



2021 Investor Day

May 6, 2021

Forward-Looking Statements & Non-GAAP Measures



Forward-Looking Statements

This presentation, including information incorporated by reference, contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including statements regarding guidance, industry prospects or future results of operations or financial position, expected sources of incremental margin, strategy, financing needs, future capital expenditures and the outcome or effect of ongoing litigation, are forward-looking. This Quarterly Report uses words such as "anticipate," "believe," "expect," "estimate," "forecast," "goal," "intend," "objective," "plan," "project," "seek," "strategy," "target," "will" and similar expressions to identify forward-looking statements. These forward-looking statements are based on the beliefs and assumptions of management at the time that these statements were prepared and are inherently uncertain. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to, general economic conditions on an international, national, state and local level; weather conditions in SJI's marketing areas; changes in commodity costs; changes in the availability of natural gas; "non-routine" or "extraordinary" disruptions in SJI's distribution system; regulatory, legislative and court decisions; competition; the availability and cost of capital; costs and effects of legal proceedings and environmental liabilities; the failure of customers, suppliers or business partners to fulfill their contractual obligations; changes in business strategies; and public health crises and epidemics or pandemics, such as a novel coronavirus (COVID-19). These risks and uncertainties, as well as other risks and uncertainties that could cause our actual results to differ materially from those expressed in the forward-looking statements, are described in greater detail under the heading "Item 1A. Risk Factors" in our Quarterly Reports, SJI's and SJG's Annual Report on Form 10-K for the year ended December 31, 2020 and in any other SEC filings made by SJI or SJG during 2020 and 2021 and prior to the filing of this presentation.

Non-GAAP Measures

Management uses the non-GAAP financial measures of Economic Earnings and Economic Earnings per share when evaluating its results of operations. These non-GAAP financial measures should not be considered as an alternative to GAAP measures, such as net income, operating income, earnings per share from continuing operations or any other GAAP measure of financial performance. We define Economic Earnings as: Income from Continuing Operations, (i) less the change in unrealized gains and plus the change in unrealized losses on non-utility derivative transactions; (ii) less income and plus losses attributable to noncontrolling interest; and (iii) less the impact of transactions, contractual arrangements or other events where management believes period to period comparisons of SJI's operations could be difficult or potentially confusing. With respect to part (iii) of the definition of Economic Earnings, items excluded from Economic Earnings for the three months ended March 31, 2021 and 2020, are described in (A)-(D) in the table in our most recently filed 10-Q. Economic Earnings is a significant financial measure used by our management to indicate the amount and timing of income from continuing operations that we expect to earn after taking into account the impact of derivative instruments on the related transactions, as well as the impact of contractual arrangements and other events that management believes make period to period comparisons of SJI's operations difficult or potentially confusing. Management uses Economic Earnings to manage its business and to determine such items as incentive/compensation arrangements and allocation of resources. Specifically regarding derivatives, we believe that this financial measure indicates to investors the profitability of the entire derivative-related transaction and not just the portion that is subject to mark-to-market valuation under GAAP. We believe that considering only the change in market value on the derivative side of the transaction can produce a false sense as to the ultimate profitability of the total transaction as no change in value is reflected for the non-derivative portion of the transaction.

AGENDA

1. *DELIVERING TOMORROW'S CLEAN ENERGY*

Mike Renna | President & CEO

2. *SUSTAINABILITY*

Melissa Orsen | Senior Vice President, SJI & President,
South Jersey Gas

3. *SJI UTILITIES*

Dave Robbins | Senior Vice President, SJI & President,
SJI Utilities

4. *NON-UTILITY OPERATIONS*

Steve Cocchi | Senior Vice President, SJI & CFO

5. *FINANCIAL REVIEW*

Steve Cocchi | Senior Vice President, SJI & CFO

6. *CLOSING REMARKS*

Mike Renna | President & CEO

Delivering Tomorrow's Clean Energy

Mike Renna | President & CEO



Our Mission

21st Century Clean Energy Infrastructure Company

- **\$3B+ infrastructure company supplying safe, reliable and affordable energy and supporting economic growth**
- **U.S. and New Jersey accelerating transition to low carbon and renewable energy future**
- **Launching utility-centered \$3.5B, 5-year capital plan -- with ~60% for sustainability investment**
- **Utilities will remain our core growth engine -- focus on infrastructure modernization to ensure safety, reliability and redundancy to 700,000+ customers**
- **Disciplined non-utility strategy is complementary to utility business -- aligns with clean energy goals of our region focusing on decarbonization investments that generate strong project returns and predictable earnings**
- **Committed to investment grade balance sheet, ample liquidity and solid credit metrics to execute growth plan**
- **Delivers highly predictable and sustainable earnings per share growth through 2025 and beyond**

Strategic Plan To Deliver The Clean Energy Of The Future

Positioned For Strong Growth Next Five Years and Beyond

~\$3.5B

PLANNED CAPEX
2021-2025

~10%

RATE BASE CAGR
2021-2025

5-8%

ECONOMIC EPS CAGR
2021-2025

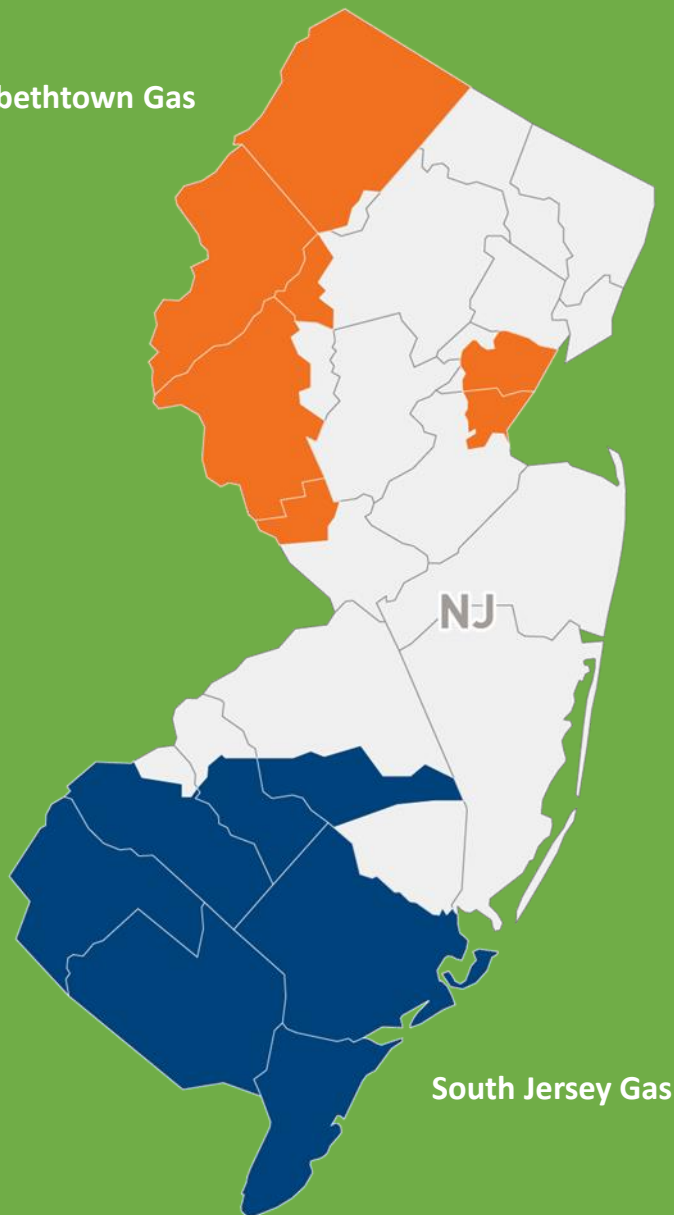
~30%

CFO CAGR
2021-2025

~3%

DIV PER SHARE CAGR
2021-2025

Elizabethtown Gas



South Jersey Gas

South Jersey Industries



~\$2.5B

Market Cap

~700,000

SJIU Customers

~1,100

SJI Employees

~\$3.4B

Rate Base

\$163M

2020 Economic Earnings

22

Years of Consecutive
Dividend Increases

70-80%

Long-Term
Regulated Earnings

~50%

Emissions Reduction
2006-2019

~1.5%

Annual Customer
Growth Rate

- *South Jersey Gas*
- *Elizabethtown Gas*
- *Midstream*
- *Energy Production*
- *Energy Management*

Complementary Infrastructure Businesses Across The Energy Value Chain



SOUTH JERSEY INDUSTRIES

Utility

South Jersey Gas

Elizabethtown Gas

Midstream

PennEast Pipeline

Non-Utility

Energy Production

Energy Management

Renewables

Decarbonization

Wholesale
Services

Retail
Services



Disciplined Growth Plan

Embracing Infrastructure Modernization and Sustainability While Enhancing Cash Flow and Earnings

Utility Investments

- Drive shareholder value and customer satisfaction through:
 - expansion and modernization of our utility infrastructure
 - regulatory innovation that provides safety, reliability, value and service
- SJG/ETG are Growth Drivers
- ~10% Rate Base CAGR 2021-2025

Sustainability Investments

- Enhance the value of our infrastructure through:
 - Investment in decarbonization including RNG
 - Energy efficiency initiatives and innovative energy technologies
- RNG Development Growth Driver
- Fuel Cell/Solar Growth Driver

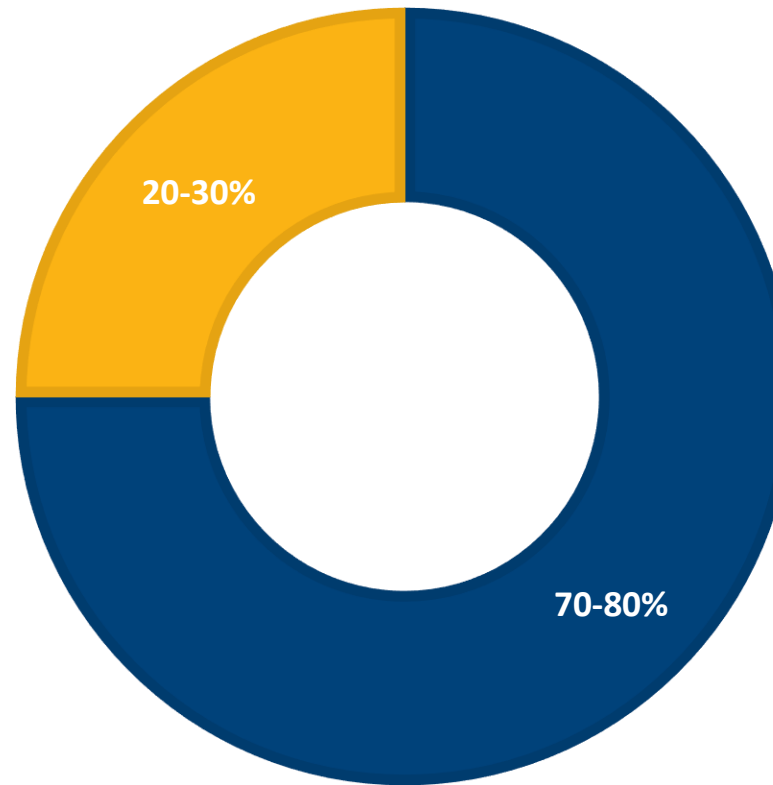
Enhanced Cash Flow/ Earnings Quality

- 100% Decoupled Utilities
- ~50% of Utility CapEx benefits from timely recovery
- Reshaped Wholesale Business, with ~50% of earnings from annuity-like fuel management contracts
- RNG investments generate positive cash flow and earnings

Regulated Earnings



*Utilities Remain Our Core Growth Engine
in 2021-2025 and Beyond*



■ REGULATED ■ NON-REGULATED



Dedicated to A Clean Energy Future for New Jersey and our Region



- Committed to delivering safe and reliable service, reducing the carbon content of gas, lowering energy costs and improving energy efficiency
- Initiating carbon reduction investments across both our utility and nonutility businesses over the next five years

REDUCING ENERGY CONSUMPTION/EMISSIONS

DEPLOYMENT OF RENEWABLE ENERGY

MAXIMIZING ENERGY EFFICIENCY

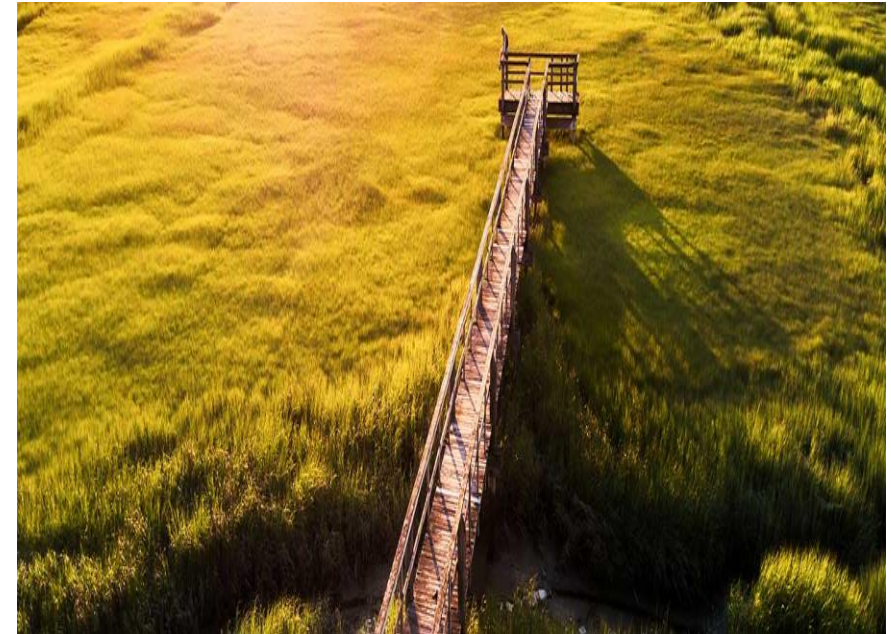
MODERNIZING VIA TECHNOLOGY



Decarbonization Goals

Our Pathway To A Clean Energy Future

- **70% Reduction in Carbon Emissions and Consumption by 2030**
- **100% Reduction in Carbon Emissions and Consumption by 2040**
- **At least 25% of Annual Capex on Sustainability Investments**



Experienced Senior Team Focused on Execution



Mike Renna

President & Chief Executive Officer

Joined in 1998

- Prior to his leadership role at SJL, Mr. Renna held the titles of president of South Jersey Energy Solutions and South Jersey Energy
- Appointed to the South Jersey Energy Solutions executive committee in November 2012
- Appointed to the SJL Board of Directors in 2014



Steve Cocchi

Senior Vice President, Chief Financial Officer

Joined in 2009

- Began at SJL as Director of Legal Affairs
- Appointed Director of Rates and Revenue Requirements in 2011, and later Vice President, Rates and Regulatory Affairs
- Prior to his current role, served as Chief Strategy and Development Officer



Dave Robbins

Senior Vice President, President, SJL Utilities

Joined in 1997

- Promoted through his career to role as President, South Jersey Energy Solutions and Marina, in 2014
- Elected President, SJLU in 2018 and served as President of South Jersey Gas from 2017-2020



Melissa Orsen

Senior Vice President, President, SJG

Joined in 2017

- Began at SJL as General Counsel
- Appointed President of SJG in 2020
- Previously served as CEO of New Jersey Economic Development Authority



Leonard Brinson Jr.

Vice President, Chief Information Officer

Joined in 2017

- Appointed SJL CIO in 2017
- Previously served as Global IT Director, Office of CIO, Axalta Coating Systems
- Previously held IT leadership and consulting roles with Williams Companies and Enterprise Technology Partners



Kathleen Larkin

Senior Vice President, Chief Human Resources Officer

Joined in 2020

- Previously served as Senior Vice President, CHRO for CubeSmart
- Previously held human resource and leadership roles at Korn Ferry, The Pew Charitable Trusts and CIGNA



Eric Stein

Vice President, General Counsel

Joined in 2016

- Appointed General Counsel in 2020
- Previously served as SJL Deputy General Counsel since 2018
- Previously a partner in a Corporate and Securities law firm in New Jersey



Sustainability

Melissa Orsen | Senior Vice President &
President, South Jersey Gas



Sustainable Business Practices

SJI's Mission and Values Reflect Strong Alignment with ESG Goals

Environmental	Social	Governance
<ul style="list-style-type: none"> ✓ Stated goal for 70% reduction in consumption and emissions by 2030 and 100% by 2040 ✓ At least 25% of annual capital spending for sustainability investment ✓ Infrastructure built and monitored to minimize leaks ✓ Capital investment in remediation efforts and infrastructure ✓ 200+ CNG vehicles across our fleet ✓ Anticipate by 2025 we will achieve 80% reduction in our distribution system fugitive emissions from 2006 levels representing a reduction of over 214,000 metric tons of CO2 equivalent 	<ul style="list-style-type: none"> ✓ Safety and inclusion are the organization's core values ✓ Commitment to supplier diversity ✓ 51% workforce diversity across 1,100+ employees ✓ Focused attention on Diversity, Equity, and Inclusion efforts and programs ✓ Investment in the Customer Experience ✓ Significant contributions to support community and local non-profit organizations ✓ Health and financial wellness programs to support employee engagement ✓ Corporate giving and employee giving and volunteerism programs 	<ul style="list-style-type: none"> ✓ 30% of SJI's board members are female ✓ 90% of board members are considered independent ✓ 90% of board members have tenure of 10 years or less ✓ Diversity and Inclusion Council provides oversight and accountability ✓ Mandatory director retirement age at 72 ✓ Annual independent third-party effectiveness evaluation ✓ Annual independent board compensation evaluation ✓ In the past three years 3 Directors have retired and 3 Directors were added



ESG Initiatives

Demonstrated Record of Commitment to ESG Priorities

Environmental

Social

Governance

- ✓ *Replacement of 800+ miles of vintage mains and related facilities*
- ✓ *Energy efficiency programs that reduce customer consumption and cost*
- ✓ *RNG/Hydrogen initiatives to lower carbon content of gas and reduce emissions*
- ✓ *Fuel Cell investments to reduce emissions and support grid reliability*
- ✓ *Solar installations in support of clean energy goals of our region*
- ✓ *Focus on safety and customer service*
- ✓ *51% workforce diversity across 1,100+ employees*
- ✓ *Focused attention on Diversity, Equity, and Inclusion efforts and programs*
- ✓ *Commitment to supplier diversity*
- ✓ *Significant contributions to community & local non-profit organizations*
- ✓ *Experienced board of directors with diverse skill set across disciplines*
- ✓ *30% of board members are female*
- ✓ *90% of board members are considered independent*
- ✓ *ESG and Diversity Council oversight and accountability*
- ✓ *Annual independent third-party effectiveness evaluation*



Accomplishments and Recognitions



The American Gas Association recognized South Jersey Gas and Elizabethtown Gas for safety performance in 2020 as an Accident Prevention Industry Leader



Escalent recognized South Jersey Gas and Elizabethtown Gas as among the "Easiest to do Business With" utilities. Elizabethtown Gas is also recognized as an Environmental Champion

- ✓ Recognition of significant investment in Sustainability and ESG initiatives over past decade -- improving infrastructure safety and reliability, increasing workforce diversity, and supporting a clean energy future
- ✓ Key sustainability initiatives included accelerated pipeline replacement, storm hardening, energy efficiency, solar, fuel cells, landfills and combined heat-and-power (CHP)



Executive Women of New Jersey recognized SJI as a member of its A Seat at the Table Honor Roll for having three or more women on the company's Board of Directors



The Forum of Executive Women recognized SJI and other companies where women directors comprise at least 25 percent of the Board as well as a top 100 public company for women on the company's Board of Directors, in executive positions and as top earners.

Future Growth Opportunities

Focused on Both Utility and Non-Utility Investments

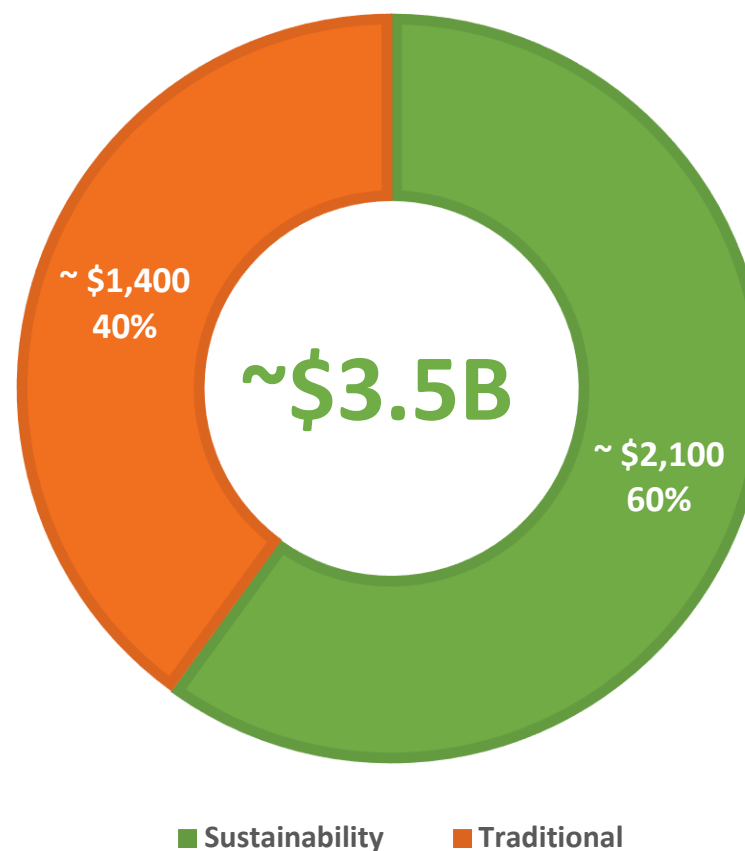
	HISTORIC TRACK RECORD	PRESENT	FUTURE OPPORTUNITIES
REDUCING ENERGY CONSUMPTION/EMISSIONS	Conservation Incentive Program (SJG) Replacement of Aging Infrastructure (SJG)	Conservation Incentive Programs (SJG and ETG) Replacement of Aging Infrastructure (SJG and ETG)	SJG/ETG/Transmission Sizable Inventory For Pipeline/Infrastructure Modernization
DEPLOYMENT OF RENEWABLE ENERGY	Solar Combined Heat-and-Power (CHP) Landfill Gas-To-Electricity	Fuel Cells Solar	Fuel Cells Solar
MAXIMIZING ENERGY EFFICIENCY	Energy Efficiency Program (SJG)	Energy Efficiency Programs (SJG and ETG)	Energy Efficiency Programs
MODERNIZING VIA TECHNOLOGY	Environmental Management System	Environmental Management System Renewable Natural Gas Green Hydrogen Pilot	Smart Meters Renewable Natural Gas Green Hydrogen

Sustainability Investment

~\$3.5 Billion CapEx 2021-2025, With ~60% For Sustainability

~60%
*of Total CapEx over
the next five years
for sustainability
investments*

Sustainability investments include RNG, pipeline replacement, energy efficiency, redundancy projects, fuel cell, solar and other clean energy initiatives



RNG Legislation

Upside to 2021-2025 Plan From Rate Base Investment and ITCs

New Jersey

Proposed legislation seeks to support RNG programs for gas utilities

Legislation would help to ensure gas utilities obtain cost recovery for investments in RNG infrastructure and RNG commodity purchases

Legislation introduced in New Jersey state senate in March 2021

Opportunity to accelerate RNG Investment in plan

Federal

SJI has partnered with 4 other companies (non-NJ gas utilities and a pipeline company) in support of federal legislation to support RNG

Legislation would extend tax credits traditionally received by solar/wind developers to RNG/hydrogen projects

Bi-weekly meetings to craft specifics of contemplated legislation and secure support from members of Congress

ITCs for RNG Investments not in plan

Sustainability | Key Takeaways

<p>~60%</p> <p>CapEx For Sustainability 2021-2025</p>	<p>25%+</p> <p>CapEx For Sustainability Beyond 2025</p>
<p>70%</p> <p>Targeted Reduction in Emissions by 2030</p>	<p>100%</p> <p>Targeted Reduction in Emissions by 2040</p>

Key Takeaways + Future Goals

- Demonstrated record of commitment to sustainability
- Decarbonization goal of 70% reduction in emissions by 2030 and 100% by 2040
- ~60% of total capex 2021-2025 allocated toward sustainability investments
- Ongoing commitment beyond 2025 for at least 25% of annual capex for sustainability investments
- 11 years in a row of ESG Annual Report, delivered in Q2

A vertical photograph on the left side of the slide shows a person from the chest down, wearing a light-colored long-sleeved shirt and a bright yellow safety vest with reflective silver stripes. They are holding a white hard hat with both hands. The background is a blurred construction site with scaffolding and lights.

SJI Utilities

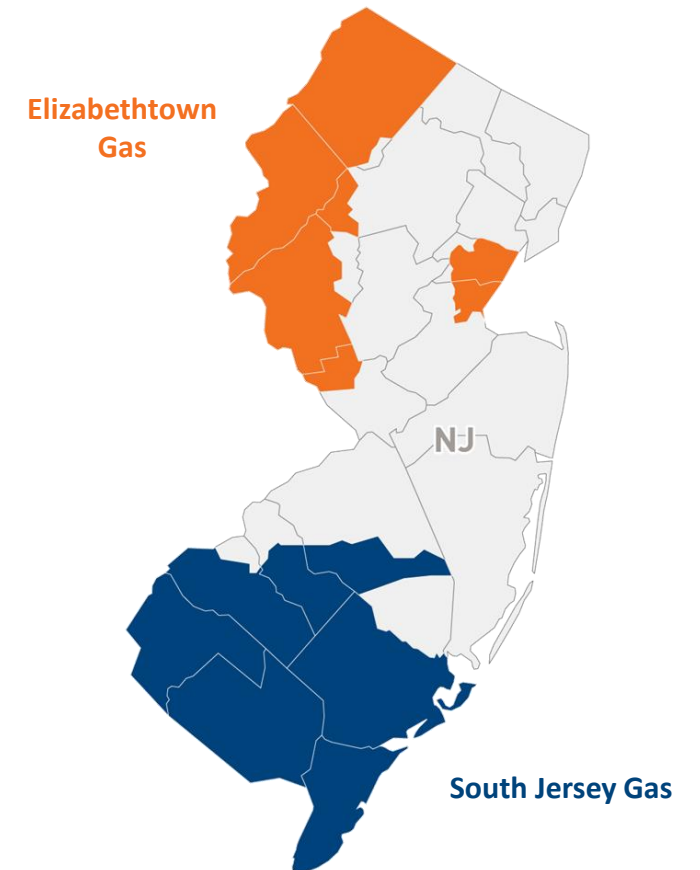
**Dave Robbins | Senior Vice President &
President, SJI Utilities**

SJI Utilities



Largest Stand-Alone Natural Gas Provider in New Jersey

- Gas distribution – South Jersey Gas and Elizabethtown Gas
- ~10,000 miles of distribution and transmission pipeline
- ~700,000 total customers
- ~\$3.4B combined Rate Base (EOY 2020)
- Growing customer base -- new construction and conversions
- Collaborative partnership with NJ regulators



Safety and Customer Experience

Our Non-Negotiable Core Values

Commitment to Safety

Building A Strong Safety Culture

- Tone at the top
- DuPont Engagement – stand-up of comprehensive safety management system
- Enhanced communication and training
- Improving incident metrics
- Leverage best of best

Benefits of Strong Safety Culture

- More engaged workforce
- Increased employee retention
- Better recruiting
- Improved customer experience
- Lower claims and insurance premiums
- Fewer lost-work days

Customer Experience Focused

Top JD Power Customer Satisfaction Scores

- ETG is #1 in peer group for 6th consecutive year
- SJG is #4 in same peer group

Cultural Maturity Curves

- SJG Improvement Initiative
- ETG's advanced stage journey

Benefits of Strong Customer Culture

- Enhanced customer growth
- Self-service options lower labor costs
- Lower un-collectibles
- More engaged workforce
- Increased employee retention
- Reduced customer attrition
- Builds trust, credibility and brand awareness

South Jersey Gas



- Operates and maintains more than 6,600 miles of natural gas transportation and distribution infrastructure serving 400,000+ customers in a mix of urban, suburban, rural and coastal communities

~407K

Total Customers

~\$2.3B

Rate Base

~10%

Rate Base CAGR
2021-2025E

9.6%

Authorized ROE

54.0%

Equity Component

1.5%

Customer Growth
2021-2025E

~1.7B

CapEx
2021-2025E

~50%

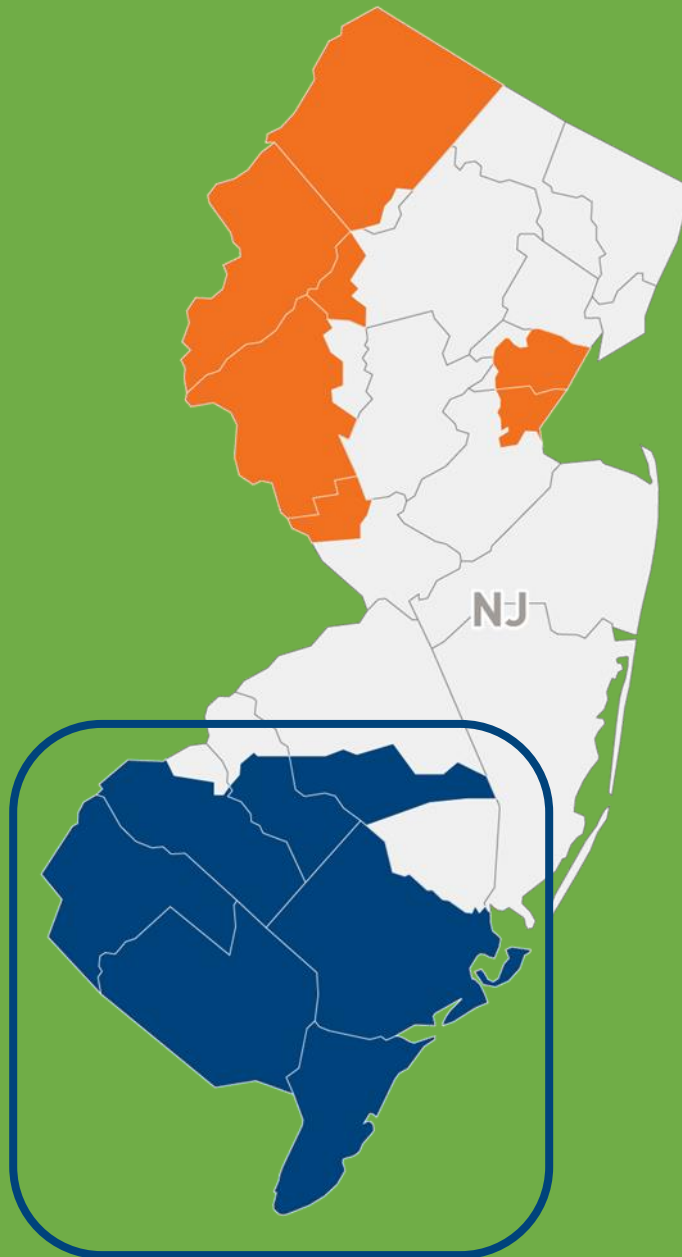
CapEx With
Timely Recovery

~60%

Sustainability CapEx
2021-2025E

Growth Drivers

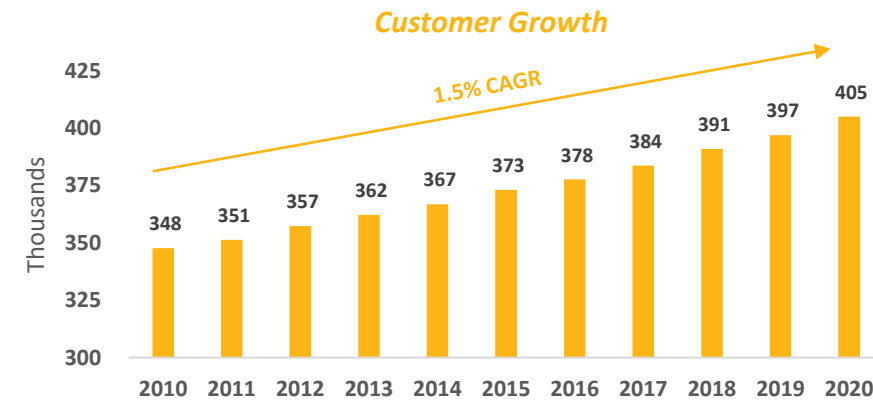
- Customer growth – new home construction and conversions
- Infrastructure modernization and efficiency programs with timely recovery
- Periodic base rate cases
- Reliability, Redundancy and Clean Energy projects



South Jersey Gas

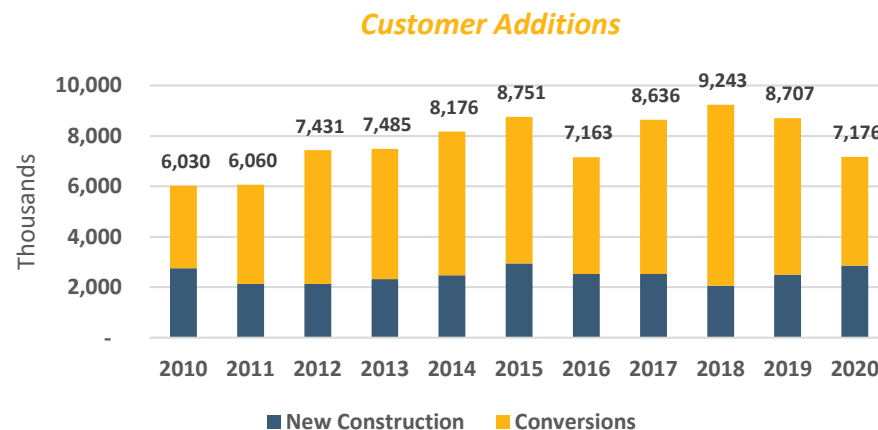
SJG Customer Growth

*Strong 1.5% Projected Growth 2021-2025,
Driven By Robust Residential Conversions and New Construction*



Historic Growth

- **1.5% Annualized Growth 2010-2020**
- 90%+ of customers residential -- ~65% of utility gross margin
- Steady new construction activity, supported by growth in higher density and multi-family units
- Conversions from alternate fuels, including heating oil and propane, outpaced new construction adds over past decade



Future Growth

- **1.5% Annualized Growth 2021-2025, In-Line With Historic Rate**
- New construction activity expected to accelerate with economic re-opening
- Conversion activity expected to remain robust:
 - ~60,000 residential customer conversion opportunity
 - ~6,700 commercial customer conversion opportunity
- Continuation of successful “off-main” approach
- Partnerships with HVAC contractor network

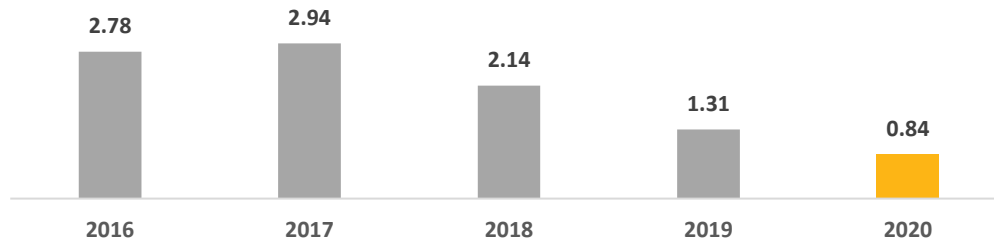
SJG Operational Performance

Solid Improvement Across All Key Categories

All Cast Iron/Bare Steel Has Been Replaced

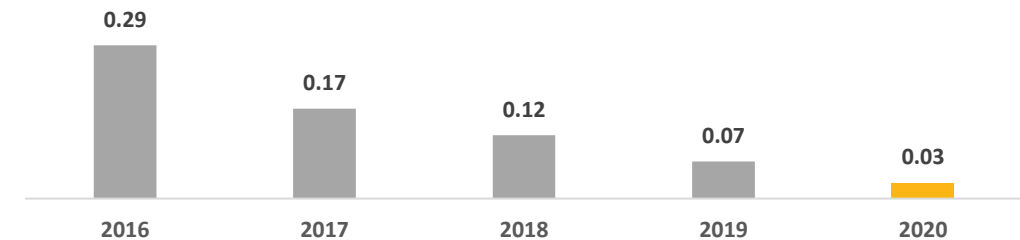
Employee Safety

Days Away, Restricted or Transferred



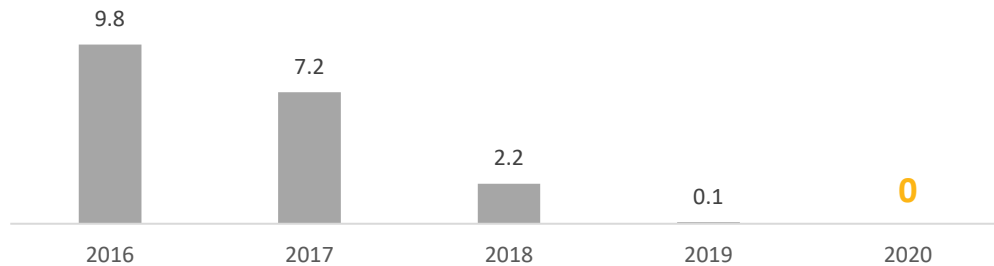
System Resilience

Leaks Per Mile



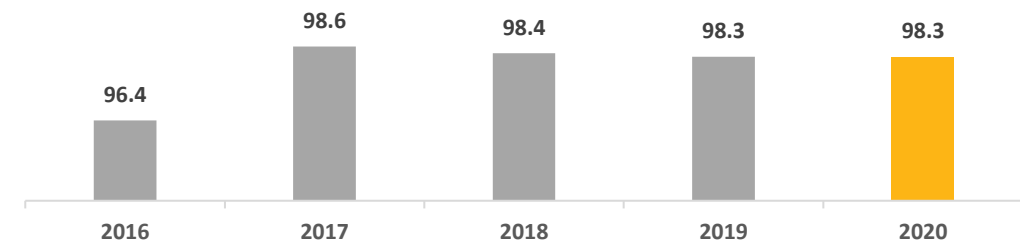
System Integrity

Cast Iron/Bare Steel %



Leak Response Time

Within 60 Minutes %



SJG Regulatory Climate



*Constructive Partnership With NJBPU Fosters Safety, Reliability
and Energy Efficiency With Timely Cost Recovery*

Authorized Program	Objective	Authorized Amount	Timing	ROE	Equity Component	Average Annual CapEx (M)	Accelerated Recovery
Conservation Incentive Program (CIP)	Promote conservation efforts, without negatively impacting financial stability, by basing SJG's profit margin on the number of customers rather than the amount of natural gas distributed to customers	Annual True-Up	Permanent	N/A	N/A	NA	NA
Accelerated Infrastructure Replacement Program (AIRP)	Enhance the safety and reliability of gas system infrastructure through replacement of aging pipeline and other modernization activities	\$302.5	10/1/16 - 9/30/21	9.6%	54.0%	60.5	Yes
Storm Hardening and Reliability Program (SHARP)	Replacement of low pressure distribution mains and services with high pressure mains and services in coastal areas that are susceptible to flooding during major storm events	\$100.3	7/1/18 - 6/30/21	9.6%	54.0%	33.4	Yes
Energy Efficiency Program (EET)	Encourage customers to reduce energy usage, lower emissions and save money	\$133.2	7/1/21 - 6/30/24	9.6%	54.0%	44.4	Yes

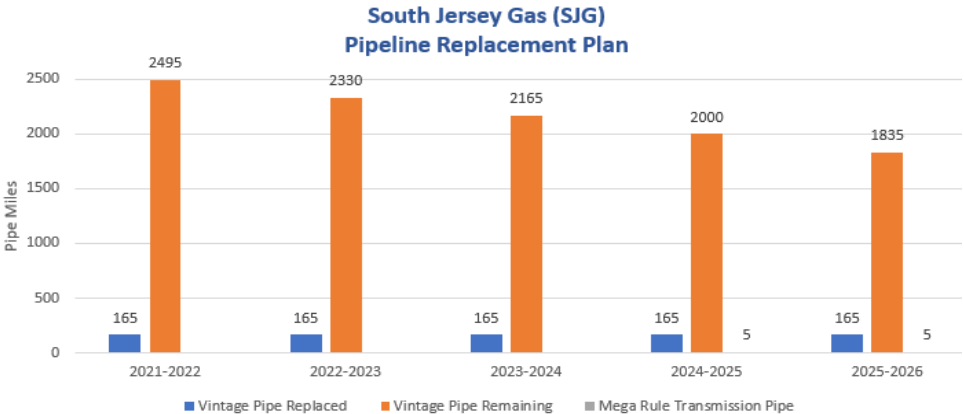


SJG Infrastructure Modernization

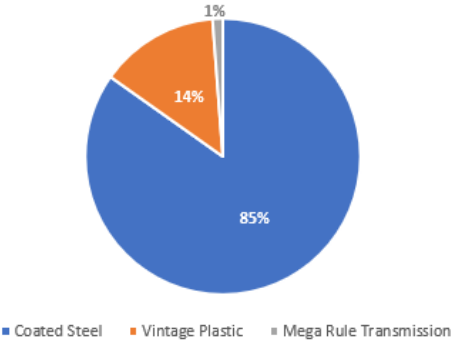


800+ Miles of Vintage Steel and Plastic Pipe To Be Replaced 2021-2026
1,900+ Miles of Vintage Pipeline To Be Replaced Beyond 2026

Pipeline Replacement 2021-2026

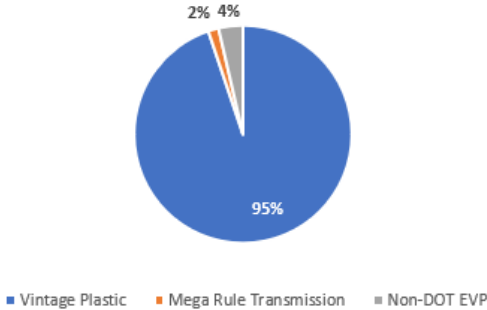


2021-2026 Planned Pipeline Replacement by Pipe Type

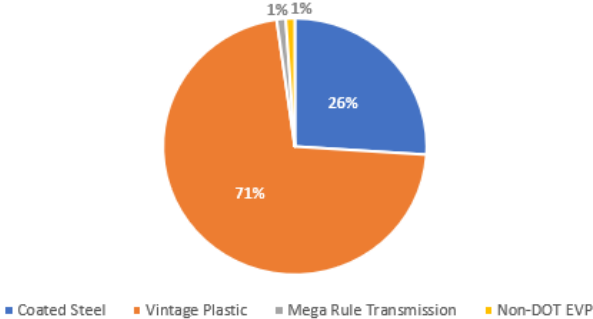


Pipeline Replacement Beyond 2026

2026 and Beyond Planned Pipeline Replacement by Pipe Type



Planned Pipeline Replacement by Pipe Type 2021-2039



SJG Regulatory Initiatives

Proposed programs accelerate safety, reliability and redundancy, create jobs, and support our ability to deliver decarbonized gas of the future

Infrastructure Investment Program (IIP)

Proposed \$742.5M over five years to replace 825 miles of aging steel main and install excess flow valves

- Considerable investments over past decade to modernize system focused on replacement of cast iron/bare steel main
- New and much larger program will take the place of expiring AIRP/SHARP programs
- Enhancements ensure continued safety and reliability of SJG system
- Resolution of SJG's proposal is expected this summer

Redundancy Project (LNG)

Proposal to construct system upgrades for planned 2.0+ Bcf liquefied natural gas facility

- Evaluated potential redundancy solutions in response to NJBPU call for utilities to evaluate preparedness for gas supply interruptions
- Solutions are critically important to ensure service is not interrupted to our customers in the event of a significant outage -- either behind our city gate, or on one of the two interstate pipelines that serve the SJG system
- Resolution of SJG's proposal is expected before year end

SJG Decarbonization Opportunities

Exploring Renewable Natural Gas and Green Hydrogen

Renewable Natural Gas

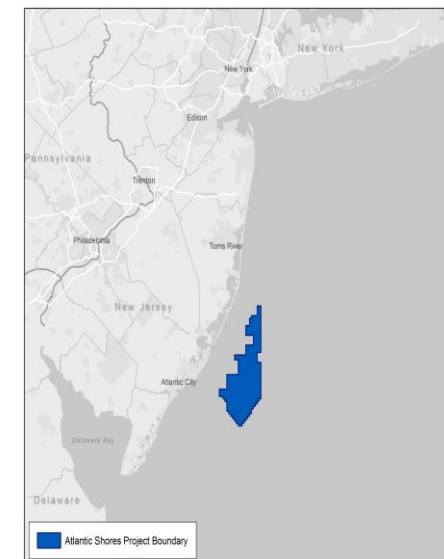
Exploring development of previous landfill gas-to-power sites for potential RNG development and gas blending into SJG system

- Evaluating repurposing 4 landfill sites in New Jersey for RNG development and gas blending into SJG system
- Sites were previously owned/operated to supply power to Atlantic City Borgata Hotel & Casino and other venues and largely ceased operations in 2019
- RNG development of these sites aligns with clean energy goals of New Jersey and SJI's decarbonization goals

Green Hydrogen

Partnership with Atlantic Shores Offshore Wind, LLC (ASOW) to explore deployment of green hydrogen and natural gas blending in New Jersey

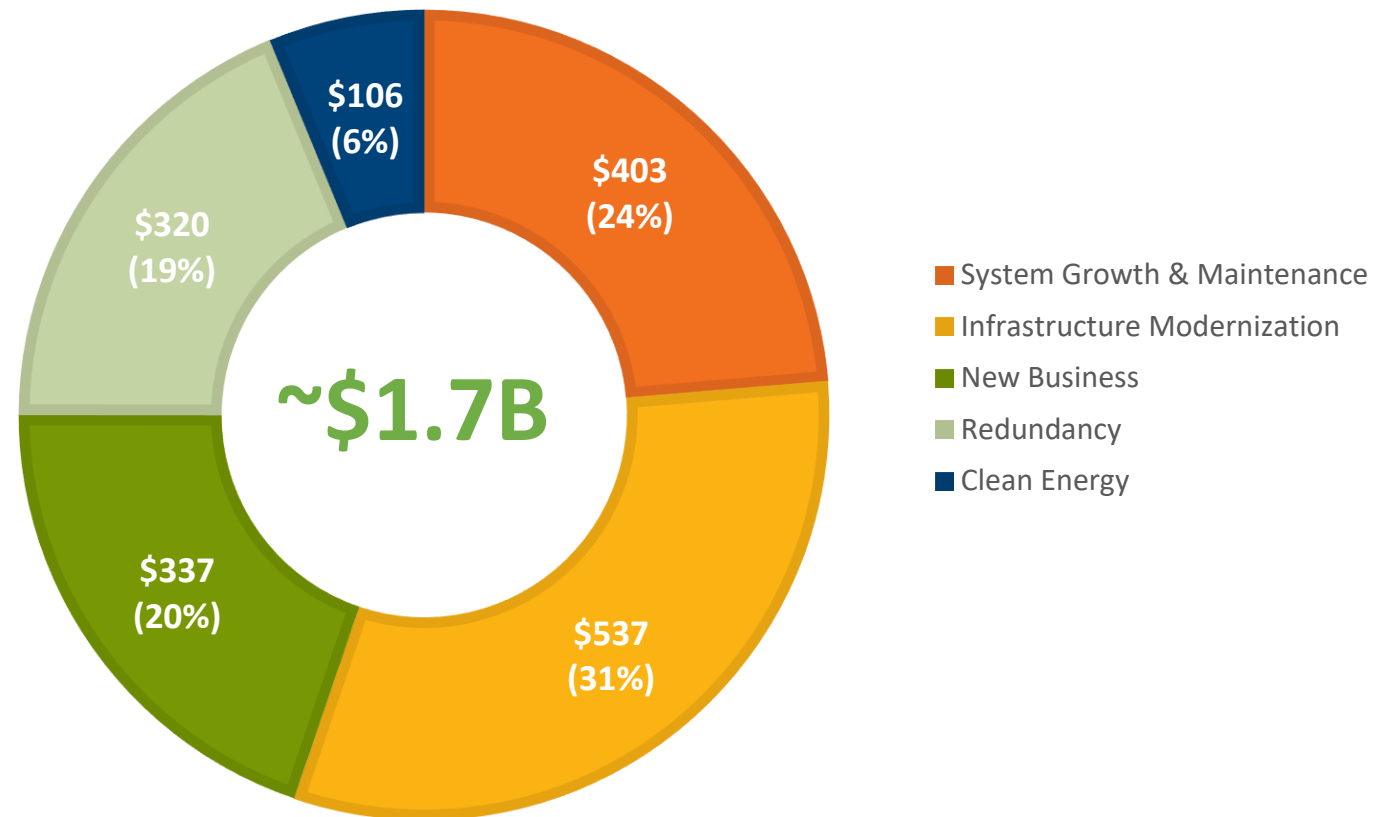
- ASOW pursuing development of offshore wind generation on Atlantic/Ocean County coasts
- Partnership exploring utilizing excess electricity from wind projects to create "green hydrogen"-- a renewable energy source that can be blended with SJI supply to lower carbon intensity
- SJI providing expertise in natural gas blending and access to infrastructure to successfully operate the pilot



SJG Capital Expenditures

~\$1.7B Capital Plan 2021-2025

~50% of CapEx Expected to Earn Timely Recovery



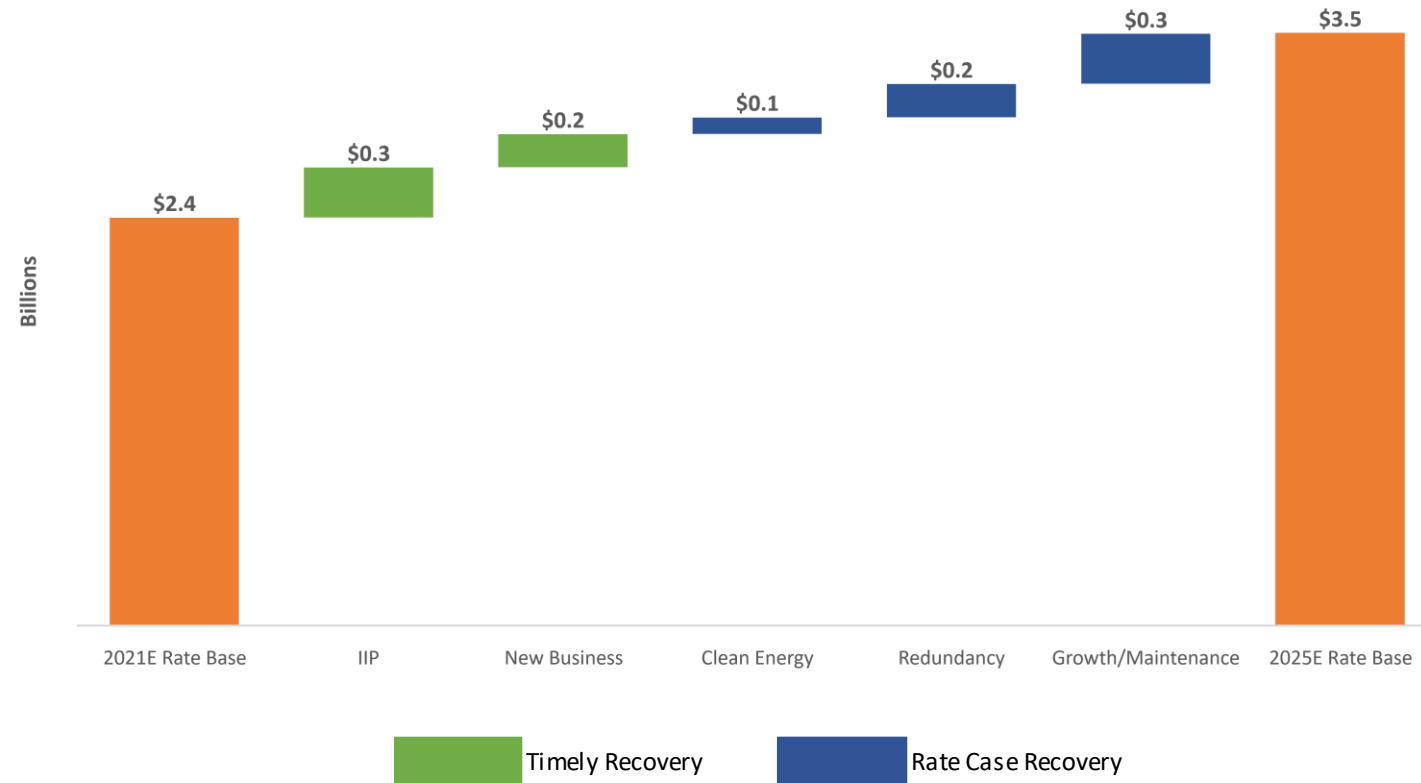
Note: Timely recovery includes investments in infrastructure modernization and new business

SJG Rate Base Growth

~10% Rate Base CAGR Projected 2021-2025

Key Assumptions

- *~\$1.7B Capital Spending Plan*
- *Infrastructure Modernization (IIP)*
- *1.5% Customer Growth*
- *Clean Energy Investments*
- *LNG Redundancy Project*
- *Base Rate Case Filings every 2-3 years*
- *ROE: 9.6%*
- *No change to depreciation rates*
- *Modestly improved equity component*

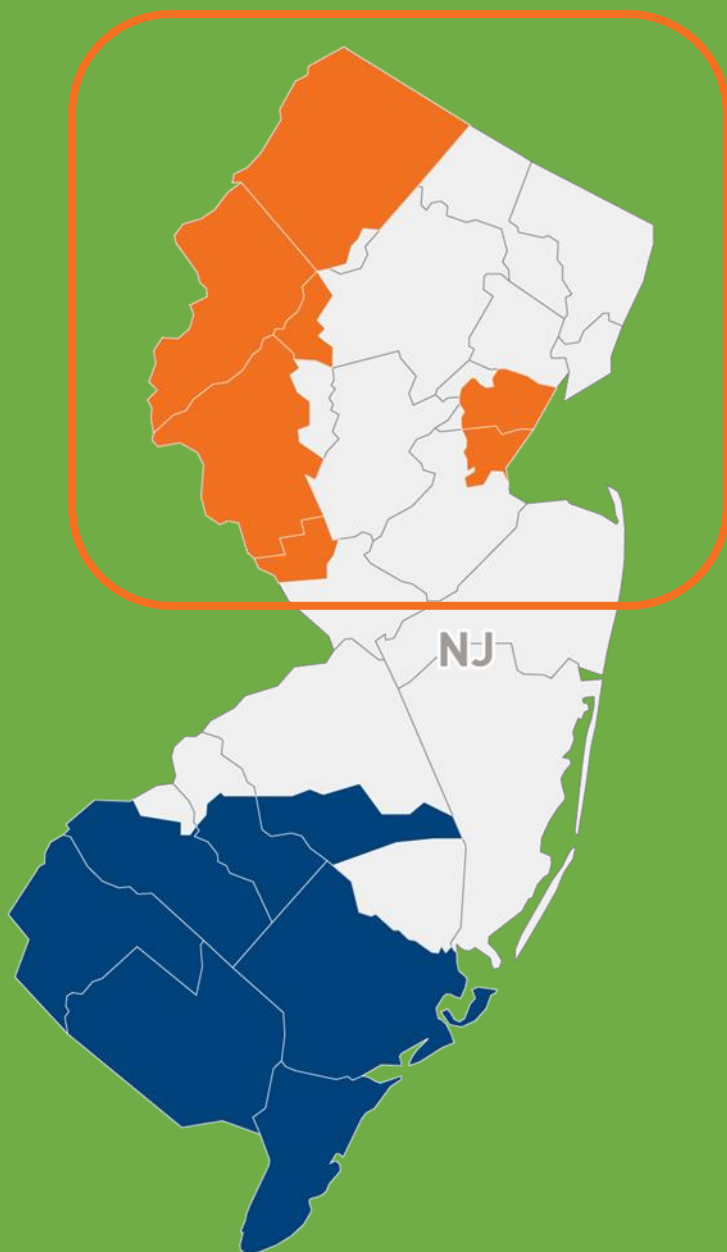


South Jersey Gas | Key Takeaways

<p>~\$1.7B</p> <p>Capital Plan 2021-2025</p>	<p>~10%</p> <p>Rate Base CAGR 2021-2025</p>
<p>~1.5%</p> <p>Customer Growth 2021-2025</p>	<p>~50%</p> <p>CapEx With Timely Recovery</p>

Key Takeaways + Future Goals

- Strong projected rate base growth of ~10% drives future earnings
- Attractive service territory -- with visibility for continued strong customer growth driven by conversions
- Supportive regulatory climate – fully decoupled, timely recovery for important modernization initiatives, and constructive rate case resolutions
- New Infrastructure and Energy Efficiency programs are great vehicles to accelerate safety and reliability, create jobs and support New Jersey's environmental goals
- LNG redundancy project remains a critical need, with enhanced focus expected following Texas reliability issues earlier this year



Elizabethtown Gas



- Operates and maintains more than 3,200 miles of natural gas transportation and distribution infrastructure serving 300,000+ customers in urban Eastern service area and rural Western service area

~303K

Total Customers

~\$1.1B

Rate Base

~10%

Rate Base CAGR
2021-2025E

9.6%

Authorized ROE

51.5%

Equity Component

1.5%

Customer Growth
2021-2025E

~1.0B

CapEx
2021-2025E

~50%

CapEx With
Timely Recovery

~40%

Sustainability CapEx
2021-2025E

Growth Drivers

- Customer growth – new home construction and conversions
- Infrastructure modernization and efficiency programs with timely recovery
- Periodic base rate cases
- Reliability, Redundancy and Clean Energy projects



#1

6th Consecutive Year J.D. Power Customer Satisfaction Study



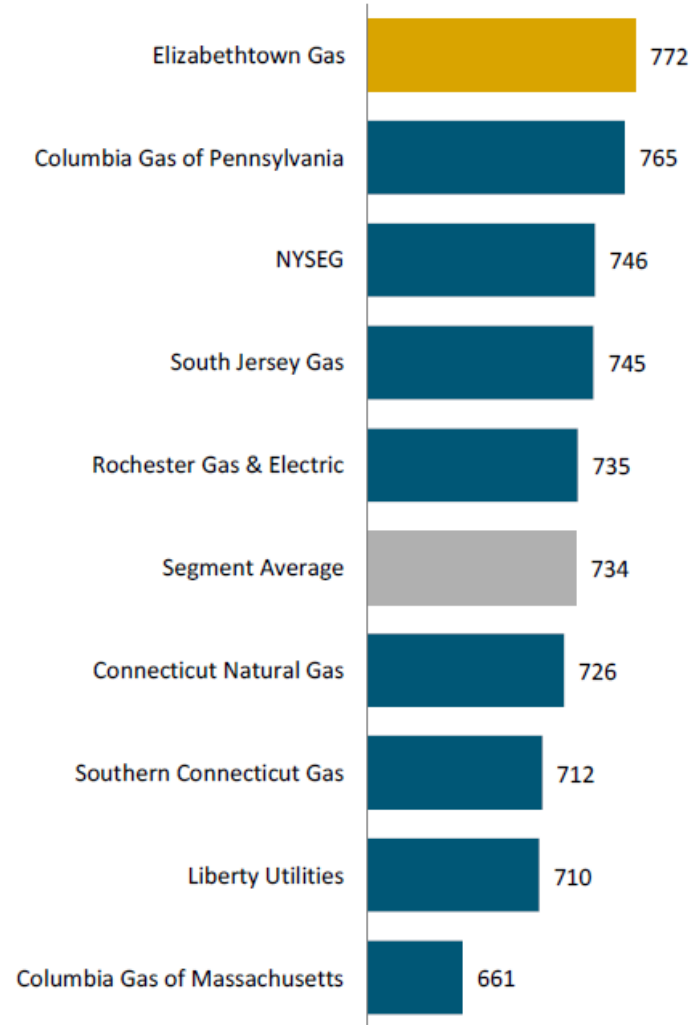
J.D. Power 2020 Gas Utility Residential Customer Satisfaction StudySM



Overall Customer Satisfaction Index Ranking

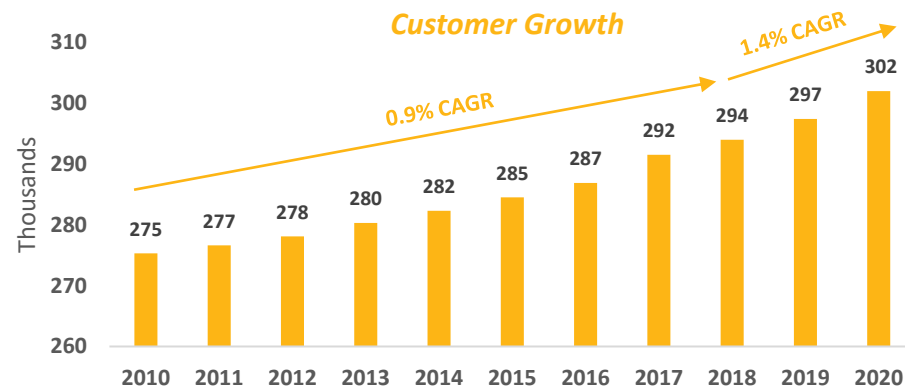
(Based on a 1,000-point scale)

East Region: Midsize Segment



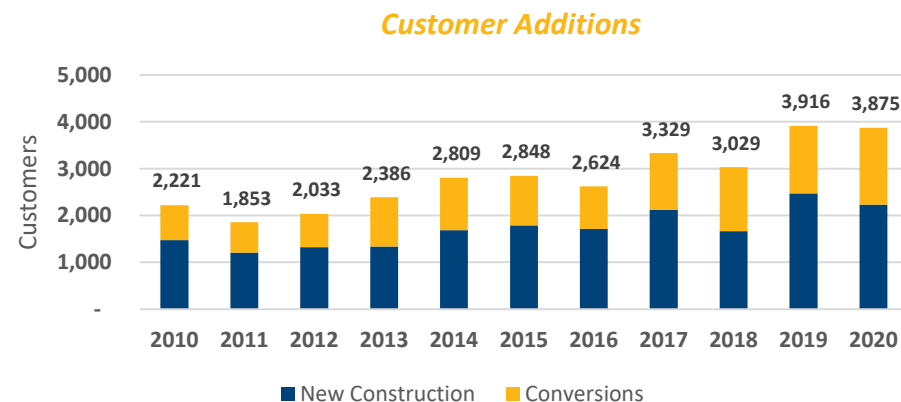
ETG Customer Growth

Strong 1.5% Projected Growth 2021-2025
Balanced Mix of New Construction and Conversions



Historic Growth

- **1.4% CAGR Since Acquisition, Up from Historic 0.9%**
- 90%+ of customers residential -- ~65% of utility gross margin
- Residential new construction and conversion activity primarily driven from Western service area
- Balanced mix of new home construction and conversions from alternate fuels, including heating oil and propane



Future Growth

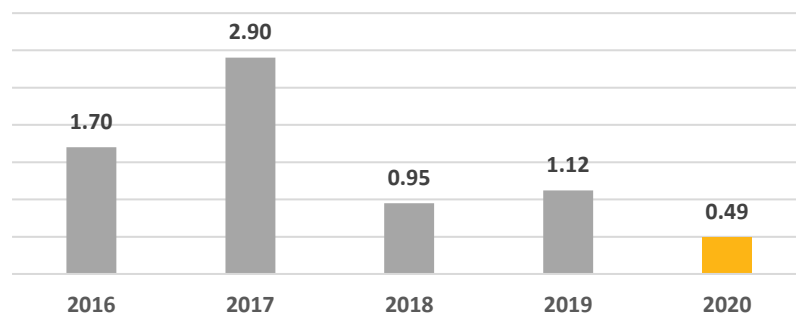
- **1.5% Annualized Growth 2021-2025**
- Since acquisition in 2018, ETG customer growth rate has steadily improved via increased focus on customer acquisitions and conversions from alternate fuels
- Sizable ~35,000 residential customer conversion opportunity

ETG Operational Performance

Improvement Across All Categories Since Mid-2018 Acquisition

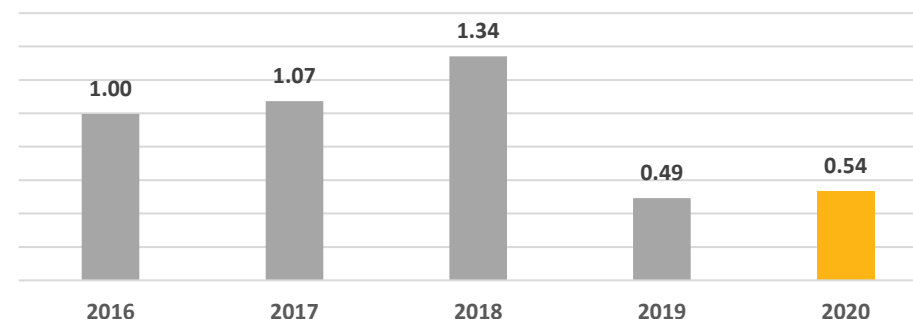
Employee Safety

Days Away, Restricted or Transferred Rate



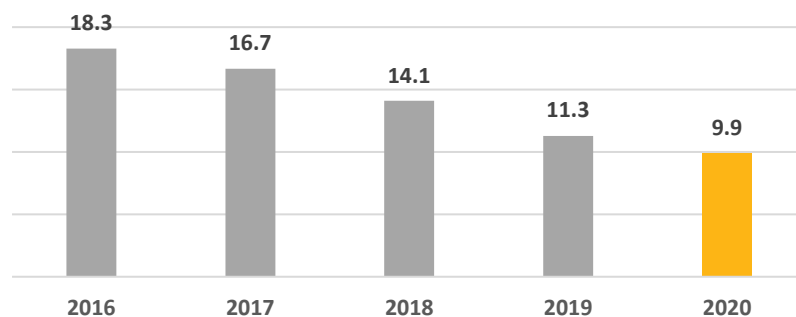
System Resilience

Leaks Per Mile



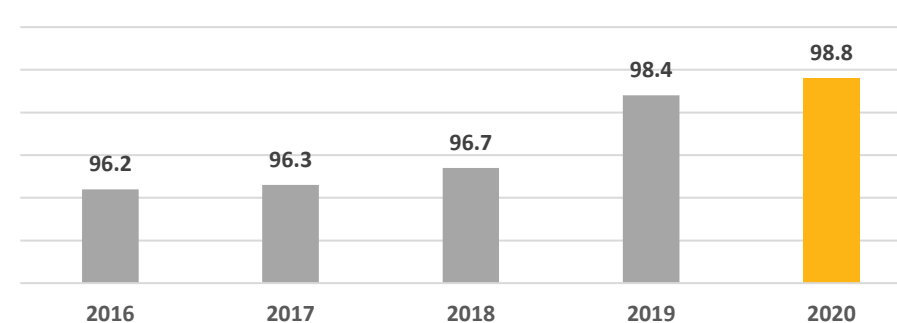
System Integrity

Cast Iron/Bare Steel %



Leak Response Time

Within 60 Minutes %



ETG Regulatory Climate

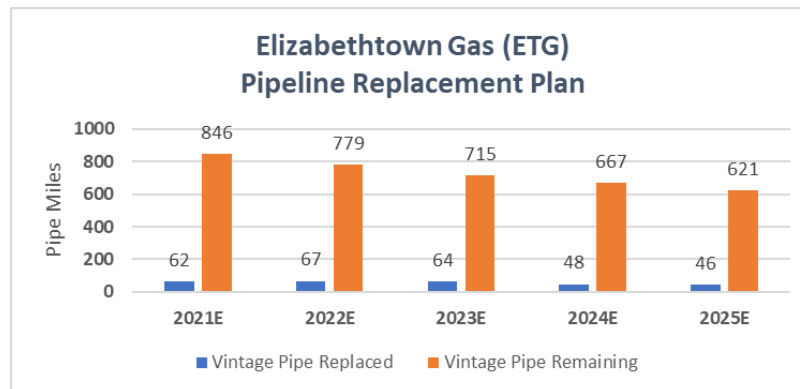
Constructive Partnership With NJBPU Fosters Safety, Reliability and Energy Efficiency With Timely Cost Recovery

Authorized Program	Objective	Authorized Amount	Timing	ROE	Equity Component	Average Annual CapEx (M)	Accelerated Recovery
Conservation Incentive Program (CIP)	Promote conservation efforts, without negatively impacting financial stability, by basing ETG's profit margin on the number of customers rather than the amount of natural gas distributed to customers	Annual True-Up	Permanent	N/A	N/A	NA	NA
Infrastructure Investment Program (IIP)	Enhance the safety and reliability of gas system infrastructure through replacement of aging pipeline and other modernization activities	\$300.0	7/1/19 - 6/30/24	9.6%	51.5%	60.0	Yes
Energy Efficiency Program (EET)	Encourage customers to reduce energy usage, lower emissions and save money	\$74.0	7/1/21 - 6/30/24	9.6%	51.5%	24.7	Yes

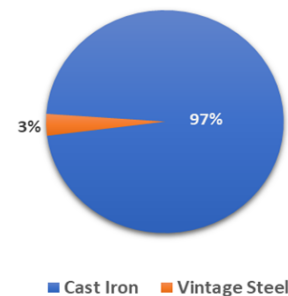
ETG Infrastructure Modernization

*~300 Miles of Cast Iron Pipeline To Be Replaced 2021-2025,
~600 Miles of Vintage Steel and Plastic Beyond 2025*

Pipeline Replacement 2021-2025

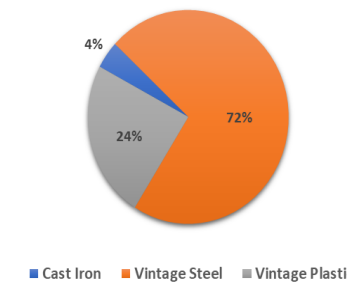


2021 - 2025 Planned Pipeline Replacement by Pipe Type

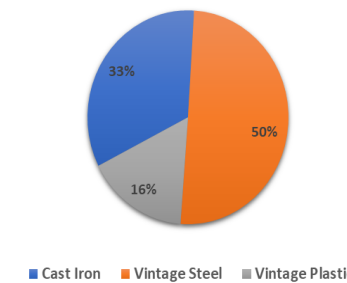


Pipeline Replacement Beyond 2025

2026 and Beyond Planned Pipeline Replacement by Pipe Type



Planned Pipeline Replacement by Pipe Type 2021 - 2039

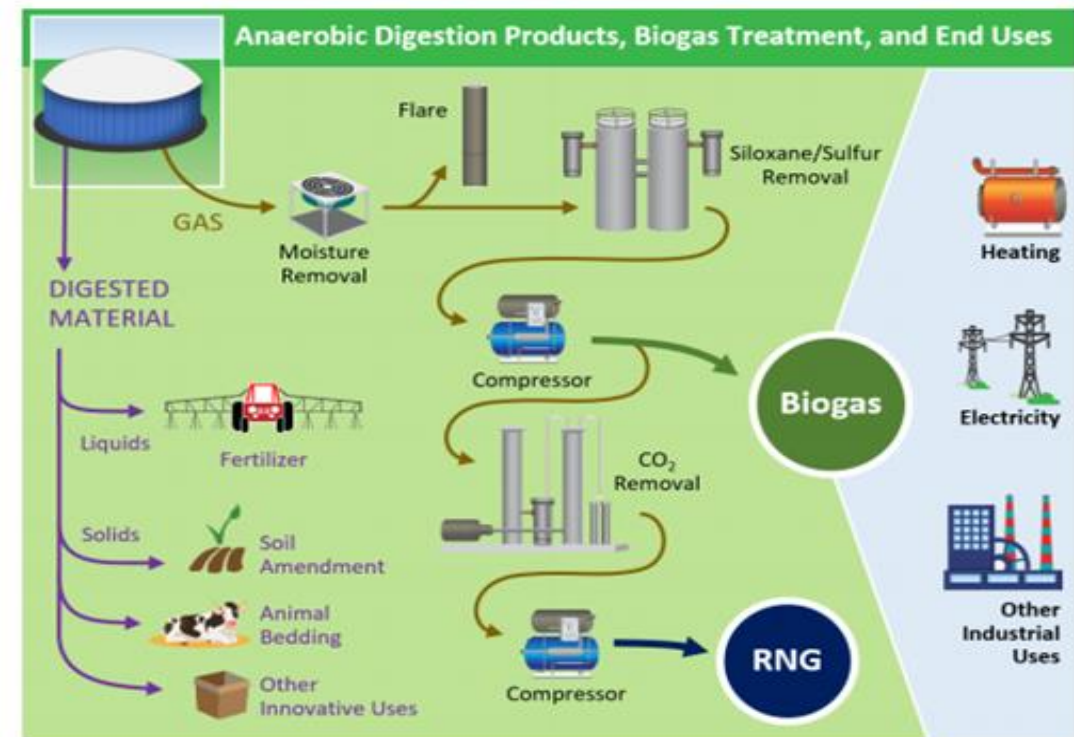


ETG Decarbonization Opportunities

Exploring Multiple Projects To Foster Blending of Renewable Natural Gas into ETG System

Renewable Natural Gas

- Evaluating a variety of opportunities for RNG development/production and gas blending into ETG system
- Repurposing Landfill Sites in New Jersey
- Wastewater Treatment Facilities
- Organic and Food Waste Projects
- Dairy Farm Development Projects

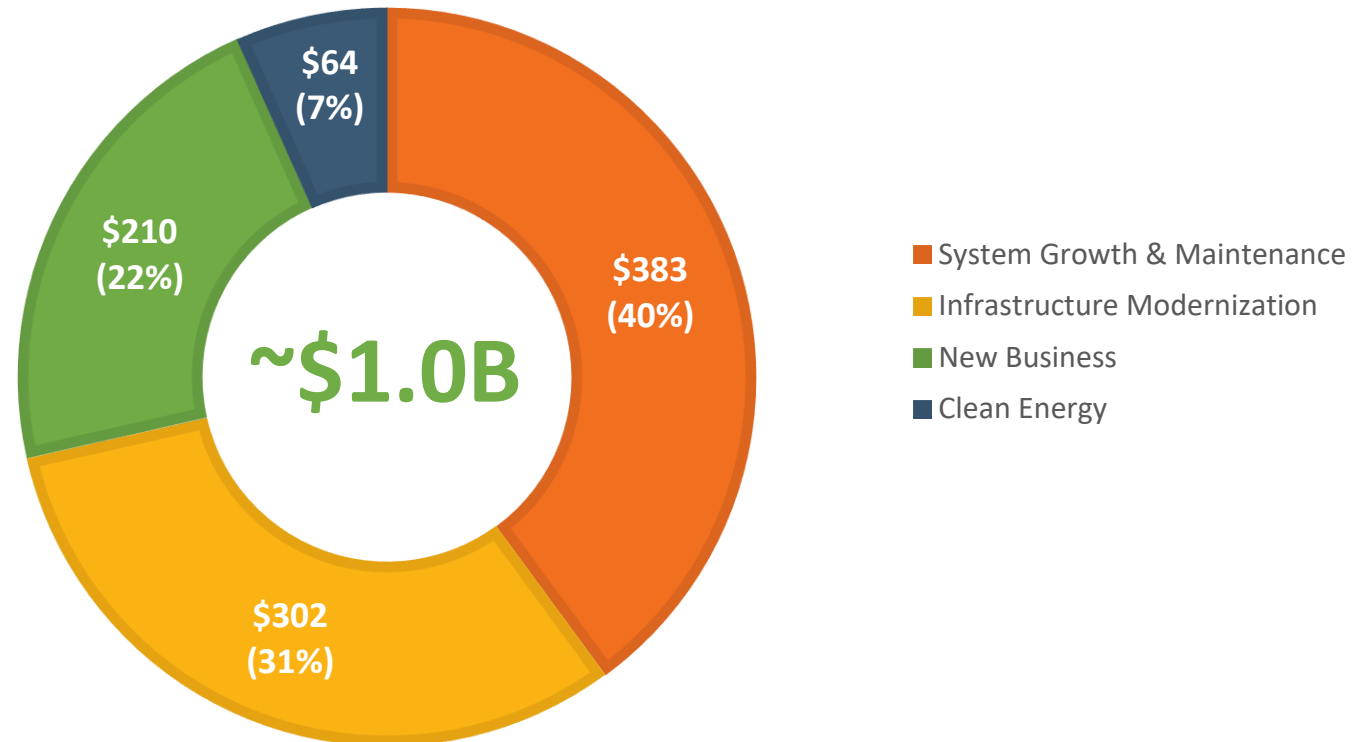


Source: United States Environmental Protection Agency (EPA)

ETG Capital Expenditures

~\$1.0B Capital Plan 2021-2025

~50% of CapEx Expected to Earn Timely Recovery

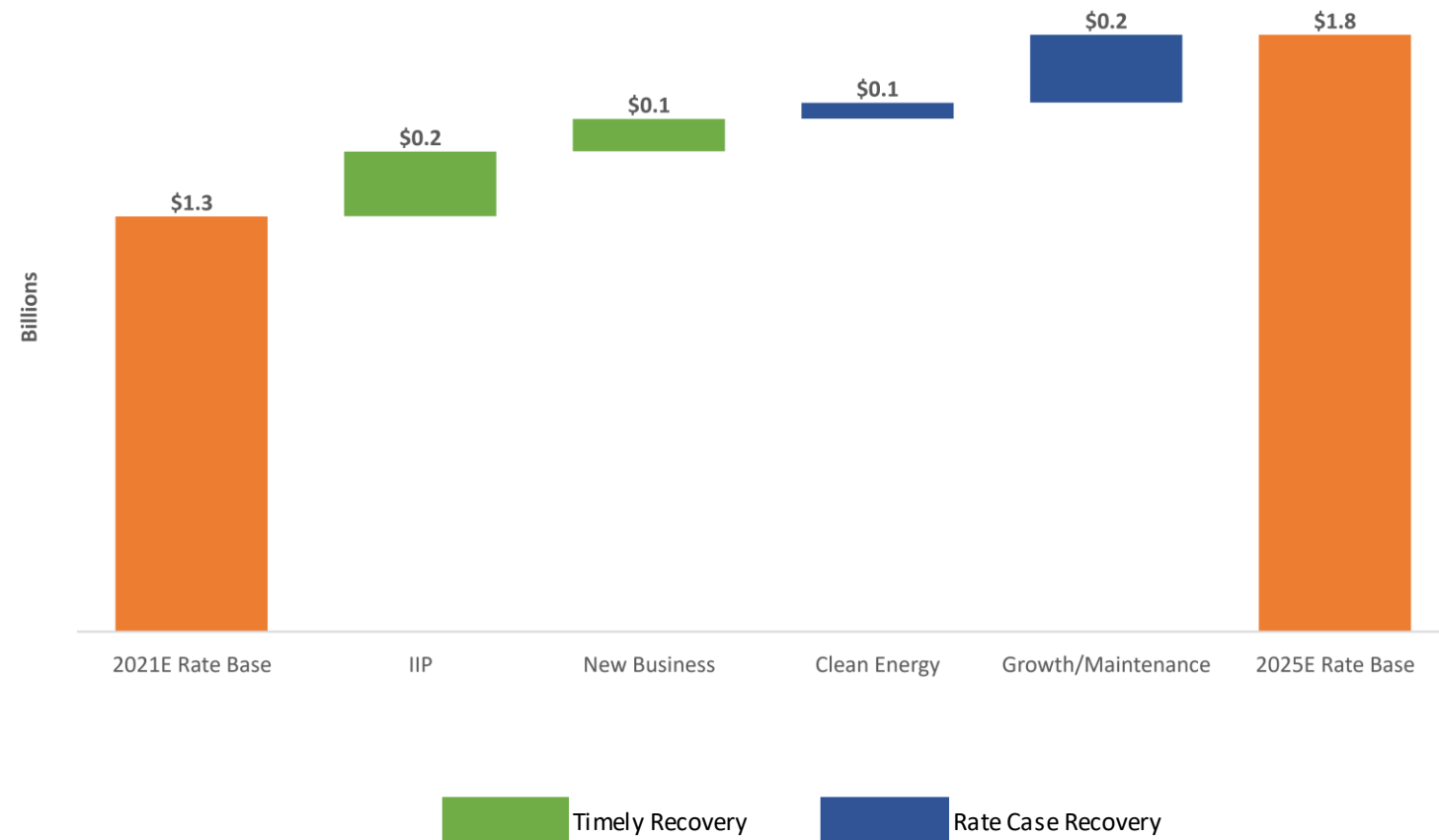


ETG Rate Base Growth

~10% Rate Base Growth Projected 2021-2025

Key Assumptions

- *~\$1.0B Capital Spending Plan*
- *Infrastructure Modernization (IIP)*
- *1.5% Customer Growth*
- *Clean energy projects*
- *Base Rate Case Filings every 2-3 years*
- *ROE: 9.6%*
- *No change to depreciation rates*
- *Modestly improved equity component*



Elizabethtown Gas | Key Takeaways

<p>~\$1.0B</p> <p>Capital Plan 2021-2025</p>	<p>~10%</p> <p>Rate Base CAGR 2021-2025</p>
<p>~1.5%</p> <p>Customer Growth 2021-2025</p>	<p>~50%</p> <p>CapEx With Timely Recovery</p>

Key Takeaways + Future Goals

- Strong projected rate base growth of ~10% drives future earnings
- Attractive service territory -- visibility for continued strong customer growth driven by mix of new construction and conversions
- Supportive regulatory climate – fully decoupled, timely recovery for important modernization initiatives and constructive rate case resolutions
- Upsized Energy Efficiency program is a great vehicle to create jobs and support New Jersey’s environmental goals

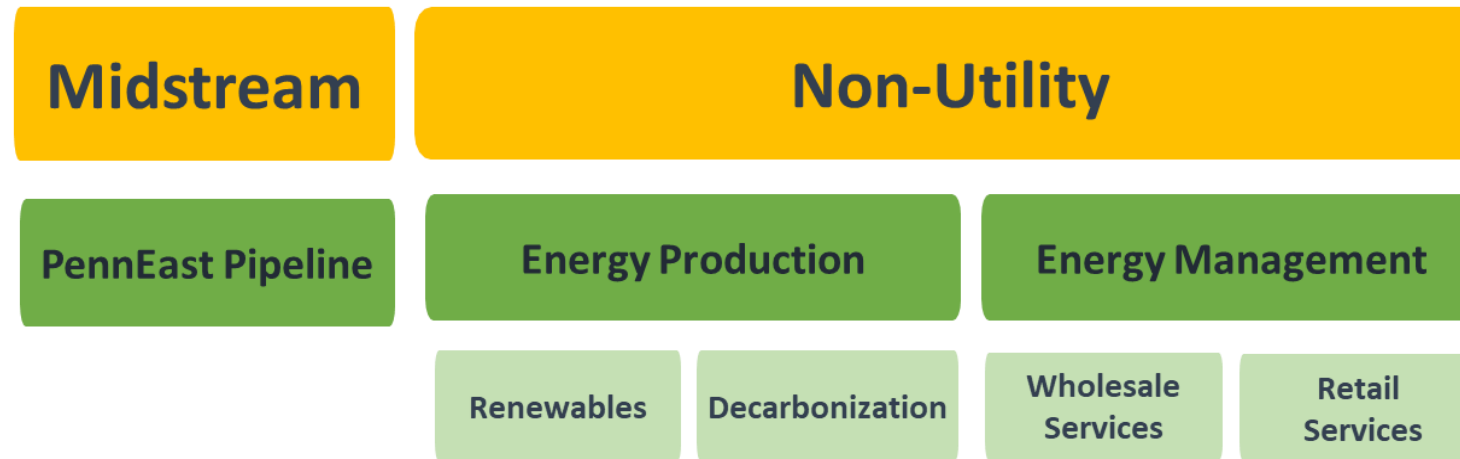
Non-Utility Operations

Steve Cocchi | Senior Vice President & CFO



Non-Utility Operations

Overview and Strategic Mission



❖ MIDSTREAM

“Investing in long-term contracted energy infrastructure that will support a more sustainable environment while making the mid-Atlantic region more affordable for families and competitive for businesses”

❖ ENERGY PRODUCTION

“Enhancing the value of our infrastructure through innovative energy technologies that produce low carbon electricity and decarbonize the gas stream”

❖ ENERGY MANAGEMENT

“Leveraging our deep industry expertise and relationships to provide essential services to utilities, power generators and industrial customers”

Midstream



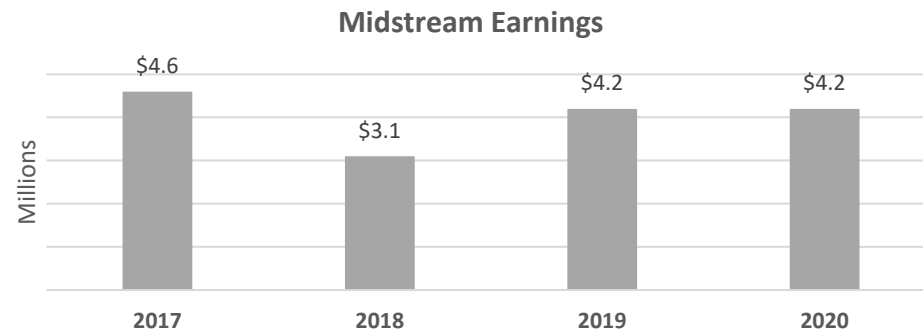
PennEast Pipeline Addresses Critical Supply Need 2021-2025 Forecast Only Includes Phase One

PennEast Pipeline

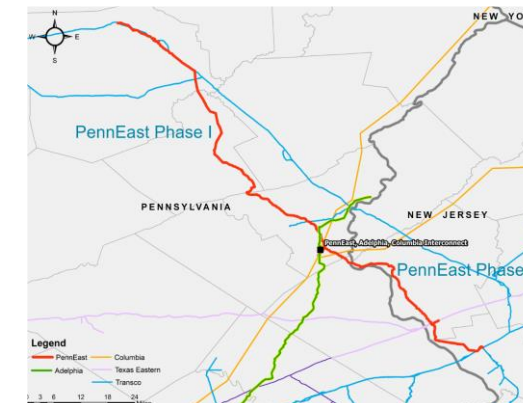
- 20% equity owner in 1.1 Bcf/d, 120-mile interstate pipeline from Marcellus region of Pennsylvania into New Jersey
- Access to low-cost supply benefits customers/local economies
- 100% subscribed; 80%+ capacity under 15-year agreements
- SJI investment \$68M to date
- Phase One projected CapEx ~\$110M in 2021/2022

Recent Actions

- Jan 2020 - Filed with FERC requesting amendment of the certificate to allow project to proceed on a phased basis:
 - Phase One: 68 miles; 36" pipe; constructed entirely within PA
 - Phase Two: Remaining route in PA and NJ
- Feb 2021 - Supreme Court of U.S. (SCOTUS) granted certiorari to review lower court decision concerning condemnation authority
- SCOTUS expected to deliver ruling in June 2021



Note: 2017 includes prior years' AFUDC catch-up



Midstream | Key Takeaways

<p>~\$110M</p> <p>Planned CapEx 2021-2025</p>	<p>2022</p> <p>Phase One In Service</p>
<p>Critical Supply Need</p>	<p>Phase Two Beyond 2025</p>

Key Takeaways + Future Goals

- PennEast Pipeline addresses critical supply need
- Project provides access to low-cost supply and benefits customers and local economies
- Forecast only includes Phase One -- constructed entirely within Pennsylvania – with in-service anticipated late 2022
- Supreme Court expected to deliver decision in June 2021

Energy Production

Well Positioned For Low Carbon and Renewable Energy Future

- Key Pillars -- reducing energy consumption and emissions; strategic deployment of renewables; maximizing energy efficiency; and modernizing via technology
- SJI well positioned to support investment opportunities that align with these goals
- Primary focus on cash-flow generating decarbonization investments including renewable natural gas (RNG) and hydrogen

REDUCING ENERGY CONSUMPTION/EMISSIONS

DEPLOYMENT OF RENEWABLE ENERGY

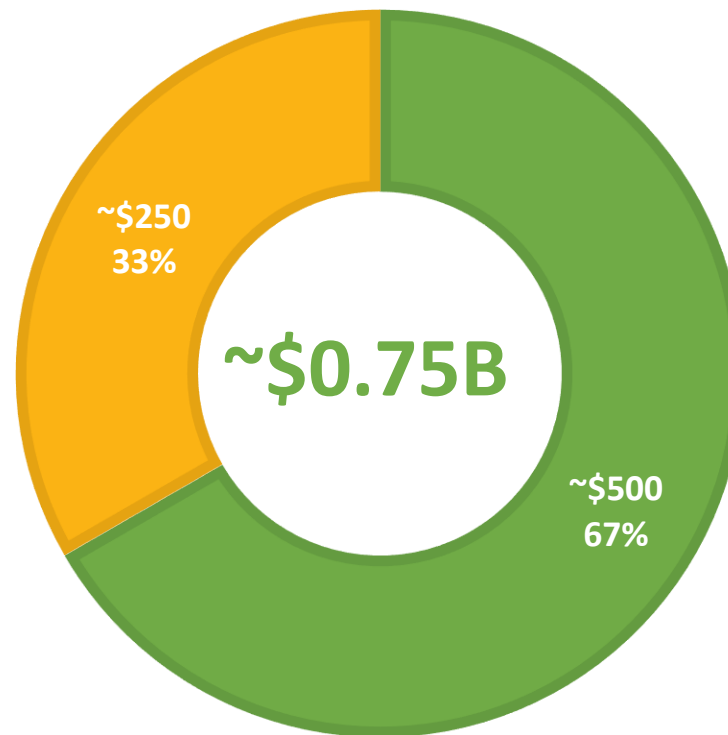
MAXIMIZING ENERGY EFFICIENCY

MODERNIZING VIA TECHNOLOGY

Capital Expenditures

~\$750 Million Capital Plan 2021-2025

~67% for Decarbonization Investments and ~33% for Traditional Renewables



■ Decarbonization (REV/RNG Farms) ■ Renewables (Fuel Cells/Solar)

Renewables

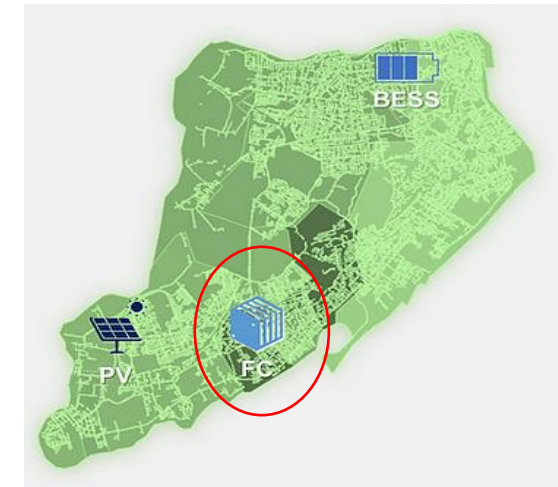
~\$250 Million Capital Plan 2021-2025

*Modest Average Annual Investment of ~\$50M Over Five Years
in Support of State and Region Clean Energy Goals*

Fuel Cells

Investment strategy aimed at reducing emissions and strengthening grid reliability

- SJI formed Catamaran Renewables in 2020 -- a joint venture between SJI and renewable industry-leader Captona – to develop, own and operate renewable energy projects
- Through Catamaran, acquired 2 fuel cell projects in Staten Island, NY from NineDot Energy in 2020
- 7.5 MW installed capacity
- 75% of revenues fixed for 25 years under New York's Value of Distributed Energy Resources (VDER) program; excess power delivered to attractive Zone J
- 95% availability guaranty from the operator
- 11% targeted unlevered internal rate of return (IRR)



Solar

Investment strategy aimed at supporting clean energy goals of our region

- Corporate facilities and solar arrays in New Jersey
- Projects qualify under New Jersey Transition Renewable Energy Certificates (TREC) program



Decarbonization

~\$500 Million Capital Plan 2021-2025

Targeted Investment in RNG Entity and RNG Project Development

Investment Opportunity	Strategic Rationale
<p><i>Acquired minority interest in REV LNG, LLC in 2020, along with rights to develop anaerobic digesters at a portfolio of dairy farms to produce RNG</i></p> <ul style="list-style-type: none"> REV is a leading renewable energy project development and mobile energy services company REV specializes in providing innovative RNG solutions paired with vertically integrated mobile service capabilities focused on the production, supply, transportation, and distribution of LNG, CNG and RNG Structured for SJI to purchase remaining outstanding equity of REV as company achieves financial milestones 	<ul style="list-style-type: none"> ✓ Immediate opportunity to execute on decarbonization strategy and support clean energy goals of our region ✓ Equity/Royalty interest in operating RNG projects with creditworthy off-takers and strong cash flows ✓ Complementary to utility rate base opportunities in New Jersey at landfills and wastewater treatment facilities ✓ Proven track record of successful energy development, management and operations ✓ Accretive to SJI cash flow and earnings and supports additional improvement in credit metrics

SJI Renewable Energy Ventures

*Equity Investment, Combined with RNG Project Development,
Positions SJI as a Leader in Both RNG and ESG*

Equity Investment in REV LNG, LLC

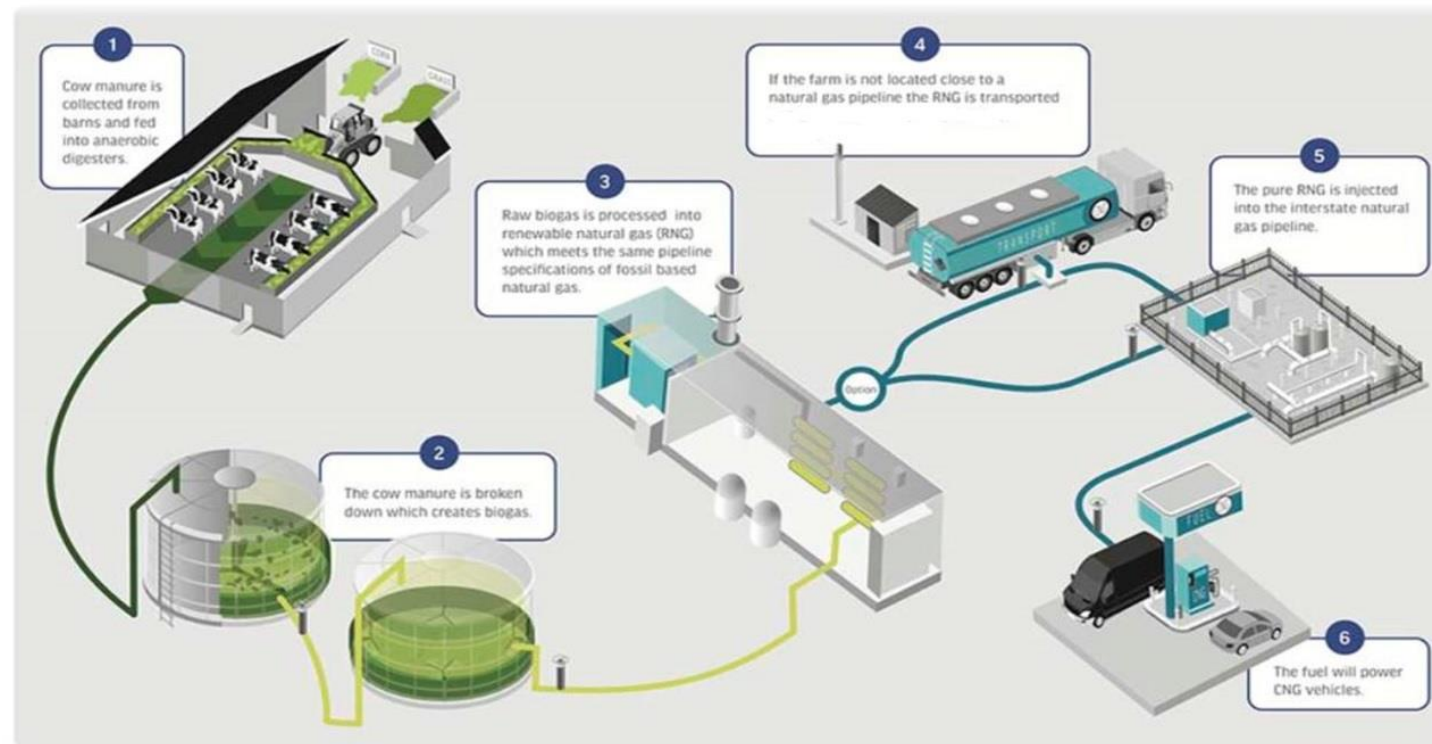
- Initial equity investment in REV for 35% minority interest in 2020
- 100% ownership of REV forecasted by 2025 upon REV attaining defined financial milestones
- Core business - LNG, CNG, and RNG Mobile Energy Services – Vertically integrated supply to injection point; virtual pipeline transportation and logistics including peak shaving, emergency services, RNG production site to pipeline, etc.
- Low-risk, contracted margin business aligned with creditworthy counterparties
- Sizable queue of opportunities to develop and source RNG from dairy farms for injection into utility systems

SJI RNG DevCo

- Initial investment in dairy farm development rights in 2020
- Right of first refusal (ROFR) to purchase additional development rights for a total portfolio of up to 25 dairy farms
- Additional RNG opportunities forecasted by 2025
- Total portfolio projected to produce ~1.5M MMBtu annually
- Pursuing partnership opportunities:
- Shared Cap Ex, RNG spot market and operations
- SJI forecast ~\$280M additional investment to develop farms
 - CapEx: ~\$6-8M projected average to develop farm
 - EBITDA: ~\$1.0M-\$2.0M projected average per developed farm
 - Net Income: ~\$0.5M-\$1.0M projected average per developed farm

SJI Renewable Energy Ventures

RNG Project Development Lifecycle



Source: REV LNG, LLC

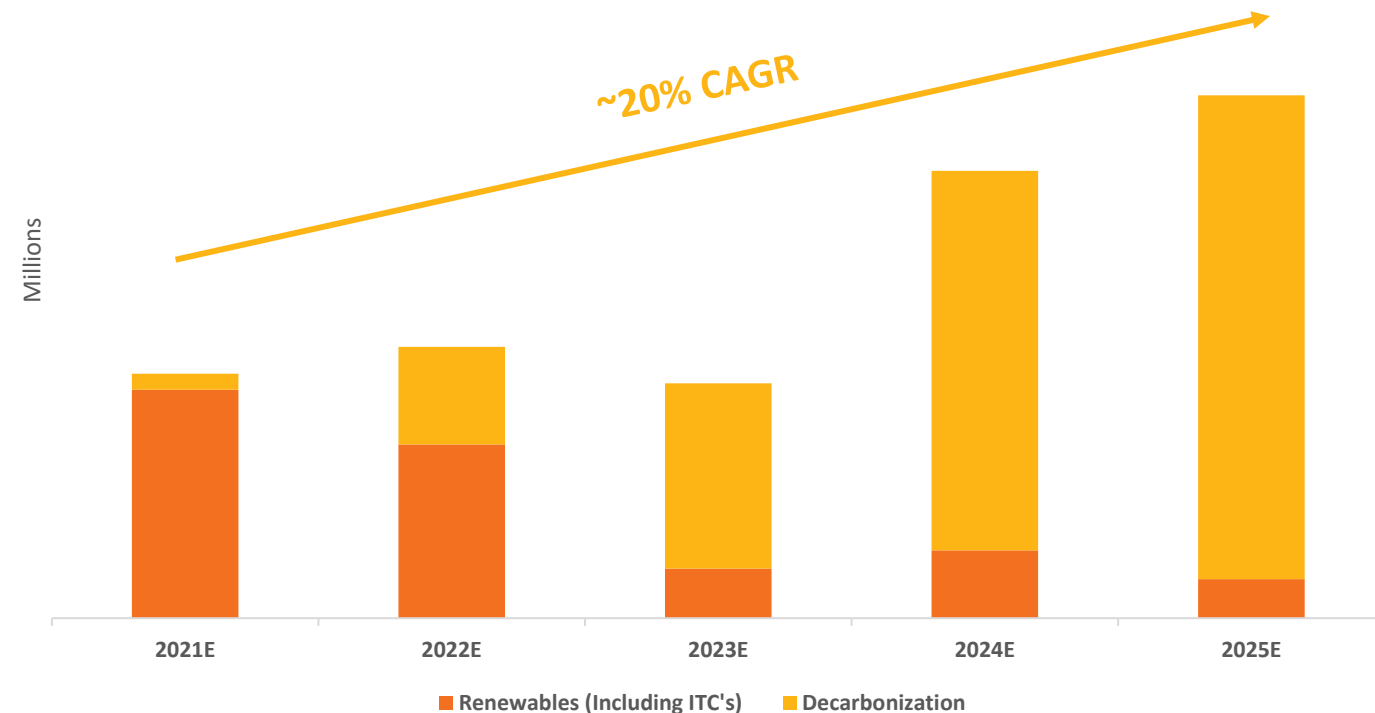
Energy Production Earnings

~20% Economic Earnings CAGR Projected 2021-2025

10-15% of 2021 Consolidated Economic Earnings

Key Assumptions

- *~\$750M Capital Plan*
 - *~\$500M – REV/RNG Farms*
 - *~\$250M – Fuel Cells/Solar*
- *~\$55M total ITCs 2021-2025*
- *Fuel Cell unlevered 11% IRR*
- *REV exceeds 10-12% Hurdle Rate for Non-Utility Businesses*
- *100% REV ownership by 2025*
- *Up to 25 RNG farms developed*
- *Additional RNG opportunities forecasted by 2025*



Energy Production | Key Takeaways

<p>~20%</p> <p>Earnings CAGR 2021-2025</p>	<p>~\$0.75B</p> <p>Capital Plan 2021-2025</p>
<p>Low-Risk Contracted Margin</p>	<p>RNG Legislation Potential</p>

Key Takeaways + Future Goals

- SJI well positioned to support accelerating trend toward clean energy and decarbonization
- ~\$750M investment plan focused on decarbonization and renewables drives ~20% economic earnings CAGR 2021-2025
- REV equity investment, combined with sizable farm development opportunity, provides low-risk contracted margin, and positions SJI as a leader in both RNG and ESG
- New Jersey and Federal legislation could result in rate-basing of RNG/Hydrogen investments and ITCs, respectively – representing potential upside to 2021-2025 plan



Energy Management

*Well Positioned For Steady Earnings Growth,
Leveraging Expertise Of Essential Services For Customers*

- Key Pillars -- wholesale services to utilities, power generators and industrial customers and retail energy consulting and meter reading services
- Wholesale services portfolio has been reshaped in recent years, de-risking operations and minimizing future volatility
- Retail services includes growing contributions from energy consulting and steady contributions from meter reading activities

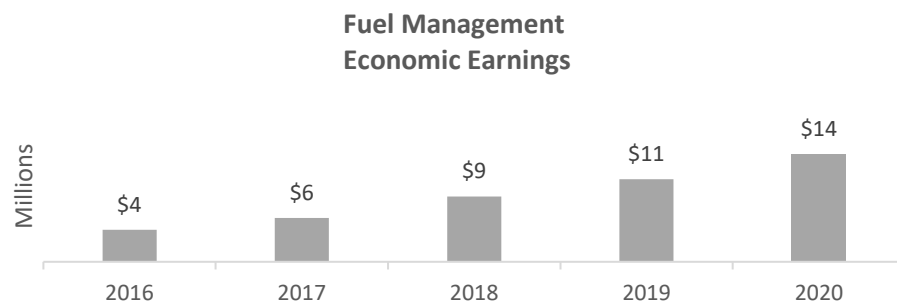


Wholesale Services

Fuel Management & Reshaped Marketing Book Support Steady Earnings Contributions

Fuel Management

- Stable cash flows driven by gas supply to new and existing merchant generation facilities on multi-year contracts
- Services offered are firm supply of fuel to the plant along with daily and intra-day swing service
- No commodity risk -- procurement responsibility with customer
- Portfolio of 9 contracts; Contract terms 2 to 17 years
- Average contract value is \$1.0 to \$1.5 million
- 2 additional contracts forecast 2021-2025



Wholesale Marketing

- Purchase of gas from producers and marketers for sale and delivery to merchant generators, utilities or other marketers
- Capitalize on gas demand, Shale production, changing dynamics of pipeline infrastructure, and weather volatility; Northeast and Mid-Atlantic focus
- Seek to maximize value of leased transportation assets through a combination of “index plus” margin contracts, and ability to arbitrage
- Portfolio re-shaped and retail gas assets sold in 2019, de-risking business and reducing future earnings volatility



Retail Services

Account Services and Energy Consulting Expansion Support Modest Earnings Growth

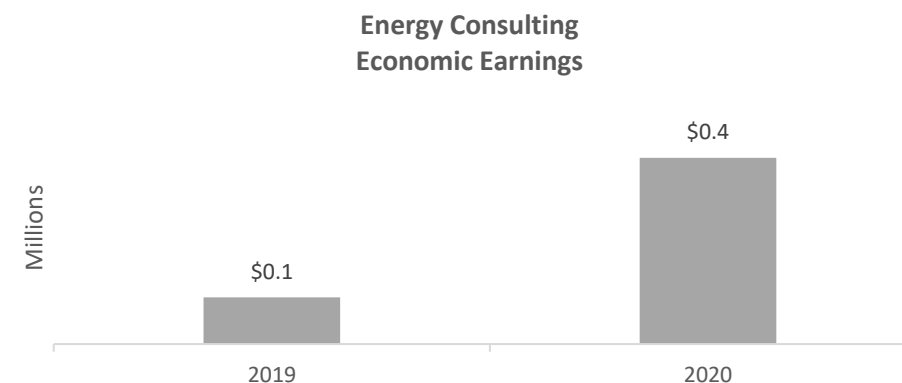
Account Services

- Meter Reading and Appliance Service Contracts
- Meter Reading: SJI and JV partner (Atlantic City Electric) read utility customer meters on a monthly basis for a fee
- Appliance Service Contracts: SJI receives commissions on appliance service contracts from a third party
- **Stable earnings contributions expected 2021-2025**



Energy Consulting

- Aggregator, broker and consultant in retail and wholesale energy markets matching end-users with suppliers for procurement of gas and electricity
- Portfolio includes SJI Energy Advisors, AEP (acquired 2019) and EnerConnex (acquired 2020)
- **Core business and acquisitions drive growth 2021-2025**



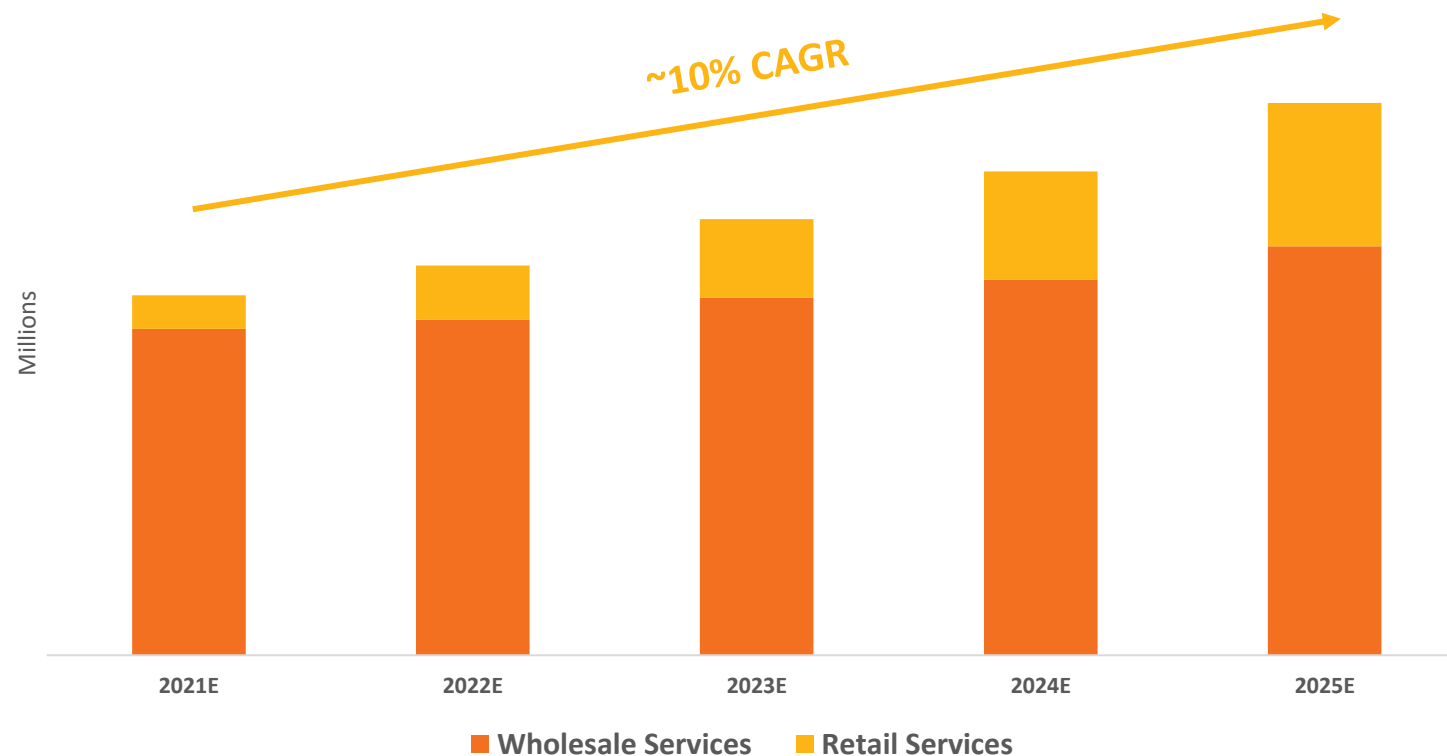
Energy Management Earnings

~10% Economic Earnings CAGR Projected 2021-2025

10-15% of 2021 Consolidated Economic Earnings

Key Assumptions

- **Wholesale Services**
 - 2 new Fuel Management contracts 2021-2025
- **Retail Services**
 - ~\$30M CapEx for Energy Consulting acquisitions 2021-2025



Energy Management | Key Takeaways

<p>~10%</p> <p>Earnings CAGR 2021-2025</p>	<p>2</p> <p>New Fuel Management Contracts</p>
<p>~\$30M</p> <p>Planned CapEx 2021-2025</p>	<p>Stable Cash Flows</p>

Key Takeaways + Future Goals

- Well positioned for ~10% economic earnings CAGR 2021-2025
- Steady cash flows expected from wholesale and retail services
- Wholesale services portfolio has been reshaped in recent years -- de-risking the business and minimizing future earnings volatility
- Two new fuel management contracts projected 2021-2025
- Retail services growth targeted through expansion of low-risk, energy consulting activities

Financial Review

Steve Cocchi | Senior Vice President & CFO



Financial Goals & Priorities

<p>5-8%</p> <p>ECONOMIC EPS CAGR 2021-2025</p>	<p>~3%</p> <p>DIV PER SHARE CAGR 2021-2025</p>
<p>~\$1B</p> <p>LIQUIDITY FACILITIES</p>	<p>Balance Sheet Strength</p>

Future Goals + Priorities

- \$3.5B capital plan 2021-2025 – with ~80% allocated toward utilities and ~60% for safety and reliability investment
- Key focus on funding capital plan, balance sheet strength, credit metric improvement and maintaining ample liquidity
- Projected 5-8% economic EPS growth 2021-2025 -- with majority from utility growth and infrastructure modernization that benefit from timely recovery -- and increasing contributions from low-risk clean energy investments
- Projected ~3% dividend growth, with accelerated rate expected as target payout is achieved, subject to Board approval

Capital Allocation

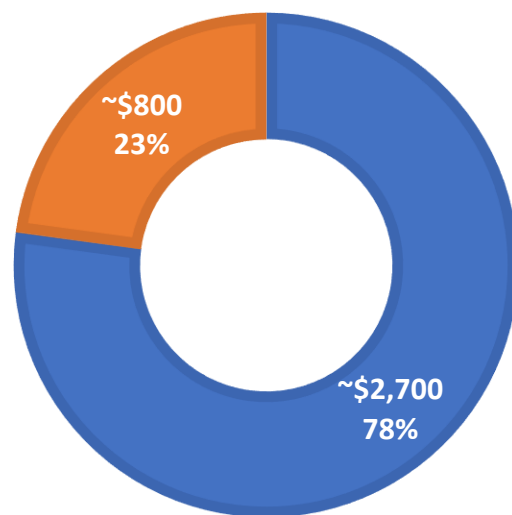
Disciplined Approach Balances Financial Strength With Strong Growth

Capital Allocation Priority		2021-2025 Plan
Allocate capital first at utility operating companies to ensure system safety and reliability	→	~60% of 5-year capital plan dedicated to safety and reliability investments at SJG/ETG
Invest in system growth and maintenance at utility operating companies	→	~80% of 5-year capital plan dedicated to SJG/ETG
Invest in clean energy renewable and decarbonization projects that provide attractive risk-adjusted returns	→	Expected to exceed hurdle rate of 10-12% return on unlevered basis for non-utility businesses
Continue strengthening balance sheet and credit metrics	→	Equity-to-Total Cap target 40-45% FFO-to-Debt target 12%+ BBB/Stable credit ratings target
Return cash to shareholders	→	70 years paying dividends 22 consecutive years raising dividend

Capital Expenditures

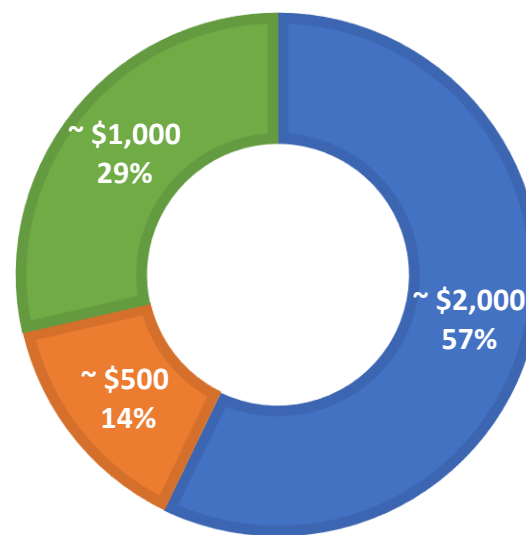
~\$3.5 Billion Capital Plan 2021-2025

*~80% for Utilities
(SJG/ETG)*



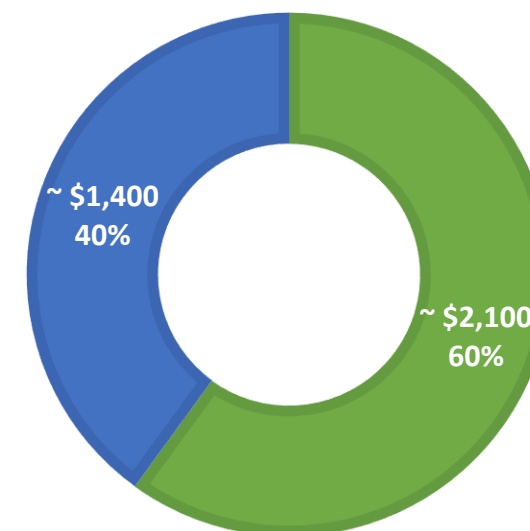
■ Utilities ■ Non-Utility

*~60% for Safety
& Reliability*



■ Safety & Reliability ■ New Business ■ Clean Energy

~60% for Sustainability

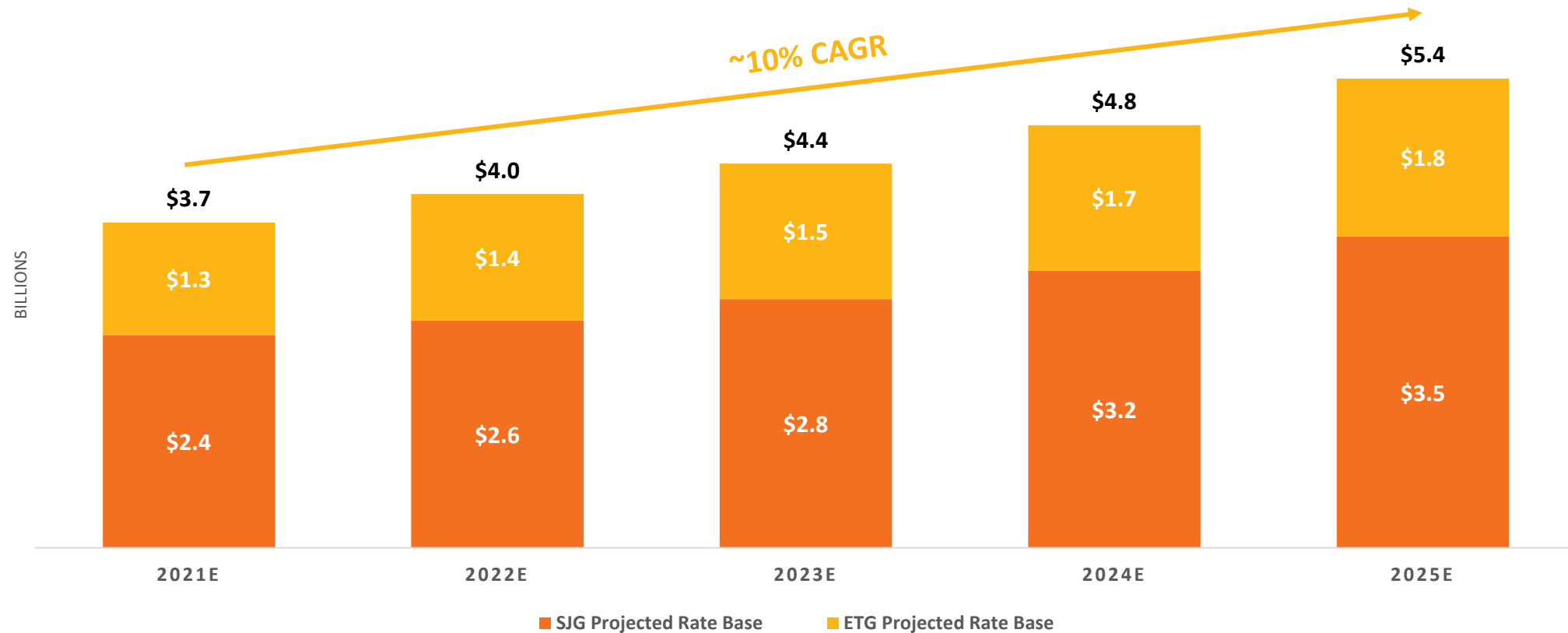


■ Sustainability ■ Traditional

Projected Rate Base Growth

~\$2.7B Capital Plan 2021-2025 Drives ~10% Rate Base CAGR

~50% of CapEx Expected to Earn Timely Recovery



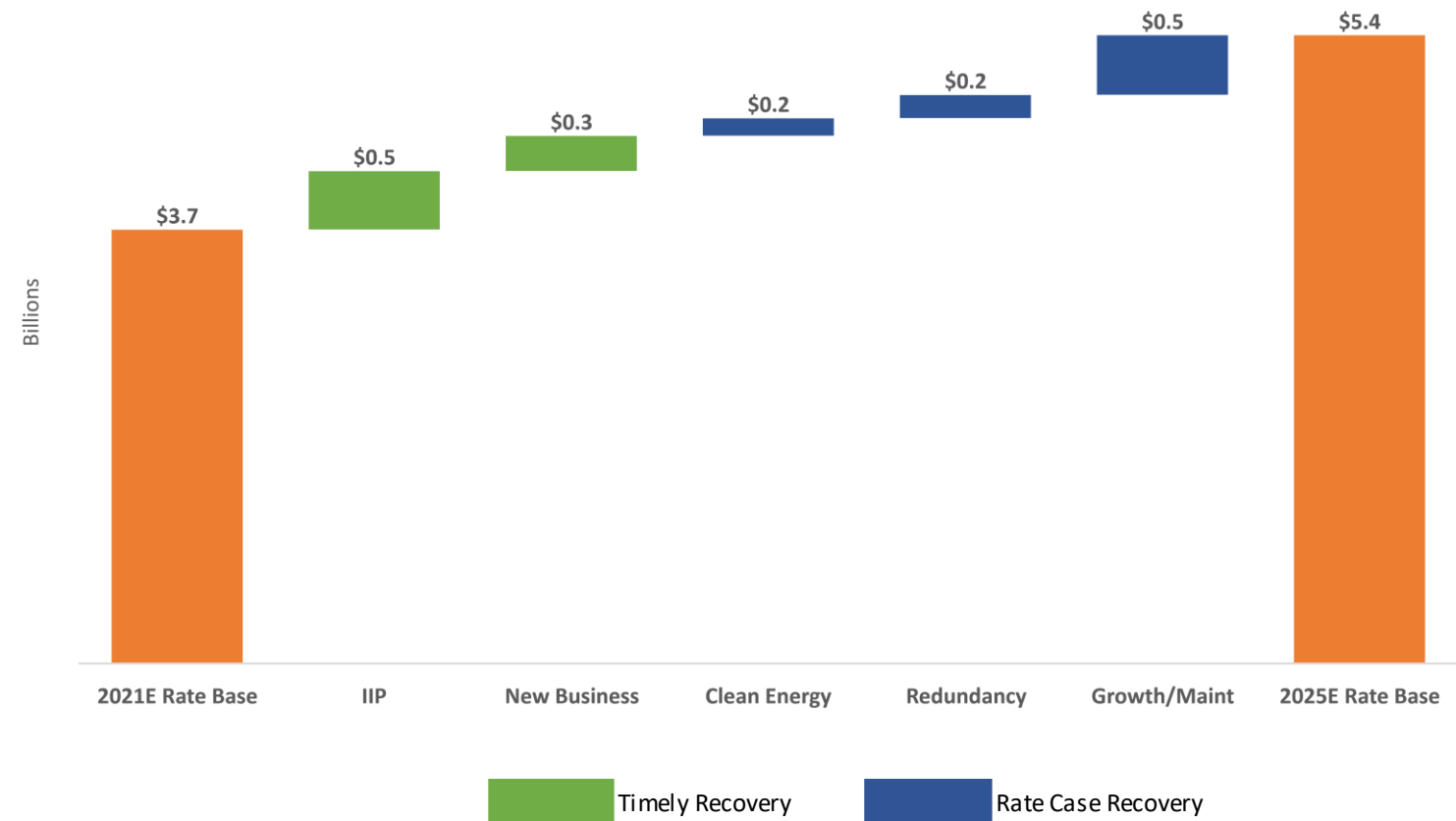
Note: Segments may not add due to rounding

Rate Base Growth

~10% Rate Base Growth Projected 2021-2025

Key Assumptions

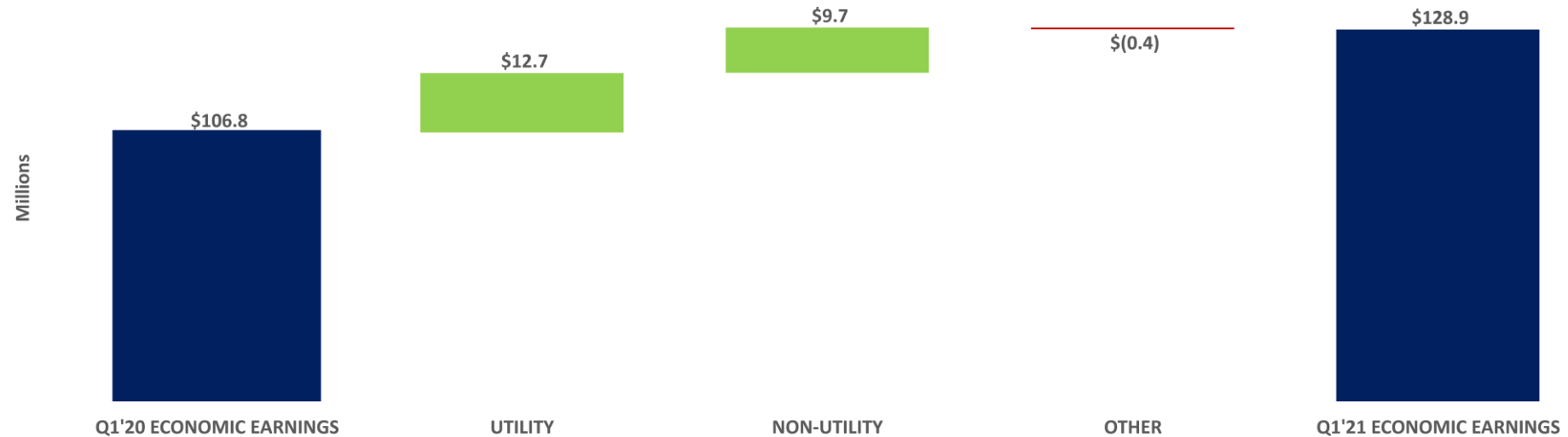
- ~\$2.7B Capital Spending Plan (SJG/ETG)
- Infrastructure Modernization (IIP)
- Redundancy Project
- Clean Energy Initiatives
- 1.5% Customer Growth
- Base Rate Case Filings
 - SJG – every 2-3 years
 - ETG - every 2-3 years
- ROE: 9.6%
- No change to depreciation rates
- Modestly improved equity components



First Quarter 2021 Economic Earnings



Consolidated Earnings Bridge – Q1 2020 to Q1 2021

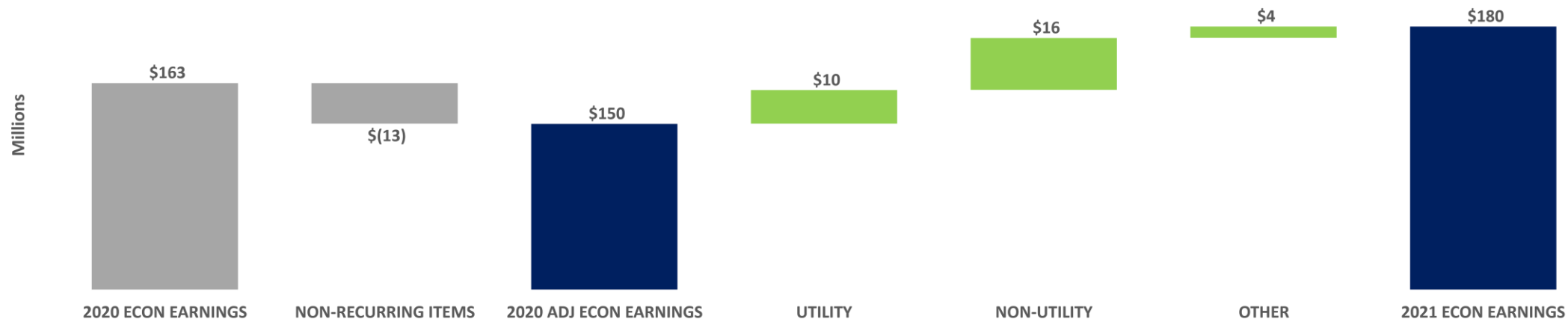


- **UTILITY:** SJG \$11.9M; ETG \$1.2M; ELK \$(0.4)M
- **NON-UTILITY:** Energy Management \$8.1M; Energy Production \$1.8M; Midstream \$(0.2)
- **OTHER:** Interest on Debt \$(0.4)M



2021 Economic Earnings Guidance

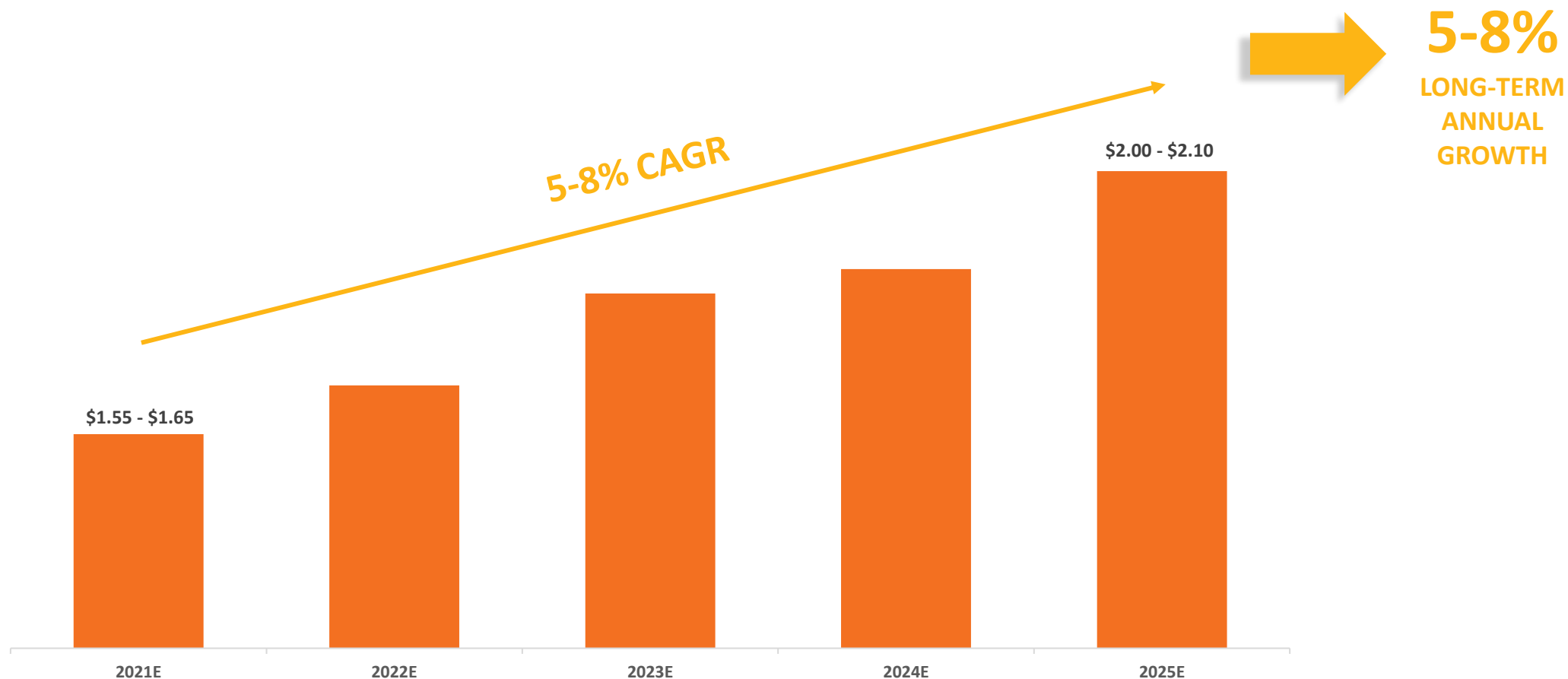
Midpoint Guidance By Segment – 2020 to 2021



- **NON-RECURRING ITEMS:** 2020 results included ~\$13M in nonrecurring gains — adjustments for certain tax benefits (~\$7M), adjustments to SJG's rate design (~\$3M) and pipeline supplier refunds (~\$3M)
- **UTILITY:** SJG rate relief effective 10/1/20; Customer Growth; Infrastructure Modernization Investments
- **NON-UTILITY:** Energy Management asset optimization; Energy Production renewable and decarbonization investments
- **OTHER:** Interest on debt, net of debt repayments and refinancing
- **CAPITAL EXPENDITURES:** \$740-780M (Utilities \$490-510M / Energy Production \$240-250M / Energy Management \$5-10M / Midstream \$5-\$10M)
- **AVERAGE DILUTED SHARES:** 110-112M

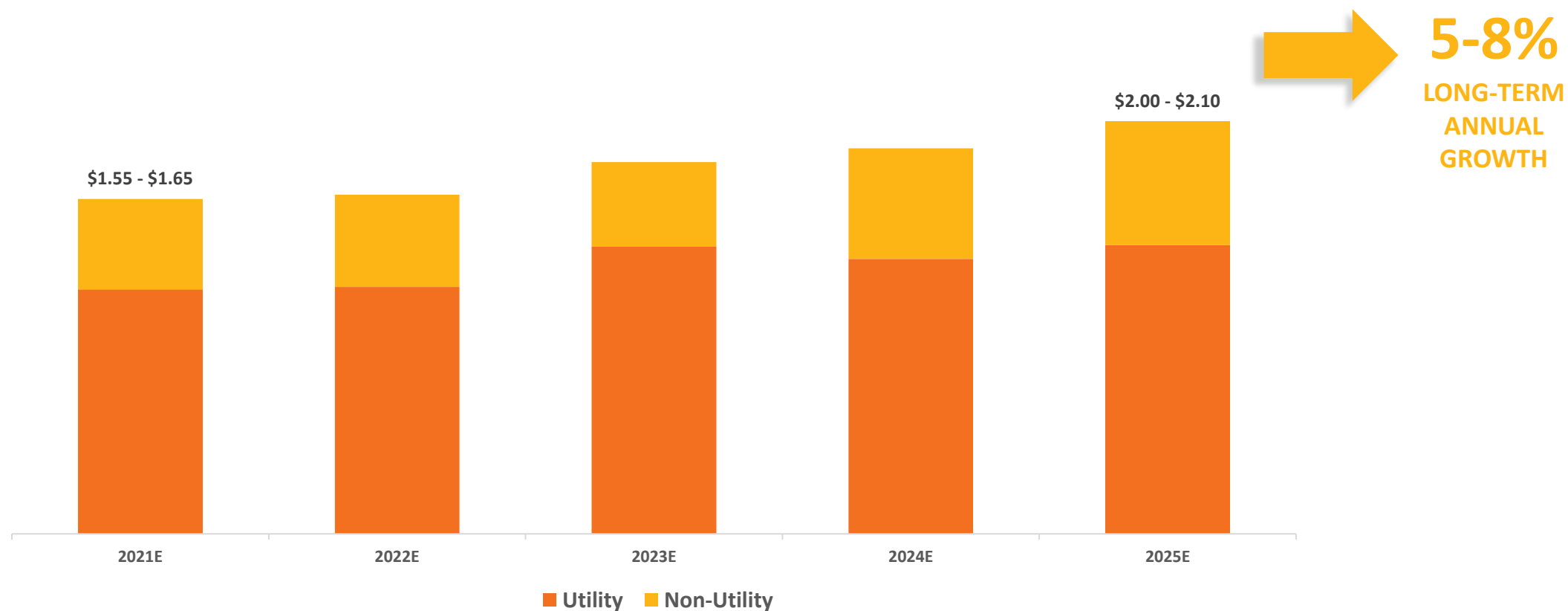
Projected Economic EPS

Attractive 2021-2025 and Long-Term Economic EPS CAGR 5-8%



Segment Contributions

Utility Operations Continue to Generate Majority of Economic EPS in 2021-2025 Plan

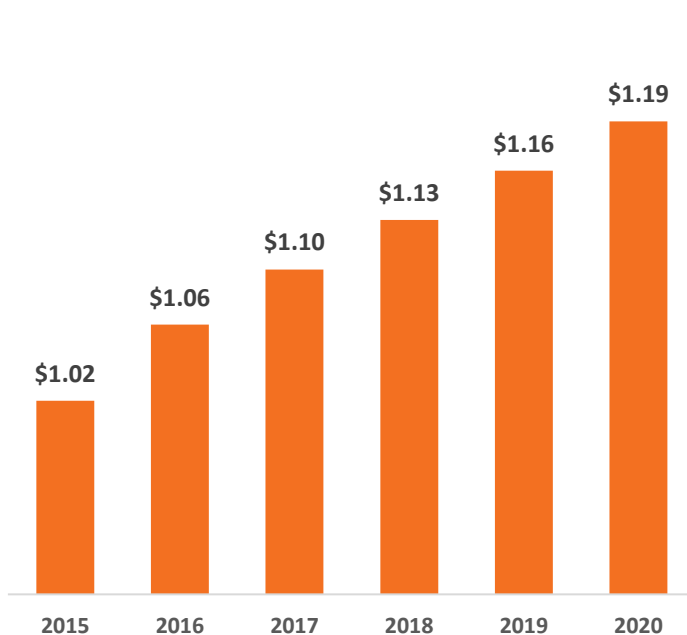


Note: Excludes interest on debt, including debt associated with past acquisitions

Dividends

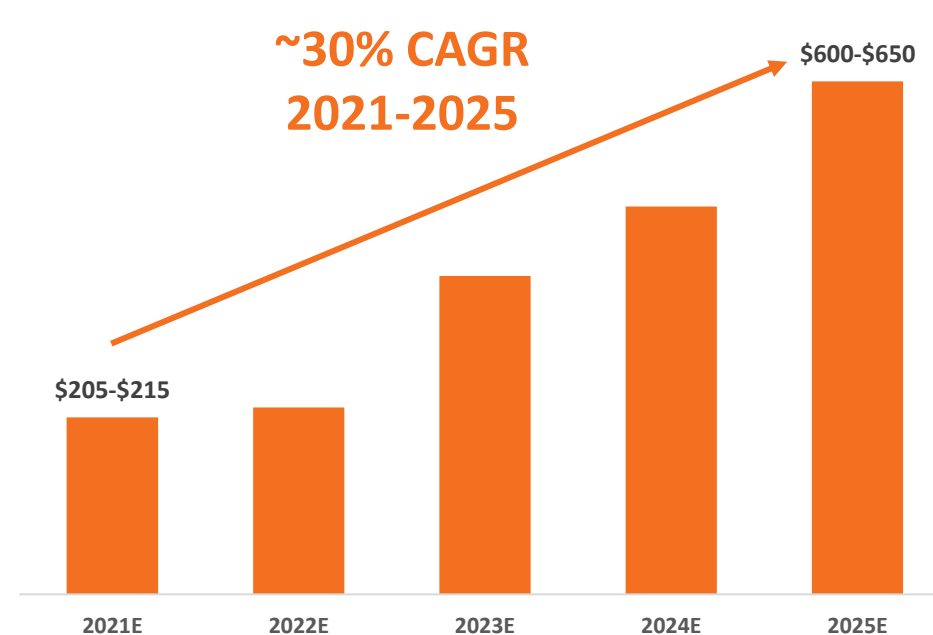
*Committed to Maintaining and Growing Dividend,
Increasingly Supported By Strong Cash Flow Growth*

Dividends Paid Per Share



**~3% CAGR
2021-2025**

Cash Flow From Operations

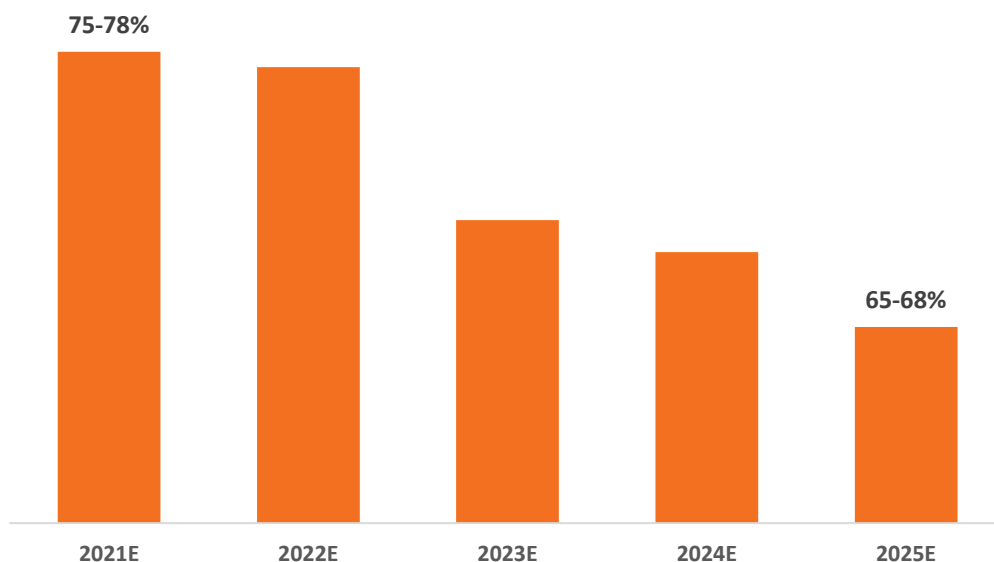


**~30% CAGR
2021-2025**

Dividend Payout

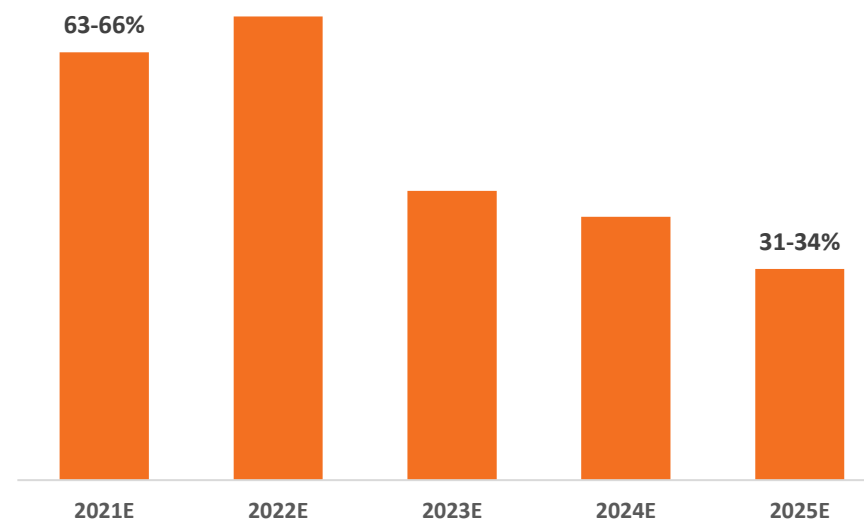
*Payout Ratio Improves During Plan Period,
With Enhanced Quality As Lower Percentage of CFO*

Dividend As % of Economic EPS



Target Payout: 55-65% of Economic EPS

Dividend As % of CFO



Dividend-to-CFO Decrease to ~30%

Balance Sheet

*Recent Financing Strengthened Balance Sheet and Credit Ratings
and Significantly Funds Near Term Capital Plan Needs*

Recent Financing Activity

Common Stock Offerings

- In March, offered and sold 11.7M shares
 - ~1.9M shares issued during Q1
 - ~9.8M forward sale
 - Gross proceeds ~\$42M
 - Expected proceeds ~\$220M next 12 months

Equity Units Public Offering

- In March, issued and sold 6.7M units
 - Gross proceeds ~\$335M

**Use of proceeds from transactions
primarily for debt repayment, funding
capital plan and corporate purposes**

Investment Grade Credit Ratings

S&P

SJI	SJG	ETG
BBB	BBB	BBB
Stable	Stable	Stable

Moody's

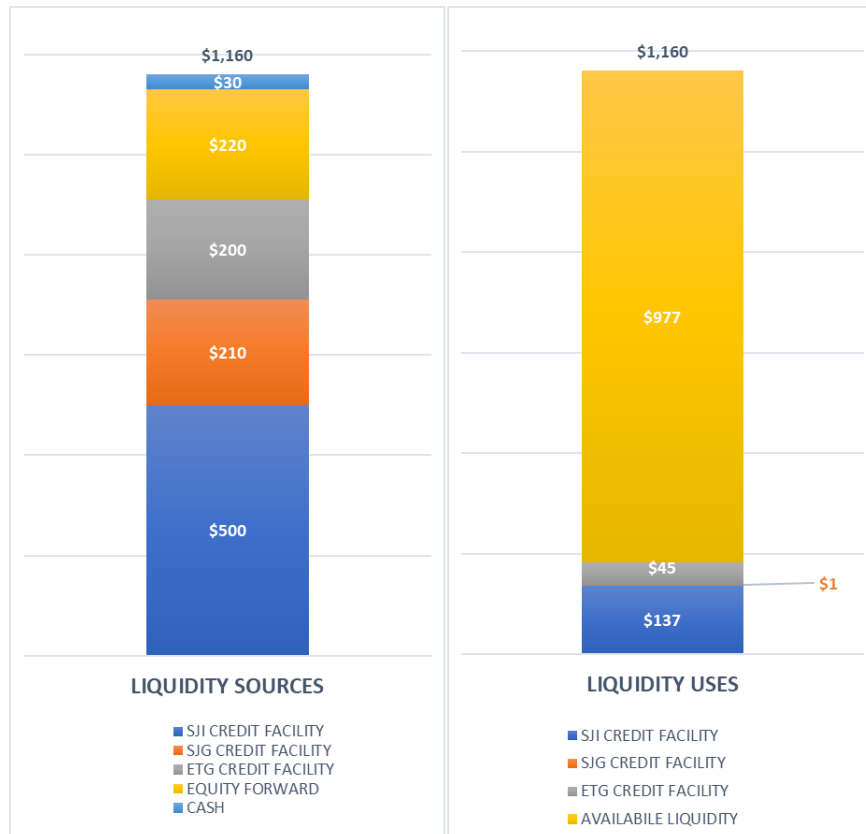
SJI	SJG	ETG
NR	A3	NR
NR	Stable	NR

Liquidity and Debt Maturities

Ample Liquidity Available at SJI and Utilities
No Significant Debt Maturities Next Five Years

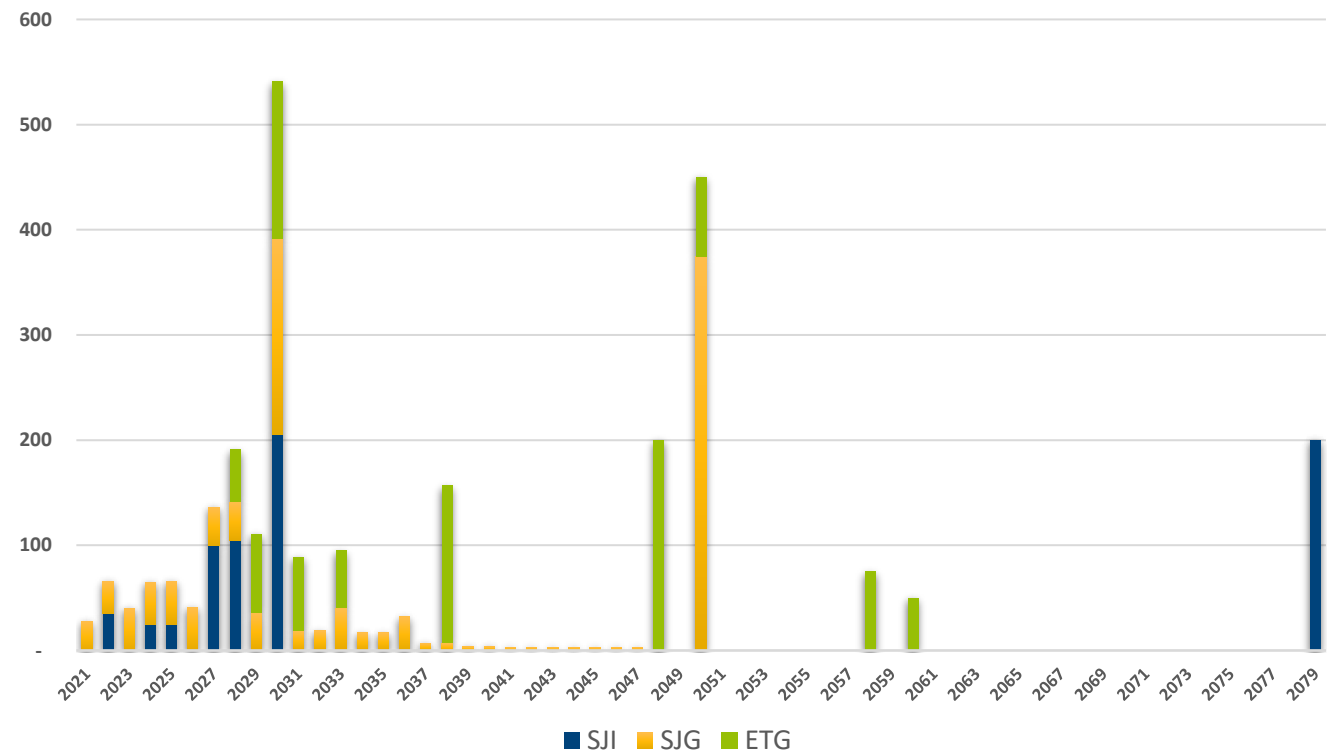
Liquidity

As of March 31, 2021, Millions



Long-Term Debt Maturities

As of March 31, 2021, Millions



Note: Excludes \$335 million mandatory convertible equity units due 2024

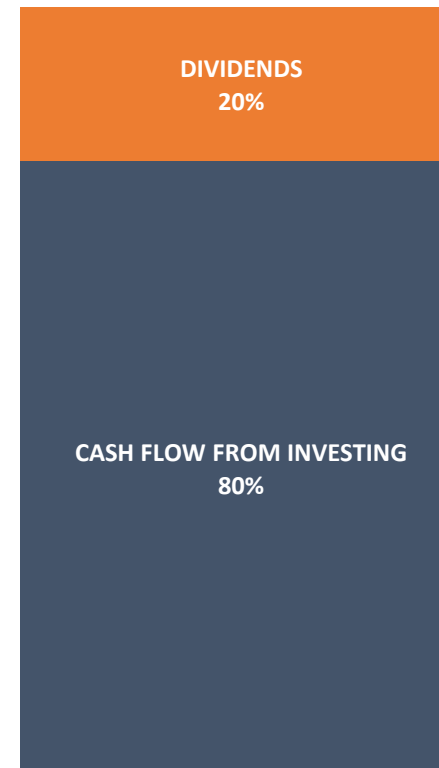
Sources and Uses of Funds

*Sizable Portion of Funding Need Met By Internally Generated Cash Flow,
No Large Block Equity Need Anticipated Near Term*

Capital Sources ~4.5B



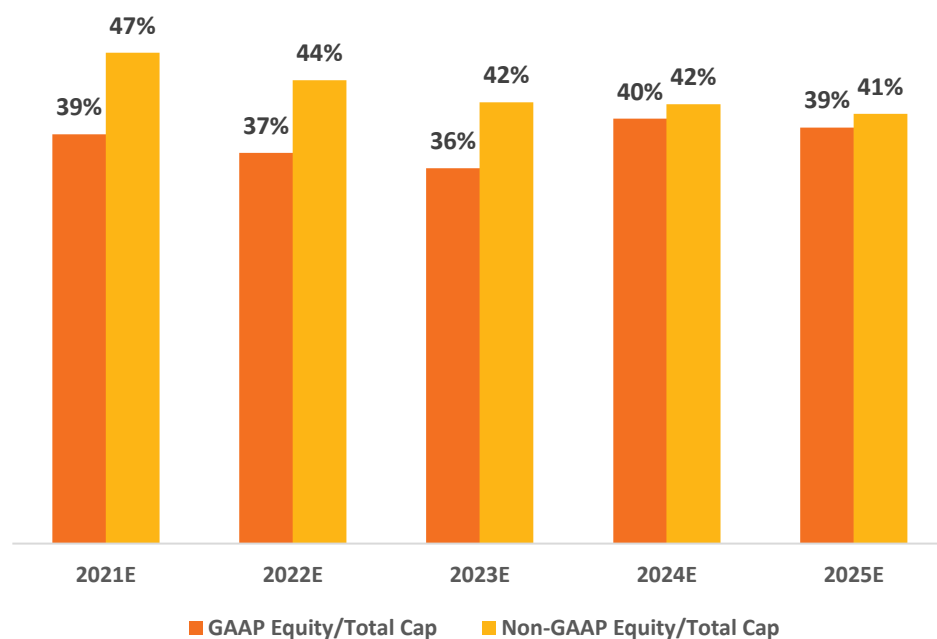
Capital Uses ~4.5B



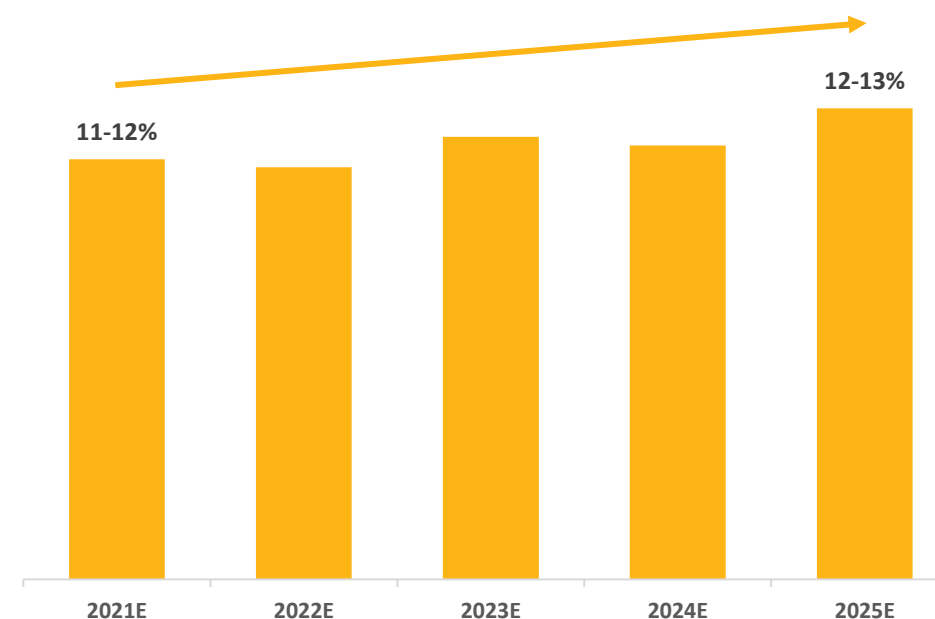
Financial Strength

*Forecast Supports 40-45% Equity Capitalization
and FFO-to-Debt 12-13% by 2025*

Equity-to-Total Cap



FFO-to-Debt



Note: Non-GAAP includes equity credit from rating agencies for long duration debt (\$100M) and Mandatory Convertible Units (\$335M)

Well Positioned For Solid Growth Over The Next Five Years And Beyond



~\$3.5B

PLANNED CAPEX
2021-2025

~10%

RATE BASE CAGR
2021-2025

5-8%

ECONOMIC EPS CAGR
2021-2025

~30%

CFO CAGR
2021-2025

~3%

DIV PER SHARE CAGR
2021-2025



Closing Remarks

Mike Renna | President & CEO



Strong Growth Through 2025 and Beyond, Driving Significant Shareholder Value



SECTOR FUNDAMENTALS	STRATEGIC PLAN	FINANCIAL TARGETS
\$3B+ existing infrastructure are valuable assets, performing essential role supplying reliable energy to homes and businesses and supporting economic growth	Utilities will remain our core growth engine, focused on infrastructure modernization	<div>5-8% ECONOMIC EPS CAGR 2021-2025</div> <div>~3% DIV PER SHARE CAGR 2021-2025</div>
Energy markets across the U.S. and New Jersey accelerating transition toward low carbon and renewables	Utility and Non-Utility strategies align with goals of our region, with increased focus on decarbonization initiatives	<div>~\$3.5B PLANNED CAPEX 2021-2025</div> <div>~10% RATE BASE CAGR 2021-2025</div>
Renewables, including fuel cells and solar, align with public policy goals of our region	Committed to balance sheet strength, liquidity and credit metrics to solidify execution of our growth plans	
Decarbonization, via RNG and Hydrogen, are vital to achieving emissions-reduction targets	Strategic plan delivers highly predictable and sustainable long-term EPS growth	<div>~30% CFO CAGR 2021-2025</div>



Q&A



Appendix



COVID Update



Business Operations Continue To Function Effectively During Pandemic

Liquidity

- **LIQUIDITY:** Strengthened liquidity to ensure funding of capital program; Confident in ability to manage through impacts
- **COLLECTIONS:** To date, we have seen a manageable impact on accounts receivable; continue to monitor very closely
- **PENSION:** No near-term cash requirements

Financial

- **CAPEX:** While certain construction programs were temporarily halted, we are back to normal operation. Expect an uptick in construction activity moving forward
- **O&M:** While we have incurred modest incremental operating costs due to the virus, NJBPU has authorized deferral for future recovery

Utility Operations

- **SERVICE:** Operations and delivery of natural gas to customers have not been materially impacted and have not experienced significant reductions in sales volumes
- **WORKFORCE:** Through proper planning and the innovative use of technology, all our employees have been working productively -- from employees in the field to those working from home

Regulatory

- **COST RECOVERY:** NJBPU has authorized deferral of incremental costs and bad debt for future recovery
- **PENDING PROCEEDINGS:** NJBPU continues to hold regular commission agenda meetings



Oversight and Reporting Strongly Aligned With Corporate Goals

Oversight



ESG Board Committee

Independent board committee – provides oversight, monitoring and guidance of ESG-related matters

ESG Management Committee

Board-appointed committee – develops and implements key ESG strategies, initiatives and policies

ESG Task Force

Cross-functional team – supports the implementation of ESG strategies, initiatives and policies

Reporting



Annual ESG Report

Report published for 11 consecutive years

Updated format includes additional metrics and content

Ongoing ESG Report Updates

Dynamic report updated in real time

Expanded overview of initiatives to reduce our environmental footprint

Ongoing developments of SASB and TCFD data

First Quarter 2021 Economic Earnings



Strong Performance To Begin 2021

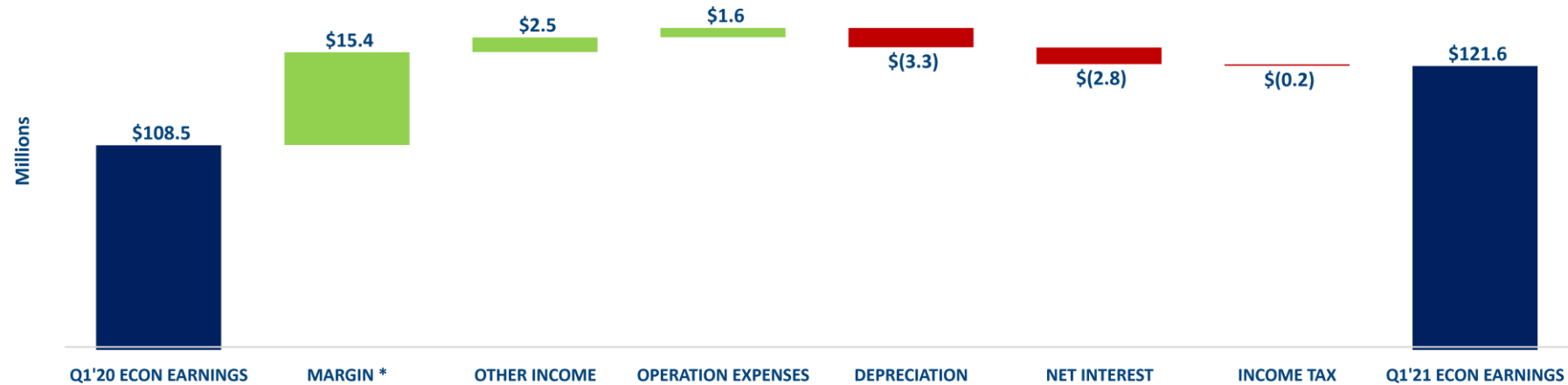
	Three months ended March 31, 2021				Three months ended March 31, 2020			
	GAAP Earnings	GAAP EPS	Economic Earnings	Economic EPS	GAAP Earnings	GAAP EPS	Economic Earnings	Economic EPS
UTILITY								
South Jersey Gas	\$83.6	\$0.82	\$83.6	\$0.82	\$70.5	\$0.76	\$71.7	\$0.78
Elizabethtown Gas	\$38.0	\$0.37	\$38.0	\$0.37	\$36.8	\$0.40	\$36.8	\$0.40
<u>Elkton Gas</u>	<u>\$0.0</u>	<u>\$0.00</u>	<u>\$0.0</u>	<u>\$0.00</u>	<u>\$0.4</u>	<u>\$0.00</u>	<u>\$0.4</u>	<u>\$0.00</u>
Total	\$121.6	\$1.19	\$121.6	\$1.19	\$107.7	\$1.16	\$108.9	\$1.18
NON-UTILITY								
Midstream	\$1.0	\$0.01	\$1.0	\$0.01	\$1.2	\$0.01	\$1.2	\$0.01
Energy Management	\$13.7	\$0.13	\$13.9	\$0.14	\$5.7	\$0.06	\$5.9	\$0.06
<u>Energy Production</u>	<u>\$1.6</u>	<u>\$0.02</u>	<u>\$1.1</u>	<u>\$0.01</u>	<u>(\$1.0)</u>	<u>(\$0.01)</u>	<u>(\$0.7)</u>	<u>(\$0.01)</u>
Total	\$16.2	\$0.16	\$16.1	\$0.16	\$5.8	\$0.06	\$6.4	\$0.07
OTHER	(\$9.1)	(\$0.09)	(\$8.8)	(\$0.09)	(\$12.4)	(\$0.13)	(\$8.4)	(\$0.09)
Total - Continuing Operations	\$128.8	\$1.26	\$128.9	\$1.26	\$101.1	\$1.09	\$106.8	\$1.15
Average Shares Outstanding (Diluted)		101.9		101.9		92.6		92.6



First Quarter 2021 Economic Earnings



Utility Earnings Bridge – Q1 2020 to Q1 2021



- **MARGIN:** *SJG rate relief, customer growth and infrastructure modernization investment*
- **OTHER INCOME:** *Investment performance from pension/other postretirement benefit plans*
- **OPERATION EXPENSES:** *O&M, bad debt, regulatory riders, and energy and other taxes*
- **DEPRECIATION:** *Utility investment in property, plant and equipment*
- **NET INTEREST:** *Variance in debt balances*
- **INCOME TAX:** *Effective income tax rate*

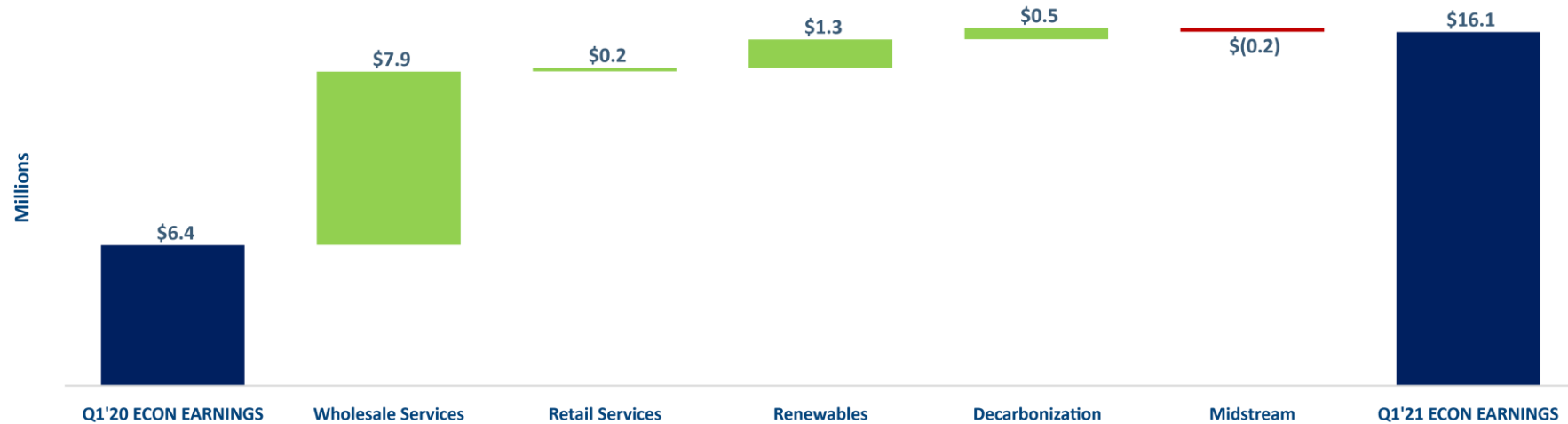
* We define utility margin, a non-GAAP measure, as natural gas revenues less natural gas costs, regulatory rider expenses and volumetric and revenue-based energy taxes



First Quarter 2021 Economic Earnings



Non-Utility Earnings Bridge – Q1 2020 to Q1 2021



- **WHOLESALE SERVICES:** *Improved asset optimization opportunities, and fuel supply management contracts*
- **RETAIL SERVICES:** *Meter reading/appliance services contracts and energy consulting fees*
- **RENEWABLES:** *Fuel Cell and Solar ITCs from projects placed in service last twelve months*
- **DECARBONIZATION:** *Equity investment in REV LNG, LLC*
- **MIDSTREAM:** *AFUDC from PennEast Pipeline project*



