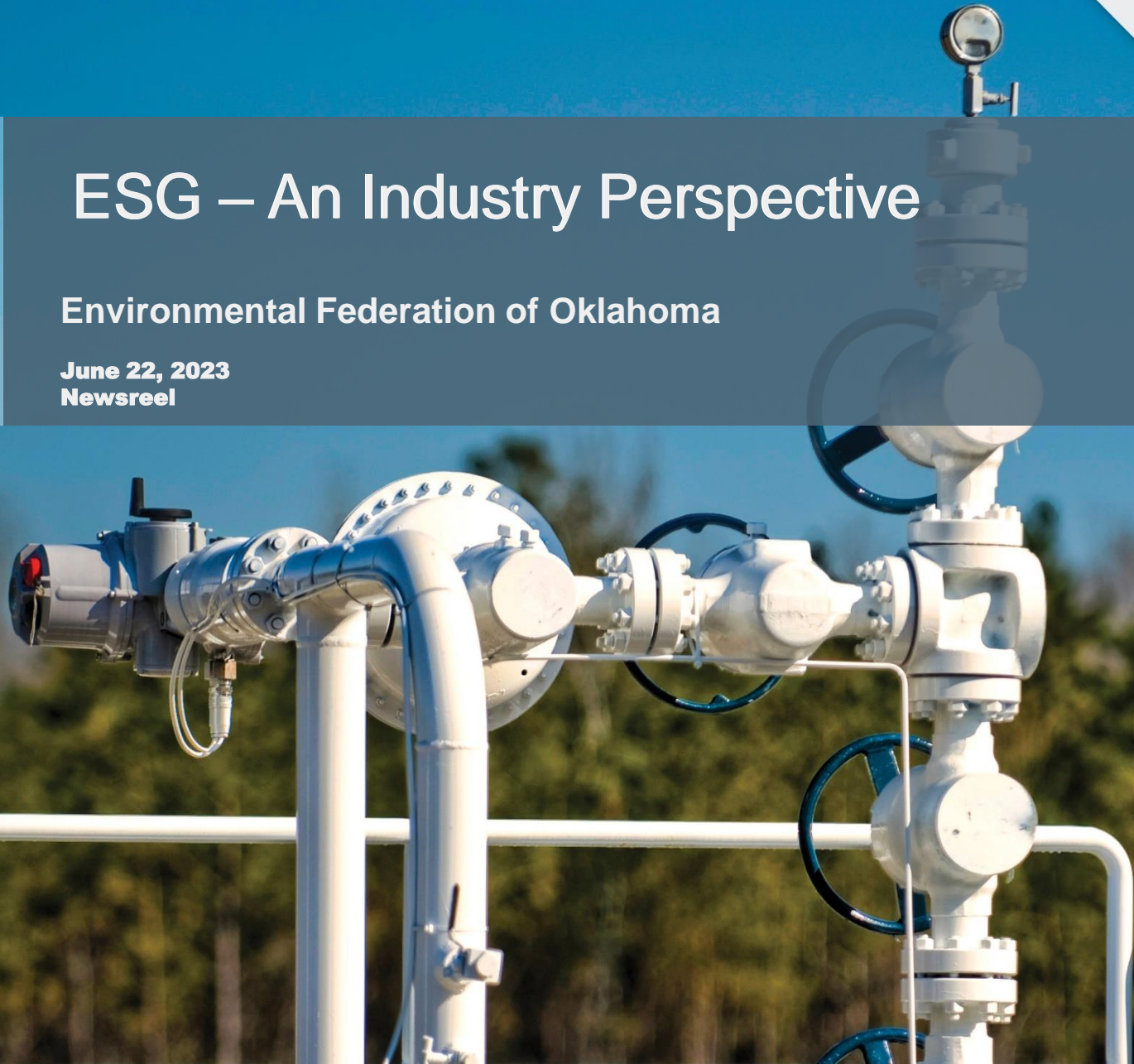


ESG – An Industry Perspective

Environmental Federation of Oklahoma

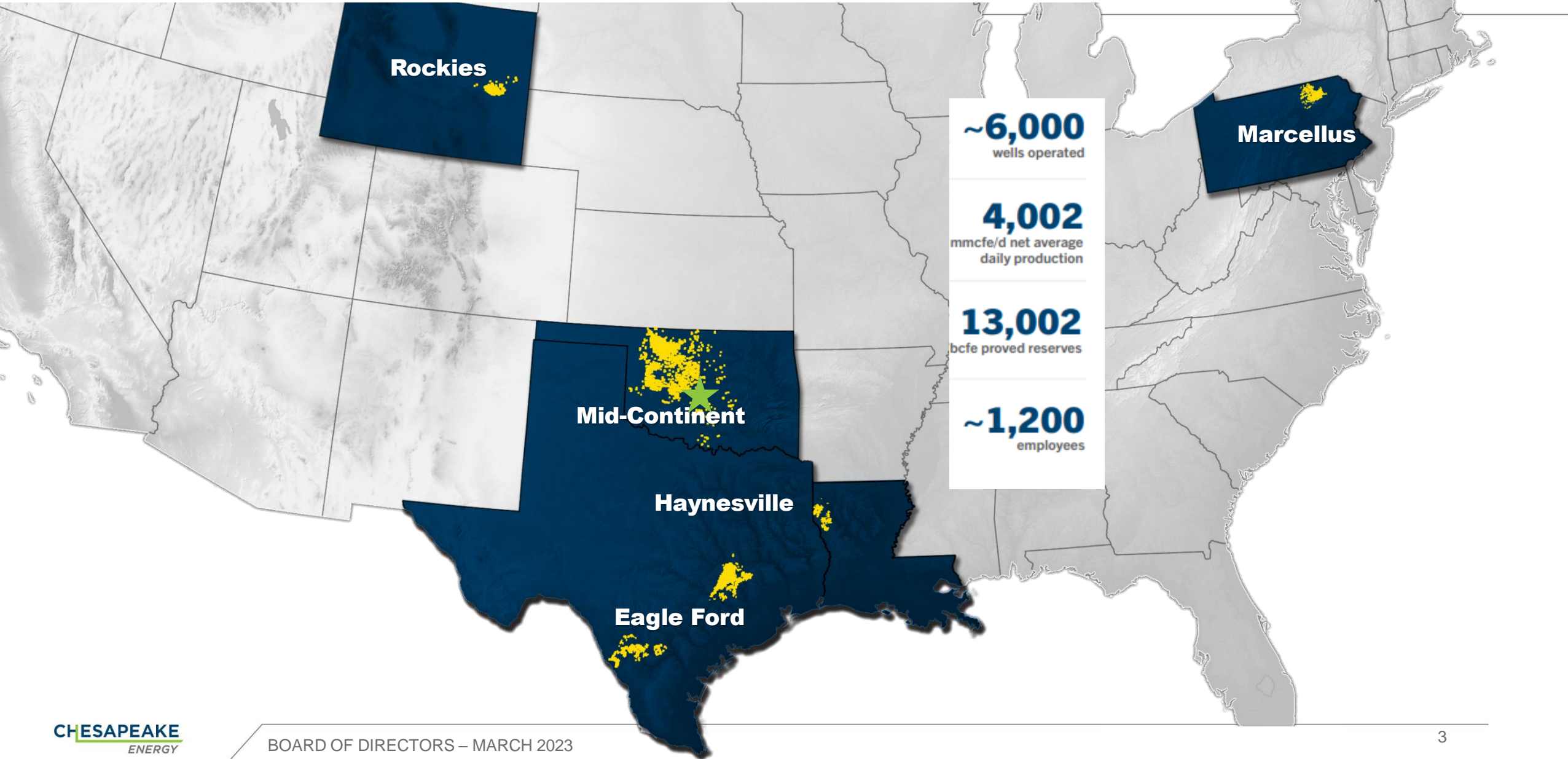
June 22, 2023
Newsreel



CHESAPEAKE
ENERGY

Who is Chesapeake today?
What is ESG?
Why does it matter?
Challenges and Opportunities
Sustainability at Chesapeake

Chesapeake Today: A Fundamentally Different Company



What is ESG / Sustainability / Corporate Responsibility / Stewardship?

ESG is more about the tactics

- Metrics, org structure, performance, storytelling, etc
- Transparency and accountability

Sustainability is the culture and practice

- Integrated into business strategy
- Identifies and mitigates relevant risk
- Responsive to a myriad of evolving expectations in a manner which accounts for a balanced and future-looking approach

▶ Environmental (E)

- Managing the operational footprint on the natural conditions that they impact
- Physical ecosystems
 - air, water, waste, biodiversity, etc

▶ Social (S)

- Managing the human and community capital of the company
 - Physical safety, emotional security, community partner

▶ Governance (G)

- Managing oversight and accountability
 - Reporting structures, processes, procedures, transparency, continuous improvement

Why Does it Matter? - Being “at” the Table, not “on” it.

Fundamentally, more diverse stakeholders, higher expectations and greater accountability



Expectations of the product and the company that produces it, have changed.



Investor Interests & Issues

Current & Additional Investor Areas of Interest

- ▶ Board Diversity
- ▶ Gender pay equity
- ▶ CEO pay ratio
- ▶ Net zero pathway
- ▶ Paris Alignment
- ▶ Lobbying expenses – disclosure
- ▶ Greenwashing
- ▶ Biodiversity
- ▶ Water Scarcity
- ▶ ESG program implementation and oversight



Watching the Horizon

- ▶ SEC disclosure & voluntary reporting
- ▶ Evolving and multiple reporting frameworks
- ▶ Financial returns & divestiture
- ▶ Zero & energy security
- ▶ 100% renewables & reliability
- ▶ Greenwashing
- ▶ Voluntary offsets & credits
- ▶ Targets & technology



Chesapeake's Strategic Pillars

Intentionality and balance

Superior Capital Returns

Most efficient operator, returning more cash to shareholders than domestic gas peers

Deep, Attractive Inventory

Premium rock, returns, runway with best-in-class execution

Premier Balance Sheet

Investment grade-quality balance sheet provides strategic through-cycle advantages

Sustainability Leadership

Consistent and measurable progress on our path to net zero

Answering the Call for Affordable, Reliable, Lower Carbon Energy



Sustainability Leadership

Deliver energy to sustain economic progress and welfare

Minimize emissions from operations

Invest in low-carbon solutions with adjacent technologies

Transparent disclosures with measurable progress

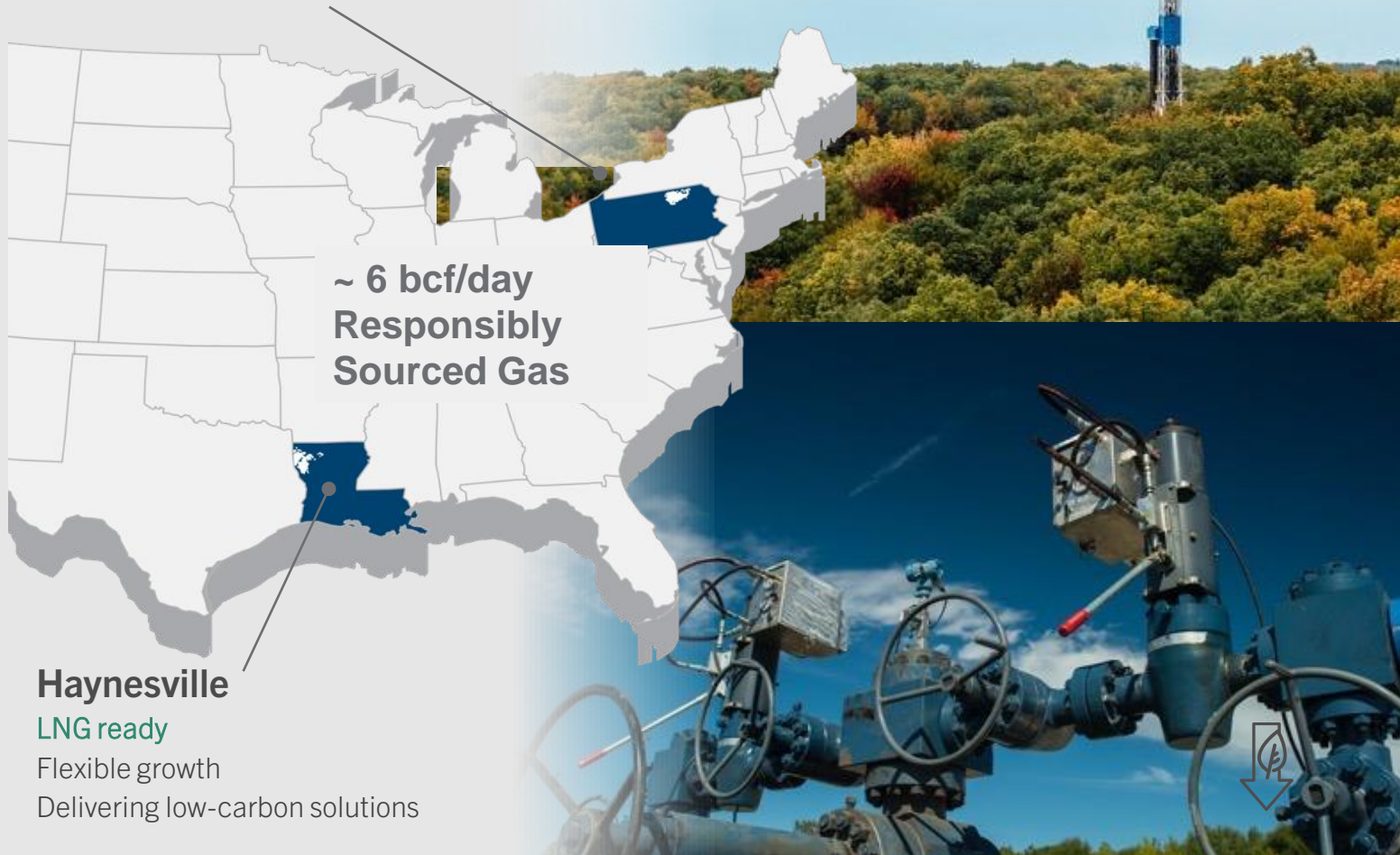
- **Targeting net zero GHG emissions by 2035:** ~1,250,000 mt CO₂e⁽²⁾ to be removed by operational improvements and offsets
- **Interim targets** lowered to 3.0 GHG intensity and 0.02% methane intensity by 2025⁽¹⁾
- **Allocate capital** to meaningful emission abatement and potential revenue creating projects



Sustainability Results

Marcellus

Reduces company volatility
Underpins return profile
Low capital intensity



~ 6 bcf/day
Responsibly
Sourced Gas

Haynesville

LNG ready
Flexible growth
Delivering low-carbon solutions

~\$30 million invested in **emissions mitigation and monitoring**

>50% improvement in both GHG and methane intensity since 2020

100% RSG-certified gas; ~6 bcf/d of gross operated produced volumes

Proactive monitoring; >2,000 fixed methane sensors, flyovers and FLIR inspections


Transparent disclosures; industry and other voluntary frameworks

CCS – Partnership with Momentum


Our strategy for ACHIEVING NET ZERO

A key focus in our commitment to sustainability leadership is achieving net zero greenhouse gas (GHG) emissions (Scope 1 and 2) by 2035, inclusive of future acquisitions.


We will continue to allocate capital and dedicate resources to meaningful, economic emissions abatement and revenue-creating projects.




Advanced Emissions Assessment
Better understand our emissions profile and adopt consistent industry methodology



Tangible Reductions
Utilize technology, best practices and energy efficient operations to reduce emissions



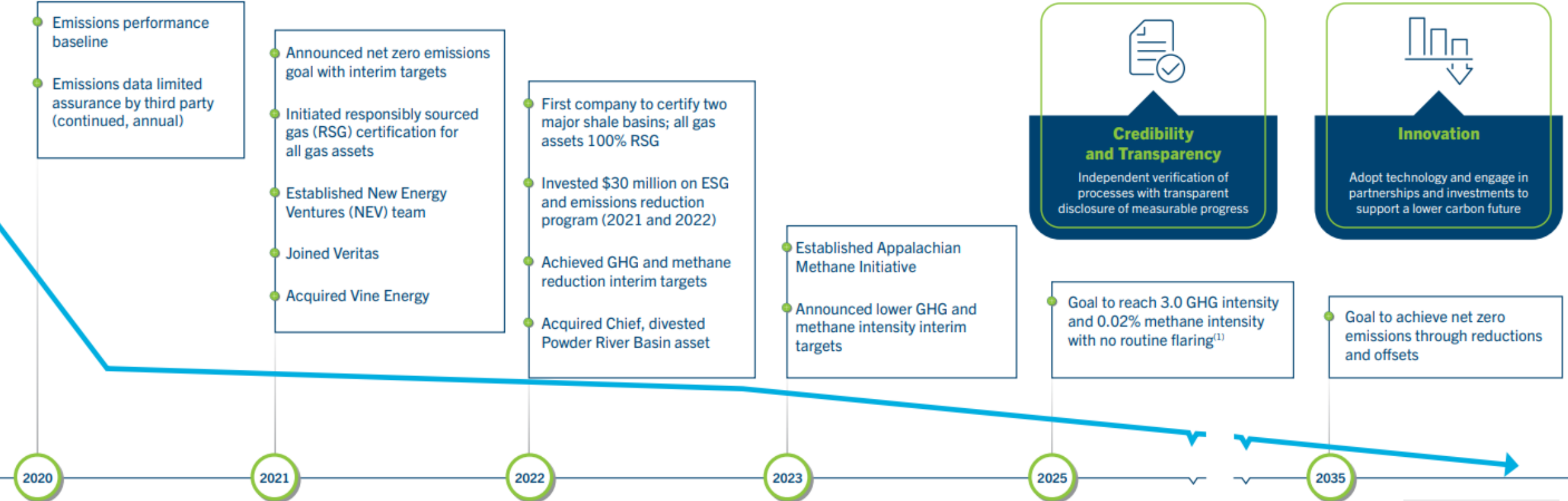
Credibility and Transparency
Independent verification of processes with transparent disclosure of measurable progress



Innovation
Adopt technology and engage in partnerships and investments to support a lower carbon future

Goal to reach 3.0 GHG intensity and 0.02% methane intensity with no routine flaring⁽¹⁾

Goal to achieve net zero emissions through reductions and offsets



[Learn More](#) 

Sustainability Report



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 - Waste Management
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 - Air Quality

DATA TABLES

Performance Metrics
American Exploration and Production Council (AXPC) ESG Metrics
Spirit Environmental Statement

SASB
IPIECA, API and IOGP
GRI

Questions?

