



Q1/22 Earnings Summary

April 28, 2022

AltaGas



Forward-Looking Information

FORWARD-LOOKING INFORMATION

This presentation contains forward-looking information (forward-looking statements). Words such as "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 Corporation or any affiliate of the Corporation, are intended to identify forward-looking statements. In particular, this presentation contains forward-looking statements with respect to, among other things, business objectives, strategy, 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 capital expenditure plan of approximately \$995 million; planned segment allocation of 2022 capital expenditures; expected 2022 Normalized EPS guidance of \$1.80 - \$1.95 per share; expected 2022 Normalized EBITDA guidance of \$1.500 billion - \$1.550 billion; expectations for future cash generation and growth; anticipated impact of Washington Gas' application to increase rates in D.C.; belief in the role, benefits and reliability of responsibly sourced natural gas; and focus on AltaGas' long term strategy.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events and achievements to differ materially from those expressed or implied by such statements. Such statements reflect AltaGas' current expectations, estimates, and projections based on certain material factors and assumptions at the time the statement was made. Material assumptions include: number of ships and export levels from the Ferndale and RIPET facilities, assumptions regarding asset sales anticipated to close in 2022, effective tax rates, the U.S./Canadian dollar exchange rate, the expected impact of the COVID-19 pandemic, inflation, propane price differentials, degree day variance from normal, pension discount rate, the performance of the businesses underlying each sector, impacts of the hedging program, commodity prices, weather, frac spread, access to capital, timing and receipt of regulatory approvals, planned and unplanned plant outages, timing of in-service dates of new projects and acquisition and divestiture activities, 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 pandemics, epidemics or disease outbreaks, including COVID -19; health and safety risks; operating risk; natural gas supply risks; volume throughput; infrastructure; service interruptions; cyber security, information, and control systems; climate-related risks, including carbon pricing; regulatory risks; litigation risk; changes in law; political uncertainty and civil unrest; decommissioning, abandonment and reclamation costs; reputation risk; weather data; Indigenous and treaty rights; capital market and liquidity risks; general economic conditions; internal credit risk; foreign exchange risk; integration of Petrogas; debt financing, refinancing, and debt service risk; interest rates; counterparty and supplier risk; technical systems and processes incidents; dependence on certain partners; growth strategy risk; construction and development; transportation of petroleum products; underinsured and uninsured losses; impact of competition in AltaGas' businesses; counterparty credit risk; market risk; composition risk; collateral; rep agreements; market value of common shares and other securities; variability of dividends; potential sales of additional shares; labor relations; key personnel; risk management costs and limitations; commitments associated with regulatory approvals for the acquisition of WGL; cost of providing retirement plan benefits; failure of service providers; 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 presentation as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, projected or targeted and such forward-looking statements included in this presentation, 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 presentation. 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 presentation are expressly qualified by these cautionary statements.

Financial outlook information contained in this presentation 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 presentation 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 or through SEDAR at www.sedar.com.

NON-GAAP MEASURES

This presentation 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 March 31, 2022. 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 earnings per share is calculated with reference to 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. Funds from operations is calculated from the Consolidated Statements of Cash Flows and is defined as cash from operations before net changes in operating assets and liabilities and expenditures incurred to settle asset retirement obligations.

Invested capital is a measure of AltaGas' use of funds for capital expenditure activities. It includes expenditures relating to property, plant, and equipment and intangible assets, capital contributed to long term investments, and contributions from non-controlling interests. Net invested capital is invested capital presented net of any proceeds from disposals of assets and equity investments in the period. Net invested capital is calculated based on the investing activities section in the Consolidated Statements of Cash Flows, adjusted for items such as non-cash capital expenditures, cash acquired in business acquisitions, and contributions from non-controlling interests. Invested capital and net invested capital are used by Management, investors, and analysts to enhance the understanding of AltaGas' capital expenditures from period to period and provide additional detail on the Company's use of capital.

Key Highlights

AltaGas Delivered Strong Results and Continued to Execute on Strategic Plan

- Normalized EPS¹ of \$1.02 and GAAP EPS² of \$1.27 in the first quarter of 2022 compared to \$1.29 and \$1.21 in the first quarter of 2021, respectively. First quarter results were reflective of strong operating results across the platform offset by \$114 million of lost normalized EBITDA from the U.S. Transportation and Storage business, which had delivered outsized performance in the first quarter of 2021 and was subsequently sold in April 2021.
- Normalized FFO per share¹ of \$1.65 and GAAP FFO³ per share of \$2.44 in the first quarter of 2022 compared to \$2.08 and \$2.16 in the first quarter of 2021, respectively. Continued strong cash generation is providing the foundation to fund ongoing operations, organic growth and increase returns of capital to shareholders at a projected five to seven percent compounded annual growth rate through 2026.
- Normalized EBITDA¹ of \$574 million and income before income taxes of \$504 million in the first quarter of 2022 compared to \$674 million and \$473 million in the first quarter of 2021, respectively. Results reflect strong execution within Midstream and Utilities operations and leaves AltaGas well-positioned to deliver on its 2022 financial guidance.
- The Midstream segment reported normalized EBITDA of \$174 million and income before income taxes of \$159 million in the first quarter of 2022 compared to \$304 million and \$237 million in the first quarter of 2021, respectively. Operating performance was in line with AltaGas' expectations, reflected increasing Global Exports volumes as the quarter progressed, and the \$114 million of lost normalized EBITDA contribution from the U.S. Transportation and Storage business that was divested in April 2021.
- The Utilities segment reported normalized EBITDA of \$408 million and income before income taxes of \$426 million in the first quarter of 2022 compared to \$371 million and \$308 million in the first quarter of 2021, respectively. Results reflected the positive impact of continued investments across the Utilities networks, strong performance from the Retail business and asset optimization during the quarter.
- Subsequent to the quarter-end, Washington Gas filed an application to increase rates in the District of Columbia (D.C.) by US\$53 million. The requested rates include a revenue increase of US\$5 million for costs currently collected through the PROJECT*pipes* surcharge and an incremental revenue request of approximately US\$48 million driven primarily by infrastructure investments to continue to provide safe, reliable service to our customers.

Q1 2022 Financial Results Summary

\$574MM

Normalized
EBITDA¹

\$504MM

Income Before
Income Taxes

\$1.02

Normalized
EPS¹

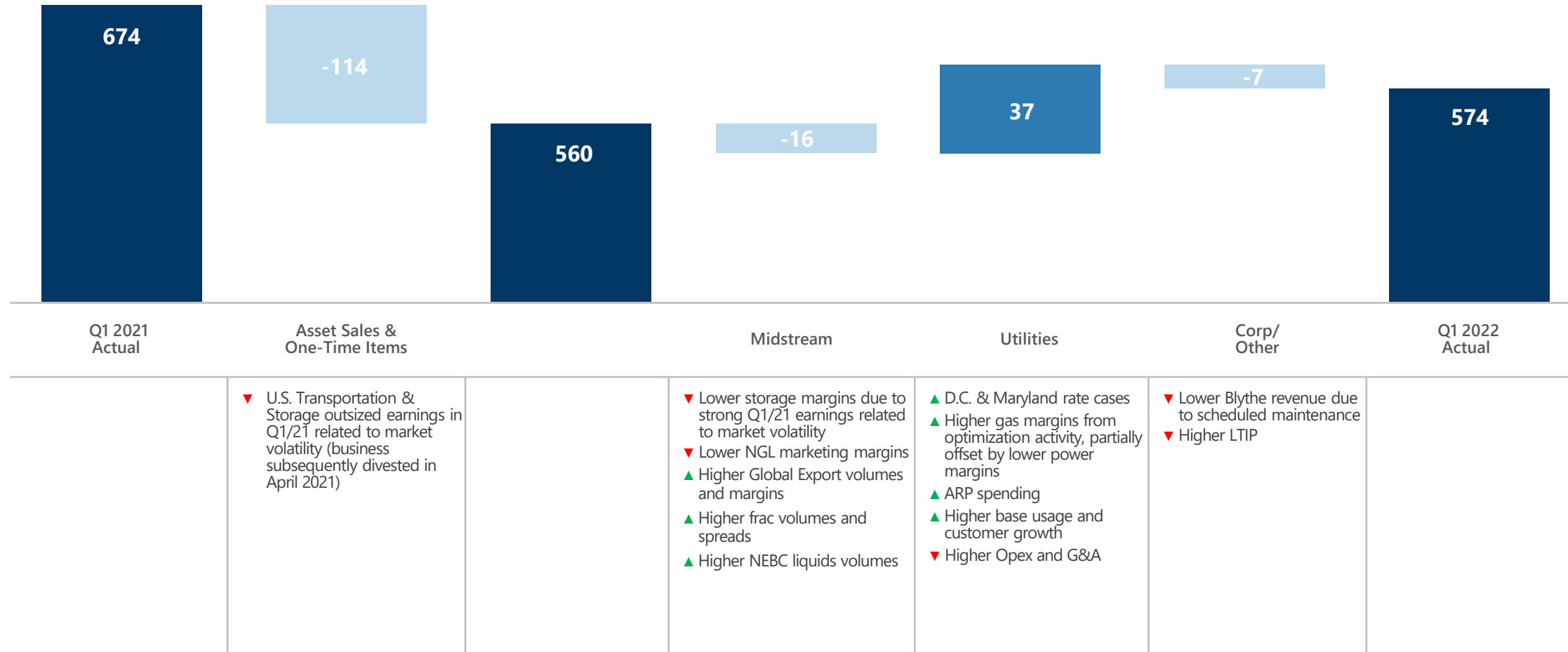
\$1.27

GAAP
EPS

1. Non-GAAP financial measure; see discussion of nearest GAAP measures included in the Q1 2022 earnings news release and MD&A available at www.altagas.ca

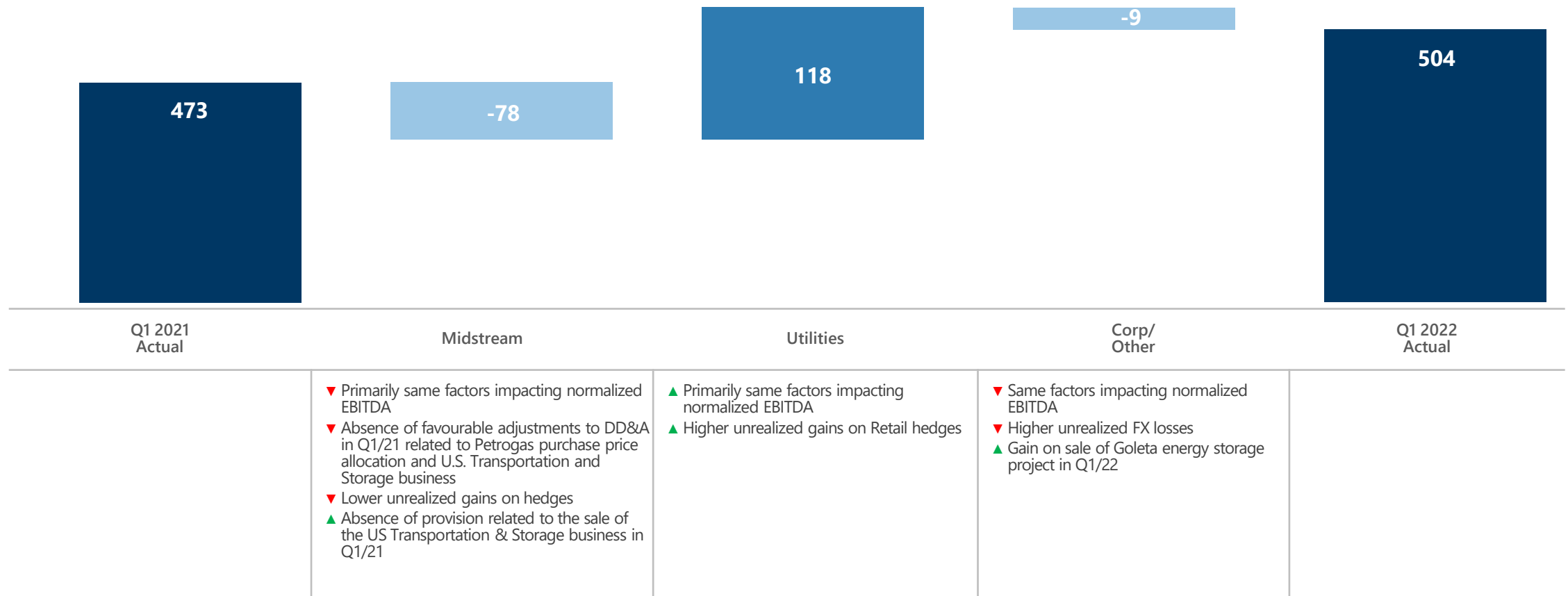
Consolidated: Q1/22 vs. Q1/21

Normalized EBITDA^{1,2} (\$ millions)



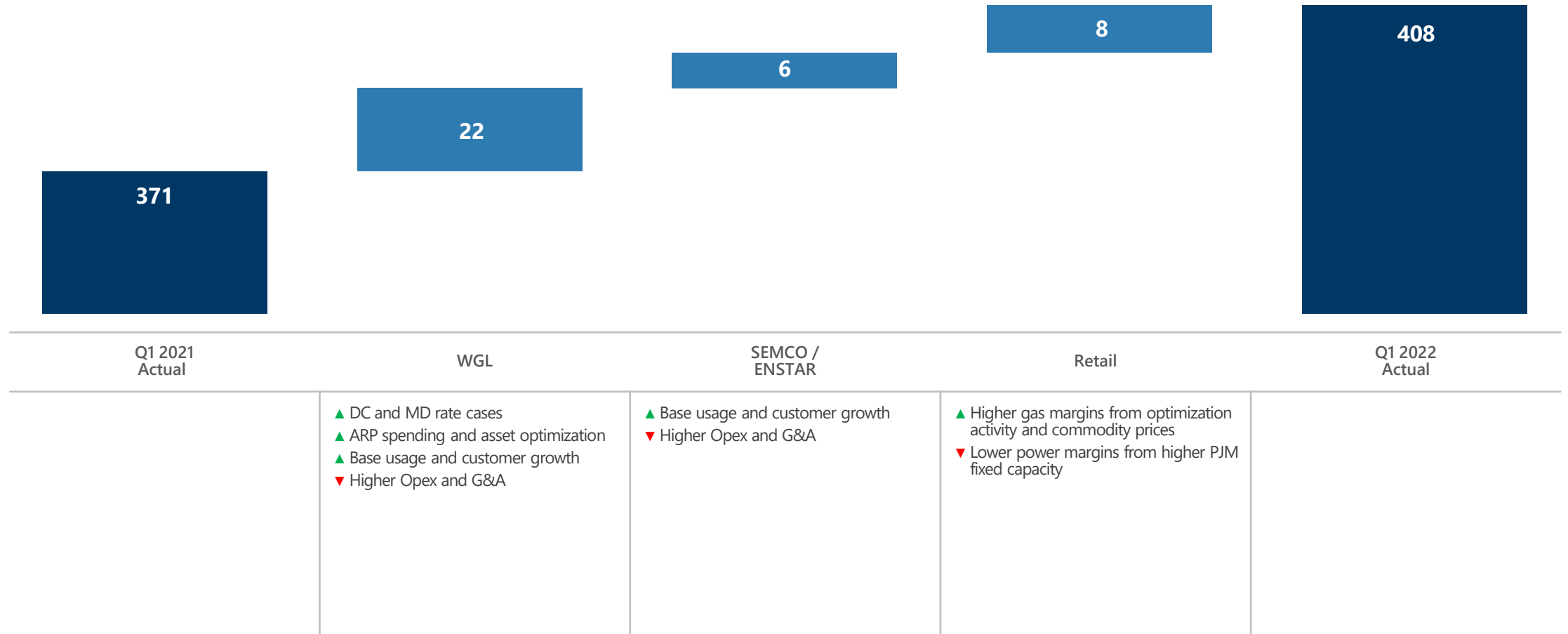
Consolidated: Q1/22 vs. Q1/21

Income Before Income Taxes¹ (\$ millions)



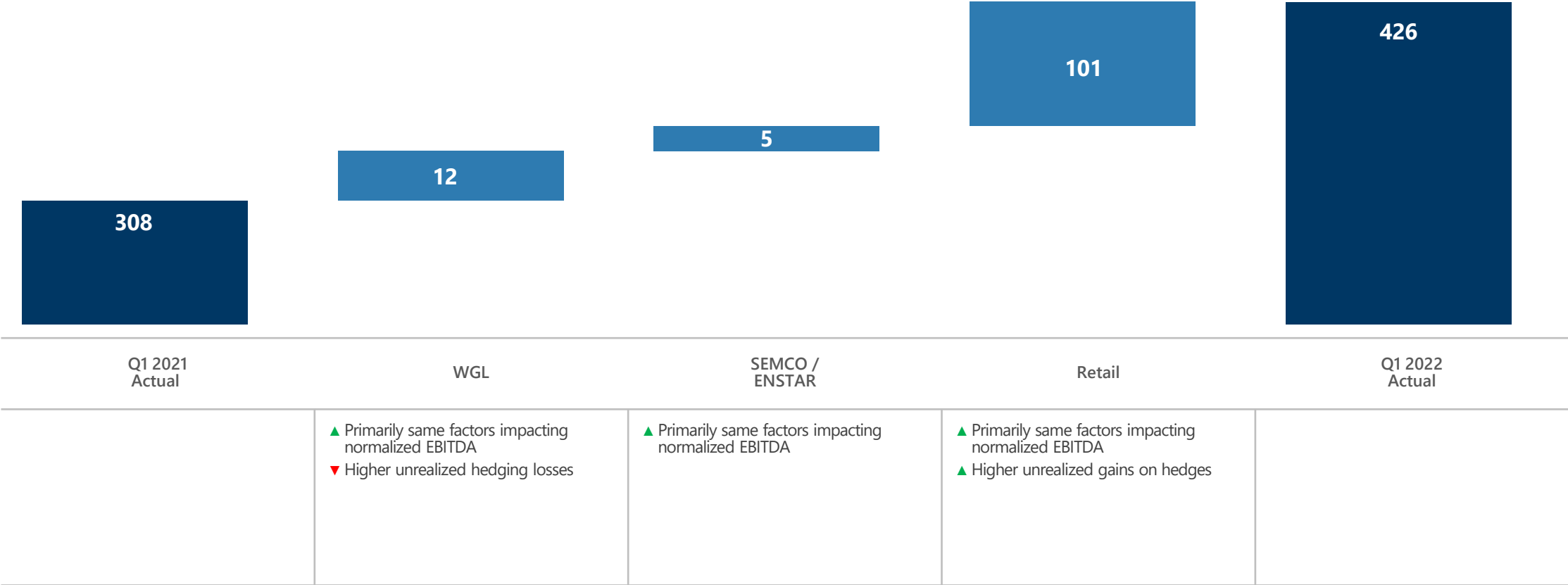
Utilities: Q1/22 vs. Q1/21

Normalized EBITDA^{1,2}
(\$ millions)



Utilities: Q1/22 vs. Q1/21

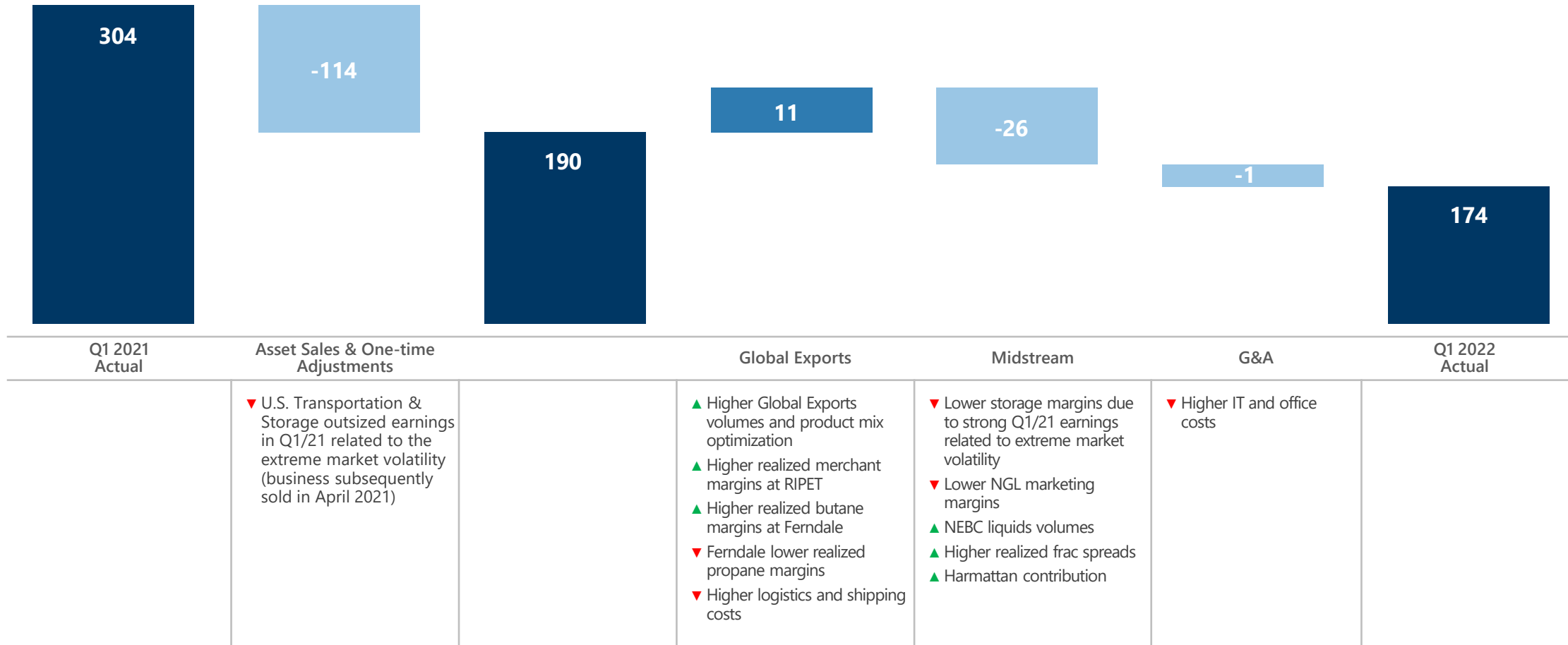
Income Before Income Taxes¹
(\$ millions)



1. Numbers may not add due to rounding.

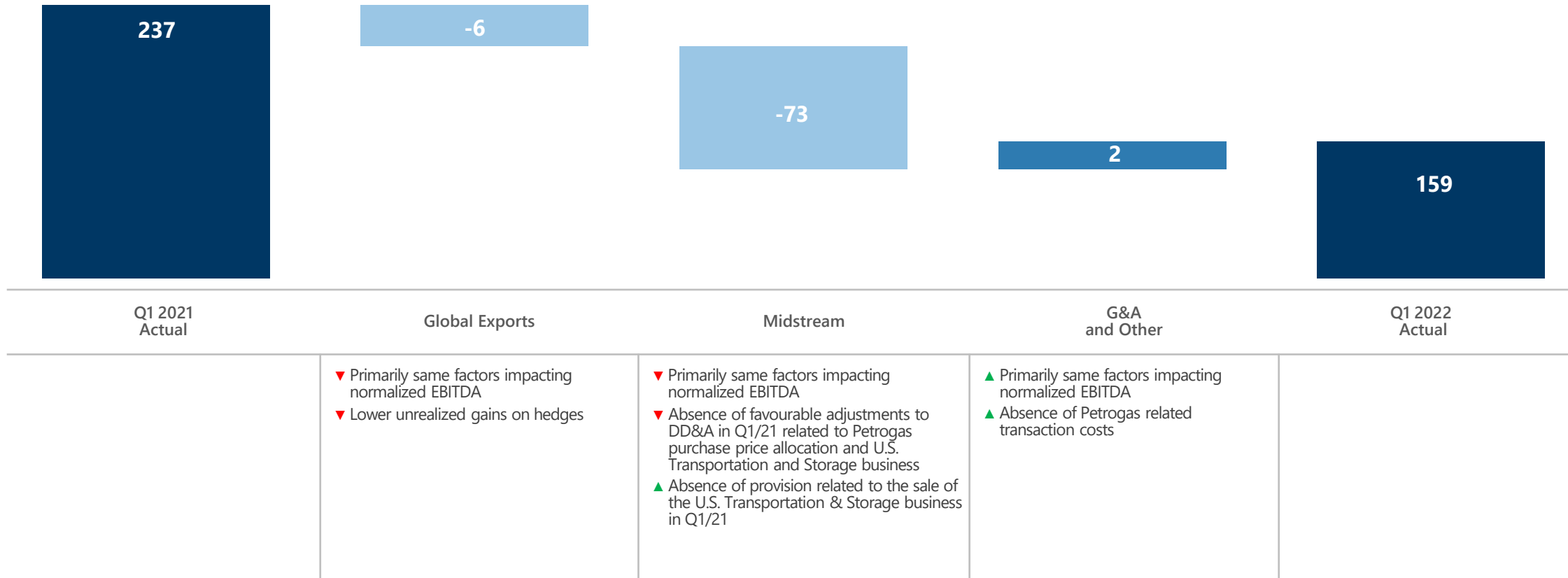
Midstream: Q1/22 vs. Q1/21

Normalized EBITDA^{1,2}
(\$ millions)



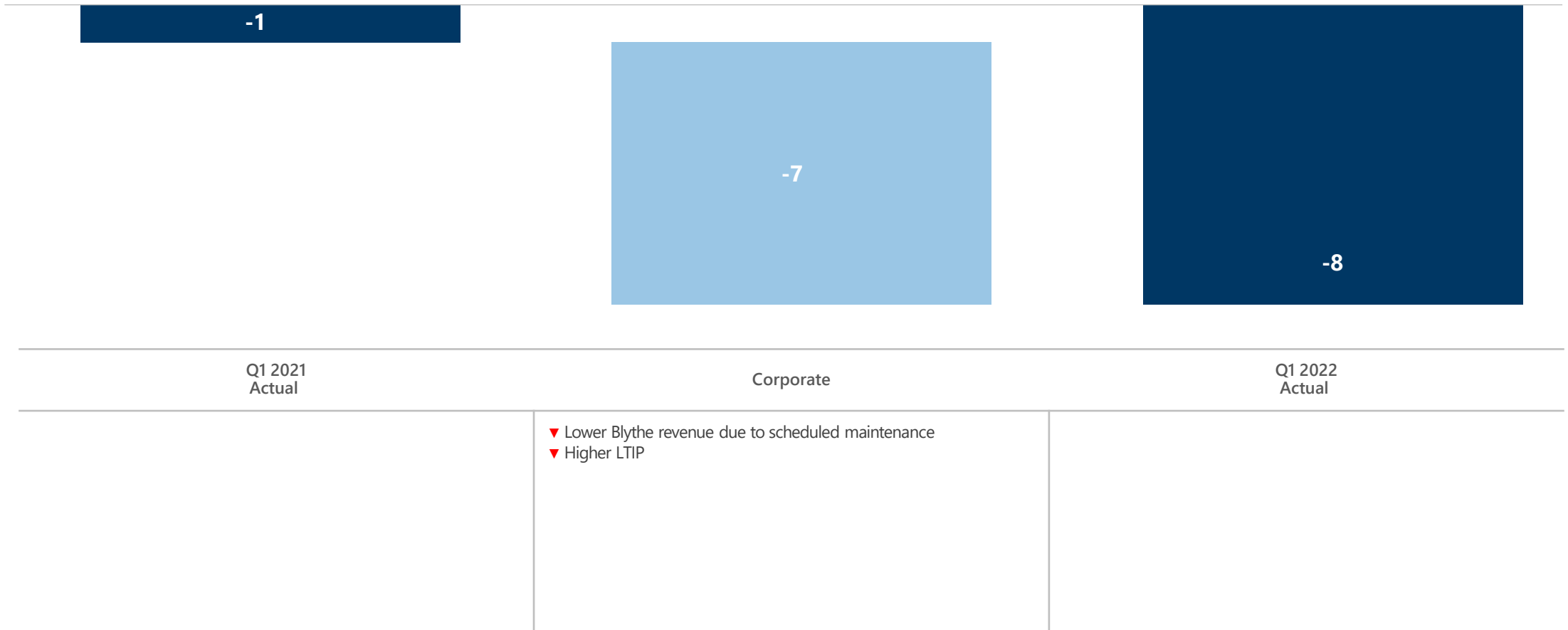
Midstream: Q1/22 vs. Q1/21

Income Before Income Taxes¹
(\$ millions)



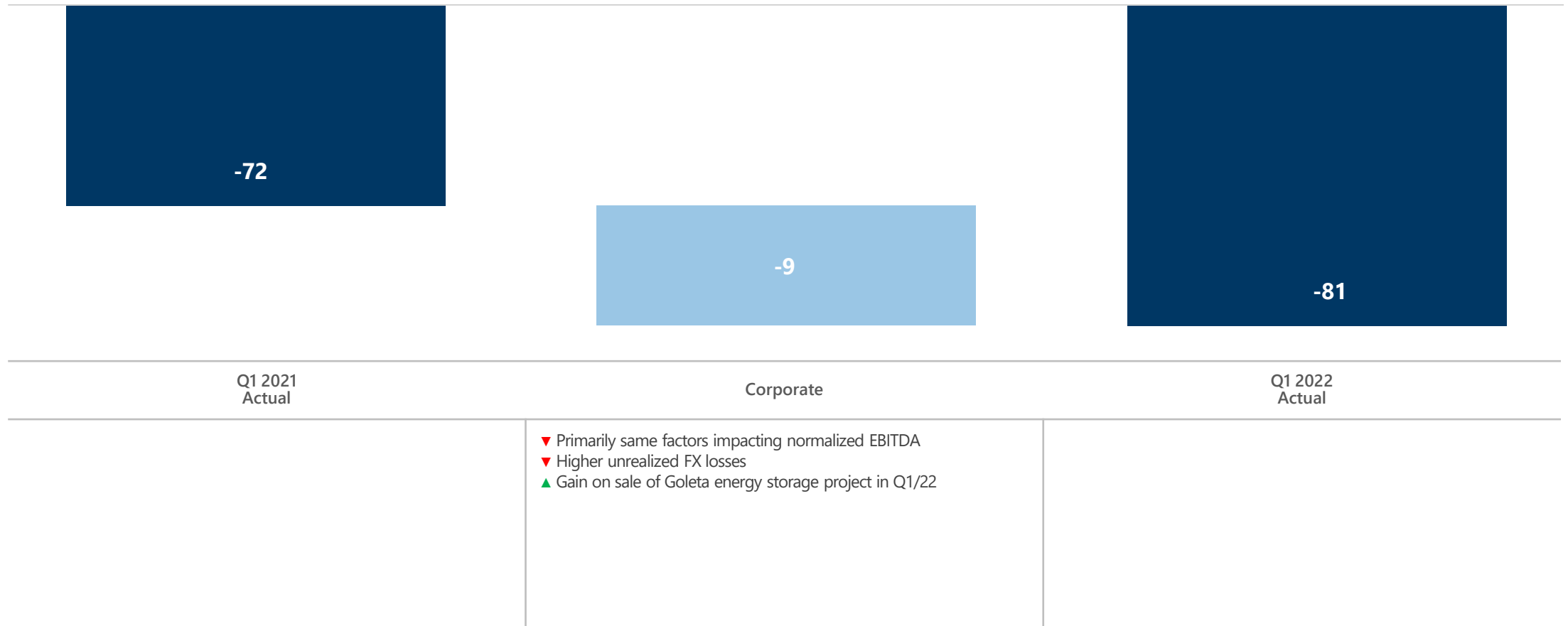
Corporate/Other: Q1/22 vs. Q1/21

Normalized EBITDA^{1,2}
(\$ millions)



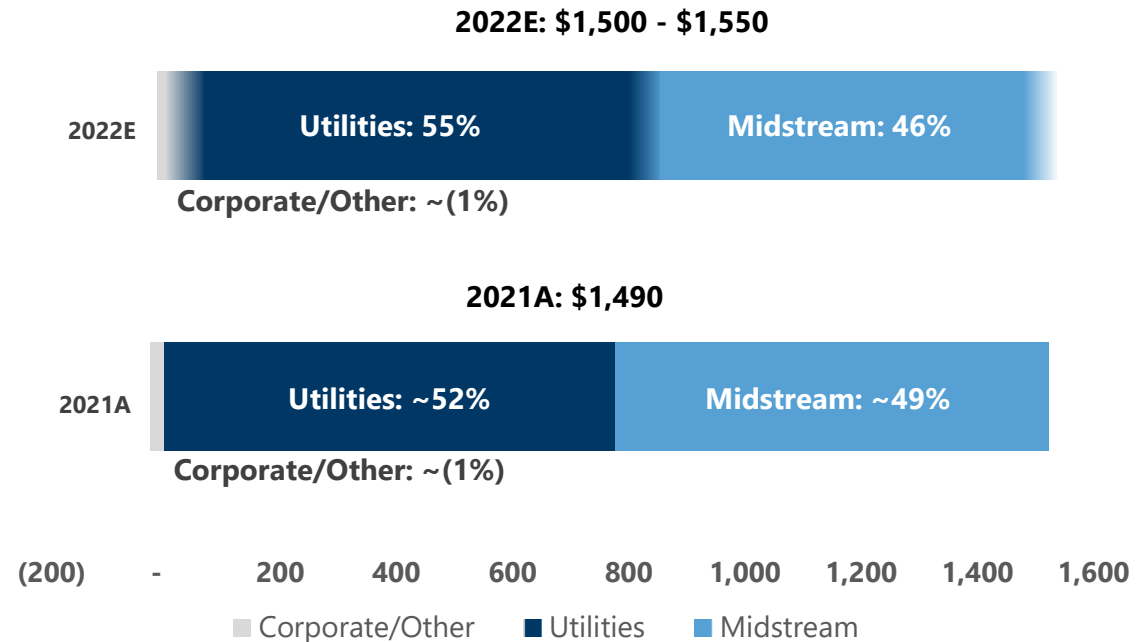
Corporate/Other: Q1/22 vs. Q1/21

Income (Loss) Before Income Taxes¹
(\$ millions)

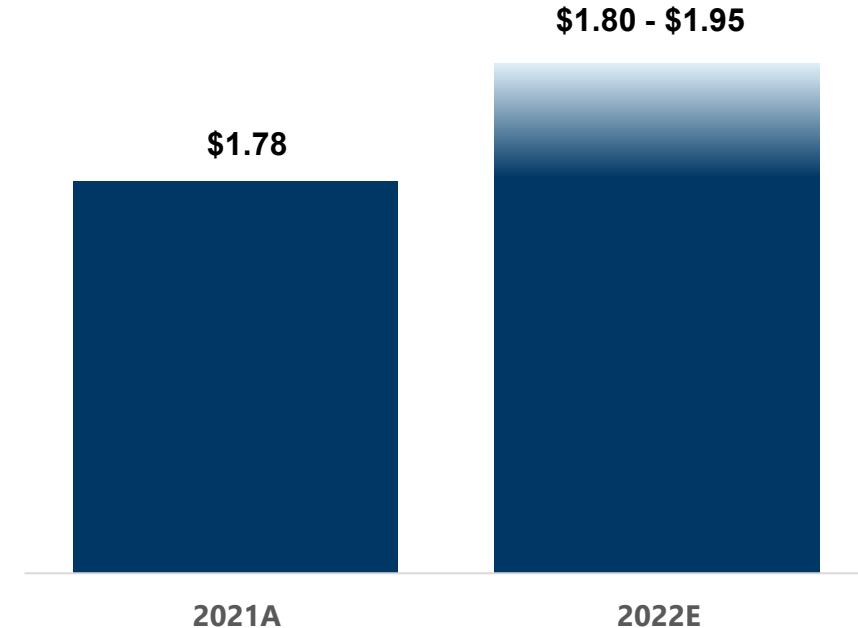


Strong Growth in Base Business Underpins 2022 Outlook

Normalized EBITDA^{1,2} Guidance
(\$ millions)



Normalized EPS^{1,3} 2022 Guidance
(per share)



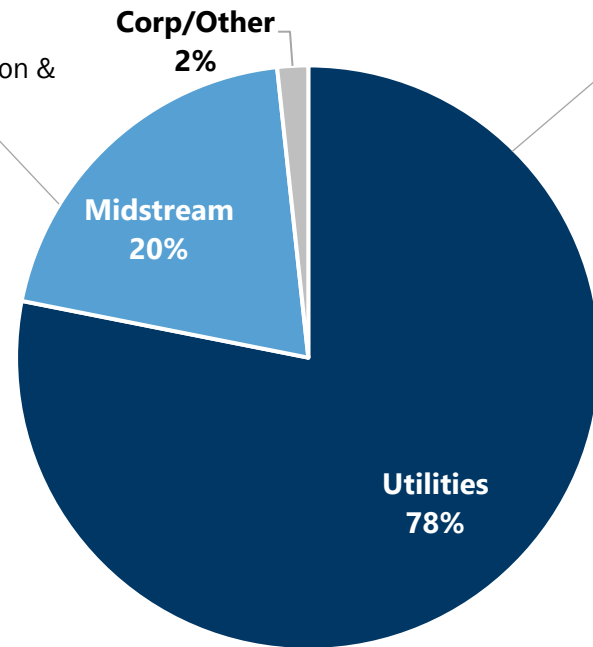
2022 Disciplined Capital Allocation

Strong Organic Growth Drives Robust Risk-adjusted Returns

~\$995 million of invested capital expenditures^{1,2} dedicated to high-quality projects anticipated to drive earnings growth

Includes:

- Facility Optimization & Maintenance
- ESG
- Growth



Identified Projects:

- Accelerated Pipe Replacement (ARP) Programs in Michigan, Virginia, Maryland and D.C.
- Customer growth
- System betterment across all Utilities
- Advances important transmission projects, including Landover and Strip 1 East within WGL.

Capital Allocation Criteria:

- ✓ **Risk-adjusted returns exceed hurdle rates**, which includes base hurdle rates, 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

One Strong Platform Focused on Connecting Customers and Markets

Investing for the Benefit of our Customers, Investors and the Environment

AltaGas

A leading energy infrastructure platform that invests in and operates long-life infrastructure assets that provide resilient and durable value for our stakeholders.

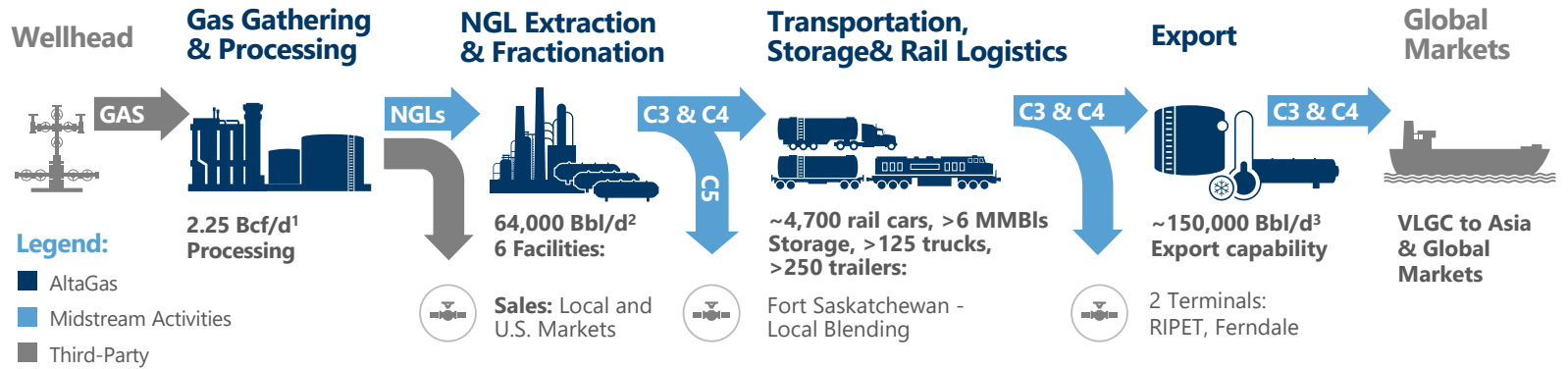
Everyday we are focused on connecting customers and markets in the most efficient manner possible.

AltaGas (ALA-TSX)	~3,000 Employees	~\$22B Total Assets
~\$8.7B Market Cap ⁴	~\$17.5B EV ⁴	55% Utilities / 46% Midstream ⁵



AltaGas
Midstream

Integrated Midstream Business – from wellhead to global markets

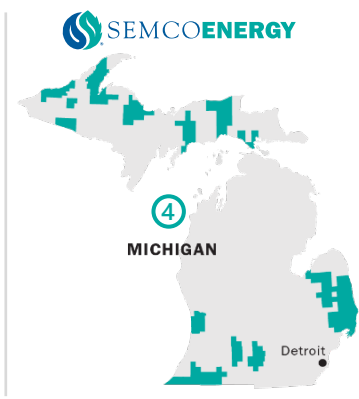
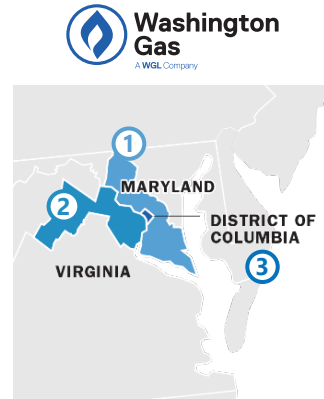



AltaGas
Utilities

Regulated Gas Distribution: US\$4.8B Rate Base

(High single-digit growth – 2022-2026)

- 1 ~506,000 customers
- 2 ~545,000 customers
- 3 ~166,000 customers
- 4 ~314,000 customers
- 5 ~150,000 customers



Retail Energy Marketing
Sell natural gas and power directly to residential, commercial, and industrial customers

Other Services
Efficiency, Technology, Transportation and Generation

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