A Message from Our CEO

Dear Stakeholders,
We boldly enter a new chapter as a company, a chapter focused on our sustainable future. We're working to lead our industry, creating the optimal upstream onshore development company that delivers superior results to our shareholders, employees, royalty and working interest owners and the communities in which we operate.

We're shifting away from growth as a primary value driver, focusing instead on driving the results that matter most to our stakeholders:

- Free cash flow and returning it to shareholders
- A strong balance sheet and disciplined reinvestment strategy
- Environmental, social and governance (ESG) excellence across all facets of the enterprise
- A reduced environmental footprint with emphasis on climate impact

Chesapeake is embracing a lower carbon future, which we view as an opportunity to do the right thing and boost our competitive advantage. Being part of the climate change solution, and supportive of the Paris Agreement, is authentic to our culture and a commitment shared by our employees.

Our confidence in the future stems from where we sit as a company today. No longer saddled with crippling legacy debt and obligations, Chesapeake benefits from one of the strongest balance sheets in our industry. We firmly understand that we must remain disciplined in our approach to investing capital, which is why we've committed to maintaining a reinvestment rate below 70% of our annual EBITDAX. Our balance sheet and financial discipline, along with our diverse portfolio, position Chesapeake to deliver more than $6 billion in free cash over the next five years.(1)

While we're encouraged by our financial outlook, we recognize that a sustainable business is built upon more than financial success. With leadership comes responsibility, and we hold ourselves accountable to the highest standards of ESG excellence. Leading a responsible energy future starts by transparently measuring our current performance and then setting meaningful, quantifiable goals — tied to our compensation programs — for continued improvement.

Most notably, measured goal setting and accountability are the backdrop to the environmental pledges we announced in early 2021. Following a path of aggressive, short-term greenhouse gas (GHG) and methane intensity reduction goals, we're working vigorously to achieve net zero (Scope 1) direct GHG emissions by 2035. We believe responsible production from unconventional resources in the U.S. has a critical role to play in helping meet global climate goals while supporting the world's energy needs.

Pathway to Net Zero Direct GHG Emissions

0	5.5	0.09%
Routine flaring on wells completed in 2021 and beyond, enterprise-wide by 2025	GHG intensity by 2025 (tCO_2e/gross mboe produced)	Methane intensity by 2025 (volume methane emissions/volume gross gas produced)

Meeting our net zero goal will require ingenuity, technology and further investment in environmental and operational programs. Our strong financial outlook positions us well to attack this challenge head-on. While we anticipate returning more than 50% of our free cash flow to shareholders through our fixed and variable dividend program, we project having more than $2 billion of additional free cash flow to invest in our business.(1)

In fact, we have already committed more than $30 million toward ESG-related and emissions reduction programs by year-end 2022. These resources provide the company with critical capital to pursue emissions-limiting technology and partnerships, aggressively improving our environmental performance with a two-track approach:

Track One: Reduce GHG and methane intensity from our core production business by retrofitting pneumatic devices; pursue the electrification of our fields; deploy continuous methane emission sensors; and identify other technology to lower our emissions profile.

Track Two: Identify investment and partnership opportunities in adjacent businesses and technologies that support the lower carbon transition such as carbon capture, utilization and storage (CCUS), geothermal and blue hydrogen.

We're also dedicated to expanding our industry-leading responsibly sourced gas (RSG) certifications — programs that independently certify our natural gas as produced according to stringent environmental, safety and community standards. We were the first company to announce our intention of certifying production as RSG across two major basins and once complete, we will be positioned to deliver approximately 3 bcf per day of RSG to users around the globe.

We produce RSG, not to put a certificate on our wall, but because the process' information-gathering through the ongoing monitoring of our producing assets further improves our environmental footprint. It also offers us a competitive advantage and the opportunity to produce a differentiated product that's increasing in market demand.

Paving a new path forward is challenging, requiring leadership and a commitment to do better each day. That's why we commit to you — our stakeholders — regular engagement and honest and transparent reporting on our journey to net zero. We'll celebrate our progress and success and share our shortcomings and plans for improvement along the way.

Thank you for being our partner as we lead a responsible energy future.

Domenic J. Dell'Osso, Jr.
President and Chief Executive Officer
December 2021

Chesapeake Today: A Fundamentally Different Company

Strong balance sheet with low leverage	Built to generate sustainable free cash flow	Disciplined capital reinvestment strategy	World-class natural gas assets with oil optionality	Committed to ESG and safety excellence
Maintain a balance sheet strength lower than 1x long term leverage (net debt to EBITDAX)	Cumulative five-year free cash flow outlook is approximately $6 billion; returning cash to share-holders through fixed and variable dividend(1)	Targeting a disciplined capital reinvestment rate of 60% to 70% of projected EBITDAX	Acquiring Vine Energy in August 2021, making CHK the largest natural gas producer in the Haynesville Shale	Achieve net zero direct GHG emissions by 2035 and continue to improve our ESG performance by accomplishing measured goals

(1) Assumes company guidance as of Aug. 11, 2021; free cash flow (FCF) is a non-GAAP financial measure and is defined as net cash flow from all activities excluding financing transactions and restructuring costs. Estimated based on 1/22/2021 strip pricing from 2021 to 2025.