

DEVON ENERGY

2018 Political Activity and Lobbying Report

SUMMARY

POLITICAL CONTRIBUTIONS

Corporate	\$ 169,000
PACs & 527s	\$ 325,000
Total	\$ 494,000

DECPAC CONTRIBUTIONS

DECPAC	\$ 338,000
Total	\$ 338,000

LOBBYING

Federal	\$ 897,974
State	\$ 6,574
Total	\$ 904,548

Consistent with its core values, Devon adheres to high ethical standards when it participates in government affairs and the political process, and accordingly provides this report of political contributions and lobbying expenditures for the benefit of the company’s stockholders, other stakeholders and the general public.

Devon’s political activities and lobbying are consistent with Devon’s public policy positions and business objectives, some of which are outlined below, and are not predicated on the personal views of Devon’s employees or board of directors. We advocate on matters of public interest and are committed to doing so in compliance with all applicable laws, rules and regulations. This includes financial disclosures, which are extensive and publicly accessible, reflecting our lobbying expenditures. **(See Devon’s Sustainability Report for additional detail)**

Corporate Political Contributions

The company may contribute its funds or assets (including property, services or use of facilities) as political contributions only if in accordance with applicable law and as authorized by our Vice President - Public and Government Affairs, who regularly updates Devon’s executive committee (including the company’s president and CEO) and board on lobbying and political activities. **(See Devon’s Code of Business Conduct and Ethics)** Devon’s corporate contributions in 2018 supported 49 state candidates and political organizations in New Mexico and totaled \$169,000. **(See detailed list of recipients)**

DECPAC Contributions

Devon pays the operating expenses of Devon Energy Corporation Political Action Committee (“DECPAC”), a nonprofit, unincorporated, non-partisan political committee composed of members (eligible company employees and other persons) who make voluntary contributions.

Subject to approval of its board, DECPAC disburses contributions to political parties or candidates who support pro-business and pro-energy issues. In 2018, DECPAC contributed a total of \$338,000. A comprehensive list of all DECPAC contributions, DECPAC’s giving criteria and board members, as well as a summary of DECPAC’s fundraising, are included in the **2018 DECPAC Annual Report**.



2018 DECPAC contributions

Federal candidates	\$101,500
Federal party committees	\$ 30,000
State candidates.....	\$206,500

DECPAC contributions are also publicly reported pursuant to state and federal law to the following authorities:

Federal Election Commission
fec.gov

Oklahoma Ethics Commission
ok.gov/ethics

Texas Ethics Commission
ethics.state.tx.us

Wyoming Campaign Finance Disclosure
wycampaignfinance.gov

2018 POLITICAL ACTIVITY AND LOBBYING REPORT

527 Contributions

From time to time, Devon also supports other tax-exempt organizations, including those organized under section 527 of the Internal Revenue Code, to help advance the company's public policy goals. Those public policy goals include, but are not limited to:

- Encouraging free and open markets for all products, including oil and natural gas
- Supporting competitive state and federal tax rates
- Recognizing states' rights to regulate oil and gas operations while opposing a federal "one size fits all" approach
- Growing U.S. and Canadian energy production
- Supporting safe, science-based and non-duplicative regulations for oil and gas activities
- Encouraging effectiveness and efficiency at all levels of government

In 2018, Devon contributed a total of \$325,000 to 527 organizations which consisted of the following:

New Mexico Strong.....	\$ 25,000
Republican Governor's Association	\$200,000
Senate Leadership Fund.....	\$100,000

Devon has not used corporate or DECPAC funds to make any direct independent expenditures on behalf of candidates running for public office.

Ballot Measures

When advisable, Devon may contribute corporate funds to ballot measures that could affect Devon's business practices or the communities in which we operate. In 2018, Devon contributed \$100,000 to the Oklahoma SQ 788 is Not Medical campaign.

Trade Associations

Like its peers, Devon is a member of and actively engages in various industry and trade groups (organized under section 501(c)(6) of the Internal Revenue Code) in the United States. These associations engage in setting industry standards and promoting educational initiatives regarding issues that affect our industry, as well as engaging in lobbying activities that seek to promote legislative solutions that are sound and responsible while generally advancing Devon's business goals and interests.

In 2018, Devon paid approximately \$4.7 million in dues to 501(c)(6) organizations. In excess of 75% of that total is attributed to the following organizations: The American Petroleum Institute, The US Chamber of Commerce, The National Association of Manufacturers, The Oklahoma State Chamber of Commerce, Oklahoma Oil and Gas Association and the New Mexico Oil and Gas Association. Approximately \$1.8 million of the total contributions were considered non-deductible by the IRS and went towards grassroots and industry advocacy activities.

Federal Lobbying

In 2018, the company's federal lobbying expenses totaled approximately \$897,974.

As required by the Lobbying Disclosure Act (LDA), Devon files quarterly reports

that describe issues lobbied and the amount spent on lobbying activity. Because Devon uses "Method A" reporting (as defined in the LDA), this amount includes lobbying expenses incurred by trade associations supported by Devon. These reports are publicly available at lobbyingdisclosure.house.gov.

For 2018, Devon's lobbying expenses consisted of the following:

Employee time.....	\$ 519,922
Contract lobbyists.....	\$110,544
Trade associations.....	\$ 267,508

To ensure that all applicable activity and costs are accurately reported, Devon's compliance system undergoes an annual internal audit. For outside oversight, Devon periodically engages outside counsel for guidance on political compliance.

State Lobbying

In 2018, Devon engaged in lobbying activity at the state level in New Mexico, Oklahoma, Texas and Wyoming. These activities totaled \$6,574, and were reported pursuant to state and federal law to the following authorities:

New Mexico Secretary of State....	\$2,386
Oklahoma Ethics Commission	\$ 165
Texas Ethics Commission	\$ 590
Wyoming Secretary of State.....	\$3,433

Subsequent Reports

Devon expects to annually publish a Political Activity and Lobbying Report.