

# Q2 2025 EARNINGS PRESENTATION

August 5, 2025

## | KEY HIGHLIGHTS

### **Delivered** strong production result exceeding guidance

Total production averaged 841,000 BOE per day, with oil reaching 387,000 barrels per day supported by strong production growth in the Delaware Basin

### **Disciplined** capital spending below plan

Invested \$932 million, coming in 7% under midpoint guidance, while maintaining a low reinvestment rate of 61% of operating cash flow

### **Enhanced** financial strength with strong cash build

Increased cash balances by \$525 million to \$1.8 billion, with net-debt-to EBITDAX declining to 0.9x driven by significant free cash flow and Matterhorn divestiture

### **Achieved** 40% of Business Optimization Plan

Realized \$400 million of annual benefit ahead of schedule as organization continues to focus on expanding free cash flow

### **Improved** 2025 free cash flow outlook

Lowered full-year capital guidance for second quarter in a row to a midpoint of \$3.7 billion and increased oil and total production outlook



OUR **DISCIPLINED MODEL**  
CREATES SIGNIFICANT VALUE





## | OUR STRATEGIC PRIORITIES

# STRATEGIC PRIORITIES + OUR CORE VALUES



**INTEGRITY**



**RELATIONSHIPS**



**COURAGE**



**RESULTS**

### **OPERATIONAL EXCELLENCE**

- Operating safely, reliably, and in an environmentally responsible manner
- Embrace innovative thinking and technology to improve business performance

### **ADVANTAGED ASSET PORTFOLIO**

- Diversified multi-basin portfolio in top U.S. resource plays
- High-quality inventory depth underpins long-term sustainability

### **MAINTAINING FINANCIAL STRENGTH**

- Disciplined reinvestment to maximize free cash flow
- Committed to maintaining low leverage (<1.0x net debt-to-EBITDAX ratio)

### **DELIVERING VALUE TO SHAREHOLDERS**

- Dedicated to sustainable, annual growth in fixed dividend
- Enhancing return of capital with a share buyback program

### **CULTIVATING A CULTURE TO SUCCEED**

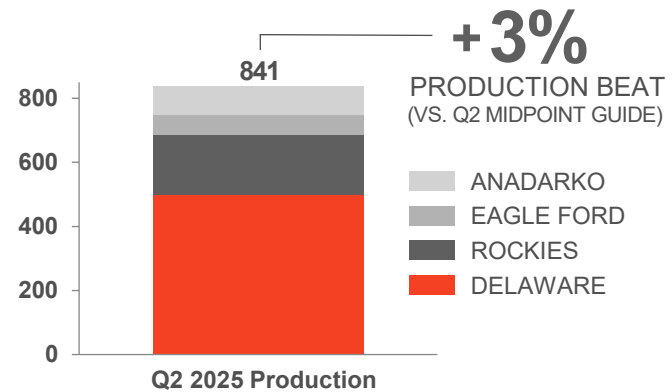
- Valuing and investing in our employees
- Being a good steward to the communities we operate in



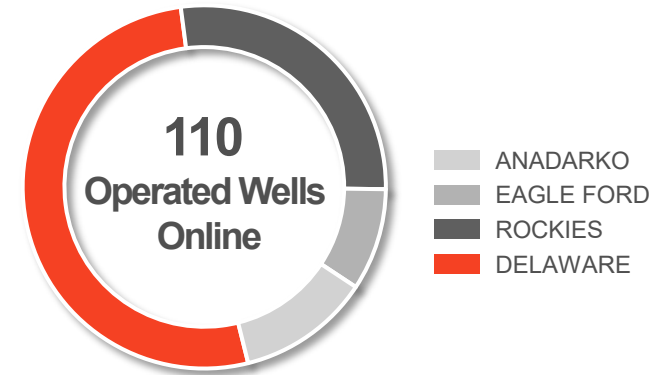
# | CONTINUING TO DELIVER SIGNIFICANT VALUE



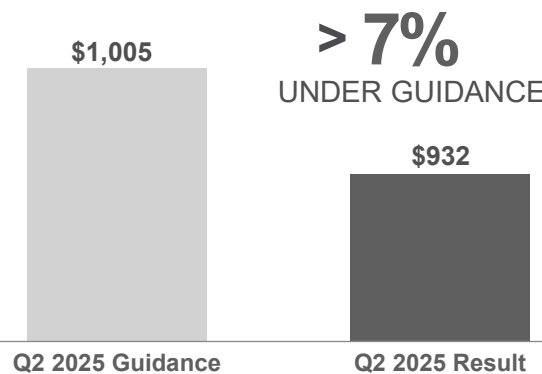
## VOLUMES EXCEED GUIDANCE (MBOED)



## DELAWARE CONCENTRATED PROGRAM (Q2 2025 GROSS WELLS ONLINE)



## EFFICIENT CAPITAL SPENDING (\$MM)



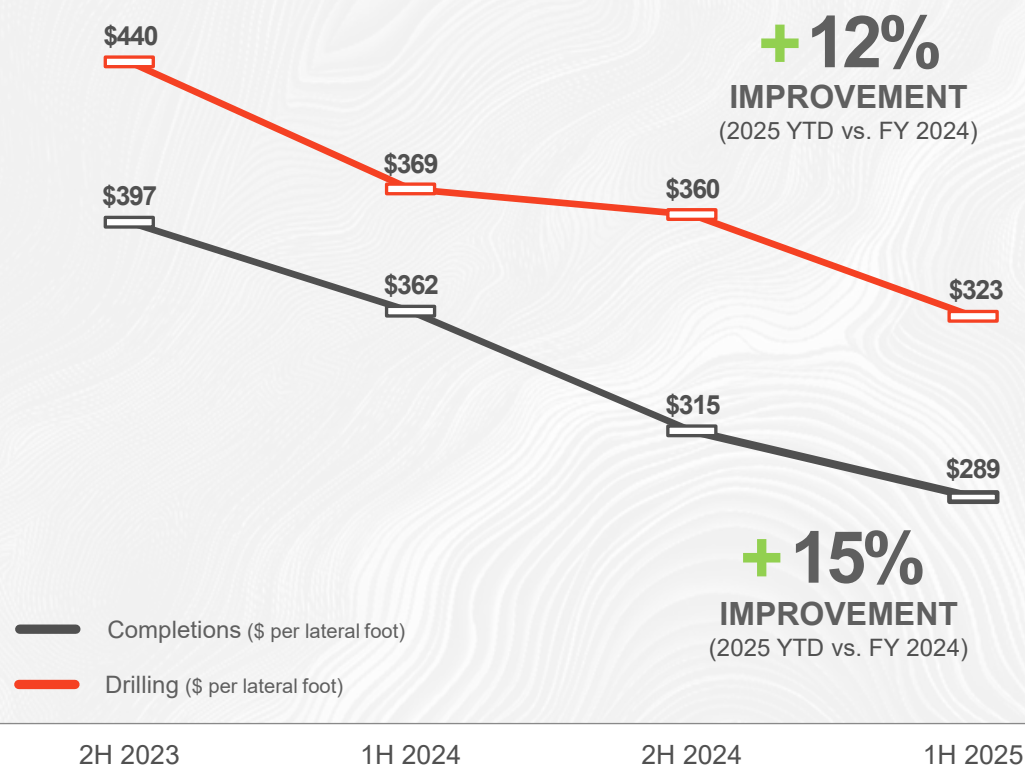
## SIGNIFICANT FREE CASH FLOW (\$ IN MILLIONS)



# OPERATIONAL HIGHLIGHTS

## DELAWARE CAPITAL EFFICIENCIES

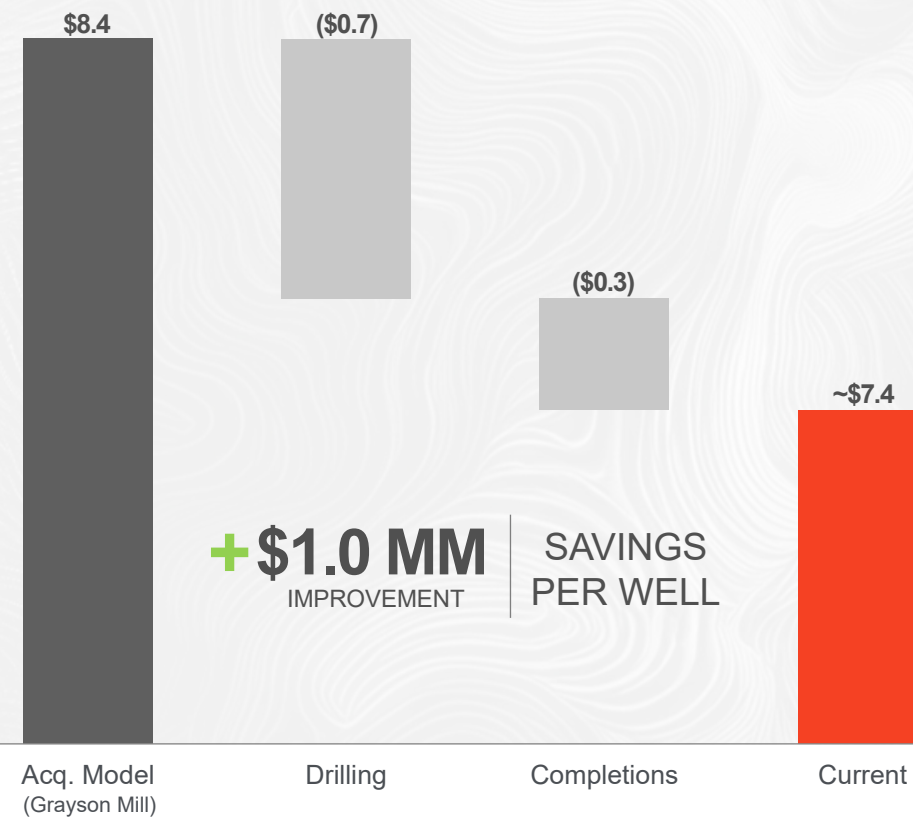
\$ PER LATERAL FOOT\*



\*Does not include facilities, flowback, or artificial lift expenses

## WILLISTON BASIN COST REDUCTIONS

2-MILE WELL COST (\$ IN MILLIONS)





# | 2025 CAPITAL EFFICIENCY CONTINUES TO IMPROVE

## REDUCING CAPITAL

2025e Full-Year Capital Spend Guidance (\$ in billions)

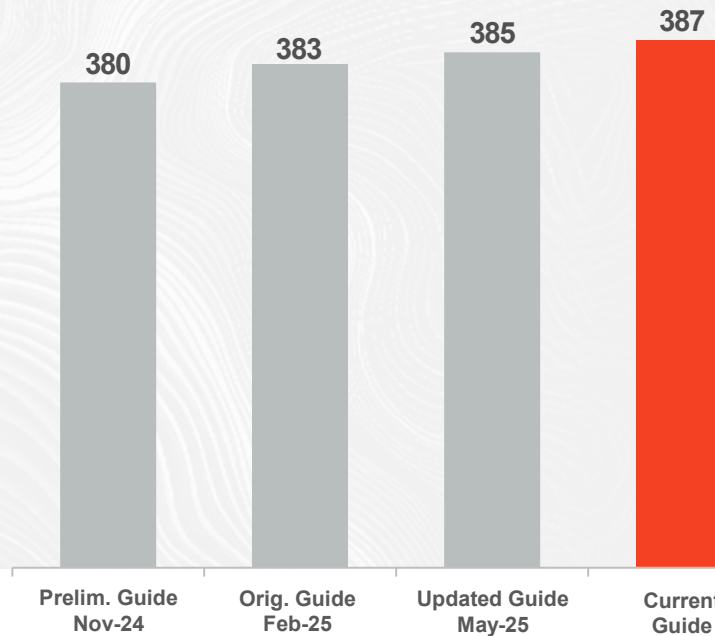
↓ **\$400 MILLION**  
From Preliminary Guide  
(Nov. 2024)



## INCREASING PRODUCTION

2025e Full-Year Oil Production Guidance (MBOD)

↑ **+7 MBOD**  
From Preliminary Guide  
(Nov. 2024)



## IMPRESSIVE FINANCIAL PERFORMANCE

### Q2 2025 KEY FINANCIAL METRICS

**+ \$0.84** (per share) Core Earnings

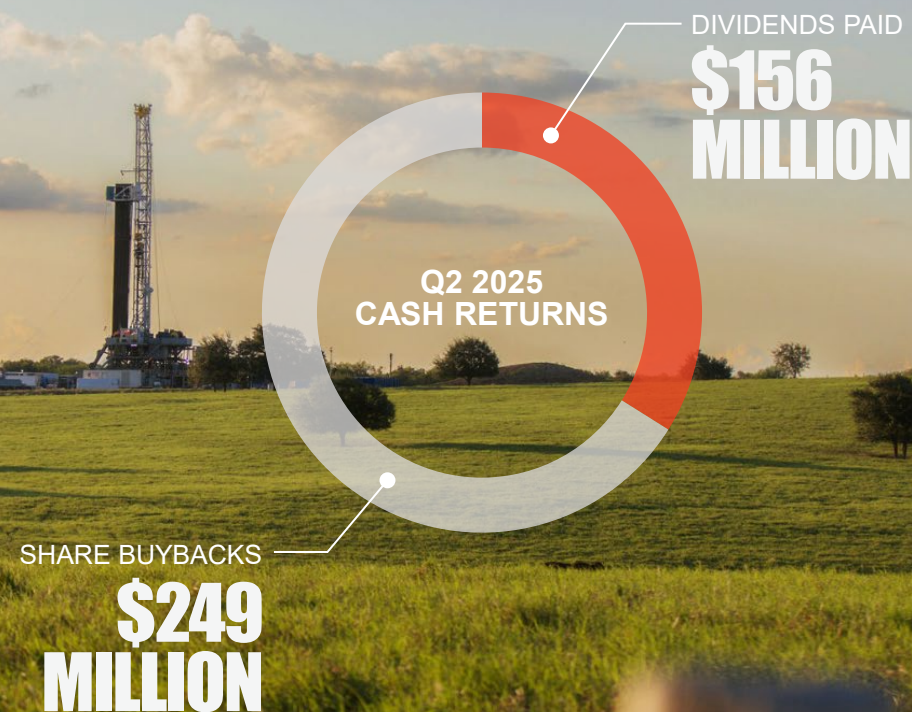
**+ \$1,768** (\$MM) EBITDAX

**+ \$1,545** (\$MM) Operating Cash Flow

**+ \$589** (\$MM) Free Cash Flow

Note: Core earnings, EBITDAX and free cash flow are non-GAAP disclosures. See Devon's second-quarter 2025 earnings materials for more details regarding non-GAAP disclosures.

## RETURNING VALUE TO SHAREHOLDERS



# | SIGNIFICANT FINANCIAL STRENGTH AND LIQUIDITY



TOTAL LIQUIDITY

**\$4.8B**

CASH & UNDRAWN  
CREDIT FACILITY

CASH BALANCE

**\$1.8B**

CASH POSITION  
AS OF 6/30/2025

LOW LEVERAGE

**0.9x**

NET DEBT-TO-EBITDAX  
AS OF 6/30/2025

CREDIT RATINGS

**BBB/Baa2**

INVESTMENT-GRADE AT  
S&P & MOODY'S

DEBT REDUCTION PLAN

**\$2.5B<sup>(1)</sup>**

ABSOLUTE DEBT EXPECTED  
TO BE RETIRED

ATTRACTIVE HEDGE POSTION

**~ 30%**

OF OIL AND GAS  
PRODUCTION HEDGED IN 2025

(1) \$2.5 billion debt reduction plan announced in July 2024. \$500 million reduction already achieved. Additional ~\$500 million to be retired in September





# | INCREASING OIL PRODUCTION WHILE LOWERING CAPITAL FOR SECOND QUARTER IN A ROW

## UPDATED 2025e OUTLOOK



OIL  
VOLUMES



**384 – 390**  
MBOD



TOTAL  
CAPITAL



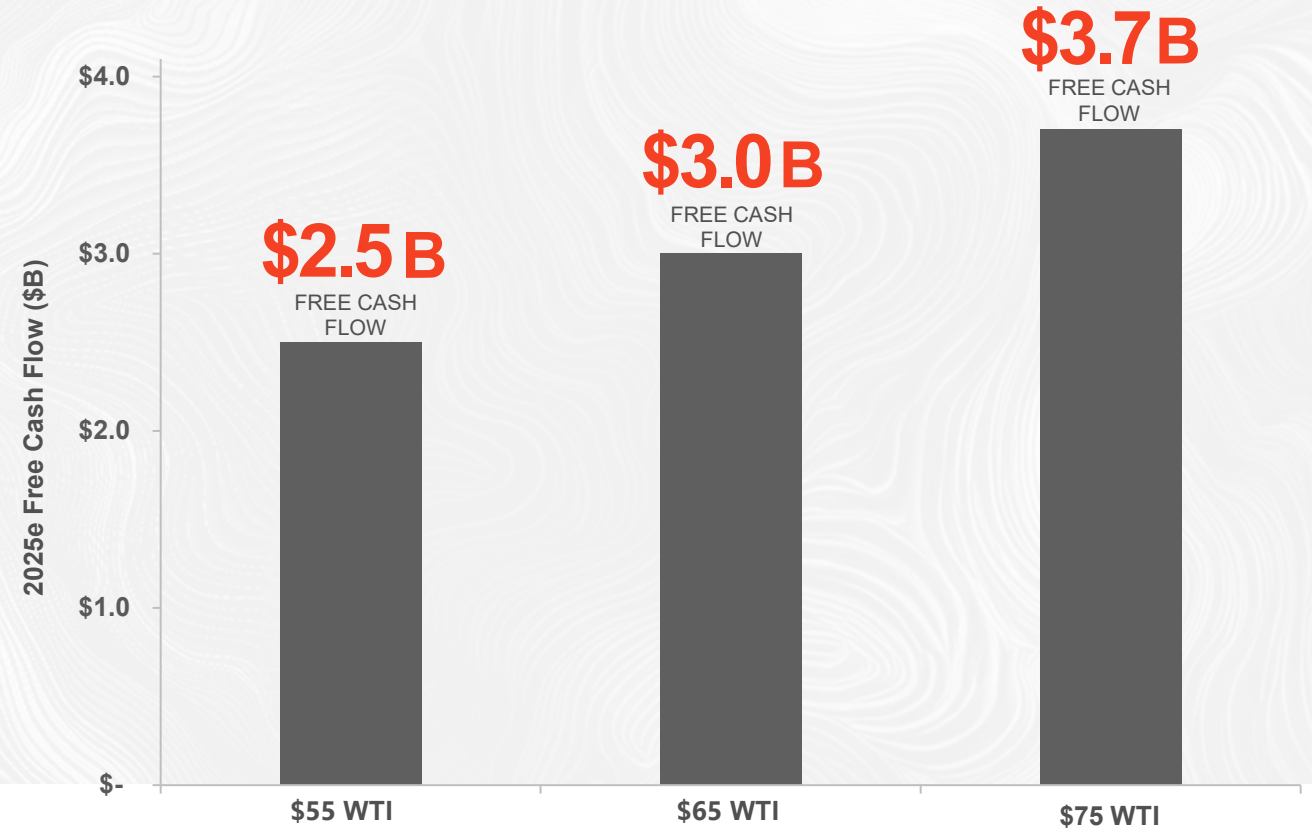
**\$3.6 – \$3.8**  
BILLION



BREAKEVEN  
FUNDING LEVEL

**< \$45<sup>(1)</sup>**  
WTI OIL PRICE

## ATTRACTIVE FREE CASH FLOW



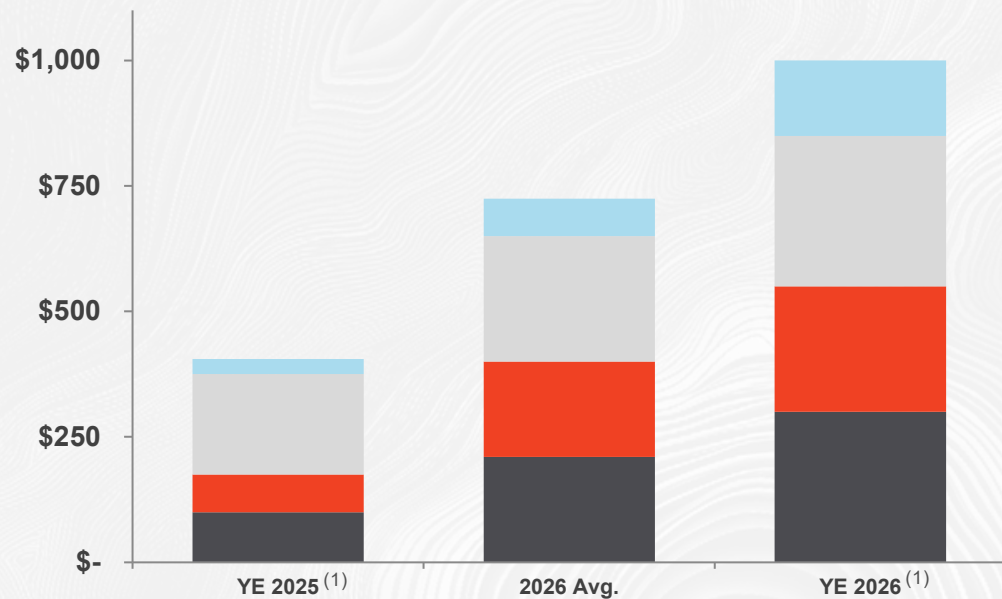
(1) Includes dividend and benefit of current hedge portfolio.

Note: Free cash flow represents 2025e operating cash flow before balance sheet changes less total capital requirements. Assumes actual results year-to-date and applicable WTI price for remainder of 2025, Henry Hub strip pricing & NGL realizations at 30% of WTI.



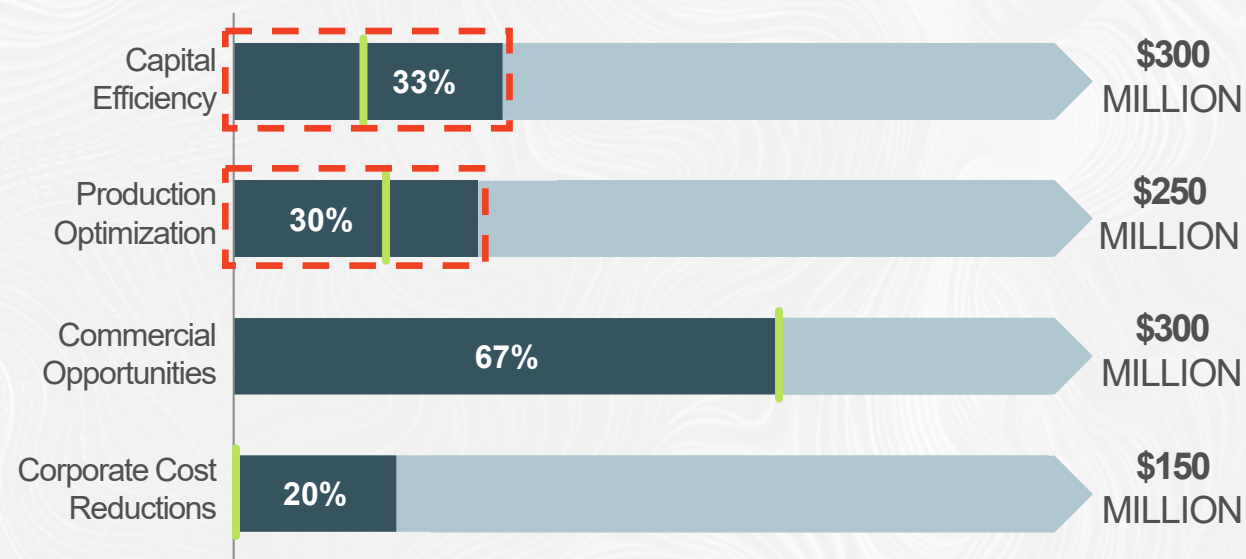
# | BUSINESS OPTIMIZATION

**TIMING TO DELIVER RUN-RATE IMPROVEMENTS**  
(\$MM)



CAPITAL EFFICIENCY
  COMMERCIAL OPPORTUNITIES  
 PRODUCTION OPTIMIZATION
  CORPORATE COST REDUCTIONS

**SCORECARD: 40% ACHIEVED IN 4 MONTHS**  
(%)



ACHIEVED TO-DATE
  REFLECTED IN 2025 OUTLOOK
  PROGRESS AT Q1 UPDATE

(1) Run-rate that will take effect Jan. 1<sup>st</sup> the following year.



# | BUSINESS OPTIMIZATION INITIATIVES

CATEGORY	INITIATIVES UNDERWAY		MILESTONES
<b>CAPITAL EFFICIENCY</b>	<b>\$300 MM</b>	<ul style="list-style-type: none"> <li>▪ Drilling and completion cycle time improvements</li> <li>▪ Refine supply chain structure with comprehensive vendor selection</li> <li>▪ Increase application of simulfrac across programs</li> <li>▪ Scale automated flowback across capital programs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Efficiency gains driving <b>\$100 MM</b> capital reduction for 2025</li> <li>▪ Williston &amp; Delaware drilling feet/day improved 10% and 5% YoY</li> </ul>
<b>PRODUCTION OPTIMIZATION</b>	<b>\$250 MM</b>	<ul style="list-style-type: none"> <li>▪ Automated downtime identification</li> <li>▪ LOE optimization through condition-based maintenance</li> <li>▪ Enhanced well modeling driving base optimization opportunities</li> <li>▪ Smart gas lift calibrating injection rates to maximize profit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Base production outperformance driving <b>\$75 MM</b> capital reduction for 2025</li> <li>▪ Implementation and optimization of advanced lift techniques</li> </ul>
<b>COMMERCIAL OPPORTUNITIES</b>	<b>\$300 MM</b>	<ul style="list-style-type: none"> <li>▪ Proactively renegotiate agreements to lower GP&amp;T rates</li> <li>▪ Improve recoveries with updated agreement terms</li> <li>▪ Restructure NGL contracts to improve realizations</li> <li>▪ Enhance downstream oil realizations with access to exports</li> </ul>	<ul style="list-style-type: none"> <li>▪ Signed contracts in Delaware for <b>\$200 MM</b> in annual savings (effective YE 2025)</li> <li>▪ 2/3 of improvements will benefit NGL price realizations</li> </ul>
<b>CORPORATE COST</b>	<b>\$150 MM</b>	<ul style="list-style-type: none"> <li>▪ Reduce debt to lower interest expense</li> <li>▪ Streamline company hardware and software costs</li> <li>▪ Process simplification and improve standardization</li> <li>▪ Proactively manage employee headcount and technology adoption</li> </ul>	<ul style="list-style-type: none"> <li>▪ Retiring \$485 MM notes in Sept. 2025, resulting in <b>\$30 MM</b> of annual savings</li> <li>▪ Multiple software contracts rolling off, reducing go-forward corporate capital (\$15 MM in 2026)</li> </ul>



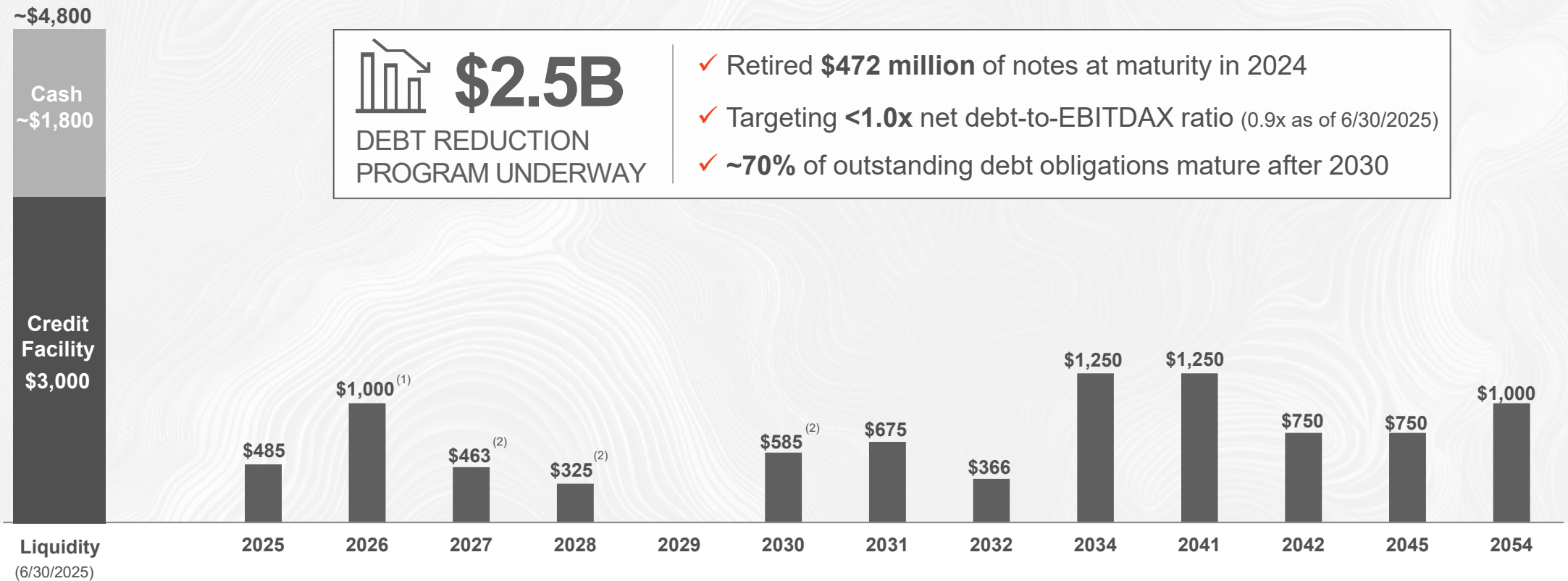


# APPENDIX

# | OUR INVESTMENT-GRADE FINANCIAL STRENGTH

## Outstanding debt maturities

(\$ in millions)



(1) Represents 2-year term loan.

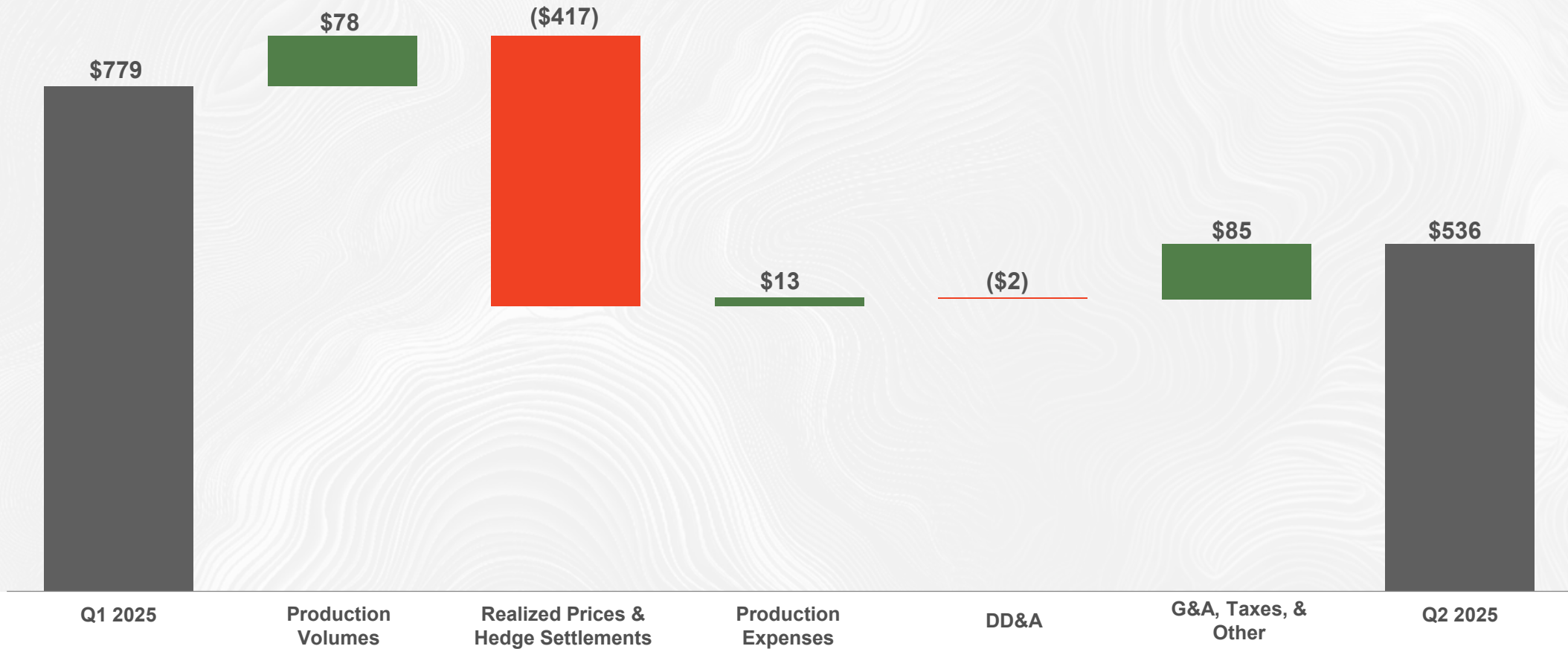
(2) \$390 million of notes due in 2027 are callable. All of notes due in 2028 and 2030 are callable at a fixed price.



## | Q2 2025 – EARNINGS SUMMARY

### Net core earnings change quarter over quarter

\$ in millions





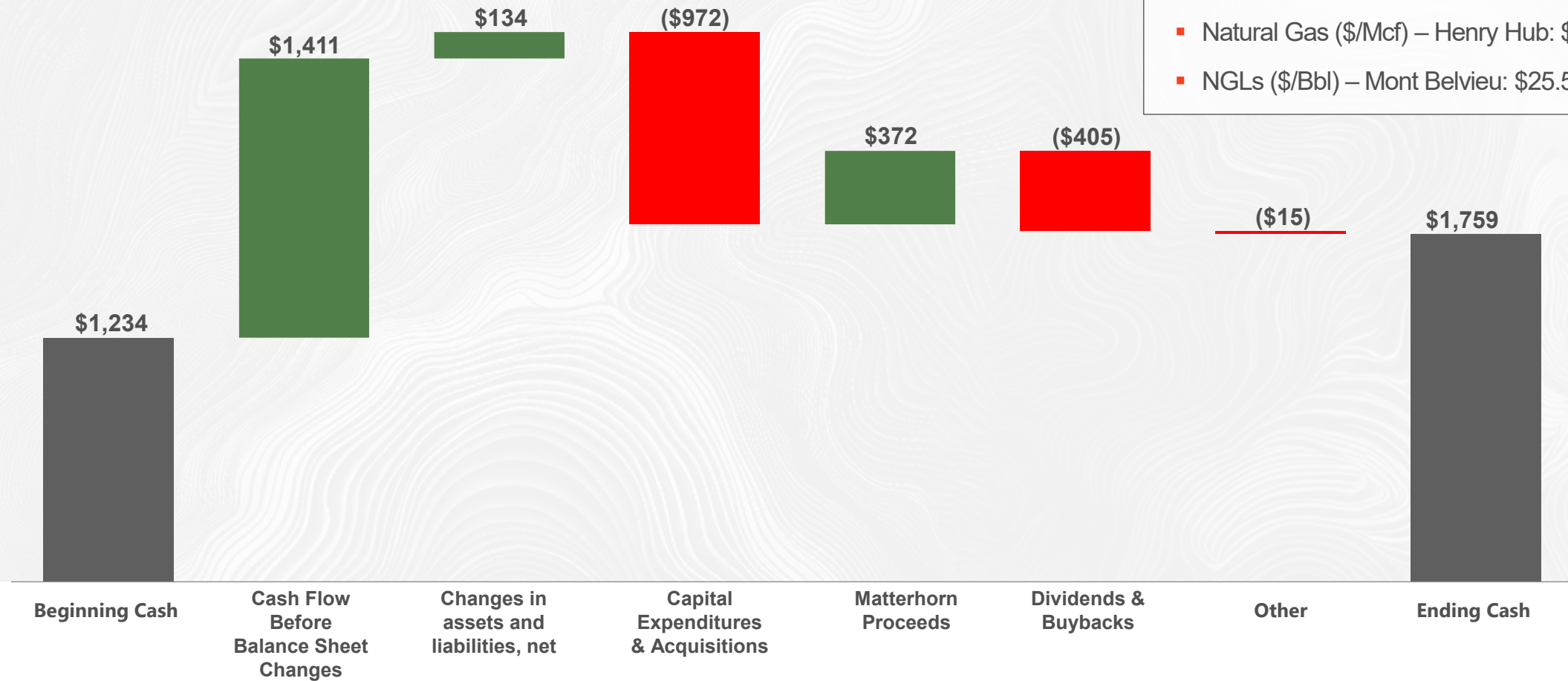
## Q2 2025 – CASH FLOW SUMMARY

Exiting the quarter with strong liquidity

\$ in millions

### Q2 2025 Benchmark Prices

- Oil (\$/Bbl) – WTI : \$63.95
- Natural Gas (\$/Mcf) – Henry Hub: \$3.44
- NGLs (\$/Bbl) – Mont Belvieu: \$25.58



# INVESTOR CONTACTS & NOTICES

## INVESTOR RELATIONS CONTACTS

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## Investor Notices

### Forward-Looking Statements

This communication includes “forward-looking statements” within the meaning of the federal securities laws. Such statements include those concerning strategic plans, our expectations and objectives for future operations, as well as other future events or conditions, and are often identified by use of the words and phrases “expects,” “believes,” “will,” “would,” “could,” “continue,” “may,” “aims,” “likely to be,” “intends,” “forecasts,” “projections,” “estimates,” “plans,” “expectations,” “targets,” “opportunities,” “potential,” “anticipates,” “outlook” and other similar terminology. All statements, other than statements of historical facts, included in this communication that address activities, events or developments that Devon expects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control. Consequently, actual future results could differ materially and adversely from our expectations due to a number of factors, including, but not limited to: the volatility of oil, gas and NGL prices, including from changes in trade relations and policies, such as the imposition of tariffs by the U.S., China or other countries; uncertainties inherent in estimating oil, gas and NGL reserves; the extent to which we are successful in acquiring and discovering additional reserves; the uncertainties, costs and risks involved in our operations; risks related to our hedging activities; our limited control

over third parties who operate some of our oil and gas properties; midstream capacity constraints and potential interruptions in production, including from limits to the build out of midstream infrastructure; competition for assets, materials, people and capital, which can be exacerbated by supply chain disruptions, including as a result of tariffs or other changes in trade policy; regulatory restrictions, compliance costs and other risks relating to governmental regulation, including with respect to federal lands, environmental matters and water disposal; climate change and risks related to regulatory, social and market efforts to address climate change; risks relating to our ESG initiatives; claims, audits and other proceedings impacting our business, including with respect to historic and legacy operations; governmental interventions in energy markets; counterparty credit risks; risks relating to our indebtedness; cybersecurity risks; the extent to which insurance covers any losses we may experience; risks related to shareholder activism; our ability to successfully complete mergers, acquisitions and divestitures; our ability to pay dividends and make share repurchases; and any of the other risks and uncertainties discussed in Devon’s 2024 Annual Report on Form 10-K (the “2024 Form 10-K”) or other filings with the Securities and Exchange Commission (the “SEC”).

The forward-looking statements included in this communication speak only as of the date of this communication, represent management’s current reasonable expectations as of the date of this communication and are subject to the risks and uncertainties identified above as well as those described elsewhere in the 2024 Form 10-K and in other documents we file from time to time with the SEC. We cannot guarantee the accuracy of our forward-looking statements, and readers are urged to carefully review and consider the various disclosures made in the 2024 Form 10-K and in other documents we file from time to time with the SEC. All subsequent written and oral forward-looking statements attributable to Devon, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements above. We do not undertake, and expressly disclaim, any duty to update or revise our forward-looking statements based on new information, future events or otherwise.

### Use of Non-GAAP Information

This presentation includes non-GAAP (generally accepted accounting principles) financial measures. Such non-GAAP measures are not alternatives to GAAP measures, and you should not consider these non-GAAP measures in isolation or as a substitute for analysis of our results as reported under GAAP. For additional disclosure regarding such non-GAAP measures, including reconciliations to their most directly comparable GAAP measure, please refer to Devon’s second-quarter 2025 earnings materials and related Form 10-Q filed with the SEC.

### Cautionary Note on Reserves and Resource Estimates

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. Any reserve estimates provided in this presentation that are not specifically designated as being estimates of proved reserves may include estimated reserves or locations not necessarily calculated in accordance with, or contemplated by, the SEC’s latest reserve reporting guidelines. You are urged to consider closely the oil and gas disclosures in the 2024 Form 10-K and our other reports and filings with the SEC.

