





New Jersey Resources

AGA Financial Forum
Fort Lauderdale, FL

May 20 – 23, 2023



Forward-Looking Statements and Non-GAAP Measures

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. NJR cautions readers that the assumptions forming the basis for forward-looking statements include many factors that are beyond NJR's ability to control or estimate precisely, such as estimates of future market conditions and the behavior of other market participants. Words such as "anticipates," "estimates," "expects," "projects," "may," "will," "intends," "plans," "believes," "should" and similar expressions may identify forward-looking statements and such forward-looking statements are made based upon management's current expectations, assumptions and beliefs as of this date concerning future developments and their potential effect upon NJR. There can be no assurance that future developments will be in accordance with management's expectations, assumptions and beliefs or that the effect of future developments on NJR will be those anticipated by management. Forward-looking statements in this presentation include, but are not limited to, certain statements regarding NJR's NFEPS guidance for fiscal 2023, including NFEPS guidance by Segment, fiscal 2024 long term growth range, long term annual growth projections and targets, projections of dividend and financing activities, forecasted contribution of business segments to NJR's NFE for fiscal 2023 and 2023 Q2, our capital plan, projected cash flows, customer and service territory growth at NJNG, future NJR and NJNG capital expenditures, potential CEV capital projects, announced charitable endowment, project pipeline through Fiscal 2027, total expected shareholder return projections, CEV revenue and service projections, SREC Hedging strategies and Asset Management Agreements, the outcome and timing of future Base Rate Cases with the BPU, emissions reduction strategies and clean energy goals, environmental social and governance efforts, and other legal and regulatory expectations.

Additional information and factors that could cause actual results to differ materially from NJR's expectations are contained in NJR's filings with the SEC, including NJR's Annual Reports on Form 10-K and subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other SEC filings, which are available at the SEC's web site, http://www.sec.gov. Information included in this presentation is representative as of today only and while NJR periodically reassesses material trends and uncertainties affecting NJR's results of operations and financial condition in connection with its preparation of management's discussion and analysis of results of operations and financial condition contained in its Quarterly and Annual Reports filed with the SEC, NJR does not, by including this statement, assume any obligation to review or revise any particular forward-looking statement referenced herein in light of future events.

Non-GAAP Measures

Non-GAAP Measures
This presentation includes the non-GAAP financial measures NFE/net financial loss, NFE per basic share, financial margin, utility gross margin, adjusted funds from operations and adjusted debt. A reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP can be found below. As an indicator of NJR's operating performance, these measures should not be considered an alternative to, or more meaningful than, net income or operating revenues as determined in accordance with GAAP. This information has been provided pursuant to the requirements of SEC Regulation G.

NFE and financial margin exclude unrealized gains or losses on derivative instruments related to NJR's unregulated subsidiaries and certain realized gains and losses on derivative instruments related to natural gas that has been placed into storage at Energy Services and certain transactions related to NJR's investments in the PennEast Project, net of applicable tax adjustments as described below. Financial margin also differs from gross margin as defined on a GAAP basis as it excludes certain operations and maintenance expense and depreciation and amortization as well as the effects of derivatives as discussed above. Volatility associated with the change in value of these financial instruments and physical commodity reported on the income statement in the current period. In order to manage its business, NJR views its results without the impacts of the unrealized gains and losses, and certain realized gains and losses, caused by changes in value of these financial instruments and physical commodity contracts prior to the completion of the planned transaction because it shows changes in value currently instead of when the planned transaction ultimately is settled. An annual estimated effective tax rate is calculated for NFE purposes and any necessary quarterly tax adjustment is applied to NJR Energy Services Company.

NJNG's utility gross margin is defined as operating revenues less natural gas purchases, sales tax, and regulatory rider expense. This measure differs from gross margin as presented on a GAAP basis as it excludes certain operations and maintenance expense and depreciation and amortization. Utility gross margin may also not be comparable to the definition of gross margin used by others in the natural gas distribution business and other industries. Management believes that utility gross margin provides a meaningful basis for evaluating utility operations since natural gas costs, sales tax and regulatory rider expenses are included in operating revenues and passed through to customers and, therefore, have no effect on utility gross margin.

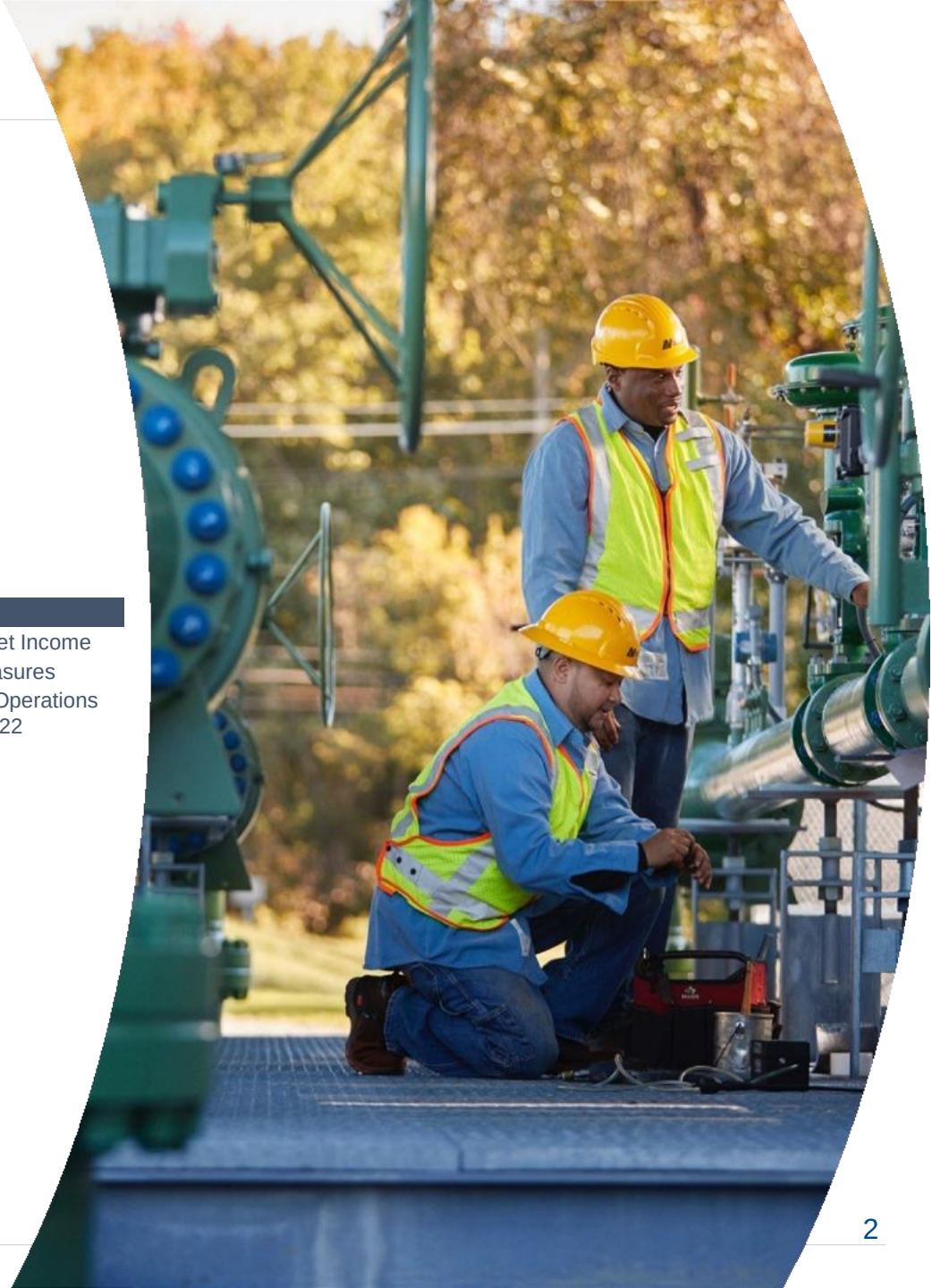
Adjusted funds from operations is cash flows from operating activities, plus components of working capital, cash paid for interest (net of amounts capitalized), capitalized interest, the incremental change in SAVEGREEN loans, grants, rebates, and related investments, and operating lease expense.

Adjusted debt is total long-term and short-term debt, net of cash and cash equivalents, excluding solar asset financing obligations but including solar contractually committed payments for sale lease-backs, debt issuance costs, and other Fitch credit metric adjustments.

Management uses NFE/net financial loss, utility gross margin, financial margin, adjusted funds from operations and adjusted debt, as supplemental measures to other GAAP results to provide a more complete understanding of the Company's performance. Management believes these non-GAAP measures are more reflective of the Company's business model, provide transparency to investors and enable period-to-period comparability of financial performance. In providing NFE guidance, management is aware that there could be differences between reported GAAP earnings and NFE/net financial loss due to matters such as, but not limited to, the positions of our energy-related derivatives. Management is not able to reasonably estimate the aggregate impact or significance of these items on reported earnings and therefore is not able to provide a reconciliation to the corresponding GAAP equivalent for its operating earnings guidance without unreasonable efforts. In addition, in making forecasts relating to adjusted funds from operations and adjusted debt, management is aware that there could be differences between reported GAAP earnings, cash flows from operations and total long-term and short-term debt due to matters such as, but not limited to, the unpredictability and variability of future earnings, working capital and cash positions. Management is not able to reasonably estimate the aggregate impact or significance of these items on reported GAAP measures and therefore is not able to provide a reconciliation to the corresponding GAAP equivalent for such forecasts without unreasonable efforts. NFE/net financial loss, utility gross margin and financial margin are discussed more fully in Item 7 of our Report on Form 10-K and, we have provided presentations of the most directly comparable GAAP financial measure and a reconciliation of our non-GAAP financial measures, NFE/net financial loss, utility gross margin, financial margin, adjusted funds from operations and adjusted debt, to the most directly comparable GAAP financial measures, in the appendix to this presentation. This information has been provided pursuant to the requirements of SEC Regulation G.

Contents

1	Forward-Looking Statements and Non-GAAP Measures
2	Contents
3	**FY 2023 Second Quarter and First Half Review**
4	Fiscal 2023 Second Quarter and Year-to-Date Summary
5	Fiscal 2023 NFEPS Guidance of $2.62 to $2.72[1]
6	Capital Plan
7	Capital Plan Table
8	Fiscal 2023 Q2 and YTD NFE by Business Unit
9	Review of Fiscal 2023 Q2 and YTD NFE Changes
10	Projected Cash Flows
11	Investment Grade Profile
12	Well Positioned in a Rising Interest Rate Environment
13	General Business Overview
14	NJR's Business Portfolio
15	New Jersey Natural Gas (NJNG): Attractive Service Territory
16	NJNG: Capital Expenditures and Customer Growth
17	NJNG: Supportive Regulatory Construct
18	NJNG: SAVEGREEN
19	NJNG: Most Environmentally Sound Natural Gas Delivery System in NJ
20	Clean Energy Ventures (CEV): Milestone Projects
21	CEV: Profitable Operations Since 2009 Driven by Stable Revenue Model
22	CEV: SREC Hedging Strategy Stabilizes Revenue
23	CEV: Growing Capacity with a Robust Pipeline
24	Storage and Transportation (S&T): Overview
25	Energy Services: Overview
26	Energy Services Long Option Strategy: Proven Track Record of Success
27	Energy Services: Asset Management Agreements (AMAs)
28	NJR: Aligned with New Jersey's Clean Energy Policy
29	NJR: Environmental, Social and Governance Efforts
30	NJR: Committed to Building Shareholder Value Through Dividends
31	NJR: Total Expected Shareholder Return
32	Appendix
33	Reconciliation of NFE and NFEPS to Net Income
34	Other Reconciliation of Non-GAAP Measures
35	Reconciliation of Adjusted Funds from Operations to Cash Flow from Operations for FY2022
36	Shareholder and Contact Information



1) NFEPS guidance was re-affirmed on May 4, 2023 and is not being updated at this time.

FY 2023 Second Quarter and First Half Review

3	FY 2023 Second Quarter and First Half Review
4	Fiscal 2023 Second Quarter and Year-to-Date Summary
5	Fiscal 2023 NFEPS Guidance of $2.62 to $2.72
6	Capital Plan
7	Capital Plan Table
8	Fiscal 2023 Q2 and YTD NFE by Business Unit
9	Review of Fiscal 2023 Q2 and YTD NFE Changes
10	Projected Cash Flows
11	Investment Grade Profile
12	Well Positioned in a Rising Interest Rate Environment

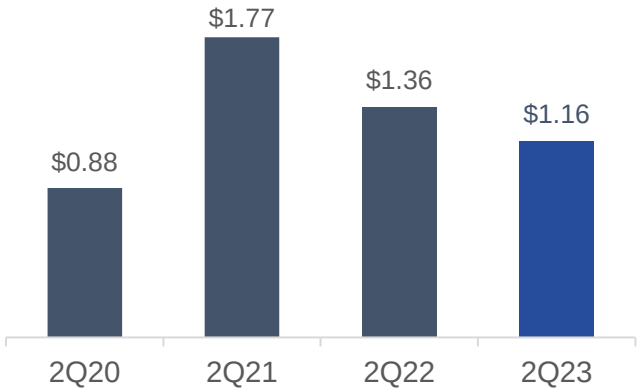


New Jersey Resources

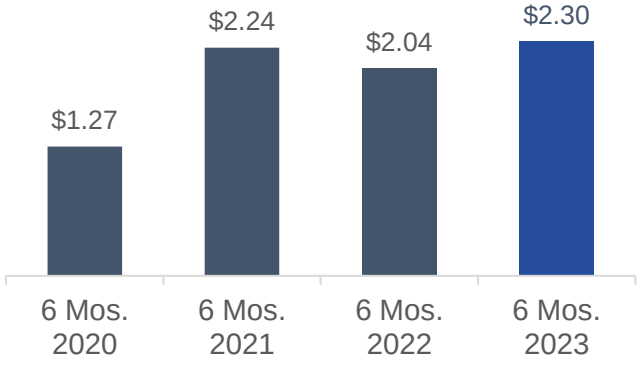
Fiscal 2023 Second Quarter and Year-to-Date Summary

Consistent Performance throughout Winter Period

Second Quarter NFEPS[1,2]



YTD NFEPS



Continued Execution Throughout Unique Period of Historically Warm Weather Conditions

NJNG

Higher utility gross margin

Announces bill credit and rate decrease for residential and small commercial customers following period of lower gas prices

CEV

Placed ~53MW into service since FYE 2022

Project pipeline of **~740MW** (under construction, contract, or exclusivity) through Fiscal 2027

S&T

Stable NFEPS contribution from Leaf River Energy Center and Adelphia Gateway

Continuing to explore organic expansion opportunities

Energy Services

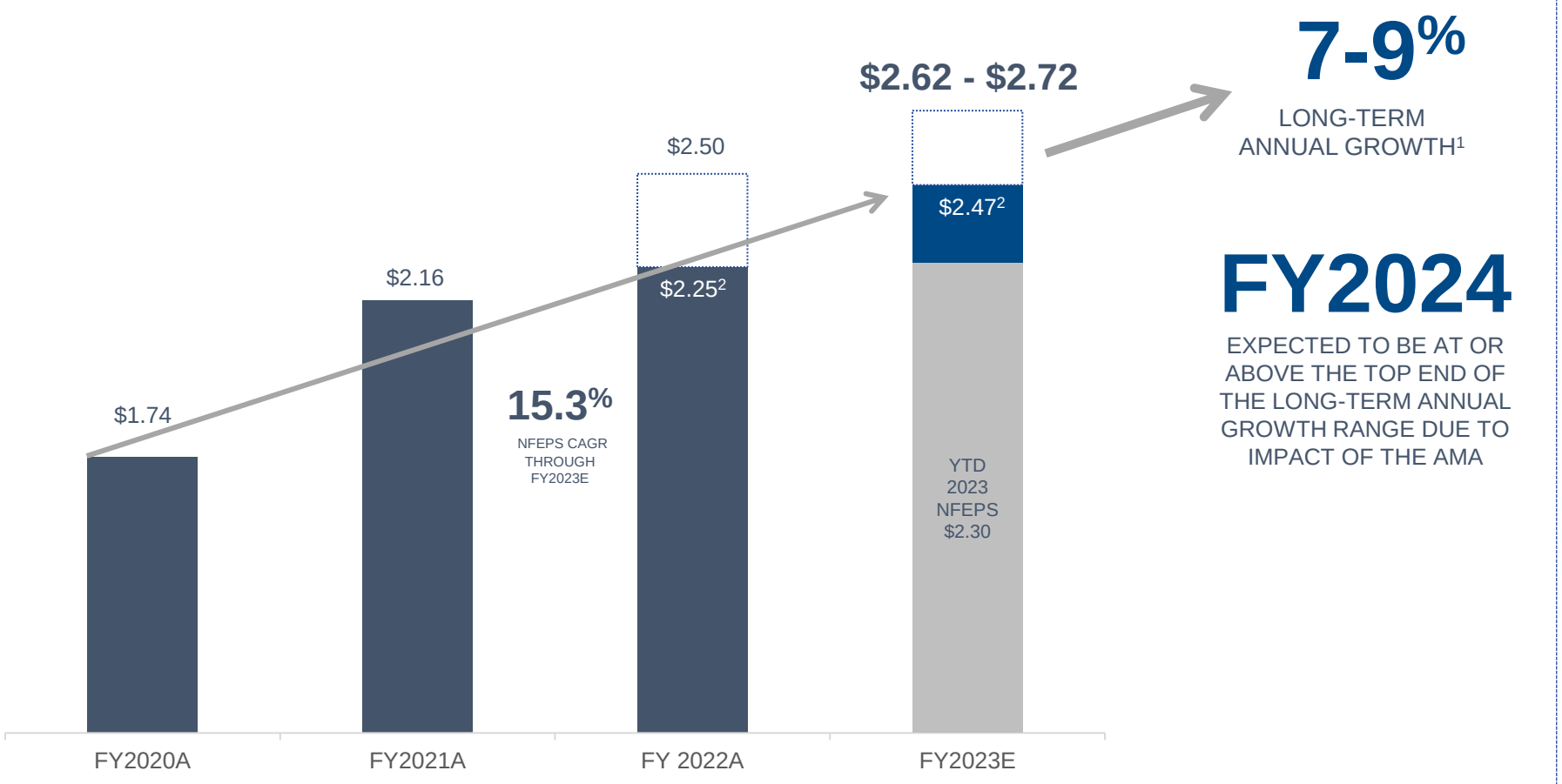
Derived significant value for pipeline capacity during brief periods of strong demand

1) A reconciliation from NFE to net income can be found in the Appendix.
2) Q2 FY 2021 included unusually high net financial earnings at Energy Services due to increased natural gas price volatility related to the extreme weather during February 2021.

Fiscal 2023 NFEPS Guidance of $2.62 to $2.72[1]

Guidance Raised by $0.20 in Q1 FY2023; Represents 8.1% Increase from Midpoint of FY 2023 Initial Guidance Range

Net Financial Earnings per Share



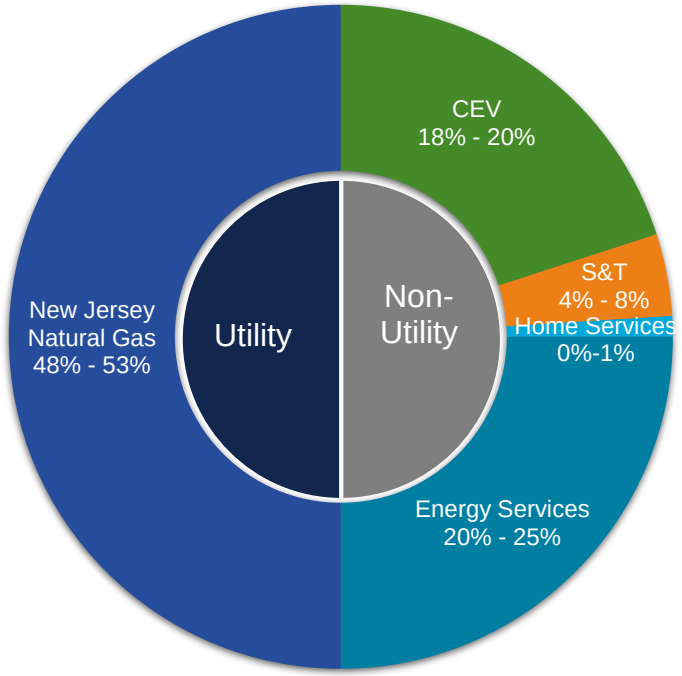
7-9%

LONG-TERM ANNUAL GROWTH[1]

FY2024

EXPECTED TO BE AT OR ABOVE THE TOP END OF THE LONG-TERM ANNUAL GROWTH RANGE DUE TO IMPACT OF THE AMA

Fiscal 2023 NFEPS Guidance by Segment



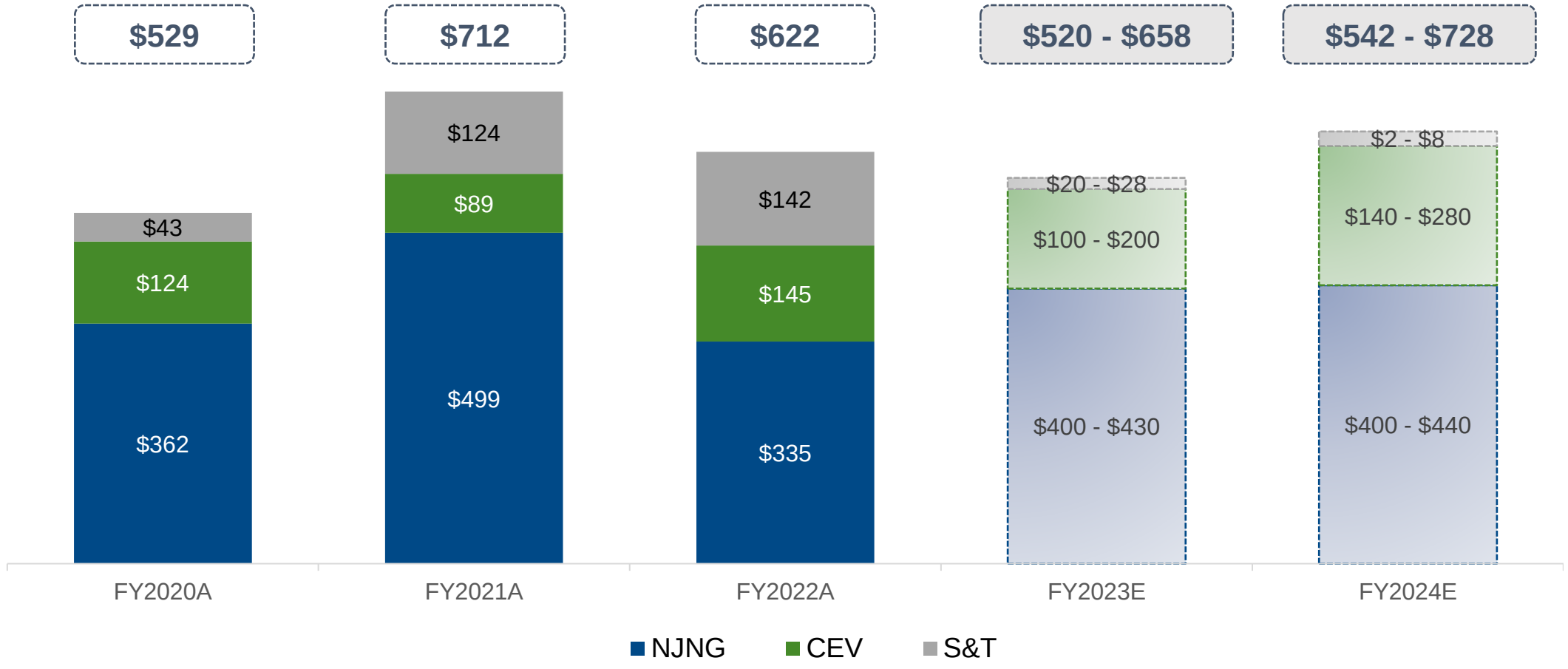
1) NFEPS guidance was re-affirmed on May 4, 2023 and is not being updated at this time.
2) NFEPS long-term annual growth projections are based on the midpoint of the $2.20 - $2.30 initial guidance range for fiscal 2022, provided on February 1, 2021

New Jersey Resources

Capital Plan[1]

($ in Millions)

Capital plan supports long-term NFEPS growth targets of 7 – 9%



1) Total change in PP&E (cash spent, capex accrued and AFUDC). For GAAP purposes, SAVEGREEN investments are included as part of cash flows from operations

Capital Plan Table[1,2]

($ in Millions)

		1Q FY2023A	2Q FY2023A	YTD FY2023A	FY2022A	FY2023E	FY2024E	Near Real Time Return?
New Jersey Natural Gas	New Customer	$13	$18	$31	$54	$54 - $58	$56 - $60	Yes
	Maintenance & Integrity	$27	$28	$55	$104	$109 - $113	$161 - $176	
	Cost of Removal / Other	$9	$10	$19	$42	$36 - $40	$36 - $40	
	Facilities	$9	$12	$21	$7	$31 - $34	$2 - $4	
	IT	$14	$14	$28	$42	$65 - $69	$46 - $50	
	IIP	$9	$9	$18	$32	$32 - $36	$26 - $30	Yes
	RNG & P2G	-	-	-	$1	$25 - $28	$25 - $28	
	SAVEGREEN	$11	$13	$24	$53	$48 - $52	$48 - $52	Yes
		$91	**$104**	**$195**	**$335**	**$400 - $430**	**$400 - $440**	
Clean Energy Ventures	Sunlight Advantage	$2	$3	$5	$13	$9 - $13	$10 - $14	
	Commercial Solar	$42	$16	$58	$132	$91 - $187	$130 - $266	
		$44	**$19**	**$63**	**$145**	**$100 - $200**	**$140 - $280**	
Storage and Transportation	Adelphia Gateway	$12	$3	$15	$124	$12 - $16	$2 - $6	
	Leaf River	$1	$3	$4	$18	$8 - $12	$0 - $2	
		$13	**$6**	**$19**	**$142**	**$20 - $28**	**$2 - $8**	
Total		**$148**	**$129**	**$277**	**$622**	**$520 - $658**	**$542 - $728**	

1) Total change in PP&E (cash spent, capex accrued and AFUDC). For GAAP purposes, SAVEGREEN investments are included as part of cash flows from operations
2) The sum of actual amounts may not equal due to rounding

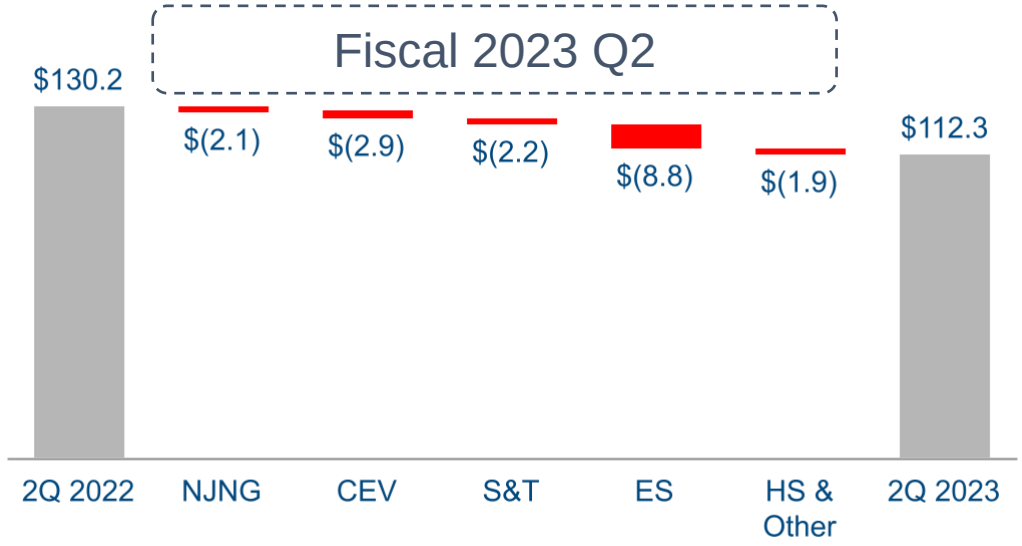
Fiscal 2023 Q2 and YTD NFE by Business Unit

($ in ooos)

(Thousands)	Three Months Ended March 31,			Six Months Ended March 31,		
	2023	2022	Change	2023	2022	Change
New Jersey Natural Gas	$100,697	$102,783	$(2,086)	$155,361	$153,863	$1,498
Clean Energy Ventures	$(9,379)	$(6,491)	$(2,888)	$(12,961)	$(13,312)	$351
Storage and Transportation	$2,450	$4,625	$(2,175)	$8,693	$7,587	$1,106
Energy Services	$21,125	$29,940	$(8,815)	$73,658	$47,507	$26,151
Home Services and Other	$(2,583)	$(651)	$(1,932)	$(2,157)	$331	$(2,488)
Total	**$112,310**	**$130,206**	**$(17,896)**	**$222,594**	**$195,976**	**$26,618**
NFEPS	**$1.16**	**$1.36**	**$(0.20)**	**$2.30**	**$2.04**	**$0.26**

Review of Fiscal 2023 Q2 and YTD NFE Changes

($ in Millions)





Fiscal 2Q22 – Consolidated NFE ($ in millions)	$	130.2
NJNG	**$**	**(2.1)**
Utility Gross Margin[1]	$	1.3
O&M	$	(5.5)
Depreciation & Amortization (D&A)	$	(2.0)
Interest expense, AFUDC, Income Tax	$	4.1
Clean Energy Ventures	**$**	**(2.9)**
Revenue	$	2.6
D&A and Interest Expense	$	(3.1)
Other	$	(2.4)
Storage & Transportation	**$**	**(2.2)**
Revenue	$	7.5
D&A and Interest Expense	$	(7.7)
AFUDC & Other	$	(2.0)
Energy Services	**$**	**(8.8)**
Financial Margin[1]	$	(4.9)
Interest Expense, Income Tax and Other	$	(3.9)
Home Services and Other	**$**	**(1.9)**
Fiscal 2Q23 – Consolidated NFE ($ in millions)[2]	$	112.3

Fiscal 2022 YTD – Consolidated NFE ($ in millions)	$	196.0
NJNG	**$**	**1.5**
Utility Gross Margin[1]	$	22.5
O&M	$	(18.7)
Depreciation & Amortization (D&A)	$	(4.0)
Interest expense, AFUDC, Income Tax	$	1.7
Clean Energy Ventures	**$**	**0.4**
Revenue	$	5.2
D&A and Interest Expense	$	(3.9)
Other	$	(0.9)
Storage & Transportation	**$**	**1.1**
Revenue	$	22.2
D&A and Interest Expense	$	(16.1)
AFUDC & Other	$	(5.0)
Energy Services	**$**	**26.2**
Financial Margin[1]	$	39.2
Interest Expense, Income Tax and Other	$	(13.0)
Home Services and Other	**$**	**(2.5)**
Fiscal 2023 YTD – Consolidated NFE ($ in millions)[2]	$	222.6

New Jersey Resources

1) A reconciliation of these non-GAAP measures can be found in the Appendix
2) The sum of 2Q23 and YTD 2023 actual amounts may not equal to total due to rounding

Projected Cash Flows

($ in Millions)

		FY2022A	FY2023E	FY2024E
Cash Flow from Operations		**$324**	**$320 - $360**	**$450 - $490**
Uses of Funds	Capital Expenditures[1]	$590	$466 - $600	$489 - $671
	Dividends[2]	$128	$132 - $137	$143 - $148
	Total Uses of Funds	**$718**	**$598 - $737**	**$632 - $819**
Financing Activities	Common Stock Proceeds – DRIP	$15	$34 - $36	$17 - $19
	Debt Proceeds/Other	$379	$244 - $341	$165 - $310
	Total Financing Activities	**$394**	**$278 - $377**	**$182 - $329**

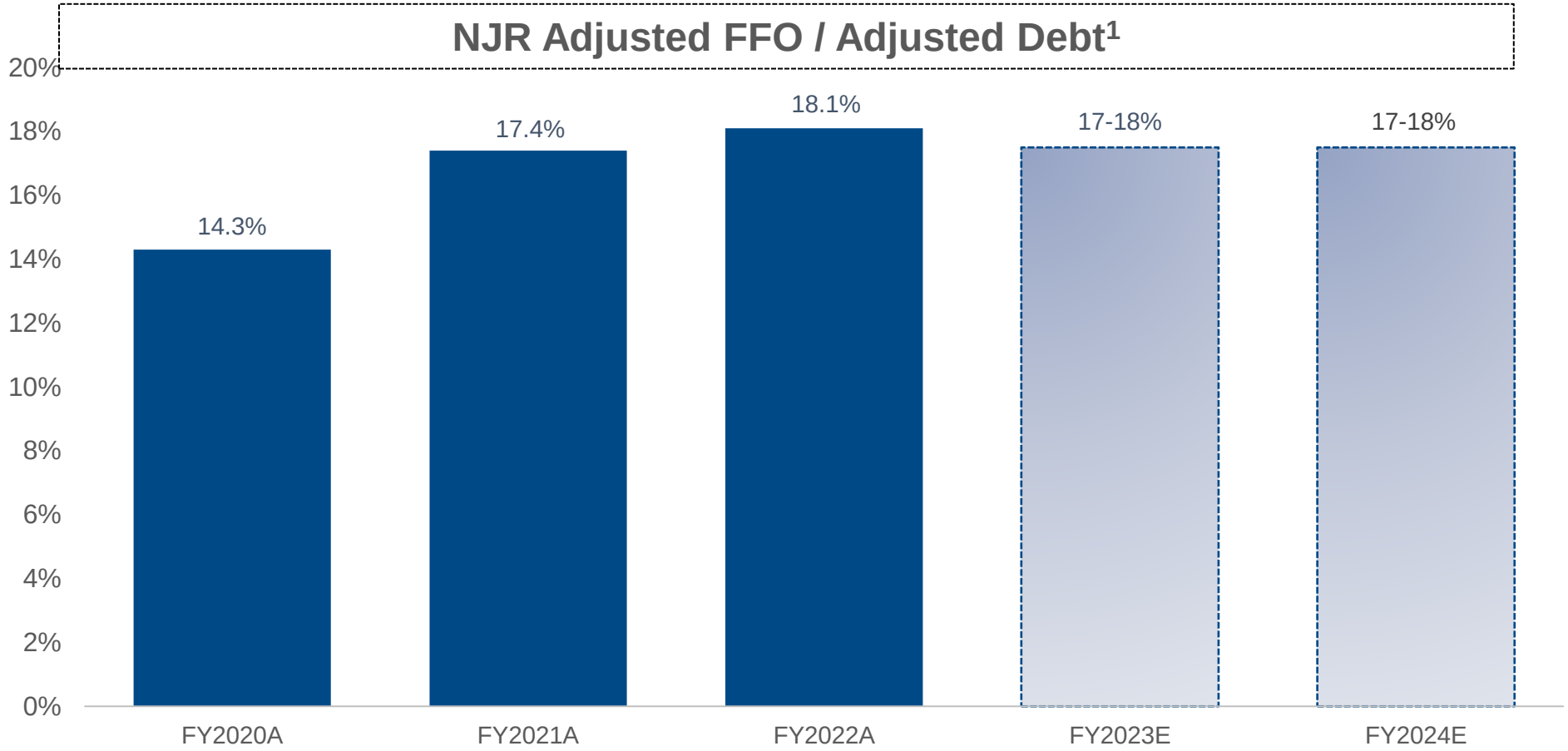
1) Excludes accrual for AFUDC and SAVEGREEN investments (for GAAP purposes, SAVEGREEN investments are included in Cash Flow from Operations)
2) Dividend growth for fiscal 2023 and fiscal 2024 are based upon the midpoint of forecasted 7-9% growth rate

Investment Grade Profile

Strong Credit Ratings Supported by Stable Cash Flows

Current Credit Ratings

	NJNG (Secured Rating)	NJR (Unsecured Rating)
NAIC	NAIC-1.E	NAIC-2.A
Moody's	A1 (Stable)	
Fitch	A+ (Stable)	



1) Internal estimates based on Fitch Ratings methodology. Ratio represents inverse of FFO-adjusted leverage ratio. A reconciliation from adjusted funds from operations to cash flows from operating activities and adjusted debt to long-term and short-term debt can be found in the Appendix. Adjusted funds from operations is cash flows from operating activities, plus components of working capital, cash paid for interest (net of amounts capitalized), capitalized interest, the incremental change in SAVEGREEN loans, grants, rebates, and related investments, and operating lease expense. Adjusted debt is total long-term and short-term debt, net of cash and cash equivalents, excluding solar asset financing obligations but including solar contractually committed payments for sale lease-backs, debt issuance costs, and other Fitch credit metric adjustments.

Well Positioned in a Rising Interest Rate Environment

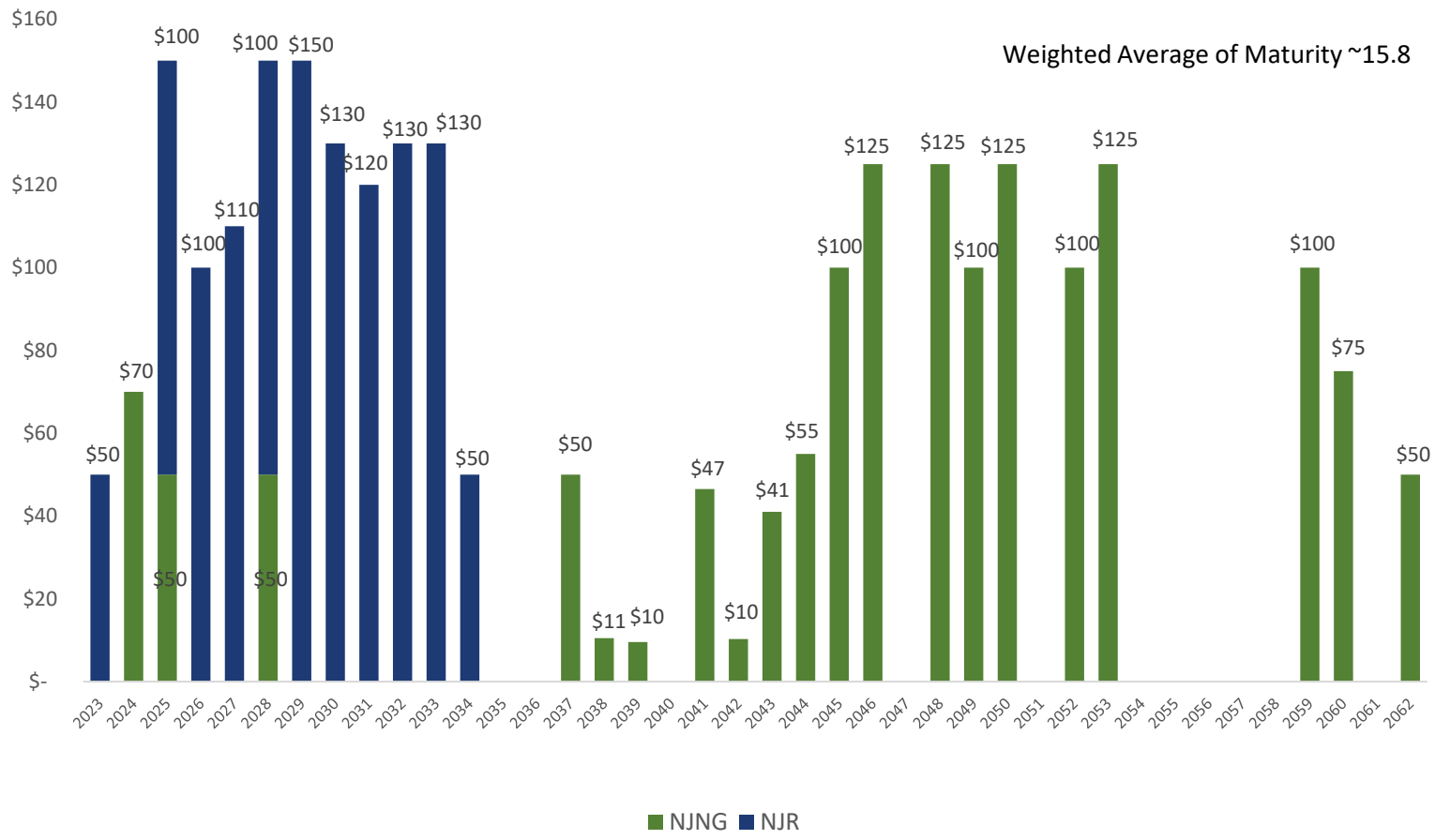
($ in Millions)

Impact of high interest rate environment included in FY2023 and long-term NFEPS guidance

- Interest rate impact mitigated by predominately fixed-rate debt
- Manageable debt repayment schedule with no significant maturity towers in any particular year
- Substantial liquidity at both NJNG and NJR - $900M of credit facilities available through FY2027

Term Debt[1] Maturity Schedule

as of March 31, 2023



1) Term debt only(excludes short-term debt of $187.7 million, capital leases of $35 million and solar financing obligations of $185 million). Group by fiscal years.

General Business Overview

13	General Business Overview
14	NJR's Business Portfolio
15	New Jersey Natural Gas (NJNG): Attractive Service Territory
16	NJNG: Capital Expenditures and Customer Growth
17	NJNG: Supportive Regulatory Construct
18	NJNG: SAVEGREEN
19	NJNG: Most Environmentally Sound Natural Gas Delivery System in New Jersey
20	Clean Energy Ventures (CEV): Milestone Projects
21	CEV: Profitable Operations Since 2009 Driven by Stable Revenue Model
22	CEV: SREC Hedging Strategy Stabilizes Revenue
23	CEV: Growing Capacity with a Robust Pipeline
24	Storage and Transportation (S&T): Overview
25	Energy Services: Overview
26	Energy Services Long Option Strategy: Proven Track Record of Success
27	Energy Services: Asset Management Agreements (AMAs)
28	NJR: Aligned with New Jersey's Clean Energy Policy
29	NJR: Environmental, Social and Governance Efforts
30	NJR: Committed to Building Shareholder Value Through Dividends
31	NJR: Total Expected Shareholder Return



New Jersey Resources

NJR's Business Portfolio

Natural Gas and Renewable Fuel Distribution; Solar Investments, Wholesale Energy Markets; Storage & Transportation Infrastructure; Retail Operations



New Jersey Natural Gas (NJNG)

Operates and maintains approximately 7,700 miles of Natural Gas transportation and distribution infrastructure serving over 574,000 customers in New Jersey



Clean Energy Ventures (CEV)

CEV develops, invests in, owns and operates energy projects that generate clean power, provide low carbon energy solutions and help our customers save energy and money in a sustainable way



Storage and Transportation (S&T)

Invests in, owns and operates midstream assets including natural gas pipeline and storage facilities. Our companies provide transportation and storage services to a broad range of customers in the natural gas market



Energy Services (ES)

Provides unregulated, wholesale natural gas to consumers across the Gulf Coast, Eastern Seaboard, Southwest, Mid-continent and Canada. In addition to energy supply, NJRES provides a full-range of customized energy management services



New Jersey Resources Home Services (NJRHS)

NJR Home Services offers customers home comfort solutions, including equipment sales and installations; solar lease and purchase plans; and a service contract product line, including heating, cooling, water heating, electric and standby generator contracts

- Recognized as a Top 20 Ruud® National Pro Partner™ for 6 Consecutive Years

New Jersey Resources

Demonstrated leadership as a premier energy infrastructure and environmentally-forward thinking company

New Jersey Natural Gas (NJNG): Attractive Service Territory

Affluent Customer Base Strategically Located between New York and Philadelphia

Strategic Value

- Attractive service territory
- Constructive regulation
- Regulatory incentives
- Infrastructure investments

Disciplined Execution

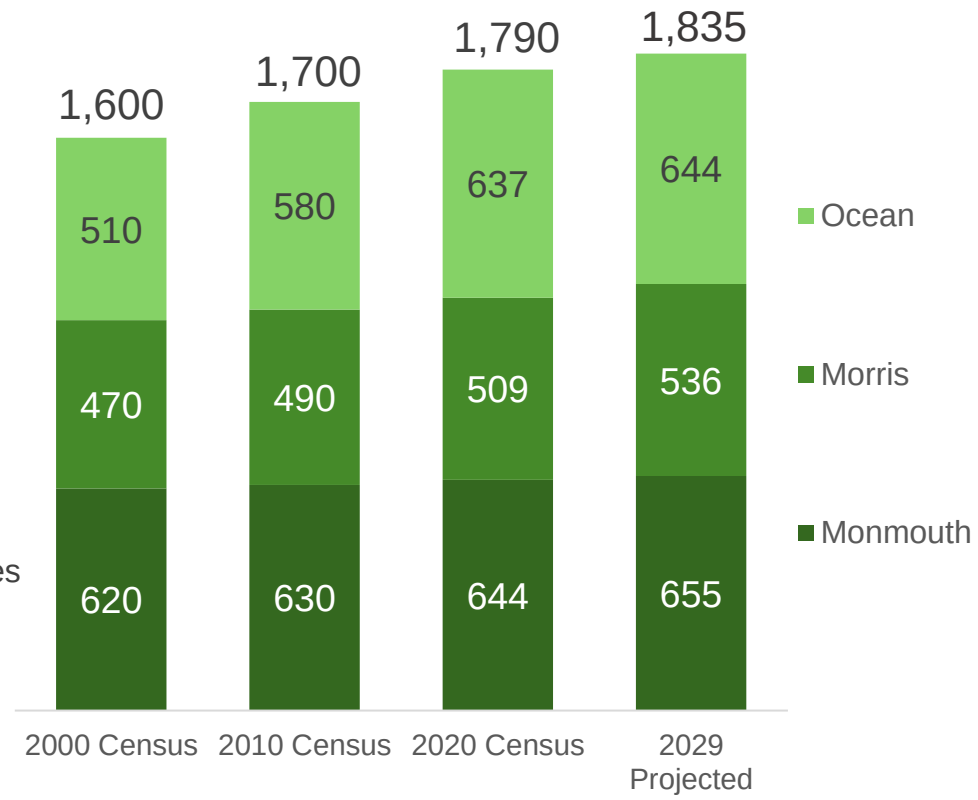
- Safe, reliable service
- High customer satisfaction

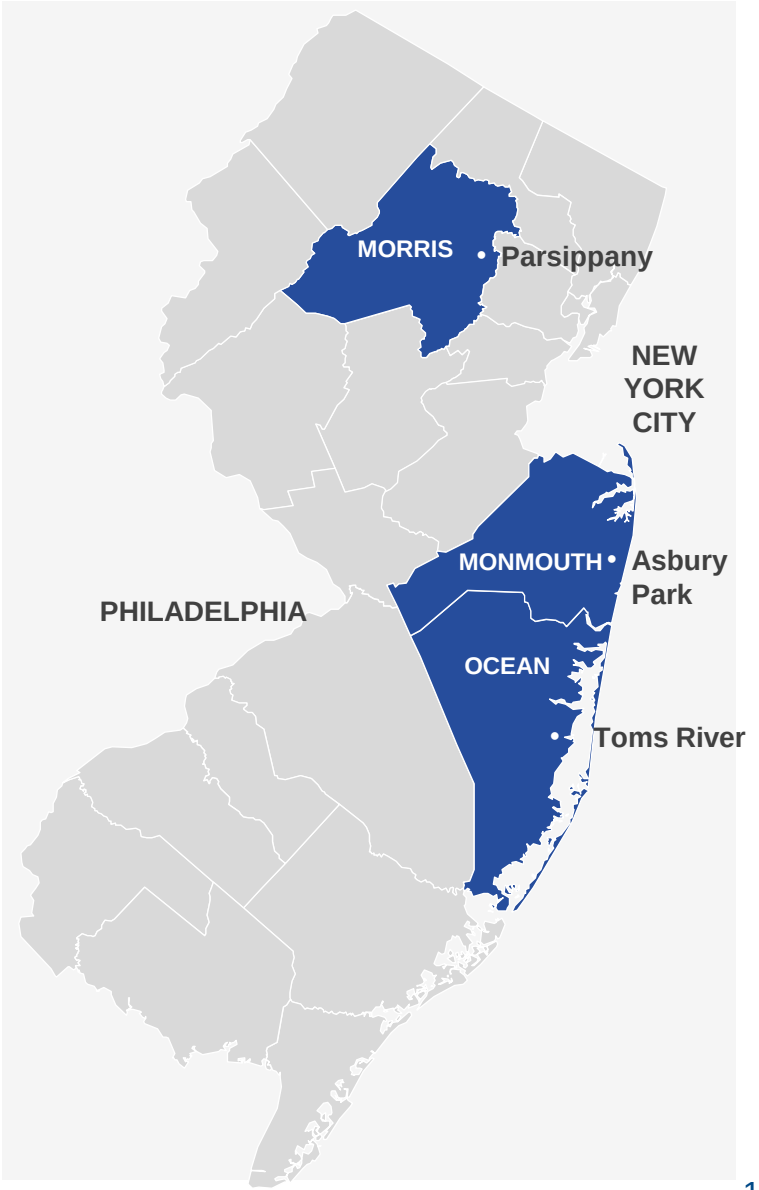
Growth Opportunities

- Growing customer base
- Annual recovery of infrastructure expenditures
- Investment in rate base projects

Population[1]

thousands





New Jersey Resources

1. *Sources: US Census Bureau for 2000, 2010 and 2020 actuals. N.J. Department of Labor for 2029 projections.*

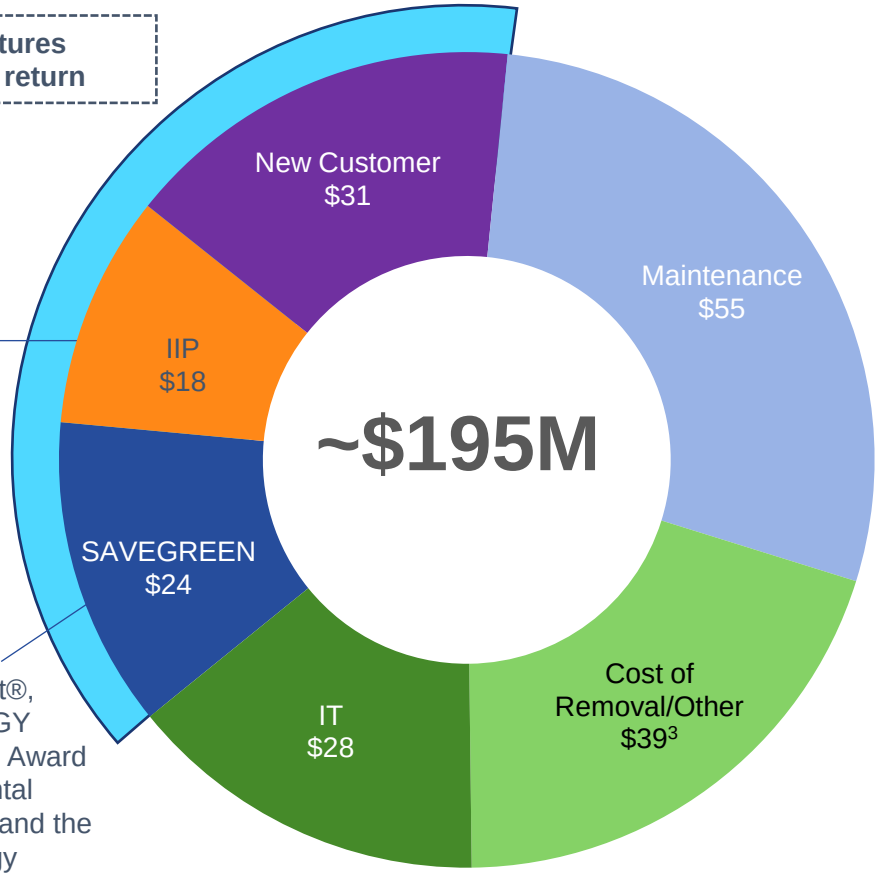
NJNG: Capital Expenditures and Customer Growth

Strong Trend of Favorable Customer Growth

YTD Fiscal 2023 Capital Expenditures[1,2]

~37% of capital expenditures earning a near real-time return

On March 30, 2023, NJNG submitted its annual IIP filing to the BPU requesting a rate increase for capital expenditures of $31.4 million through June 30, 2023, resulting in a $3.5 million revenue increase, with a proposed effective date of October 1, 2023

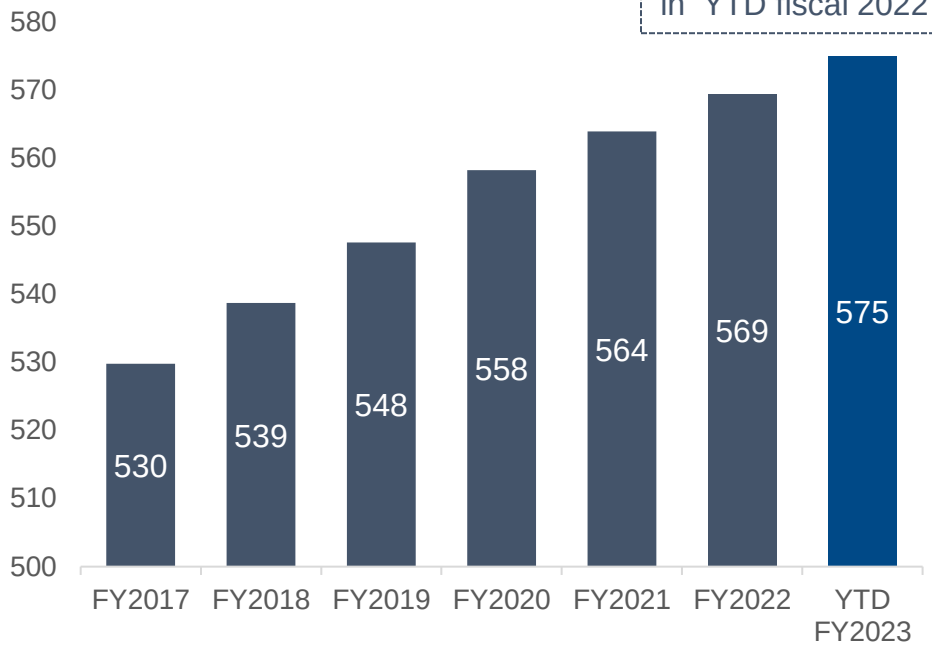


The SAVEGREEN Project®, received the 2023 ENERGY STAR Partner of the Year Award from the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

NJNG Customers

(in thousands)

Added 4,064 new customers YTD in fiscal 2023 compared to 3,579 in YTD fiscal 2022



Timing of Next Rate Case

Filing Expected in Fiscal 2024

1) Total change in PP&E (cash spent, capex accrued and AFUDC). Includes SAVEGREEN investments, which for GAAP purposes are included as part of cash flows from operations
2) The sum of YTD Fiscal 2023 actual amounts may not equal to total due to rounding
3) Facilities included in "Other"

New Jersey Resources

NJNG: Supportive Regulatory Construct

Stable Rate Case Results

- Rate case results are stable
  - Current ROE of 9.60% with a common equity ratio of 54%
  - Full recovery of plant investments to date
  - Rate cases are settled (generally not litigated)
- Resolution of cases have been timely
- Last case filed in March 2021 and rates effective on December 1, 2021

Decoupled Rates for majority of customers

- Volume risk due to weather or energy conservation mitigated through the *Conservation Incentive Program (CIP).* This decoupling mechanism allows NJNG to earn a fix margin per customer[1].
- NJNG's natural gas commodity price is a pass-through cost the *Basic Gas Supply Service (BGSS)* program

Minimization of Regulatory Lag

- Investments in customer growth and Infrastructure Investment Program (IIP) earn real-time recovery or accelerated recovery through annual mechanisms
- Through the SAVEGREEN program, energy efficiency investments also have an annual cost recovery mechanism that accelerate recovery of investments and returns

Margin Sharing Incentives

- Like other utilities, NJNG contracts for supply and transportation to meet customer needs
- NJNG's BPU-approved "BGSS Incentive Programs" allow temporary release of capacity or supply when not needed
- NJNG shares margin generated with customers (85% for customers/15% for NJNG)
- BGSS Incentive margin is not counted in NJNG's ROE calculation for overearning

Strong and Stable Utility Gross Margin Profile

- Insulated from volume and commodity volatility
- Mitigates regulatory lag
- Aligned with environmental goals

New Jersey Resources

1. *For residential and small commercial customers, which make the vast majority of NJNG's customers.*

NJNG: SAVEGREEN Provides Energy Efficiency and Earns Return

One of the most successful residential energy-efficiency programs in N.J.

Conducts home energy audits and provides various grants, incentives and financing alternatives designed to encourage installation of high-efficiency heating and cooling equipment

- ~80,000 customers reduced usage and saved money and more than $545 million generated in economic activity

THE SAVEGREEN PROJECT®

Current Program: SAVEGREEN 2020

During the current three-year SAVEGREEN program, NJNG expects to invest up to $259 million in energy efficiency alongside our customers, with projected usage reductions of up to 125 million therms of natural gas. This reduction equates to preventing the emissions of over 663,102 metric tons of CO2, the equivalent of taking 142,886 cars off the road for a year.

- **Residential:** Rebates and incentives for qualifying equipment replacement and comprehensive home energy measures and On-Bill Repayment Programs
- **Multi-family:** Assessments; installation of energy savings measures; equipment replacement; custom retrofits
- **Commercial & Industrial:** Energy-efficient equipment, whole-building energy improvements, retro-commissioning and energy management efforts
- **Expanded Incentives:** For low-to-moderate income customers



NJNG's The SAVEGREEN Project® is a ENERGY STAR® 2023 Partner of the Year!

NJNG: Most Environmentally Sound Natural Gas Delivery System in New Jersey[1]

$2.3 Billion

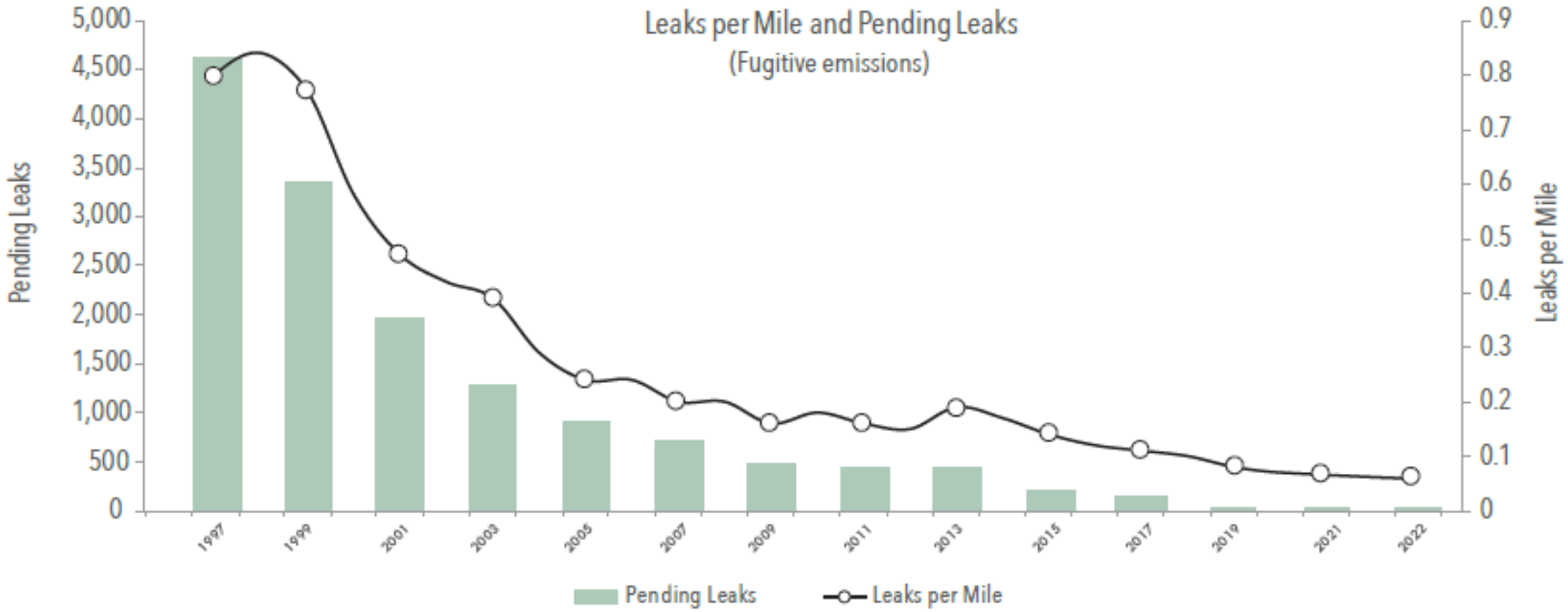
Invested in natural gas delivery system infrastructure in last decade

1st

NJ natural gas utility to have completely removed 100% of all unprotected steel and cast iron from its system by December 2022

Continuous Improvement on Pending Leaks

Lowest number of leaks-per-mile of any natural gas utility in the state



1. As measured by leaks per mile

Clean Energy Ventures (CEV): Milestone Projects

CEV has developed the two largest floating solar arrays in the United States

Largest Floating Solar Array in the U.S.



Canoe Brook

8.9MW floating solar system in Milburn, New Jersey (Essex County), the largest in the United States

First in the State of New Jersey



Sayreville Floating Solar

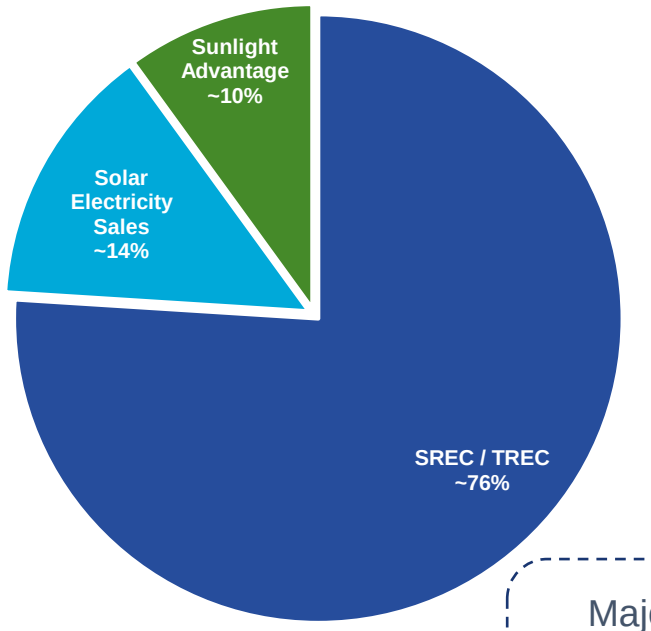
4.4-MW floating solar system in Sayreville, New Jersey (Middlesex County), the first in the state

CEV: Profitable Operations Since 2009 Driven by Stable Revenue Model

Majority of CEV revenue contracted through FY 2025; Merchant Power upside

CEV Revenue Breakout

(5-year Average FY2018-FY2022)



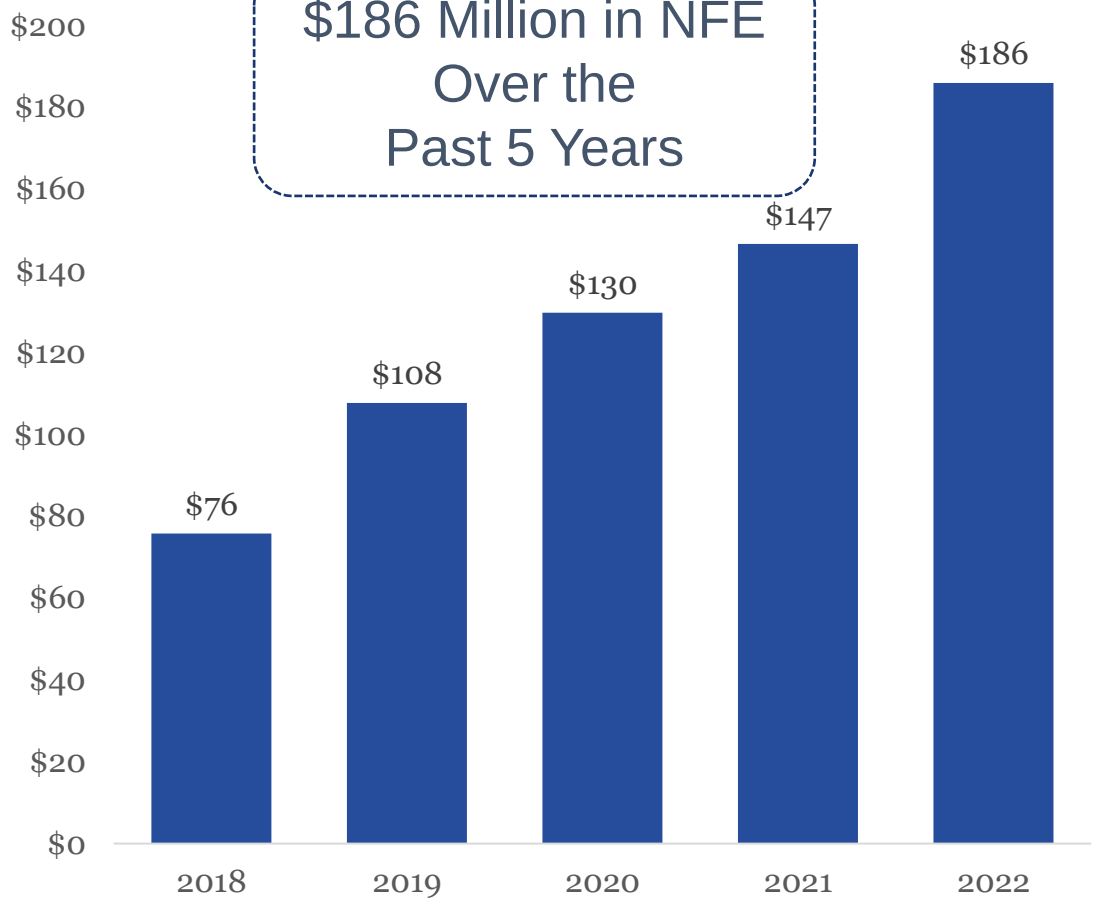
Majority of CEV revenue generated through Renewable Energy Certificate (SREC/TREC) sales

Seasonality: FYQ4 is generally the highest revenue period

CEV Cumulative NFE

(in millions)

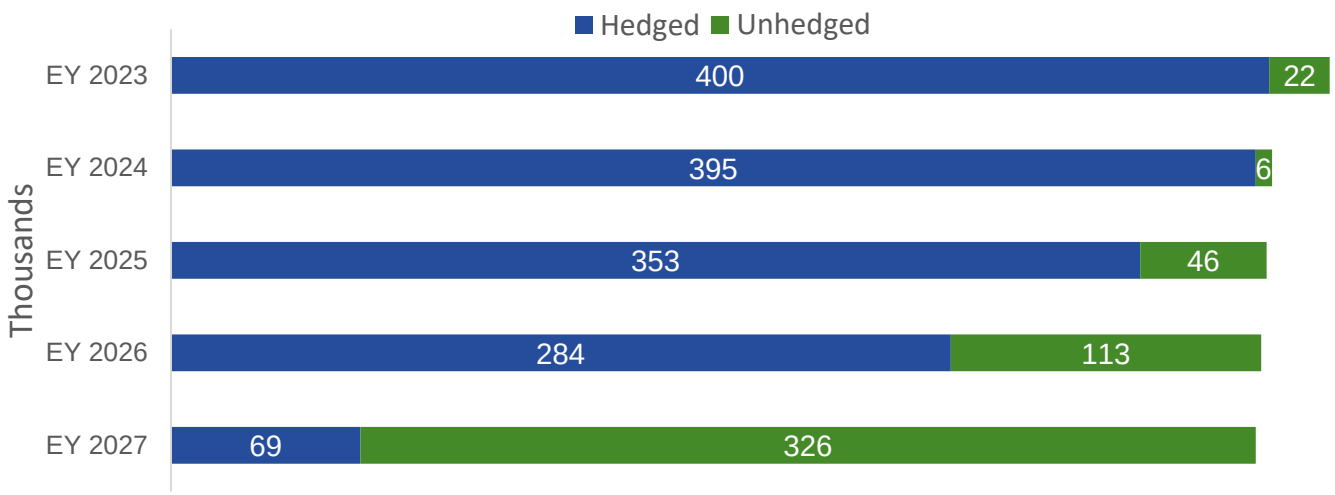
$186 Million in NFE Over the Past 5 Years



New Jersey Resources

CEV: SREC Hedging Strategy Stabilizes Revenue

Based on **Energy Year**[1], as of March 31, 2023

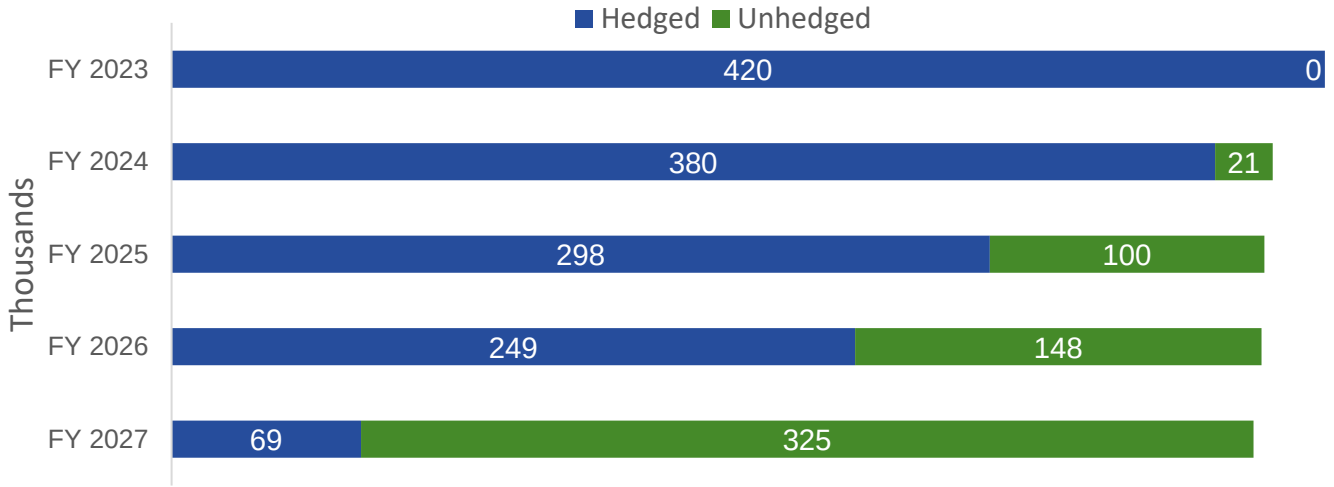


	Percent Hedged	Average Price	Current Price (EY)
EY 2023	95%	$203	$228
EY 2024	98%	$197	$215
EY 2025	89%	$190	$205
EY 2026	71%	$183	$192
EY 2027	17%	$154	$177

Over **95%** hedged through Energy Year 2024

71% hedged through Energy Year 2026

Based on **Fiscal Year**, as of March 31, 2023



	Percent Hedged	Average Price	Current Price (FY)
FY 2023	100%	$204	$224
FY 2024	95%	$194	$212
FY 2025	75%	$190	$200
FY 2026	63%	$182	$187
FY 2027	18%	$154	$170

Over **95%** hedged through Fiscal Year 2024

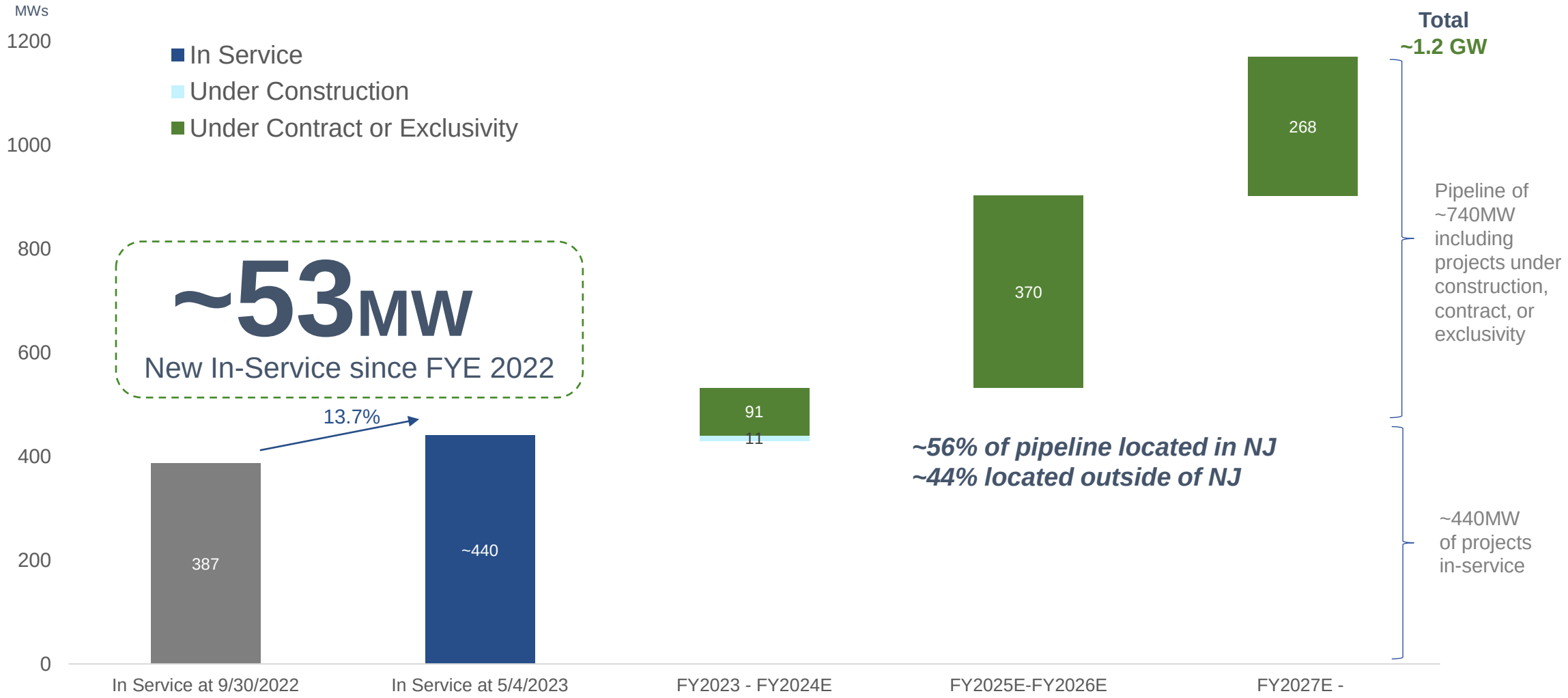
63% hedged through Fiscal Year 2026

New Jersey Resources

1) Energy Years run from June 1 of the prior year to May 31 of the respective year; for example, Energy Year 2023 begins on June 1, 2022, and ends on May 31, 2023

CEV: Growing Capacity with a Robust Pipeline

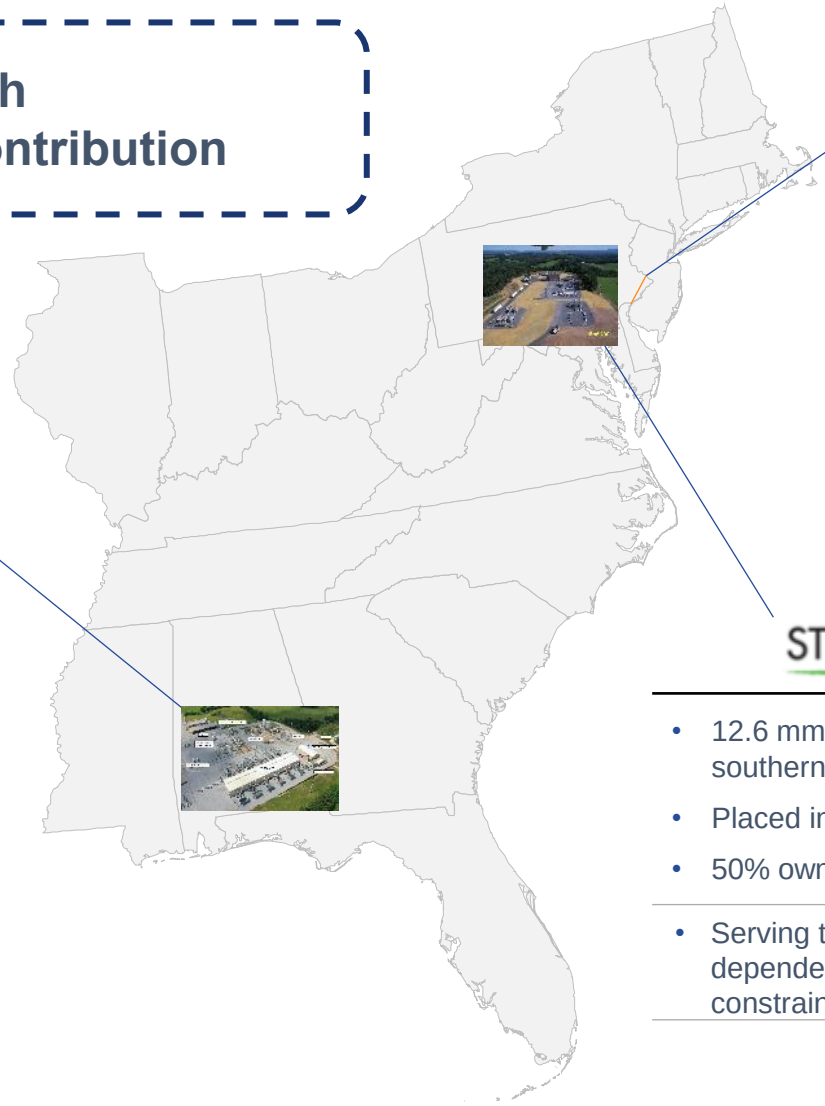
CEV owns and operates solar projects in New Jersey, Rhode Island, New York and Connecticut with approximately 440MW of capacity



Storage and Transportation (S&T): Overview

Stable Contribution from Leaf River (storage), Steckman Ridge (storage), and Adelphia Gateway (transportation)

Portfolio of assets with "utility-like" stable earnings contribution



LEAF RIVER ENERGY CENTER
A New Jersey Resources Company

- 32.2 mmdth high deliverability salt cavern storage facility in southeastern Mississippi
- Acquired October 2019
- 100% owner & operator

- Serving Gulf Coast/Southeast the fastest growing natural gas market in North America with a growing reliance on regional supply imports

ADELPHIA GATEWAY
NJR Midstream Company





- 0.9 mmdth/d interstate pipeline from NE PA to greater Philadelphia area
- Acquired January 2020 / Placed in-service September 2022
- 100% owner & operator

- Serving the Northeast region, where targeted executable pipeline transportation options that bridge the existing constrained and difficult to expand pipeline grid are required to provide end use markets access to Appalachian supply to meet demand growth

STECKMAN RIDGE

- 12.6 mmdth reservoir storage facility in southern PA.
- Placed in-service April 2009
- 50% ownership interest

- Serving the Northeast Region with a high dependence on storage and increasingly constrained pipeline capacity

Energy Services: Overview

Managing a Diversified Portfolio of Physical Natural Gas Transportation and Storage Assets to Serve Customers Across North America; Secured Fee-based Revenue through Asset Management Agreements

Asset Management Agreements

- De-risked Energy Services business by securing 10 years of contracted cash payments with minimal counterparty credit risk

+

Long Option Strategy

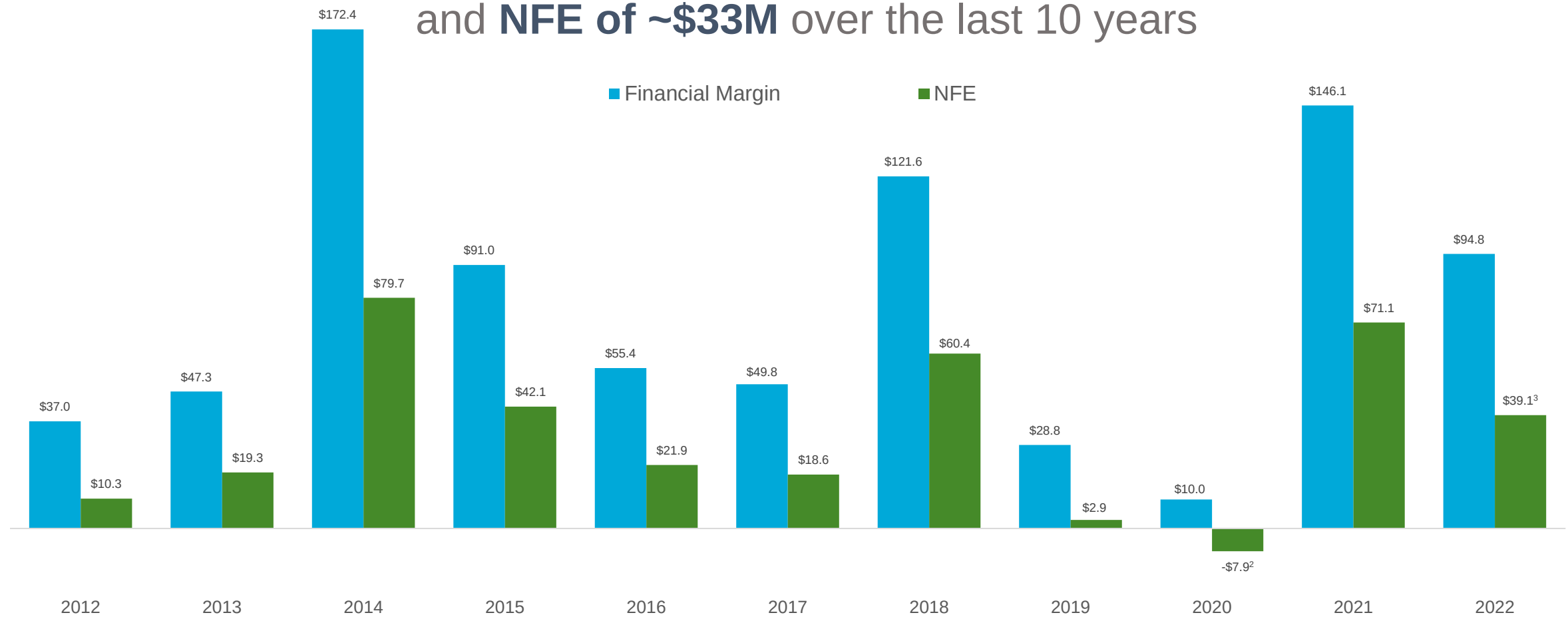
- Proven track record of success over 27 years of existence leveraging natural gas market volatility to drive value
- Minimal long-term capital commitments and significant cash generation during outperformance years has significantly reduced NJR equity needs

Energy Services Long Option Strategy: Proven Track Record of Success

Consistent Profitability[1] Since 1995 with Strong Financial Margins and NFE

Average **Financial Margin of ~$78M** and **NFE of ~$33M** over the last 10 years

$ in Millions



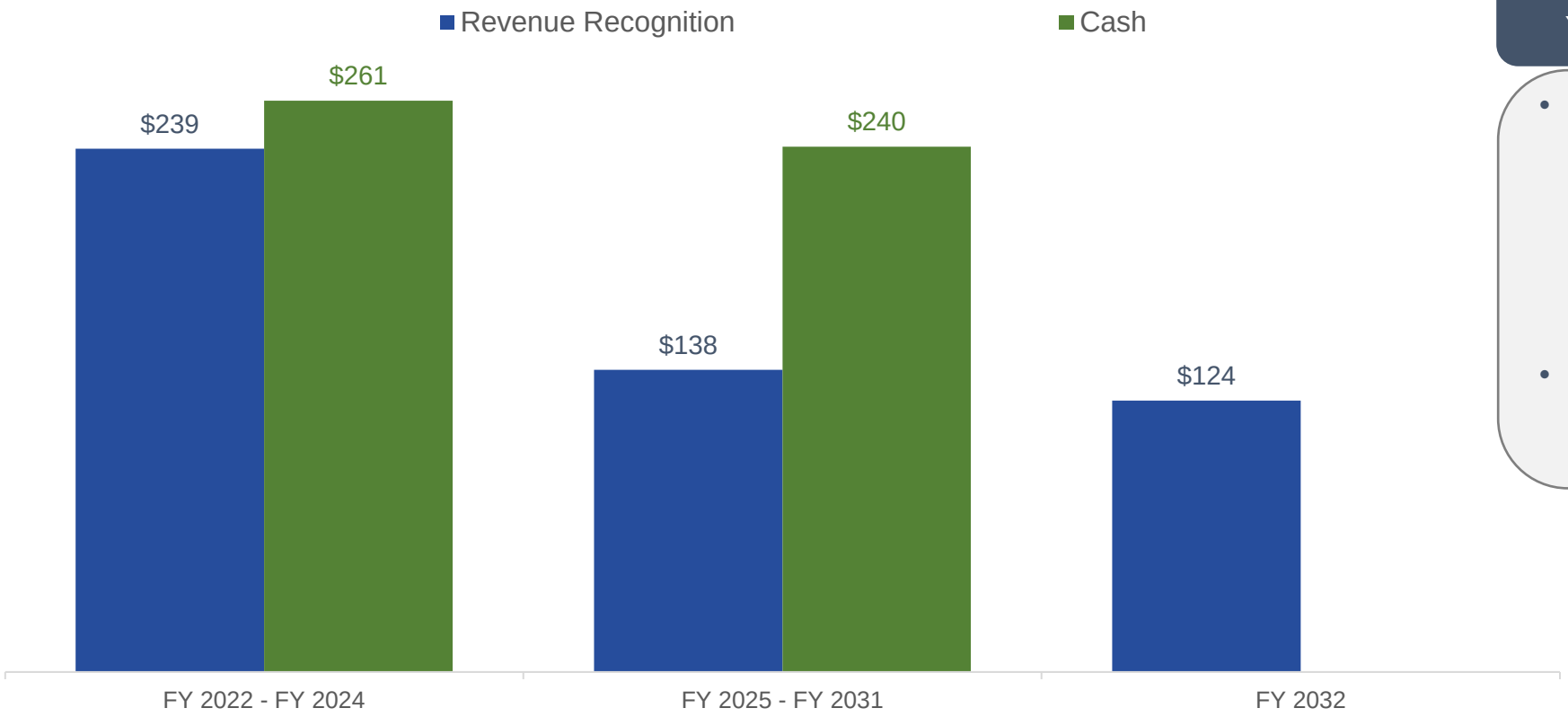
1) Based on an annual Net Financial Earnings basis. A reconciliation of Financial Margin to Operating income can be found in the Appendix.
2) Fiscal 2020 performance was a result of a unique combination of market conditions that included a key pipeline implementing a rare integrity testing program heading into winter and one of the warmest winters on record
3) FY 2022 includes contribution from Asset Management Agreements

New Jersey Resources

Energy Services: Asset Management Agreements[1] (AMAs)

In December 2020, NJR announced its entry into a series of Asset Management Agreements (AMAs) with an investment grade public utility to release certain natural gas transportation contracts of Energy Services in exchange for fees of approximately $500 million payable in cash to Energy Services over 10 years.

AMA
Revenue Recognition and Cash Timeline



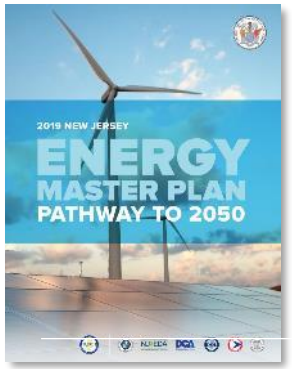
AMA
YTD FY 2023 Contribution

- Revenue recognition from the AMA for FY2023 is expected to be $48.5 million, of which $20.0 million was recognized in fiscal Q1 2023 and $9.5 million was recognized in fiscal Q2 2023
- NJR received this fiscal year's cash payment of $73.5 million in fiscal Q1 2023

1) *AMAs feature initial and permanent capacity releases with cash payments throughout, with ASC 606 revenue recognition standard requiring that revenue be allocated to both the initial and permanent releases. As a result, disproportionate value is allocated to the permanent release periods in FY 2024 and FY 2032*

NJR: Aligned with New Jersey's Clean Energy Policy

2019



The Energy Master Plan (EMP) established priorities for the use, management and development of energy in New Jersey

2023

EO 317 engages with stakeholders to develop plans that reduce emissions from the natural gas sector to levels that are consistent with achieving the State's 50 percent reduction in greenhouse gas emissions

NJR Environmental Initiatives

Maximize energy efficiency and conservation	SAVEGREEN
Accelerate the use of renewable energy and distributed power resources	CEV expansion
Decarbonize New Jersey's energy system	Green Hydrogen & RNG

Environmental, Social and Governance Efforts

Focus on Definable Accomplishments

Environmental

- Achieved NJ operational emissions reductions over 55% since 2006 with goal of 60% by 2030 and net zero by 2050
- One of the largest owner-operators of solar assets in New Jersey, we have invested over $1 billion over the last decade building clean, emissions-free power for homes and businesses
- Plans to invest up to $2 million over the next five years through its Coastal Climate Initiative, which has expanded to a multi-faceted environmental stewardship program
- First direct investment of these funds distributed to the Natural Resource Education Foundation in Waretown, NJ (New Jersey Resources Marks Earth Day 2023 with $50,000 Donation in Support of The Lighthouse Center)

Social

- Established $20 million endowment fund for NJR's charities to support continued community giving long into the future
- Robust structure and initiatives to promote DEI at NJR including Executive DEI Council to ensure accountability
- Employee-led Business Resource Groups (BRGs) bring together employees with common background to promote engagement and inclusiveness – 21% of NJR workforce belongs to one or more BRGs

Governance

- Continued progress on reporting and transparency as through publication of 14th consecutive sustainability report
- Our board of directors (Board) has a broad range of skills and industry knowledge, as well as a diversity of perspectives that align with our company's long-term strategy
- The Board is responsible for oversight of NJR's overall strategy, including all Environmental Social and Governance (ESG) issues
- NJR includes sustainability considerations in the performance metrics of our Commitment to Stakeholders. Actual results of these goals and metrics directly impact the compensation of corporate officers year-to-year and ensure accountability



2022 Diversity, Equity and Inclusion Report

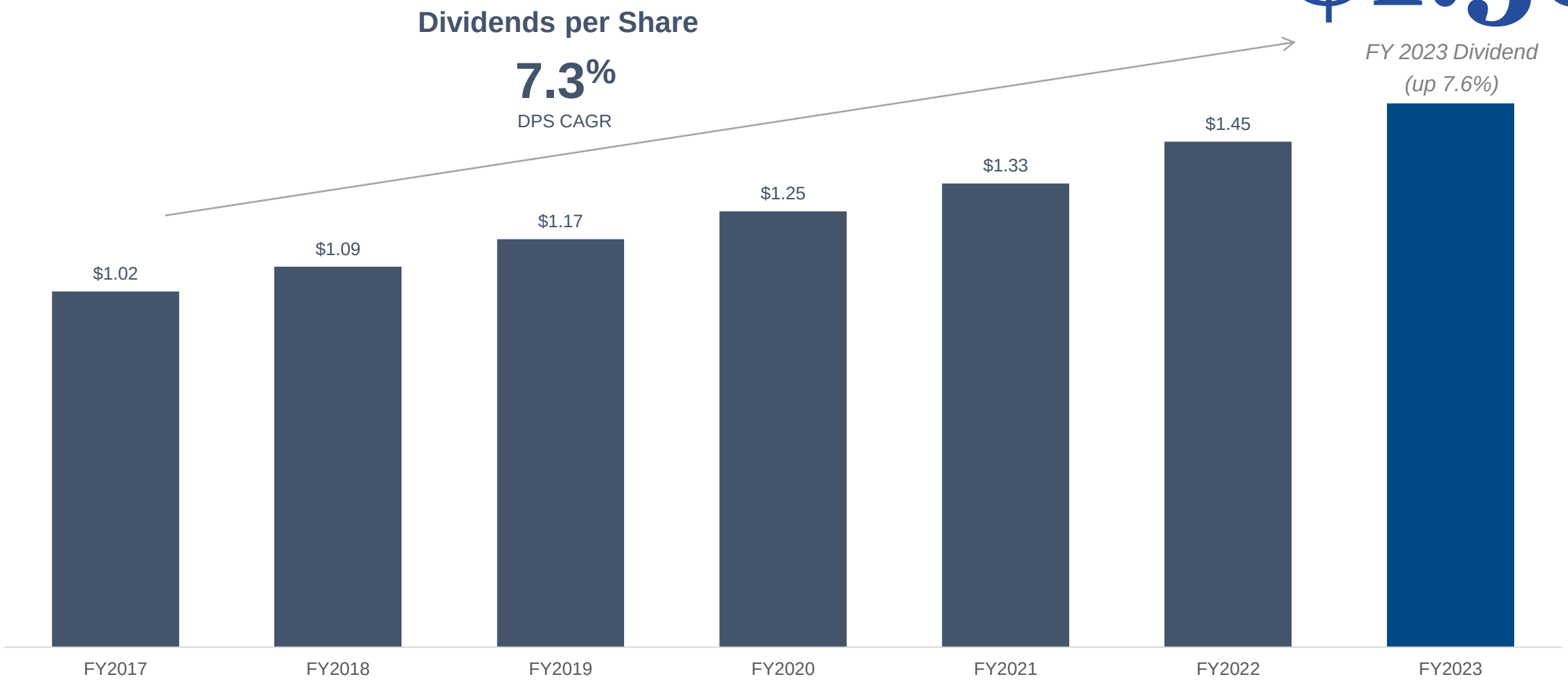
NJR's commitment to advancing diversity, equity and inclusion is essential to our progress in building a sustainable future

NJR: Committed to Building Shareholder Value Through Dividends

Strong Track Record of Dividend Growth

$1.56

FY 2023 Dividend (up 7.6%)



1) A reconciliation from NFE to net income can be found in the Appendix.

NJR: Total Expected Shareholder Return

Delivering Value to Shareholders Through Growth and Income

NJR is a Premier Energy Infrastructure Company



The Clean Energy Future Starts at NJR

Net Zero by 2050 goal for New Jersey operations

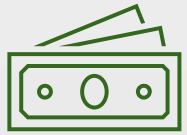
Working with state regulators toward New Jersey's long-term clean energy goals



Solid Long Term Growth Outlook

Expect 7% - 9% NFEPS Growth

Highest Long-Term Growth Rate Across LDC Peer Group



Growing Dividend

Annualized dividend yield of 3.0%[1]

Dividend growth in line with long-term NFEPS growth expectations

TOTAL EXPECTED SHAREHOLDER RETURN: ~10 - 12%

1) Based on dividend per share of $1.56 and closing share price of $51.32 on May 2, 2023

Appendix:

Financial Statements and Additional Information

32	Appendix
33	Reconciliation of NFE and NFEPS to Net Income
34	Other Reconciliation of Non-GAAP Measures
35	Reconciliation of Adjusted Funds from Operations to Cash Flow from Operations for FY2022
36	Shareholder and Contact Information



New Jersey Resources

Reconciliation of NFE and NFEPS to Net Income

($ in ooos)

- NFE is a measure of earnings based on the elimination of timing differences to effectively match the earnings effects of the economic hedges with the physical sale of natural gas, Solar Renewable Energy Certificates (SRECs) and foreign currency contracts. Consequently, to reconcile net income and NFE, current-period unrealized gains and losses on the derivatives are excluded from NFE as a reconciling item. Realized derivative gains and losses are also included in current-period net income. However, NFE includes only realized gains and losses related to natural gas sold out of inventory, effectively matching the full earnings effects of the derivatives with realized margins on physical natural gas flows. NFE also excludes certain transactions associated with equity method investments, including impairment charges, which are non-cash charges, and return of capital in excess of the carrying value of our investment. These are not indicative of the Company's performance for its ongoing operations. Included in the tax effects are current and deferred income tax expense corresponding with the components of NFE.

- NFE eliminates the impact of volatility to GAAP earnings associated with unrealized gains and losses on derivative instruments in the current period

(Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2023	2022	**2023**	2022
NEW JERSEY RESOURCES				
A reconciliation of net income, the closest GAAP financial measure, to net financial earnings is as follows:				
Net income	**$ 110,247**	$ 96,035	$ 226,168	$ 207,347
Add:				
Unrealized loss (gain) on derivative instruments and related transactions	**13,971**	42,022	(17,532)	(40,169)
Tax effect	**(3,320)**	(9,980)	4,167	9,556
Effects of economic hedging related to natural gas inventory	**(11,203)**	1,155	12,769	24,732
Tax effect	**2,662**	(274)	(3,035)	(5,877)
Gain on equity method investment	**(200)**	—	(200)	—
Tax effect	**50**	—	50	—
NFE tax adjustment	**103**	1,248	207	387
Net financial earnings	**$ 112,310**	$ 130,206	$ 222,594	$ 195,976
Weighted Average Shares Outstanding				
Basic	**96,893**	96,068	96,689	96,006
Diluted	**97,556**	96,516	97,346	96,480
A reconciliation of basic earnings per share, the closest GAAP financial measure, to basic net financial earnings per share is as follows:				
Basic earnings per share	**$ 1.14**	$ 1.00	$ 2.34	$ 2.16
Add:				
Unrealized loss (gain) on derivative instruments and related transactions	**$ 0.14**	$ 0.44	$ (0.18)	$ (0.42)
Tax effect	**$ (0.03)**	$ (0.10)	$ 0.04	$ 0.10
Effects of economic hedging related to natural gas inventory	**$ (0.12)**	$ 0.01	$ 0.13	$ 0.26
Tax effect	**$ 0.03**	$ —	$ (0.03)	$ (0.06)
NFE tax adjustment	**$ —**	$ 0.01	$ —	$ —
Basic NFE per share	**$ 1.16**	$ 1.36	$ 2.30	$ 2.04

New Jersey Resources

Other Reconciliation of Non-GAAP Measures

($ in ooos)

NJNG Utility Gross Margin

- NJNG's utility gross margin is defined as operating revenues less natural gas purchases, sales tax, and regulatory rider expenses. This measure differs from gross margin as presented on a GAAP basis as it excludes certain operations and maintenance expense and depreciation and amortization.

Energy Services Financial Margin

- Financial margin removes the timing differences associated with certain derivative and hedging transactions. Financial margin differs from gross margin as defined on a GAAP basis as it excludes certain operations and maintenance expense and depreciation and amortization expenses as well as the effects of derivatives instruments on earnings.

(Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2023	2022	**2023**	2022
A reconciliation of gross margin, the closest GAAP financial measurement, to utility gross margin is as follows:				
Operating revenues	**$ 400,838**	$ 463,812	**$ 758,584**	$ 738,584
Less:				
Natural gas purchases	**158,694**	215,223	**343,465**	339,817
Operating and maintenance (1)	**30,711**	26,748	**57,005**	39,889
Regulatory rider expense	**23,154**	30,910	**41,405**	47,581
Depreciation and amortization	**25,319**	23,344	**50,209**	46,237
Gross margin	**162,960**	167,587	**266,500**	265,060
Add:				
Operating and maintenance (1)	**30,711**	26,748	**57,005**	39,889
Depreciation and amortization	**25,319**	23,344	**50,209**	46,237
Utility gross margin	**$ 218,990**	$ 217,679	**$ 373,714**	$ 351,186
A reconciliation of gross margin, the closest GAAP financial measurement, to financial margin is as follows:				
Operating revenues	**$ 196,730**	$ 412,645	**$ 518,512**	$ 781,889
Less:				
Natural Gas purchases	**161,114**	411,146	**394,401**	689,833
Operating and maintenance (1)	**7,668**	3,978	**11,123**	7,247
Depreciation and amortization	**62**	32	**119**	60
Gross margin	**27,886**	(2,511)	**112,869**	84,749
Add:				
Operating and maintenance (1)	**7,668**	3,978	**11,123**	7,247
Depreciation and amortization	**62**	32	**119**	60
Unrealized loss (gain) on derivative instruments and related transactions	**13,795**	40,446	**(26,091)**	(45,201)
Effects of economic hedging related to natural gas inventory	**(11,203)**	1,155	**12,769**	24,732
Financial margin	**$ 38,208**	$ 43,100	**$ 110,789**	$ 71,587

(1) Excludes selling, general and administrative expenses

New Jersey Resources

Reconciliation of Adjusted Funds from Operations to Cash Flow from Operations for FY2022

- Adjusted funds from operations is cash flows from operating activities, plus components of working capital, cash paid for interest (net of amounts capitalized), capitalized interest, the incremental change in SAVEGREEN loans, grants, rebates, and related investments, and operating lease expense
- Adjusted debt is total long term and short-term debt, net of cash and cash equivalents, excluding solar asset financing obligations but including solar contractually committed payments for sale lease backs, debt issuance costs, and other Fitch Ratings' credit metric adjustments

Adjusted Funds from Operations, FY2022
(Millions)

Cash Flow from Operations	**$323.5**
Add back	
Components of working capital	$77.7
Cash paid for interest (net of amounts capitalized)	$84.4
Capitalized Interest	$6.1
SAVEGREEN loans, grants, rebates and related investments	$53.1
Operating cash flows from operating leases	$7.4
Adjusted FFO (Non-GAAP)	**$552.2**

Adjusted Debt, FY2022
(Millions)

Long-Term Debt (including current maturities)	**$2,560.4**
Short-Term Debt	**$424.0**
Exclude	
Cash on Hand	($1.1)
CEV Sale-Leaseback Debt	($130.6)
Include	
CEV Sale lease-back Contractual Commitments	$111.6
Debt Issuance Costs	$13.3
Operating Lease Debt estimate (8x lease expense)	$77.6
Adjusted Debt (Non-GAAP)	**$3,055.2**

Shareholder and Contact Information

Stock Transfer Agent and Registrar

The Transfer Agent and Registrar for the company's common stock is Broadridge Corporate Issuer Solutions, Inc. (Broadridge).

Shareowners with questions about account activity should contact Broadridge investor relations representatives between 9 a.m. and 6 p.m. ET, Monday through Friday, by calling toll-free 800-817-3955.

General written inquiries and address changes may be sent to:
Broadridge Corporate Issuer Solutions
P.O. Box 1342, Brentwood, NY 11717

or

For certified and overnight delivery:
Broadridge Corporate Issuer Solutions, ATTN: IWS
1155 Long Island Avenue, Edgewood, NY 11717

Shareowners can view their account information online at shareholder.broadridge.com/NJR.

Corporate Headquarters

1415 Wyckoff Road
Wall, NJ 07719
(732) 938-1000
www.njresources.com

Contact Information

Adam Prior – Director, Investor Relations
732-938-1145
aprior@njresources.com

Last Four Dividends Paid (Quarterly Frequency)

Ex-Dividend Date	Record Date	Payable Date	Amount per share
3/14/2023	3/15/2023	4/3/2023	$0.39
12/13/2022	12/14/2022	1/3/2023	$0.39
9/23/2022	9/26/2022	10/3/2022	$0.39[1]
6/14/2022	6/15/2022	7/1/2022	$0.3625

Online Information

Website: www.njresources.com

Investor Relations: LINK

Follow us:

1) 7.6 percent increase in the quarterly dividend rate to $0.39 per share from $0.3625 per share