



# **NORTHWEST NATURAL HOLDING COMPANY**

## **Finance Committee**

### **Purpose**

The Finance Committee (Committee) of Northwest Natural Holding Company (NW Holdings) shall discuss and review the management of the affairs of NW Holdings relating to financing, including long-range financial planning goals and financial policy.

### **Membership and Organization**

The Committee shall be composed of three or more directors, a majority of whom shall not be officers or retired officers of NW Holdings, and all of whom shall also be members of the Board of Directors of NW Holdings' wholly-owned subsidiary, Northwest Natural Gas Company (NW Natural). The NW Holdings Board of Directors shall appoint and remove members of the Committee and shall designate one member of the Committee who is not an officer or retired officer of NW Holdings as Chair.

The Committee shall hold regular meetings and special meetings on the call of the Chair of the Board of Directors, the Committee Chair or the Chief Executive Officer of NW Holdings.

### **Responsibilities of the Committee**

The Committee shall be responsible for:

- making recommendations to the Board of Directors regarding equity and short- and long-term debt financing actions and programs, including the type, amount and timing of securities to be sold, and actions or programs for the redemption of debt securities or the repurchase of stock;
- making recommendations to the Board of Directors regarding payment of quarterly or other dividends on the common and preferred stock (if applicable), stock splits, stock dividends and other distributions;
- making recommendations to the Board of Directors on financial policy matters, including regulatory policy related to financial strategy and policy, capital structure and dividend policy, and, as to the financial aspects of corporate development strategies such as the acquisition or disposition of businesses and capital assets;
- reviewing, making recommendations to the Board of Directors and monitoring the implementation of NW Holdings' annual capital budget, and reviewing

and monitoring NW Holdings' long-term financial forecasts, based upon NW Holdings' strategic plan;

- reviewing NW Holdings' financial performance (both operating and capital) in comparison to appropriate industry financial performance benchmarks;
- reviewing material regulatory actions and issues, including major rate filing strategies of NW Holdings, if applicable, or any significant subsidiaries;
- reviewing NW Holdings' Short-Term Investment Policy and Guidelines and any amendments to such policies as previously approved by the Chair of the Committee;
- reviewing NW Holdings' Financial Derivatives Policy and any amendments to the policy as previously approved by the Chair of the Committee and monitoring NW Holdings' derivatives activities;
- reviewing periodic reports by management as to NW Holdings' investor relations program and credit rating agency relationships;
- reviewing periodic financial reports by management, including subsidiary reports as appropriate;
- reviewing periodic reports regarding the funding status of any retirement plans of NW Holdings or any wholly-owned subsidiary, including market performance and the primary assumptions used in determining the plans' funding requirements and funded status, and periodically reviewing other retirement benefits as appropriate; and
- monitoring the stock-listing relationship between NW Holdings and the New York Stock Exchange.

The Committee shall also undertake such additional activities within the scope of its primary responsibilities as the Committee or the NW Holdings Board of Directors may from time to time determine.

### **Reporting**

The Committee will prepare and, through its Chair, submit reports on the Committee's work and findings to the full NW Holdings Board of Directors at the first Board meeting following each Committee meeting. Such reports may contain recommendations for Board action when appropriate.

## **Independent Advisors**

The Committee shall have authority to select, retain and terminate such consultants or other advisors as the Committee from time to time shall determine to be necessary or advisable to perform its responsibilities, including the authority to approve such advisors' fees and retention terms.

## **Effective Dates**

Approved by the NW Holdings Board of Directors on October 1, 2018.

As Amended: September 24, 2020