

## **Political Advocacy Statement**

December 9, 2020

The following Political Advocacy Statement (the “Advocacy Statement”) has been adopted by the Board of Directors of Chesapeake Utilities Corporation (the “Company”) upon recommendation by the Corporate Governance Committee. The Corporate Governance Committee oversees matters relating to our engagement in the political landscape, whether through dialogue, collaboration, contributions or otherwise. This Advocacy Statement sets forth a summary of the Company’s guiding principles and activities relating to political advocacy that seek to advance the interests of our stakeholders.

### **Channels of Engagement**

The Company delivers essential energy services to communities throughout our service territories. As a good corporate citizen, the Company periodically engages in thoughtful, meaningful and responsible dialogue with federal, state and local elected officials that represents the interests of the Company’s employees, customers, investors, suppliers, partners and the communities we serve. A policy-making process that is inclusive, diverse and balances all stakeholder interests leads to greater societal advancement. The channels upon which the Company engages in political advocacy may include, but are not limited to, the following:

- Communications with and dissemination of collateral to federal, state and local elected representatives
- State of the Company presentations to regulatory agencies
- Memberships in industry trade organizations associated with our regulated businesses such as the American Gas Association, Southern Gas Association and Florida Natural Gas Association
- Memberships in industry trade organizations associated with our unregulated businesses such as the Mid-Atlantic Propane Association and Florida Propane Association
- Memberships in private businesses or non-profit organizations such as the Eastern Pennsylvania Alliance for Clean Transportation and The Air Quality Partnership of Delaware
- Memberships in local business organizations that support our communities such as Chambers of Commerce, Economic Development Organizations and Delaware Business Roundtable, Inc.
- Partnerships with third-parties such as public advocacy groups, peer companies, or other businesses who have like interests
- Engagement of government relations firms or other agents who provide specialty representation and know-how of the political landscape
- Contributions to non-profit organizations that support our communities

## Objectives and Guiding Principles

The Company's objectives related to the use of company funds for political advocacy include: i) to engage elected representatives on matters that impact the Company's business operations and its stakeholders; ii) to engage in matters that provide for the betterment and sustainability of our communities; and iii) to be proactively involved in a diverse and inclusive policy-making process that balances all stakeholder interests thus leading to greater societal advancement. The following guiding principles provide the framework under which we serve when engaging in political advocacy:

- We will comply with all applicable federal, state and local laws and regulations
- We will represent the best interests of our stakeholders
- As a good corporate citizen, we will engage in matters that provide for the betterment of our communities
- We will follow the Company's established policies and processes, including Article XIV of the Company's Business Code of Ethics and Conduct titled *Political Activities*
- We will uphold the highest ethical standards
- We will maintain good corporate governance and internal controls around our political advocacy program, including tracking political spend and conducting training on compliance requirements
- We will provide disclosure and transparency around material political contributions that are made outside of the normal course of business

## Government Relations Activities

From time to time, the Company may engage government relations firms or other representatives who provide specialty representation and know-how of the ever-evolving political landscape in a certain region or in regards to a certain matter or project. These representatives generally provide advocacy at the state and local level in coordination and collaboration with the Company. Additionally, a portion of the Company's membership fees paid to trade organizations may be allocated to the advocacy of matters of federal policy that are of interest to the energy industry and more specifically the Company. Likewise, a portion of the Company's membership fees paid to local business organizations that support our communities may be allocated to the advocacy of matters of state and local policy that are of interest to the economic growth and well-being of our communities and more specifically the Company's businesses in these communities. Pursuant to the Company's Business Code of Ethics and Conduct, employees, officers and directors must consult with the Company's General Counsel before undertaking any government relations activities on behalf of or related to the business of the Company or its affiliates. The Company discloses its political activities with state ethics commissions where required and complies with state government relations disclosure requirements.

## **Corporate Political Contributions**

The Company does not have a Political Action Committee and does not directly contribute corporate funds to federal candidates. The Company uses corporate funds, from time to time, to support, on a bi-partisan basis, the political action committees of trade or local business organizations, political parties, and candidates for state and local office where permissible. The Company makes and discloses its political contributions in compliance with all applicable federal, state and local laws. From January 1, 2020 to December 31, 2020, the Company paid annual membership fees to the following top five organizations, of which approximately \$46,340, in aggregate, was used by the organizations for government relations activity: (i) American Gas Association, (ii) Florida Natural Gas Association, (iii) Interstate Natural Gas Association of America, (iv) The Coalition of Renewable Natural Gas, and (v) Florida Propane Gas Association.