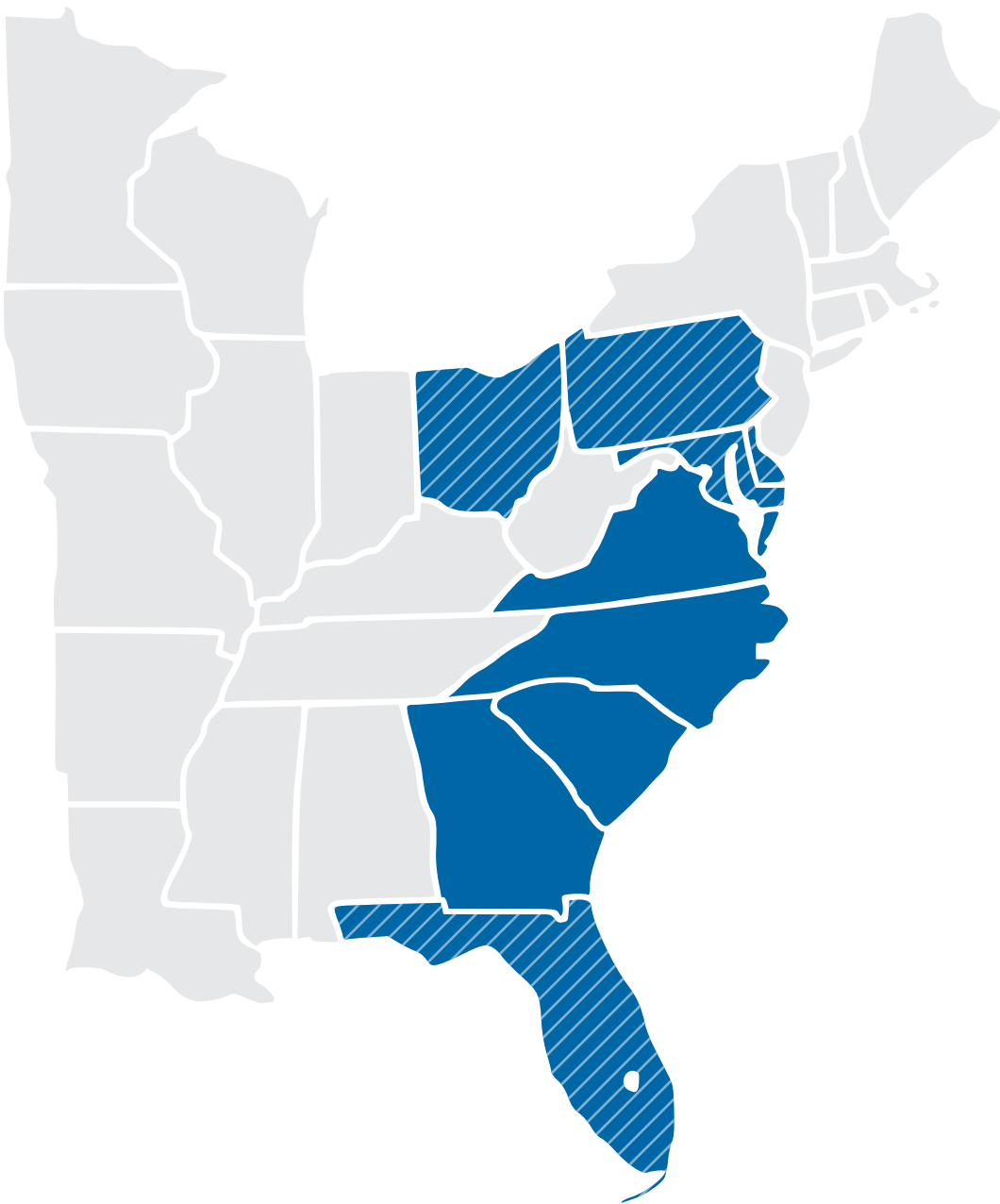


# 2022 Sustainability Report Summary



## WHO WE ARE AND WHERE WE OPERATE:

**Chesapeake Utilities Corporation**, headquartered in Dover, Delaware, offers sustainable energy solutions across the entire value chain through its natural gas transmission and distribution, electricity generation and distribution, propane gas distribution, mobile compressed natural gas utility services and solutions, and other businesses. **We provide energy** to approximately 310,000 distribution customers and for thousands of commercial and industrial applications **in nine states across the Mid-Atlantic and Southeastern regions of the United States.**



Both Regulated and Unregulated Energy  
 Unregulated Energy

**160+**  
years of providing  
energy service

**~310K**  
distribution  
customers

**1,000+**  
employees

**16**  
years of  
earnings growth



## OUR 2022 SUSTAINABILITY REPORT:

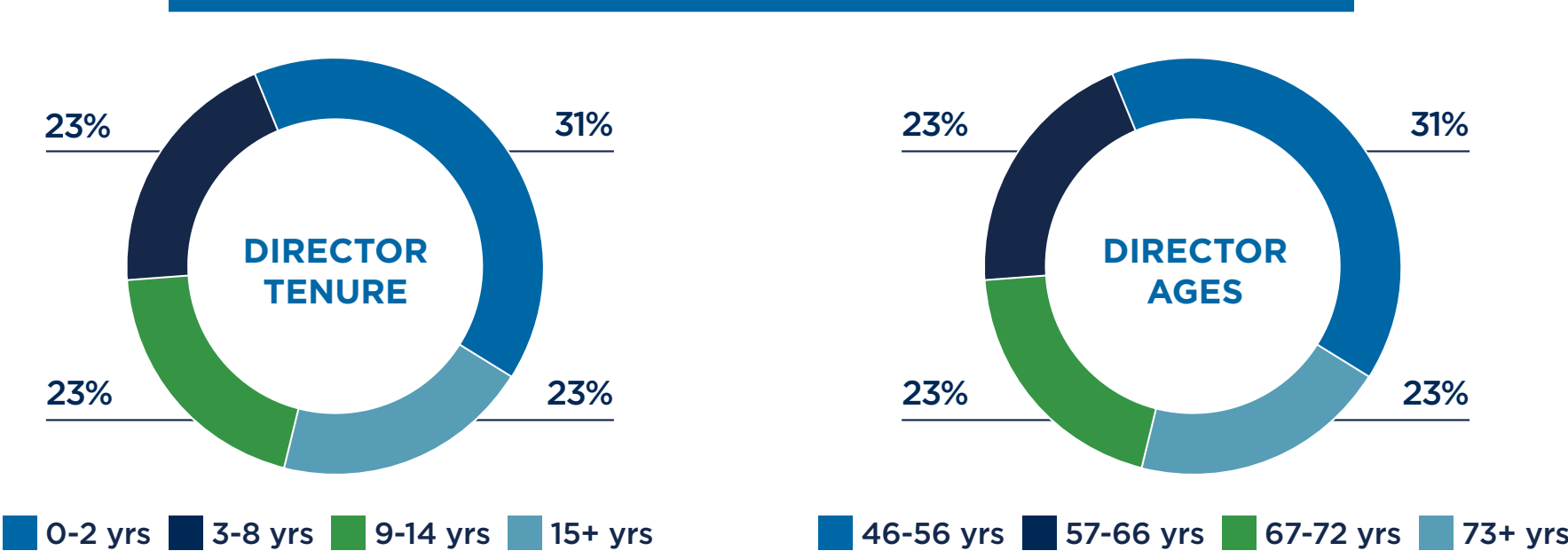
- Details our sustainability strategy and renewable energy portfolio
- Reports emissions decrease of 16% as compared to 2019
- Broadens our disclosure on human capital management and diversity initiatives
- Outlines our new Companywide Giving Policy, which includes four focus areas: safety and health, community development, education and environmental stewardship
- Details our safety and Enterprise Risk Management (ERM) programs
- Enhances our disclosures by including a SASB midstream data table, a TCFD table and workforce diversity data that aligns with the EEO-1 report

# Our Foundation for Operational Excellence

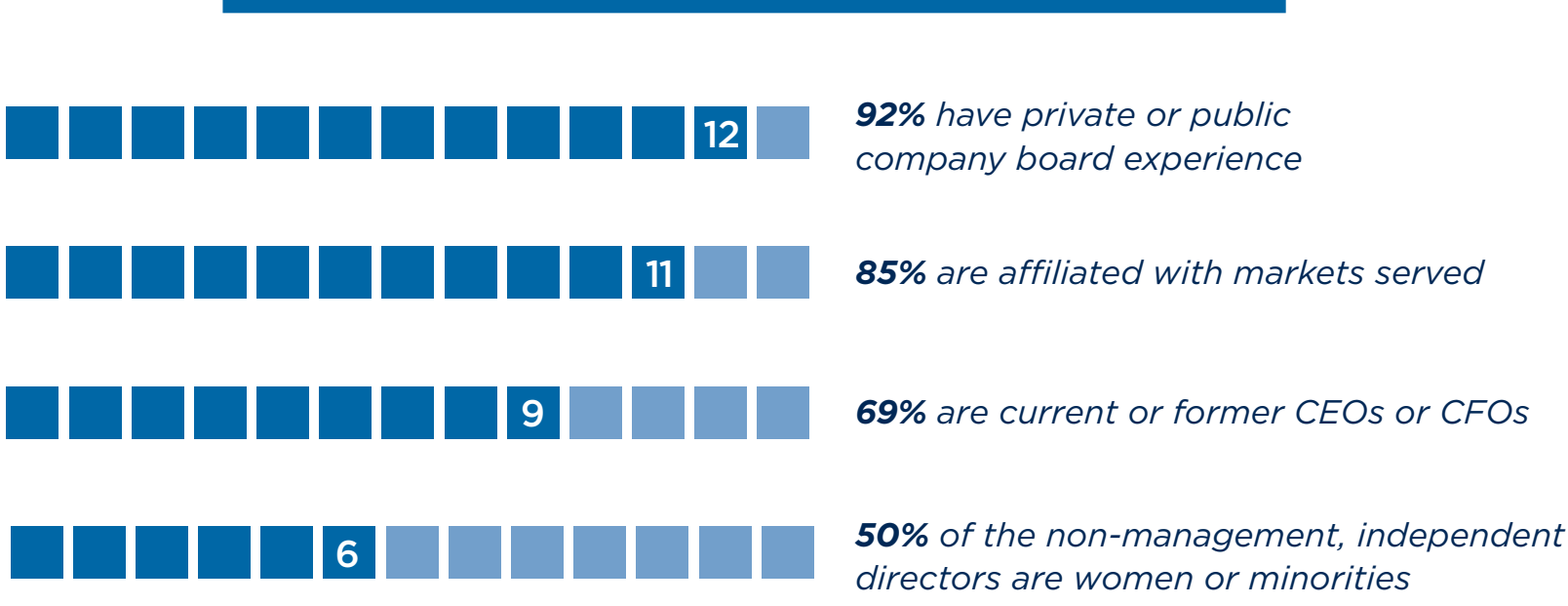
## BOARD OF DIRECTORS

As stewards of long-term enterprise value, the Board of Directors is committed to overseeing the sustainability of the Company, its safety and operational compliance practices and the promotion of equity, diversity and inclusion that reflects the communities we serve.

DIVERSITY METRICS FOR THE BOARD OF DIRECTORS\*



DIVERSITY OF EXPERIENCE ON THE BOARD\*



## ENTERPRISE RISK MANAGEMENT

Furthering our commitment to operational excellence, in 2022 we established an officer-level position responsible for overseeing our dedicated ERM team which coordinates with other organizational functions to appropriately manage and promptly respond to evolving risks, enabling us to continue to transform and grow our Company.

Areas such as safety, cybersecurity, business continuity and climate change cascade across the organization and require consistent risk management approaches.



## AWARD-WINNING CORPORATE GOVERNANCE PRACTICES

**Best for Corporate Governance in the United States in 2022**

*by World News Media Ltd. (World Finance Magazine)*

**Top 5 Governance Team of the Year for mid-cap sized companies in 2022**

*by Corporate Secretary*

**Best Corporate Governance Among North American Utilities in 2021**

*by Ethical Boardroom Magazine*

**General Counsel named a Top 50 Attorney of Washington, D.C. in 2022**

*by Attorney Intel*

**Three Directors and CFO and Assistant Corporate Secretary recognized in Women in Leadership 2022**

*by The Forum of Executive Women*

**Vice President, Corporate Governance named a Top Women in Business in 2022**

*by Delaware Today*

\*As of December 31, 2022



# Safely and Reliably Delivering Energy

## OUR SAFETY PRIORITY

First and foremost, we are focused on the safety of our people, the communities we serve and the reliability of our systems. We are proud of our long record of safe operations and have **consistently earned national safety awards** honoring our commitment to the safety of our customers, communities and employees.

To further our safety commitment, in 2022, we:

- Established an Enterprise Safety Program, based on ANSI/API RP 1173 and adopting ISO 45001
- Established goals to achieve top-quartile performance against industry benchmarks among similarly sized companies by targeting to:



## EMPOWERING A CULTURE OF SAFETY AND RELIABILITY THROUGH:

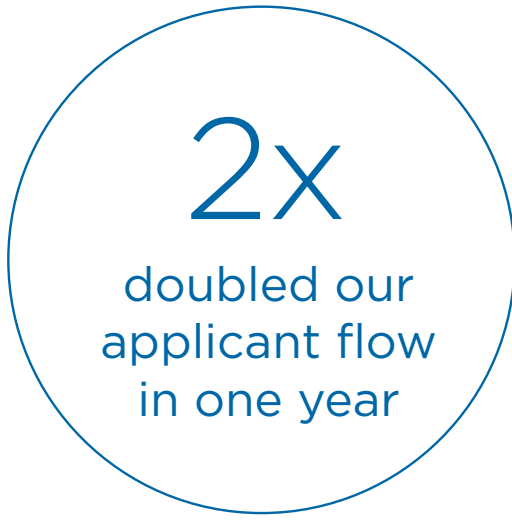
- Safety Programs
- Onboarding
- Safety Training and Routine Safety Communications
- Contractor Safety Requirements
- Public Damage Prevention Awareness
- Business Continuity and Disaster Response Planning
- Incident Preparedness and Response
- Supply Source Diversification



“Safety is priority one at Chesapeake Utilities Corporation. We care about creating a safe environment for our employees, customers and communities.”  
—JEFF SYLVESTER, SENIOR VICE PRESIDENT AND CHIEF OPERATING OFFICER



# Investing in Our People, Communities and Customers



## INVESTING IN OUR EMPLOYEES

- Established Chief Diversity and Engagement Officer position
- Increased number of employee resource groups and community events
- Achieved **95% participation rate in Companywide diversity training**
- **Enhanced recruitment efforts** to increase diversity of candidates, resulting in twice as many applicants as the prior year
- Achieved **81% participation rate in employee engagement survey**, and developed action plans to further encourage positive work experiences, focusing on employee recognition, learning and development opportunities and communications



## AWARD-WINNING WORKPLACE

Third consecutive year as a  
**Top Workplaces USA**  
award recipient and  
**Stars of Delaware**  
award recipient.



The Company has also  
been recognized as a  
**Top Workplace in Delaware**  
for 11 consecutive years,  
and previously,  
in **Central Florida**  
for two years.



## POSITIVE IMPACTS TO OUR COMMUNITIES AND CUSTOMERS

- **99% of our employees are located in our service areas**
- Established **Companywide Giving Policy** with four focus areas – safety and health, community development, education and environmental stewardship
- Gave a total of **\$850K in charitable donations and community sponsorships**
- Returned to in-person volunteer opportunities
- **Customer care strategy** includes best-in-class customer service, accessible technology and continuous improvement

## FOCUS AREAS FOR GIVING

- Safety and Health**
- Community Development**
- Education**
- Environmental Stewardship**

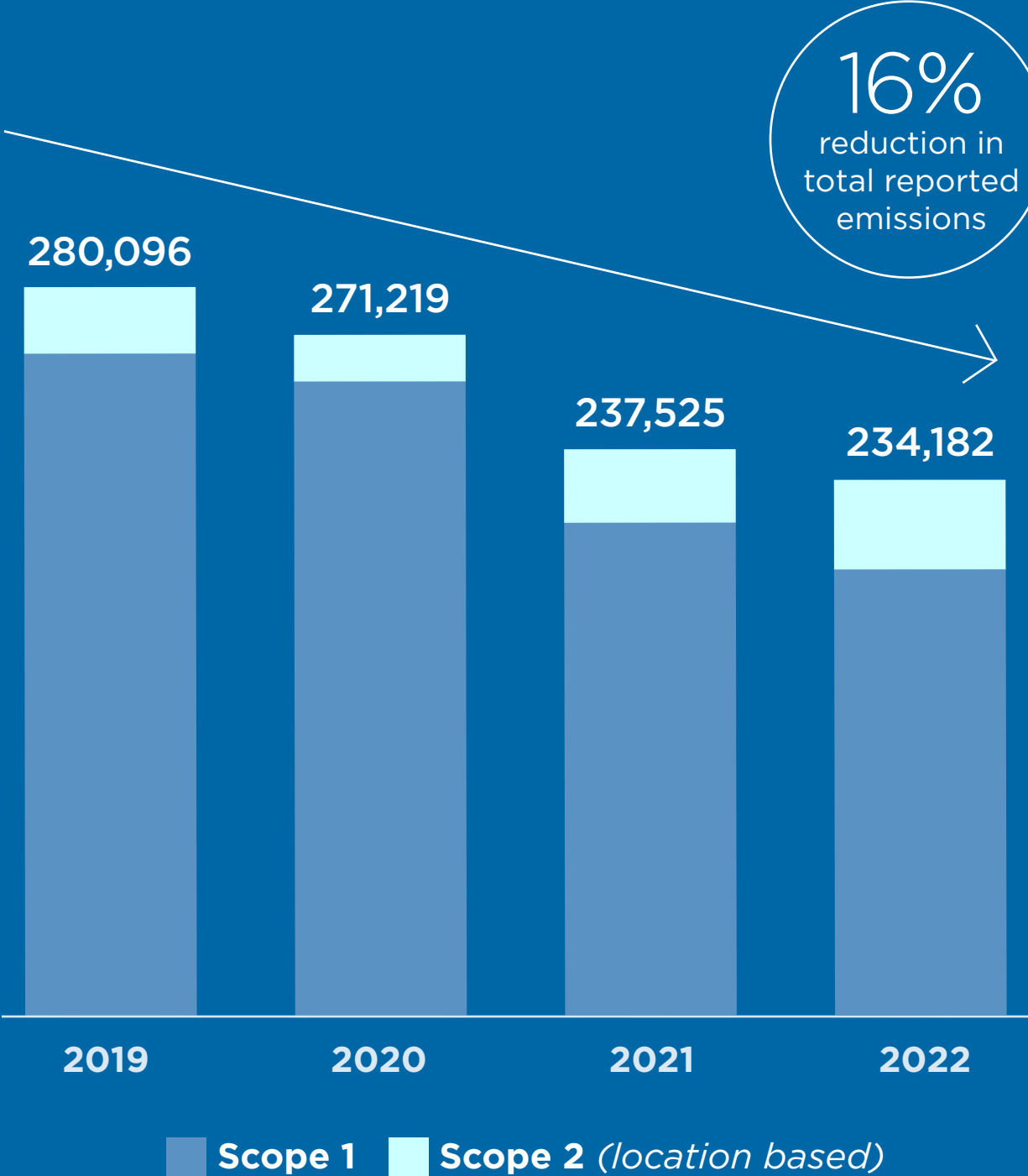


# Environmental Stewardship

## EMISSIONS REDUCTION

We are reporting a **16% decrease in our combined Scope 1 and Scope 2 reported emissions as compared to 2019**. Managing our emissions while simultaneously excelling at growth and providing value across our stakeholder base is a central priority. **While decreasing our reported Scope 1 emissions, we have continued to maintain our record growth pace, reporting our 16th consecutive year of increased earnings in 2022.\***

COMPANYWIDE GHG EMISSIONS IN mtCO<sub>2</sub>e



	2019	2020	2021	2022
Scope 1	270,328	266,679	221,805	215,226
Scope 2	9,768	4,540	15,720	18,956
TOTAL	280,096	271,219	237,525	234,182

650K  
dekatherms of  
RNG injected

Anticipated to  
capture over  
27,900  
metric tons of  
CO<sub>2</sub> per year

1,225  
MWH  
power produced  
2021-2022

## RENEWABLE ENERGY PORTFOLIO

Our environmental strategy also includes investments in renewable energy:

- In 2022, **650,000 dts of RNG was injected into our pipeline systems**, and our inaugural RNG facility, currently under construction, is anticipated to **convert dairy manure to more than 100,000 dekatherms of pipeline-quality RNG per year**, capturing and redirecting more than 1,100 metric tons of methane per year, the equivalent of **27,900 metric tons of CO<sub>2</sub>**
- **Progressive testing of hydrogen-enriched natural gas** in our CHP – blended 4% in 2022, with 10% and 20% blending tests planned in 2023
- **Three solar installations** produced 1,225 MWH of power over 2021 and 2022

➔ For more information about Chesapeake Utilities' sustainability disclosures and initiatives, please see our 2022 Sustainability Report at [chpk.com/sustainability](https://chpk.com/sustainability)

\*Excludes TCJA impact in 2017