

**Subject Company: Southwestern Energy Company
SEC File No.: 001-08246
Date: June 13, 2024**

This filing relates to an investor communication concerning analyses published by Institutional Shareholder Services on June 6, 2024 and June 12, 2024 on matters related to the proposed transaction between Chesapeake Energy Corporation, an Oklahoma corporation ("Chesapeake"), and Southwestern Energy Company, a Delaware corporation ("Southwestern"), pursuant to that certain Agreement and Plan of Merger, dated as of January 10, 2024, by and among Chesapeake, Southwestern, Hulk Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Chesapeake, and Hulk LLC Sub, LLC, a Delaware limited liability company and a wholly owned Subsidiary of Chesapeake.

From: Chris Ayres

Subject: ISS Correction on CHK Merger Vote

Dear Investor,

I am reaching out regarding a recent correction ISS published in regard to our upcoming merger vote.

ISS had previously portrayed Item 2 (Advisory Vote on Golden Parachutes) of our upcoming vote as a change in executive compensation that would accelerate equity for all NEOs and be a single trigger, which was factually incorrect. This error was corrected in their June 12th publication. Nick Dell'Osso and the NEOs continuing on with NewCo are NOT having an equity acceleration event and are instead subject to a double trigger, as termination would be required for equity to accelerate.

ISS's continued "No" recommendation is due to the company adjusting its compensation plan prior to signing the merger agreement to treat the merger with Southwestern as a qualifying trigger in the double trigger for severed Chesapeake employees. However, as you know, this is standard practice for an acquiring company in a large merger.

We are unwavering in our commitment to maintaining a compensation program that aligns compensation with performance and shareholder interests. Pages 32 and 33 of the CHK 2024 [Proxy](#) can provide further insight into CHK's compensation philosophy.

As always, please do not hesitate to reach out to me or my team with any questions or needed clarifications.

-Chris

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This communication contains “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements may be identified by words such as “anticipates,” “believes,” “cause,” “continue,” “could,” “depend,” “develop,” “estimates,” “expects,” “forecasts,” “goal,” “guidance,” “have,” “impact,” “implement,” “increase,” “intends,” “lead,” “maintain,” “may,” “might,” “plans,” “potential,” “possible,” “projected,” “reduce,” “remain,” “result,” “scheduled,” “seek,” “should,” “will,” “would” and other similar words or expressions. The absence of such words or expressions does not necessarily mean the statements are not forward-looking. Forward-looking statements are not statements of historical fact and reflect Chesapeake’s and Southwestern’s current views about future events. These forward-looking statements include, but are not limited to, statements regarding the proposed transaction between Chesapeake and Southwestern, the expected closing of the proposed transaction and the timing thereof and the proforma combined company and its operations, strategies and plans, integration, debt levels and leverage ratio, capital expenditures, cash flows and anticipated uses thereof, synergies, opportunities and anticipated future performance, expected accretion to earnings and free cash flow and anticipated dividends. Information adjusted for the proposed transaction should not be considered a forecast of future results. Although we believe our forward-looking statements are reasonable, statements made regarding future results are not guarantees of future performance and are subject to numerous assumptions, uncertainties and risks that are difficult to predict. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. Actual outcomes and results may differ materially from the results stated or implied in the forward-looking statements included in this communication due to a number of factors, including, but not limited to: the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the possibility that our stockholders may not approve the issuance of Chesapeake’s common stock in connection with the proposed transaction; the possibility that the stockholders of Southwestern may not approve the merger agreement; the risk that Chesapeake or Southwestern may be unable to obtain governmental and regulatory approvals required for the proposed transaction, or required governmental and regulatory approvals may delay the proposed transaction or result in the imposition of conditions that could cause the parties to abandon the proposed transaction; the risk that the parties may not be able to satisfy the conditions to the proposed transaction in a timely manner or at all; risks related to disruption of management time from ongoing business operations due to the proposed transaction; the risk that any announcements relating to the proposed transaction could have adverse effects on the market price of Chesapeake’s common stock or Southwestern’s common stock; the risk of any unexpected costs or expenses resulting from the proposed transaction; the risk of any litigation relating to the proposed transaction; the risk that the proposed transaction and its announcement could have an adverse effect on the ability of Chesapeake and Southwestern to retain and hire key personnel, on the ability of Chesapeake to attract third-party customers and maintain its relationships with derivatives counterparties and on Chesapeake’s operating results and businesses generally; the risk that problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected; the risk that the combined company may be unable to achieve synergies or other anticipated benefits of the proposed transaction or it may take longer than expected to achieve those synergies or benefits and other important factors that could cause actual results to differ materially from those projected; the volatility in commodity prices for crude oil and natural gas, the presence or recoverability of estimated reserves; the ability to replace reserves; environmental risks, drilling and operating risks, including the potential liability for remedial actions or assessments under existing or future environmental regulations and litigation; exploration and development risks; the effect of future regulatory or legislative actions on the companies or the industry in which they operate, including the risk of new restrictions with respect to oil and natural gas development activities; the risk that the credit ratings of the combined business may be different from what the companies expect; the ability of management to execute its plans to meet its goals and other risks inherent in Chesapeake’s and Southwestern’s businesses; public health crises, such as pandemics and epidemics, and any related government policies and actions; the potential disruption or interruption of Chesapeake’s or Southwestern’s operations due to war, accidents, political events, civil unrest, severe weather, cyber threats, terrorist acts, or other natural or human causes beyond Chesapeake’s or Southwestern’s control; and the combined company’s ability to identify and mitigate the risks and hazards inherent in operating in the global energy industry. Other unpredictable or unknown factors not discussed in this communication could also have material adverse effects on forward-looking statements.

All such factors are difficult to predict and are beyond Chesapeake's or Southwestern's control, including those detailed in Chesapeake's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are available on its website at <http://investors.chk.com/> and on the SEC's website at <http://www.sec.gov>, and those detailed in Southwestern's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are available on Southwestern's website at <https://ir.swn.com/CorporateProfile/default.aspx> and on the SEC's website at <http://www.sec.gov>. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Chesapeake and Southwestern undertake no obligation to publicly correct or update the forward-looking statements in this communication, in other documents, or on their respective websites to reflect new information, future events or otherwise, except as required by applicable law. All such statements are expressly qualified by this cautionary statement. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed transaction, Chesapeake filed a Registration Statement on Form S-4 (the "Registration Statement") with the SEC that also constitutes a prospectus of Chesapeake common stock. The Registration Statement was declared effective on May 17, 2024, at which time Chesapeake filed a final prospectus and Southwestern filed a definitive proxy statement. Chesapeake and Southwestern commenced mailing of the definitive joint proxy statement/prospectus (the "Proxy Statement/Prospectus") to their respective shareholders on or about May 17, 2024. Each party may also file other relevant documents regarding the proposed transaction with the SEC. This communication is not a substitute for the Proxy Statement/Prospectus or for any other document that Southwestern or Chesapeake has filed or may file in the future with the SEC in connection with the proposed transaction. **BEFORE MAKING ANY VOTING DECISION, INVESTORS ARE URGED TO CAREFULLY READ THE FORM S-4, THE PROXY STATEMENT/PROSPECTUS AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, AS THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT CHESAPEAKE, SOUTHWESTERN, THE PROPOSED TRANSACTION, THE RISKS RELATED THERETO AND RELATED MATTERS.**

Investors and security holders may obtain free copies of the Form S-4 and the Proxy Statement/Prospectus, as well as other filings containing important information about Chesapeake or Southwestern, without charge at the SEC's Internet website (<http://www.sec.gov>). Copies of the documents filed with the SEC by Chesapeake may be obtained free of charge on Chesapeake's website at <http://investors.chk.com/>. Copies of the documents filed with the SEC by Southwestern may be obtained free of charge on Southwestern's website at <https://ir.swn.com/CorporateProfile/default.aspx>.

Participants in the Solicitation

Chesapeake and Southwestern and certain of their respective directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction contemplated by the joint proxy statement/prospectus. Information regarding Chesapeake's directors and executive officers and their ownership of Chesapeake's securities is set forth in Chesapeake's filings with the SEC, including Chesapeake's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and its Proxy Statement on Schedule 14A, which was filed with the SEC on April 28, 2023. To the extent such person's ownership of Chesapeake's securities has changed since the filing of Chesapeake's proxy statement, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC thereafter. Information regarding Southwestern's directors and executive officers and their ownership of Southwestern's securities is set forth in Southwestern's filings with the SEC, including Southwestern's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as amended and filed with the SEC on April 29, 2024. To the extent such person's ownership of Southwestern's securities has changed since the filing of Southwestern's proxy statement, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC thereafter. Additional information regarding the interests of those persons and other persons who may be deemed participants in the proxy solicitations may be obtained by reading the joint proxy statement/prospectus and other relevant materials that will be filed with the SEC regarding the proposed transaction when such documents become available. You may obtain free copies of these documents as described in the preceding paragraph.

No Offer or Solicitation

This communication relates to the proposed transaction between Chesapeake and Southwestern. This communication is for informational purposes only and shall not constitute an offer to sell or exchange, or the solicitation of an offer to buy or exchange, any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the proposed transaction or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. relevant materials that will be filed with the SEC regarding the proposed transaction when such documents become available. You may obtain free copies of these documents as described in the preceding paragraph.

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