



# North Western 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**

*November 2020 Edition*



**NorthWestern Energy**  
Sustainability Key Performance Statistics 2015-2019



## Corporate Overview

General Information	2015	2016	2017	2018	2019
<b>Average Number Electric Customers</b>					
Residential	337,194	341,364	345,674	349,984	353,837
Commercial	77,184	78,159	79,153	80,288	81,710
Industrial	6,194	6,217	6,270	6,260	6,297
Total	420,572	425,740	431,097	436,532	441,844
<b>Average Number of Natural Gas Customers</b>					
Residential	241,875	244,556	247,411	249,868	252,415
Commercial	33,888	34,404	34,893	35,399	35,931
Industrial	416	416	412	407	403
Total	276,179	279,376	282,716	285,674	288,749
<b>Average Number of Total Customers (electric and natural gas)</b>					
Residential	579,069	585,920	593,085	599,852	606,252
Commercial	111,072	112,563	114,046	115,687	117,641
Industrial	6,610	6,633	6,682	6,667	6,700
Total	696,751	705,116	713,813	722,206	730,593
<b>Population Service Area (Estimated by County)</b>	1,703,954	1,721,086	1,739,346	1,749,606	1,760,125
<b>Utility Plant Assets - Net (\$)</b>	\$ 4,059,498,700	\$ 4,214,891,900	\$ 4,358,264,100	\$ 4,521,317,600	\$ 4,704,606,100
<b>Revenues (\$)</b>					
Electric	\$ 944,428,000	\$ 1,011,595,000	\$ 1,037,053,000	\$ 921,009,300	\$ 981,178,000
Natural Gas	\$ 269,871,000	\$ 245,652,000	\$ 268,599,000	\$ 270,916,000	\$ 276,732,000
Total	\$ 1,214,299,000	\$ 1,257,247,000	\$ 1,305,652,000	\$ 1,191,925,300	\$ 1,257,910,000
<b>Total Retail Electric Energy Volumes (MWh's)</b>					
Residential	2,910,000	2,920,000	3,086,000	3,116,000	3,170,000
Commercial	4,181,000	4,162,000	4,227,000	4,241,000	4,296,000
Industrial	2,447,000	2,392,000	2,519,000	2,759,000	3,114,000
Total	9,538,000	9,474,000	9,832,000	10,116,000	10,580,000
<b>Total Retail Natural Gas Energy Volumes (Dkt's)</b>					
Residential	16,822,000	16,890,000	18,909,000	19,948,000	21,410,000
Commercial	10,713,000	10,697,000	11,862,000	12,690,000	13,790,000
Industrial	275,000	284,000	293,000	327,000	319,000
Total	27,810,000	27,871,000	31,064,000	32,965,000	35,519,000
Peak Load - MT (megawatts)	1,834	2,381	1,888	1,932	1,987
Peak Load - MT - Month	Aug	Dec	July	Aug	Aug
Peak Load - SD (megawatts)	308	332	334	309	331
Peak Load - SD - Month	Sept	July	July	July	July

<b>Effective Management</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Earnings</b>					
Earnings per share (Diluted)	\$ 3.17	\$ 3.39	\$ 3.34	\$ 3.92	\$ 3.98
Earnings per Share Non-GAAP (Diluted)	\$ 3.15	\$ 3.30	\$ 3.30	\$ 3.39	\$ 3.42
Dividend per share	\$ 1.92	\$ 2.00	\$ 2.10	\$ 2.20	\$ 2.30
Year-End Stock Price	\$ 54.25	\$ 56.87	\$ 59.70	\$ 59.44	\$ 71.67
Dividend Yield (Year-End Stock Price)	3.5%	3.5%	3.5%	3.7%	3.2%
Dividends Payout Ratio (GAAP)	60.5%	59.1%	62.9%	56.1%	57.7%
Dividend Payout Ratio (Non-GAAP)	61.0%	60.6%	63.6%	64.9%	67.3%
Return on Average Equity	9.9%	10.1%	9.5%	10.5%	10.1%
Return on Average Assets	2.9%	3.0%	3.0%	3.6%	3.5%
Total Shareholder Return (Includes Dividends Reinvested)	-0.5%	8.5%	8.7%	3.5%	24.5%
Market Capitalization	\$ 2,613,340,000	\$ 2,748,622,000	\$ 2,947,536,000	\$ 2,991,240,000	\$ 3,615,911,000
Enterprise Value	\$ 4,586,384,000	\$ 4,810,715,000	\$ 5,025,057,000	\$ 5,058,748,000	\$ 5,817,071,000
<b>Financial Strength</b>					
Debt to Capital Ratio	55.4%	55.2%	53.7%	51.7%	52.0%
Free Funds from Operation (FFO) to debt	16.6%	15.2%	16.2%	15.9%	15.8%
Liquidity (Year-End)	\$ 132,100,000	\$ 104,279,000	\$ 88,873,000	\$ 117,860,000	\$ 113,145,000
Net Write Off as % of Revenues	0.24%	0.20%	0.25%	0.28%	0.19%
Capital Expenditures	\$ 441,634,522	\$ 291,947,858	\$ 280,559,000	\$ 311,120,000	\$ 325,108,000
Maintenance Capex	\$ 214,344,522	\$ 255,966,858	\$ 245,190,000	\$ 245,052,000	\$ 273,999,000

## Environment

<b>Energy Sources</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Owned Electric Generation Portfolio Delivered (Owned and Purchased Power)</b>					
Owned Maximum Capacity	1,294	1,294	1,294	1,311	1,278
Long-Term Contracted Maximum Capacity	443	547	729	604	684
Total Maximum Capacity - MW	1,737	1,841	2,023	1,915	1,962
<b>Owned Electric Generation Portfolio Delivered (As a % of Total Portfolio MWh - Owned and Purchased Power)</b>					
Wind and Solar	2.6%	6.5%	6.2%	5.6%	5.4%
Hydro	38.8%	33.6%	35.9%	35.2%	33.8%
Coal	30.6%	30.4%	29.6%	29.6%	28.0%
Natural Gas / Oil	5.1%	3.9%	3.6%	3.5%	3.4%
Total Power Generated by NWE	77.2%	74.4%	75.2%	73.9%	70.7%
Zero-GHG Emissions Energy	41.4%	40.1%	42.1%	40.8%	39.2%
<b>Purchased Power Portfolio (As a % of Total Portfolio MWh - Owned &amp; Purchased Power)</b>					
Wind and Solar	10.8%	11.9%	12.2%	12.9%	16.5%
Hydro	1.8%	1.7%	1.9%	1.6%	1.6%
Coal	9.4%	10.7%	9.1%	10.0%	9.4%
Natural Gas / Oil	0.7%	1.3%	1.5%	1.6%	1.9%
Total Purchased Power	22.8%	25.6%	24.8%	26.1%	29.3%
Zero-GHG Emissions Energy	12.6%	13.6%	14.1%	14.5%	18.1%
<b>Owned &amp; Purchased Power Portfolio (As a % of Total Portfolio MWh)</b>					
Wind and Solar	13.4%	18.4%	18.4%	18.5%	21.9%
Hydro	40.7%	35.3%	37.8%	36.7%	35.4%
Coal	40.0%	41.1%	38.7%	39.6%	37.4%
Natural Gas / Oil	5.9%	5.2%	5.1%	5.1%	5.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%



# NorthWestern Energy Sustainability Key Performance Statistics 2015-2019



	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Owned &amp; Purchased Power Portfolio (As a % of Total Portfolio MWh)</b>					
Zero-GHG Emissions Energy	54.1%	53.7%	56.2%	55.2%	57.3%
Total Generation Portfolio - Owned & L-T Contracts (MWh)	8,439,613	7,066,051	7,127,698	7,688,513	8,137,450
<b>Maximum Capacity - Owned Resource (As a % of Total Portfolio MegaWatts - Owned &amp; L-T Contracts)</b>					
Wind & Solar	6.9%	6.5%	5.9%	6.9%	6.7%
Hydro	25.4%	24.0%	21.8%	23.4%	23.0%
Coal	24.9%	23.5%	21.4%	22.6%	22.0%
Natural Gas/Oil	17.3%	16.3%	14.8%	15.7%	13.5%
Total	74.5%	70.3%	64.0%	68.5%	65.1%
Non-Carbon Total	32.4%	30.5%	27.8%	30.2%	29.7%
<b>Maximum Capacity - Long-Term Resource (As a % of Total Portfolio MegaWatts - Owned and L-T Contracts)</b>					
Wind & Solar	15.4%	20.2%	27.3%	22.3%	25.9%
Hydro	2.1%	2.0%	1.8%	1.9%	1.9%
Coal	5.0%	4.7%	4.3%	4.5%	4.4%
Natural Gas/Oil	3.0%	2.8%	2.6%	2.7%	2.7%
Total	25.5%	29.7%	36.0%	31.5%	34.9%
Non-Carbon Total	17.5%	22.2%	29.2%	24.3%	27.8%
<b>Maximum Capacity - Owned and Long-Term Resource (As a % of Total Portfolio MegaWatts)</b>					
Wind & Solar	22.3%	26.7%	33.3%	29.2%	32.6%
Hydro	27.6%	26.0%	23.7%	25.3%	24.9%
Coal	29.9%	28.2%	25.7%	27.1%	26.5%
Natural Gas/Oil	20.3%	19.1%	17.4%	18.4%	16.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Non-Carbon Total	49.9%	52.7%	56.9%	54.5%	57.4%
<b>GreenHouse Gases (GHG) - Total Owned &amp; Purchased Generation</b>					
CO2 Emissions (Metric Tons)	4,914,204	4,631,251	4,520,935	4,465,690	Not Available
CO2 Emissions Intensity (MT/Net MWh)	0.56	0.55	0.53	0.53	Not Available
Nox Emissions (Metric Tons)	4,827	4,245	3,719	3,886	Not Available
Nox Emissions Intensity (MT / Net MWh)	0.00054	0.00051	0.00044	0.00046	Not Available
SO2 Emissions (Metric Tons)	6,724	5,560	5,442	5,592	Not Available
SO2 Emissions Intensity (MT / Net MWh)	0.00075	0.00067	0.00064	0.00066	Not Available
Hg Emissions (kilograms)	32	17	19	16	Not Available
Hg Emissions (kg / Net MWh)	0.00000364	0.00000200	0.00000229	0.00000192	Not Available
<b>Owned Coal Facilities</b>					
Coal Combustion Residuals (CCR) generated - Metric Tons - Owned Facilities	154,716	156,968	157,593	163,049	163,989
Coal Combustion Residuals (CCR) recycled	16.1%	13.5%	21.2%	13.5%	11.0%



**Social**

**Customers**

**Combined Overall Customer Satisfaction Scores**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Company Scores - JD Power	655.3	687.2	696.6	710.7	718.9

**Customer Service**

Average Calls per Month	97,300	87,800	92,500	89,400	89,900
Average Talk Time	Under 4 min	3 min 42 sec	3 min 42 sec	3 min 40 sec	3 min 47 sec

**Electric Rates**

**Residential Rates (750 Kwh Monthly Bill) \***

NWE - MT	\$ 86.91	\$ 88.94	\$ 88.05	\$ 87.08	\$ 90.49
NWE - SD	\$ 93.95	\$ 94.50	\$ 98.00	\$ 98.68	\$ 95.70
Peer Group Average **	\$ 90.18	\$ 85.96	\$ 88.98	\$ 88.98	\$ 88.45
National Average	\$ 104.72	\$ 103.19	\$ 106.76	\$ 108.78	\$ 108.03

**Commercial Rates (10,000 Kwh Monthly Bill) \***

NWE - MT	\$ 1,160	\$ 1,194	\$ 1,183	\$ 1,165	\$ 1,209
NWE - SD	\$ 1,288	\$ 1,282	\$ 1,333	\$ 1,341	\$ 1,300
Peer Group Average **	\$ 1,100	\$ 1,096	\$ 1,105	\$ 1,129	\$ 1,103
National Average	\$ 1,295	\$ 1,264	\$ 1,303	\$ 1,322	\$ 1,311

**Industrial Rates (200,000 Kwh Monthly Bill) \***

NWE - MT	\$ 19,556	\$ 20,172	\$ 19,772	\$ 19,911	\$ 19,908
NWE - SD	\$ 22,444	\$ 23,197	\$ 24,504	\$ 24,670	\$ 23,650
Peer Group Average **	\$ 23,091	\$ 22,133	\$ 22,657	\$ 22,810	\$ 22,631
National Average	\$ 26,089	\$ 25,646	\$ 26,638	\$ 27,344	\$ 27,049

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

\*\* Peer Group consists of AVA, ALE, BKH, IDA, MGEE, OGE, OTTR, PNM & POR

**Natural Gas Rates**

**Residential Rates (cents per Dkt) \***

NWE - MT	\$ 0.079	\$ 0.070	\$ 0.077	\$ 0.073	\$ 0.070
NWE - SD	\$ 0.091	\$ 0.081	\$ 0.079	\$ 0.078	\$ 0.078
NWE - NE	\$ 0.090	\$ 0.078	\$ 0.085	\$ 0.083	\$ 0.071
Regional States Average **	\$ 0.095	\$ 0.087	\$ 0.089	\$ 0.086	\$ 0.078
National Average	\$ 0.104	\$ 0.101	\$ 0.109	\$ 0.105	\$ 0.106

**Commercial Rates (cents per Dkt) \***

NWE - MT	\$ 0.077	\$ 0.068	\$ 0.073	\$ 0.064	\$ 0.061
NWE - SD	\$ 0.063	\$ 0.053	\$ 0.055	\$ 0.055	\$ 0.054
NWE - NE	\$ 0.065	\$ 0.052	\$ 0.059	\$ 0.058	\$ 0.051
Regional States Average **	\$ 0.079	\$ 0.070	\$ 0.072	\$ 0.070	\$ 0.066
National Average	\$ 0.079	\$ 0.073	\$ 0.079	\$ 0.078	\$ 0.076

\* As reported on eia.gov website. Rates exclude transportation costs

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

<b>Customer Programs</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Energy Efficiency</b>					
Incremental Annual Electricity Savings (MWh)	45,243	40,827	50,969	61,928	83,926
Incremental Annual Natural Gas Savings (Dkt)	45,494	73,691	101,881	86,870	78,072
Incremental Annual Investment in DSM Programs (\$)	\$ 12,500,000	\$ 13,500,000	\$ 13,700,000	\$ 13,700,000	\$ 15,200,000
Net Meter Customers - Residential	1,220	1,459	1,729	1,961	2,344
Net Meter Customers - Commercial	335	372	414	453	493
<b>Net Meter Customers - Total</b>	<b>1,555</b>	<b>1,831</b>	<b>2,143</b>	<b>2,414</b>	<b>2,837</b>

**Customer Disconnections**

Res. & Comm. Disconnections for Non-Payment	5,300	4,949	4,887	5,504	4,668
Res. & Comm. Reconnections within 7 Days	4,213	3,526	3,349	3,994	3,592
% Reconnected within 7 Days	79.5%	71.2%	68.5%	72.6%	76.9%

**Electric Customers with Smart Meters**

	0.0%	0.0%	0.0%	1.5%	12.7%
--	------	------	------	------	-------

**Low Income Assistance**

	\$ 8,300,000	\$ 7,600,000	\$ 7,600,000	\$ 7,800,000	\$ 7,300,000
--	--------------	--------------	--------------	--------------	--------------

**Reliability**

System Average Interruption Duration Index (SAIDI) - Excluding Major Event Days (MED) (minutes)	123.15	107.09	133.49	101.98	115.05
SAIDI Excluding MED's - National Average *	133.36	130.30	137.74	143.26	Not Available
System Average Interruption Frequency Index (SAIFI) - Excluding MED's (per 100 customers)	1.214	1.080	1.289	1.084	1.425
SAIFI Excluding MED's - National Average *	1.26	1.26	1.23	1.28	Not Available
Customer Average Interruption Duration Index (CAIDI) - Excluding MED's (minutes)	101.42	99.18	103.54	94.12	80.71
CAIDI Excluding MED's - National Average *	156.34	141.30	108.28	100.23	Not Available

\* SAIDI, SAIFI and CAIDI national averages includes investor owned utilities only

**Community**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Safety Education and Awareness Investment</b>	\$ 1,376,900	\$ 1,491,000	\$ 1,607,700	\$ 1,557,200	\$ 1,578,400

**Charitable Donations, Economic Development & Sponsorships**

Charitable Donations	\$ 605,764	\$ 556,995	\$ 657,285	\$ 590,172	\$ 632,951
Economic Development	\$ 242,216	\$ 242,216	\$ 595,248	\$ 293,784	\$ 155,961
Sponsorships	\$ 166,317	\$ 165,522	\$ 329,895	\$ 470,826	\$ 809,192
<b>Total Giving</b>	<b>\$ 1,014,297</b>	<b>\$ 964,733</b>	<b>\$ 1,582,428</b>	<b>\$ 1,354,782</b>	<b>\$ 1,598,104</b>

**Scholarship Funding**

	\$ 103,250	\$ 104,250	\$ 98,000	\$ 103,250	\$ 97,250
--	------------	------------	-----------	------------	-----------

**Public Recreation Support**

	\$ 1,200,000	\$ 1,300,000	\$ 1,600,000	\$ 1,600,000	\$ 1,590,000
--	--------------	--------------	--------------	--------------	--------------

**Volunteering**

Non-profits receiving grants from Volunteer Program	248	839	150	184	112
Dollars Non-Profits received from Volunteering	\$ 90,500	\$ 78,520	\$ 91,100	\$ 119,800	\$ 153,500

**Total Community Giving**

	\$ 3,784,947	\$ 3,938,503	\$ 4,979,228	\$ 4,735,032	\$ 5,017,254
--	--------------	--------------	--------------	--------------	--------------

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

Property Taxes Paid	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Montana	\$ 121,931,797	\$ 136,222,625	\$ 150,069,488	\$ 157,767,344	\$ 158,943,237
South Dakota	\$ 4,171,449	\$ 3,938,742	\$ 4,219,867	\$ 4,351,367	\$ 4,664,797
Nebraska	\$ 476,507	\$ 581,080	\$ 595,185	\$ 611,475	\$ 618,446
<b>Total Property Taxes</b>	<b>\$ 126,579,753</b>	<b>\$ 140,742,447</b>	<b>\$ 154,884,540</b>	<b>\$ 162,730,186</b>	<b>\$ 164,226,480</b>

### Economic Impact Analysis - Circle Analytics

Gross Economic Output *	\$ 2,040,984,523	\$ 2,048,609,653	\$ 2,159,521,418	\$ 2,143,352,096	\$ 2,151,552,448
Total Labor Income **	\$ 418,244,200	\$ 421,738,178	\$ 444,683,493	\$ 441,334,583	\$ 443,099,531
Total Employment ***	11,810	11,994	12,590	12,505	12,549

\* 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

<b>Employees</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Safety Culture</b>					
Lost Time Incident Rate	0.67	0.38	0.51	0.71	0.58
OSHA Recordable Rate	1.78	1.38	1.92	1.73	1.87
Days-Away, Restricted, and Transfer (DART) Rate	0.92	0.44	1.02	1.03	0.84
Total number of vehicle incidents	28	29	31	25	27
Total vehicle incident rate	2.15	2.28	2.43	2.01	2.17
Work-related Fatalities	1	-	-	-	-

### Number of Employees

#### Regular Employees

Regular Full-Time Employees - Year End	1,529	1,486	1,490	1,462	1,464
Seasonal / Part-Time / Temp Employees - Year End	79	66	67	66	69
<b>Total Employees</b>	<b>1,608</b>	<b>1,552</b>	<b>1,557</b>	<b>1,528</b>	<b>1,533</b>

#### Union / Non-Union

Union Employees	666	646	653	631	650
Non-Union Employees	942	906	904	897	883
<b>Total Employees</b>	<b>1,608</b>	<b>1,552</b>	<b>1,557</b>	<b>1,528</b>	<b>1,533</b>

#### Number of Contingent Workers

Turnover for Regular Full-Time Employees	6.5%	8.0%	7.1%	8.6%	8.0%
Average tenure (years)	16	15	15	15	14
Employee Engagement Score	79		75		77

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

Females as % of total employees	27%	28%	28%	27%	28%
Females as % of total management	22%	23%	24%	23%	24%
Percentage of Minorities in Work Place	2.6%	2.6%	2.5%	2.8%	2.9%

NorthWestern Energy is a federal contractor and as such maintains Affirmative Action plans. Our employment data is tested annually by a third party as part of our Affirmative Action plan development. This testing determined that there is no adverse impact to female or minority candidates in our rates of hires/applicants, promotions or terminations, and no need to establish corrective placement goals in our plan. Our workforce reflects the relative diversity of our available talent in our service territories.





<b>Health / Benefits</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Paid in Employee Association Dues	\$ 125,000	\$ 125,000	\$ 92,000	\$ 113,018	\$ 100,232
Benefits to Pay Ratio	33.6%	34.5%	31.6%	34.1%	33.7%
Percentage of Skilled or Professional Employees	78.1%	77.8%	77.5%	78.1%	78.5%

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 with computer, cell phone and vehicles.

## Governance

<b>Leadership Diversity</b>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Board of Directors</b>					
Age Diversity - % 60 and Over	43%	44%	38%	38%	50%
Tenure Diversity - % over 10 Years	43%	33%	25%	38%	40%
Gender Diversity - % of Females	29%	33%	38%	38%	40%
Ethnic Diversity - % of Minorities	14%	11%	13%	13%	20%

### Executive Team

Age Diversity - % 60 and Over	33%	33%	38%	38%	38%
Tenure Diversity - % over 10 Years	33%	33%	33%	50%	50%
Gender Diversity - % of Females	38%	38%	38%	38%	38%
Ethnic Diversity - % of Minorities	0%	0%	0%	0%	0%

### CEO Pay Ratio

To NorthWestern Average Employee Pay	19 : 1	22 : 1	23 : 1	27 : 1	27 : 1
As % of Peer Group Median CEO Pay	75%	80%	78%	89%	98%

### Board of Director Attendance

Board Meeting held each year	9	8	6	8	10
Board meeting attendance %	98.6%	100.0%	100.0%	93.8%	98.8%

### 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 ownings 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.