

Increasing Shareholder Returns with New Capital Allocation Framework

September 2021



Why Own Ovintiv

“We are at the forefront of driving innovation to produce oil and gas from shale both profitably and sustainably. We will generate superior returns and free cash flow by continuously improving capital efficiency and expanding margins while driving down emissions. We will deliver that value to our shareholders through disciplined capital allocation.”

– Brendan McCracken, President & CEO

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- ✓ **Committed to Shareholder Returns**
New framework set to begin in 4Q21
~9% cash yield at current strip for 2022
 - ✓ **Rapid Debt Reduction**
\$4.5B YE21 Net Debt[†] reflects ~\$3B reduction vs. 2Q20
Net Debt[†] Target of \$3.0B
 - ✓ **Substantial Free Cash Flow Generation**
~\$15B FCF[†] over 10-yrs at \$55 WTI; ~\$21B FCF[†] over 10-yrs at \$65 WTI
Superior returns on capital investment
 - ✓ **Innovative Culture**
Cube development, simul-frac, wet sand, integrated supply chain
 - ✓ **Driving ESG Progress**
Rapid emissions reduction & leadership role in industry
 - ✓ **Top Tier Multi-Basin Portfolio**
>10-years of premium return inventory
Multi-product commodity exposure
-

Capital Allocation Principles

<75% Reinvestment Rate

- Superior returns and significant free cash flow through-cycle
- No growth into oversupplied market

Base Dividend

- Sustainable & growing
- Through cycle return to our shareholders

\$3B Net Debt^T Target

- Rapidly reducing debt
- Enhances through-cycle resilience

Increasing Shareholder Returns

- Gains in free cash flow increase shareholder returns
- Amplifies base dividend offering through additional shareholder upside

>10-years Premium Inventory

- Continuously extended through organic assessment and appraisal
- Opportunistically enhanced through small low-cost property bolt-ons

Shareholder Return Framework

Incremental Shareholder Returns Starting 4Q21
Based on 3Q21 FCF[†]



Free Cash Flow After Base Dividend

	Net Debt [†] >>> <u>Until \$3.0B</u>	<u>After \$3.0B</u>	
Shareholder Returns	25%	50% <i>At least</i>	Share Buybacks Variable Dividend
Balance Sheet	75%	50% <i>Up to</i>	Debt Paydown Small low-cost property bolt-ons

Framework Underpinned by Reinvestment Ratio



Reinvestment Ratio

<75%

Drives Free Cash Flow through-cycle

- No expensive/dilutive M&A
- >10-years premium inventory maintained

2022 Shareholder Return Potential

How We Think About Buybacks vs. Variable Dividends

Key Considerations

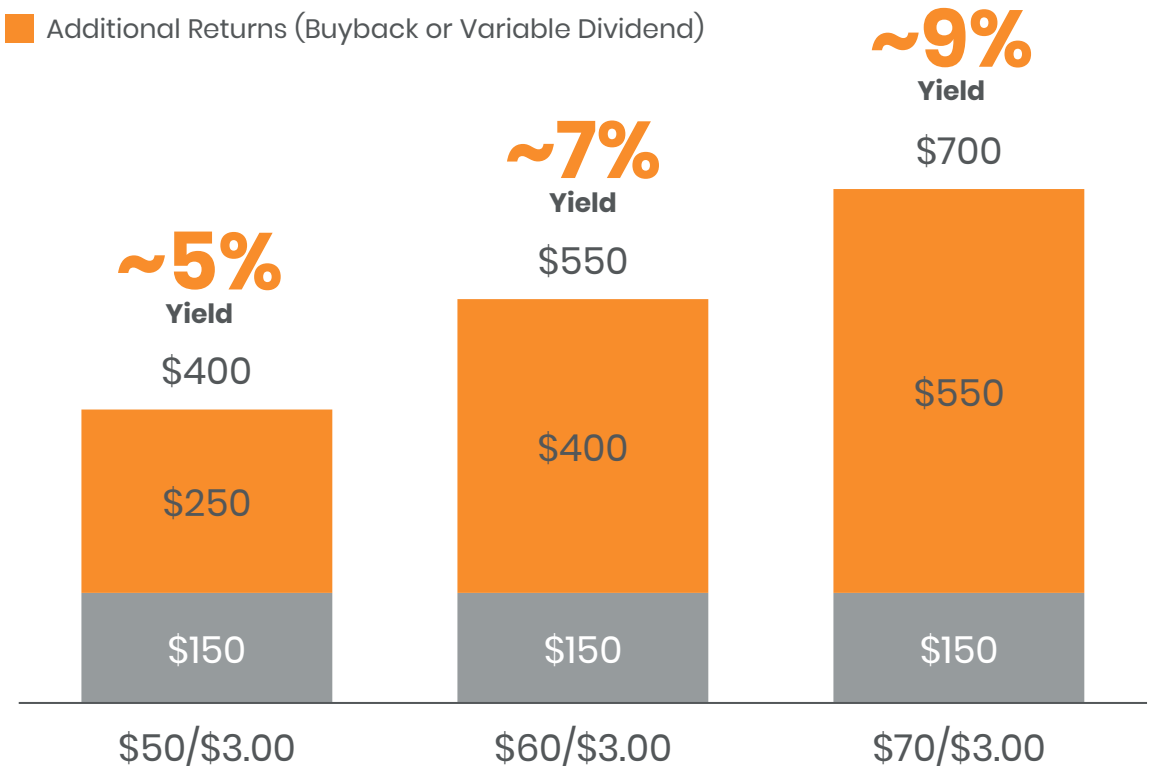
- Intrinsic Equity Valuation
- FCF Yield[†]
- Relative Valuation
- Macro Factors

Return optionality drives value

2022 Shareholder Return Potential (\$ MM)

■ Base Dividend

■ Additional Returns (Buyback or Variable Dividend)



Shareholder Returns in Addition to \$3.0B Net Debt[†] Target

[†] Non-GAAP measures defined in advisories. For additional information regarding non-GAAP measures see the Company's website
 Note: FactSet market data as of September 3, 2021. For simplicity, \$70 WTI / \$3.00 NYMEX sensitivity assumes after dividend free cash flow remains 25% shareholder returns and 75% balance sheet throughout 2022. 2022 shareholder return potential price sensitivities reflect \$/BBL WTI / \$/MMBTU NYMEX for oil / gas respectively

Substantial Free Cash Generation

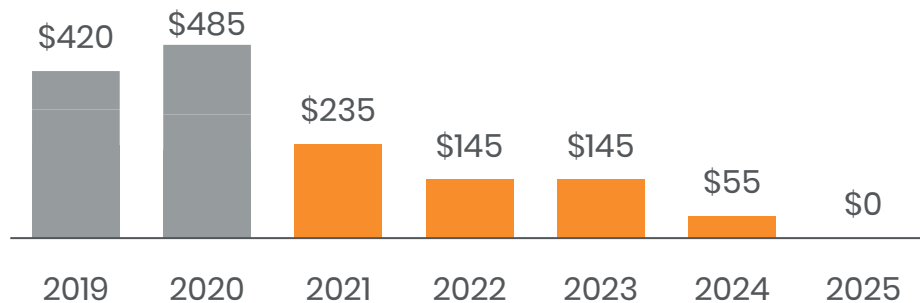
Free cash flow accelerates through time

- Efficiency gains
- Declining legacy costs
- Lower base declines
- Reduced interest expense

Operational excellence drives efficiency

- More than offsetting inflation
- Proven track record of cost reductions

Declining Legacy Cost Profile (\$ MM)



Cumulative Free Cash Flow[†]

WTI Price	5-Year	10-Year
\$55 Mid-Cycle	~\$8B ~ Market Cap	~\$15B ~ 2x Market Cap
\$65 Mid-Cycle +\$10	~\$11B ~ Enterprise Value	~\$21B ~ 2x Enterprise Value





[†] Non-GAAP measures defined in advisories. For additional information regarding non-GAAP measures see the Company's website
 Note: FactSet market data as of September 3, 2021. \$55 and \$65 flat WTI price sensitivities utilize \$2.75 NYMEX gas. Declining Legacy Costs represent Panuke decommissioning, T&P and Opex, Panuke lease expense and REX and Haynesville commitments and other unutilized costs

Reliable & Strong Operating & Financial Results

2Q21 Results	FY21 @ Strip
\$350MM Free Cash Flow [†]	>\$1.7B Free Cash Flow [†]
\$1.2B Net Debt [†] Reduction	\$4.5B YE21 Net Debt [†]
\$383MM Capital Spend	\$1.5B Capital Spend
201 Crude & C5+ Mbbls/d	<50% Reinvestment Ratio


**Strong Results
Driving Actions**


2Q21 Actions:

- 
~50% Dividend Increase
Now \$0.56 / share annualized
- 
New \$3.0B Net Debt[†] Target
No asset dispositions needed
- 
Published 2020 Sustainability Data
- 
**Raised Crude & Condensate
Production Guide to 190 – 195 Mbbls/d**

[†] Non-GAAP measures defined in advisories. For additional information regarding non-GAAP measures see the Company's website
 Note: 2021 Strip pricing as of September 3, 2021

Record Setting Operations Continue

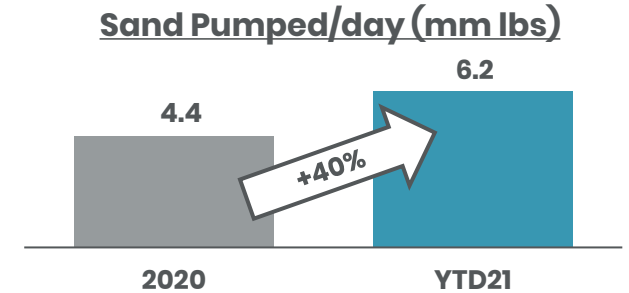
Permian

- 12,050' avg 2Q lateral length
- Commenced Howard county sand mine ops
- 30/33 wells Simul-frac'd

Record sand volumes pumped

+40%

Daily sand pumped
(YTD21 vs. FY20)



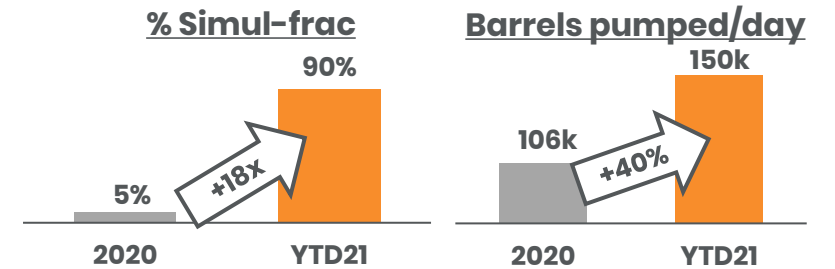
Anadarko

- 5.9 day Spud – Rig Release pacesetter ¹
- >6,250 lateral feet drilled in 24 hrs (new record)

Record Simul-frac utilization & completion volumes

+40%

STACK Completion Performance
(YTD21 vs. FY20)



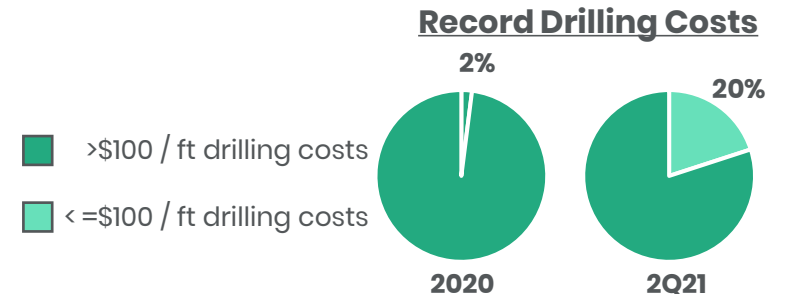
Montney

- 6 wells drilled faster than 2,050 fpd (previous pacesetter)
- New pump time pacesetter achieved with frac valve innovation (21.8 hours / day)

Record low drilling costs

10x

Montney Drilling Efficiencies
(2Q21 vs. FY20)



Delivering Significant Emissions Reductions

	Metric	2020	2019	Achievements	Measurement Summary
Emissions	GHG Intensity	18	21	↓ 14%	metric tons CO ₂ e / gross annual production MBOE
	Methane Intensity	0.10	0.15	↓ 33%	metric tons CH ₄ / gross annual production MBOE
	Flaring & Venting Intensity	0.7%	1.1%	↓ 36%	Gross flared & vented volumes / gross gas production
Safety & Spills	Total Recordable Injury Frequency (TRIF)	0.19	0.21	↓ 10%	Number of Recordable Injuries x 200,000 divided by exposure hours
	Spill Intensity	0.039	0.044	↓ 11%	Gross oil, C5+ & produced water bbls spilled / produced oil, C5+ & water Mbbls

Leading Industry Performance



17yrs
Sustainability Reporting

<0.40%
YTD21 Flare & Vent Intensity

7th
Consecutive Safest Year in '20

Future Oriented Information

This presentation contains forward-looking statements or information (collectively, “FLS”) within the meaning of applicable securities legislation, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. FLS include:

- anticipated operating costs, capital efficiencies, margins, cost savings and sustainability thereof
- capital investment scenarios and associated production
- focus of development and allocation of capital, level of capital productivity and expected return
- number of rigs, drilling locations, well performance, spacing, wells per pad, rig release metrics, cycle times, well costs and commodity composition
- pacesetter metrics being indicative of future well performance and costs
- commodity price outlook
- anticipated success of and benefits from technology and innovation
- ability to meet targets, including with respect to capital efficiency, cash flow generation, scale, debt reduction, and emissions-related performance, and the timing thereof
- expected transportation and processing capacity, commitments, curtailments and restrictions, including flexibility of commercial arrangements
- management of balance sheet, including target leverage, available free cash flow, debt reduction and expected net debt
- anticipated production, cash flow, free cash flow, rates of return, including expected timeframes and potential upside
- anticipated success of and benefits from the Company’s approach to supply chain management
- the declaration and payment of future dividends, if any
- repurchases of the Company’s outstanding common shares, if any
- statements regarding the benefits of the Company’s multi-basin portfolio
- statements with respect to the Company’s strategic objectives, including capital allocation strategy, focus of investment, return of capital to shareholders, operating and capital efficiencies, ESG performance and ability to maintain stability through scale
- statements regarding potential shareholder returns
- outcomes of risk management program, including exposure to commodity prices, market access, market diversification strategy and physical sales locations
- projections and expectation of meeting targets contained in the Company’s corporate guidance and net debt target

FLS involve assumptions, risks and uncertainties that may cause such statements not to occur or results to differ materially. These assumptions include: future commodity prices and differentials; assumptions as specified herein; data contained in key modeling statistics; availability of attractive hedges and enforceability of risk management program; assumed tax, royalty and regulatory regimes; and expectations and projections made in light of the Company’s historical experience. Risks and uncertainties include: commodity price volatility and impact to the Company’s stock price and cash flows; business interruption, property and casualty losses or unexpected technical difficulties; ability to secure adequate transportation; discretion to declare and pay dividends, if any; ability to repurchase our outstanding common shares, including obtaining any necessary stock exchange approvals therefore; the existence of alternative uses for our cash resources which may be superior to payment of dividends or effecting repurchases of outstanding common shares; impact of COVID-19 to the Company’s operations, including maintaining ordinary staffing levels, securing operational inputs, executing on portions of its business and cyber-security risks associated with remote work; counterparty and credit risk; impact of changes in credit rating and access to liquidity, including costs thereof; risks in marketing operations; risks associated with technology; risks associated with lawsuits and regulatory actions, including disputes with partners; ability to acquire or find additional reserves; imprecision of reserves estimates and estimates of recoverable quantities; and other risks and uncertainties, as described in the Company’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q and as described from time to time in its other periodic filings as filed on EDGAR and SEDAR. Although the Company believes such FLS are reasonable, there can be no assurance they will prove to be correct. The above assumptions, risks and uncertainties are not exhaustive. FLS are made as of the date hereof and, except as required by law, the Company undertakes no obligation to update or revise any FLS.

Certain future oriented financial information or financial outlook information is included in this presentation to communicate current expectations as to Ovintiv’s performance. Readers are cautioned that it may not be appropriate for other purposes. Rates of return for a particular asset or well are on a before-tax basis and are based on specified commodity prices with local pricing offsets, capital costs associated with drilling, completing and equipping a well, field operating expenses and certain type curve assumptions. Pacesetter well costs for a particular asset are a composite of the best drilling performance and best completions performance wells in the current quarter in such asset and are presented for comparison purposes. Drilling and completions costs have been normalized as specified in this presentation based on certain lateral lengths for a particular asset. For convenience, references in this presentation to “Ovintiv”, the “Company”, “we”, “us” and “our” may, where applicable, refer only to or include any relevant direct and indirect subsidiary corporations and partnerships (“Subsidiaries”) of Ovintiv Inc., and the assets, activities and initiatives of such Subsidiaries.

Advisory Regarding Oil & Gas Information

All reserves estimates referenced in this presentation are effective as of December 31, 2020, prepared by qualified reserves evaluators in accordance with procedures and standards contained in the Canadian Oil and Gas Evaluation ("COGE") Handbook, National Instrument 51-101 (NI 51-101) and SEC regulations, as applicable. Detailed Canadian and U.S. protocol disclosure is contained in the Company's Form 51-101F1 and Annual Report on Form 10-K, respectively. Information on the forecast prices and costs used in preparing the Canadian protocol estimates are contained in the Form 51-101F1. For additional information relating to risks associated with the estimates of reserves, see "Item 1A. Risk Factors" of the Annual Report on Form 10-K.

Reserves are the estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: analysis of drilling, geological, geophysical and engineering data, the use of established technology, and specified economic conditions, which are generally accepted as being reasonable. Proved reserves are those reserves which can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Ovintiv uses the terms play and resource play. Play encompasses resource plays, geological formations and conventional plays. Resource play describes an accumulation of hydrocarbons known to exist over a large areal expanse and/or thick vertical section, which when compared to a conventional play, typically has a lower geological and/or commercial development risk and lower average decline rate. Certain information contained within this presentation may constitute "analogous information" as defined in NI 51-101. Analogous information is presented on a basin, sub-basin or area basis utilizing data derived from Ovintiv's internal sources, as well as from a variety of publicly available information sources which are predominantly independent in nature. Production type curves are based on a methodology of analog, empirical and theoretical assessments and workflow with consideration of the specific asset, but are not necessarily indicative of ultimate recovery. Some of this data may not have been prepared by qualified reserves evaluators, may have been prepared based on internal estimates, and the preparation of any estimates may not be in strict accordance with COGEH. Estimates by engineering and geo-technical practitioners may vary and the differences may be significant. Estimates of Ovintiv's potential gross inventory locations, including premium return well inventory, include proved undeveloped reserves, probable undeveloped reserves and unbooked inventory locations. Unbooked locations have not been classified as reserves and are internal estimates that have been identified by management as an estimation of Ovintiv's multi-year potential drilling activities based on evaluation of applicable geologic, seismic, engineering, production, resource and acreage information. There is no certainty that Ovintiv will drill all unbooked locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves; or production. The locations on which Ovintiv will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of capital, regulatory and partner approvals, seasonal restrictions, equipment and personnel, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained, production rate recovery, transportation constraints and other factors. While certain of the unbooked locations may have been de-risked by drilling existing wells in relative close proximity to such locations, many other unbooked locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional proved or probable reserves, resources or production.

30-day IP and other short-term rates are not necessarily indicative of long-term performance or of ultimate recovery. The conversion of natural gas volumes to barrels of oil equivalent ("BOE") is on the basis of six thousand cubic feet to one barrel. BOE is based on a generic energy equivalency conversion method primarily applicable at the burner tip and does not represent economic value equivalency at the wellhead. Readers are cautioned that BOE may be misleading, particularly if used in isolation.

Non-GAAP Measures

Certain measures in this presentation do not have any standardized meaning as prescribed by U.S. GAAP and, therefore, are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other companies. These measures have been provided for meaningful comparisons between current results and other periods and should not be viewed as a substitute for measures reported under U.S. GAAP. For additional information regarding non-GAAP measures, including reconciliations, see the Company's website and Ovintiv's most recent Annual Report as filed on SEDAR and EDGAR. This presentation contains references to non-GAAP measures as follows:

- **Non-GAAP Cash Flow, Non-GAAP Free Cash Flow and Non-GAAP Free Cash Flow** – Non-GAAP Cash Flow (or Cash Flow) is defined as cash from (used in) operating activities excluding net change in other assets and liabilities, net change in non-cash working capital and current tax on sale of assets. Non-GAAP Free Cash Flow (or Free Cash Flow) is Non-GAAP Cash Flow in excess of capital expenditures, excluding net acquisitions and divestitures. Non-GAAP Free Cash Flow Yield is annualized Non-GAAP Free Cash Flow compares to current market capitalization. Management believes these measures are useful to the company and its investors as a measure of operating and financial performance across periods and against other companies in the industry, and are an indication of the company's ability to generate cash to finance capital programs, to service debt and to meet other financial obligations. These measures may be used, along with other measures, in the calculation of certain performance targets for the company's management and employees. Due to the forward-looking nature of projected free cash flow used herein, management cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures, such as changes in operating assets and liabilities. Accordingly, Ovintiv is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures. Amounts excluded from this non-GAAP measure in future periods could be significant.
- **Net Debt** – Net Debt is defined as long-term debt, including the current portion, less cash and cash equivalents. Management uses this measure as a substitute for total long-term debt in certain internal debt metrics as a measure of the company's ability to service debt obligations and as an indicator of the company's overall financial strength.