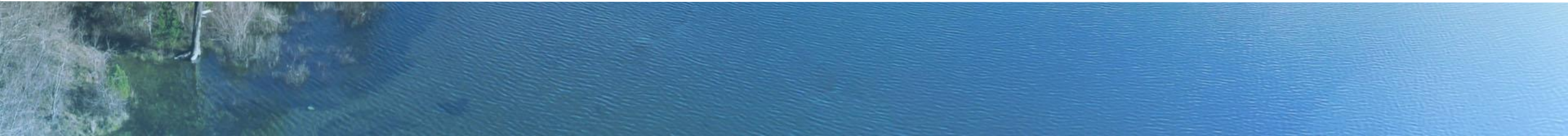




## 2023 Financial Outlook and Guidance

*AltaGas*



# Forward-Looking Information

This presentation contains forward-looking information (forward-looking statements). Words such as "guidance", "may", "can", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "aim", "seek", "propose", "contemplate", "estimate", "focus", "strive", "forecast", "expect", "project", "target", "potential", "objective", "continue", "outlook", "vision", "opportunity" and similar expressions suggesting future events or future performance, as they relate to the Company or any affiliate of the Company, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Specifically, such forward-looking statements included in this document include, but are not limited to, statements with respect to the following: expected delivery of resilient and durable value for stakeholders; 2023 normalized EPS guidance of \$1.85 - \$2.05; 2023 normalized EBITDA guidance of \$1.50 billion - \$1.60 billion and expected drivers; anticipated self-funding capital program of \$930 million in 2023 and anticipated allocations of capital by segment; expected rollover, timing and use of \$90 million of capital investments approved in 2022 for the Midstream business; future dividend strategy; the expected timing of closing of the Alaskan Utilities transaction and use of proceeds therefrom; AltaGas' 2023 strategic priorities; expectation that 2022 results will be in line with the 2022 guidance range; anticipated EBITDA by segment in 2023 and related drivers; expected customer growth of 1-2 percent in 2023; and expected future debt maturity profile. Material assumptions include the U.S./Canadian dollar exchange rate, financing initiatives, the performance of the businesses underlying each sector; commodity prices; weather; frac spread; access to capital; timing and receipt of regulatory approvals; seasonality; planned and unplanned plant outages; timing of in-service dates of new projects and acquisition and divestiture activities; taxes; operational expenses; returns on investments; dividend levels; and transaction costs.

AltaGas' forward-looking statements are subject to certain risks and uncertainties which could cause results or events to differ from current expectations, including, without limitation: risk related to COVID-19; health and safety risks; risks related to the integration of Petrogas; operating risks; regulatory risks; cyber security, information, and control systems; litigation risk; climate-related risks, including carbon pricing; changes in law; political uncertainty and civil unrest; infrastructure risks; service interruptions; decommissioning, abandonment and reclamation costs; reputation risk; weather data; Indigenous land and rights claims; crown duty to consult with Indigenous peoples; capital market and liquidity risks; general economic conditions; internal credit risk; foreign exchange risk; debt financing, refinancing, and debt service risk; interest rates; technical systems and processes incidents; dependence on certain partners; growth strategy risk; construction and development; transportation of petroleum products; impact of competition in AltaGas' businesses; counterparty credit risk; market risk; composition risk; collateral; rep agreements; delays in U.S. Federal Government budget appropriations; market value of common shares and other securities; variability of dividends; potential sales of additional shares; volume throughput; natural gas supply risk; risk management costs and limitations; underinsured and uninsured losses; commitments associated with regulatory approvals for the acquisition of WGL; securities class action suits and derivative suits; electricity and resource adequacy prices; cost of providing retirement plan benefits; labor relations; key personnel; failure of service providers; compliance with Section 404(a) of Sarbanes-Oxley Act; and the other factors discussed under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2021 and set out in AltaGas' other continuous disclosure documents.

Many factors could cause AltaGas' or any particular business segment's actual results, performance or achievements to vary from those described in this press release, including, without limitation, those listed above and the assumptions upon which they are based proving incorrect. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, targeted and such forward-looking statements included in this news release, should not be unduly relied upon. The impact of any one assumption, risk, uncertainty, or other factor on a particular forward-looking statement cannot be determined with certainty because they are interdependent and AltaGas' future decisions and actions will depend on management's assessment of all information at the relevant time. Such statements speak only as of the date of this news release. AltaGas does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this news release are expressly qualified by these cautionary statements.

Financial outlook information contained in this news release about prospective financial performance, financial position, or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on AltaGas management's (Management) assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this news release should not be used for purposes other than for which it is disclosed herein.

Additional information relating to AltaGas, including its quarterly and annual MD&A and Consolidated Financial Statements, AIF, and press releases are available through AltaGas' website at [www.altagas.ca](http://www.altagas.ca) or through SEDAR at [www.sedar.com](http://www.sedar.com).

## Non-GAAP Measures

This news release contains references to certain financial measures that do not have a standardized meaning prescribed by US GAAP and may not be comparable to similar measures presented by other entities. The non-GAAP measures and their reconciliation to US GAAP financial measures are shown in AltaGas' Management's Discussion and Analysis (MD&A) as at and for the period ended September 30, 2021. These non-GAAP measures provide additional information that management believes is meaningful regarding AltaGas' operational performance, liquidity and capacity to fund dividends, capital expenditures, and other investing activities. Readers are cautioned that these non-GAAP measures should not be construed as alternatives to other measures of financial performance calculated in accordance with US GAAP.

EBITDA is a measure of AltaGas' operating profitability prior to how business activities are financed, assets are amortized, or earnings are taxed. EBITDA is calculated from the Consolidated Statements of Income (Loss) using net income (loss) adjusted for pre-tax depreciation and amortization, interest expense, and income tax expense (recovery). Normalized EBITDA includes additional adjustments for transaction costs related to acquisitions and dispositions, unrealized losses (gains) on risk management contracts, gains on investments, gains on sale of assets, restructuring costs, dilution loss on equity investment, COVID-19 related costs, provisions (reversal of provisions) on assets, provisions on investments accounted for by the equity method, foreign exchange gains, and accretion expenses related to asset retirement obligations. AltaGas presents normalized EBITDA as a supplemental measure. Normalized EBITDA is used by Management to enhance the understanding of AltaGas' earnings over periods. The metric is frequently used by analysts and investors in the evaluation of entities within the industry as it excludes items that can vary substantially between entities depending on the accounting policies chosen, the book value of assets, and the capital structure.

Normalized EPS is calculated as normalized net income divided by the average number of shares outstanding during the period. Normalized net income is calculated from the Consolidated Statements of Income (Loss) using net income (loss) applicable to common shares adjusted for transaction costs related to acquisitions and dispositions, unrealized losses (gains) on risk management contracts, non-controlling interest portion of non-GAAP adjustments, gains on investments, gains on sale of assets, provisions on assets, restructuring costs, dilution loss on equity investment, COVID-19 related costs, and provisions on investments accounted for by the equity method. Normalized net income per share is used by Management to enhance the comparability of AltaGas' earnings, as these metrics reflect the underlying performance of AltaGas' business activities.

Net debt is used by the Corporation to monitor its capital structure and financing requirements. It is also used as a measure of the Corporation's overall financial strength and is presented to provide this perspective to analysts and investors. Net debt is defined as short-term debt (excluding third-party project financing obtained for the construction of certain energy management services projects), plus current and long-term portions of long-term debt, less cash and cash equivalents.

# 2023 Financial Guidance Highlights (\$CAD unless otherwise noted)

Our corporate priorities are on delivering, de-levering, de-risking, investing and executing across all business segments.

**6%**

**Annual Dividend Increase**

**\$1.85-2.05**

**Anticipated Normalized  
EPS<sup>1</sup>**

**\$1.5 - 1.6B**

**Anticipated Normalized  
EBITDA<sup>1</sup>**

**~\$930MM**

**Planned Capital Program**  
*(Excluding 2022 Carry Over)*

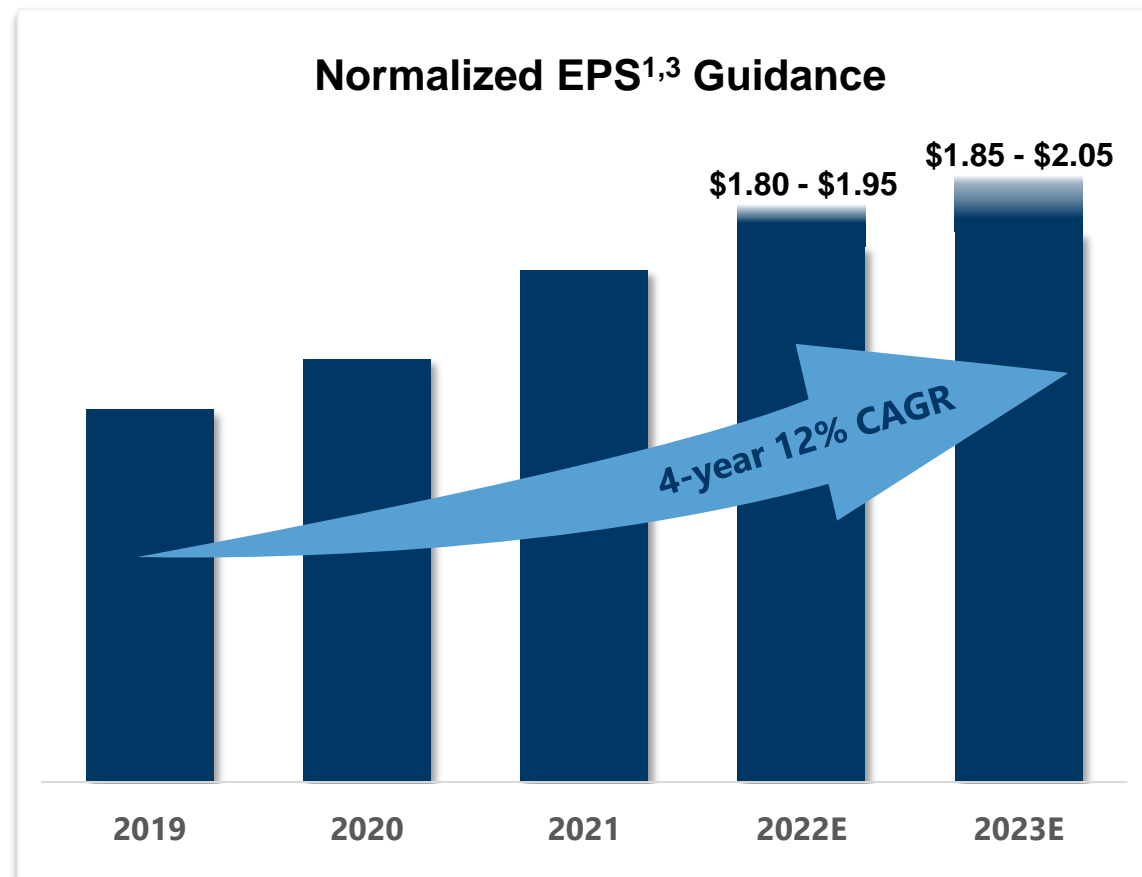
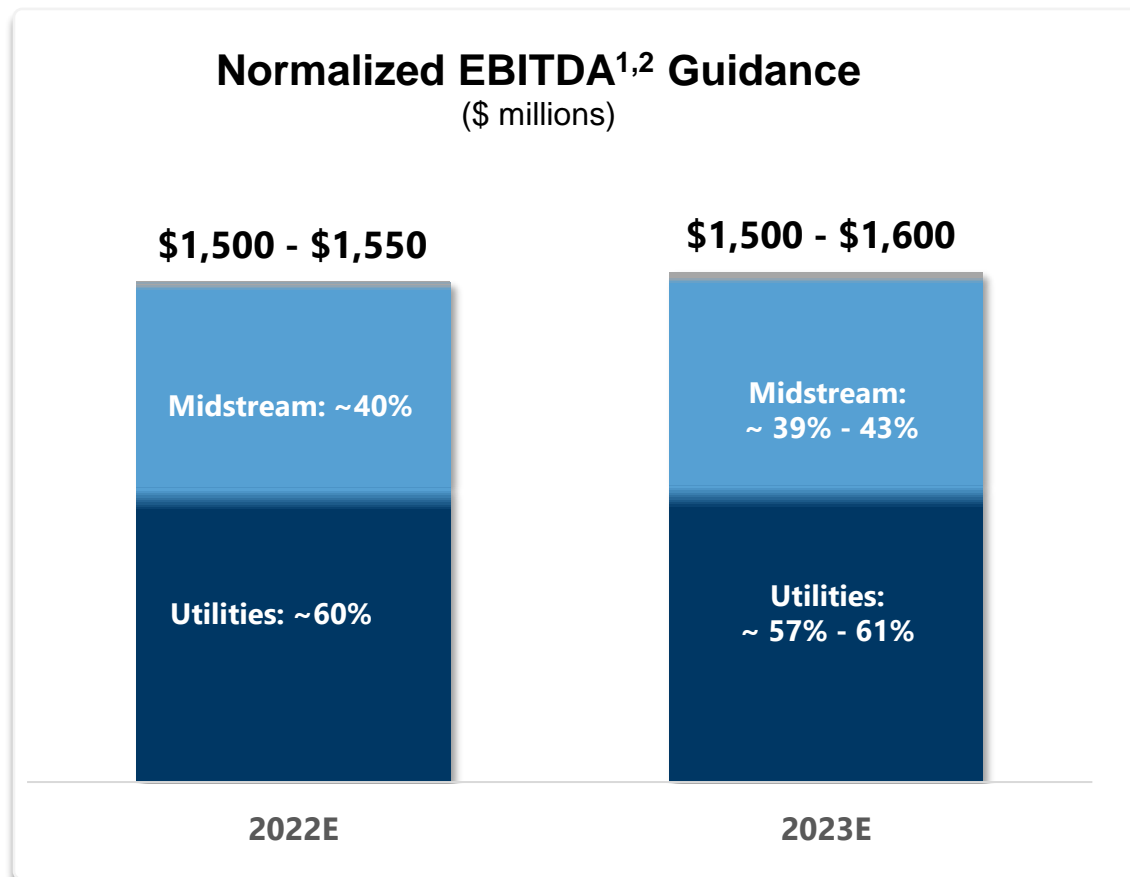
AltaGas is focused on building a diversified, lower-risk, high-growth Utilities and Midstream business that is focused on delivering resilient and durable value for our stakeholders that compounds over time.

1. Non-GAAP measure; see discussion in the advisories  
See "Forward-looking Information"

# 2023 Guidance

## Growth in Base Business Underpins Strong EPS Growth

Strategy focused on growing earnings per share and creating durable long-term earnings growth.



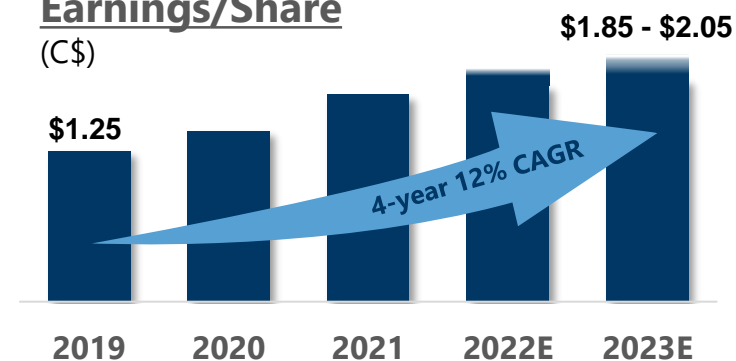
# 2023 Strategic Priorities

Execute diversified Utilities and Midstream strategy connecting customers and markets to affordable and reliable sources of energy while providing resilient and durable value for our stakeholders

1. Leverage and **optimize AltaGas' existing assets** to drive growth and **maximum risk-adjusted returns**;
2. Maintain a **disciplined approach to capital allocation** and **fund AltaGas' strong organic growth** profile within a self-funded model;
3. Continue to **cycle capital** with a **focus on improving** the Company's long-term **Return On Invested Capital** and **Return On Equity**;
4. Continue to **improve** the Company's **financial strength** and **flexibility**;
5. Increase the return of capital to shareholders through **prudent** and **sustainable dividend growth**.

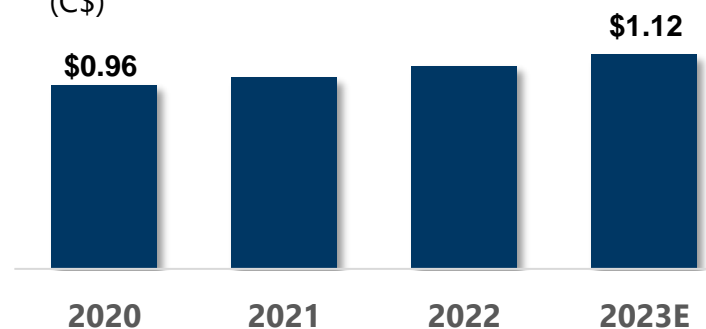
## Earnings/Share

(C\$)



## Dividends/Share

(C\$)

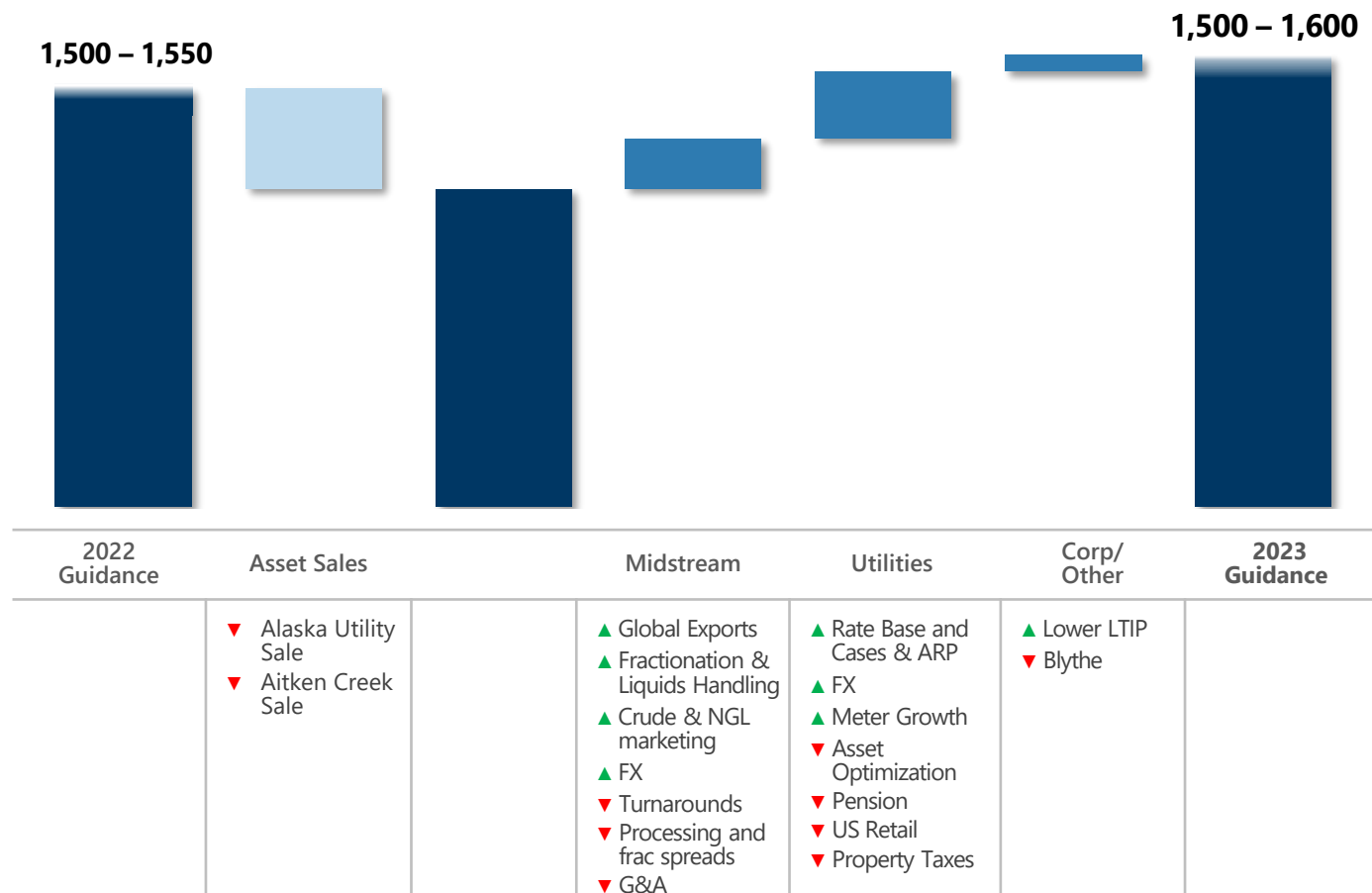


# Consolidated 2023 EBITDA Guidance

Base Midstream and Utilities Businesses Continue to Provide Stable and Transparent Growth

## Normalized EBITDA<sup>1,2</sup> Puts and Takes

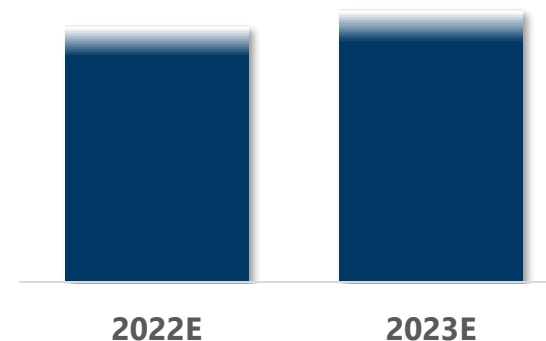
(\$ millions)



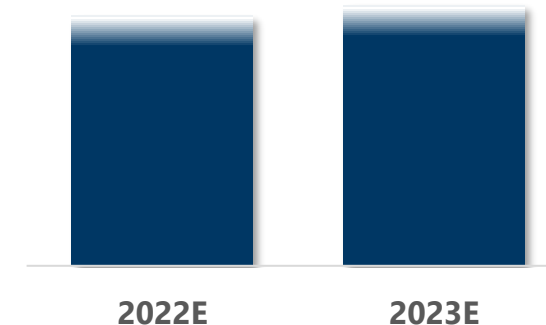
## Base Business<sup>3</sup> 2023 Normalized EBITDA Growth

(\$ millions)

### Base<sup>3</sup> Utilities Growth



### Base<sup>3</sup> Midstream Growth



# 2023 Normalized EBITDA Drivers



## Utilities



- ▲ Rate Cases: DC and VA
- ▲ Continued ARP investment
- ▲ Customer growth (~1% - 2%)
- ▼ ENSTAR/CINGSA sale (Q1/2023)
- ▼ Lower Asset Optimization revenues
- ▼ Higher Pension costs
- ▼ Lower Retail Energy Marketing revenues

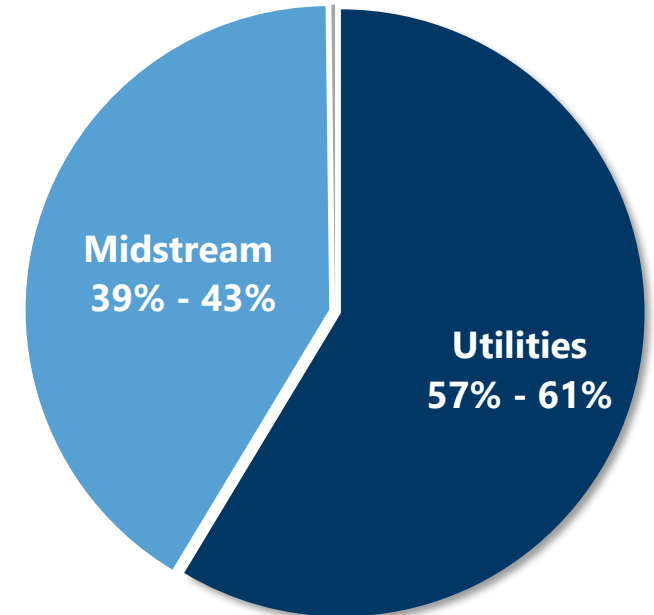


## Midstream



- ▲ Higher Global Export margins
- ▲ Higher NEBC processing and fractionation volumes
- ▲ Higher Crude and NGL marketing margins
- ▼ Lost contribution of Aitken Creek
- ▼ Lower turn-around recoveries
- ▼ Lower fractionation spreads
- ▼ Higher G&A

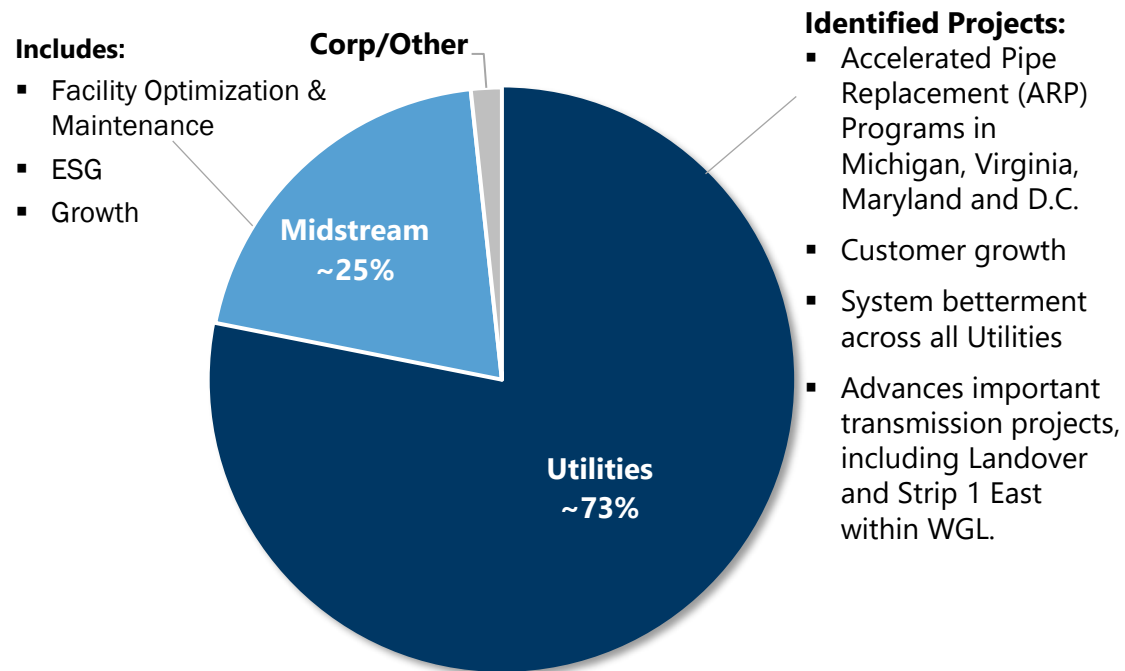
### 2023 Normalized EBITDA Breakdown



# 2023 Capital Allocation

## Discipline Capital Growth Drives Strong Risk-adjusted Returns

~\$930 million of invested capital expenditures<sup>1,2</sup> focused on high-quality Utilities and Midstream projects driving strong risk-adjusted returns and long-term earnings growth, with additional \$90 million of 2022 Midstream capex rollover



Above breakdown figures include 2023 capital program, plus 2022 Midstream rollover capital

### Capital Allocation Criteria:

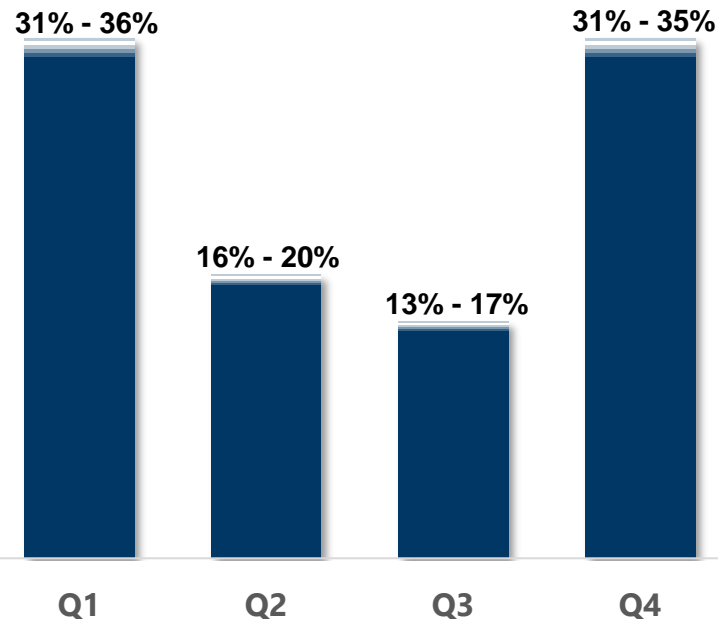
- ✓ **Risk-adjusted returns exceed hurdle rates**, which includes base cost of capital, a value creation hurdle and required margin of safety to match risk parameters
- ✓ Strategic fit that has the prospect of continued **organic growth**
- ✓ Provides long-term **earnings and cash flow durability**
- ✓ Strong commercial underpinning and continue to leave AltaGas positioned for where the market is heading
- ✓ Reasonable cash-on-cash payback periods that does not leave the risk of stranded or long-term non-productive capital



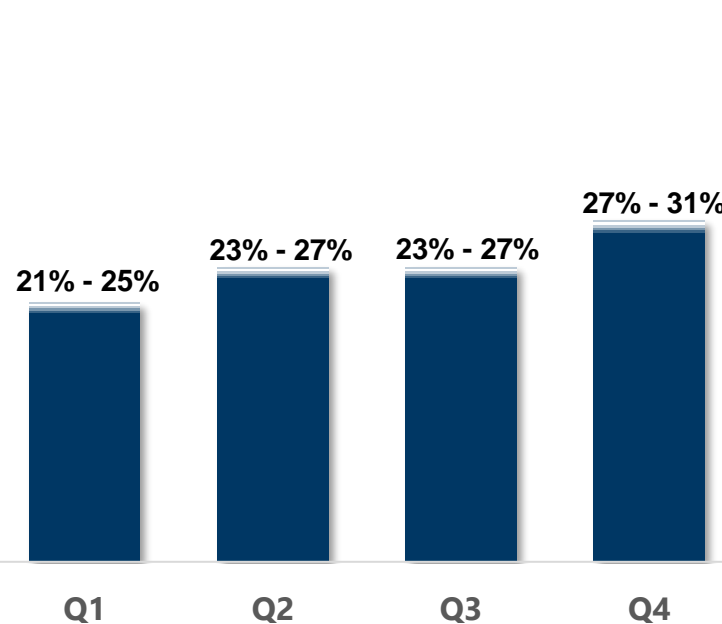
# Illustrative 2023 EBITDA Seasonality

Earnings seasonality largely driven by winter heating within the Utilities business

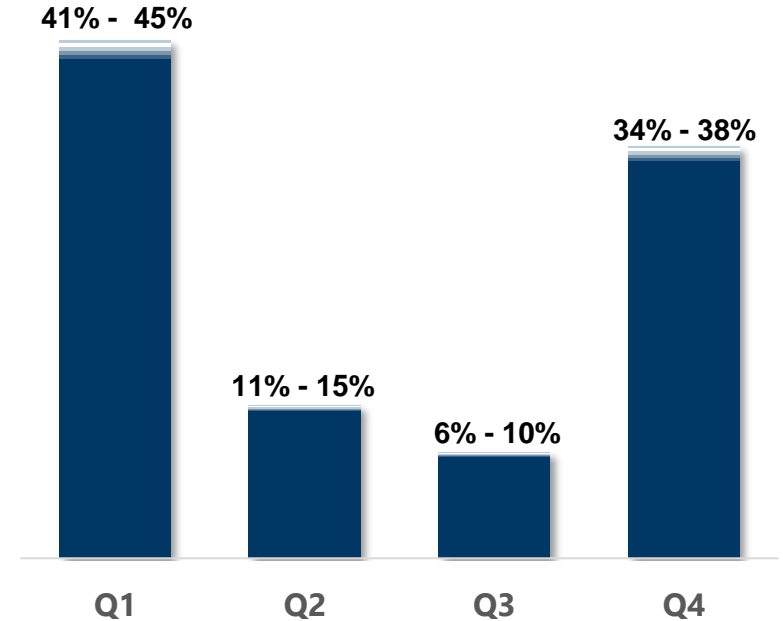
Consolidated Normalized EBITDA<sup>1</sup> By Quarter



Midstream Normalized EBITDA<sup>1</sup> By Quarter



Utilities Normalized EBITDA<sup>1</sup> By Quarter

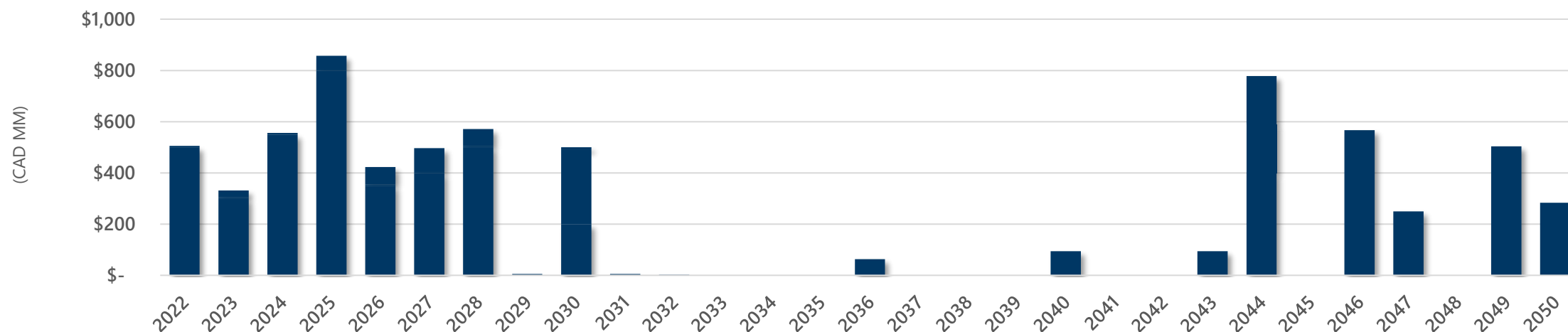


# Treasury Update

## A Strong Focus on Liquidity, Flexibility and a Proper Tenured Maturity Profile

- AltaGas operates with a high degree of flexibility.
- Strong emphasis on having a properly tenured maturity ladder with no outsized bullet payments.

### Debt Maturity Profile



### Credit Ratings

	S&P	Fitch	Moody's
AltaGas	BBB- (stable)	BBB (stable)	
SEMCO	BBB (stable)		A3 (stable)
WGL Holdings	BBB- (stable)	BBB (stable)	
Washington Gas	A- (stable)	A- (stable)	