

Chesapeake’s participation in government affairs and the political process reflects strict adherence to high ethical standards and the company’s core values of respect, integrity and trust. All activities are in compliance with applicable laws and regulations, promote Chesapeake’s business strategies and are made without regard for the personal political preferences of employees, officers or directors.

Chesapeake’s Government Affairs team actively engages on matters of public policy to help advance the company’s business goals and interests. Management of our political activity is the responsibility of the Vice President – Government & Regulatory Affairs. This position reports directly to Chesapeake’s Executive Vice President – General Counsel & Corporate Secretary, who reports to the company’s Chief Executive Officer. The Nominating, Governance and Social Responsibility Committee of the Board of Directors is responsible for overseeing Chesapeake’s political activity and reviewing and approving this report.

Chesapeake will never require, pressure or coerce an employee or business partner to make personal political contributions, including to a company-sponsored political action committee. In addition, Chesapeake will never take retaliatory action against or compensate anyone, directly or indirectly, for making any political contributions. Chesapeake property, facilities, time or funds may not be used for personal political activities.

Chesapeake does not belong to or financially support non-energy focused tax exempt organizations such as ALEC and NCSL that routinely write and endorse model legislation for use in various state legislatures. If that policy were to change, we will disclose that information.

**POLITICAL ACTION COMMITTEE ACTIVITY**

Chesapeake sponsors Political Action Committees (PACs) that allow employees to voluntarily contribute their resources to promote candidates for public office who support our industry.

Chesapeake, as the sponsor of these PACs, is committed to educating, energizing and empowering our participating employees to become informed voters who actively participate in our political system at all levels of government. Contributing to PACs is strictly voluntary and restricted to only eligible employees as outlined by the Federal Election Commission. All PAC expenditures receive prior approval from the Vice President – Government & Regulatory Affairs.

PAC expenditures totaled \$215,150 for the year ending December 31, 2017. PAC contributions and expenditures are disclosed in filings as required by law and can be accessed via the following websites:

Federal Election Commission	<a href="http://fec.gov">fec.gov</a>
Colorado Secretary of State	<a href="http://tracer.sos.colorado.gov">tracer.sos.colorado.gov</a>
Ohio Secretary of State	<a href="http://sos.state.oh.us">sos.state.oh.us</a>
Oklahoma Ethics Commission	<a href="http://ok.gov/ethics">ok.gov/ethics</a>
Texas Ethics Commission	<a href="http://ethics.state.tx.us">ethics.state.tx.us</a>

**In 2017, Chesapeake did not make any corporate contributions to candidates, political campaign committees or “Super” PACs.**

**TRADE ASSOCIATION, CHAMBER AND ADVOCACY GROUP PARTICIPATION**

Chesapeake is a member of and actively participates in a variety of federal, state and local trade associations, chambers of commerce and advocacy groups. Some of these groups participate in the political process through educational initiatives, and engage in lobbying on important legislative and regulatory decisions that impact Chesapeake. These groups, which advocate on our behalf, help Chesapeake to operate in the best public policy environment possible.

Contributions for the year ending December 31, 2017 were as follows:

American Petroleum Institute	\$ 3,520,178
Large national and state trade associations and chambers with contributions over \$15,000*	\$ 1,352,761
Other state and local trade associations and chambers	\$ 63,008

**LOBBYING ACTIVITIES**

In 2017, Chesapeake’s federal lobbying expenses totaled approximately \$610,000. As required by the Lobbying Disclosure Act, Chesapeake files quarterly reports that describe issues lobbied and the amount spent on lobbying activity. These reports are publicly available and can be found at [lobbyingdisclosure.house.gov](http://lobbyingdisclosure.house.gov).

In 2017, Chesapeake reported approximately \$794,000 in state lobbying expenses as defined under the various state laws governing Chesapeake’s operating areas.

\*American Exploration and Production Council (AXPC), Greater Oklahoma City Chamber, Independent Petroleum Association of America (IPAA), Louisiana Mid-Continent Oil and Gas Association (LMOGA), Louisiana Oil and Gas Association (LOGA), Marcellus Shale Coalition (MSC), National Association of Manufacturers (NAM), Ohio Chamber of Commerce, Ohio Oil and Gas Association (OOGA), Oklahoma Oil and Gas Association (OKOGA), Pennsylvania Chamber of Business and Industry, Petroleum Association of Wyoming (PAW), South Texas Energy and Economic Roundtable (STEER), State Chamber of Oklahoma, Texas Independent Producers & Royalty (TIPRO), Texas Oil and Gas Association (TXOGA), Texas Taxpayers and Research Association (TTARA)