Investor Presentation



May 2023

NW Natural HOLDINGS™

INVESTOR INFORMATION

COMPANY INFORMATION

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FORWARD LOOKING STATEMENTS

This and other presentations made by NW Natural Holdings from time to time, may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, which are subject to the safe harbors created by such Act. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements regarding the following: plans; objectives; estimates; timing; goals; strategies; future events; projections; expectations; acquisitions and timing; completion and integration thereof; storage, pipeline and other infrastructure investments; safety; system modernization and reliability; risk profile; commodity costs and sourcing; competitive advantage; marketing success; service territory; customer service; customer and business growth; customer satisfaction ratings; weather; customer rates and timing and magnitude of potential rate changes; price advantage; customer preference; conversion potential; business risk; efficiency of business operations; regulatory recovery; business development and new business initiatives; water and wastewater industry and investments including timing, completion and integration of such investments; environmental initiatives and remediation recoveries; gas storage markets and business opportunities; gas storage development, costs, timing or returns related thereto; dispositions and timing, completion and outcomes thereof; accretion, financial positions and performance; economic and housing market trends and performance; shareholder return and value; capital expenditures; technological innovations and investments; availability and sources of liquidity; strategic goals and visions; decarbonization and the role of natural gas and the gas delivery system, including competitive renewable natural gas strategy; use of renewables such as renewable natural gas and hydrogen; low carbon pathway and Vision 2050; carbon emissions and savings; renewable natural gas projects or investments and timing related thereto; procurement of renewable natural gas for customers; workforce trends; diversity, equity and inclusion initiatives; hedge efficacy; cash flows and adequacy thereof; return on equity; capital structure; return on invested capital; revenues and earnings and timing thereof; margins; net income; operations and maintenance expense; dividends; credit ratings and profile; debt and equity issuances; the regulatory environment; effects of regulatory disallowance; timing or effects of future regulatory proceedings or future regulatory approvals; regulatory prudence reviews or deferrals; timing, outcome and effects of regulatory dockets or mechanisms or approvals, including, but not limited to, OPUC approval of the Oregon general rate case comprehensive stipulation; effects of legislation and changes in laws and regulations, including but not limited to carbon, renewable natural gas and renewable hydrogen regulations; gas supply; supply chain; effects, extent, severity and duration of COVID-19 and resulting economic disruption; the impact of efforts to mitigate risks posed by its spread, the ability of our workforce, customers or suppliers to operate or conduct business, COVID-19 expenses and financial impact and cost recovery including through regulatory deferrals, impact on capital projects, governmental actions and timing thereof, including actions to reopen the economy; and other statements that are other than statements of historical facts.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements, so we caution you against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are discussed by reference to the factors described in Part I, Item 1A “Risk Factors,” and Part II, Item 7 and Item 7A “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Quantitative and Qualitative Disclosure about Market Risk” in the Company’s most recent Annual Report on Form 10-K, and in Part I, Items 2 and 3 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Quantitative and Qualitative Disclosures About Market Risk”, and Part II, Item 1A, “Risk Factors”, in the Company’s quarterly reports filed thereafter.

All forward-looking statements made in this presentation and all subsequent forward-looking statements, whether written or oral and whether made by or on behalf of the Company, are expressly qualified by these cautionary statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

LEADERSHIP PRESENTING



DAVID H. ANDERSON • President and Chief Executive Officer

Mr. Anderson is currently NW Holding's President and CEO effective October 2018 and NW Natural's President and CEO effective August 2016. Since he joined NW Natural in 2004, Mr. Anderson has served in various executive positions over Operations, Regulation and Financial Matters, as COO and CFO. Previously, Mr. Anderson held executive positions within TXU Corporate including Senior Vice President and Chief Accounting Officer. Mr. Anderson holds a BBA in Accounting from Texas Tech University and held a CPA (retired) and CGMA.



FRANK BURKHARTSMEYER • SVP and Chief Financial Officer

Mr. Burkhartsmeyer is currently NW Natural Holdings' Senior Vice President and CFO effective October 2018 and NW Natural's Senior Vice President and CFO effective May 2017. Previously, Mr. Burkhartsmeyer served as President and CEO of Avangrid Renewables and Senior Vice President of Finance at Iberdrola Renewables Holdings US and also held various positions at PPM Energy, ScottishPower and PacificCorp. Mr. Burkhartsmeyer has an MBA from the University of Oregon and a Bachelor of Arts in Liberal Arts from the University of Montana.



JUSTIN B. PALFREYMAN • SVP Strategy & Business Development & President NW Natural Water

Mr. Palfreyman is currently NW Natural's Senior Vice President of Strategy and Business Development effective 2016. In addition, he is the President of NW Natural Water. Previously, Mr. Palfreyman was with Lazard, Freres & Co. serving as a Director in the Energy & Infrastructure Group and worked in the Infrastructure Investment Banking Group at Goldman Sachs in New York. Mr. Palfreyman has an MBA and a Master of Public Policy from The University of Chicago, and a Bachelor of Business Administration from Pacific Lutheran University.



BRODY J. WILSON • Vice President, Treasurer, Chief Accounting Officer, and Controller

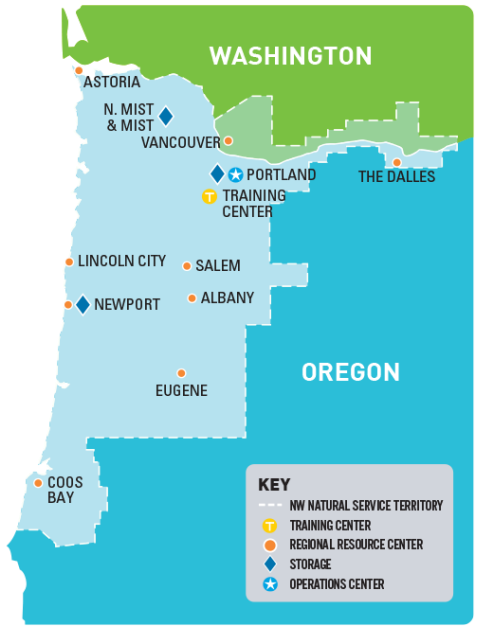
Mr. Wilson is currently NW Holding's Vice President and Treasurer effective October 2018 and NW Natural's Vice President and Treasurer effective May 2017 in addition to his duties as Chief Accounting Officer (2016) and Controller (2013). Prior to joining the Company in 2012, he was a Senior Manager in the Energy & Utility Group at PricewaterhouseCoopers LLP. Mr. Wilson holds a Bachelor of Science in Accounting from George Fox University and is a CPA in Oregon.

INTRODUCTION

NWN AT A GLANCE

Gas Utility

- 2.5 million people served
- Over 795,000 connections
- 14,000 miles of modern pipeline
- $4.6 billion in assets
- Growing service territory in Oregon & Southwest Washington



Water & Wastewater Utilities

- Over 155,000 people served through approximately 63,000 owned connections
- Supporting about 10,000 O&M service connections
- Invested nearly $280 million to date through acquisitions and follow-on cap-ex investments
- Fast-growing service territories
- Continued disciplined expansion



Owned Utilities

Salmon Valley Water
Sunriver Water and Wastewater
Avion Water

Cascadia Water
Suncadia Water and Wastewater

Falls Water
Gem State Water

Blue Topaz

Foothills Water and Wastewater

NW Natural Renewables

- Investing in renewable energy and the transition to a decarbonized future
- Focused on the production and supply of net low-carbon fuels supporting a variety of sectors
- Initial $50 million total investment in RNG production facility



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CORPORATE STRATEGY

CONSERVATIVE STRATEGY

Stable gas and water utility margins through progressive regulation

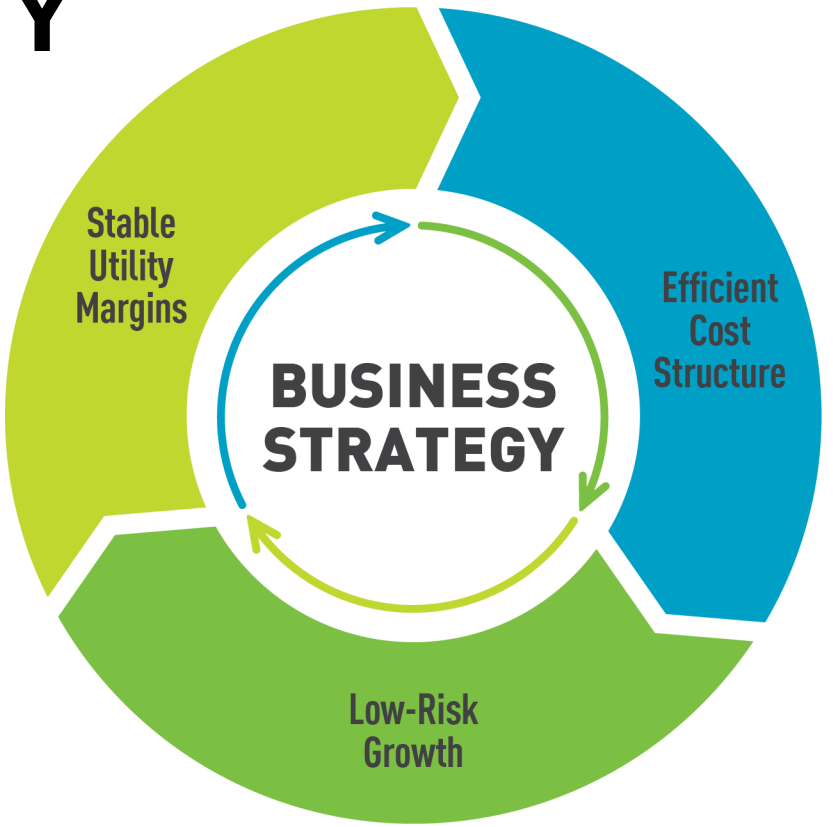
- Gas utility: weather, decoupling and environmental cost recovery mechanisms as well as a renewable natural gas automatic adjustment clause in Oregon
- Constructive relationships with regulators and customer groups benefit both gas and water utilities

Excellent operations and efficient cost structure

- Commitment to safety, reliability, and high-quality service
- Continued focus on efficient business operations

Long-term growth opportunities that fit NWN's profile

- GAS UTILITY: strong cap-ex profile with attractive and growing service territory
- WATER & WASTEWATER: long-term, disciplined strategy to acquire water utilities and wastewater businesses in a highly fragmented industry with ample infrastructure investment opportunities
- COMPETITIVE RNG: potential for incremental earnings and cash flow through renewable natural gas investments, supported by long-term contracts, that could help decarbonize a variety of sectors including utility, commercial, industrial and transportation sectors



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ESG LANDSCAPE & ACHIEVEMENTS

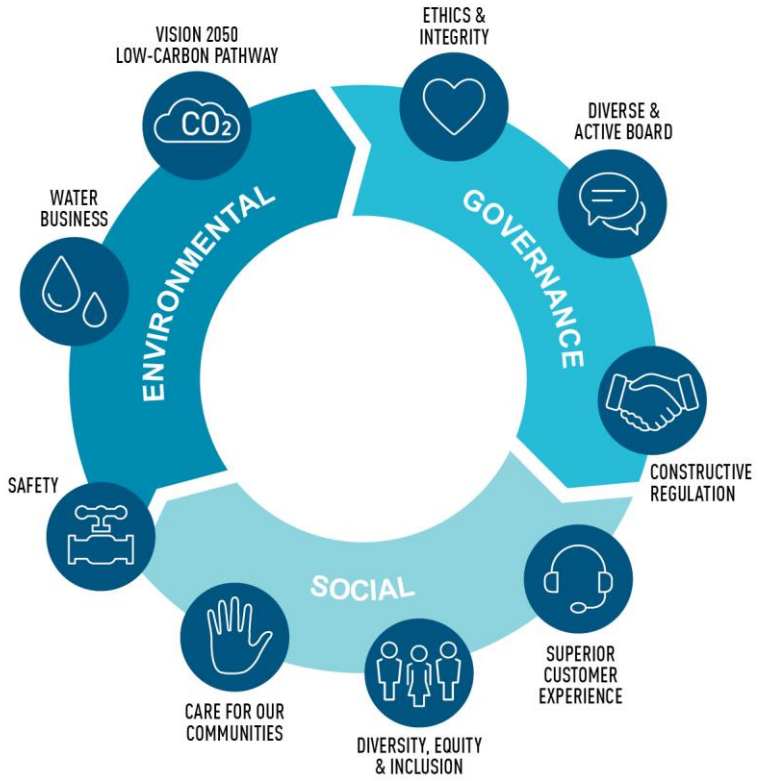
Published ESG Report with disclosures in alignment with SASB and including components of TCFD

Environmental

- On track to meet or exceed carbon savings goal of 30% by 2035[1]
- Saved over 463,000 metric tons of carbon in 2021, equivalent to taking nearly 100,000 cars off the road
- Our vision forward is being a provider of carbon neutral energy by 2050

Safety

- No cast iron or bare steel pipe in natural gas system, making our system one of the most modern and tightest in the nation
- Performed transmission pipeline inspections at about 2.5x the rate required in 2022
- Installed excess flow valves (EFVs) on 39% of our services lines by the end of 2021. Latest industry average is approx. 24%



Governance

- Maintained well-qualified, diverse, independent and active Board with appropriate business & risk oversight
- Board refreshment resulted in 60% of the independent directions added in the last five years through 2021
- Board of directors includes 27% of members that are ethnically & racially diverse, 45% women and a woman chair
- 100% of active NW Natural employees participated in ethics and compliance training in 2022
- Honored as one of the 2022 and 2023 World's Most Ethical Companies®[3]

Customers & Employees

- Ranked #2 in the West for residential customer service[2]
- Donated $1.7 million and 2,640 employee volunteer hours to nonprofits in our communities in 2021
- Made progress on diversity goals – 28% of our workforce are women and 20% are ethnically and racially diverse in 2021

Full report at nwnatural.com/about-us/the-company/sustainability

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1 *This is an emissions savings goal equivalent to 30% of the carbon emissions from our sales customers' gas use and NW Natural company operations from 2015*
2 *2022 J.D. Power Gas Utility Residential Customer Satisfaction Study for Large Utilities*
3 *"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC*

INVESTMENT TARGETS

Growth targets over the next five years include:

Financial Targets

- EPS growth of 4% - 6%[1]
- Strong and growing dividend[2]

Gas Utility Growth

- Customer growth averaging 1.1% per year
- Capital plan of $1.3 - $1.5 billion
- Rate base growth of 5% - 7%[3]

Water Growth

- Long-term strategy, incremental earnings growth and diversity
- Deliberate and disciplined roll-up strategy
- Maintenance cap-ex plan $90 - $110 million[4]

1 EPS growth forecasted for period 2022 – 2027 compounded annually; EPS growth rate uses mid-point of 2022 guidance range as base year
2 Future dividends are subject to Board of Director discretion and approval
3 Rate base growth forecasted for period 2022 - 2027
4 Water cap-ex plan is based on projected needs of water and wastewater utilities acquired or pending acquisition as of 2/24/23

Stable and Growing Return Proposition

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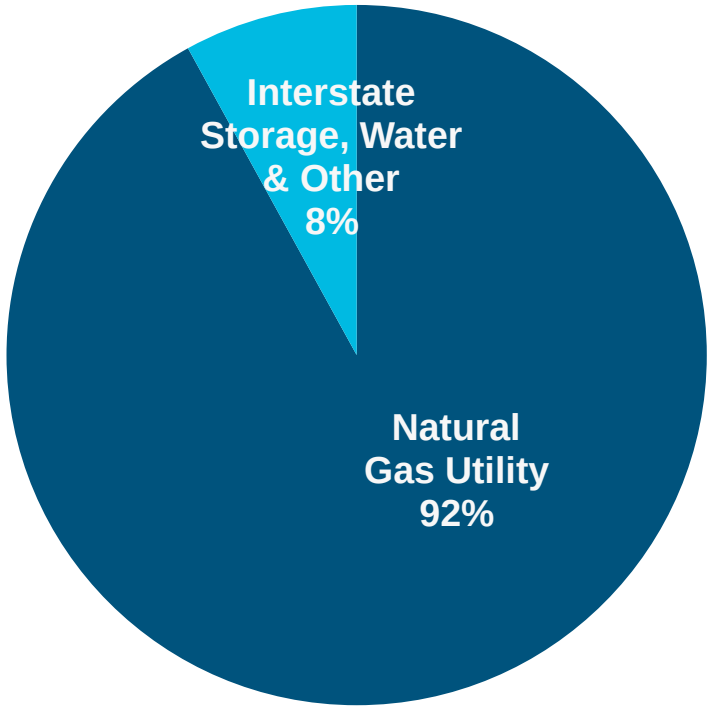
HIGHLY REGULATED

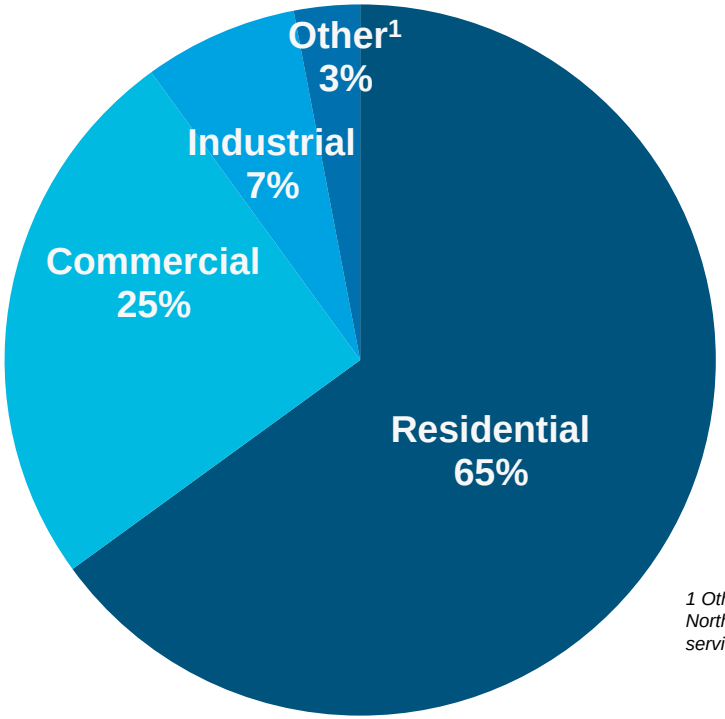
90%+ Net Income from Utilities

2022 Net Income



Favorable Customer Mix

2022 Natural Gas Utility Margin



1 Other is primarily margin from North Mist regulated gas storage services

NATURAL GAS UTILITY

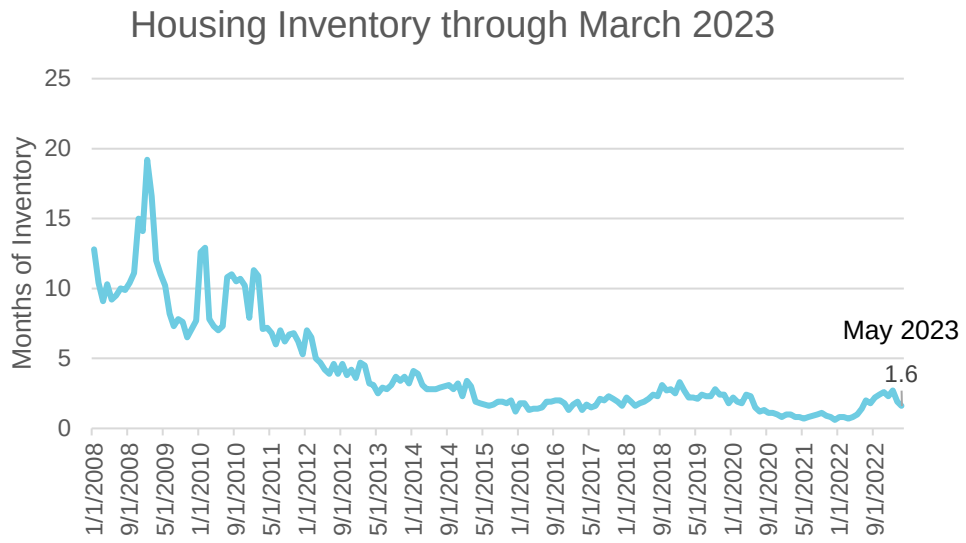
GAS UTILITY OVERVIEW

- Nearly 165 years of service in our communities
- Largest stand-alone local distribution company in the Pacific Northwest
- Serve 2.5 million people in more than 140 communities through over 795,000 meters in Oregon and southwest Washington
- Consistently recognized for high-quality customer service by J.D. Power
- One of the safest, most modern distribution systems in the country



RESILIENT BUSINESS MODEL

Tight Residential Real Estate Market Leads to Fewer Losses



RMLS Data for Portland Metro

~80% of Natural Gas Utility Margin is Decoupled

	% of Volumes	% of Margin	% of Margin Decoupled
Residential	38%	65%	93%
Commercial	23%	25%	78%
Industrial	39%	7%	0%
Other	N/A	3%	N/A
Total	100%	100%	81%

Based on 2022 SEC financials

~70% of Gas Utility Margin Earned during Heating Season

	Q1	Q2	Q3	Q4
Sales Volumes *(weather normalized)*	40%	18%	10%	32%
Utility Margin	35%	19%	12%	34%
Net Income	70%	0%	-29%	59%

Based on 2022 SEC financials

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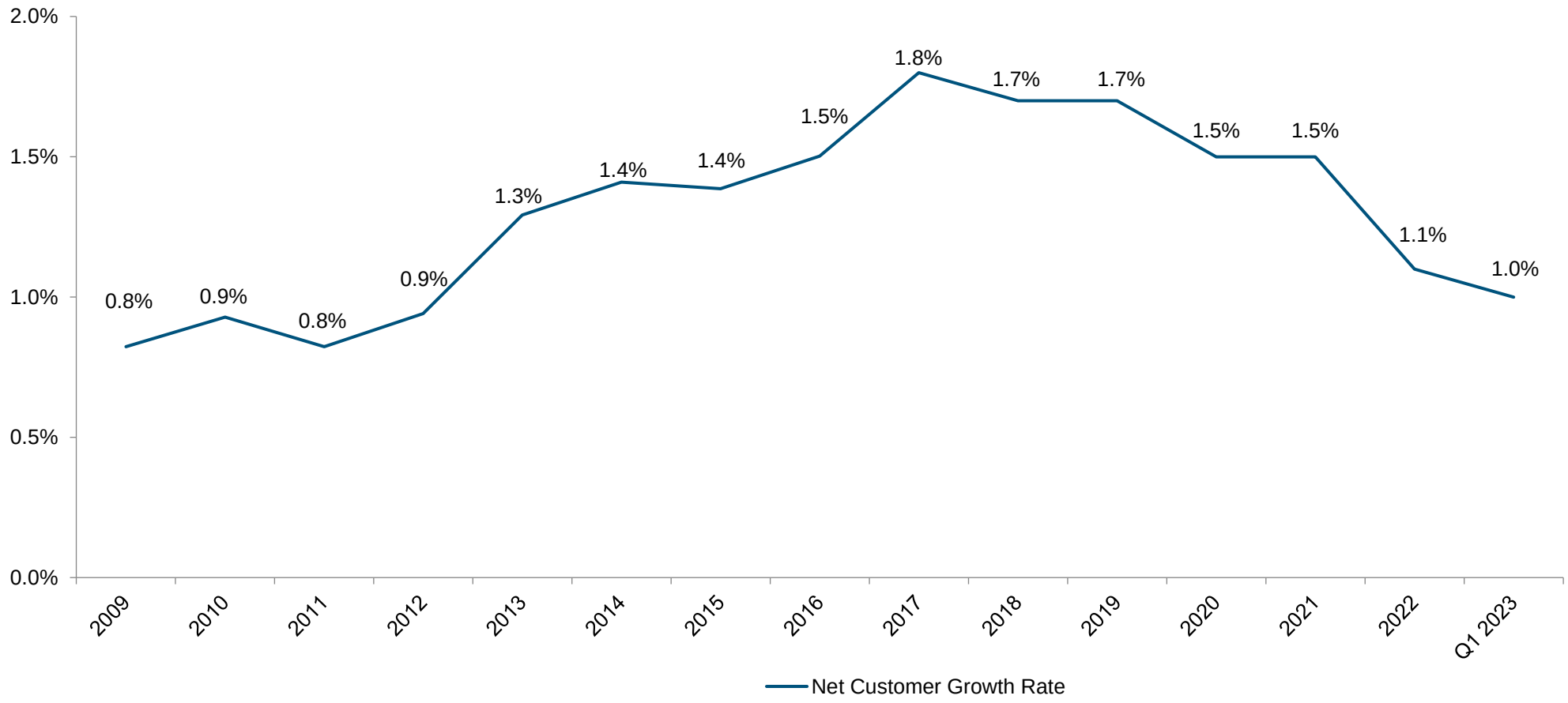
CUSTOMER GROWTH



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INVESTING IN THE GAS SYSTEM

Customer growth
- New construction & conversions
- Main extensions

Safety & Reliability
- Recurring replacements
- Enhanced system reliability to support growth

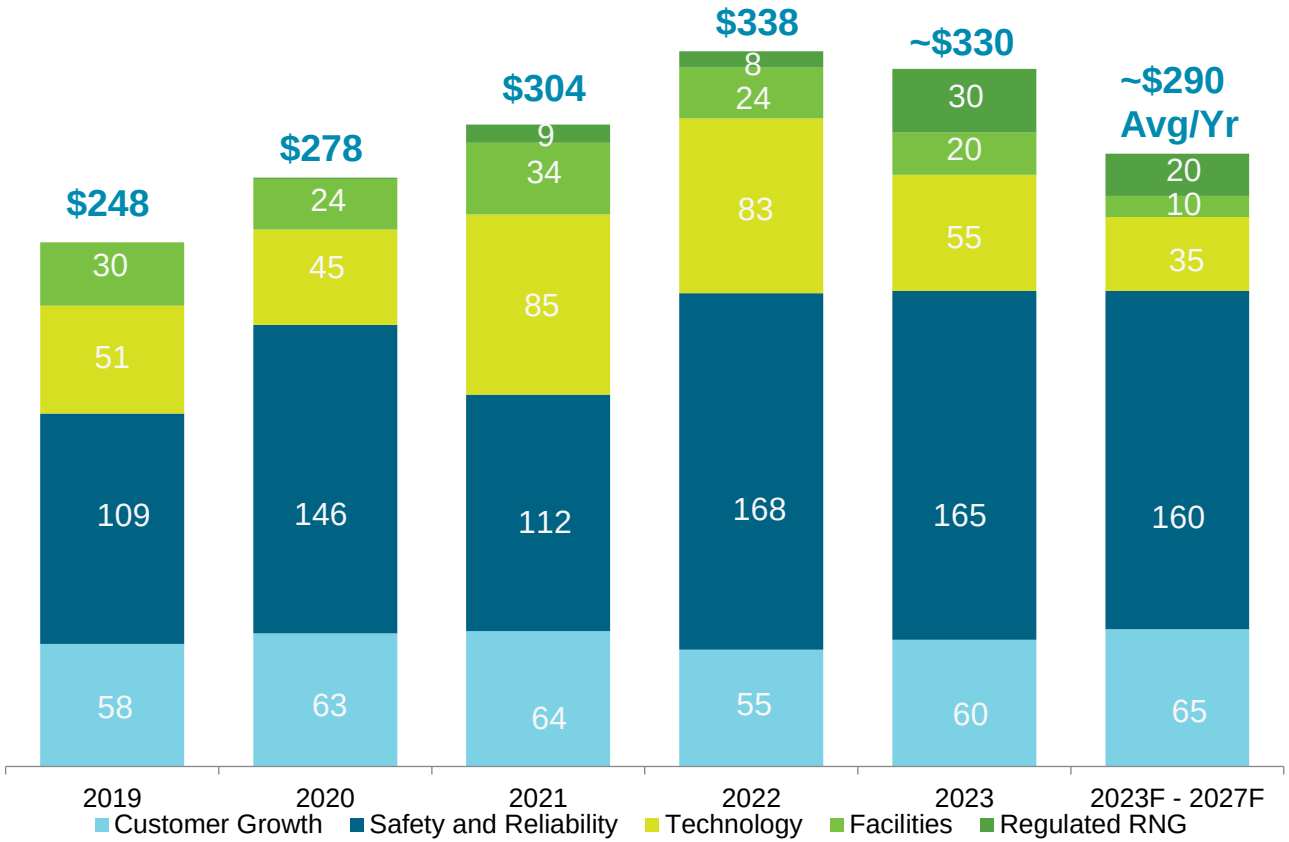
Technology
- Cybersecurity
- Efficiencies and upgrades
- Customer information system

Facilities
- Resource and operations center renovations

Renewable Natural Gas (RNG)
- Planned investments for gas utility under Senate Bill 98

The timing and amount of the capital expenditures and projects for 2023 or additional investments in our infrastructure during or after 2023 could change based on customer growth, significant changes in prevailing regulatory policies or outcomes, or significant local, state or federal laws, legislation or regulations, or cost estimates. Required funds for the investments are expected to be internally generated or financed with long-term debt or equity, as appropriate.

System Capital Expenditures[1]
(In millions)



1 Chart is based on accrual cap-ex figures and includes cloud-based software

Forecast Five-Year 2023-27 Cap-Ex Approximately $1.4 Billion

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PROGRESSIVE REGULATION

	OREGON	WASHINGTON
KEY DEFERRALS RECOVERING:		
COVID	✓	✓[1]
ERP System Upgrade	✓	✓
TSA Cybersecurity	✓	✓[1]
KEY MECHANISMS:		
Decoupling/WARM	✓	
Purchased Gas Adjustment	✓	✓
Environmental Cost	✓	✓
Incentive Sharing[2]	✓	✓
RNG Automatic Adjustment Clause	✓	
RATE CASE TEST YEAR	Forward	Multiyear[3]
CURRENT RATE STRUCTURES:		
ROE	9.4%	Not determined
ROR	6.836%	6.814%
Equity Ratio	50%	Not determined
2022 Rate Base[4]	$1.7B	$0.2B

1 In Washington, NW Natural is currently recovering the ERP System Upgrade deferral. The COVID and TSA Cybersecurity recovery is expected to be determined through a future rate case proceeding.
2 In Oregon, NW Natural shares PGA gains and losses
3 In 2019, SB 5116 was passed granting the WUTC authority to incorporate costs and capital up to 48 months after the rate effective date. In 2021, SB 5295 was passed requiring multiyear general rate plans that include performance-based measures.
4 Rate base is a 13-month average ending 12/31/22. Oregon rate base includes gas reserves and North Mist gas storage facility

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SUPPORTIVE MECHANISMS

OREGON
Decoupling

- Breaks link between earnings and consumption by removing incentive to increase usage
- Employs use-per-customer decoupling calculation, which adjusts margin revenues to account for the difference between actual and expected customer volumes

OREGON
Weather Normalization (WARM)

- Stabilizes collection of fixed costs for residential and commercial customers
- Adjusts billings based on temperature variances compared to average weather
- Applied from December through mid-May of each heating season

OREGON • WASHINGTON
Purchased Gas Adjustment (PGA)

- Adjusts annual rates to reflect changes in expected cost of gas commodity purchases
- Includes spot purchases, contract supplies, derivatives, storage inventories, and for Oregon gas reserves
- Includes temporary rate adjustments amortizing deferred regulatory account balances

OREGON • WASHINGTON
Environmental Cost Recovery

- Recovers environmental costs for sites attributable to each state at a rate of 96.68% in Oregon and 3.32% in Washington
- Costs are subject to an annual prudence review in both Oregon and Washington, and in Oregon an earnings test[1]
- Allows for deferral of environmental costs in both Oregon and Washington, and in Oregon the accrual of carrying costs

OREGON
RNG Automatic Cost Recovery

- Allows renewable natural gas project costs to be added to rates annually on November 1st
- Provides for a mechanism for NW Natural to defer the difference between forecasted and actual RNG costs
- Costs are subject to an earnings test that includes deadbands at 50 basis points below and above NW Natural's authorized ROE

1 To the extent the utility earns more than its authorized ROE in Oregon in a year, the utility is required to cover environmental expenses and interest on expenses greater than $10 million (plus interest from insurance proceeds) with those earnings that exceed its authorized ROE

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WASHINGTON 2021 RATE CASE

- **Order received October 21, 2021 –** Multi-party settlement approved by the WUTC. New rates were effective Nov. 1, 2021 with the second year effective Nov. 1, 2022
- **Request Based on System Investments –** Multiyear rate case to recover investments and costs for:
  - System resiliency & reliability
  - Headquarter leasehold improvements & rent costs
  - Vancouver, Washington service center upgrades
  - Consumer-focused technology investments

	2021 - 2022 RATE CASE			
	Year 1		Year 2	
	Request	Order	Request	Order
ROR	6.913%	6.814%	6.913%	6.814%
Rate Base	$225.9M	$225.9M	$247.3M	$247.3M
Revenue Requirement	+$6.3M	+$5.0M	+$3.2M	Up to +$3.0M[1]

1 *Year 2 is subject to prudency filing and full review*

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OREGON 2022 RATE CASE

- **Order received October 24, 2022 –** Multi-party settlements approved by the OPUC. New rates were effective Nov. 1, 2022
- **Case based on system improvements –** based on continued system investment primarily related to:
  - Resiliency & reliability
  - Technology including enterprise resource planning system and cybersecurity projects
  - Resource center facility renovations

	2020 RATE CASE	2022 RATE CASE	
	Settled	Total Request	Order
ROE	9.4%	9.5%	9.4%
ROR	6.965%	6.886%	6.836%
Equity/ LT Debt	50 / 50	50 / 50	50 / 50
Rate Base	$1.44B	$1.78B	$1.76B
Revenue Requirement	+$45.1M	+$78.0M	+$59.4M

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ENVIRONMENTAL STEWARDSHIP

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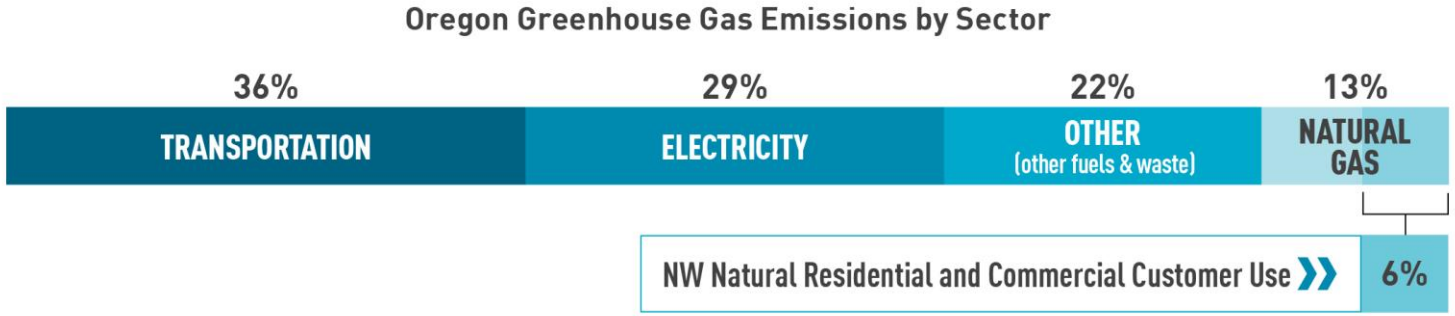
ROLE OF OUR SYSTEM TODAY

NW Natural's System

- Delivers 50% more energy than any other utility in Oregon
- Heats roughly 75% of residential square footage in the areas we serve
- Provides 90% of energy needs for our residential space and water heat customers on the coldest winter days
- One of the tightest, newest systems in the country
- Our residential and commercial customers' emissions account for just 6% of Oregon's total carbon emissions



Source: Oregon DEQ In-Boundary GHG Inventory 2019 data

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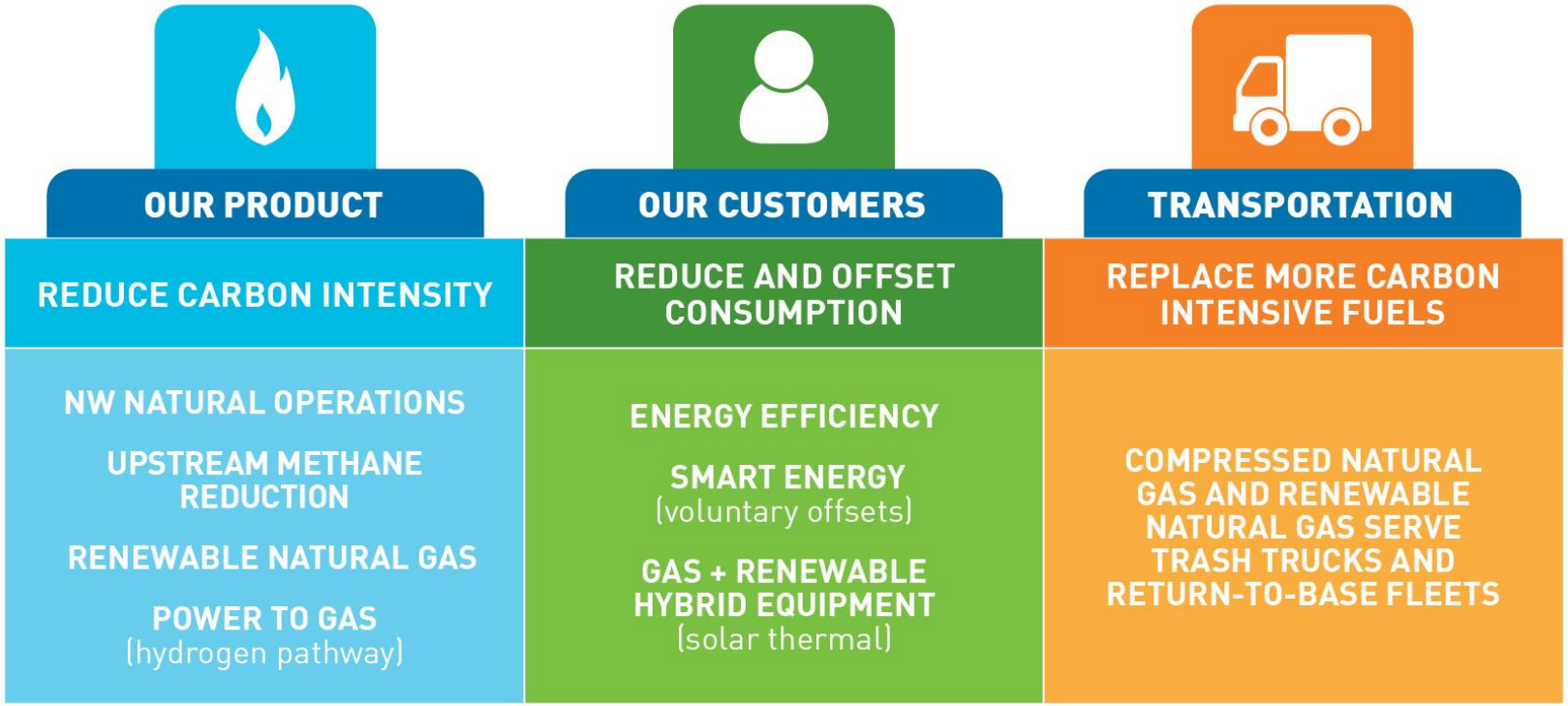
OUR LOW-CARBON PATHWAY

VOLUNTARY GOAL: 30% CARBON SAVINGS BY 2035

Goal established in 2016



Baseline: 2015 emissions associated with customer use & company operations

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ON TRACK TO MEET OR EXCEED GOAL

Our voluntary carbon savings goal of 30% by 2035 includes emissions from our own operations and the gas use by our sales customers

2021: Ahead of Target Savings Rate

463,137 metric tons of carbon dioxide equivalent saved.

This marks 36% of savings toward goal, ahead of target pace.

2021 Source of Savings Mix



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DRIVING A CLEAN ENERGY FUTURE

- The ONE Future coalition represents more than 20% of the U.S. natural gas value chain committed to reducing methane emissions through adopting science-based standards and deploying best practices. Target of reducing emissions across the natural gas value chain to 1% (or less).
- As a Methane Challenge founding member, NW Natural is adopting advanced practices in an effort to further reduce methane emissions, such as alternative blowdown methods in pipeline construction and maintenance. The traditional approach to depressurizing a pipeline is to vent the gas to the atmosphere. But by flaring it with a mobile flaring unit we can reduce potential greenhouse gas emissions by 90%+.

- The Northwest Energy Efficiency Alliance (NEEA) is an alliance of utilities and energy efficiency organizations that pools resources and shares risks with a mission to transform the market for energy efficiency to the benefit of consumers in the Northwest.
- Gas Technology Institute and the Low-Carbon Resources Initiative are non-profits that encourage innovation through new products like gas heat pumps, zero-net energy homes, fuel cells and other progressive technologies that strive to use less energy.
- NW Natural is a founding member of the North America Gas Heat Pump Collaborative, which is made up of gas and dual fuel utilities and energy efficiency program administrators who believe gas heat pump technologies play an important role in decarbonization.

- Coalition for Renewable Natural Gas, a member-led nonprofit organization representing nearly 300 companies, municipalities, universities, and environmental and nonprofit organizations that are dedicated to the advancement of RNG. The coalition advocates for public policy that supports sustainable development and use of renewable natural gas, so present and future generations will have access to renewable fuel. In like manner the American Biogas Council is championing the growth of the biogas industry.

- Hyready is a worldwide collaboration on hydrogen, which is focused on creating guidelines and best practices for natural gas distribution companies blending hydrogen into their distribution systems. The Renewable Hydrogen Alliance is a non-profit established to promote and advocate using renewable electricity to produce hydrogen and climate neutral derivative fuels.

Destination Zero:

Our Vision of Carbon Neutrality

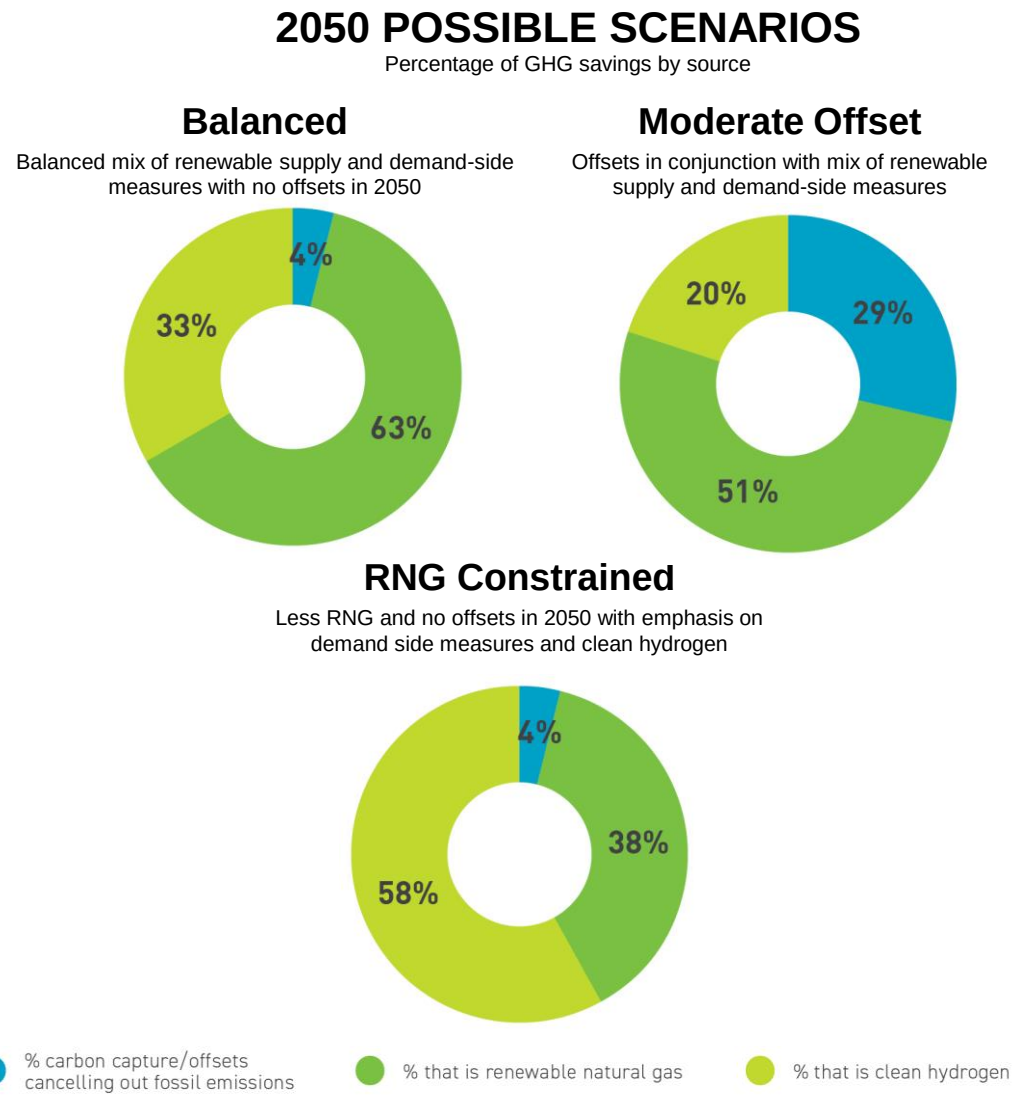
A decarbonized network:

- Deep energy efficiency
- Renewable natural gas
- Renewable hydrogen
  - ✓ Blended
  - ✓ Methanated
  - ✓ Dedicated

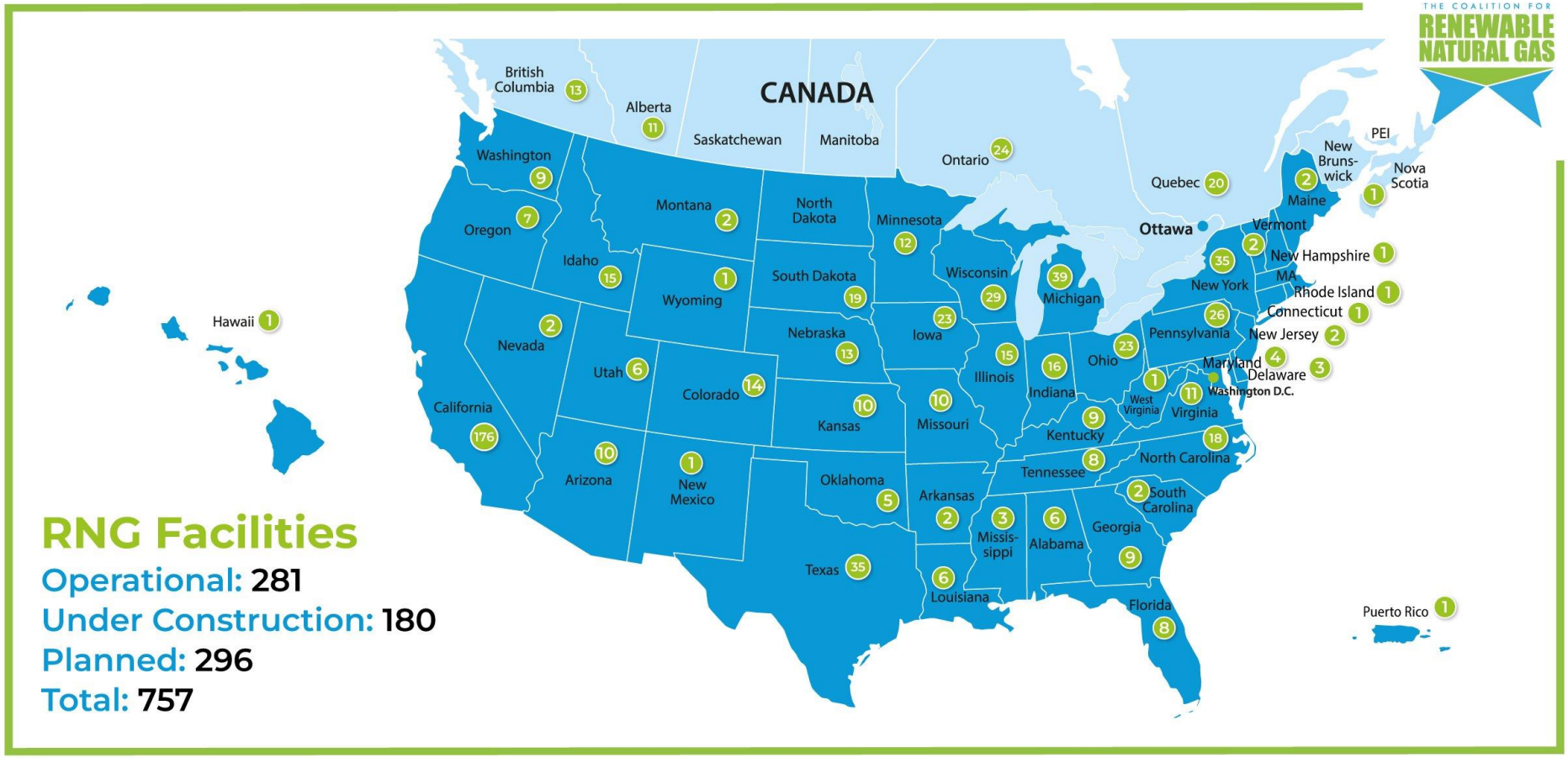


DESTINATION ZERO ANALYSIS

- The next evolution in our thinking is an in-depth analysis, using a variety of assumptions, to illustrate possible scenarios to achieve carbon neutrality for energy provided by 2050
- Our analysis draws on proven approaches to serve existing and new customers as well as developments of policy support and continued evolution of technology
- Each of the three scenarios we explored incorporates varying applications of the following:
  - ✓ Enhanced energy efficiency,
  - ✓ Declining amounts of verified offsets, and
  - ✓ Lower carbon fuels such as RNG and hydrogen (along with small amounts of carbon capture)
- We expect our analysis and thinking to continue to evolve, but our goal remains to be a provider of net neutral energy by 2050



RNG PROJECTS ACROSS NORTH AMERICA



As of March 20, 2023

GROUNDBREAKING RNG BILL

- Oregon law (SB 98) supports gas utilities purchasing renewable natural gas (RNG). Passed in 2019 and rulemaking completed in July 2020
- Creates another path for RNG to become an increasing part of Oregon's energy supply
- Allows natural gas utilities to acquire RNG and hydrogen
- Sets voluntary RNG portfolio targets for Oregon's natural gas utilities
- Allows up to 5% of a utility's annual revenue requirement to be used to cover the incremental cost of RNG
- Allows for investments related to RNG infrastructure, including production facilities, cleaning and conditioning equipment, and pipeline interconnections
- Potential revenue source for communities to turn their waste into energy

Oregon Senate Bill 98 supports voluntary volumetric RNG targets:

2025	2030	2035	2040	2045
10%	15%	20%	25%	30%

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GAS UTILITY RNG CONTRACTS TO DATE

Procurement

(Pass-through Cost)

- **Anew LLC (formerly Element Markets)** – 0.7 million MMBtu from 2021 - 2023
- **Archaea** – up to 1 million MMBtu of RNG annually for a fixed fee for a period of 21 years beginning in 2022
- **BP Products North America** – 0.4 million MMBtu over a five-year period beginning in 2022

Investments

(Rate Base)

Partnership with Tyson & BioCarbN totaling up to $38 million of investment

- **Lexington Facility** – $8M facility that commenced operation in Jan. 2022
- **Dakota City Facility** – $12M facility that commenced operations in April 2023
- Options for two additional facilities totaling ~$18M



To date, we've signed agreements with options to purchase or develop RNG totaling the equivalent of about 3% of our current Oregon supply

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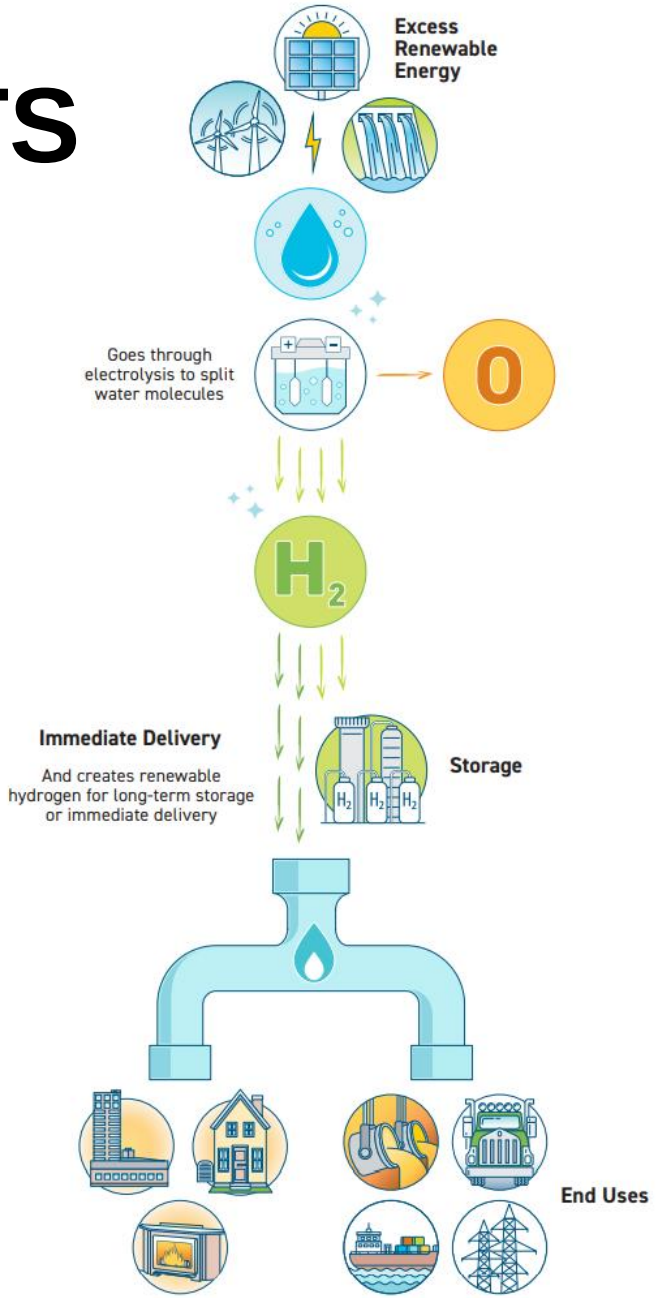
HYDROGEN & CCUS PROJECTS

NW Natural Initiatives

Hydrogen Blend Testing – testing of 15% completed, with a 20% blend goal by 2024, if learnings allow, at NW Natural's state-of-the-art training facility

Turquoise Hydrogen Pilot Project – partnering with Modern Electron in an effort to turn methane into clean hydrogen and solid carbon. We expect the pilot to go live in 2023

Carbon Capture, Use & Storage (CCUS) – working with a few commercial customers on a pilot using CARBiNX equipment. This equipment captures carbon from existing boilers to reduce both energy use and greenhouse gas emissions



NW NATURAL WATER

WATER INVESTMENT APPROACH

The water and wastewater sector aligns well with NWN's conservative risk profile and offers diversification, stable cash flows, and substantial long-term investment opportunities

Acquire

- Federal and state agencies driving upgrades to water and wastewater infrastructure
- EPA estimates nearly $750 billion in water and wastewater capital needs nationally through 2040
- Continue disciplined acquisition strategy, exploring adjacent high-growth regions

Grow

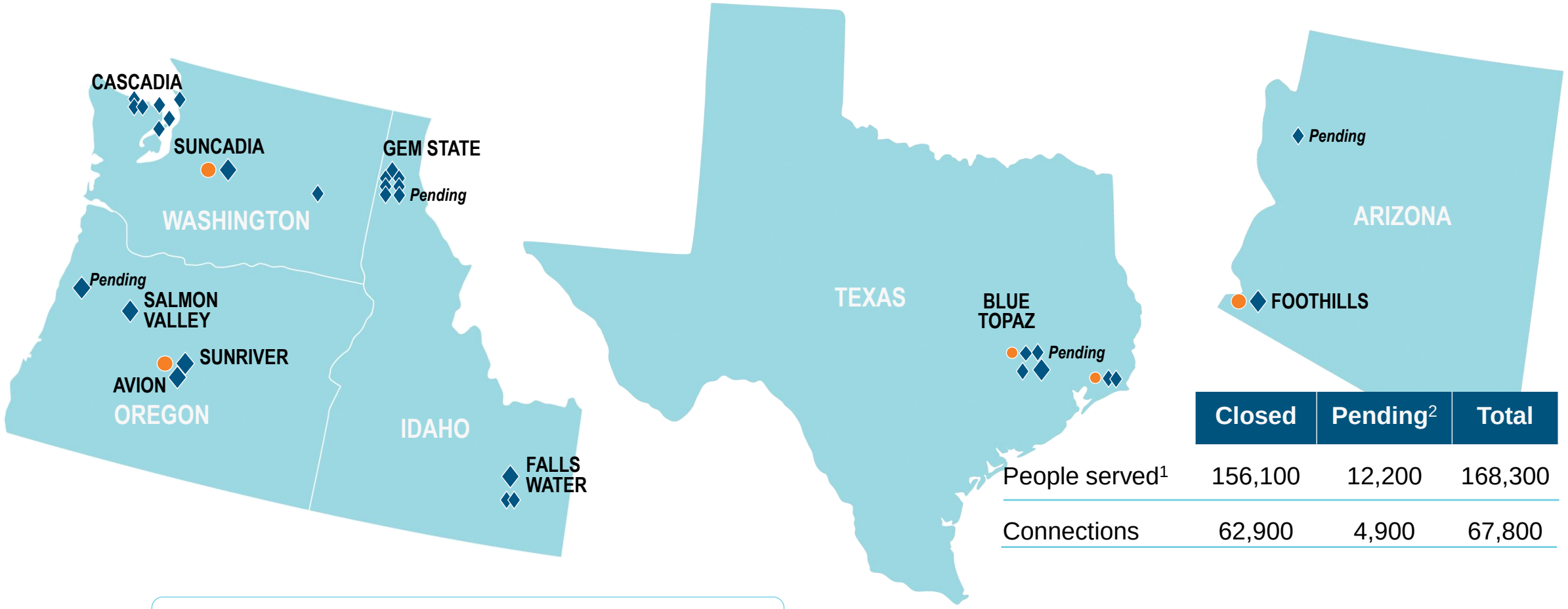
- Water infrastructure improvement through five-year 2023-27 capital investment plan of approximately $90 million to $110 million[1]
- Projected organic customer growth rate of 3.2% compounded annually from 2022-27

Recover

- Expect recovery of capital investments through constructive regulatory engagement
- Over long term, growing water business targeted to be an earnings driver and opportunity to deploy capital at attractive rates of return for infrastructure needs

1 The timing and amount of the core capital expenditures and projects for 2023 and the next five years could change based on regulation, growth, and cost estimates

NW NATURAL WATER OWNED CONNECTIONS AT A GLANCE



	Closed	Pending[2]	Total
People served[1]	156,100	12,200	168,300
Connections	62,900	4,900	67,800

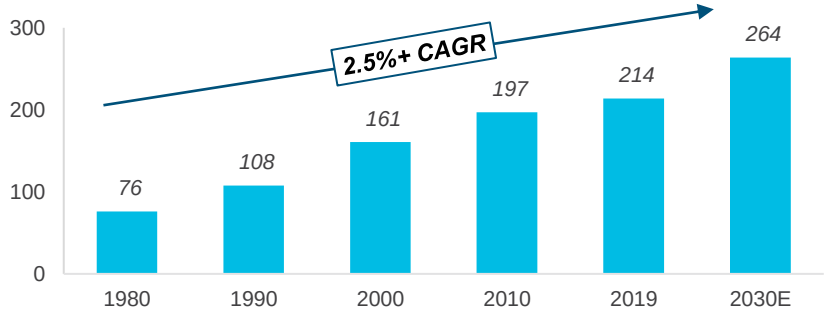
1 People served is based on estimated average household size for service territory
2 Pending transactions are subject to customary closing conditions, including regulatory approvals. These transactions may be pending application to acquire and authorization to close from utility commission.

FOOTHILLS ACQUISITION CLOSED

- Closed our largest water and wastewater acquisition to-date in October 2022
- Increased NW Natural Water's number of water and wastewater connections by 70%
- Located in Yuma, AZ serving approximately 25,000 connections in the Foothills area
- Well positioned to serve a growing community with significant development opportunities
- Provides an entry point into Arizona with opportunity for additional acquisitions
- Arizona Corporation Commission approved the transaction in September 2022

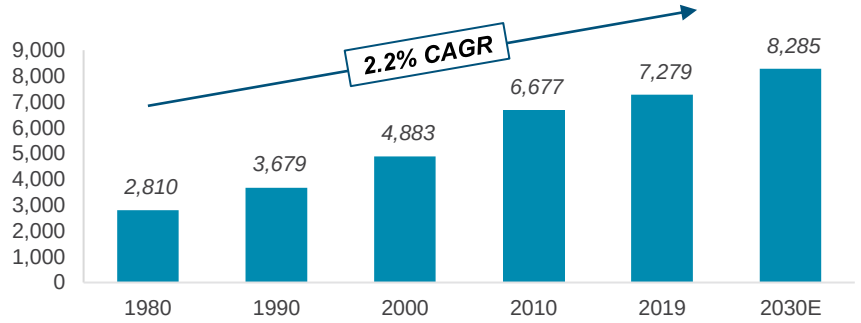
Yuma County Projected Population Trends

(in thousands)



Expected Arizona Population Trends

(in thousands)

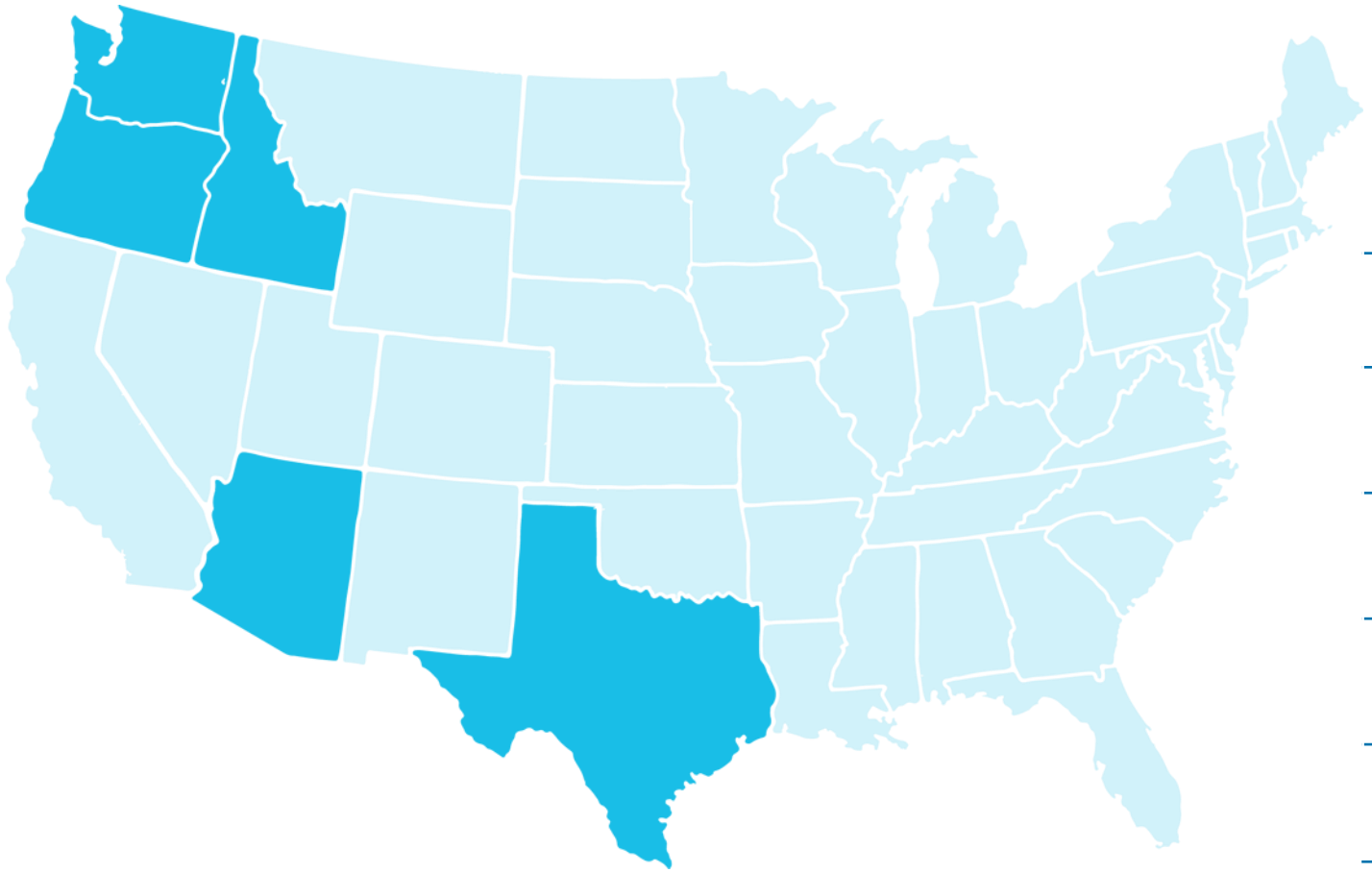


Source: US census bureau and Fred Economic Data

Entered New, High-Growth State

NW Natural WATER™

WATER & WASTEWATER ACQUISITION OPPORTUNITIES



	All Water and Wastewater Systems		Privately Owned Systems	
	Systems	Connections	Systems	Connections
Pacific Northwest	4,700	5.6M	2,760	511,000
Texas	5,739	17.3M	2,400	400,000
Arizona	1,100	3.0M	500	530,000
West of Mississippi	36,500	77.3M	16,700	9.1M
United States	71,325	202.0M	30,160	29.0M

Numbers in table above represent permanent community water and wastewater systems
Source: Bluefield

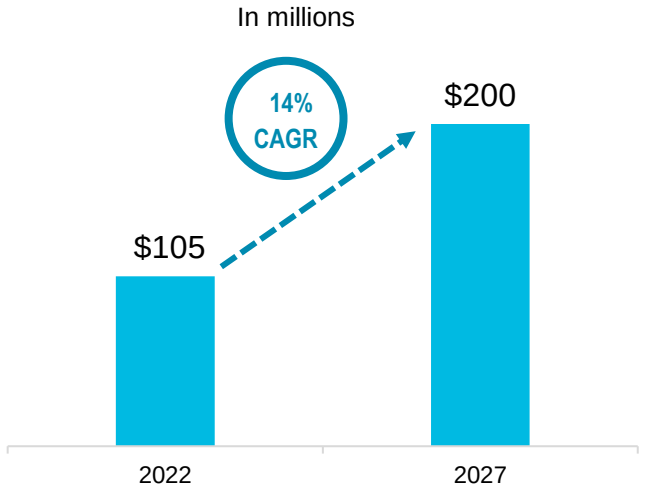
NW Natural WATER™

GROWING WATER SYSTEMS

Investing in Safety, Reliability

- Five-year maintenance cap-ex expected to be ~$100 million (2023-2027)
- Investments in system reliability
- Focus on information technology
- New wastewater treatment plant in Sunriver

Projected PP&E Growth[1]

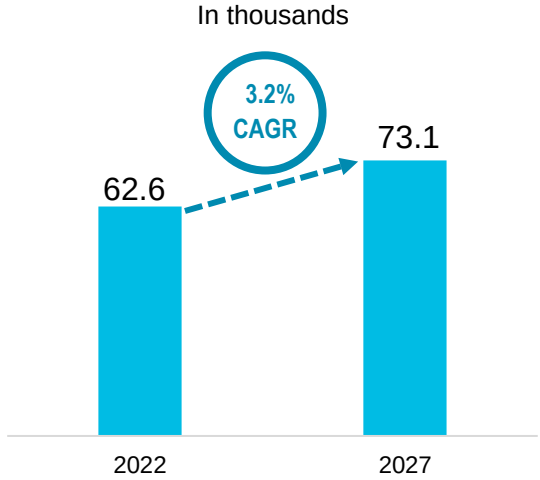


[1] PP&E growth for water utilities owned or pending acquisition as of 2/24/23

Strong Customer Growth

- Acquired utilities in fast-growing areas
- Additional opportunities near existing footprint
- Including acquisitions closed in 2022, nearly 90% customer growth last year
- Organic customer growth of 3.8% in 2022

Projected Organic Customer Growth



NW Natural WATER™

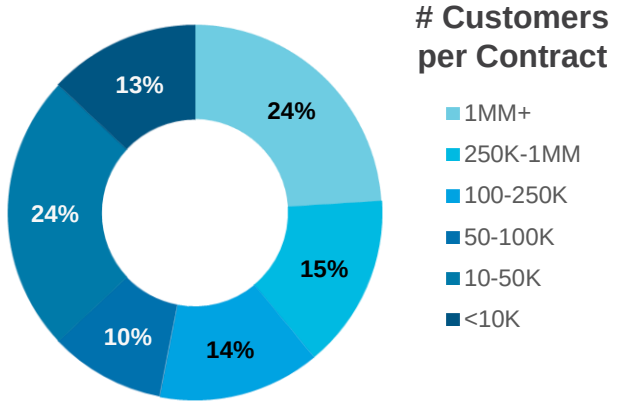
O&M SERVICES BUSINESS

Our Investment Goals

- A natural extension of its utility ownership business, NW Natural Water launched a water and wastewater services business in April 2023 with the acquisition of two businesses serving nearly 15,000 connections
- Provides support to water and wastewater system owners by leveraging shared personnel, technology and expertise at a reasonable cost
- Allows for disciplined expansion in an attractive growth market
- Provides a scalable opportunity in the Pacific Northwest
- High customer retention rate (90%+) with stable margins and cash flows. Realize earnings immediately without regulatory lag

Estimated Size of O&M Market

$2.6B O&M contract services market today with growth expected



- Seven contracts constitute the 1MM+ segment
- Active contracts in 10-50K population segment make up 24% or a disproportionate share of market

WATER REGULATION

- Collaborative, transparent, and productive relationships with regulators
- Strong track record of approvals for acquisitions and constructive general rate cases

	OREGON			WASHINGTON		IDAHO		TEXAS	Arizona
KEY MECHANISMS:									
COVID Deferral	✓					✓		✓	
Fair Market Value Legislation								✓	✓
RATE CASE TEST YEAR	Forward			Historic[1]		Historic[1]		Historic[1]	Historic[1]
RECENT RATE CASE FILINGS	**Salmon Valley[2]**	**Sunriver**	**Avion**	**Cascadia**	**Suncadia[3]**	**Falls Water**	**Gem State**	**Blue Topaz[4]**	**Foothills[5]**
Status	Completed	Completed	Completed	Completed	Completed	Completed	Completed	N/A	N/A
ROE	9.5%	9.5%	Confidential Settlement	12%	Confidential Settlement	10.2%	9.50%	N/A	N/A
Capital Structure	50% Equity 50% Debt	50% Equity 50% Debt	Confidential Settlement	60% Equity 40% Debt	Confidential Settlement	55% Equity 45% Debt	55% Equity 45% Debt	N/A	N/A

1. Historic test year with the potential ability to adjust for certain future projects or events
2. Salmon Valley Rate Case Decision Order 21-147 in UW 184. The Company has filed subsequent application (UW 195) with request for 45% Debt / 55% Equity and 10.50% ROE
3. Suncadia closed settlement addressed ROE, Capital Structure and Rate Base
4. Blue Topaz latest general rate case from 2008 and had an 11.91% ROR with 95% equity layer. This case was transferred from TCEQ (Texas Commission on Environmental Quality) to the PUCT (Public Utility Commission of Texas) in 2014.
5. Far West latest general rate case from 2013 and had a 7.3% ROR with 9.5% ROE. Capital structure 21% equity, 5% short term and 74% long term debt.

NW Natural WATER™

NW NATURAL RENEWABLES

STRATEGIC RATIONALE FOR COMPETITIVE RNG

The competitive RNG business represents a significant opportunity to add earnings and cash flows in a rapidly-growing market segment

Market Opportunity

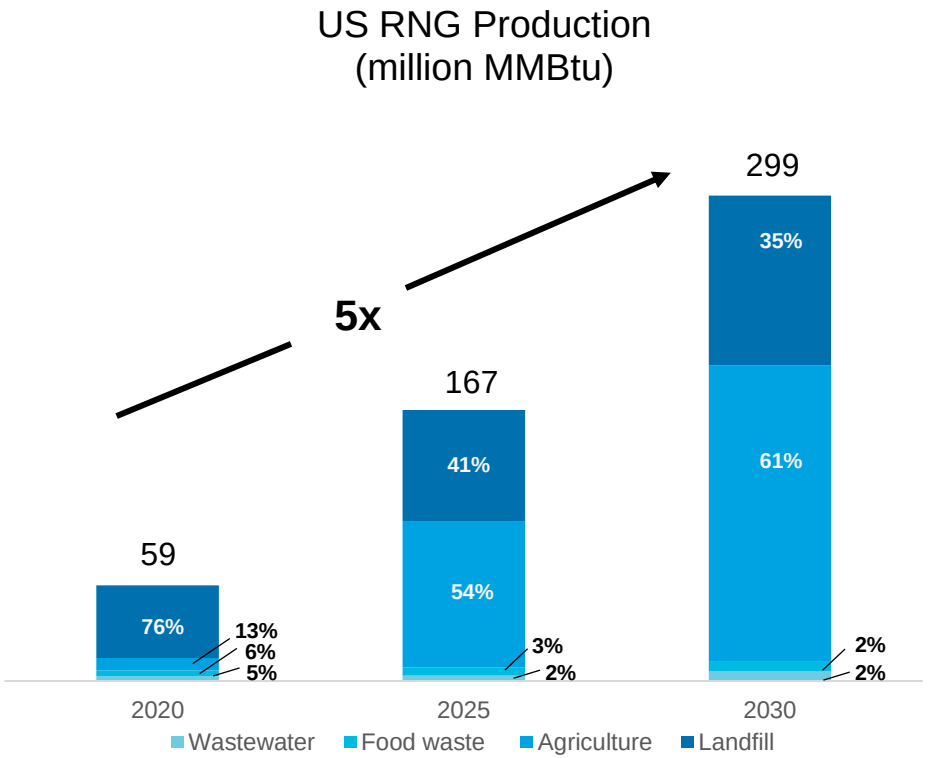
- Opportunity to achieve attractive returns as demand exceeds RNG supply
- Increasing demand for renewable fuels expected to be driven by:
  - Voluntary and mandated targets in the utility, commercial, industrial and transportation sectors
  - Many large-scale, low-cost RNG projects have yet to be developed
- RNG production forecasted to grow 5x in the next decade

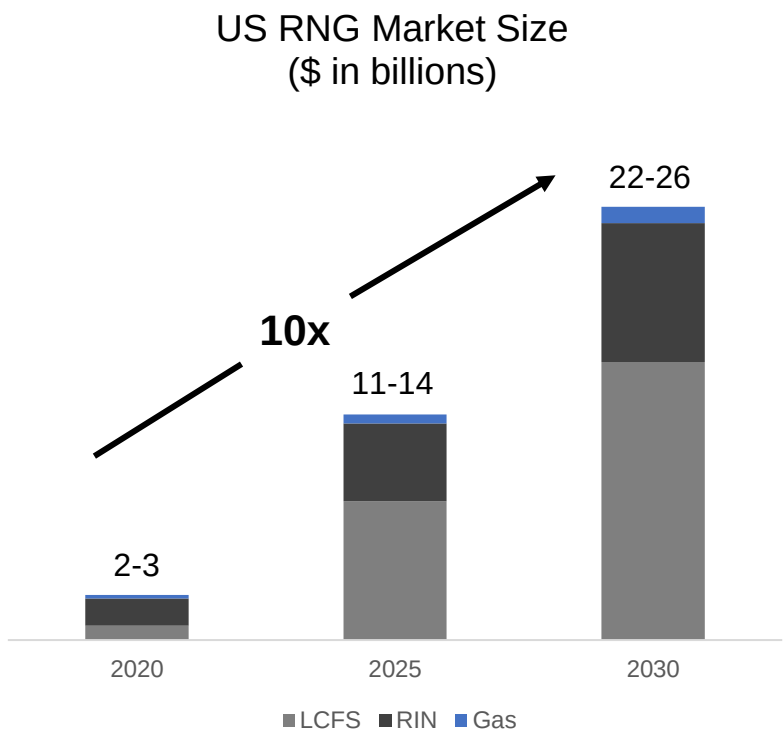
Strategic Fit & Competitive Advantage

- Potential early-mover advantage, building on expertise and market knowledge
- Aligns with core competencies including:
  - Developing and managing critical distribution infrastructure
  - Environmental stewardship
  - Create long-term value for our stakeholders by decarbonizing businesses beyond NW Natural's gas utility
- RNG projects sized well for investment by NW Natural Renewables

NW Natural RENEWABLES™

MARKET OPPORTUNITY



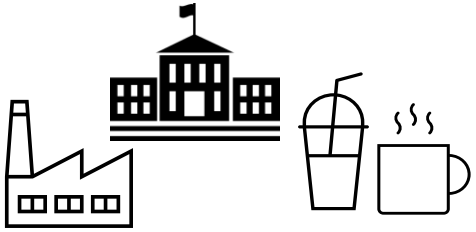


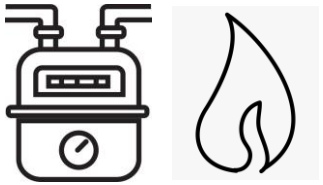
Source: Analysis using Argonne National Laboratory, EPA and USDA databases, historical credit prices, and expert interviews

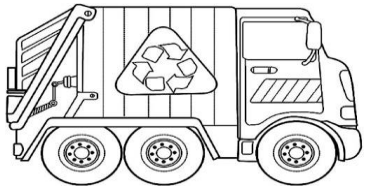
US RNG Market Size Expected to Increase 25% P.A. in Next Decade

NW Natural RENEWABLES™

PRIMARY EXPECTED RNG MARKETS





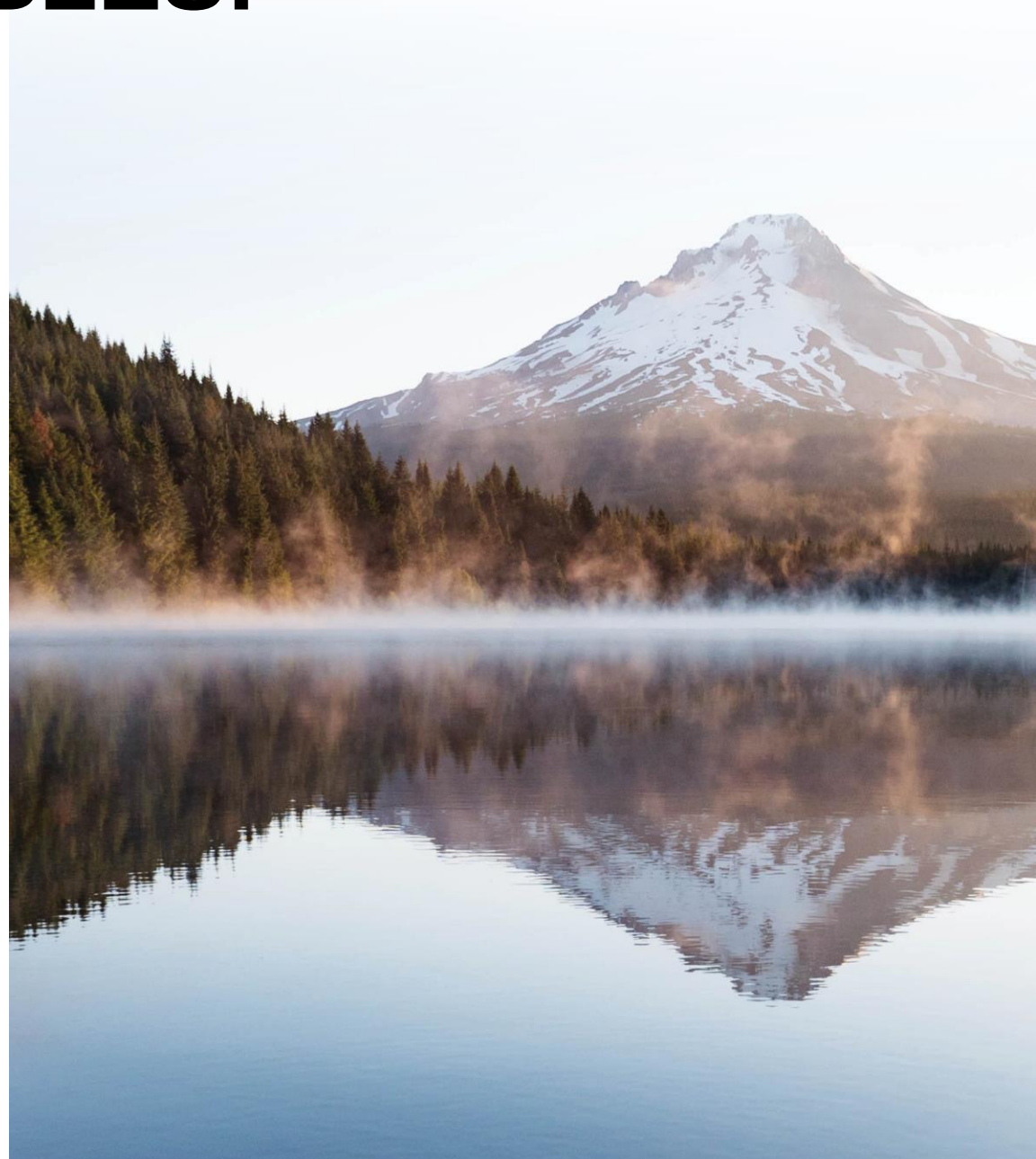


	Commercial, Industrial, and Institutional Customers	Gas Utilities	Natural Gas Vehicles
PRIMARY DRIVERS	Corporate sustainability goals including emission reductions	Meet voluntary emissions/renewable goals, including demand for RNG from customers, or statutory emissions targets/requirements	Meet obligations for low-emissions fuel in state and federal regulatory programs
REVENUE OPPORTUNITY	Long-term sales via bilateral contracts or through third-party marketers at prices above production costs	Long-term sales contracts to utilities at prices above production costs	Sales to vehicles to generate state and federal credits, which are sold to obligated parties for their compliance needs
POLICY DEPENDENCIES	Minimal	State-level renewable and carbon reduction policies	Federal and state-level clean fuel policies

NW Natural RENEWABLES™

NW NATURAL RENEWABLES: EDL PARTNERSHIP

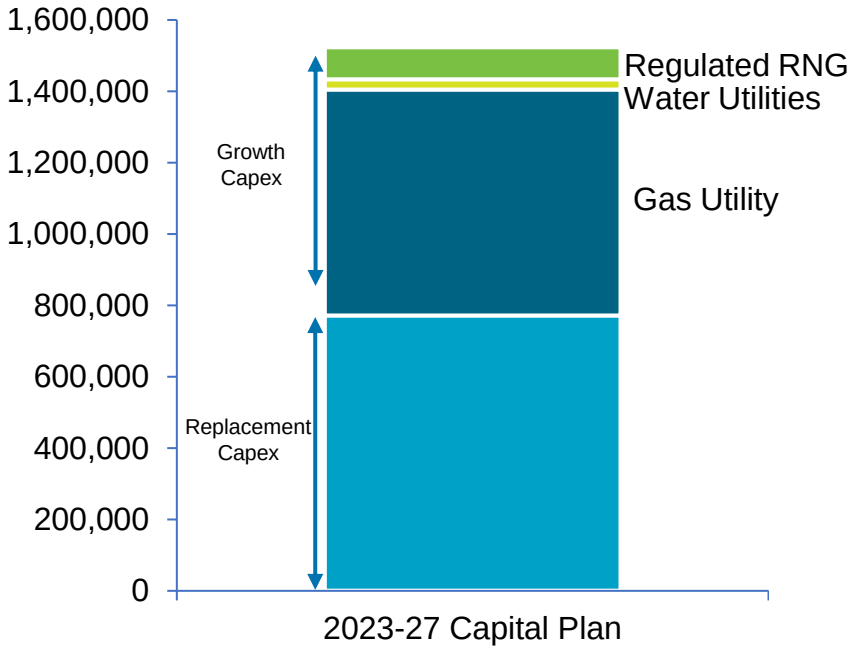
- NW Natural Renewables' first projects are with EDL, a leading global producer of sustainable distributed energy
- Committed $50 million toward the development of two production facilities designed to convert landfill waste gases into RNG
- NW Natural Renewables and a subsidiary of EDL executed agreements designed to obtain a 20-year supply of RNG produced by the facilities for NW Natural Renewables. NW Natural Renewables has separately contracted to sell an equivalent amount of fixed-volume RNG supply to investment grade counterparties under long-term contracts
- Construction for the projects began in spring 2022 with completion and commissioning of both facilities expected in the summer of 2023



FINANCIALS

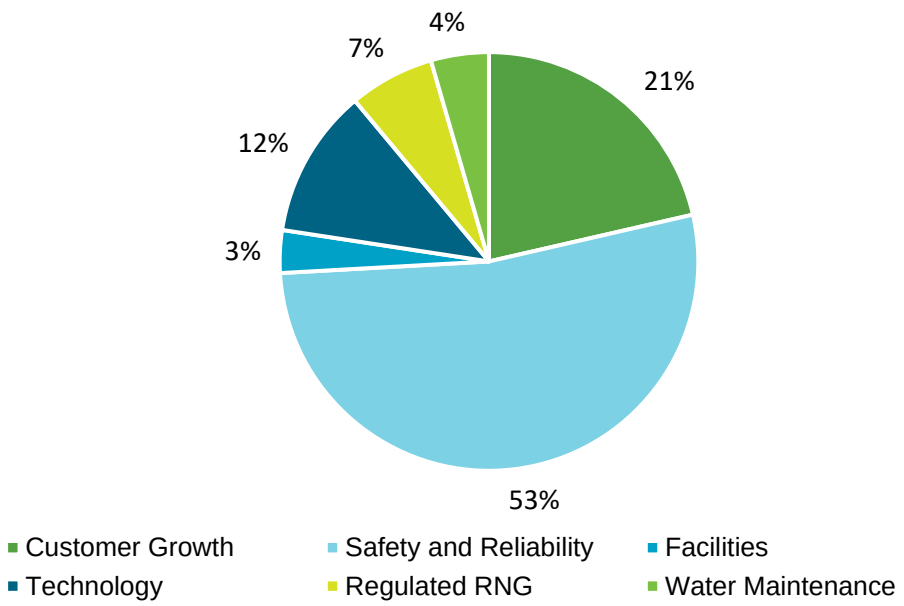
CAPITAL ALLOCATION 2023-27

2023-27 Forecasted Capital Expenditures



- 2023 Gas Utility capital expenditures are expected to be in the range of $310 million to $350 million
- Gas Utility capital expenditure expected to range $1.3 billion - $1.5 billion over the planning five-year period horizon of 2022-27 driven by customer growth, safety & reliability and technology

2023-27 Forecasted Capital Expenditures



6% Expected Gas Utility Rate Base Growth

Expected Water Infrastructure Improvements $90-$110M

NW Natural HOLDINGS™

STRONG LIQUIDITY

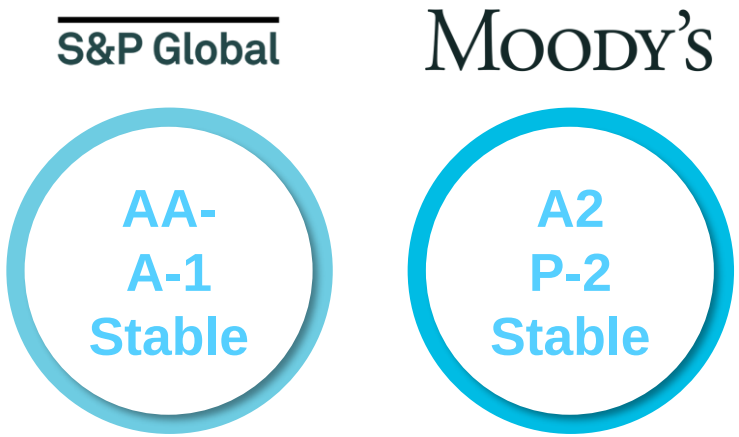
NW Holdings

- $200 million credit facility
- Expires in 2026
- Extension for two additional one-year periods
- Access to capital markets

NW Natural

- $400 million credit facility
- Expires in 2026
- Extension for two additional one-year periods
- Access to capital markets
- Solid credit ratings[1]

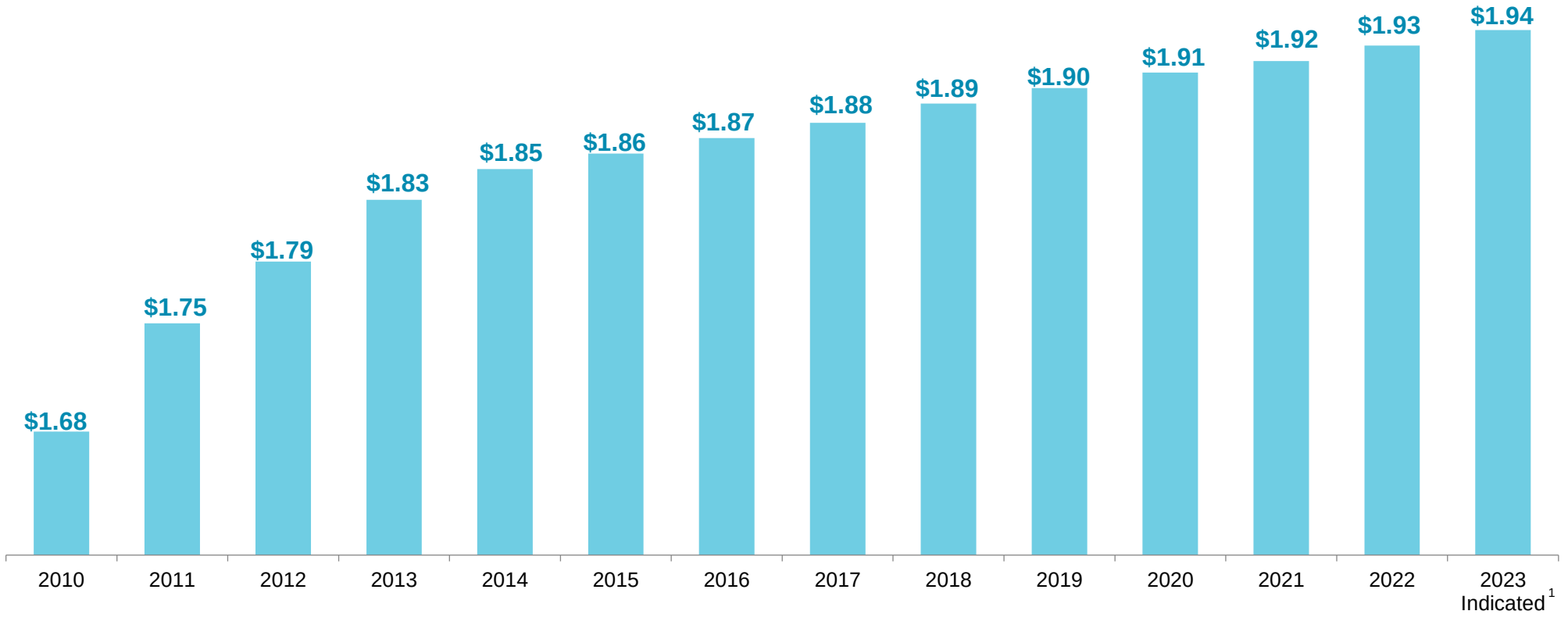
NW Natural Credit Ratings(1)



1 The above credit ratings are dependent upon a number of factors, both qualitative and quantitative, and are subject to change at any time. The disclosure of these credit ratings is not a recommendation to buy, sell or hold NW Holdings securities. AA- and A2 are secured debt ratings and A-1 and P-2 are commercial paper ratings

NW Natural HOLDINGS™

67 YEARS OF GROWING DIVIDENDS



1 Future dividends are subject to Board of Director discretion and approval

1 of only 3 Companies on NYSE with this Legacy

NW Natural HOLDINGS™

CONCLUSION

INVESTMENT THESIS

Stable and growing utility margins driven by the following targets over the next five years including:

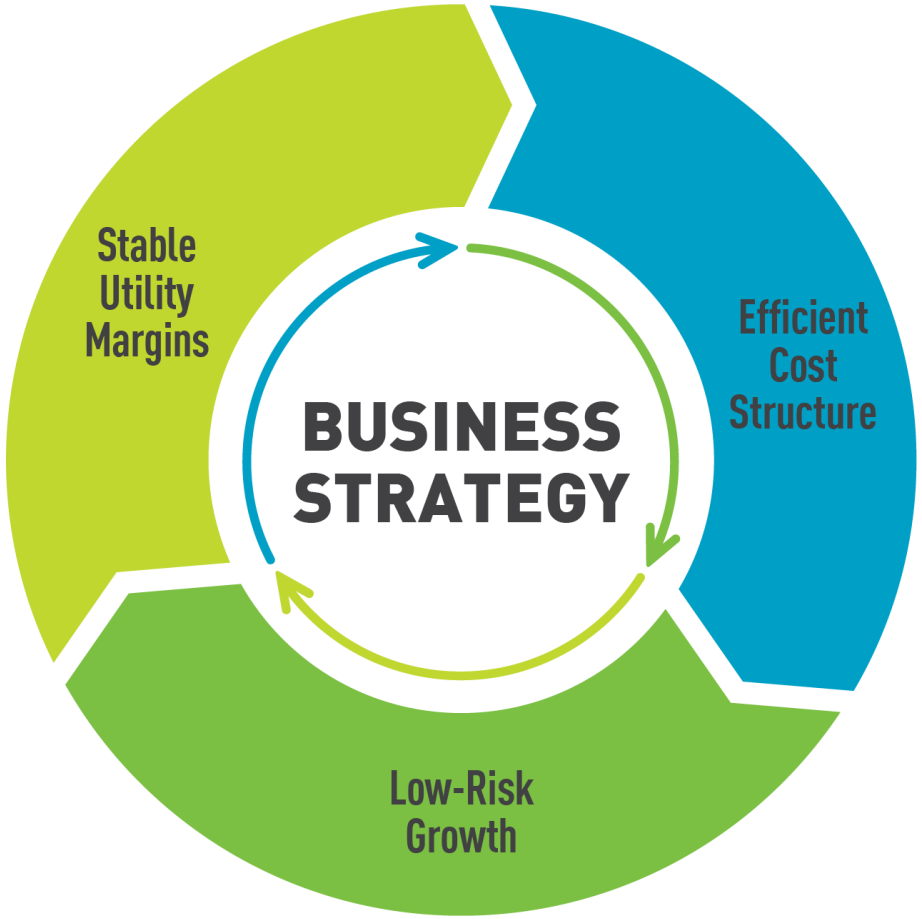
- EPS growth of 4% – 6%[1]
- Gas utility customer growth averaging 1.1%
- Gas utility cap-ex $1.3 – $1.5 billion with rate base growth of 5% – 7%[2]

Excellent operations and efficient cost structure

- Commitment to safety, reliability, and high-quality service
- Continued focus on efficient business operations

Long-term growth opportunities

- Water strategy provides earnings diversity
- Competitive RNG incremental earnings and cash flow growth

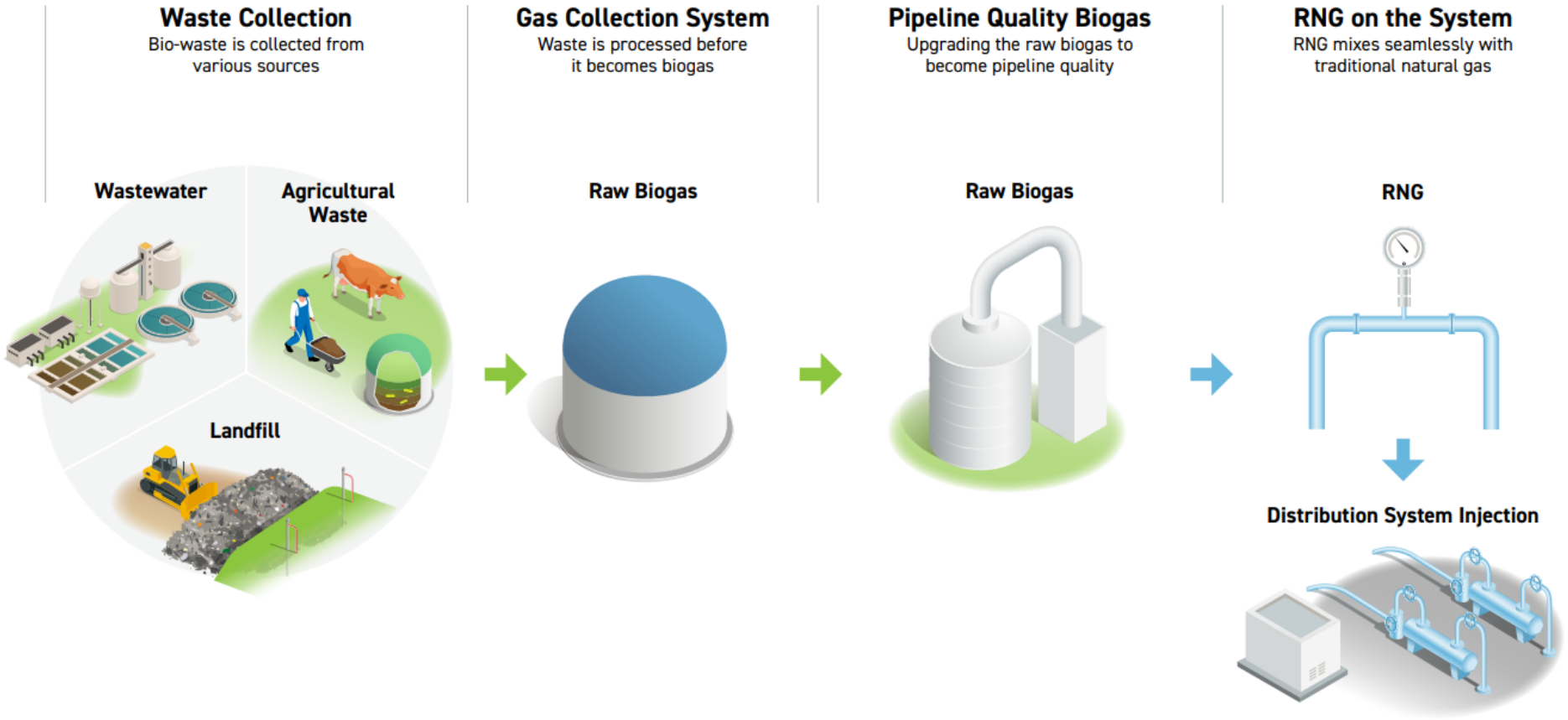


1 EPS growth forecasted for period 2022 – 2027 compounded annually; EPS growth rate uses mid-point of 2022 guidance range as base year
2 Rate base growth forecasted for period 2022 - 2027

Stable and Growing Return Proposition

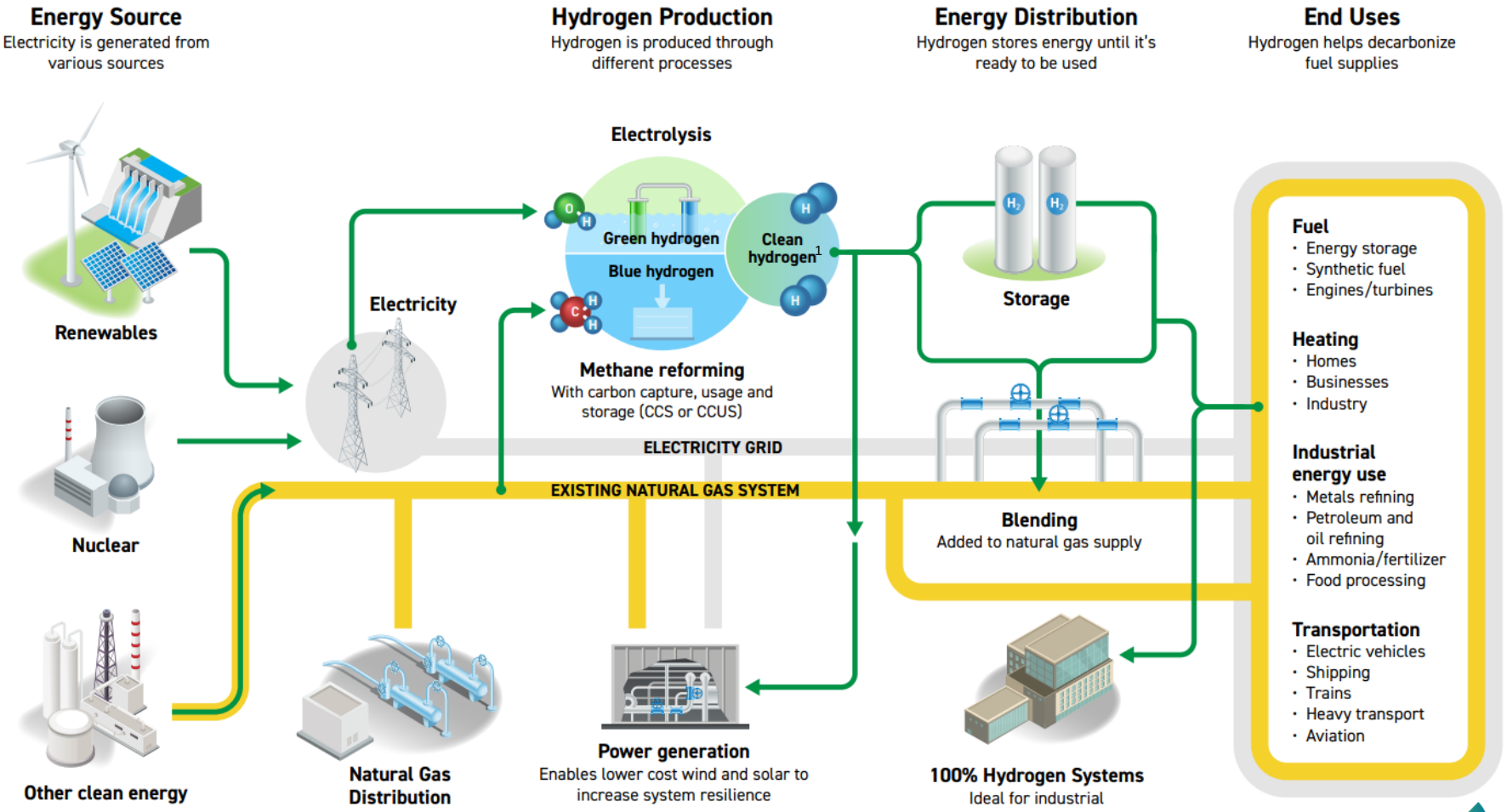
APPENDIX

RNG PROCESS



NW Natural®

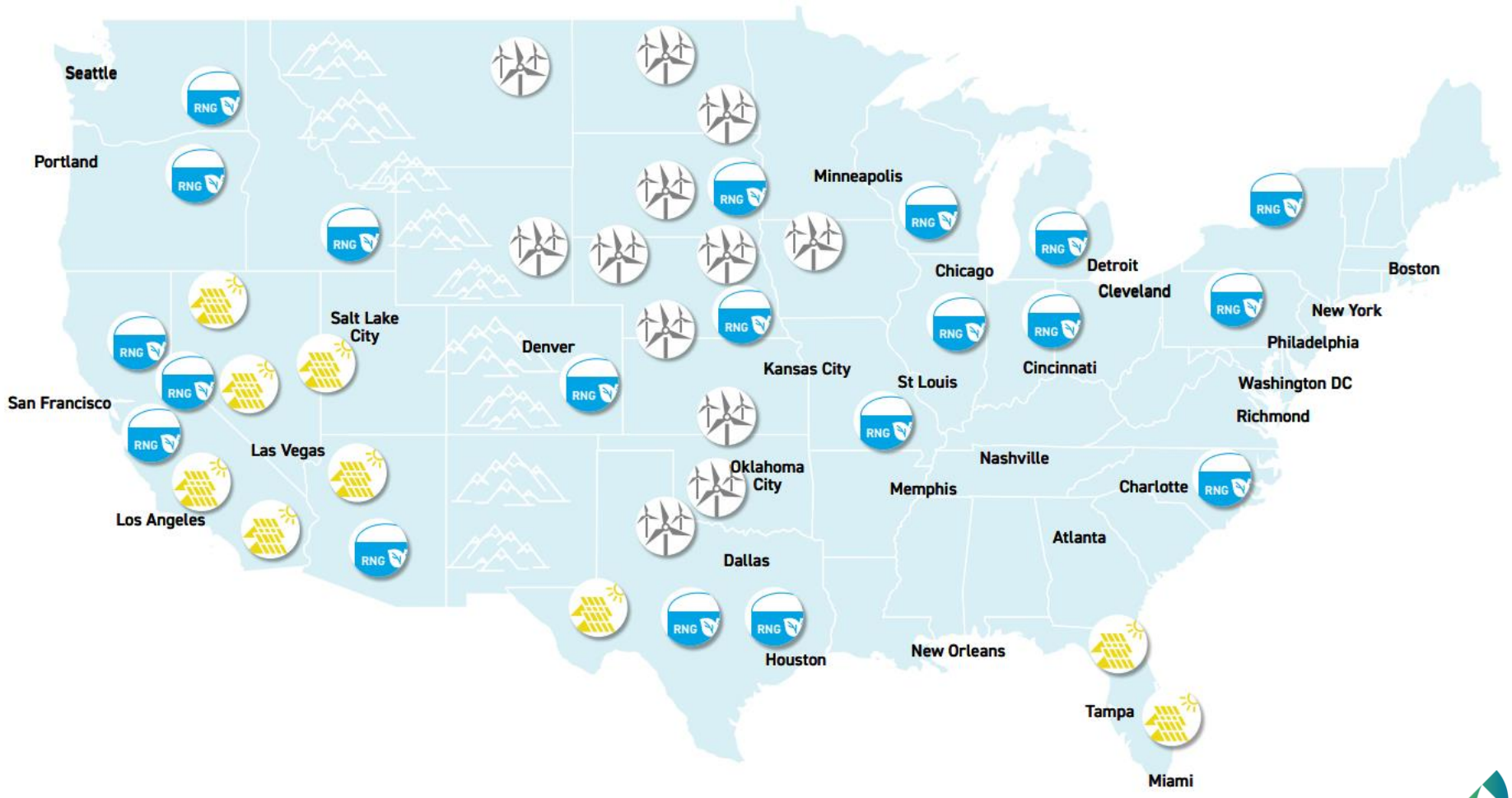
HYDROGEN PROCESS



[1] Clean hydrogen is defined in the federal Inflation Reduction Act as having an emissions profile of 4kgCO2e/kgH2 or less.

NW Natural®

RENEWABLES ARE NATIONALLY INTEGRATED



NW Natural®

CURRENT UTILITY COMMISSIONERS

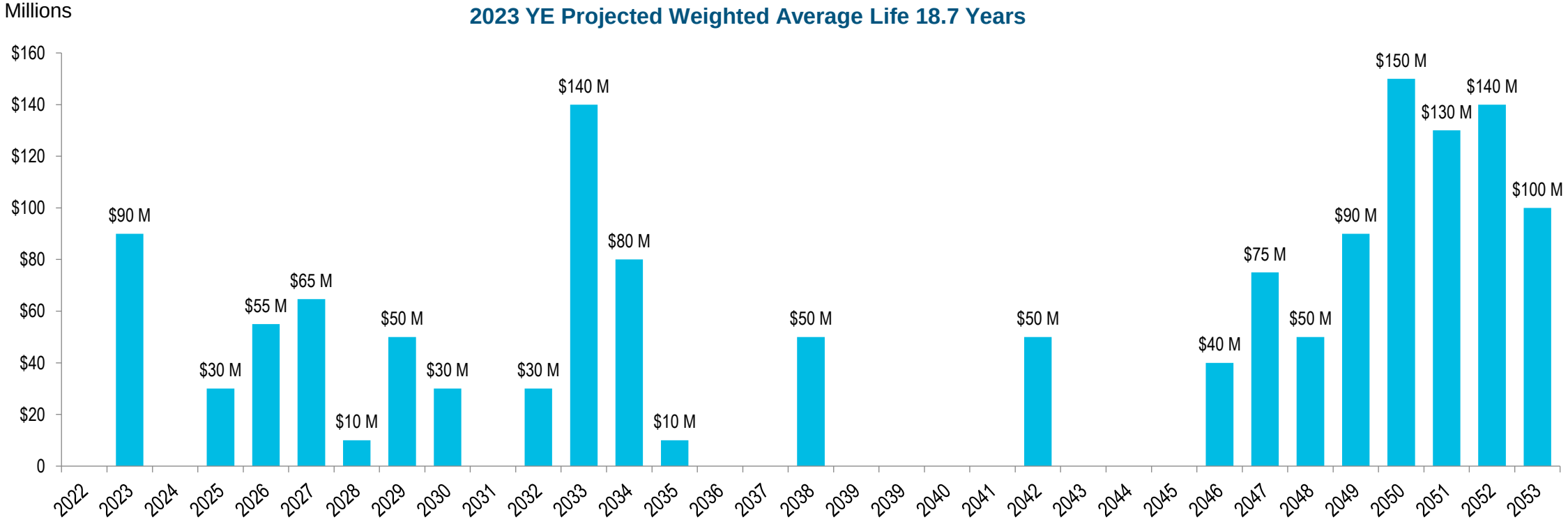
	OREGON COMMISSION (OPUC)	WASHINGTON COMMISSION (WUTC)	IDAHO COMMISSION (IUTC)	TEXAS COMMISSION (PUCT)	ARIZONA COMMISSION (ACC)
Chair	**Megan Decker (D)** • Appointed April 2017 • Term ends March 2025	**David Danner (D)** • Appointed chair Feb 2013 • Term ends Jan 2025	**Eric Anderson (R)** • Appointed Dec 2015 • Term ends Jan 2025	**Peter Lake (R)** • Appointed April 2021 • Term ends Aug 2023	**James O'Connor (R)** • Appointed Jan 2021 • Term ends Jan 2025
Commissioners	**Letha Tawney (D)** • Appointed May 2018 • Term ends May 2024 **Mark Thompson (R)** • Appointed Dec 2019 • Term ends Nov 2023	**Ann Rendahl (D)** • Appointed Dec 2014 • Term ends Jan 2027 **Milton Doumit (R)** • Appointed Sept 2022 • Term ends Jan 2029	**Edward Lodge (NA)** • Appointed Feb 2023 • Term ends Jan 2029 **John Hammond (D)** • Appointed Jan 2022 • Term ends Jan 2027	**Will McAdams (R)** • Appointed April 2021 • Term ends Aug 2025 **Jimmy Glotfelty (NA)** • Appointed Aug 2021 • Term ends Aug 2025 **Kathleen Jackson (NA)** • Appointed Aug 2022 • Term ends Aug 2027 **Lori Cobos (NA)** • Appointed June 2021 • Term ends (not listed)	**Anna Tovar (D)** • Appointed Jan 2021 • Term ends Jan 2025 **Lea Marquez Peterson (R)** • Appointed May 2019 • Term ends Jan 2025 **Nick Myers (R)** • Appointed Jan 2023 • Term ends Jan 2027 **Kevin Thompson (R)** • Appointed Jan 2023 • Term ends Jan 2027

GAS UTILITY DEBT PORTFOLIO

First Mortgage Bond Maturity Schedule

2023 YE Projected Embedded Weighted Average Cost – 4.672%

2023 YE Projected Weighted Average Life 18.7 Years



- Interest rate impact mitigated by predominately fixed-rate debt
- Manageable debt repayment schedule with no significant maturities in any particular year
- Liquidity at the gas utility (NW Natural) available through 2026 with $400 million credit facility

NW Natural®

DIVERSE RESOURCE PORTFOLIO

Gas Supply

- 60% supply from Canada
- 40% supply from the Rockies
- Natural gas serves territory through one bi-directional pipeline

LNG Peaking Facilities

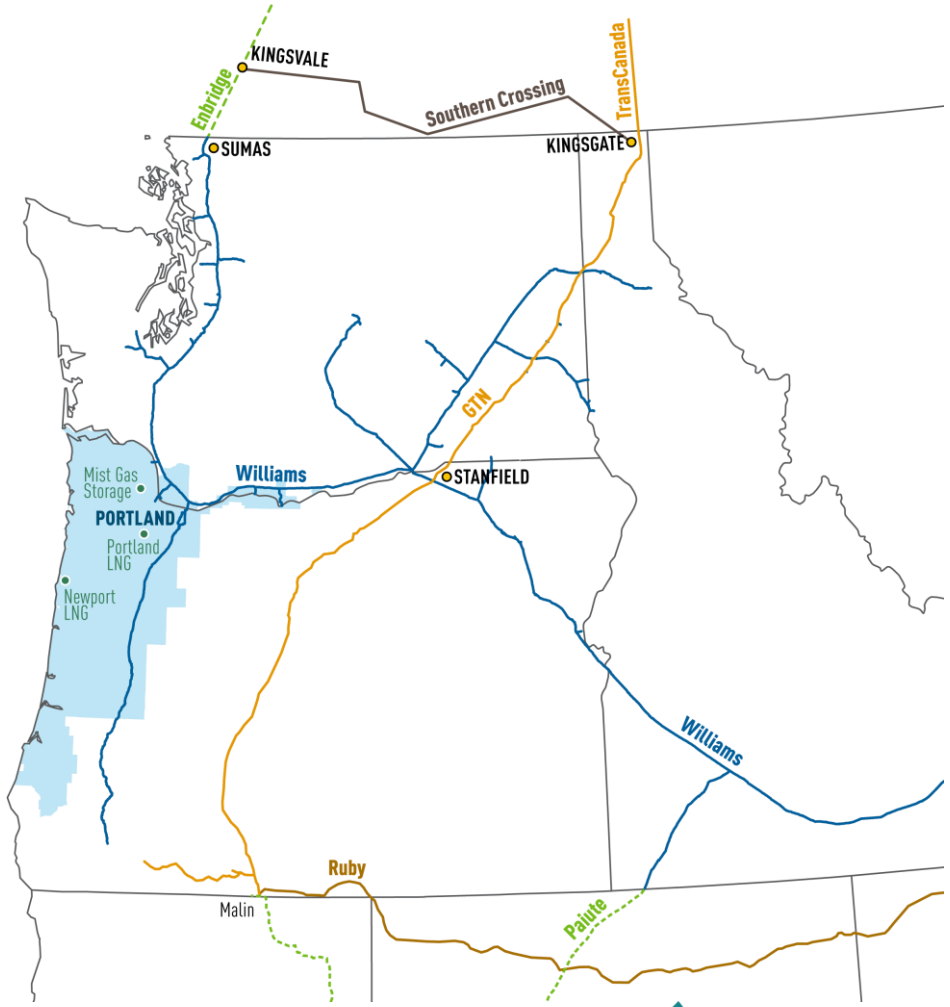
- Portland LNG – 0.6 Bcf
- Newport LNG – 1.0 Bcf

Mist Gas Storage Facility

- Valuable asset – limited storage in the Pacific Northwest
- 17.5 Bcf facility with 11.7 Bcf serving utility customers and 5.8 Bcf primarily under long-term contracts
- Utility can recall 5.8 Bcf to support customer demand

North Mist Storage Expansion

- 4.1 Bcf expansion serves a single customer under long-term contract



NW Natural®

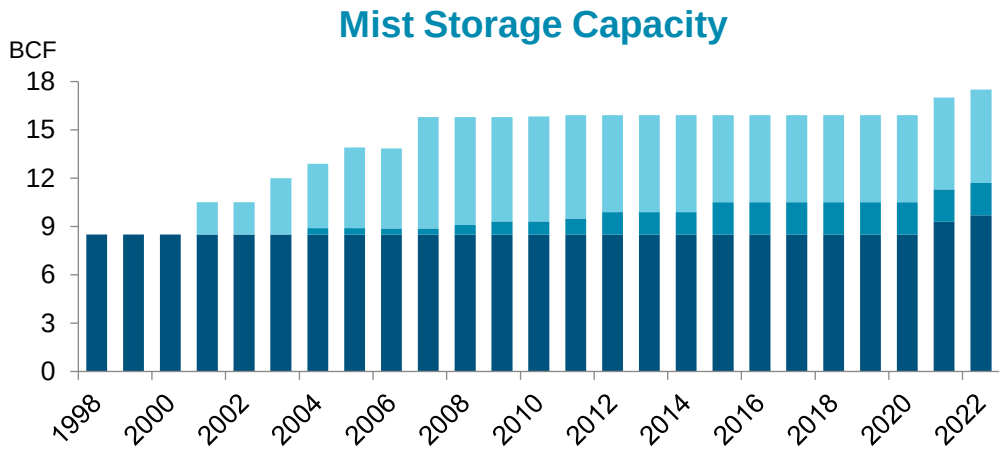
MIST STORAGE FACILITY

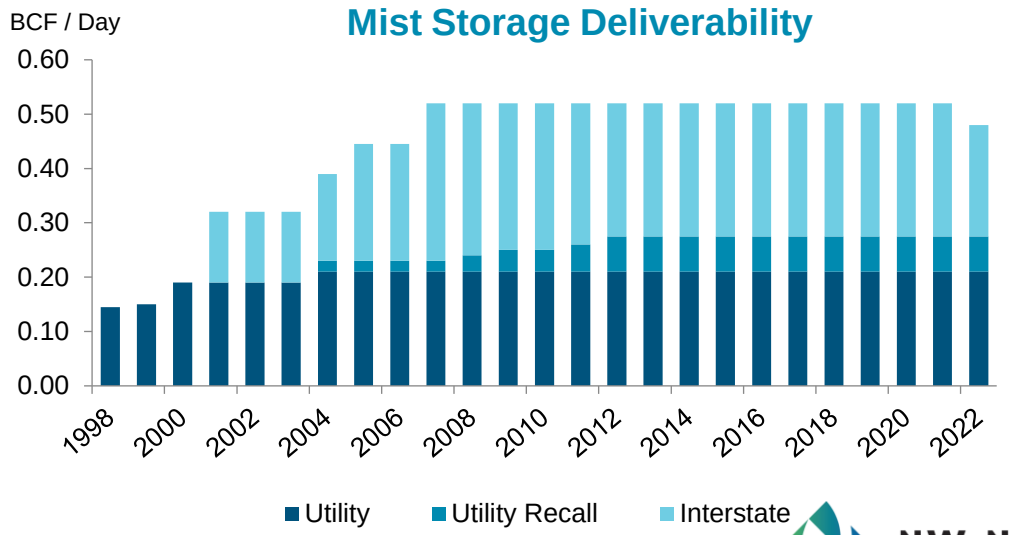
Overview

- In operation since 1989
- Storage capacity at Mist 17.5 Bcf
  - 11.7 Bcf Core Utility
  - 5.8 Bcf Interstate Storage Services

Unique, Valuable Asset

- Limited storage options in Pacific Northwest
- Part of utility's diverse, reliable gas supply strategy
- Utility can recall Interstate portion for Core Utility demand
- Optimize and share revenues with utility customers
- 5.8 Bcf under high-value contracts with the majority long-term

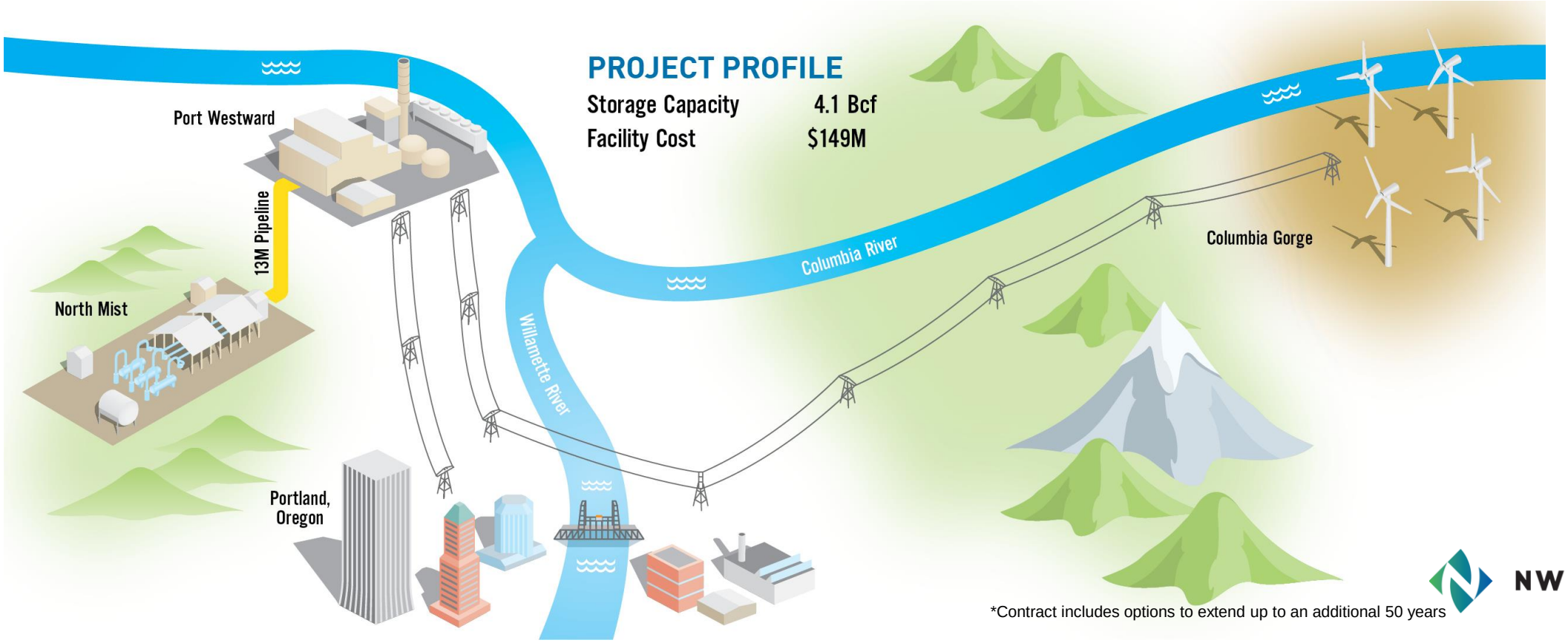




NW Natural®

NORTH MIST FACILITY

- Unique no-notice 24/7 storage service supporting gas-fired electric generating facilities that are integrating wind into energy generation mix
- $149 million investment was immediately included in rate base once placed into service in May 2019
- Contracted under 30-year agreement with single-customer (Portland General Electric)*



*Contract includes options to extend up to an additional 50 years

NW Natural®

WATER & WASTEWATER UTILITY TRANSACTIONS

Company	People Served	Connections	Location	Date Signed	Date Closed	Transaction Details
Salmon Valley Water Company	1,920	960	Welches, OR	12/18/2017	11/1/2018	
Falls Water Company	19,366	6,819	Idaho Falls, ID	12/19/2017 6/28/2019 7/2/2020	9/13/2018 8/3/2020 2/9/2021	Falls Water Taylor Mountain Morningview
Cascadia	10,699	3,607	Puget Sound, WA	5/15/2018 1/22/2019 11/2/2020 8/2/2021 5/17/2022 5/27/2022 11/8/2022	11/2/2018 5/1/2019 11/12/2020 9/16/2021 8/16/2022 8/19/2022 2/1/2023	Lehman & Sea View Estates/Monterra Del Bay Association Discovery Bay Village Water Northwest Water Services Aquarius Utilities Pedersen
Sunriver Water & Environmental	20,408	9,554	Sunriver, OR	10/12/2018	5/31/2019	
Gem State	4,571	1,829	Coeur d'Alene, ID	12/18/2018 3/21/2019 9/12/2019 12/18/2020 3/22/2021 11/4/2022	7/31/2019 10/1/2019 4/2/2020 9/3/2021 10/4/2021 11/4/2022	Spirit Lake East/Lynnwood Diamond Bar/Bar Circle S Happy Valley/Bitterroot Troy Hoffman Pelican Point Water Idaho Club Sewer
Suncadia Water & Environmental	7,394	3,477	Cle Elum, WA	10/12/2019	1/31/2020	Suncadia
Blue Topaz Water & Wastewater	13,943	5,577	Conroe, TX Beaumont, TX Montgomery, TX Beaumont, TX	10/31/2019 12/28/2020 1/13/2022 11/18/2021	3/2/2020 5/2/2022 12/1/2022 12/2/2022	T&W Water Belle Oaks Water & Wastewater Caney Creek Water & Wastewater Water Necessities/Rural Water
Avion Water	15,258	6,103	Bend, OR	12/15/2021	12/17/2021 7/8/2022	40.3% Interest
Foothills Water & Wastewater	62,568	25,027	Yuma, AZ	12/8/2021	10/5/2022	Far West Water & Sewer
Total Closed	**156,127**	**62,953**				
Idaho Club Water	370	148	Sandpoint, ID	12/9/2022		To be part of Gem State
Truxton & Cerbat Water	3,375	1,350	Kingman, AZ	1/6/2023		To be part of Foothills
Everett Square/ES Water/Montgomery Utilities	1,775	710	Conroe, TX	1/26/2023		To be part of Blue Topaz
Venterra	930	372	Houston, TX	11/8/2022		To be part of Blue Topaz
Hiland (Owned Utility Connections)	5,750	2,300	Newberg, OR	5/8/2023		To be part of Sunstone Water
Total Pending	**12,200**	**4,880**				
Total Closed & Pending	**168,327**	**65,406**				

WATER AND WASTEWATER O&M SERVICE TRANSACTIONS

Company	Connections	Region Served	Date Signed	Date Closed
King Water Company	9,900	Washington	4/30/2023	4/30/2023
Total Closed	**9,900**			
Hiland	5,000	Oregon	5/8/2023	
Total Pending	**5,000**			
Total Closed & Pending	**14,900**			

NW Natural HOLDINGS™

Meeting the Moment

DECARBONIZE. DIVERSIFY. DELIVER