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Essential™

# Investor Presentation

May | 2026



# Forward Looking Statement

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which generally include words such as “believes,” “expects,” “intends,” “anticipates,” “estimates,” and similar expressions. The Company can give no assurance that any actual or future results or events discussed in these statements will be achieved. Any forward-looking statements represent its views only as of today and should not be relied upon as representing its views as of any subsequent date. Readers are cautioned that such forward-looking statements are subject to a variety of risks and uncertainties that could cause the company’s actual results to differ materially from the statements contained in this release. Such forward-looking statements include, among others: the anticipated receipt of regulatory approvals for, and closing of, the company’s proposed merger with American Water, the company’s belief that it will comply with the finalized EPA PFAS rules, the guidance range of net income per diluted common share; the anticipated amount of infrastructure investment in 2026; the Company’s anticipated use of equity and debt financing and, that the Company has a multiyear plan to ensure that finished water does not exceed the federal maximum contaminant level for the six EPA regulated PFAS chemicals. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: the expected timing and likelihood of completion of our proposed Merger with American Water; changes in the EPAs regulations; changes in the United States’ governmental policies, including those from the Executive Branch; disruptions in the global economy; potential disruptions in the supply chain for raw and finished materials; the continuation of the company’s growth-through-acquisition program; general economic business conditions; the company’s ability to successfully execute any equity or debt financing transactions, including on an as needed basis; housing and customer growth trends; unfavorable weather conditions; the success of certain cost-containment initiatives; changes in regulations or regulatory treatment; the company’s ability to successfully close municipally owned systems presently under agreement and successfully complete other acquisitions and dispositions; and other factors discussed in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, which are filed with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with Essential’s business, please refer to Essential’s annual, quarterly, and other SEC filings. Essential is not under any obligation - and expressly disclaims any such obligation - to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

For a discussion and reconciliation of Non-GAAP financial measures, see the Appendix to this presentation.

# Corporate Updates – 1Q 2026

**Received Merger  
Approval from  
Kentucky PUC**

**Q1 2026 EPS  
\$0.79 GAAP  
\$0.83 Non-GAAP**

**Long-term  
EPS CAGR  
Growth  
5-7%<sup>1</sup>**

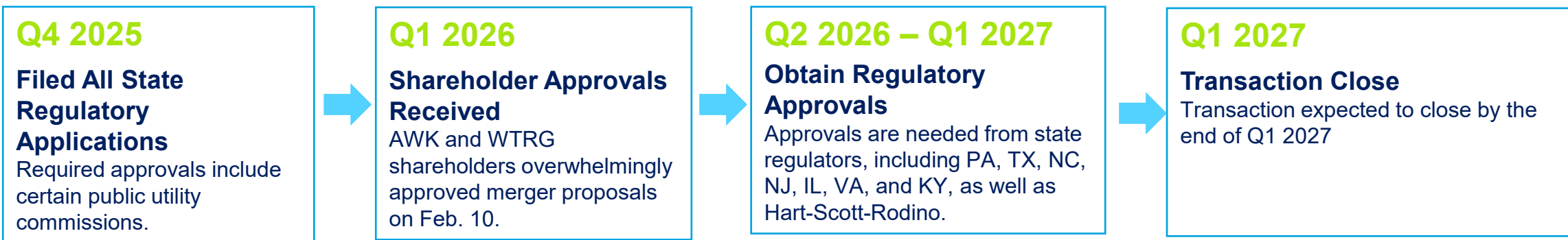
**Strong  
Operating  
Metrics**

**Closed on  
Greenville  
Municipal Water  
Authority  
Transaction**

<sup>1</sup> From adjusted 2024 EPS of \$1.97 (Non-GAAP)

# Progressing on the Path to Merger Close

## Approvals and Timeline



State	Date Filed	Docket Number	Next Steps	Approval
Pennsylvania	November 26, 2025	A-2025-3058927	Testimony in May, Rebuttal in June	
New Jersey	November 26, 2025	WM25110628	Ongoing discovery	
North Carolina	November 26, 2025	W-218 Sub 643	Testimony in June, Hearing in September	
Texas	November 25, 2025	59020	Testimony in May, Rebuttal in June	
Illinois	December 5, 2025	25-1057	Rebuttal in May, Hearings at the end of June Statutory deadline of November 5	
Virginia	December 22, 2025	PUR-2025-00229	Statutory deadline of June 20	
Kentucky	December 22, 2025	2025-00408	Approved on April 21	✓

# Integration Process

## Integration planning effort underway

Essential employees are involved as part of:



## Subject matter experts at both companies

Reviewing various workstreams to create the combined AWK/WTRG company





# Our Unique Position

# We Are a Purpose-led Organization Focused on Delivering for our Customers

## EXECUTING AGAINST OUR STRATEGY



Uniquely integrated multi-utility company meeting the needs of customers today



Provides high quality and reliable service to our customers and communities



Invests to create resilience and a sustainable future

## DELIVERING OUR MISSION

To sustain life and improve economic prosperity by safely and reliably delivering Earth's most essential resources to our customers and communities



# Our Competitive Advantages

## Attractive Company Positioning



Positioned in constructive regulatory environments with six states in which Essential operates **receiving favorable rankings<sup>1</sup>**



**Industry leader** in PFAS mitigation



Located in states with high population growth, including three states within **the top ten and two within the top five<sup>2</sup>** in the country



Fair Market Value enacted in all our states, facilitating **municipal water and wastewater acquisitions**



Gas utility strategically located near **plentiful gas sources** and in constructive regulatory jurisdictions



Attractive rate-based growth potential that drives EPS **growth of 5 - 7%** through 2027

Source: S&P Capital IQ Pro, Census Bureau.

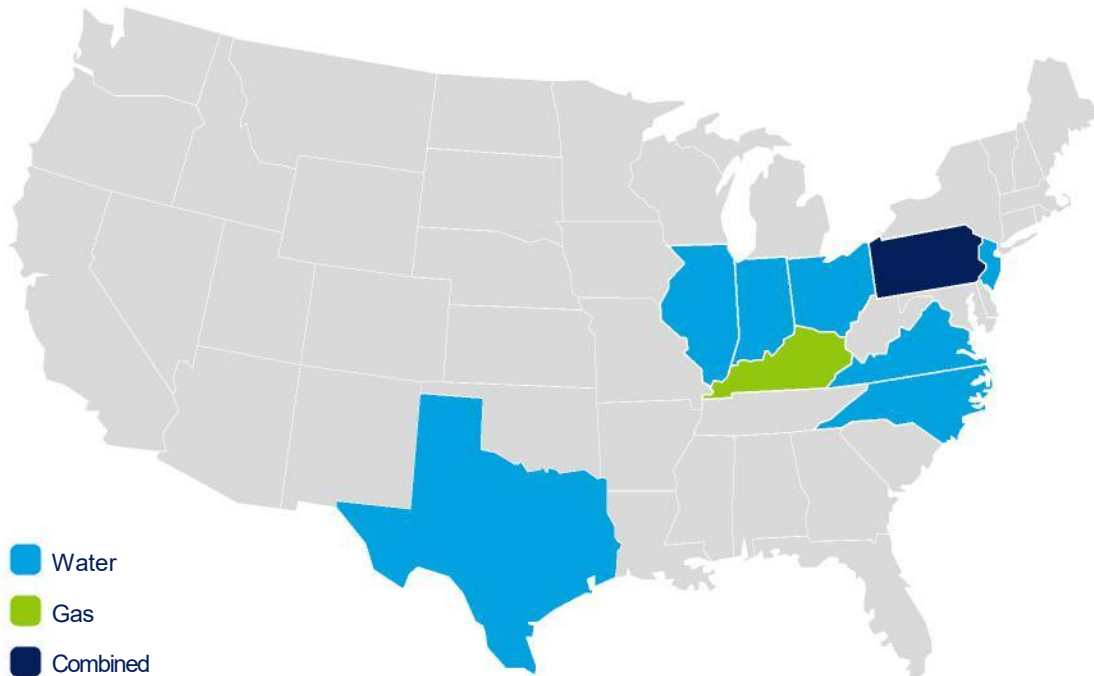
(1) Ranking based in S&P Capital IQ Pro RRA Ranking and includes states with rankings of Average / 2 or above.

(2) Ranked by numeric population growth from July 1, 2023 to July 1, 2024.

# Robust Scale Delivering Significant Opportunity

Leveraging Size and Operational Excellence to Drive Efficiency and Economies of Scale

## Combined Company Footprint



Water  
Gas  
Combined

~1.9M connections serving more than 5.5M people across 9 states

## One of the Largest Water Infrastructure Footprints



14,450+ miles of water main



200+ wastewater treatment plants



1,000+ water storage tanks



24 surface water filtration plants



~3,250 wells

## Significant Gas Infrastructure Footprint<sup>1</sup>



15,000+ miles of distribution pipe



10.5 Bn Capacity of natural gas storage



~27% locally produced gas



14 operations centers

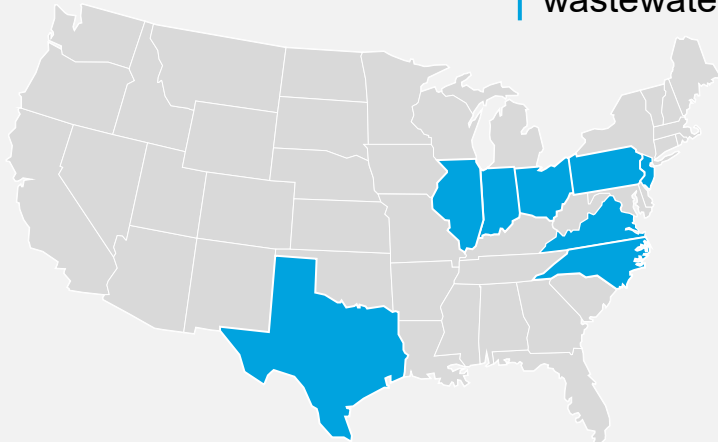


5 Bcf working storage capacity

## CONSTRUCTIVE REGULATORY JURISDICTIONS

Serving more than  
**1.1M customers**

**>99% of earnings**  
regulated water and  
wastewater utility

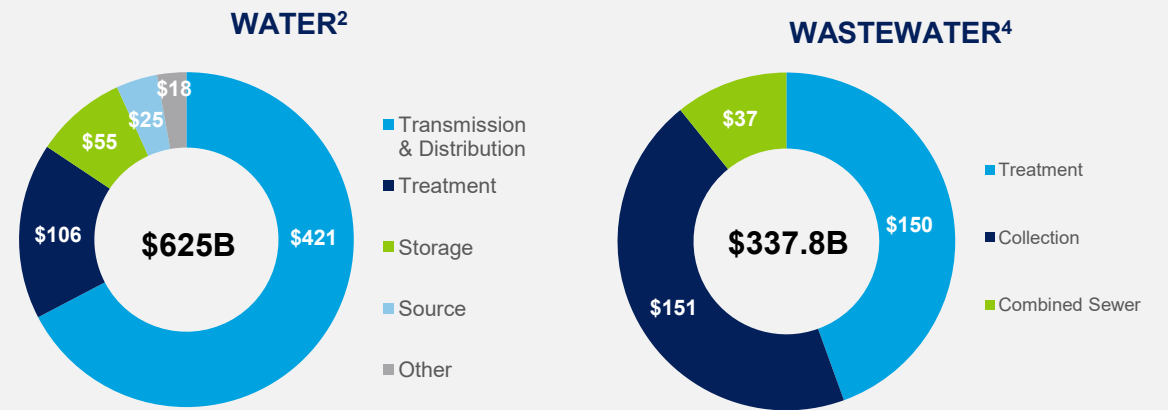


Over **\$7.8 billion** of  
rate base as of 12/31/25

Treating over  
**87 billion gallons**  
of water each year

## WITH CLEAR PATH TO GENERATE ADDITIONAL VALUE

### EPA Estimate of U.S. Infrastructure Investment Needs



#### HIGHLY FRAGMENTED

Approximately 50,000 water<sup>3</sup> and over 18,000 wastewater systems<sup>4</sup>

#### VALUE ADD OPPORTUNITY

U.S. water infrastructure graded "C-" and wastewater infrastructure graded "D+"<sup>5</sup>

#### SIGNIFICANT RUNWAY

>85% of public water systems are government owned<sup>3</sup>

(1) Through 2029.  
(2) 2023 EPA Needs Survey based on data collected in calendar year 2021.  
(3) Efc.web.unc.edu Public vs Private: A National Overview of Water Systems

(4) EPA Clean Watersheds Needs Survey (CWNS) 2024  
(5) Per the American Society of Civil Engineers.

# Leadership in PFAS

Significant expertise continues to develop across the business

Recognized leader in PFAS mitigation

State of the Art Laboratory certified for PFAS testing since 2017

Proactively began testing >3000 water sources in 2018

Identified >300 Sites requiring remediation

At least \$450M of PFAS capital required

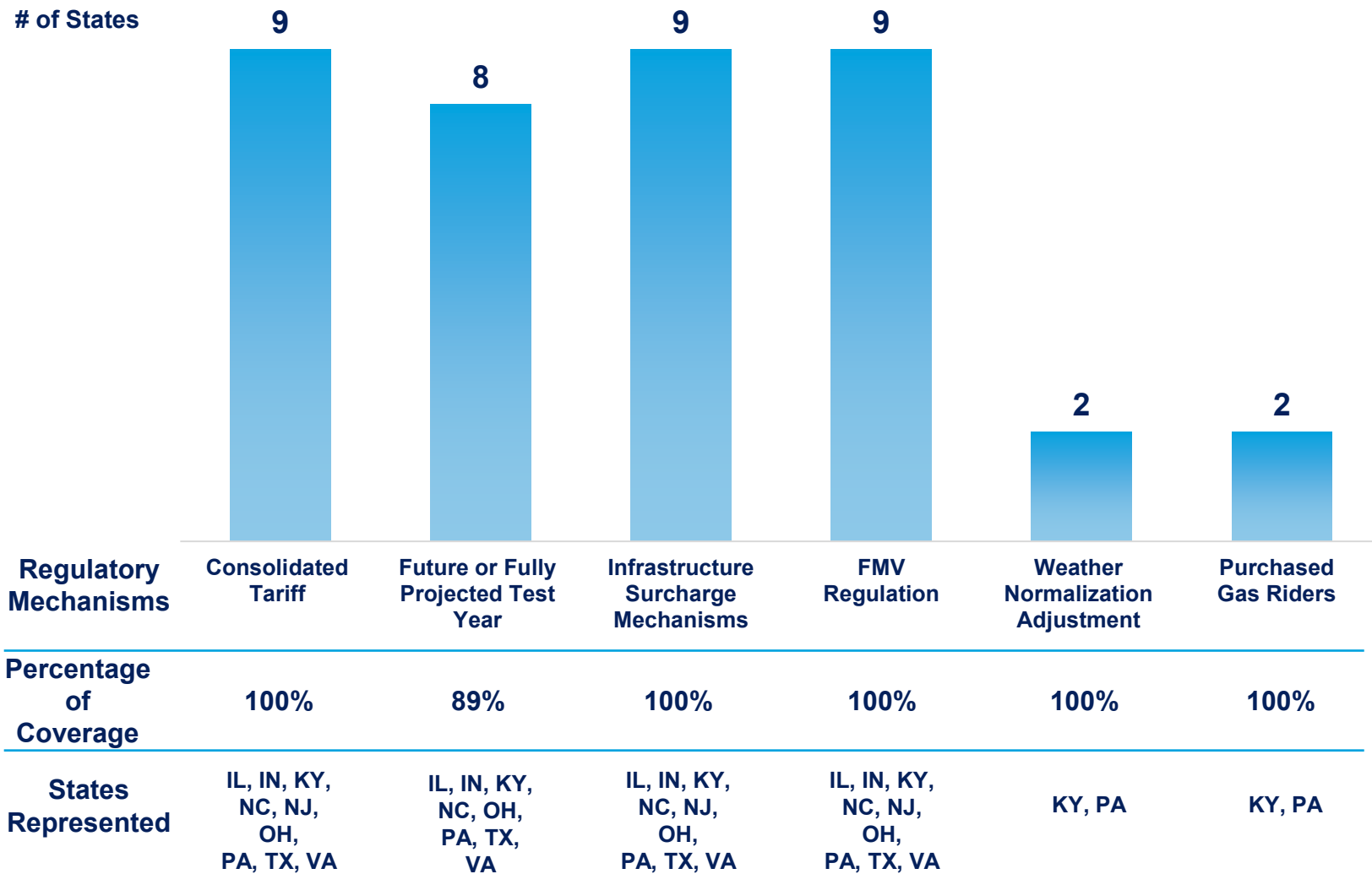
Developed a proprietary modular PFAS treatment system for wells

Mitigated 100 sites for a total spend to date of ~\$60M



Using these regulatory mechanisms, Essential is able to reduce regulatory lag and facilitate growth through acquisitions

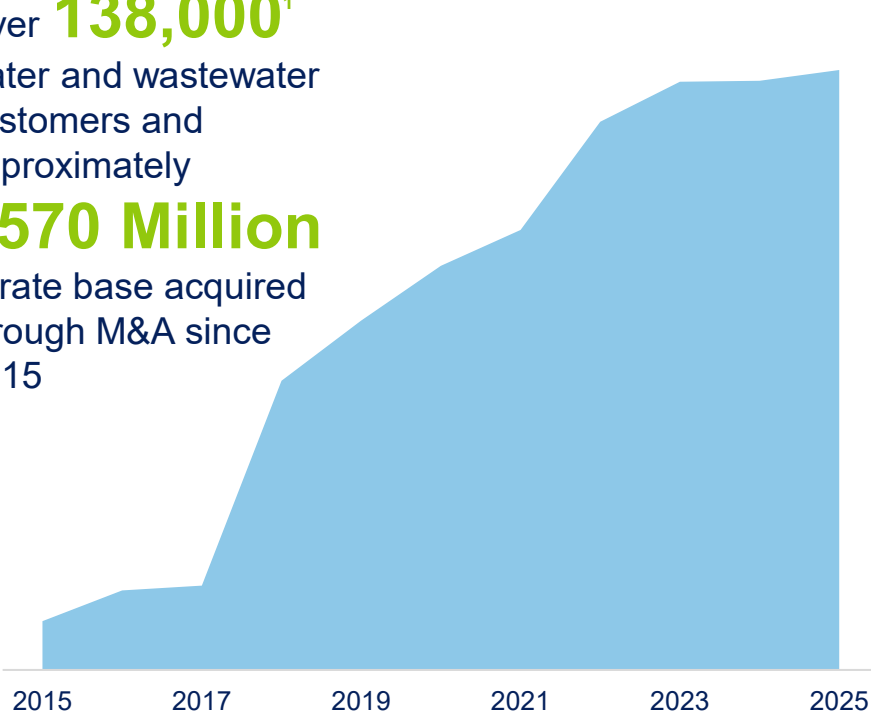
# Operating in States with Constructive Regulatory Mechanisms



# Continued Water and Wastewater Acquisition Success

## Cumulative Additions of Customers Through Acquisitions Since 2015

Over **138,000<sup>1</sup>** water and wastewater customers and approximately **\$570 Million** in rate base acquired through M&A since 2015



## Transactions Closed in 2026

Customers



- GREENVILLE**
- Water
  - 3,000 customers
  - \$18.0M purchase price

## Selected Pending Transactions <sup>(2)</sup>



- DELCORA**
- Wastewater
  - 198,000 customers<sup>(1)</sup>
  - \$276.5M purchase price



- DRIL-QUIP<sup>(2)</sup>**
- Water/Wastewater
  - 380 customers
  - \$1.1M purchase price



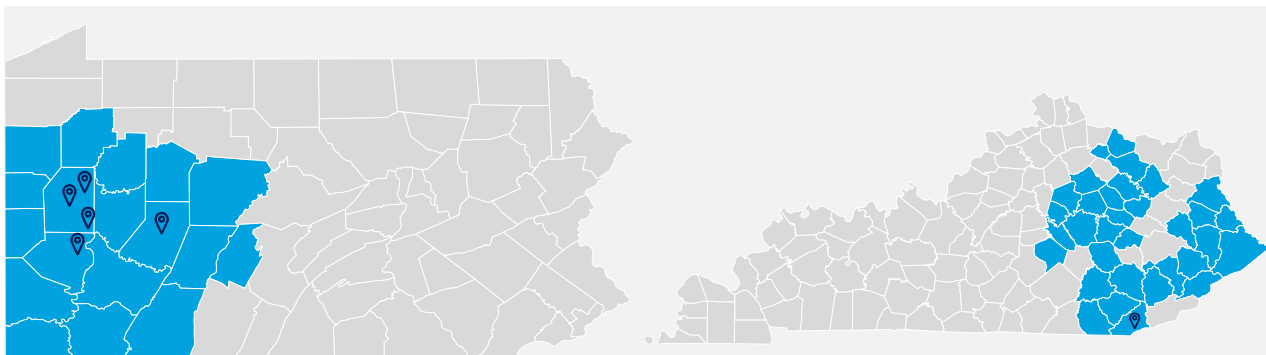
- INTEGRA<sup>(2)</sup>**
- Wastewater
  - 1,100 customers
  - \$4.4M purchase price

**~ 201,000<sup>1</sup>**  
Total Customers

**~\$285M**  
Total Purchase Price

(1) Essential's estimate of the number of equivalent dwelling units.  
 (2) Additional APAs are signed in PA, NJ, NC and TX.  
 (3) Dril-Quip and Integra are privately owned utilities.

## LOCATED IN CONSTRUCTIVE REGULATORY JURISDICTIONS



**Largest** natural gas distribution company in PA with **over \$4.6 billion** of rate base as of year-end 2025

Serving more than **747,000 customers**

**>96% of earnings** from regulated gas distribution

Operations located near plentiful, **low-cost natural gas sources**

## WITH CLEAR PATH TO GENERATE ADDITIONAL VALUE

### AFFORDABLE AND ABUNDANT

Gas is **3.5x more affordable than electricity** with more than 100 years of supply in the U.S.<sup>2</sup>

### CONSISTENT INVESTMENT

America's natural gas utilities **invest \$37 billion each year** on enhancing the safety of distribution and transmission systems.<sup>2</sup>

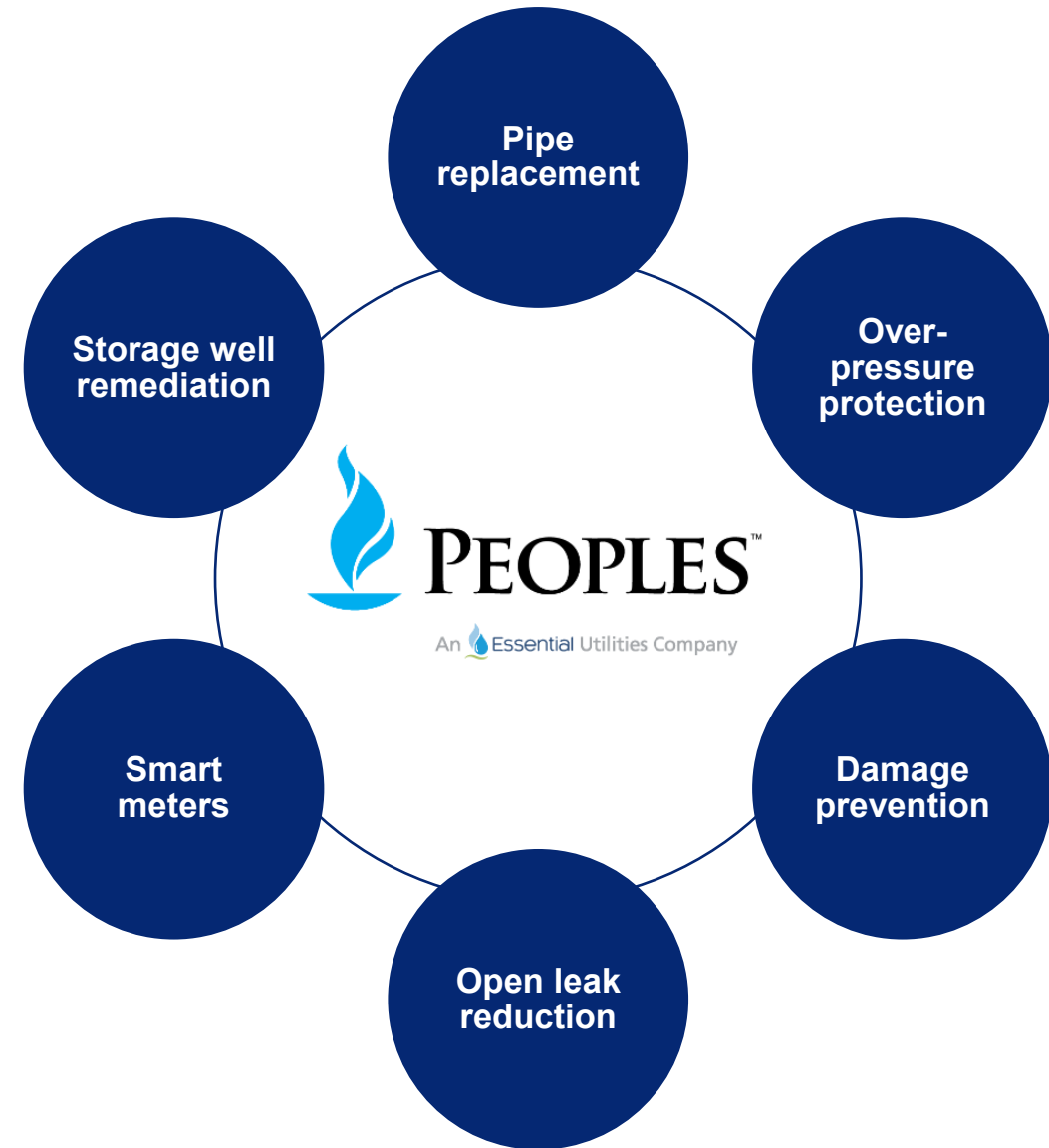
### DRIVING A SUSTAINABLE FUTURE

Emissions from natural gas distribution have declined 70% since 1990 and are expected to play **a critical role in helping the U.S. reach net-zero emissions** into the future.<sup>2</sup>

(1) Through 2029.  
(2) Per the American Gas Associations 2025 Playbook.

**Focused on  
being the  
safest, most  
reliable gas  
utility in the  
U.S.**

## Risk Reduction Building Blocks

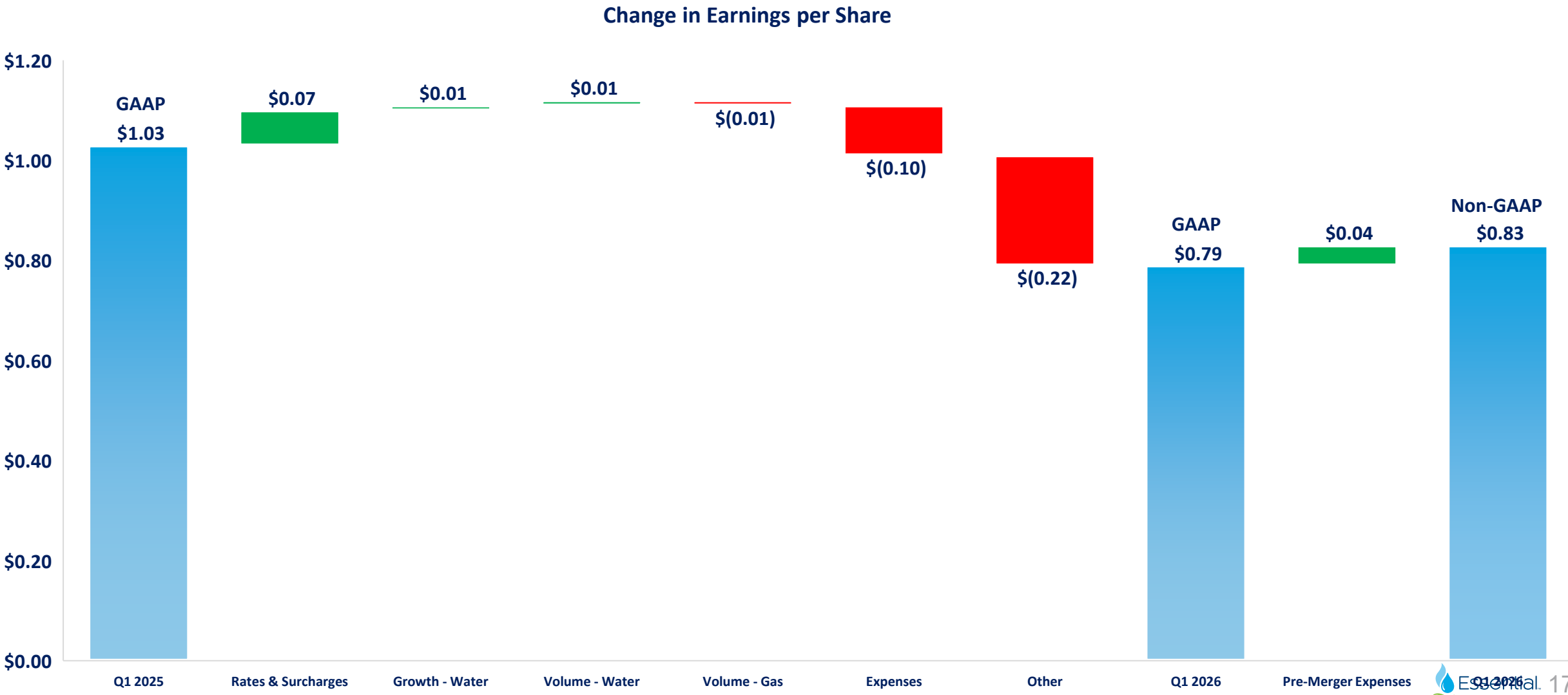


A photograph of two men in white hard hats and high-visibility safety vests. The hard hats feature the 'PEOPLES' logo. They are looking at a document held by the man on the right. The background shows a white truck and industrial equipment.

# Results & Outlook

# Earnings per Common Share

Q1 2026 vs. Q1 2025



# Regulatory Activity

As of May 6, 2026

## 2026 COMPLETED REGULATORY RECOVERIES

Water segment base rate cases or surcharges in PA, IL, IN, and OH with annualized revenue increase of \$5.7 million

Gas segment base rate cases or surcharges in PA and KY with annualized revenue increase of \$9.4 million

## PENDING REGULATORY RECOVERIES

Water segment base rate cases or surcharges in OH, NC, NJ, TX, and VA with requested annualized revenue increase of \$101.9 million

Gas segment base rate in PA with requested annualized revenue increase of \$163.2 million

# For More Information Contact:



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EdVallejo@Essential.co

An aerial photograph of a large, calm lake surrounded by a dense forest of evergreen trees. The water is a deep blue-green color, and the forest is a vibrant green. The lake is surrounded by a thick forest of evergreen trees, likely spruce or fir, which are densely packed and cover the surrounding land. The water is still, reflecting the sky and the surrounding forest. The overall scene is peaceful and natural.

# Appendix

# Reconciliation of GAAP to Non-GAAP Financial Measures

The Company is providing disclosure of the reconciliation of adjusted earnings per share, a non-GAAP financial measure referenced in this release, to the most comparable GAAP financial measure. Adjusted earnings per share does not comply with U.S. generally accepted accounting principles (GAAP), and is thus considered to be a “non-GAAP financial measure” under applicable SEC regulations.

Adjusted earnings per share is one of the primary metrics used by management to evaluate the Company’s financial performance and compare it to that of its peers, evaluate the effectiveness of the Company’s business strategies, and in connection with executive compensation decisions. This measure is also frequently used by analysts, investors, and others to evaluate industry peers. Further, the Company believes adjusted earnings per share is helpful in highlighting trends in the Company’s results because it allows for more consistent comparisons of performance between periods by excluding gains and losses that are non-operational in nature or outside the control of management. The Company further believes that this non-GAAP financial measure is useful to investors as a more meaningful way to compare the Company’s operating performance against its guidance. This non-GAAP measure does, however, have certain limitations and should not be considered as an alternative to earnings per share or any other performance.

Adjusted earnings per share adjusts for the following items:

- (1) costs associated with the pending merger with American Water; and
- (2) the income tax impact of the non-GAAP adjustment described above.

# GAAP to Non-GAAP Reconciliation

Year Ended December 31, 2024

(in millions, except per share data)	FY 2024
<b>Net income (GAAP financial measure)</b>	<b>\$595.3</b>
Adjustments:	
Gain on sales of assets and related transaction activities	(94.0)
Adjustments for estimated effects of unfavorable weather	18.7
Income tax effect of non-GAAP adjustments	20.9
<b>Adjusted income (Non-GAAP financial measure)</b>	<b>\$540.9</b>
<b>Net income per common share (GAAP financial measure):</b>	
Basic	\$2.17
Diluted	\$2.17
<b>Adjusted income per common share (Non-GAAP financial measure):</b>	
Basic	\$1.97
Diluted	\$1.97
<b>Average common shares outstanding:</b>	
Basic	273.9
Diluted	274.4

# GAAP to Non-GAAP Reconciliation

Three Months Ended March 31, 2026

(in millions, except per share data)	1Q 2026
<b>Net income (GAAP financial measure)</b>	<b>\$224.4</b>
Adjustments:	
Costs associated with the pending merger	16.3
Income tax effect of non-GAAP adjustments	(4.4)
<b>Adjusted income (Non-GAAP financial measure)</b>	<b>\$236.3</b>
<b>Net income per common share (GAAP financial measure):</b>	
Basic	\$0.79
Diluted	\$0.79
<b>Adjusted income per common share (Non-GAAP financial measure):</b>	
Basic	\$0.83
Diluted	\$0.83
<b>Average common shares outstanding:</b>	
Basic	283.2
Diluted	283.6

# State by State Comparison of Services

As of December 31<sup>st</sup>, 2025

	Water and Wastewater				Gas Distribution	
State	Rate Base (millions)	Water Connections (thousands)	Wastewater Connections (thousands)	Total Customers (thousands)	Rate Base (millions)	Total Customers (thousands)
PA	\$4,850	460.0	68.0	528.0	\$4,454	706.3
IL	\$609	69.9	24.9	94.8		
OH	\$585	155.1	11.2	166.3		
TX	\$694	76.7	26.0	102.7		
NC	\$464	88.0	23.7	111.7		
NJ	\$332	56.5	7.0	63.5		
KY					\$181	41.1
VA	\$146	27.7	8.6	36.3		
IN	\$126	1.4	31.8	33.2		
<b>TOTAL</b>	<b>\$7,806</b>	<b>935.3</b>	<b>201.2</b>	<b>1,136.5</b>	<b>\$4,635</b>	<b>747.4</b>

# 2026 Regulatory Activity Completed

As of May 6, 2026

State	Effective Date	Docket Number	Segment	Type	Annualized Revenue Increase (\$ 000's)
Ohio	1/1/2026	N/A	Water	Rate Case	889
	1/1/2026	N/A	Water	Rate Case	945
Illinois	1/1/2026	Wrm #25-033	Water	Surcharge	1,872
Illinois	1/1/2026	SRM #25-030	Wastewater	Surcharge	738
Indiana	1/1/2026	N/A	Wastewater	Rate Case	117
Indiana	4/1/2026	N/A	Wastewater	Rate Case	886
Pennsylvania	4/1/2026	M-2026-3061233	Water	Surcharge	127
Pennsylvania	4/1/2026	M-2026-3061275	Wastewater	Surcharge	174
Pennsylvania	1/1/2026	M-2025-3053185	Gas	Surcharge	4,946
Pennsylvania	4/1/2026	M-2026-3060167	Gas	Surcharge	1,611
Kentucky	1/1/2026	2025-00333	Gas	Surcharge	2,819
				<b>Total</b>	<b>15,125</b>

# Regulatory Activity Pending

As of May 6, 2026

State	Docket Number	Segment	Type	Requested Annualized Revenue Increase (\$ 000's)
Texas	58124	Water	Rate Case	29,148
Ohio	25-0594-WW-AIR	Water	Rate Case	14,653
North Carolina	W-218, Sub 629	Water	Rate Case *	42,242
Virginia	CASE NO. PUR-2025-00071	Water	Rate Case	7,927
New Jersey	WR26010017	Water	Rate Case	7,886
<b>Water and Wastewater</b>				<b>101,856</b>
* - Revenue Increase over multi year rate plan through December 2028				
Pennsylvania	R-2026-3060855		Rate Case	163,171
<b>Gas</b>				<b>163,171</b>
			<b>Total</b>	<b>265,027</b>

\*Revenue increase over multi-year rate plan through December 2028