

Accountability & Compensation: Driving Accountability at All Levels

Our commitment to rigorous corporate governance drives accountability at all levels. We encourage this accountability through systems designed to uphold high standards of conduct.

In 2021, our long-term, value-focused equity holders nominated a new [Board of Directors](#). These directors share:

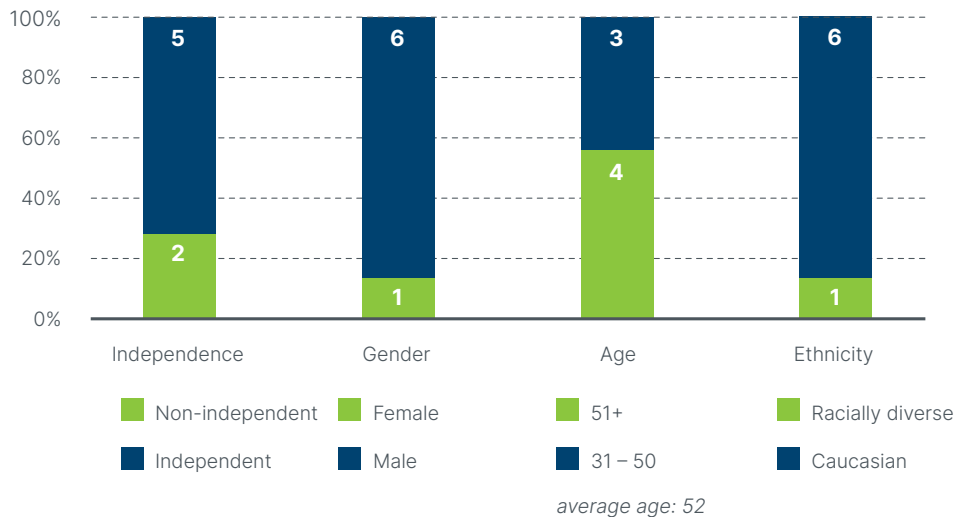
- Diverse experience and backgrounds
- Industry and business acumen (special emphasis on risk management, corporate strategy and ESG)
- Previous leadership experience and ability to advise senior management
- A commitment to drive excellence in all aspects of Chesapeake's performance

Board of Directors Experience

Our goal is to assemble and maintain a Board composed of individuals that not only bring a wealth of business and technical expertise, but also share different viewpoints and backgrounds because of their diverse identities. We believe that this diversity is critical, contributing to better dialogue and decision-making, and generating more successful outcomes. We also recognize that enhancing diversity at the Board level represents a foundational step to increasing diversity across our organization. We will continue to assess diversity when considering the Board's overall composition and future director nominees.

	Wichterich	Dell'Osso	Duncan	Duster	Emerson	Gallagher	Steck
Operational/ Management Leadership	X	X	X	X	X	X	X
Current and/or Former Public Company CEO	X	X	X	X		X	X
Exploration and Production Industry	X	X	X	X	X	X	X
International	X		X	X	X		X
Engineering and Geoscience			X	X		X	X
Financial Oversight and Accounting	X	X	X	X		X	X
Government/Legal				X	X		
Strategic Planning and Risk Management	X	X	X	X	X	X	X
Environment, Sustainability and Safety Management		X	X		X	X	

Board Composition and Diversity



All reporting is self-identified. Directors had an option to select nonbinary regarding gender. Specific race identifications are noted in our proxy.

Diverse directors lead two of our four Board committees.

Enhancing Board-Level Oversight

Given the increasing importance of ESG excellence to Chesapeake’s future success, our new Board established an Environment and Social Governance Committee dedicated to sustainability strategy and oversight. The committee provides leadership and strategic counsel on all aspects of the company’s ESG-related performance, including environmental and climate-related matters, employee and supplier diversity and effective engagement with key stakeholders.

As ESG management is multidisciplinary, all Board committees take an active role in the direction and implementation of ESG strategy and initiatives.

Board Committees

The Board has four standing committees. Committee charters were re-established in March 2021 to better articulate their respective purposes, responsibilities and obligations to stakeholders.

Audit

Compensation

Environment and Social Governance

Nominating and Corporate Governance

The ESG committee is dedicated to sustainability oversight, advising the Board-at-large on emerging ESG issues. This committee provides leadership and strategic counsel on all aspects of the company’s ESG-related performance, including employee health and safety, social governance, climate-related risks and opportunities, environmental performance and stakeholder engagement.

Employee-Led ESG Committees

To support the Board's ESG strategy, Chesapeake established two employee committees responsible for the execution of ESG programs and procedures.

ESG Advisory Board

The ESG Advisory Board is made up of senior leaders across a diverse spectrum of the company who provide management-level leadership and oversight of the company's ESG performance and validate the company's ESG disclosures.

To help ensure active engagement and collaboration, the Advisory Board meets at least quarterly.

ESG Advisory Council

Composed of subject matter experts across multiple disciplines, the ESG Council implements the company's ESG strategy while serving as stewards and champions of ESG-related initiatives and programs. The Council meets weekly and regularly updates the Advisory Board of the progress and challenges associated with our ESG efforts

Engaging with Our Board

The Board invites institutional investors to meet periodically with our independent directors. This complements our management team's investor outreach program and allows directors to directly solicit and receive investors' views on Chesapeake's strategy and performance.

The Board takes the feedback of our stakeholders seriously, as evidenced by our [Climate-Related Risk Analysis](#), which we first published in 2018 as a result of stakeholder feedback. We continue to enhance this disclosure for greater shareholder transparency.

Our Director Access Line (866-291-3401) allows our shareholders and other interested parties to leave messages for individual directors or our entire Board. Shareholders may also [email](#) or send written communications. All forms of contact are promptly reviewed and forwarded to the appropriate contact at the Board level or within the company.

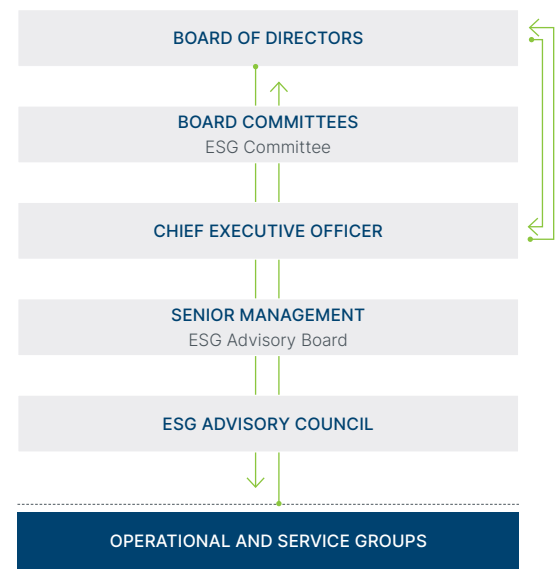
Executive Compensation

Executive compensation is a foundational component to our commitment to leading a responsible energy future, which is why in October 2021, we announced comprehensive changes to refocus our [compensation program](#) on performance metrics that are most crucial for our shareholders. [Highlights include:](#)

- Long Term Incentive Program (LTIP) will be paid entirely in equity; 75% of the award value is linked to total shareholder returns.
- Annual Incentive Plan (AIP) aligns payout with the value drivers and discipline our shareholders value including environmental and safety excellence, delivering free cash flow, lowering per unit operating costs, enhancing capital efficiency and improving base production.
- Commitment to Environmental and Safety Performance means that the failure to meet environmental and safety performance thresholds caps the AIP payout at target for all other metrics regardless of results.

The changes in this program are designed to deliver what we believe the market has long wanted from our industry — namely, a compensation program that not only attracts and retains top talent but is uncompromising in its performance demands that directly drive shareholder value. The program further demonstrates Chesapeake's commitment to delivering ESG excellence by directly limiting payout, regardless of performance in other areas, should the company fail to meet critical environmental and safety metrics, including total recordable incident rate, net spill intensity rate and GHG intensity.

Accountability at All Levels



Brian Steck, Director and Compensation Committee Chair, discusses Chesapeake's refreshed executive compensation approach which is designed to align both pay and performance, and the interests of our management team and shareholders.

