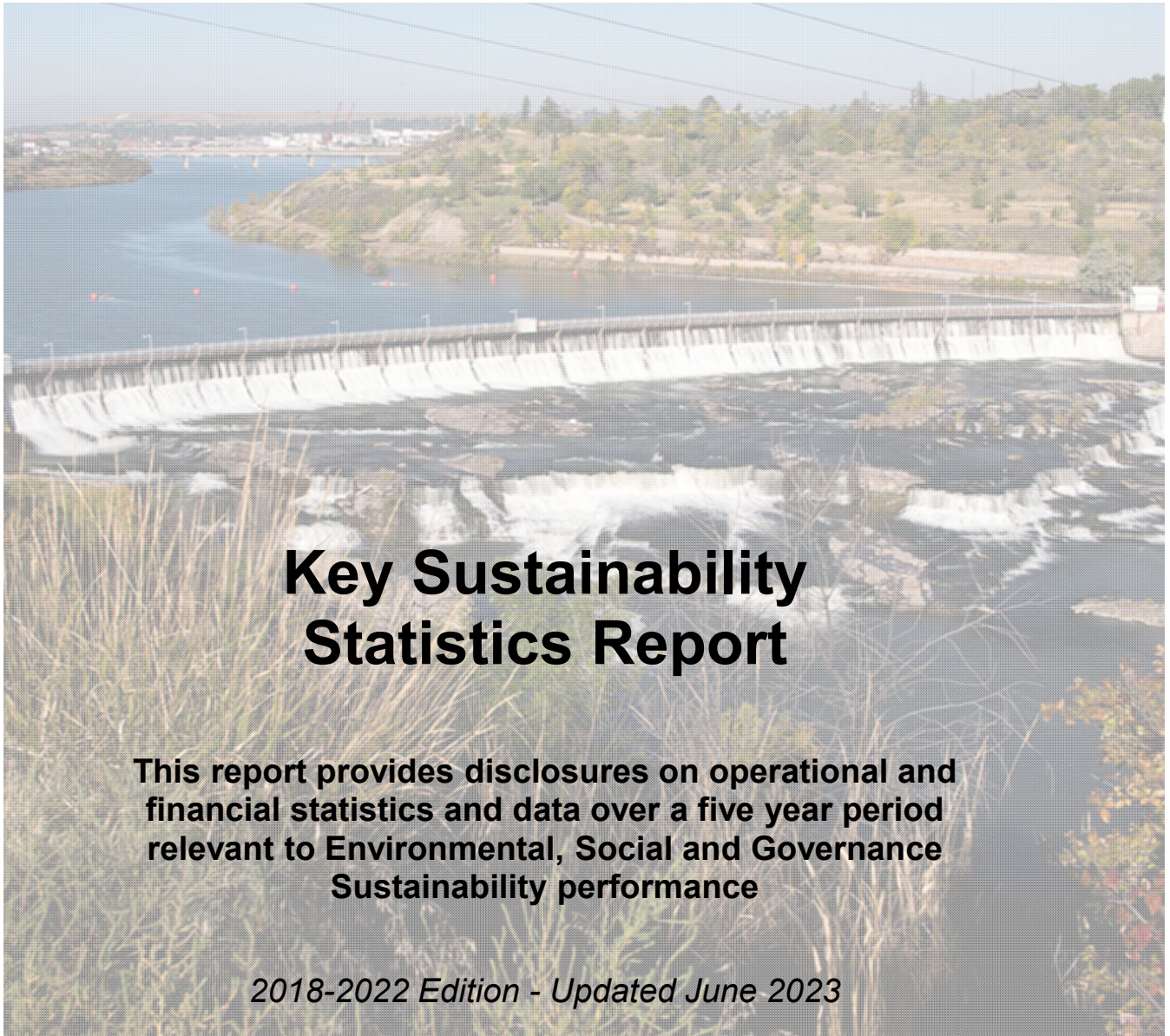




NorthWestern[®] Energy



Key Sustainability Statistics Report

This report provides disclosures on operational and financial statistics and data over a five year period relevant to Environmental, Social and Governance Sustainability performance

2018-2022 Edition - Updated June 2023

**NorthWestern[®]
Energy**
Delivering a Bright Future

Corporate Overview

General Information	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Number Electric Customers					
Residential	349,984	353,837	358,036	362,727	368,037
Commercial	80,288	81,710	82,947	84,400	85,990
Industrial	6,260	6,297	6,411	6,410	6,482
Total	436,532	441,844	447,394	453,537	460,509
Average Number of Natural Gas Customers					
Residential	249,868	252,415	255,523	258,319	261,096
Commercial	35,399	35,931	36,366	36,786	37,380
Industrial	407	403	384	395	410
Total	285,674	288,749	292,273	295,500	298,886
Average Number of Total Customers (electric and natural gas)					
Residential	599,852	606,252	613,559	621,046	629,133
Commercial	115,687	117,641	119,313	121,186	123,370
Industrial	6,667	6,700	6,795	6,805	6,892
Total	722,206	730,593	739,667	749,037	759,395
Population Service Area (Estimated by County)	1,749,606	1,760,125	1,785,490	1,806,288	1,829,031
Utility Plant Assets - Net (\$)	\$ 4,521,317,600	\$ 4,704,606,100	\$ 4,955,787,300	\$ 5,249,302,600	\$ 5,658,775,600
Revenues (\$)					
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Electric	\$ 921,009,300	\$ 981,178,000	\$ 940,815,000	\$ 1,052,182,000	\$ 1,106,565,000
Natural Gas	\$ 270,916,000	\$ 276,732,000	\$ 257,855,000	\$ 320,134,000	\$ 371,272,000
Total	\$ 1,191,925,300	\$ 1,257,910,000	\$ 1,198,670,000	\$ 1,372,316,000	\$ 1,477,837,000
Total Retail Electric Energy Volumes (MWh's)					
Residential	3,116,000	3,170,000	3,218,000	3,300,000	3,464,000
Commercial	4,241,000	4,296,000	4,109,000	4,268,000	4,351,000
Industrial & Other	2,759,000	3,114,000	2,788,000	2,623,000	2,751,000
Total	10,116,000	10,580,000	10,115,000	10,191,000	10,566,000
Total Retail Natural Gas Energy Volumes (Dkt's)					
Residential	19,948,000	21,410,000	19,447,000	19,199,000	21,157,000
Commercial	12,690,000	13,790,000	11,953,000	11,945,000	13,156,000
Industrial & Other	327,000	319,000	274,000	322,000	395,000
Total	32,965,000	35,519,000	31,674,000	31,466,000	34,708,000
Natural Gas					
Annual Demand - Retail (Bcf)	33.4	35.4	31.3	30.6	39.6
Proven Reserves (Bcf)	51.7	47.2	43.1	38.8	35.1
Annual Production of Owned Reserves (Bcf)	4.2	4.5	4.1	4.3	3.7



NorthWestern Energy

Sustainability Key Performance Statistics 2018-2022



Effective Management

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Earnings					
Earnings per share (Diluted)	\$ 3.92	\$ 3.98	\$ 3.06	\$ 3.60	\$ 3.25
Earnings per Share Non-GAAP (Diluted)	\$ 3.39	\$ 3.42	\$ 3.35	\$ 3.51	\$ 3.18
Dividend per share	\$ 2.20	\$ 2.30	\$ 2.40	\$ 2.48	\$ 2.52
Year-End Stock Price	\$ 59.44	\$ 71.67	\$ 58.31	\$ 57.16	\$ 59.34
Dividend Yield (Year-End Stock Price)	3.7%	3.2%	4.1%	4.3%	4.2%
Dividends Payout Ratio (GAAP)	56.1%	57.7%	78.5%	68.9%	77.5%
Dividend Payout Ratio (Non-GAAP)	64.9%	67.3%	71.6%	70.7%	79.2%
Return on Average Equity	10.5%	10.1%	7.5%	8.5%	7.4%
Return on Average Assets	3.6%	3.5%	2.5%	2.8%	2.6%
Total Shareholder Return (Includes Dividends Reinvested)	3.5%	24.5%	-15.1%	2.1%	8.5%
Market Capitalization	\$ 2,991,240,000	\$ 3,615,911,000	\$ 2,949,739,000	\$ 3,088,485,000	\$ 3,545,219,000
Enterprise Value	\$ 5,058,748,000	\$ 5,817,071,000	\$ 5,332,213,000	\$ 5,627,143,000	\$ 6,155,704,000

Financial Strength

Debt to Capital Ratio	51.7%	52.0%	53.5%	52.1%	49.6%
Funds From Operation (FFO) to debt	15.9%	15.8%	12.7%	13.4%	13.1%
Liquidity (Year-End)	\$ 117,860,000	\$ 113,145,000	\$ 233,811,000	\$ 90,800,000	\$ 108,500,000
Net Write Off as % of Revenues	0.28%	0.19%	0.19%	0.20%	0.14%
Capital Expenditures	\$ 311,120,000	\$ 325,108,000	\$ 403,274,000	\$ 452,410,000	\$ 566,207,000
Maintenance/New Connects Capex	\$ 279,805,000	\$ 311,579,000	\$ 327,641,000	\$ 384,608,000	\$ 395,662,000

Environment

Energy Sources

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Electric Generation (Owned & Long-Term Contracted) - Megawatt Hours (MWh's)					
Wind Owned	432,913	438,971	496,577	434,976	493,060
Wind Contracted	955,943	1,311,929	1,747,172	1,654,900	1,813,106
Hydro Owned	2,702,919	2,753,679	2,538,806	2,087,557	2,192,758
Hydro Contracted	121,453	128,896	112,601	92,401	108,261
Solar Owned	-	-	-	-	-
Solar Contracted	34,147	29,528	32,858	33,694	34,463
Coal Owned	2,274,851	2,280,690	1,657,451	2,180,623	2,350,683
Coal Contracted	770,474	761,421	732,052	780,517	751,122
Natural Gas/Oil Owned	270,600	275,895	205,687	318,572	508,758
Natural Gas/Oil Contracted	125,213	156,441	57,051	119,801	140,931
Total Electric Generation - MWh	7,688,513	8,137,450	7,580,255	7,703,041	8,393,142
Total Owned Generation	5,681,283	5,749,235	4,898,521	5,021,728	5,545,259
Total Carbon-Free Owned Generation	3,135,832	3,192,650	3,035,383	2,522,533	2,685,818
Total Long-Term Contracted Generation	2,007,230	2,388,215	2,681,734	2,681,313	2,847,883
Total Carbon-Free Long-Term Contracted Generation	1,111,543	1,470,353	1,892,631	1,780,995	1,955,830
Total Carbon-Free Generation (Owned & L-T Contracted)	4,247,375	4,663,003	4,928,014	4,303,528	4,641,648



NorthWestern Energy

Sustainability Key Performance Statistics 2018-2022



Owned Electric Generation Portfolio Delivered (Owned and Purchased Power) - MW

Owned Maximum Capacity	1,311	1,278	1,282	1,271	1,335
Long-Term Contracted Maximum Capacity	604	684	680	680	761
Total Maximum Capacity - MW	1,915	1,962	1,962	1,951	2,096

Owned Electric Generation Portfolio Delivered (As a % of Total Portfolio MWh - Owned and Purchased Power)

Wind and Solar	5.6%	5.4%	6.6%	5.6%	5.9%
Hydro	35.2%	33.8%	33.5%	27.1%	26.1%
Coal	29.6%	28.0%	21.9%	28.3%	28.0%
Natural Gas / Oil	3.5%	3.4%	2.7%	4.1%	6.1%
Total Power Generated by NWE	73.9%	70.7%	64.6%	65.2%	66.1%
Zero-GHG Emissions Energy	40.8%	39.2%	40.0%	32.7%	32.0%

Purchased Power Portfolio (As a % of Total Portfolio MWh - Owned & Purchased Power)

Wind and Solar	12.9%	16.5%	23.5%	21.9%	22.0%
Hydro	1.6%	1.6%	1.5%	1.2%	1.3%
Coal	10.0%	9.4%	9.7%	10.1%	8.9%
Natural Gas / Oil	1.6%	1.9%	0.8%	1.6%	1.7%
Total Purchased Power	26.1%	29.3%	35.4%	34.8%	33.9%
Zero-GHG Emissions Energy	14.5%	18.1%	25.0%	23.1%	23.3%

2018 **2019** **2020** **2021** **2022**

Owned & Purchased Power Portfolio (As a % of Total Portfolio MWh)

Wind and Solar	18.5%	21.9%	30.0%	27.6%	27.9%
Hydro	36.7%	35.4%	35.0%	28.3%	27.4%
Coal	39.6%	37.4%	31.5%	38.4%	37.0%
Natural Gas / Oil	5.1%	5.3%	3.5%	5.7%	7.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Owned & Purchased Power Portfolio (As a % of Total Portfolio MWh)

Zero-GHG Emissions Energy	55.2%	57.3%	65.0%	55.9%	55.3%
Total Generation Portfolio - Owned & L-T Contracts (MWh)	7,688,513	8,137,450	7,580,255	7,703,041	8,393,142

Maximum Capacity - Owned Resource (As a % of Total Portfolio Megawatts - Owned & L-T Contracts)

Wind & Solar	6.9%	6.7%	6.7%	6.7%	6.3%
Hydro	23.4%	23.0%	22.8%	23.2%	21.9%
Coal	22.6%	22.0%	22.0%	22.1%	20.6%
Natural Gas / Oil	15.7%	13.5%	13.8%	13.1%	14.9%
Total	68.5%	65.1%	65.3%	65.1%	63.7%
Non-Carbon Total	30.2%	29.7%	29.5%	29.9%	28.2%

Maximum Capacity - Long-Term Resource (As a % of Total Portfolio Megawatts - Owned and L-T Contracts)

Wind & Solar	22.3%	25.9%	25.7%	25.8%	27.9%
Hydro	1.9%	1.9%	1.9%	1.9%	1.8%
Coal	4.5%	4.4%	4.4%	4.5%	4.2%
Natural Gas / Oil	2.7%	2.7%	2.7%	2.7%	2.5%
Total	31.5%	34.9%	34.7%	34.9%	36.3%
Non-Carbon Total	24.3%	27.8%	27.6%	27.7%	29.7%



NorthWestern Energy Sustainability Key Performance Statistics 2018-2022



Maximum Capacity - Owned and Long-Term Resource (As a % of Total Portfolio Megawatts)

Wind & Solar	29.2%	32.6%	32.4%	32.6%	34.2%
Hydro	25.3%	24.9%	24.7%	25.1%	23.7%
Coal	27.1%	26.5%	26.5%	26.6%	24.8%
Natural Gas / Oil	18.4%	16.1%	16.5%	15.7%	17.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Non-Carbon Total	54.5%	57.4%	57.1%	57.7%	57.8%

Owned Coal Facilities

Coal Combustion Residuals (CCR) generated - Metric Tons - Owned Facilities	163,049	163,989	137,799	134,112	139,977
Coal Combustion Residuals (CCR) recycled	9.9%	8.7%	9.6%	9.9%	8.0%

Greenhouse Gases (GHG) - CO₂e Emissions

Scope 1 CO ₂ e Emissions (Metric Tons)	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Owned Electric Generation	2,703,374	2,664,493	2,160,366	2,524,157	2,745,245
Electric Transmission System (SF ₆ & PFC leaks)	17,090	6,481	3,455	1,237	777
Natural Gas System (Gathering, Distr, Trans & Storage)	66,882	68,244	66,841	68,575	62,816
Company Owned Fleet	14,010	13,922	13,197	13,539	13,965
Total Scope 1 CO ₂ e Emissions	2,801,356	2,753,140	2,243,859	2,607,507	2,822,803

Scope 2 CO ₂ e Emissions	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Electric	11,515	10,920	9,464	7,901	8,224
Natural Gas	698	751	767	1,028	846
Total Scope 2 CO ₂ e Emissions	12,213	11,671	10,231	8,929	9,070

Note: Our Scope 1 and Scope 2 CO₂e Emissions are estimates based available data

Water Use - Coal and Natural Gas Facilities

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Water Withdraw - Generation Facilities - Cubic Meters	4,626,329	4,528,261	3,923,196	4,006,704	4,935,341
Water Use - Generation Facilities - Cubic Meters	4,528,910	4,460,588	3,850,786	3,926,545	4,857,444
Water Recycled - Generation Facilities - Percentage	2.1%	1.5%	1.8%	2.0%	1.6%

Energy Usage at Facilities in our Operations

Electricity - NWE Supplied- MWh's	22,441	22,519	20,968	16,044	17,128
Natural Gas - NWE Supplied - Dkt's	71,611	77,057	72,689	90,803	93,956

* Energy usage includes energy supplied by NorthWestern Energy or a 3rd party to power their operations

Waste (Hazardous & Non-Hazardous) - All Facilities

Waste - Non-Hazardous - Metric Tons			738	3,691	1,552
Waste - Hazardous - Metric Tons			43	36	20
Recycled Waste - Non-Hazardous - Metric Tons			391	3,634	707
Recycled Waste - Hazardous - Metric Tons			25	35	3

Social

Customers

Combined Overall Customer Satisfaction Scores	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Company Scores - JD Power	710.7	718.9	721.6	721.0	729.4

Customer Service

Average Calls per Month	89,400	89,900	94,860	46,409	38,705
Average Talk Time	3 min 40 sec	3 min 47 sec	4 min 29 sec	4 min 58 sec	5 min 12 sec

Electric Rates

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential Rates (750 Kwh Monthly Bill) *					
NWE - MT	\$ 87.08	\$ 90.49	\$ 92.10	\$ 91.95	\$ 91.27
NWE - SD	\$ 98.68	\$ 95.70	\$ 102.13	\$ 104.70	\$ 106.23
Regional States Average**	\$ 87.86	\$ 89.37	\$ 90.73	\$ 95.13	\$ 100.24
National Average	\$ 108.78	\$ 108.03	\$ 104.56	\$ 108.44	\$ 123.87

Commercial Rates (10,000 Kwh Monthly Bill) *

NWE - MT	\$ 1,165	\$ 1,209	\$ 1,246	\$ 1,245	\$ 1,226
NWE - SD	\$ 1,341	\$ 1,300	\$ 1,388	\$ 1,388	\$ 1,442
Regional States Average**	\$ 1,116	\$ 1,138	\$ 1,138	\$ 1,164	\$ 1,220
National Average	\$ 1,322	\$ 1,311	\$ 1,255	\$ 1,319	\$ 1,545

Industrial Rates (200,000 Kwh Monthly Bill) *

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
NWE - MT	\$ 19,911	\$ 19,908	\$ 18,749	\$ 18,354	\$ 18,274
NWE - SD	\$ 24,670	\$ 23,650	\$ 25,637	\$ 25,637	\$ 26,665
Regional States Average**	\$ 23,252	\$ 23,938	\$ 24,214	\$ 25,428	\$ 26,686
National Average	\$ 27,344	\$ 27,049	\$ 25,832	\$ 27,302	\$ 32,055

* As published in the Edison Electric Institute's (EEI) Summer Typical Bill and Average Rate Reports - Rates as of July 1st of each year

** Regional states average include the following states: CO, IA, ID, MN, MT, ND, OR, SD, WA, WY and the average bills from the EEI Summer Typical Bill and Average Rate Reports

Natural Gas Rates

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential Rates (cents per Dkt) *					
NWE - MT	\$ 0.074	\$ 0.072	\$ 0.074	\$ 0.091	\$ 0.099
NWE - SD	\$ 0.077	\$ 0.078	\$ 0.072	\$ 0.094	\$ 0.119
NWE - NE	\$ 0.083	\$ 0.071	\$ 0.066	\$ 0.085	\$ 0.140
Regional States Average **	\$ 0.087	\$ 0.082	\$ 0.084	\$ 0.098	\$ 0.120
National Average	\$ 0.105	\$ 0.105	\$ 0.108	\$ 0.122	\$ 0.148

Commercial Rates (cents per Dkt) *

NWE - MT	\$ 0.071	\$ 0.069	\$ 0.072	\$ 0.087	\$ 0.095
NWE - SD	\$ 0.055	\$ 0.054	\$ 0.048	\$ 0.070	\$ 0.096
NWE - NE	\$ 0.058	\$ 0.051	\$ 0.045	\$ 0.065	\$ 0.120
Regional States Average **	\$ 0.070	\$ 0.065	\$ 0.066	\$ 0.079	\$ 0.102
National Average	\$ 0.078	\$ 0.076	\$ 0.075	\$ 0.088	\$ 0.113

* As reported on eia.gov website.

** Regional states include CO, IA, ID, MN, ND, OR, WA & WY



NorthWestern Energy

Sustainability Key Performance Statistics 2018-2022



Customer Programs	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Energy Efficiency					
Incremental Annual Electricity Savings (MWh)	79,107	74,796	67,606	67,939	74,377
Incremental Annual Natural Gas Savings (Dkt)	100,197	38,824	49,827	30,075	35,403
Incremental Annual Investment in DSM Programs (\$)	\$ 15,200,000	\$ 14,600,000	\$ 11,800,000	\$ 12,000,000	\$ 14,500,000
Net Meter Customers - Residential	1,961	2,344	2,634	3,064	3,814
Net Meter Customers - Commercial	453	493	541	579	618
Net Meter Customers - Total	2,414	2,837	3,175	3,643	4,432
Customer Disconnections	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Res. & Comm. Disconnections for Non-Payment	12,814	12,136	5,668	11,695	11,800
Res. & Comm. Reconnections within 30 Days	8,482	8,030	3,813	8,766	8,921
% Reconnected within 30 Days	66.2%	66.2%	67.3%	75.0%	75.6%
% of Electric Customers with Smart Meters	1.5%	14.2%	14.5%	27.5%	44.0%
Low Income Assistance	\$ 7,700,000	\$ 7,300,000	\$ 9,400,000	\$ 8,600,000	\$ 18,700,000

Reliability	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
System Average Interruption Duration Index (SAIDI) - Excluding Major Event Days (MED) (minutes)	99.99	113.29	129.74	121.81	111.49
SAIDI Excluding MED's - National Average *	143.26	149.98	134.90	138.41	138.41
System Average Interruption Frequency Index (SAIFI) - Excluding MED's (per 100 customers)	1.27	1.47	1.10	1.13	1.06
SAIFI Excluding MED's - National Average *	1.28	1.18	1.22	1.20	1.20
Customer Average Interruption Duration Index (CAIDI) - Excluding MED's (minutes)	78.99	77.26	117.57	108.00	105.13
CAIDI Excluding MED's - National Average *	100.23	122.84	103.58	104.89	104.89

* SAIDI, SAIFI and CAIDI national averages includes investor owned utilities only via EIA.gov's 861 data files

Community	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Safety Education and Awareness Investment	\$ 1,557,200	\$ 1,578,400	\$ 1,590,300	\$ 1,781,800	\$ 1,637,100
Charitable Donations, Economic Development & Sponsorships					
Charitable Donations	\$ 590,172	\$ 632,951	\$ 849,127	\$ 523,295	\$ 550,450
Economic Development	\$ 293,784	\$ 155,961	\$ 275,006	\$ 279,612	\$ 452,900
Sponsorships	\$ 470,826	\$ 809,192	\$ 483,237	\$ 578,051	\$ 681,314
Employee Giving - United Way	\$ 120,032	\$ 122,575	\$ 182,111	\$ 194,669	\$ 118,940
Employer Match - United Way	\$ 60,016	\$ 61,288	\$ 62,863	\$ 70,305	\$ 97,459
Total Giving	\$ 1,534,830	\$ 1,781,967	\$ 1,852,344	\$ 1,645,931	\$ 1,901,063
Scholarship Funding	\$ 103,250	\$ 97,250	\$ 102,250	\$ 102,250	\$ 107,250
Fish & Wildlife / Public Recreation Support	\$ 2,112,100	\$ 2,096,000	\$ 2,080,200	\$ 2,158,300	\$ 2,150,700
Volunteering					
Non-profits receiving grants from Volunteer Program	184	112	104	99	126
Dollars Non-Profits received from Volunteering	\$ 119,800	\$ 153,500	\$ 62,950	\$ 54,907	\$ 84,200
Total Community Giving	\$ 5,427,180	\$ 5,707,117	\$ 5,688,044	\$ 5,743,188	\$ 5,880,313

Total Community Giving Includes Safety Awareness, Charitable Donations, Economic Development, Sponsorships, Scholarship Funding, Public Recreation Support & Volunteer Program Grants



NorthWestern Energy

Sustainability Key Performance Statistics 2018-2022



Property Taxes Paid

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Montana	\$ 157,767,344	\$ 158,943,237	\$ 166,885,936	\$ 159,726,323	\$ 178,037,405
South Dakota	\$ 4,351,367	\$ 4,664,797	\$ 5,412,546	\$ 5,640,195	\$ 5,844,139
Nebraska	\$ 611,475	\$ 618,446	\$ 662,910	\$ 669,090	\$ 764,937
Total Property Taxes	\$ 162,730,186	\$ 164,226,480	\$ 172,961,392	\$ 166,035,608	\$ 184,646,481

Economic Impact Analysis - Circle Analytics

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Gross Economic Output *	\$ 2,143,352,096	\$ 2,151,552,448	\$ 2,263,185,102	\$ 2,596,964,327	\$ 2,915,906,175
Total Labor Income **	\$ 441,334,583	\$ 443,099,531	\$ 465,885,608	\$ 534,646,891	\$ 600,366,675
Total Employment ***	12,505	12,549	13,262	15,194	17,032

* Gross Economic Output: aggregated market value of goods and services

** Total Labor Income: Compensation to employees and self-employed proprietors for both wages and indirect payments - includes retirement, health insurance and other fringe benefits

*** Total Employment: number of jobs generated of full and part-time positions, salary workers and sole proprietors

Employees

Safety Culture

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Lost Time Incident Rate	0.71	0.58	0.39	0.66	0.59
OSHA Recordable Rate	1.73	1.87	1.36	1.77	1.57
Days-Away, Restricted, and Transfer (DART) Rate	1.03	0.84	0.65	0.91	0.79
Total number of vehicle incidents	25	27	17	25	29
Total vehicle incident rate	2.01	2.17	1.46	2.00	2.41
Work-related Fatalities	-	-	-	-	-

Number of Employees

Regular Employees

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Regular Full-Time Employees - Year End	1,462	1,464	1,466	1,442	1,496
Seasonal / Part-Time / Temp Employees - Year End	66	69	64	41	34
Total Employees	1,528	1,533	1,530	1,483	1,530

Union / Non-Union

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Union Employees	631	650	643	605	619
Non-Union Employees	897	883	887	878	911
Total Employees	1,528	1,533	1,530	1,483	1,530

Number of Contingent Workers

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Turnover Rate - Regular Full-Time Employees	8.6%	8.0%	7.5%	11.3%	12.7%
Turnover - All Employees including Temporary & Seasonal	11.2%	10.9%	9.4%	13.4%	15.2%
Average tenure (years)	15	14	13	12	11
Employee Engagement Score	75	77	77	77	66

NorthWestern Energy has conducted employee engagement surveys periodically. 2015 & 2017 by Great Places to Work and 2019 by Spencer Stuart Culture Survey. Scores are out of 100.

Diversity

Employee Age Breakdown

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Age 18-24	2.2%	3.0%	3.1%	4.3%	4.4%
Age 25-34	19.3%	19.9%	20.1%	19.8%	20.1%
Age 35-44	24.1%	25.1%	25.7%	27.7%	29.8%
Age 45-54	22.3%	22.0%	22.4%	21.9%	21.8%
Age 55+	32.1%	29.9%	28.7%	26.4%	24.0%

Female Diversity

Females as % of Total Employees	27.4%	27.5%	27.4%	26.7%	27.4%
Female Senior Mgmt as % of Total Senior Management	34.5%	34.5%	34.5%	34.5%	32.0%
Female Professionals as % of Professional Positions	39.7%	40.0%	38.5%	36.7%	36.8%
Female Skilled Workforce as % of Skilled Positions	9.2%	9.0%	11.5%	12.0%	12.1%

Minority Diversity

Minorities as % of Total Employees	2.8%	2.9%	3.1%	2.9%	3.2%
Minorities Senior Mgmt as % of Total Senior Management	1.8%	1.9%	1.7%	3.6%	3.4%
Minorities Professionals as % of Professional Positions	2.8%	2.5%	2.4%	1.9%	2.5%
Minorities Skilled Workforce as % of Skilled Positions	4.6%	5.6%	4.6%	5.4%	3.3%

Total Employee Gender & Race

Female Minority as % of Total Female Employee	3.1%	3.1%	3.6%	3.0%	2.9%
Male Minority as % of Total Male Employee	2.7%	2.9%	2.9%	2.9%	3.3%

Senior Management Employees Gender & Race

Female Minority Senior Mgmt as % of Total Female Senior Mgmt	5.9%	5.9%	5.0%	10.5%	10.5%
Male Minority Senior Mgmt as % of Total Male Senior Mgmt	0.0%	0.0%	0.0%	0.0%	0.0%

Professional Employees Gender & Race

Female Minority Professionals as % of Total Female Professionals	2.5%	2.5%	2.5%	1.3%	1.5%
Male Minority Professionals as % of Total Male Professionals	2.9%	2.5%	2.3%	2.3%	2.6%

Skilled Employees Gender & Race

Female Minority Skilled as % of Total Female Skilled Employees	0.0%	0.0%	0.0%	0.0%	0.0%
Male Minority Skilled as % of Total Male Skilled Employees	5.1%	6.2%	5.2%	6.2%	3.2%

NorthWestern Energy files Equal Employment Opportunity reports and participates in Affirmative Action testing on an annual basis.

Note: Senior Management is defined as Executive and Director level.

Health / Benefits

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Paid in Employee Association Dues	\$ 113,018	\$ 100,232	\$ 90,388	\$ 70,091	\$ 91,814
Benefits to Pay Ratio	30%	29%	28%	29%	23%
Percentage of Skilled or Professional Employees - <u>Excluding</u> Directors, Managers & Supervisors	64%	65%	65%	65%	65%
Percentage of Skilled or Professional Employees - <u>Including</u> Directors, Managers & Supervisors	78%	78%	78%	78%	79%

Benefits Offered: 401(k), Medical/Prescription Plans, Vision, Dental, Wellness Program, Paid Time Off, Holiday Pay, Health Care & Dependent Care Flexible Spending Accounts, Basic Life Insurance, Employee Life Insurance, Dependent Life Insurance, Employee Accidental Death & Dismemberment (AD&D), Spouse AD&D, Employee Assistance Program (Counseling), Wellness Program, Employee Stock Purchase Plan, Incentive Pay Plan, Short-Term Disability, Long-Term Disability, Worker's Compensation, & Employee Discounts for computers, cell phones plans and vehicles.

Governance

Leadership Diversity

Board of Directors

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Age Diversity - % 60 and Over	38%	50%	60%	50%	60%
Tenure Diversity - % over 10 Years	38%	40%	40%	25%	10%
Gender Diversity - % of Females	38%	40%	40%	38%	40%
Ethnic Diversity - % of Minorities	13%	20%	20%	13%	20%



NorthWestern Energy

Sustainability Key Performance Statistics 2018-2022



Executive Team	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Age Diversity - % 60 and Over	38%	38%	38%	33%	40%
Tenure Diversity - % over 10 Years	50%	50%	50%	50%	70%
Gender Diversity - % of Females	38%	38%	38%	44%	40%
Ethnic Diversity - % of Minorities	0%	0%	0%	0%	0%

CEO Pay Ratio	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
To NorthWestern Average Employee Pay	27 : 1	27 : 1	25 : 1	28 : 1	26 : 1
As % of Peer Group Median CEO Pay	89%	98%	89%	79%	76%

Board of Director Attendance					
Board Meeting held each year	8	10	5	7	5
Board meeting attendance %	93.8%	98.8%	100.0%	100.0%	100.0%

Corporate Governance

What we Do

- * Annual elections of all directors.
- * Majority vote plus resignation standard in uncontested elections. If a director receives more "WITHHOLD AUTHORITY" votes than "FOR" votes, the director must submit a resignation for the Board to consider.
- * Allow shareholders owning 25 percent of our shares to call a special meeting.
- * Independent board, except for our CEO.
- * Independent Board Chair.
- * Each of our board committees (Audit, Human Resource, Nominating, Safety-Environmental-Technology & Operations, and Governance & Innovation) is made up solely of independent directors.
- * Committee authority to retain independent advisors, which will be paid for by the company.
- * Code of Conduct and Ethics. Applies to all employees and Board, with a separate Code of Ethics for Chief Executive Officers and Senior Financial Officers concerning financial reporting and other related matters.
- * Robust stock ownership guidelines for executive officers and directors.
- * Place a significant portion of executive pay at risk by granting incentive awards that are paid, if earned, based on continuing annual and long-term individual and company performance.
- * Utilize multiple performance metrics for long-term incentive awards that align executive and shareholder interests.
- * Target executive pay around median of our peers, while also considering trade area economics, turn-over, tenure, experience and other factors.

What we Do Not Do

- * Use employment or golden parachute agreements.
- * Allow option repricing or liberal share recycling on our pay practices.
- * Promise multi-year guarantees for salary increases.
- * Poison pill or a shareholder rights plan.
- * Supermajority voting, except to approve certain business combinations or mergers.
- * Corporate political contributions.
- * Hedging of company securities.