

Standing Strong. Embracing Change. **Shaping Our Future.**



2022 Janney Virtual Gas & Electric Utilities Conference

January 12, 2022

Today's Presenters



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Forward Looking Statements and Other Disclosures

Safe Harbor Statement

Some of the Statements in this document concerning future Company performance will be forward-looking within the meanings of the securities laws. Actual results may materially differ from those discussed in these forward-looking statements. You should refer to the additional information contained in Chesapeake Utilities' Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC and other subsequent SEC filings concerning factors that could cause those results to be different than contemplated in today's discussion.

Reg D Disclosure

Today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation D. Although non-GAAP measures are not intended to replace GAAP measures for evaluation of Chesapeake's performance, Chesapeake believes that portions of the presentation, which include certain non-GAAP financial measures, provide a helpful comparison for an investor's evaluation purposes.

Gross Margin (Non-GAAP Measure)

Gross Margin is determined by deducting the cost of sales from operating revenue. Cost of sales includes the purchased fuel cost for natural gas, electric and propane distribution operations and the cost of labor spent on different revenue-producing activities and excludes depreciation, amortization and accretion. Other companies may calculate gross margin in a different manner.



- **160+** – Years providing energy
- **~1,000** – Employees at Dec. 31, 2021
- **~300,000** – Distribution customers
- **\$2.02 billion** – Total Assets at Sept. 2021
- **24%** – Growth in Net Income from Continuing Operations (9 months ending Sept. 2021)
- **25%** – Growth in Net Income from Continuing Operations (12 months ending Sept. 2021)
- **14th Year** – of record earnings growth in 2020
- **60 Years** – of consecutive dividends in 2021

Business Overview

Strong Base of Regulated Utilities

Natural Gas Transmission

States Served

EASTERN SHORE
NATURAL GAS

DE, MD, PA

PENINSULA
PIPELINE

FL

Natural Gas Distribution

States Served

CHESAPEAKE
UTILITIES

DE, MD

SANDPIPER
ENERGY

MD

CHESAPEAKE
ELKTON GAS

MD

FLORIDA PUBLIC
UTILITIES

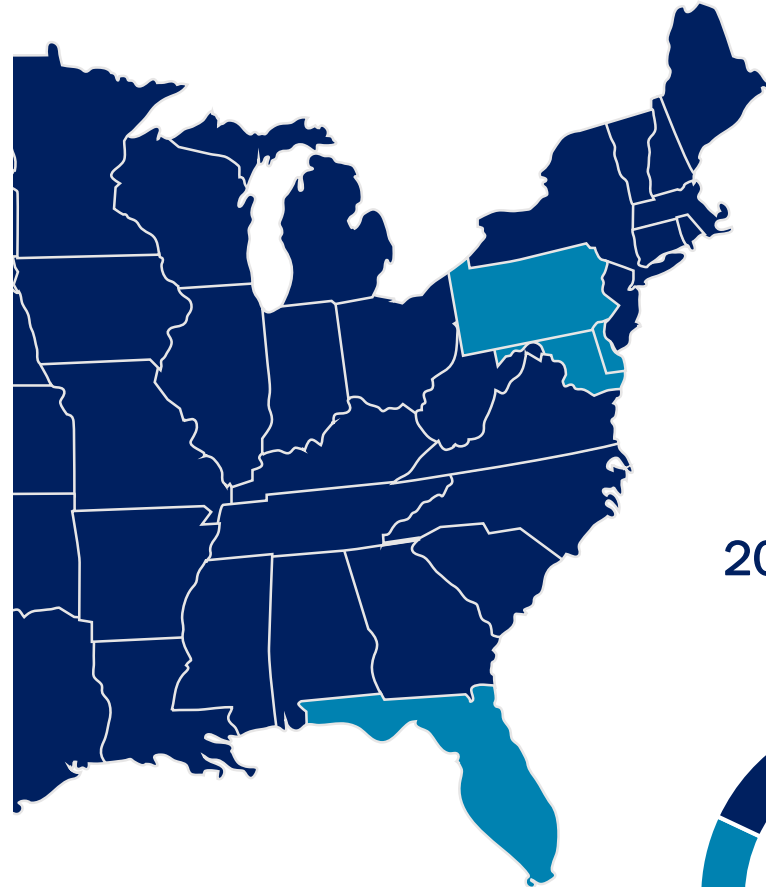
FL

Electric Distribution

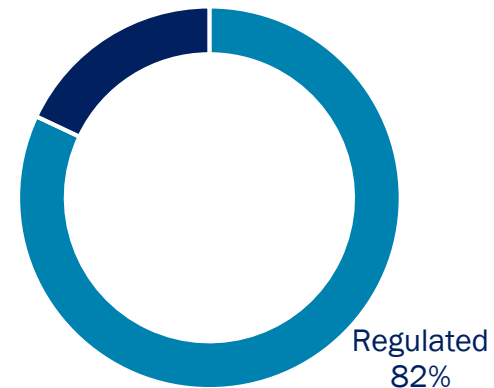
States Served

FLORIDA PUBLIC
UTILITIES

FL



2020 Operating
Income



Growing Set of Complementary Unregulated Businesses

Propane Distribution



States Served

PA, DE, MD,
VA, NC, SC, FL



FL

Natural Gas Pipeline System



OH

CNG Virtual Pipeline



Multiple

CHP Generation



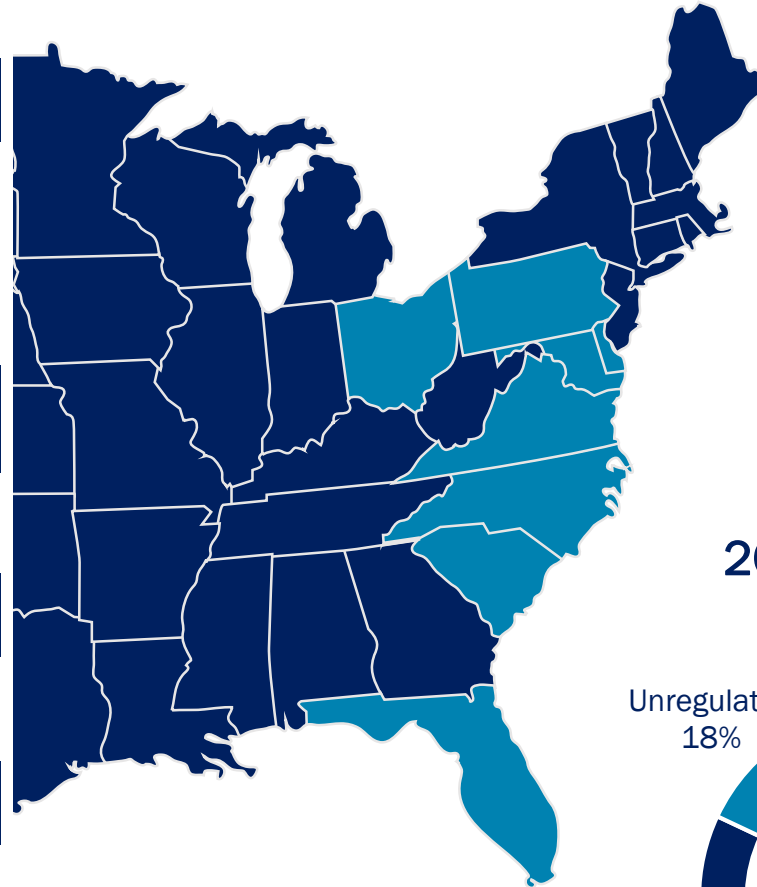
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RNG Opportunities



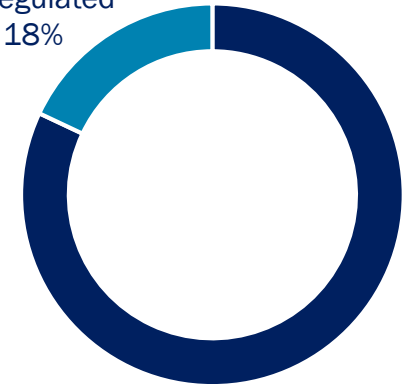
States Served

DE, MD,
OH, FL
and others



2020 Operating Income

Unregulated
18%





Organic Growth

- Optimize the earnings potential of our existing businesses through organic growth and business transformation initiatives.



Gas Transmission

- Pursue intrastate and interstate gas transmission projects in selected markets.



Propane

- Expand the propane wholesale, retail and AutoGas businesses in the Mid-Atlantic and Southeast, including through new acquisitions.



Marlin Gas Services

- Expand Marlin virtual pipeline and product transport business (CNG, LNG, RNG, Hydrogen, CO₂).

Sustainable Investments

- Renewable Natural Gas from waste sources
- CNG/RNG vehicle fuels
- Combined Heat and Power Projects
- Renewable power generation associated with RNG
- Introduction of Hydrogen



We are providing our customers with affordable, reliable and sustainable energy delivery solutions

Organic Growth Highlights



Customer growth in our service territories is 2x-3x higher than average peer group customer growth.

Peninsula Pipeline announced Winter Haven and Beachside expansions, supporting customer growth in Florida.

Eastern Shore transmission pipeline reached Somerset County, MD, helping institutional customers displace fuel oils and wood chips.

Aspire Energy constructed transmission pipeline to the state-of-the-art Guernsey Power Station.

Diversified Energy Acquisition



- **19,000+** – Residential, commercial and agricultural propane customers
- **~10 million** – Gallons distributed annually
- **4 States** – Serving customers in North Carolina, South Carolina, Virginia and Pennsylvania
- **65** – Employees nationwide
- **~80** – Fleet vehicles
- **\$11.3 million** – Gross margin expected in 2022

The strategic acquisition of Diversified Energy’s propane assets nicely expands our existing propane business into the Carolinas

Active Renewable Natural Gas Transportation Projects



Recently Completed

- **Noble Road Landfill Project:** Aspire Energy completed construction of a 33.1 mile pipeline to inject RNG developed at the landfill for distribution to its end use customers.

In Progress

- **BioEnergy Devco and CleanBay:** RNG source created from poultry waste. Services include the transport of RNG by Marlin Gas Services to Eastern Shore Natural Gas (our interstate pipeline) which is ultimately distributed to our natural gas customers. CPK is involved in discussions to potentially offer additional services. The projects are under development and the timing of RNG availability is dependent on the construction schedule of each project.
- **CNG Filling Station:** At the Port of Savannah in conjunction with Southern Company Gas. CPK will build the physical station on behalf of Southern and then lease and operate it. The facility is designed to serve local CNG fleets and RNG-fueled vehicles.

Capital Investment Has Driven Our Earnings Growth

Historical Capital Expenditures and Acquisitions

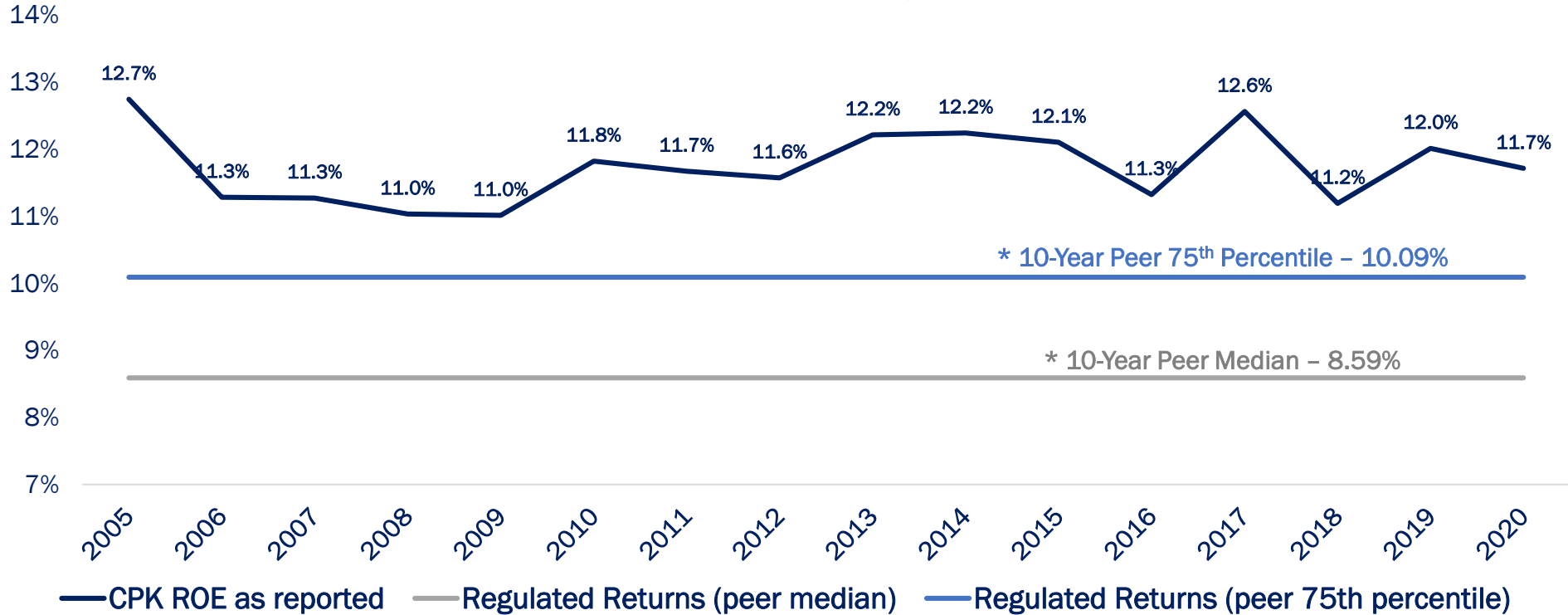


Amounts in chart reflected in millions.

Solid Track Record of Return on Equity

Consistently Exceeding Peer Median and 75th Percentile

Return on Equity

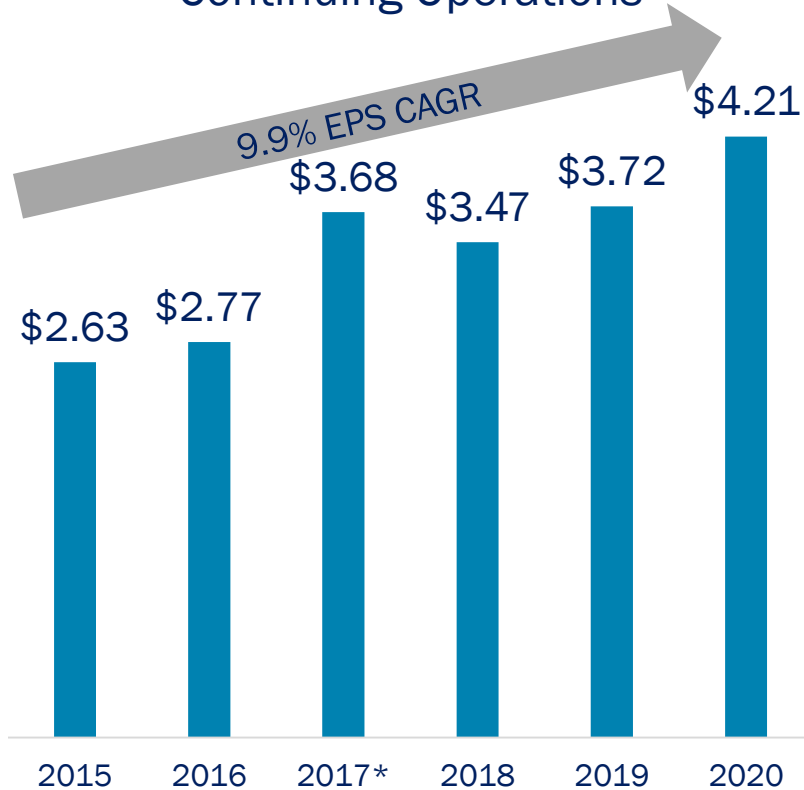


Return on Equity				
For the periods ending December 31, 2020				
	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CPK	11.7%	11.6%	11.7%	11.8%
Peer Median	8.8%	9.4%	9.0%	8.6%
Peer 75th Percentile	9.9%	9.9%	10.2%	10.1%

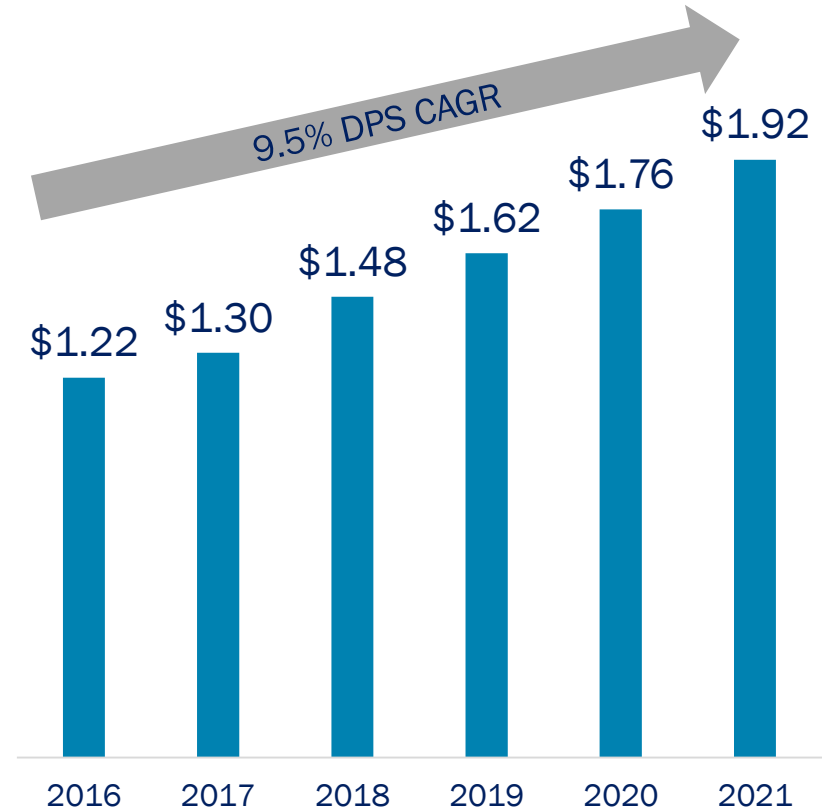
Growth in Earnings Drives Dividend Growth

Earnings and Dividend Performance for Periods Ended December 31st

Diluted Earnings Per Share from Continuing Operations



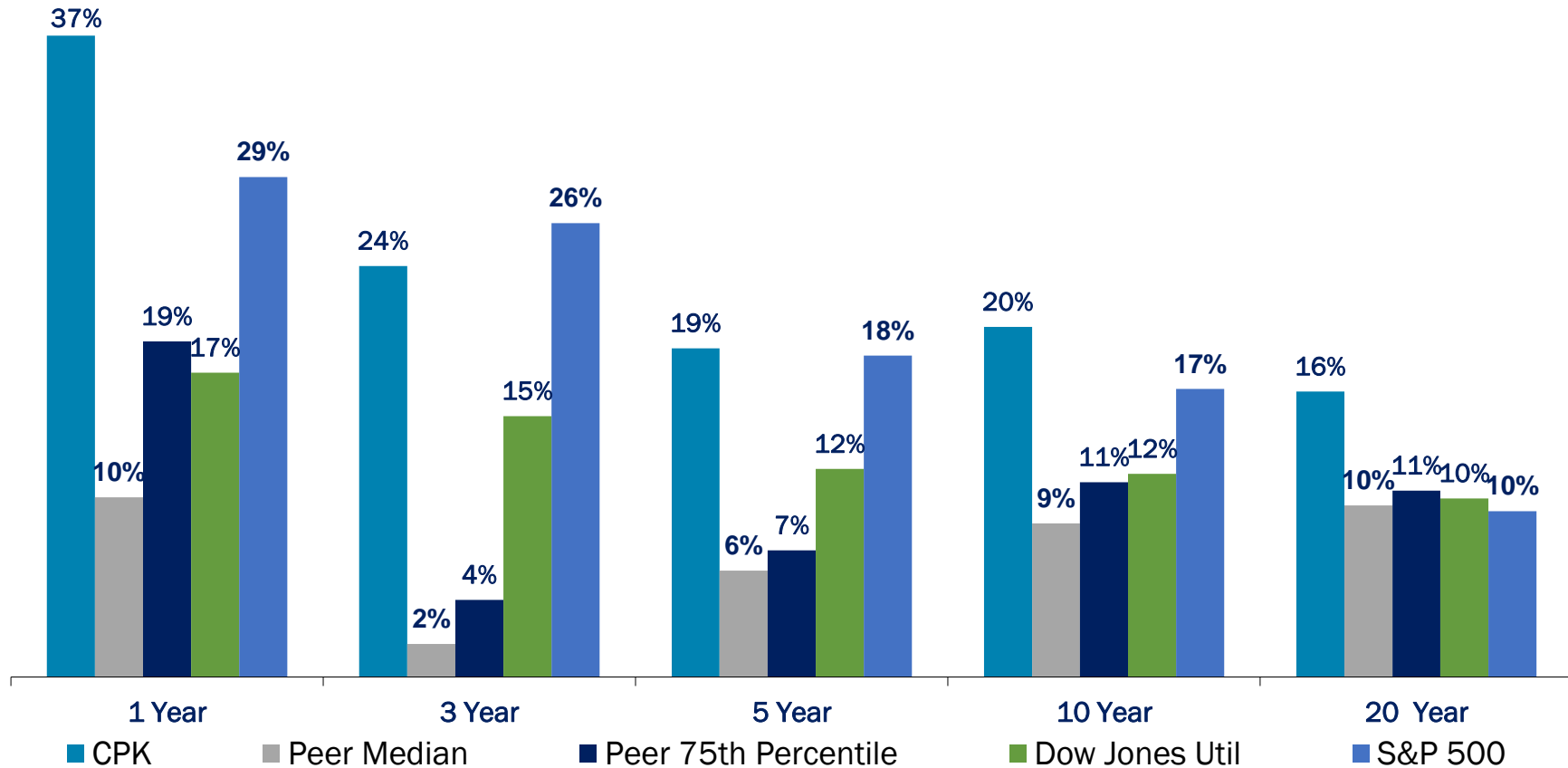
Annualized Dividends Per Share



Our earnings growth drives our consistent and growing dividend

* 2017 Includes TCJA Impact

Average Annualized Shareholder Return for Periods Ended December 31, 2021

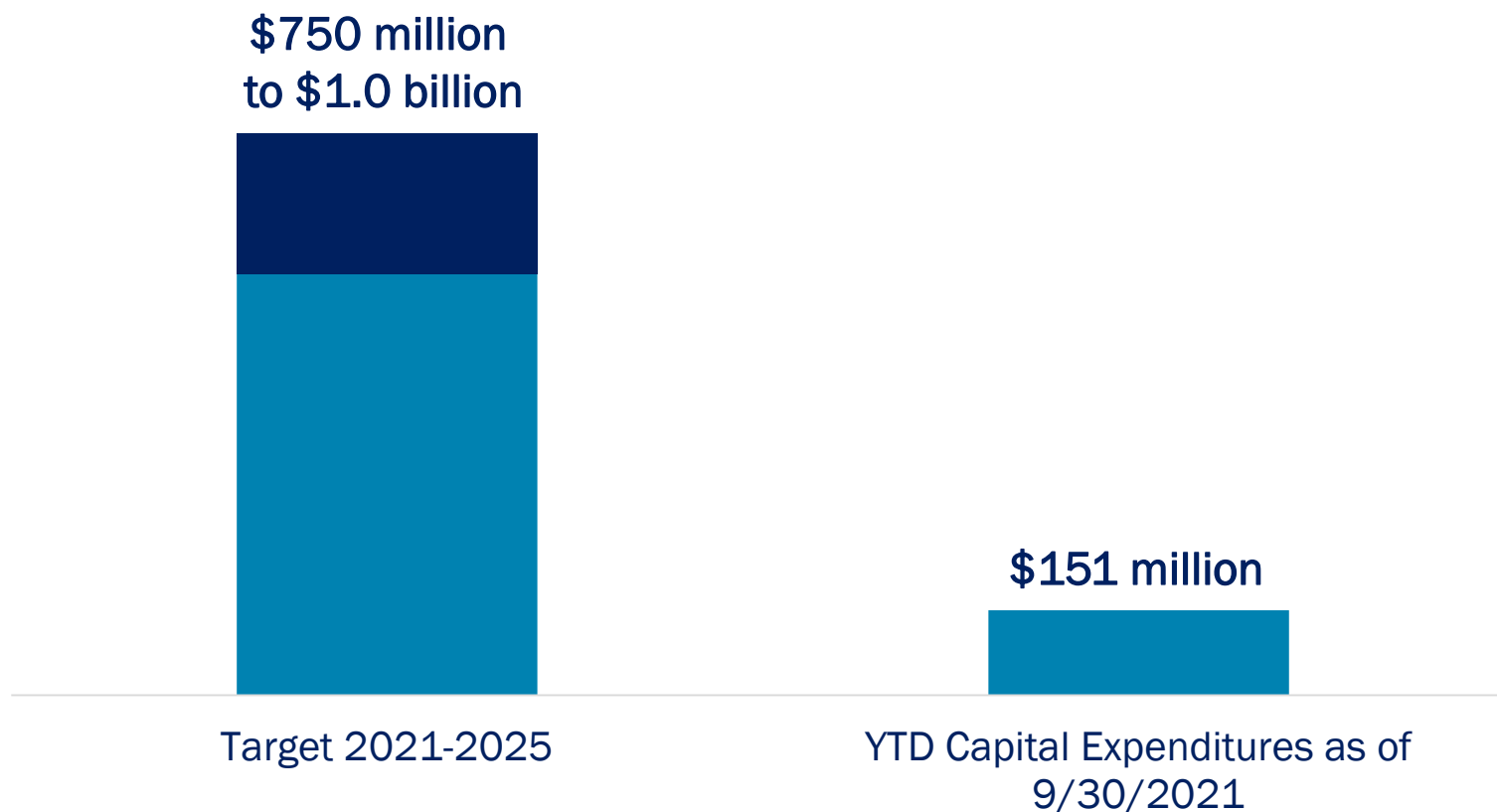


Our increased performance is driving increased value for our shareholders

Capital Investment Guidance

Continued Record Investment in Our Business Growth

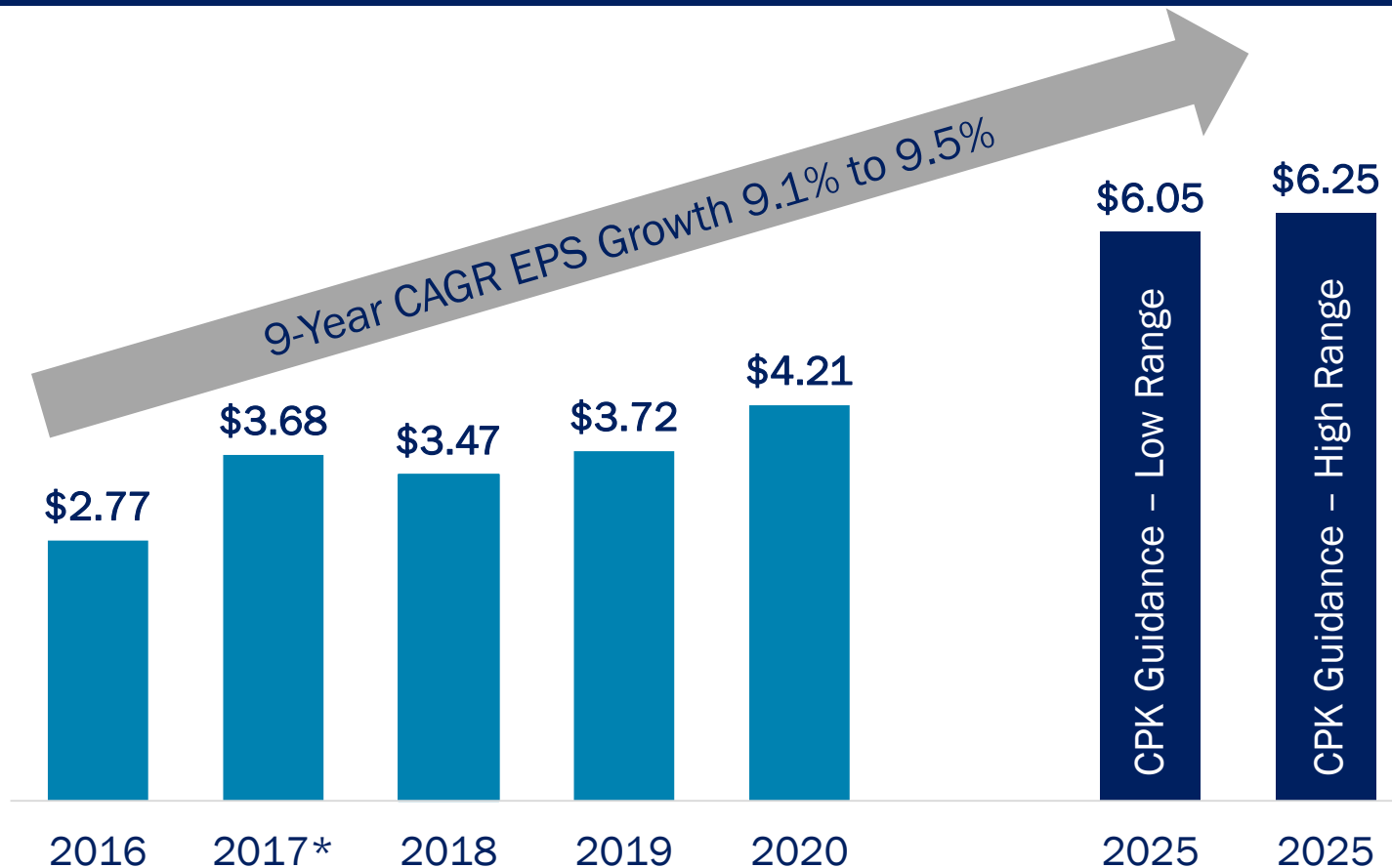
5-year capital expenditure guidance 2021 thru 2025 up to \$1 billion



Robust opportunities to deploy significant capital
on value-enhancing projects

Diluted Earnings per Share Guidance from Continuing Operations

Diluted Earnings Per Share from Continuing Operations Guidance through 2025



Strategic capital investments
continue to drive earnings growth.

Together, the Chesapeake Utilities Team PROUDLY DELIVERS UNINTERRUPTED ENERGY SERVICES TO OUR CUSTOMERS

- We have an unwavering focus on advancing initiatives that are consistent with our long-history of growth, upper-quartile performance, and the reduction of greenhouse gas emissions.
- Our inaugural Corporate Responsibility and Sustainability Report will be made available in the coming months, providing additional information and insights on our long-standing ESG stewardship.
- We are continuing to strengthen our safety culture.
- We are accelerating a business transformation process to address the organizational and technology enhancements that will support our continued responsible growth.

Recent ESG Initiatives

Global Diversity
Awareness
Month

Breast Cancer
Awareness
Myths and
Facts

Charity Bobtail
for Nemours
Children's
Hospital

Wreath-laying
With Wreaths
Across America

Hidden Heroes
of Women in
Energy

Coping With
Change in Multi-
generational
Households

National
Hispanic
Heritage Month

Internal Employee Resource Groups



Chesapeake Cares



More than 100 local charities supported each year



More than 110 scholarships awarded to children of CPK employees

Recent Awards and Recognitions



Named Top Work Place in US for 2021, Top Work Place in Delaware for 10 Years in a Row



Chesapeake Utilities named 2021 Best Company with Over 50 People. Sharp Energy named 2021 Best Propane Company.



CPK Named 2021 Best Corporate Governance in the North American Utilities Sector



Four CPK Businesses Received AGA Safety Related Awards in 2021

Investment Proposition

Committed to Superior Performance

We seek to identify and develop opportunities to drive our future earnings growth and increase shareholder value.

- Capitalizing on new organic growth and operational efficiencies
- Investing in pipeline systems that provide natural gas service to downstream customers
- Identifying propane opportunities to access new markets with significant growth potential
- Pursuing virtual pipeline opportunities given Marlin capabilities (CNG, LNG, RNG)
- Expanding our RNG footprint by using our energy delivery solutions and expertise throughout our service areas
- Investing in our diverse talented team
- Engaging with communities where we work and live
- Driving brand excellence through safety awards, top workplace, employee engagement and community service



Financial Objectives in Support of Increased Shareholder Value:

- Investing \$750 million to \$1 billion through 2025
- Targeting 2025 EPS \$6.05 to \$6.25
- Seeking 11.0% or higher consolidated return on equity
- Pursuing dividend growth supported by earnings growth
- Maintaining a strong balance sheet

Average Annualized Shareholder Return

For Periods Ending December 31, 2021

1 Year	3 Year	5 Year	10 Year	20 Year
37%	24%	19%	20%	16%

Standing Strong. Embracing Change. **Shaping Our Future.**



Thank You

