lives in the Permian Basin, 11% of traffic fatalities occur on the region's roads that need \$3 billion in repairs to improve safety and meet expected needs. As a sponsor of the Permian Road Safety Coalition (PRSC), Devon works with a cross-section of stakeholders invested in making roads safer and road infrastructure better across southeast New Mexico and west Texas.

Founded in 2015, PRSC brings together oil and gas industry companies and trade groups, agencies, researchers and concerned citizens to leverage expertise, share best practices and collaborate on data-driven research. PRSC also educates the broader community on the shared responsibility for road safety, including providing resources on its website to help everyone drive safely.

The coalition hosts road safety forums and training, and makes donations such as equipment and supplies for the Delaware Basin Emergency Preparedness Initiative (DBEPI) and matching funds to build a critical overpass project in Kermit, Texas. In 2021, PRSC donated \$1.6 million for life-saving equipment to first responders across the region.

Devon also supports road safety through our membership in the Permian Strategic Partnership, which identified road safety as an area of urgent regional need through an analysis completed in 2018.



Community Engagement continued

Amplifying our impact in the Permian Basin

The region encompassing Devon's Delaware Basin assets in southeast New Mexico and west Texas became the world's highest-producing oilfield in 2019. The Permian Basin — a major contributor to America's energy security, significant job creator and regional economic development engine — is expected to yield 40% of U.S. oil production by 2025.

As one of the Permian Basin's largest producers, Devon is keenly aware of both the opportunities and challenges stakeholders face in this prolific oil producing region. The increase in activity and growing workforce has put a strain on the region's infrastructure, education, healthcare, housing and social services.

Energy companies recognized the challenge and formed the Permian Strategic Partnership (PSP) to strengthen and improve the quality of life for residents in the region. The PSP partners with local leaders to develop and implement strategic plans to bring about superior schools, safer roads, quality healthcare, affordable housing and a trained workforce.

Devon has made a \$10 million, multi-year investment in PSP's mission. Our executive vice president and chief operating officer is a member of the PSP board of directors and our director of community relations serves on its management committee. Our impact is amplified by working together with 16 other member companies to make a positive difference in the Permian Basin.

Since 2018, the PSP has transformed more than \$93 million in member contributions into nearly \$950 million in collaborative investments. The PSP increased funding for education, invested in career training, expanded healthcare access, improved safety and infrastructure, made housing more affordable for teachers and expanded broadband access across the Permian Basin. The PSP's investments include:

- Midland College Teacher Excellence and Pre-K Lab (\$10 million)
- UTeach (STEM educator preparation) (\$1.9 million)
- Texas Tech Surgery Residency and Sub-Specialty Program (\$12.8 million)
- Permian Basin Counseling and Guidance (\$2.3 million)
- Hobbs (New Mexico) Career Technical Education Program (\$10 million)
- America's Warrior Partnership (\$1.3 million)

In 2022, Devon connected the PSP with our community STEM partner, the Ripken Foundation. As a result, the PSP approved a plan to add a fully equipped STEM center in 134 Permian Basin elementary schools, touching over 60,000 students and 2,000 teachers in 22 counties. The PSP believes its \$7.5 million investment in STEM centers and STEM training for teachers will ultimately inspire young learners across the Permian Basin to explore careers in STEM fields. We're excited that our longstanding relationship with the Ripken Foundation will have a lasting positive impact on education in the Permian Basin.

Devon is proud to be a leader in this industry coalition that is giving Permian Basin communities the tools and resources they need to benefit from being a state, national and global focal point for energy development.



STEM

Increasing opportunities

Devon’s future employees must have strong technical know-how and creative problem-solving skills to help us deliver affordable oil and natural gas in an environmentally and socially responsible way.

We believe investing in education can help us build the workforce we need to achieve our technology leadership goals and our vision for diversity, equity and inclusion (DEI). Our social investments are focused on building student capabilities in STEM (science, technology, engineering and math). We’re particularly interested in increasing the representation of girls, minorities and rural communities in STEM fields. These groups are a growing part of the workforce whose talents will be needed to help fill the growing number of STEM-related jobs at Devon and in our industry.

As technology for our industry rapidly evolves and transforms our company, people with diverse backgrounds and new ways of looking at problems can help us innovate. We need technology solutions to drill and produce oil and gas efficiently, achieve our aggressive emissions reduction targets and improve safety. At the same time, we’re committed to addressing racial and social inequality wherever it is found, and our investments in STEM education support progress in both of these important areas.

To direct our philanthropic investments to the most promising programs, Devon partners with qualified organizations that have a track record in STEM to identify community needs and solutions. Our partners include the Oklahoma City Public Schools Foundation and other nonprofits, as well as teachers and administrators from several school districts. Insights from our stakeholder conversations guide us to provide resources and materials and implement programs to empower groups that have been underserved in the past.

Expanding our STEM model

Devon has supported STEM education with grants to teachers and school programs, investments in STEM centers and contributions to STEM-focused programs for over a decade. We significantly enhanced our STEM capabilities in 2019 by convening local and national nonprofits, corporations and private foundations to develop a new STEM model.

One of our partners, the Cal Ripken, Sr. Foundation, has been a driving force in changing how students and families interact with STEM resources in schools and communities. The Ripken Foundation transforms outdated school rooms into state-of-the-art STEM resource spaces where STEM learning becomes increasingly integrated into children’s education. Teachers receive training and STEM resources to inspire students and increase their understanding of basic circuitry, coding, robotics, engineering and more.

Our first STEM center was created in 2004 at Mark Twain Elementary School, Devon’s long-time partner school in Oklahoma City. Recognizing that parent involvement helps determine student success, we further enhanced Twain’s capabilities in 2021 by adding STEM camps where families work on STEM challenges together. Parents and students get hands-on experience with CAD (computer-aided design), welding, construction and math. Families can also access food banks and other social services at the camps, as well as get produce from a community garden planted in 2021. The program is so popular that there’s a waiting list to join it.

Devon connected two of our community partners – the Permian Strategic Partnership (PSP) and the Ripken Foundation – which resulted in the PSP approving a plan to add a fully equipped STEM center in 134 Permian Basin elementary schools.

Underscoring our STEM commitment

Making progress in STEM is one of Devon’s community giving goals on our annual corporate performance scorecard that determines bonus compensation for Devon employees. In 2021, we surpassed our STEM targets, which contributed to a scorecard score of 158% for environmental, social and governance/ environmental, health and safety (ESG/EHS) and the company’s overall performance score of 177%.

Goal	Target	Outcome
Enhance STEM education	20,000 students	80,200 students impacted
Positively impact teachers	450 teachers	1,350 teachers impacted

Our 2022 scorecard goal is to strategically enhance STEM education by supporting 500 classrooms, 50,000 students and 1,000 teachers.

Based on the success of the STEM model at Twain, we expanded STEM resources in other areas where we operate. In 2021, we opened 108 STEM centers in elementary schools in Oklahoma City; Douglas, Wyoming; Kingfisher, Oklahoma; and Cuero, Texas. We also piloted the first middle school STEM center where students from the feeder elementary school can continue their STEM learning. In Tulsa, Oklahoma, Devon honored legacy WPX Energy by installing 47 STEM centers – one in each elementary school in the city. In 2022, Devon was instrumental in installing the first Ripken STEM centers in North Dakota, one in Dickinson and one at Edwin Loe Elementary School in New Town, the first-ever Ripken STEM center on tribal land.



Following the opening of the first-ever Ripken STEM center on tribal land, Devon representatives Christina Rehkop and Brandon Harris were awarded a star quilt from the MHA Nation. The gifts were a recognition of honor, friendship and generosity.

SUSTAINABLE DEVELOPMENT GOALS



United Nations member states adopted 17 Sustainable Development Goals in 2015.

Education is an integral component of sustainable development, providing the platform for meaningful employment, economic growth and technological innovation. Jobs that require a foundation in STEM are increasing annually; however, many underrepresented populations lack access to educational resources in these fields of study. Through partnerships with local foundations, schools and others, Devon seeks to provide early exposure to STEM by supplying resources for, and integrating experiences into, children’s education. In doing so, Devon endeavors to align with the United Nations goal to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



STEM continued

Community STEM programs

Devon collaborates with schools and community organizations to enhance access to STEM education. We support innovative STEM programs, especially when they highlight local culture and opportunities to inspire young people to pursue STEM subjects.



Ripken STEM Grant

Our signature STEM program has made more than \$1 million in grants to educators in our U.S. operating areas in the past eight years. In the Oklahoma City area, Devon's STEM investments improved access to educational opportunities for more than 88,000 K-12 students. In addition, more than 30 Devon grant programs have enabled Oklahoma teachers to enhance their instructional time with students.

STEM Lesson Challenge

The Cal Ripken, Sr. Foundation and Devon challenged educators and STEM mentors to create and submit original STEM lessons using any of the tools in the Ripken STEM Center. The challenge awards selected winners with a piece of the \$5,000 prize pool. In addition to utilizing the tools, lessons were reviewed for content and creativity and had to follow the Next Generation Science Standards. New lessons built through the program will be available to all Ripken Centers across the country.

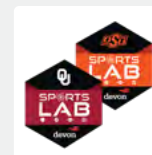


Devon Thunder partnership

We've had a long partnership with the Oklahoma City Thunder, whose popularity and visibility help extend the reach of our STEM program. Our joint Explorers program engages young people in STEM activities that explore the science of basketball, and gives special recognition to students who complete STEM challenges. In 2021, Devon and the Thunder introduced our Math Hoops program that engages students in the science behind basketball with a fun board game competition.

STEM Signing Day

Devon is partnering with Boeing to celebrate students who commit to study STEM in college. Similar to sports signing days, our STEM signing day honors students from across the state who plan to pursue degrees in fields such as electrical engineering, aerospace and biomedical. More than 20 outstanding students were selected for the 2022 class of honorees.



SportsLab

This multi-pronged five-year partnership with the University of Oklahoma and Oklahoma State University exposes students to the science, technology, engineering and math behind their favorite sports. SportsLabs use athletics to enhance comprehension of scientific concepts like physics and velocity. Students are empowered to improve their performance by better understanding the science behind sports. SportsLabs are held at game-day fan fests, as well as half-day workshops and other venues.

Design + Do

Since 2018, Devon has given fifth graders a hands-on opportunity to have fun and build STEM skills while solving problems. The children come together at the University of Oklahoma Tom Love Innovation Hub to design and build prototype parade floats using 3D printers, laser cutters and other materials. They then present their creations to a panel of judges.



Partner school wins national STEM challenge

Students at Mark Twain Elementary School were the first to receive a Ripken STEM Center. In April 2022, they also won the annual, national Cal Ripken, Sr. Foundation STEM Challenge by using the state-of-the-art tools in their STEM center.

One of two competing teams from Mark Twain won the competition by creating a multi-level board game called "The Rubber Duck Cleans Up Muck." The students' STEM know-how and creative use of STEM tools shows how Devon's investment in installing STEM centers in elementary schools across our operating areas can help unlock students' full potential.



STEM continued

21,000

minority students served in Devon STEM programs *

72%

of participants in Devon STEM programs were female *

5,100

student engagements at Mark Twain Elementary, Devon's partner school in Oklahoma City

>8,000

hours of STEM engagement at Mark Twain Elementary

* For programs measured

STEM programs in our operating areas (continued)



Girl Scouts

Devon is a long-time partner of the Girl Scouts of Western Oklahoma and a lead contributor to Camp Trivera, an urban STEM camp. Campers learn STEM skills, get leadership opportunities and learn the Girl Scout mission to build girls of courage, confidence and character.

We created the Devon Terra Trooper patch for the Western Oklahoma Council in 2015, expanding it to southeastern New Mexico in 2020 and Tulsa in 2021. Devon geologists and engineers developed the program to engage girls in earth sciences, geology and related topics using age-appropriate STEM activity kits and leader guides. By year-end 2021, more than 2,000 girls had earned the patch for completing a STEM activity.



Southwest Alliance for Girls' Enrichment (SAGE)

This week-long SAGE camp is designed to empower girls to think about themselves as future scientists, mathematicians and computer specialists. Campers take interactive field trips to explore various Devon departments where STEM learning has led our professionals to rewarding careers.



FFA Agriscience Fair

Our partnership with the Oklahoma and Wyoming FFA encourages students to consider the intersections of the agriculture and oil and gas industries. Across both states, 216 students participated in projects related to oil and gas in their annual Agriscience Fair in 2021.



FIRST Robotics

We've been a sponsor of the Oklahoma FIRST Robotics regional finals since 2017. The six-week competition pairs teams of young people from across Oklahoma with local engineers, professors and business professionals to solve engineering design problems. FIRST (which stands for "For the Inspiration and Recognition of Science and Technology") is a nonprofit founded in 1989 to inspire young people to join the field of science and technology.



Inspired by Science Camp

In partnership with the Carlsbad Community Foundation, Devon hosts a one-week STEM-focused summer camp for third through fifth graders throughout the Permian Basin region. Students identified as disadvantaged by school counselors receive free admission. The campers are exposed to STEM-related careers, and learn how to solve problems and apply critical-thinking skills during hands-on activities.



Oklahoma City Dodgers MVP Program

Devon cosponsors this program with the Triple-A affiliate of MLB's Los Angeles Dodgers to recognize and reward outstanding third and fourth graders for their science and math achievements. Students from over 400 Oklahoma City classrooms are selected to receive tickets to a Dodgers game and the opportunity to attend the MVP Field Day featuring STEM activities. Teachers also receive free tickets to an Oklahoma City Dodgers game where MVPs are honored.



Balloon Explorium

The Paper Takes Flight event combines the fun of hot-air ballooning with an education in the science of energy for all fifth graders enrolled in Artesia Public Schools in New Mexico. Students work together to build six-foot balloon envelopes from tissue paper that will launch using heat energy. This engaging, hands-on activity focused on engineering, math and thermodynamics expands on classroom curriculum.



Jal, New Mexico, School Rocketry Program

In this annual competition, Devon pays for students to travel to Houston to present their rocket designs to a team from NASA.



COSTEMA

The mission of the Central Oklahoma STEM Alliance is to enhance STEM education. Devon supports COSTEMA's STEM Leadership Academy, a virtual event that inspires educators by providing professional development opportunities centered around personal leadership, hands-on learning and peer engagement. The educators explore STEM learning and family engagement, with all their STEM learning culminating in the Scissortail Kite Festival.



Philanthropy

Enriching our communities

Vital social services and opportunities to enjoy arts, culture and nature help make our communities vibrant. Devon's investments in community enrichment align with our value to make a positive and sustainable impact.

Our primary annual philanthropic event, the Give for Good campaign, raised \$1.2 million in 2021. Devon matched our employees' donations that provided much needed resources for children, seniors and families.



\$1.2 MILLION

Raised in 2021 supporting over 50 partner agencies, including the United Way of Central Oklahoma, the Regional Food Bank of Oklahoma, and United Way and Blessing in a Backpack in Wyoming.



To celebrate Devon's 50th anniversary in 2021, employees voted on organizations to receive contributions. As a result, nine organizations ranging from the Oklahoma City Infant Crisis Center to the Chisholm Trail Museum in Cuero, Texas, received a portion of \$50,000 based on their percentage of employee votes.

Devon is a leading contributor to nonprofit organizations in our operating communities.

Arts, culture and nature

We're committed to supporting the visual and performing arts that help make our hometown of Oklahoma City a lively and appealing place to live, work and play. Devon funds a variety of local arts and culture organizations, including the Oklahoma City Ballet, Arts Council of Oklahoma City, Oklahoma City Museum of Art, National Cowboy and Western Heritage Museum, and Lyric Theater. We also hold an annual fundraising campaign for Allied Arts to support more than 40 local arts organizations.

Devon is a long-time supporter of The Oklahoma Nature Conservancy and its focus on sharing the love of nature and conservation throughout the state. We contribute to its ground stewardship activities, including controlled burning for range management, invasive species control and scientific research. Devon's donations helped stand up operations at the newest Blue River preserve, Oka' Yanahli, which encompasses 3,600 acres of native prairie and two miles of the river.

We participate in the annual National Public Lands Day in New Mexico, a project to repair and restore public recreation areas. We also supported Ducks Unlimited to aid in playa restoration in Southeast New Mexico. Restored playas that hold water provide habitat for a diversity of species. In 2022, we're marking our 15th year contributing funding and volunteers for the Wyoming Conservation Corps (WCC) and its programs to improve public lands in the state.



Employee Gift Match Program



In early 2022, we launched our Employee Gift Match Program. The goal of the program is to amplify employees' support of nonprofit organizations that reflect their personal interests, passions and pursuits. Devon matches individual contributions through the program up to \$10,000 per employee. Since the launch of the program, Devon has matched \$589,200 to 154 nonprofit organizations.



Philanthropy continued

Inclusion and Equity Grants

We want to make a real difference in people’s lives, and we listen to stakeholders to find the most effective programs to meet community needs. We created the Devon Inclusion and Equity Grants to put our diversity, equity and inclusion (DEI) beliefs into action with community organizations we’d never worked with before. In 2021, we awarded \$100,000 to our first nine new partner organizations in Oklahoma City, identified with the help of our employee-led DEI Team.

In 2022, we added 11 new, diverse partners in Oklahoma City and continued supporting several 2021 grant recipients. We also made our first grants to four organizations in the Delaware Basin. Our Inclusion and Equity Grants total \$268,000 in 2022. To hold ourselves accountable for expanding the reach of our DEI charitable programming, we set a 2022 company scorecard goal to cultivate relationships with a number of DEI-focused organizations.

Oklahoma City organizations that are new to our grant program in 2022 are:

Calle Dos Cinco in Historic Capitol Hill (\$5,000) to help fund a year of volunteer-led community events like Fiestas de las Americas and OKCine Latino Film Festival aimed at revitalizing the growing Latino community in Capitol Hill. The events showcase local artists and promote cultural pride and belonging in the Latino community.

Central Oklahoma American Indian Health Council (\$10,000) to assist in providing hearing aids to adult and pediatric patients and reducing the needs for patients to travel to the clinic.

Cristo Rey Oklahoma City Catholic High School (\$62,500) for a work-study program at Devon’s offices for students with limited resources.

Freedom City (\$5,000) for core programs at F.D. Moon Middle School, including Freedom Girls for career exploration and life skills, a caregiver support group and in-school mentoring.

Girl Scouts of Western Oklahoma (\$7,500) to help create a DEI council of local scouts, fund staff resources and expand DEI training opportunities.

India Association of Oklahoma (\$5,000) to help host the India Food & Arts Festival highlighting Indian arts, crafts, music, dance and cuisine, free of charge to Oklahomans.

Latino Community Development Agency (\$12,500) to relaunch the Latino Leadership Club Program and its leadership and education opportunities for local Latino students.

Northeast Oklahoma City Renaissance (\$5,000) for the annual ONE OKC street festival to represent the vision of Northeast Oklahoma City’s future and engage the community.

Oklahoma Center for Community and Justice (\$5,000) for its OKC Youth Leadership Forum to engage high school students in powerful conversations about race relations in Oklahoma and help them advocate for positive change.

Servants Basketball Club to help area minority youth travelling for the organization’s programs by providing a vehicle.

StitchCrew (\$20,000) to support the launch of a comprehensive Business Growth Program to help minority-led women business owners reach scale.

Devon is making Inclusion and Equity Grants to the following Oklahoma City organizations for the second consecutive year:

Foundation for OKC Public Schools (OKCPS) (\$25,000) for financial and academic support for paraprofessionals of color already working in OKCPS to finish college and earn their teaching certification, without any debt. Upon successful completion of the program, they commit to serve as full-time teachers in OKCPS for three years.

Oklahoma City Martin Luther King Jr. Holiday Parade (\$500) for participation fees.

Restore OKC (\$20,000) to assist with funding The Market at EastPoint, a community-led grocery store in Northeast Oklahoma City. Restore OKC pays a third party to manage the store, but all jobs inside the store will be filled by Restore Jobs, which provides jobs to single mothers.

Urban League (\$20,000) to support the social justice program, part of its efforts to promote equality and equity for African Americans.

We’re proud to make our first Inclusion and Equity Grants in the Delaware Basin to these organizations:

Your Safe Space (\$10,000) to support a mentoring program in Hobbs, New Mexico, for young boys without a male figure in their home.

Changing Lives Coalition (\$2,500) for an after-school program providing meals, creative outlets, mentoring and other services for 15 students in sixth through ninth grade in Artesia, New Mexico.

Martin Luther King Jr. Foundation (\$5,000) to fund new STEM programming for up to 25 at-risk youth in Carlsbad, New Mexico, including hiring retired teachers and subject matter experts to provide hands-on learning opportunities.

MyPower (\$7,500) to support mentoring circles for roughly 200 fifth-grade girls in Lea County, New Mexico, to empower them to successfully navigate their teen years.



Human Rights

Respect and dignity

DEVON'S STATEMENT ON HUMAN RIGHTS

Operating our business in a way that is consistent with human rights expectations is Devon's responsibility, aligns with our core values and is a consideration in all relevant business decisions, plans and activities.

We strongly endorse the Universal Declaration of Human Rights' recognition that the inherent dignity of all members of the human family is the foundation of freedom, justice and peace. Our core values embrace both social progress and economic growth, consistent with the United Nations Guiding Principles on Business and Human Rights, as well as the commitment to empower others. We're guided by the principles articulated in the International Labor Organization's (ILO) Declaration of Fundamental Principles and Rights at Work, including the prohibition on child labor, forced labor and discrimination in the workplace. Devon's commitment to protect human rights is reflected in our Code of Business Conduct and Ethics (code), Corporate Giving Policy, Supplier Qualification Requirements and Environmental, Health and Safety (EHS) Policy.

As a U.S.-based company, Devon complies with all federal and state requirements to protect human rights and ensure the rights of indigenous peoples in the U.S. We are committed to the health and safety of our employees, contractors and communities, and to being a responsible steward of the air, land, water and biodiversity value across our operations.

We actively engage with community members where we operate to understand the safety, environmental and human rights impacts of our operations. When assessing and addressing these impacts, we consult with those who may be affected, including indigenous peoples, where possible and appropriate. Devon takes proactive steps to maintain positive and productive relationships with indigenous communities, source indigenous businesses for local employment needs, and invest back into indigenous communities. We respect the significance of indigenous heritage and culture. Where appropriate, we engage third parties to help assess our projects to prevent impact to cultural sites and sensitive wildlife habitat, and our internal Biodiversity Council works to preserve or restore biodiversity value.

We're committed to supporting and strengthening vibrant, safe and educated communities where we operate. Through our Corporate Giving Policy, we focus our resources where we can have the greatest impact and on programs that align with our business goals and values. Working to improve the overall quality of life where we do business makes our communities stronger.

Devon employees are required to follow our code, which provides guidance on human rights issues such as non-discrimination, anti-harassment and equal employment opportunities. Our vendors and suppliers are expected to adopt and adhere to human rights standards, including those in our standard supplier agreements, and we reserve the right to audit our vendors' performance in this area.

Our Ethics and Compliance Helpline is available at all times for any stakeholder to report concerns and potential violations of our code, including any adverse human rights impacts. We will investigate, address and respond to any concerns with the utmost attention. For more on our helpline, see the governance section.

Devon evaluates ways to enhance awareness of human rights issues and engages with our key stakeholders to continue improving our approach.





Workforce

Empowering employees on their path to success



The Workforce section of our 2022 Sustainability Report includes:

Overview	60
Our Employee Experience	61
Diversity, Equity and Inclusion	63

Resource Links:

- [Code of Business Conduct and Ethics](#)
- [Mission Statement, Vision Statement and Core Values](#)
- [Diversity, Equity and Inclusion Vision](#)
- [2021 EEO-1 Report](#)




Overview


Devon sets high standards for operational, financial and ESG performance to meet our stakeholders’ expectations, and our employees consistently deliver results. Guided by our principles of fairness, opportunity and the chance for every employee to fully participate and be heard, we strive to create a work environment where people give their best effort every day.



SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established 17 Sustainable Development Goals (SDGs). They’re part of a globally agreed-upon action plan for organizations seeking to provide affordable energy, produced responsibly to protect the environment, while also promoting peace and prosperity for all people. In this report, we have identified a variety of Devon’s business activities that align with the U.N. SDGs. In the workforce section, look for:

- 


Good Health and Well-being
page 62
- 


Gender Equality
page 63

Since our merger in 2021, we’ve been leaning into our culture of openness to new ideas and creative solutions. We’re living our values to support each other, value diversity and have courage as we seek to make a positive and sustainable impact. Devon strives to be a caring and connected company where employees feel they are heard, seen and valued, and have opportunities to contribute and grow.

Devon supports individual, team and company progress with family-friendly workplace practices, wellness programs, and opportunities to make decisions and be accountable for results. We communicate proactively with employees about our goals and performance, and we seek employees’ input and act on their feedback. We do not accept the status quo of social and racial inequality, and we’re working to cultivate inclusive, diverse, equitable and respectful communities inside and outside our company.

Taking Action

- 

LEARNING AND DEVELOPMENT
 - Increasing professional and leadership learning opportunities grounded in Devon’s values and employee feedback.
- 

EMPLOYEE WELL-BEING
 - Enhanced our paid time off practices to encourage and support employees to take time off for health, personal and family needs.

- 

DIVERSITY, EQUITY AND INCLUSION
 - Progressed a wide range of policies and programs to reduce bias and improve equity and consistency. These included creating leadership development, training and mentoring opportunities, as well as expanding diversity, equity and inclusion (DEI) programming to all employees.

- Increased transparency by disclosing our annual U.S. Equal Employment Opportunity (EEO-1) Report for details on our workforce by race, ethnicity and gender across EEO Commission (EEOC) job categories.
- Set a corporate performance scorecard goal to develop new relationships with charitable organizations involved in DEI programming.

Workforce Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Headcount (total company)	2,352	2,022	1,645 ²
Minorities as a Percentage of Workforce ¹	19%	21%	22%
Women as a Percentage of Workforce ¹	28%	27%	24%
Women in the organization declined by 3% in 2021 primarily related to the WPX merger and location of Devon’s corporate headquarters in Oklahoma City. For WPX employees in Tulsa, a lesser percentage of females were willing to relocate than males.			
Minorities as a Percentage of Leadership	11%	13%	15%
Women as a Percentage of Leadership	20%	20%	15%
Women in leadership declined by 5% primarily related to the WPX merger and location of Devon’s corporate headquarters in Oklahoma City. For WPX employees in Tulsa, a lesser percentage of females were willing to relocate than males.			
Years of Service			
Less than 5 years (percent of headcount)	35%	33%	36%
5-9 years	37%	41%	38%
10-14 years	17%	14%	15%
15-19 years	6%	7%	8%
20-24 years	3%	3%	2%
25+ years	2%	2%	1%
Median Age	40	40	40
Attrition Rate	7%	3%	5%

¹ As defined by the U.S. Equal Employment Opportunity Commission.
² Marginal difference compared to total headcount in EEO-1 due to timing for the calculations.

[EXCEL DOWNLOAD](#)



Our Employee Experience

Investing in our employees

After our merger, Devon took time to reflect on how best to build a workforce to lead our company for decades to come. We listened to employees' feedback on what they want and need from Devon and their careers, and to our human resources staff's recommendations on what we need to do differently.

We value our people and will invest in their success. To move Devon forward, we are focusing on providing professionally rewarding and long-term careers, meaningful compensation and benefits, and a sense of belonging and inclusion. We're committed to balancing what employees need as individuals with Devon's best interests as a company.

Employee-focused learning opportunities

One of our values is to keep learning and challenging ourselves and each other to be the best and deliver results. In recent years, our employee development was focused on coaching, mentoring and ongoing conversations to help employees focus on what they need to do to make an impact every day.

To build upon these actions and incorporate feedback from employees, we took the opportunity post merger to refresh our professional and leadership learning strategy, and corresponding offerings. Feedback was gathered through two all-employee pulse surveys and a learning needs assessment with a representative group of leaders and employees.

What Devon employees want from learning and development

Coaching & Feedback Conversations

Most requested type of leadership development

70%

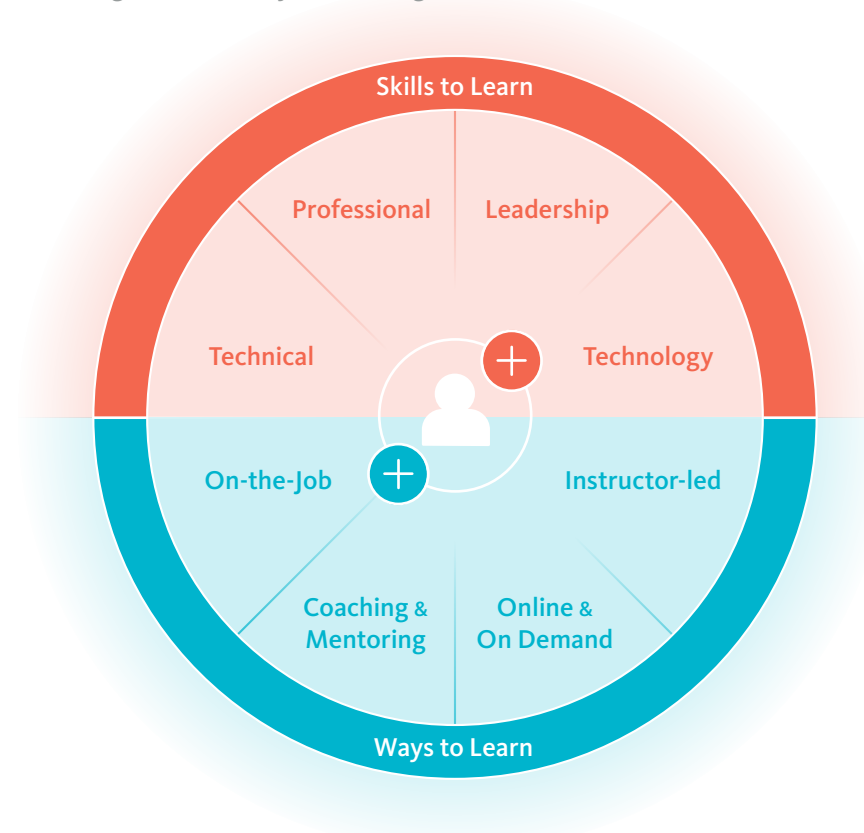
of employee respondents identified business and financial acumen as the most important skills.

#1

preferred way to learn: in-person and instructor-led training

Devon's learning and development approach

Developing a variety of skills through different ways of learning



Our refreshed strategy directly responds to employees' desire to develop a variety of professional, technical and leadership development skills, and different ways to develop them. Devon's learning ecosystem provides individualized learning paths that balances learners' needs with the company's business priorities. For effective learning, it provides externally supported content and facilitation. Devon leaders will support learning with coaching, feedback and on-the-job application. Development opportunities are focused on:

- Leadership training to build and reinforce fundamental leadership skills at the front line and mid-level, and inclusive leadership awareness and skills.
- Professional training to build business and financial acumen, technology skills and obtain professional certifications.
- Executive coaching with specific development objectives for improving individual and organizational performance.
- Employee and 360-degree feedback to equip leaders to interpret and take action on feedback.

A key component of the ecosystem is the Learner's Network, which supports employees' two most preferred ways to learn: in-person, instructor-led delivery and one-on-one conversations with peers. Learning and development specialists and technical subject matter experts in the network assess and meet employees' ongoing variety of learning needs related to technology, engineering, business analysis, environmental, health and safety (EHS) and other skills.



Our Employee Experience continued

SUSTAINABLE DEVELOPMENT GOALS

United Nations member states adopted 17 Sustainable Development Goals in 2015.

We aim to deliver tools and resources that support our employees' pursuit of healthy lives, stability and well-being. Devon takes a holistic approach to employee wellness, encouraging physical, mental and financial health. The Doc, a medical clinic we established near our corporate headquarters in Oklahoma City, allows employees and their families to get a high standard of care and personal attention with short wait times. Devon's financial wellness program provides confidential and unbiased financial guidance and a wide range of resources at no cost to employees.



We believe healthy, happy employees who feel financially secure are more likely to come to work ready to give Devon their best effort.

75%
of employees earned maximum available participation points to receive contributions up to \$2,500 to their health savings account (HSA).

Meaningful compensation, benefits and work practices

We value employees who are open and honest, take ownership and contribute to our company objectives. To cultivate a workforce with these qualities, we start with offering equal opportunity in all aspects of employment and providing competitive compensation and benefits.

Devon offers equitable pay. Salaries of female and minority employees are, on average, positioned equivalently (+/-2% relative to the applicable pay grade) to those of male and non-minority peers. All Devon employees make more than \$19 an hour. We encourage a sharp focus on results by giving every employee an equity stake in our business through annual stock awards and the opportunity to receive an annual cash bonus based on meeting corporate goals. We measure our performance, benchmark against our industry and look for ways to further align our compensation practices with our aspirations.

Devon takes a values-driven approach to meeting both the company's business objectives and employees' personal and family needs. Our comprehensive benefits include wellness programs and an Employee Assistance Program (EAP) that provides confidential support on a wide variety of issues to employees and their family members. We offer flexible work schedules, an alternate work schedule (9/80), part-time work, telecommuting and parental paid leave. In 2022, we enhanced our practices by updating our paid time off policy to help ensure our employees take the time to care for themselves and others in their lives. Our Paid Family & Medical Leave (PFML) Policy provides up to 26 weeks of paid medical leave for an employee's own medically certified health condition and eight weeks of paid maternity leave for the birth of a child. In addition, under PFML, employees are eligible for up to a maximum of 160 hours of paid leave each calendar year for parental leave (including adoption and long-term foster care placement), leave for care of family, bereavement leave and

compassion leave. We'll continue to adjust our practices and policies as needed to care for employee needs.

Employee wellness

Devon believes in supporting the well-being of our employees, who balance multiple roles and responsibilities in their personal lives, while delivering results for the company. We consider these expectations when developing programs that can meaningfully improve our employees' physical, mental and financial well-being.

Since establishing our wellness program in 2012, Devon has focused on prevention, convenient tools and high-quality programs. This has contributed to strong productivity and engagement, low absenteeism and high retention rates. Additionally, employee participation in wellness programs has been the driver in holding the company's health care cost inflation well below the national average.

Employees tell us that our offerings help them improve their health and make healthy lifestyle changes. This is why we've maintained the most effective core programs, even during years when we cut costs across the company.

Tools and strategies for financial wellness

Concerns about debt, retirement and other personal finance issues can affect an employee's sense of well-being. Our financial wellness program offers confidential and unbiased financial guidance and resources at no cost to employees. These include third-party financial assessments and web-based workshops. Employees can also meet one-on-one with a third-party financial expert once a quarter. By keeping employees informed about the importance of retirement savings, Devon has reached the top of our industry for 401(k) retirement contributions (99.6% of employees participate) and the percentage of paycheck contributions (6.5% of paycheck contributed).

Devon wellness resources

To encourage employees to be proactive about their health care, Devon provides:

- Cost coverage for annual physical exams, annual vision screenings, two annual dental exams, colonoscopies, mammograms, prostate exams and well-woman exams.
- Onsite mammography twice each year at our Oklahoma City headquarters.
- The Doc medical clinic located near our headquarters where employees and their families can get a high standard of care and personal attention with short wait times. The Doc offers onsite physical therapy, COVID-19 testing and vaccinations, care management focused on chronic conditions and other services.
- Onsite gym at our headquarters and free access to Wellbeats on-demand classes for all employees.
- Teleheath services.
- Support for mental health, including a cognitive behavioral therapy program through our medical plan to address anxiety, depression, substance abuse and other concerns. We also offer digital-based Talk Space therapy services.
- COVID-19 and flu vaccinations at field locations.
- Onsite physical exams at our Weatherford, Oklahoma, and Hobbs, New Mexico, locations.
- Programs for prediabetes, diabetes care, diabetes reversal, tobacco cessation and physician-led weight loss.



Diversity, Equity and Inclusion

We're in this together

It's part of the Devon culture to value differences, include and empower others, and courageously address inequity where it exists. We cultivate an inclusive, diverse, equitable and respectful workplace where our employees can feel a sense of belonging. When we bring together diverse experiences and challenge ourselves to think differently, we believe it leads to innovation and creative problem-solving. Devon also engages with our communities to understand how we can make a difference beyond our workplace.

SUSTAINABLE DEVELOPMENT GOALS

United Nations member states adopted 17 Sustainable Development Goals in 2015.

In an industry where the majority of workers traditionally have been male, Devon is taking steps to increase women's participation in the workforce and to promote equal opportunities for leadership. As Devon looks to the future, we are facilitating training, mentoring and leadership development for women to broaden the company's access to talent and encourage incorporation of diverse perspectives. Devon was nationally recognized at the highest leadership level by 2020 Women on Boards for having at least 20% of the company's board of director seats filled by women (27%).



Our Diversity, Equity and Inclusion (DEI) vision is: **Every person contributing to their fullest and making a positive impact every day.** To make this a reality, we have active participation from our senior leaders and committed volunteer leaders and allies. We're expanding our DEI programming to bring more employees into the conversation, build understanding and make positive change happen.

- The Devon board of directors endorses our DEI efforts and follows our progress closely.
- The DEI Leadership Team of executives and vice presidents champions strategies to achieve our vision and supports others by coaching, motivating, breaking down barriers and listening.
- The volunteer DEI Team strives to proactively increase awareness, identify challenges and find innovative ways to achieve our DEI vision and strategy.
- Our Human Resources team guides and advises the DEI Team with strategic support, tools and resources for success.
- We set a corporate scorecard goal to expand the reach of our DEI charitable programming by cultivating relationships with new organizations in 2022, increasing our accountability for DEI progress.

Devon has been taking a deep and critical look at how we fight inequality in the company and our communities since racial strife shook our country and workforce in 2020. Our exploration of racial and social justice continued in 2021 by listening and learning from community DEI thought leaders, and engaging more employees in the DEI conversation to dispel myths and build awareness.

Most importantly, we are taking action on feedback and suggestions from employees. We're increasing DEI learning opportunities that allow employees the chance to contribute and grow. Devon's leadership is also demonstrating an even greater commitment to DEI.

As part of this commitment, senior leaders reviewed key metrics for hiring, promotions, leadership movement, pay equity and other factors at the company and department level. They had honest, heartfelt conversations with employee DEI leaders about the right things to do to improve DEI at Devon. From these conversations, senior leaders formed work groups to review and implement actions to improve hiring practices, employee benefits, DEI education and leader resources. This resulted in expanded paid leave options, more inclusive and equitable internal and external selection processes, and plans for more frequent improvement discussions.

One of our priorities is to attract and retain women in our workforce. In 2021, the number of women at Devon declined 3% and women in leadership declined by 5%, primarily because women from WPX elected not to transfer from Tulsa to Oklahoma City following our merger. In addition, our DEI Team discussions about the McKinsey & Company Women in the Workplace 2021 Study revealed opportunities to make some of our policies and practices more family friendly.

What DEI means at Devon



Diversity

We believe it is foundational to Devon's success that our team includes people with a variety of backgrounds, perspectives, experiences and abilities.



Equity

We believe fairness is at the core of our culture, policies and practices, and strive for all employees to have equal access to opportunities.



Inclusion

We believe in relationships and will ensure all employees feel seen, valued, heard and connected.

U.S. Equal Employment Opportunity Report

Devon is committed to publicly disclosing its annual EEO-1 Reports. The report details the company's U.S. workforce by race, ethnicity and gender across job categories established by the U.S. Equal Employment Opportunity Commission (EEOC).

[2021 EEO-1 REPORT](#)



Diversity, Equity and Inclusion continued

Our actions in 2021 and 2022 to be more diverse, equitable and inclusive include:

Policies

- Enhancing Devon's paid time off policy to improve flexibility and inclusiveness.

Programs

- Increasing learning opportunities through guided conversations, book study groups, external speaker events and other DEI programming.
- Implementing recruiting practices to attract diverse candidates, recognize and address bias in decision making, and create a positive candidate experience.
- Introducing scenario-based discrimination and harassment training for all employees focused on speaking up and speaking up for others.
- Preparing diverse candidates for advancement with leadership development and mentoring opportunities.
- Launched Women's Leadership Learning Forum hosted by female Devon Directors to connect women leaders in exploring leadership topics and forming a meaningful network to support learning and growth.
- Presenting the Leading High Performing Teams series on best practices in creating psychological safety, setting clear expectations, feedback and development, and reducing bias.
- Continuing to sponsor the Women's Energy Network of Greater Oklahoma (WEN OK) and Oklahoma Women in Tech (WIT), and to support women at Devon in being active participants and leaders in these organizations.

Performance

- Increasing transparency by disclosing our annual U.S. Equal Employment Opportunity (EEO-1) Report for details on our workforce by race, ethnicity and gender across EEO Commission (EEOC) job categories.
- Making Devon Inclusion and Equity grants to 14 new organizations in Oklahoma City and the Permian Basin in 2022, based on DEI Team recommendations. We also made grants to five organizations for the second year and are expanding the program to other operating areas. See page 58 for more on our Inclusion and Equity Grants program.

Continuous improvement in Corporate Equality Index (CEI)

Devon scored 75/100 in the 2022 Human Rights Campaign (HRC) CEI, a 10-point improvement over 2021. Our CEI reflects growth across every measurement category under four central pillars:

- Non-discrimination policies
- Equitable benefits for LGBTQ+ workers and their families
- Supporting an inclusive culture
- Corporate social responsibility

The CEI is the foremost benchmarking survey and report in the U.S. measuring policies and practices related to LGBTQ+ workplace equality. Participating in the survey helps Devon measure our progress and keep improving.

“We don’t want to talk, we want to move.”

The DEI Team has morphed into an action team. There's something energetic in DEI now. We're fully onboard with conversations, exercises and videos, but we expect action from our leadership. Our VPs are very engaged and have a refreshing, energizing level of ownership. When people are more comfortable and feel safer, they begin to be more willing to innovate and show up for one another. I'm just as excited about my DEI role as I am about my job, which I love. It's been game-changing for my work life and I'm willing to do more. At the end of the day, just do what's right.

Shaquilla Willis, technology project manager



Reducing barriers to entry

Our technology group created a DEI team to explore ways to attract and retain diverse employees to carry out our growing development and deployment of technology. The team started by revamping job descriptions, removing jargon and unnecessary job qualifications, and accurately portraying job responsibilities, with the goal of encouraging more candidates to apply. They have also invited other internal stakeholders to participate in the interview process, helping to ensure more balanced and less biased hiring decisions.



Performance Metrics

19%

Reduction in Scope 1 and Scope 2 location-based GHG emissions intensity in 2021 compared to 2020.

16%

Reduction in methane emissions intensity in 2021 compared to 2020.

36%

Reduction in flared volume intensity in 2021 compared to 2020.

Environment Performance Metrics¹

**Unless otherwise noted, all data presented is pro forma (Devon + WPX) for U.S. operated assets.*

	2019	2020	2021
Direct GHG Emissions (Scope 1) (million tonnes CO ₂ e) ²	4.65	3.91	3.08✓
By Constituent			
Carbon Dioxide (million tonnes CO ₂ e)	3.66	3.39	2.64
Methane (million tonnes CO ₂ e)	0.99	0.52	0.45
Nitrous Oxide (million tonnes CO ₂ e)	0.003	0.002	0.002
By Source			
Flaring/Venting (million tonnes CO ₂ e)	2.61	1.92	1.46
Combustion (million tonnes CO ₂ e)	1.84	1.95	1.60
Other (million tonnes CO ₂ e)	0.19	0.04	0.03
Indirect GHG Emissions from Electricity Use (Scope 2 location-based) (million tonnes CO ₂ e) ³	0.27	0.32	0.34✓
Direct and Indirect GHG Emissions (Scope 1 and Scope 2 location-based) (million tonnes CO ₂ e) ^{2,3}	4.91	4.23	3.42
Direct GHG Emissions Intensity (Scope 1) (tCO ₂ e/MBoe) ²	17.22	14.10	11.11
Direct and Indirect GHG Emissions Intensity (Scope 1 and Scope 2 location-based) (tCO ₂ e/MBoe) ²	18.20	15.27	12.33
Indirect GHG Emissions from Use of Sold Products (Scope 3) (million tonnes CO ₂ e) ^{4,5}	48	49	73
We report indirect emissions from the use of sold products on an equity basis from sources not owned or controlled by Devon; however, it is important to note that Scope 3 emissions estimates are subject to uncertainty, inconsistency and duplication as further described in the Air Emissions section of this report. In 2021, Devon's estimated Scope 3 emissions increased, due to an increase in net equity production reported in Devon's 2021 Annual Report on Form 10-K. 2019 and 2020 estimated Scope 3 emissions are legacy Devon only, while 2021 reflects pro-forma Devon + WPX.			
Methane Emissions Intensity (Scope 1) (tCO ₂ e/MBoe) ²	3.65	1.94	1.62
Methane Emissions Intensity - Production Segment (Scope 1) (% of natural gas produced) ⁶	0.31%	0.19%	0.18%
Flaring Intensity (% of natural gas produced) ⁷	2.21%	1.48%	0.94%
Energy Used - Fuel and Electricity Use (trillion BTU) ³	32.87	31.36	27.18
Water Usage (million Bbl) ⁸	141	98	116
Recycled (million Bbl)	34	37	61
Sourced (million Bbl)	107	61	55
Water Usage Intensity (Bbl/Boe produced) ⁸	0.5	0.3	0.4
Water Usage Intensity (million Bbl/well completion) ⁸	0.3	0.3	0.4
Water Recycle Rate (recycled water Bbl/water usage Bbl) ⁸	24%	38%	53%
Devon's total water use for completions activities varies with activity levels, targeted formations and lateral lengths, and includes fresh, non-fresh and recycled water volumes. We seek alternatives to fresh water supplies, where possible.			
Reportable Spill Events Released to the Environment (events) ⁹	336	246	280
Reportable Spill Volumes Released to the Environment (barrels) ⁹	4,505	4,042	5,705

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¹ The environment metrics have been calculated using the best available data at the time of publication. Historical metrics are subject to change as we continuously seek to improve our data management practices, data sources, and calculation methodologies in order to provide the highest level of transparency, consistency and accuracy. We report environment metrics on an operated basis, unless otherwise noted.

² We include all reportable emissions under EPA's Greenhouse Gas Reporting Program (GHGRP) for Devon operated facilities, as well as non-reportable emissions from our production assets and, beginning in reporting year 2019, gathering and boosting assets. We calculate emission intensities using gross production as reported under the EPA GHGRP for all reporting segments.

³ We calculate our Indirect GHG Emissions from Electricity Use (Scope 2) on a location-based methodology using EPA fuel and electricity emissions factors.

⁴ We report indirect emissions from the use of sold products (Scope 3) on an equity basis from sources not owned or controlled by Devon. To estimate our Scope 3 emissions, we rely upon IPIECA's 2016 guidance document Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. Per the IPIECA guidance, we report category 11 "Use of Sold Products" by calculating combustion emissions for our oil, natural gas and marketed natural gas liquids products using emission factors obtained from the EPA and net equity production reported in Devon's 2021 Annual Report on Form 10-K.

⁵ Performance is limited to legacy Devon performance only in 2019 and 2020 and pro-forma Devon + WPX in 2021, using net equity production reported in Devon's 2021 Annual Report on Form 10-K for all three years.

⁶ Our methane emissions intensity rate calculation includes all natural gas produced at Devon operated facilities and all methane emissions from Devon operated facilities associated with the production of oil and natural gas.

[Click here to see Devon's calculation methodology for methane emissions intensity](#)

⁷ Our flaring intensity rate calculation includes high-pressure flared volumes associated with the production of oil and natural gas.

⁸ Our water usage includes all water sources used in completions activities at facilities operated by Devon in 2021.

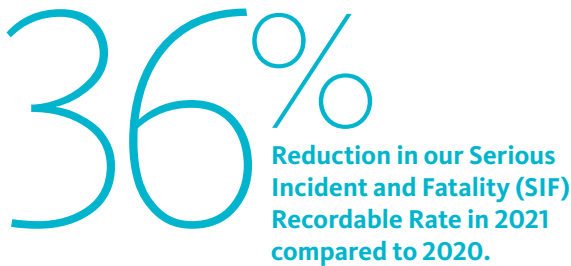
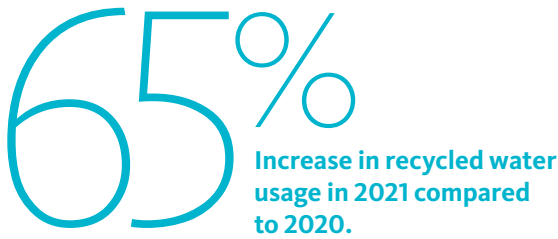
⁹ Reportable spill events and volumes exclude a well-control event that occurred in 2019.

✓ ERM CVS provided limited assurance in relation to Devon's Total Scope 1 GHG emissions and Total Scope 2 GHG emissions (location-based method) for the reporting period January 1, 2021 to December 31, 2021.For more information see:

[Basis of Reporting GHG Emissions](#)
[Independent Assurance Statement](#)



Performance Metrics continued



Safety Performance Metrics

**Unless otherwise noted, all data presented is pro forma (Devon + WPX) for U.S. operated assets.*

	2019	2020	2021
Fatalities (Employee and contractor workforce)	1	2	0
Total Recordable Incident Rate (TRIR) (Employee + Contractor)	0.49	0.43	0.49
TRIR - Employee	053	036	0.58
TRIR - Contractor	0.49	0.44	0.48
Serious Incident and Fatality (SIF) Recordable Rate (Employee + Contractor)	0.10	0.11	0.07
Days Away Restricted Transfer (DART) Incident Rate (Employee + Contractor)	0.24	0.20	0.32
DART Incident Rate - Employee	0.28	0.24	0.34
DART Incident Rate - Contractor	0.23	0.19	0.32
Lost Time Incident Rate (LTIR) (Employee + Contractor)	0.15	0.12	0.18
LTIR - Employee	0.28	0.16	0.29
LTIR - Contractor	0.13	0.11	0.17
Preventable Vehicle Incident Rate (per million miles)	1.50	1.19	2.37
Employee Hours (million)	5.7	5.0	4.2
Contractor Hours (million)	35.7	24.8	22.9

Governance Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Independent Board Members	91% ¹	82% ¹	73%
As of March 2023, 11 of our 12 board members (92%) qualify as independent under NYSE standards and SEC regulations.			
Women Board Members	27% ¹	27% ¹	27%
As of March 2023, four women (33%) serve on our board of directors, including the chair of Devon's Audit Committee.			
Contributions - Trades and Political (thousands)	\$2,144 ²	\$2,234 ²	\$2,385
In 2019, we began disclosing non-deductible trade association dues.			
Lobbying - Federal and State (thousands)	\$1,178 ²	\$743 ²	\$433
Devon's lobbying and political activity is disclosed via public agencies, as well as through the company's Political Activity and Lobbying Report available on our website.			

¹ Reflects legacy Devon board composition following the annual election of directors each June.
² Legacy Devon only.

Social Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Social Investments (millions)	\$7.8	\$5.3	\$13.7

Workforce Metrics

**Unless otherwise noted, all data presented is pro forma for Devon and WPX.*

	2019	2020	2021
Headcount (total company)	2,352	2,022	1,645²
Minorities as a Percentage of Workforce ¹	19%	21%	22%
Women as a Percentage of Workforce ¹	28%	27%	24%
Women in the organization declined by 3% in 2021 primarily related to the WPX merger and location of Devon's corporate headquarters in Oklahoma City. For WPX employees in Tulsa, a lesser percentage of females were willing to relocate than males.			
Minorities as a Percentage of Leadership	11%	13%	15%
Women as a Percentage of Leadership	20%	20%	15%
Women in leadership declined by 5% primarily related to the WPX merger and location of Devon's corporate headquarters in Oklahoma City. For WPX employees in Tulsa, a lesser percentage of females were willing to relocate than males.			

Years of Service			
Less than 5 years (percent of headcount)	35%	33%	36%
5-9 years	37%	41%	38%
10-14 years	17%	14%	15%
15-19 years	6%	7%	8%
20-24 years	3%	3%	2%
25+ years	2%	2%	1%
Median Age	40	40	40
Attrition Rate	7%	3%	5%

¹ As defined by the U.S. Equal Employment Opportunity Commission.
² Marginal difference compared to total headcount in EEO-1 due to timing for the calculations.

[EXCEL DOWNLOAD](#)

Reporting Frameworks

Striving for increased transparency

This report was prepared with content correlated to voluntary frameworks and standards established by the Task Force on Climate-Related Financial Disclosures (TCFD), IPIECA, Sustainability Accounting Standards Board (SASB) and United Nations Sustainable Development Goals. Devon continues to strive for increased transparency on issues that are top-of-mind for our stakeholders, as we believe ESG transparency is important to building a sustainable and economically competitive company.



TCFD

Recommendations of the Task Force on Climate-related Financial Disclosures (October 2021)



The TCFD seeks to develop recommendations for voluntary climate-related financial disclosures as a tool for investors and other stakeholders to assess risks associated with climate change. Devon published its third Climate Change Assessment Report in 2021, a direct result of our ongoing commitment to transparency.

CORE ELEMENT	TCFD DISCLOSURE	REFERENCE
Governance Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	Climate Change Assessment Report (CCAR), CDP Climate Response, Form 10-K, Proxy Statement, Sustainability Report (SR)-CEO Letter, SR-Message from Our Board, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Governance Overview, SR-Corporate Governance, SR-Enterprise Risk Management, SR-Shareholder Engagement
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	CCAR, CDP Climate Response, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Governance Overview, SR-Corporate Governance, SR-Enterprise Risk Management, SR-Shareholder Engagement
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CCAR, CDP Climate Response, Form 10-K, SR-Climate Change, SR-Air Emissions, SR-Water Management
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	CCAR, CDP Climate Response, Form 10-K, SR-Climate Change, SR-Air Emissions, SR-Water Management
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CCAR, CDP Climate Response, SR-Climate Change
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	CCAR, CDP Climate Response, Form 10-K, SR-Climate Change, SR-Enterprise Risk Management
	b) Describe the organization's processes for managing climate-related risks.	CCAR, CDP Climate Response, SR-Climate Change, SR-Enterprise Risk Management, SR-Shareholder Engagement
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	CCAR, CDP Climate Response, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Water Management, SR-Enterprise Risk Management
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	CCAR, CDP Climate Response, CDP Water Response, Form 10-K, Proxy Statement, SR-Report Summary, SR-Environment Overview, SR-Air Emissions, SR-Water Management, SR-Performance Metrics
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	CCAR, CDP Climate Response, SR-Report Summary, SR-Environment Overview, SR-Air Emissions, SR-Performance Metrics
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	CCAR, CDP Climate Response, CDP Water Response, Form 10-K, SR-Report Summary, SR-Performance Targets and Progress SR-Climate Change, SR-Air Emissions

Reporting Frameworkscontinued

IPIECA

Sustainability reporting guidance for the oil and gas industry (4th edition, 2020)



The primary framework for this report is the Sustainability reporting guidance for the oil and gas industry developed by IPIECA, the American Petroleum Institute (API) and the International Association of Oil & Gas Producers (IOGP). The issues and indicators in this guidance have been selected based on industry consensus, together with significant insights and suggestions from an independent panel of stakeholders with expertise in the sector and sustainability reporting.

The IPIECA index identifies where the referenced data may be found in this report or other publicly available disclosures.

IPIECA ISSUE	INDICATORS	REFERENCE
Governance and Business Ethics		
Governance and Management Systems	GOV-1: Governance approach	Climate Change Assessment Report (CCAR), CDP Climate Response, Form 10-K, Proxy Statement, Corporate Governance Guidelines, Code of Business Conduct and Ethics, Sustainability Report (SR)-CEO Letter, SR-Report Summary, SR-Governance Overview, SR-Corporate Governance
	GOV-2: Management systems	Climate Change Assessment Report (CCAR), CDP Climate Response, Corporate Governance Guidelines, Code of Business Conduct and Ethics, Code of Ethics for the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, SR-About this Report, SR-CEO Letter, SR-Report Summary, SR-Governance Overview, SR-Corporate Governance, SR-Enterprise Risk Management, SR-Ethics & Integrity, SR-Emergency Preparedness
Business Ethics and Transparency	GOV-3: Preventing corruption	Ethics & Compliance Hotline, Form 10-K, Anti-corruption Policy, Code of Ethics for the Chief Executive Officer-Chief Financial Officer-Chief Accounting Officer, SR-Ethics and Integrity
	GOV-4: Transparency of payments to host governments	Not applicable
	GOV-5: Public advocacy and lobbying	Political Activity and Lobbying Report, SR-Governance Overview, SR-Public Advocacy, SR-Performance Metrics
Climate Change and Energy		
Climate Strategy and Risk	CCE-1: Climate governance and strategy	CCAR, CDP Climate Response, EHS philosophy, SR-CEO Letter, SR-Message from Our Board, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Governance Overview, SR-Corporate Governance, SR-Enterprise Risk Management, SR-Shareholder Engagement
	CCE-2: Climate risk and opportunities	CCAR, CDP Climate Response, CDP Water Response, Form 10-K, SR-CEO Letter, SR-Report Summary, SR-Performance Targets and Progress, SR-Climate Change, SR-Air Emissions, SR-Water Management
Technology	CCE-3: Lower-carbon technology	CCAR, CDP Climate Response, SR-Performance Targets and Progress, SR-Operations Overview, SR-Environment Overview, SR-Air Emissions, SR-Climate Change
Emissions	CCE-4: Greenhouse gas (GHG) emissions	CCAR, CDP Climate Response, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
	CCE-5: Methane emissions	CCAR, CDP Climate Response, SR-Operations Overview, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Public Advocacy, SR-Performance Metrics
Energy Use	CCE-6: Energy use	CCAR, CDP Climate Response, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
Flaring	CCE-7: Flared gas	CCAR, CDP Climate Response, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
Environment		
Water	ENV-1: Freshwater	CCAR, CDP Climate Response, CDP Water Response, SR-Operations Overview, SR-Environment Overview, SR-Water Management, SR-Performance Metrics
	ENV-2: Discharges to water	Not Disclosed
Biodiversity	ENV-3: Biodiversity policy and strategy	EHS philosophy, SR-Land Conservation & Biodiversity
	ENV-4: Protected and priority areas for biodiversity conservation	EHS philosophy, SR-Land Conservation & Biodiversity

IPIECA ISSUE	INDICATORS	REFERENCE
Environment (cont'd)		
Air Emissions	ENV-5: Emissions to air	CCAR, SR-CEO Letter, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
Spills	ENV-6: Spills to the environment	CCAR, SR-Environment Overview, SR-Spill Prevention, SR-Performance Metrics
Materials Management	ENV-7: Materials management	CCAR, SR-Performance Targets, SR-Operations Overview, SR-Environment Overview, SR-Spill Prevention, SR-Water Management, SR-Waste Management, SR-Performance Metrics
Decommissioning	ENV-8: Decommissioning	Not disclosed
Safety, Health and Security		
Workforce Protection	SHS-1: Safety, health and security engagement	EHS Philosophy, SR-CEO Letter, SR-Report Summary, SR-Operations Overview, SR-Safety Overview, SR-Workforce Safety
	SHS-2: Workforce and community health	Form 10-K, EHS Philosophy, SR-Operations Overview, SR-Waste Management, SR-Safety & Security Overview, SR-Workforce Overview, SR-Our Employee Experience
	SHS-3: Occupational injury and illness incidents	SR-Report Summary, SR-Safety Overview, SR-Workforce Safety, SR-Public Advocacy, SR-Performance Metrics
	SHS-4: Transport safety	SR-Workforce Safety
Product Health, Safety and Environmental Risk	SHS-5: Product stewardship	SR-Waste Management, SR-Workforce Safety, Safety Data Sheets, EHS Philosophy Devon does not produce petroleum consumer products.
Process Safety	SHS-6: Process safety	SR-Safety Overview, SR-Workforce Safety, SR-Performance Metrics
Security	SHS-7: Security risk management	SR-Governance Overview, SR-Corporate Governance, SR-Enterprise Risk Management, SR-Cybersecurity, SR-Emergency Preparedness
Social		
Human Rights Management	SOC-1: Human rights due diligence	Ethics & Compliance Hotline, Statement on Human Rights, SR-Ethics and Integrity, SR-Human Rights
	SOC-2: Suppliers and human rights	Statement on Human Rights, Supplier Qualification Requirements, SR-Human Rights
	SOC-3: Security and human rights	SR-Workforce Safety
Labor Practices	SOC-4: Site-based labor practices and worker accommodation	Code of Business Conduct and Ethics, SR-Safety Overview, SR-Workforce Safety
	SOC-5: Workforce diversity and inclusion	EEO-1 Report, Form 10-K, SR-CEO Letter, SR-Corporate Governance, SR-Social Overview, SR-STEM, SR-Philanthropy, SR-Workforce Overview, SR-Our Employee Experience, SR-Diversity Equity and Inclusion
	SOC-6: Workforce engagement	Ethics & Compliance Hotline, SR-Workforce Overview, SR-Our Employee Experience
	SOC-7: Workforce training and development	SR-Waste Management, SR-Workforce Safety, SR-Cybersecurity, SR-Ethics & Integrity, SR-Emergency Preparedness, SR-Our Employee Experience, SR-Diversity Equity & Inclusion
Community Engagement	SOC-8: Workforce non-retaliation and grievance mechanisms	Ethics & Compliance Hotline, SR-Ethics & Integrity
	SOC-9: Local community impacts and engagement	SR-About this Report, SR-CEO Letter, SR-Report Summary, SR-Water Management, SR-Emergency Preparedness, SR-Social Overview, SR-Community Engagement, SR-STEM, SR-Philanthropy, SR-Workforce Overview, SR-Diversity, Equity and Inclusion
	SOC-10: Engagement with indigenous peoples	Statement on Human Rights, SR-Human Rights, SR-Land Conservation & Biodiversity, SR-Community Engagement, SR-STEM
	SOC-11: Land acquisition and involuntary resettlement	Not Applicable
	SOC-12: Community grievance mechanisms	Ethics & Compliance Hotline, Statement on Human Rights, SR-Community Engagement, SR-Human Rights
Local Content	SOC-13: Social investment	Corporate Giving Policy, SR-Report Summary, SR-Social Overview, SR-Community Engagement, SR-STEM, SR-Philanthropy, SR-Diversity, Equity and Inclusion
	SOC-14: Local procurement and supplier development	SR-Community Engagement, SR-Philanthropy
	SOC-15: Local hiring practices	Not Applicable

Reporting Frameworks continued

SASB Oil and Gas Exploration and Production Sustainability Accounting Standard (version 2018-10)

The Sustainability Accounting Standards Board (SASB) connects businesses and investors on the financial impacts of sustainability. SASB’s mission is to help businesses around the world identify, manage and report on the sustainability topics that matter most to their investors.



In response to growing investor interest in SASB, we conducted a comparative analysis using SASB indicators against our current reporting process. As of 2020, we still rely heavily on CDP Climate, CDP Water and our own materiality assessment to determine our top issues and methodologies for reporting. Various SASB indicators request different reporting methodologies but use the same underlying raw data that we use for our CDP responses. As such, Devon intends to use the SASB materiality profile for the oil and gas industry as an additional reference point when assessing the sustainability issues most likely to impact our business. We will determine what additional SASB-specific measurements Devon may adopt in the future based upon future assessments.

SASB TOPIC	CODE	ACCOUNTING/ACTIVITY METRIC	REFERENCE
Greenhouse Gas Emissions	EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	CCAR, CDP Climate Response, Sustainability Report (SR)-Report Summary,SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
	EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	CCAR, CDP Climate Response, SR-Report Summary, SR-Environment Overview, SR-Climate Change, SR-Air Emissions, SR-Performance Metrics
	EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	CCAR, CDP Climate Response, SR-Report Summary, SR-Performance Targets and Progress, SR-Climate Change, SR-Air Emissions
Air Quality	EM-EP-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM ₁₀)	Not Disclosed
Water Management	EM-EP-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	CDP Water Response, SR-Water Management, SR-Performance Metrics
	EM-EP-140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	CDP Water Response, SR-Water Management, SR-Performance Metrics
	EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Not Disclosed
	EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Not Disclosed

SASB TOPIC	CODE	ACCOUNTING/ACTIVITY METRIC	REFERENCE
Biodiversity Impacts	EM-EP-160a.1	Description of environmental management policies and practices for active sites	CCAR, CDP Climate Response, GEPP Board Committee Charter, EHS Philosophy, SR-Environment Overview, SR-Land Conservation and Biodiversity, SR-Governance Overview, SR-Enterprise Risk Management
	EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	SR-Environment Overview, SR-Spill Prevention, SR-Performance Metrics
	EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Not Disclosed
Security, Human Rights, and Rights of Indigenous Peoples	EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Not Applicable
	EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Not Disclosed
	EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Statement on Human Rights, SR-Land Conservation & Biodiversity, SR-Ethics and Integrity, SR-Human Rights
Community Relations	EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	SR-Social Overview, SR-Community Engagement
	EM-EP-210b.2	Number and duration of non-technical delays	Not Disclosed
Workforce Health & Safety	EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	SR-Report Summary, SR-Safety Overview, SR-Workforce Safety, SR-Performance Metrics
	EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	EHS Philosophy, SR-CEO Letter, SR-Report Summary, SR-Operations Overview, SR-Safety Overview, SR-Workforce Safety
Reserves Valuation & Capital Expenditures	EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	CCAR
	EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Not Disclosed
	EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	Not Applicable
	EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	CCAR, Form 10-K
Business Ethics & Payments Transparency	EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Not Applicable
	EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Anti-Corruption Policy, SR-Ethics & Integrity
Management of the Legal & Regulatory Environment	EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Political Activity and Lobbying Report, SR-Governance Overview, SR-Public Advocacy
Critical incident risk management	EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Not Disclosed
	EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	SR-Workforce Safety, SR-Emergency Preparedness
Activity Metrics	EM-EP-000.A	Production of oil	Form 10-K
		Production of natural gas	Form 10-K
		Production of synthetic oil	Not Applicable
		Production of synthetic gas	Not Applicable
	EM-EP-000.B	Number of offshore sites	Not Applicable
	EM-EP-000.C	Number of terrestrial sites	Website: https://www.devonenergy.com/operations

Reporting Frameworks continued



United Nations Sustainable Development Goals

At Devon, one way we reflect on our role in society is by viewing our work through the lens of the U.N. Sustainable Development Goals, or SDGs. The SDGs are the globally agreed-upon action plan for providing affordable and clean energy, protecting our planet, and promoting peace and prosperity for all people. We identified nine SDGs for which we believe Devon makes the greatest contribution. The following table summarizes those nine SDGs and where discussion of those topics can be found in this report.

SUSTAINABLE DEVELOPMENT GOAL	REFERENCE
SDG Goal 3 – Good Health and Well-Being	SR-Our Employee Experience
SDG Goal 4 – Quality Education	SR-STEM
SDG Goal 5 – Gender Equality	SR-Diversity, Equity and Inclusion
SDG Goal 6 – Clean Water and Sanitation	SR-Water Management
SDG Goal 7 – Affordable and Clean Energy	SR-Climate Change
SDG Goal 8 – Decent Work and Economic Growth	SR-Workforce Safety
SDG Goal 13 – Climate Action	SR- Enterprise Risk Management
SDG Goal 15 – Life on Land	SR-Land Conservation and Biodiversity
SDG Goal 17 – Partnerships for the Goals	SR-Air Emissions



American Exploration & Production Council Framework

The American Exploration and Production Council (AXPC) is a national trade association representing the largest independent oil and natural gas exploration and production companies in the United States. To promote transparency and consistency in ESG reporting among U.S. upstream exploration and production companies, AXPC launched its voluntary ESG Metrics Framework and Template in February 2021. AXPC’s framework includes five key metrics groupings – Greenhouse Gas Emissions, Flaring, Spills, Water Use and Safety. Note, Devon’s performance data presented in this AXPC framework table may differ in scope, definition and methodology from Devon’s reported data elsewhere in this report.

TOPIC	METRIC	2019	2020	2021	ADDITIONAL COMMENTS
Greenhouse Gas Emissions	Scope 1 GHG Emissions (metric tons CO ₂ e)	4,640,556	3,899,629	3,061,630	Devon calculates our direct (Scope 1) GHG and methane emissions by including all emissions reported to the Environmental Protection Agency (EPA) pursuant to the Greenhouse Gas Reporting Program (GHGRP) for onshore production and gathering and boosting assets under our operational control, as well as emissions subject to the GHGRP that fall below the basin-level reporting threshold.
	Scope 1 GHG Intensity Scope 1 GHG Emissions (metric tons CO ₂ e)/Gross Annual Production - As Reported Under Subpart W (MBoe)	18.11	14.23	11.03	
	Percent of Scope 1 GHG Emissions Attributed to Gathering and Boosting Segment	9%	14%	10%	
	Scope 2 GHG Emissions (metric tons CO ₂ e)	266,083	320,071	339,086	
	Scopes 1 & 2 Combined GHG Intensity (Scope 1 GHG Emissions (metric tons CO ₂ e) + Scope 2 GHG Emissions (metric tons CO ₂ e))/Gross Annual Production as Reported Under Subpart W (MBoe)	19.14	15.40	12.25	AXPC GHG and methane emissions, as shown here, include only emissions for onshore production and gathering and boosting assets that are reportable under the GHGRP and, therefore, exclude emissions that fall below the basin-level reporting threshold.
	Scope 1 Methane Emissions (metric tons CH ₄)	39,160	20,663	17,709	
	Scope 1 Methane Intensity Scope 1 Methane Emissions (metric tons CH ₄)/Gross Annual Production - As Reported Under Subpart W (MBoe)	0.15	0.08	0.06	
	Percent of Scope 1 Methane Emissions Attributed to Gathering and Boosting Segment	5%	10%	5%	
Flaring	Gross Annual Volume of Flared Gas (Mcf)	18,162,307	12,252,612	6,392,007	
	Percentage of gas flared per Mcf of gas produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Gas Production (Mcf)	2.19%	1.43%	0.93%	
	Volume of gas flared per barrel of oil equivalent produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Production (Boe)	0.066	0.040	0.023	
Spills	Spill Intensity Produced Liquids Spilled (Bbl)/Total Produced Liquids (MBbl)	0.0492	0.0150	0.0244	

Reporting Frameworks continued

American Exploration & Production Council Framework continued

TOPIC	METRIC	2019	2020	2021	ADDITIONAL COMMENTS
Water Use	Fresh Water Intensity Fresh Water Consumed (Bbl)/Gross Annual Production (Boe)	–	–	–	
	Water Recycle Rate Recycled Water (Bbl)/Total Water Consumed (Bbl)	24%	38%	53%	Devon calculates our water consumption by including volumes that were consumed downhole during completions activities.
	Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water stressed areas in your portfolio?	Yes	Yes	Yes	
Safety	Employee TRIR # of Employee OSHA Recordable Cases x 200,000 / Annual Employee Workhours	0.53	0.36	0.58	
	Contractor TRIR # of Contractor OSHA Recordable Cases x 200,000 / Annual Contractor Workhours	0.49	0.44	0.48	
	Combined TRIR # of Combined OSHA Recordable Cases x 200,000 / Annual Combined Workhours	0.49	0.43	0.49	
Supporting Data	Gross Annual Oil Production (Bbl)	137,962,838	160,143,612	162,544,851	
	Gross Annual Gas Production (Mcf)	829,020,558	858,964,832	686,792,972	
	Gross Annual Production (Boe)	276,132,931	303,304,417	277,010,346	
	Gross Annual Production (MBoe)	276,133	303,304	277,010	
	Gross Annual Production - As Reported Under Subpart W (MBoe)	256,300	274,075	277,668	
	Total Produced Liquids (MBbl)	412,651	507,762	539,559	
	Produced Liquids Spilled (Bbl)	20,311	7,616	13,146	
	Freshwater Consumed (Bbl)	–	–	–	
	Recycled Water (Bbl)	33,827,560	37,174,485	61,431,129	
	Total Water Consumed (Bbl)	138,520,012	98,448,260	116,000,000	
	Employee OSHA Recordable Cases	15	9	12	
	Contractor OSHA Recordable Cases	87	55	55	
	Combined OSHA Recordable Cases	102	64	67	
	Annual Employee Workhours	5,687,625	4,957,528	4,128,620	
	Annual Contractor Workhours	35,659,918	24,754,175	22,993,057	
	Methodology	CAPP	CAPP	CAPP	
	Annual Combined Workhours	41,347,543	29,711,703	27,121,677	



American Petroleum Institute Framework

TOPIC	NO.	INDICATOR	UNITS	2021	COMMENTS
1. Direct GHG Emissions (Scope 1)	1.1	Direct GHG Emissions (Scope 1) - All GHGs	(million metric tons CO ₂ e)	3.08	
	1.1.1	Upstream - All GHGs	(million metric tons CO ₂ e)	3.08	
	1.1.1.1	CH ₄	(million metric tons CO ₂ e)	0.45	
	1.1.1.2	Upstream Flaring (All GHGs; subset of Scope 1)	(million metric tons CO ₂ e)	0.60	
	1.1.1.3	Volume of Flares	(mmcf)	6,790	
	1.1.2	Midstream - All GHGs	(million metric tons CO ₂ e)	N/A	
	1.1.2.1	CH ₄	(million metric tons CO ₂ e)	N/A	
	1.1.3	Downstream - All GHGs	(million metric tons CO ₂ e)	N/A	
	1.1.4	LNG - All GHGs	(million metric tons CO ₂ e)	N/A	
2. Indirect GHG Emissions from Imported Energy (Scope 2)	1.1.5	Oil and Natural Gas Field Services - All GHGs	(million metric tons CO ₂ e)	N/A	
	2.1	Indirect GHG Emissions from Imported Electricity + Heat + Steam + Cooling (Scope 2, Market-based)		0.34	
	2.1.1	Upstream - All GHGs	(million metric tons CO ₂ e)	0.34	
	2.1.2	Midstream - All GHGs	(million metric tons CO ₂ e)	N/A	
	2.1.3	Downstream - All GHGs	(million metric tons CO ₂ e)	N/A	
3. GHG Mitigation	2.1.4	LNG - All GHGs	(million metric tons CO ₂ e)	N/A	
	2.1.5	Oil and Natural Gas Field Services - All GHGs	(million metric tons CO ₂ e)	N/A	
	3.1	GHG Mitigation from CCUS, Credits, and Offsets	(million metric tons CO ₂ e)	—	
	3.1.1	Carbon Capture Utilization or Storage (CCUS) - All GHGs	(million metric tons CO ₂ e)	—	
	3.1.2	Renewable Energy Credits - (RECs for Indirect Emissions) - All GHGs	(million metric tons CO ₂ e)	—	
4. GHG Emissions Intensity	3.1.3	Offsets - All GHGs	(million metric tons CO ₂ e)	—	
	4.1	Scope 1 + Scope 2 Upstream GHG Intensity	million metric tons CO ₂ e/MBOE	12	
	4.2	Scope 1 Upstream Methane Intensity	million metric tons CO ₂ e/MBOE	2	
	4.3	Scope 1 Upstream Flaring Intensity	million metric tons CO ₂ e/MBOE	2	
	4.4	Scope 1 + Scope 2 Liquids Pipelines Transmission GHG Intensity	million metric tons CO ₂ e/throughput in barrel-miles	N/A	
	4.5	Scope 1 Natural Gas Pipelines Transmission & Storage Methane Intensity	%	N/A	
	4.6	Scope 1 + Scope 2 Downstream GHG Intensity	million metric tons CO ₂ e/MBOE	N/A	
	4.7	Scope 1 + Scope 2 LNG GHG Intensity	million metric tons CO ₂ e/mmcf	N/A	
	4.8	Additional Intensity Metrics, if applicable (e.g., further disaggregated by constituent GHG or by more granular business asset, and/or for additional business assets beyond these categories)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Reporting Frameworks continued

American Petroleum Institute continued

TOPIC	NO.	INDICATOR	UNITS	2021	COMMENTS
5. Indirect GHG Emissions from Consumers’ Use of Products (Scope 3)	5.1	Indirect GHG Emissions from Use of Sold Products (Category 11)	(million metric tons CO ₂ e)	73	
	6.1	GHG Reduction Target(s)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	6.2	TCFD-informed reporting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
6. Additional Climate-Related Targets and Reporting	6.3	Additional Climate Reporting Resources			
	7.1	Assurance Level		2	Devon's 2021 Climate Change Assessment Report
7. Third-party Verification	7.2	Assurance Provider			ERM CVS

Disclaimer
This report contains terms, standards and reporting metrics used by IPIECA, Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and United Nations’ Sustainable Development Goals (UNSDG, together with IPIECA, TCFD and SASB, the “Frameworks”). The contents of this report are intended as guidance only and may not be comprehensive in scope or coverage, including as to such Frameworks. Devon does not intend to and is not endorsing or adopting phrases, specific terms or recommendations from the Frameworks. Non-financial and non-GAAP information, such as that included in this report, is subject to more potential limitations than financial information, given the methods used for calculating or estimating such information. Devon does not make any express or implied representations or warranties and shall not assume any liability whatsoever for providing guidance or using these Frameworks, or for any errors, mistakes or omissions in this report.

Additionally, the concept of materiality used in this report is not intended to correspond to the concept of materiality associated with the disclosures required by the U.S. Securities and Exchange Commission (the “SEC”). Please refer to our 2021 Annual Report on Form 10-K and our other filings with the SEC for information about the risks and uncertainties to our business and operations, and our industry in general. This report also incorporates a greater number of estimates and assumptions than many of our required disclosures, as well as longer time frames. This means that many of the matters discussed in this report are not, or currently cannot be ascertained to be, “material” as that term is defined by the U.S. federal securities laws. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws, even where we use the

word “material” or “materiality” in this report. Moreover, given the inherent uncertainty of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will be able to meet our plans, targets or goals in advance.

This report covers our owned and operated businesses and does not address the performance or operations of our suppliers, contractors and partners unless otherwise noted. This report does not distinguish between the activities and operations of our ultimate parent company (Devon Energy Corporation) and those of our subsidiaries.

This report includes “forward-looking statements” as defined by the SEC and federal securities laws. Any statement that is not a historical statement of fact should be treated as a forward-looking statement. Such statements include, without limitation, statements that relate to the manner in which Devon intends to conduct certain of its activities, based on management’s current plans and expectations. Such statements are not promises or guarantees of future conduct or policy and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control. See the Safe Harbor disclosure at the end of this report. Devon’s actual activities, including the development, implementation or continuation of any goal, program, target or initiative discussed in this report may differ materially in the future. The forward-looking statements in this report speak only as of the date this report is originally published, even if subsequently made available by Devon on its website or otherwise, and are based on management’s expectations as of such date. Devon does not undertake, and expressly disclaims, any obligation to update the forward-looking statements as a result of new information, future events or otherwise.

Safe Harbor
Some of the information provided in this report includes “forward-looking statements” as defined by the SEC and federal securities laws, including, but not limited to, those statements regarding our net zero targets, emission reduction targets and other climate and environmental-related goals, strategies and plans. Forward-looking statements are often, but not always, identified by use of the words “goals,” “achievements,” “forecasts,” “projections,” “estimates,” “plans,” “expectations,” “targets,” “opportunities,” “potential,” “outlook” and other similar terminology. Such statements concerning future performance are subject to a variety of risks and uncertainties that could cause Devon’s actual results to differ materially, and adversely, from the forward-looking statements contained herein. Readers should not place undue reliance on any forward-looking statement. Moreover, many of the assumptions, standards, metrics and measurements used in preparing this report continue to evolve and are based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees or promises of future performance. Actual results, conditions and outcomes, whether financial or otherwise, may differ materially, and adversely, from those expressed or implied by any of the forward-looking statements contained in this report due to a variety of factors, including, among others, global socio-demographic and economic trends, energy prices, technological innovations (including, but not limited to, the pace of technological developments with respect to leak detection), climate-related conditions and weather events, legislative and regulatory changes, our ability to gather and verify data regarding environmental impacts, our ability to successfully implement various initiatives throughout the organization under expected time frames, the compliance of various third parties, including our contractors, with our policies and procedures, and legal requirements and other unforeseen events or conditions. Other risks and uncertainties are described in more detail in the “Risk Factors” section of our most recent Form 10-K and in our other filings with the SEC and other disclosures. Devon has not, and does not intend to, independently verify third-party data.

The forward-looking statements provided in this report are based on management’s examination of historical operating trends, the information which was used to prepare reserve reports and other data in Devon’s possession or available from third parties. Devon cautions that its future oil, natural gas and natural gas liquids (“NGL”) production, revenues and expenses are subject to all of the risks and uncertainties normally incident to the exploration for and development, production and sale of oil, natural gas and NGLs. These risks include, but are not limited to, price volatility, inflation or lack of availability of goods and services, environmental risks, drilling risks, political changes, changes in laws or regulations, the uncertainty inherent in estimating future oil and gas production or reserves and, as noted above, other risks identified in our Form 10-K and our other filings with the SEC.



NYSE: DVN
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