

Fiscal 2020 Corporate Sustainability Report



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Introduction

A Message from President and CEO Steve Westhoven

Long before many corporations started to focus on sustainability in a meaningful way, New Jersey Resources' (NYSE: NJR) actions were guided by core Environmental, Social and Governance (ESG) principles.

Environmental stewardship, corporate responsibility, sound governance and caring for our communities have been fundamental values of our company for decades. They influence how we operate and the way we work with our customers, regulators, business partners and employees.

Transparency on these issues will become even more critical as we move through significant changes during the energy transition.

This will be the first fiscal year where we communicate our sustainability goals and progress through standards established by the Sustainability Accounting Standards Board (SASB). We believe this will strengthen our dialogue with investors and other stakeholders moving forward.

Once again, NJR was recognized by Newsweek as one of America's most responsible companies from a pool of over 2,000 companies evaluated and ranked on a detailed analysis of performance of corporate social responsibility.

You will read more about the effectiveness of business continuity efforts in the time of COVID-19; the extensive support of our communities through volunteerism and charity efforts; the strength, independence and diversity of our board of directors; and how our infrastructure investments have made our delivery system among the most environmentally sound in the country and will prepare our company to deliver decarbonized gas to support a clean energy transition. Over the next four years, 50% of our total capital expenditures will be invested in sustainability efforts.

In fiscal 2020, NJR continued to make meaningful advances on our sustainability goals and deliver results for our stakeholders.

Launched far-reaching sustainability agenda

Recognized as one of America's most responsible companies by Newsweek

Business continuity, safety and support for our communities in the face of a global pandemic

Reduced emissions by 50% from 2006 levels; and our goal is to reduce emissions by 60% by 2030

50% of our total capital expenditures will be invested in sustainability efforts over the next four fiscal years

Increased transparency in reporting through SASB and American Gas Association (AGA) metrics

Support for diversity, equity and inclusion in our company and community

Underscoring our commitment and actions, we surpassed our goal of voluntarily reducing emissions from our New Jersey operations by 50% from 2006 levels. Building on this milestone, we are going even further by setting a new goal of a 60% reduction of 2006 levels by 2030.

Through an innovative partnership with Google, New Jersey Natural Gas distributed 20,000 Nest thermostat Es at no cost, helping customers reduce emissions by over 6,600 metric tons.

In our efforts to further mitigate the impacts of climate change and restore natural resources, we are working with the New Jersey chapter of The Nature Conservancy, a national leader on environmental conservation and climate issues. NJR has donated \$25,000 to support the organization's work to preserve saltwater tidal wetlands in New Jersey's Barnegat Bay. As a company located along the Jersey Shore, we believe these actions are important for our business, our customers and our future.

As we look ahead over the next decade, climate change will be a dominant issue that must be prioritized and addressed as part of our long-term strategy.

The recent national focus on racial justice and equity brought a new urgency to our commitment to diversity, equity and inclusion among our employees and the communities we serve. NJR has a strong record of engagement on these issues. And we are committed to building on those efforts.

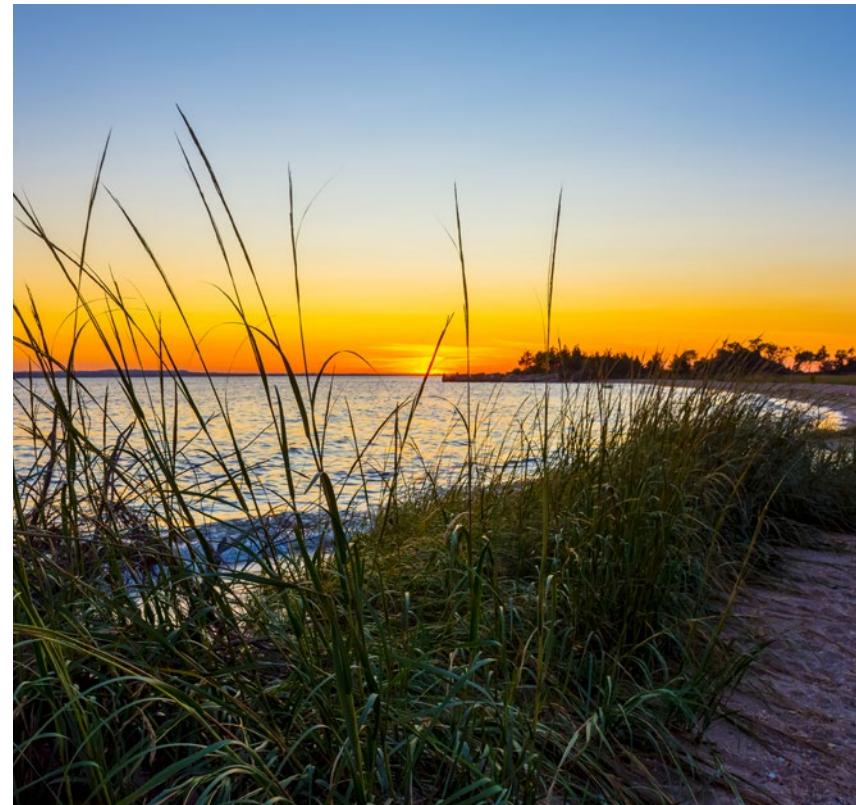
Sustainability is the common thread that ties together our companies and the more than 1,100 people behind them.

To achieve good results, you need good people, good governance and discipline and good relationships with the diverse stakeholders and communities you work in. And you'll find that at NJR – in the way we think about ESG, and in our vision for a clean energy future.

Sincerely,



Steve Westhoven
President and CEO



Corporate Profile

New Jersey Resources (NYSE: NJR) is a Fortune 1000 company focused on meeting the energy needs of our stakeholders, serving the community and acting today to responsibly meet our shared future.

Through our five primary businesses listed below, NJR provides safe and reliable natural gas and clean energy services, including transportation, distribution, storage, asset management and home services.

New Jersey Natural Gas (NJNG), NJR's principal subsidiary, operates and maintains over 7,500 miles of natural gas transportation and distribution infrastructure to serve over half a million customers in New Jersey's Monmouth, Ocean, Morris, Middlesex and Burlington counties.

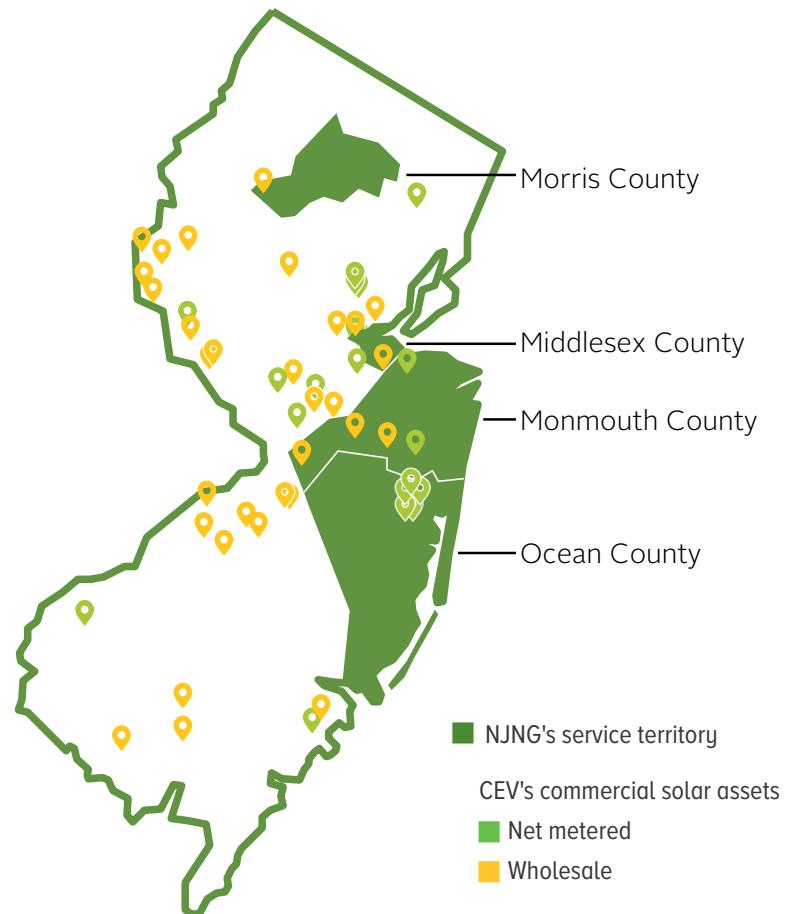
NJR Clean Energy Ventures (CEV) invests in, owns and operates solar projects with a total capacity of more than 357 megawatts, providing residential and commercial customers with low-carbon solutions.

NJR Energy Services (NJRES) manages a diversified portfolio of natural gas storage and transportation assets and provides physical natural gas services and customized energy solutions to its customers across North America.

Storage and Transportation (S&T), formerly NJR Midstream, serves customers from local distributors and producers to electric generators and wholesale marketers through its ownership of Adelphia Gateway, Leaf River Energy Center and 50% equity ownership in the Steckman Ridge natural gas storage facility, as well as its 20% equity interest in the PennEast Pipeline Project.

NJR Home Services (NJRHS) provides service contracts, as well as heating, central air conditioning, water heaters, standby generators, solar and other indoor and outdoor comfort products to residential homes throughout New Jersey.

NJR and our more than 1,100 employees are committed to helping customers save energy and money by promoting conservation and encouraging efficiency through Conserve to Preserve[®] and initiatives such as The SAVEGREEN Project[®] and The Sunlight Advantage[®].



Commitment to Stakeholders

Guided by our Commitment to Stakeholders (CTS), NJR is committed to enhancing our customers' quality of life by meeting their expectations for reliability and value in an environmentally responsible way — every day. Guided by seven key principles, our CTS drives our actions, measures our performance and represents the core values of our company.



1

Safe, Reliable and Competitively Priced Service

This is our first priority and, driven by employee performance, the foundation of our success.



2

Customer Satisfaction

Every employee will deliver outstanding customer care and achieve the highest level of customer satisfaction.



3

Growth

With enthusiasm and commitment, every employee will work to identify growth opportunities that meet the evolving needs of our customers and ensure the continued vibrancy of the organization.



4

Quality

Pursuing quality will be a shared responsibility throughout our organization.



5

Valuing Employees

Recognizing the power of a diverse, highly trained workforce, we are committed to the professional and personal development of every employee and ensuring a safe and respectful environment.



6

Corporate Citizenship

We will fulfill our commitment to being a responsible corporate citizen by maintaining our focus on integrity, philanthropy, charitable outreach, environmental stewardship and volunteerism to enhance the quality of life in the communities we serve.



7

Superior Return

Supported by a strong financial profile and operational excellence, we will meet the expectations of our investors through consistent earnings and dividend growth, appropriately rewarding their confidence in us.

Sustainability Driven From the Top Down

In January 2020, NJR launched a far-reaching sustainability agenda. In doing so, a formal structure to promote further development of sustainability within the organization was established. Our progress over the past year is reflected in this report.

NJR's Sustainability Council

NJR's Sustainability Council, which reports to the President and CEO, is composed of senior executives who lead the development and implementation of our organization's strategy to address ESG and other related matters.

In fiscal 2020, the Council made great progress in advancing this work, including greenhouse gas reduction and increased transparency in reporting.

Office of Sustainability

NJR created an Office of Sustainability in fiscal 2020 to support the Sustainability Council and further advance the company's sustainability goals. The office works to bring all of NJR's sustainability efforts together under a single framework, support emissions reduction goals, drive major sustainability initiatives and improve data collection, transparency and reporting to our stakeholders.

Environmental Management System

NJR's Environmental Management System is designed to further goals, policies and principles that promote environmental protection throughout the organization, and measure results to improve performance and drive accountability. This system, as well as our CTS, clearly articulates our values and our strong commitment to environmental stewardship.



Sustainability Guiding Principles



Support sound public policies that address climate impacts and ensure reliable, affordable and clean energy for our customers.



Embrace innovation across technologies and fuel types to deliver energy with improved environmental outcomes.



Reduce greenhouse gas emissions from operated assets and suppliers by prioritizing mitigation strategies and reduction targets.



Increase transparency about sustainability progress through public reporting and stakeholder outreach.



Expand customer energy-efficiency, conservation and environmental stewardship opportunities.



Promote corporate governance practices that create long-term value for stakeholders and require accountability from our leadership.



Continually adopt and promote best practices in human capital management that complement a diverse and inclusive workforce.



Maintain industry-best safety standards to protect the well-being of our employees, customers and the communities we serve.



Utilize responsible sourcing strategies and monitor supplier sustainability efforts within NJR's supply chain.



Engage with our local communities and nonprofits in the spirit of support and cooperation.



In fiscal 2020, NJR again offset 100% of the natural gas emissions from its utility fleet and facilities.

Setting – and Raising – the Bar for Emissions Reduction

For nearly 15 years, NJR has pursued opportunities to measure and reduce emissions from business operations. Our first goal to reduce emissions 20% from 2006 levels by 2020 was met with reductions in emissions from our fleet, facilities and distribution system, including the removal of cast iron main. NJNG was the first utility in the state to do so.

A new goal of a 50% reduction of 2006 levels by 2030 was established. The purchase of renewable electricity to power most of our facilities, as well as the replacement of most of our remaining unprotected steel distribution system, enabled us to achieve this goal well ahead of schedule.

We are raising the bar, again. NJR is now targeting a 60% reduction in emissions from 2006 levels by 2030. This is in line with the State of New Jersey's goal to reduce emissions to 80% of 2006 levels by 2050, established in 2007 through the Global Warming Response Act.

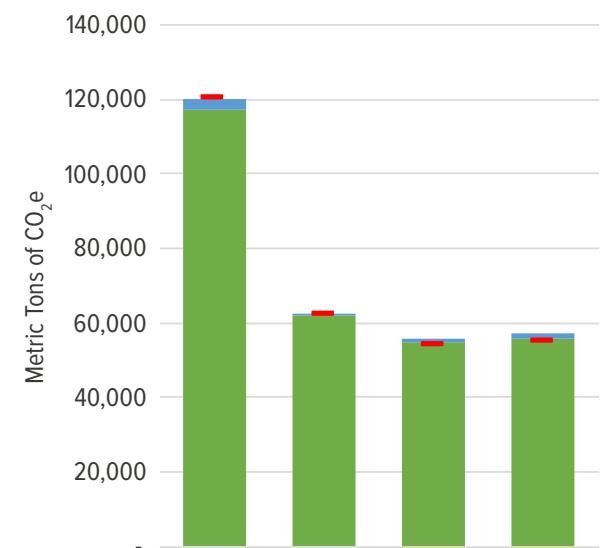
Over the next decade, we expect further reductions to come primarily from our fleet as we make the transition to low- and no-emissions vehicles. Reductions from our distribution system will

continue to play a role, as we are on track to become the first utility in the state to remove all the remaining unprotected steel from our system in 2021. Lastly, the transition to decarbonized fuels is expected to contribute an important reduction in emissions from our New Jersey operations, which will grow over time. More information about how our modernized infrastructure prepares NJR to embrace this transition can be found in this [report](#).

In addition to the strategies noted above, in 2021, we will focus on expanding our greenhouse gas inventory to measure emissions from our S&T operating companies and develop emissions reduction strategies.

We will also measure the relevant Scope 3 emissions for our business. These include indirect emissions that result from our operations, such as business travel, employee commuting and customer usage, among others. Strategies to reduce emissions in these areas will be evaluated and include building on our current efforts to reduce customers' emissions through energy-efficiency programs. We look forward to sharing our progress in these areas.

Emissions from New Jersey Operations



(20,000)

	FY2006	FY2018	FY2019	FY2020*
Scope 1	116,919	62,191	54,920	55,924
Scope 2	3,332	93	1,031	1,026
RNG Attributes	-	-	(1,703)	(1,713)
Net GHG Emissions	120,251	62,284	54,248	55,237

■ Scope 1 ■ Scope 2 ■ RNG Attributes ■ Net GHG Emissions

* Scope 1 emissions from natural gas distribution are reported to the U.S. Environmental Protection Agency (EPA) on a calendar year basis. Therefore, NJR's Fiscal Year 2020 Scope 1 emissions reflect data from calendar year 2019.



Supporting the Fight Against Climate Change

As the parent company of a utility serving a predominately coastal service territory on the front lines of sea level rise and storm surge, NJR has a unique perspective on the fight against climate change and our role in working to reduce emissions and combat its effects.

We are not only taking aggressive and innovative actions to reduce emissions from our own operations, but in line with public policy goals, we are also supporting and working alongside the New Jersey chapter of The Nature Conservancy, a leading environmental organization, to do even more in our own backyard – fighting climate change through the restoration of saltwater tidal wetlands in the Barnegat Bay.

The salt marshes and sea grass that are an abundant part of the coastal regions of NJNG's service territory serve a critical function in addressing climate change. These tidal wetlands are extremely effective at rapidly removing carbon from the atmosphere and storing it away in soil for thousands of years. They are also an important tool in fighting the effects of extreme

weather – serving as a natural barrier against wave energy and storm surge, reducing its intensity to protect people and property.

Sea level rise is eroding the integrity and effectiveness of these vital ecosystems, and restoration of New Jersey's salt marshes has been identified by the New Jersey Department of Environmental Protection (DEP) as a strategy to mitigate the effects of climate change. NJR has contributed \$25,000 to help restore and preserve these vital ecosystems, which are so important to our New Jersey customers and communities.

This funding, and further steps to be announced in the future to strengthen NJR's partnership with The Nature Conservancy on this work, will be used to expand the scientific research and preliminary work already underway by The Nature Conservancy and a broad coalition of partners such as the U.S. Fish and Wildlife Service, the New Jersey DEP, the National Marine Fisheries Service and others in research, academia and local government.

"Since 2014, The Nature Conservancy and our partners have been piloting an innovative restoration technique that holds incredible potential for large-scale renewal of struggling marshes in New Jersey. NJR's support and partnership on this essential salt marsh restoration project comes at a critical time, as we look to expand our work and identify restoration needs and plans for more than 80 marsh islands throughout the Barnegat Bay. We thank NJR for taking action and supporting this opportunity to make a real, long-term difference combating the effects of climate change. We believe our work together will have real, lasting benefits for the people, property and wildlife of the Barnegat Bay Watershed, and for our planet."

~ Dr. Barbara Brummer, State Director
The Nature Conservancy New Jersey

Leading the Way to a Decarbonized Energy Future



Be a leading energy infrastructure company driven by innovation



Operate high-integrity, environmentally responsible assets that safely and reliably serve customers



Deliver clean, decarbonized fuel to safely and reliably heat homes and businesses



Invest in solar to power homes and businesses



Leverage expertise to support emerging technologies and market opportunities

Transition to Clean Energy in New Jersey and Beyond

New Jersey and our nation are in the midst of a clean energy transition that brings tremendous opportunity for NJR. We have embraced this shift, and have been building toward it for years at NJNG and CEV.

We've demonstrated leadership when it comes to taking action to drive lower emissions and control methane in NJNG's system while continuing to provide safe, reliable service. To date, **NJNG operates the most environmentally friendly system in the state**, as measured by leaks per mile.

In addition to the progress at the utility, NJR was one of the earliest, and continues to be one of the most significant, investors in New Jersey's solar market. CEV has invested approximately \$1 billion in solar assets in all 21 counties across the state.

As decarbonization continues to accelerate and we become increasingly reliant on renewables, NJR is making strategic investments to support that transition.

Over the next four years, NJR expects **50% of capital expenditures will be allocated to sustainability investments**. This includes investments in renewable energy, energy-efficiency programs, renewable natural gas, or RNG, power to gas and enhancements that increase the reliability and resiliency of our distribution system while reducing methane emissions.

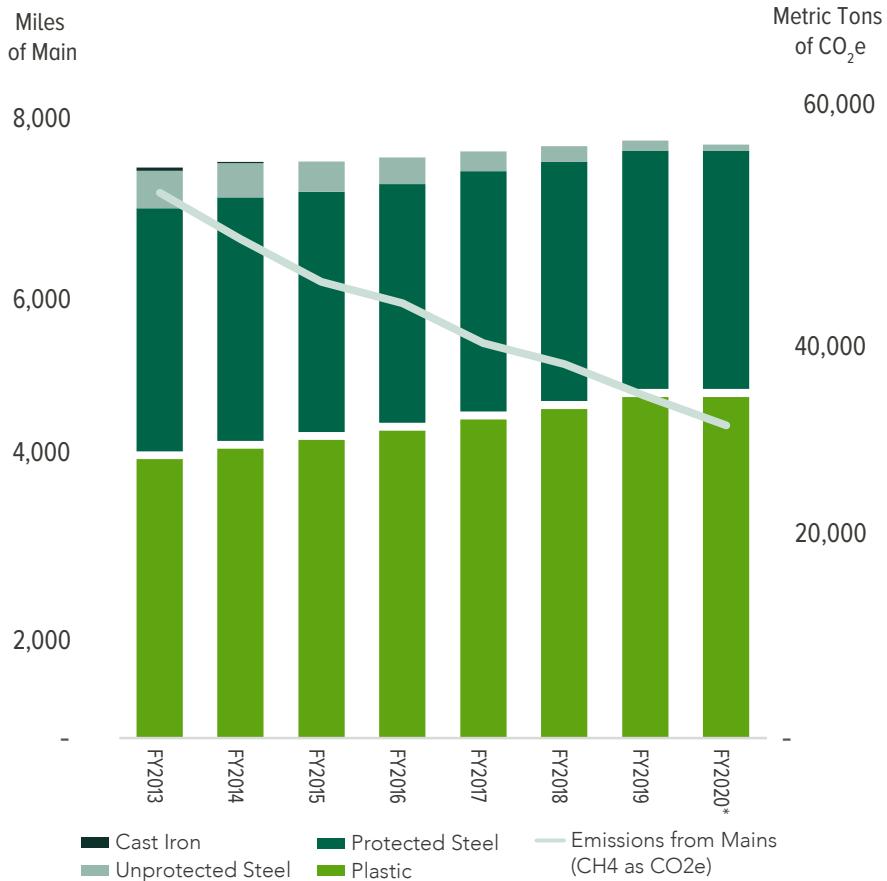
In 2020, the State's Energy Master Plan (EMP) was released. NJR's corporate strategy and policy team actively weighed in on the development of the plan through the public process.

The EMP has aggressive emissions reduction goals that will require diverse solutions if they are to be met. We believe the inclusion of alternative fuels is a positive step to help ensure affordability and reliability along the way.

We are making real strides in support of the State's EMP's goals, which align with many of our own business priorities.

- ▶ Our capital deployment in solar over the next five years will nearly double as we target investments in growing markets supported by favorable policy and stable incentives.
- ▶ Through our decoupling and energy-efficiency programs at NJNG, we are helping customers save energy and money.
- ▶ And we are working toward decarbonization through the exploration of alternative fuel sources.

NJNG Main Replacement and Emissions Reductions



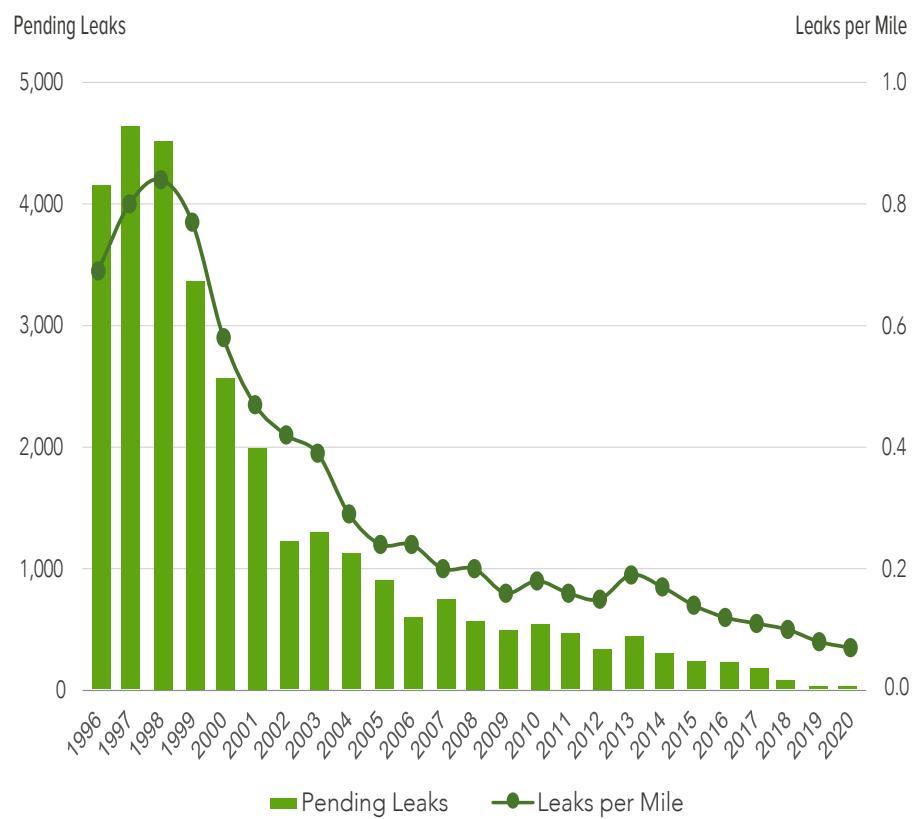
Operating a Premier Distribution System

We have invested more than \$1.9 billion in our delivery system in the last decade, thus **reducing methane emissions by more than 230 metric tons in fiscal 2020*** and more than 900 metric tons since 2015 – that's equivalent to driving around the world 88 times.

This represents a long track record of continuous improvement in leak reduction, resulting in the most environmentally sound natural gas delivery system in New Jersey.

Continuous Improvement on Pending Leaks

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



*Emissions from NJNG's distribution system are reported on a calendar year basis in line with NJNG's annual required reporting under the EPA's 40 CFR Part 98, Subpart W. Therefore, this information for fiscal 2020 is reflective of calendar year 2019 data.

Our environmental record is excellent. Nevertheless, we believe there is still more work to do. Our commitment is to continue to reduce methane emissions and we will direct our infrastructure improvements with this in mind.

Having an environmentally sound system with minimal leaks makes us a perfect candidate for new decarbonization technologies, such as hydrogen blending and RNG that will help us achieve our mission to deliver safe and reliable energy to our customers in an environmentally responsible way.

NJNG is proud to be a member of the following organizations and programs that are working toward improved environmental outcomes from the production and distribution of natural gas.



99 percent of our system is composed of either plastic or protected steel



28,046 million cubic feet of methane voluntarily reduced by NJNG in one year, equivalent to the energy used by 1,553 homes for one year



234 metric tons of methane emissions reduced from NJNG's distribution system in fiscal 2020

Decarbonized Fuels

NJR is committed to delivering the cleanest available fuel. Over the past year, we have had productive conversations with regulators and policy makers about advancing efforts to use our infrastructure for the next generation of clean energy, like RNG and hydrogen, to meet society's emissions and sustainability goals.

Leveraging our existing natural gas utility infrastructure to distribute alternative fuel solutions, in addition to aggressive energy efficiency and more efficient space heaters, is a cost-effective way to meet the State's emissions goals. NJR estimates the use of decarbonized fuels in New Jersey's energy transition can result in savings of \$100 billion while still achieving the State's goal to reduce emissions to 80% of 2006 levels by 2050.

Renewable Natural Gas

Biomethane's role in meeting decarbonization targets is underestimated. When properly treated, biomethane effectively becomes RNG, which is sourced through a variety of feedstocks, including landfill gas, and is in no short supply in New Jersey.

Currently, many landfills flare their methane gas to reduce impact in the atmosphere, but that gas can instead be captured, processed and injected into the pipeline.

New legislation was recently passed in New Jersey that focuses on the potential of producing energy from recycled food waste. The State is currently working on the implementation of this legislation – and NJR is participating in stakeholder discussions.

With landfills and other feedstocks being utilized, RNG can have a real impact on reducing carbon emissions in the State. ICF estimates that by 2050, RNG can represent nearly half of New Jersey's natural gas usage. Nationally, ICF has estimated that enough RNG can be produced to meet nearly all home heating needs.*

The team is currently analyzing multiple opportunities related to RNG and we expect these discussions to progress in the coming year.

Hydrogen

NJR also recognizes hydrogen is likely to play a major role as a decarbonized fuel. Infrastructure businesses such as ours will be at the forefront to competitively and affordably transport and store this resource. We believe we are well positioned to play a role in the early hydrogen market for two main reasons:

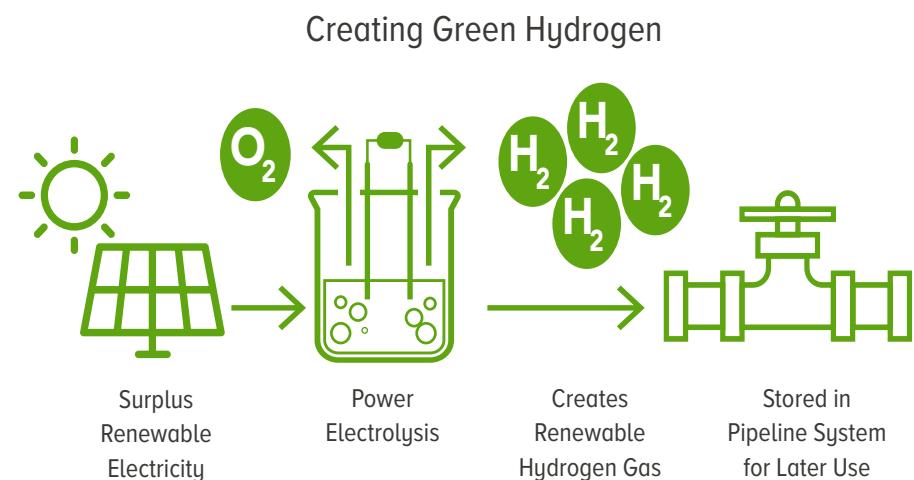
- ▶ NJR focuses on maintaining a best-in-class distribution system at the utility, and we have modernized it to be one of the best in the country. These upgrades are important when transporting alternative fuels like hydrogen.
- ▶ We are headquartered in a state with a significant renewable power industry. New Jersey set an ambitious goal of installing 7,500 megawatts (MW) of offshore wind by 2035, and a good portion of that will come ashore in our service territory.

Our recently acquired transportation and storage assets, built for natural gas, may gain value in the future as the hydrogen economy advances. Salt caverns – like those at our Leaf River Energy Center – have known capabilities and have already been used to store hydrogen, and storage is a critical challenge to help hydrogen come to scale in the energy sector.

The hydrogen opportunity before us has proven potential, which is why **NJNG has initiated a power-to-gas project in our service territory.** We are developing this renewable hydrogen project at our Howell, N.J. facility, and we expect to reach commercial operation in 2021.

Our power-to-gas project will be used to study blending capabilities and technology, create awareness with regulators and policymakers and build expertise to allow us to scale as the market continues to develop.

We have great confidence we will continue to deliver on the clean energy opportunities we are pursuing today – and in the new opportunities we are already seeding investments in for tomorrow. In the meantime, the intermittent performance of a growing renewable energy mix will further drive the need for maintaining access to reliable natural gas.



* ICF, *Renewable Sources of Natural Gas: Supply and Emissions Reduction Assessment*.

Produced for the American Gas Foundation. 2019.

Solar

This year, CEV placed eight commercial solar projects into service, acquired an operational commercial solar asset and added 481 residential and small-to-midsize commercial customers. Our total installed capacity is now 357 MW, or enough to power 55,900 homes annually.

Among our projects was North America's largest floating solar array located in Sayreville, N.J. This 4.4 MW system turns underutilized space into clean energy. The renewable energy generated is sold to the borough, providing 100% of the power to the borough's water treatment plant and helping offset usage at other municipal facilities.

CEV also installed solar panels at NJR headquarters in Wall, N.J. The 326-kilowatt rooftop solar project adds significant on-site renewable generation to NJR's portfolio, helping to reduce emissions associated with electric generation. The company also has installed solar arrays on two additional corporate facilities in Wall.

For a decade now, we have successfully operated solar energy infrastructure to serve our customers. This pursuit has delivered profitable growth, aligned us with New Jersey's sustainability goals, including the EMP, and promoted economic development and job creation.

We believe the market opportunity in solar is growing, fueled by lower costs, greater efficiencies and the need to reduce carbon emissions. CEV can play a major role in the growth of solar by significantly increasing the capital invested in the sector. With planned expansion outside of New Jersey, and the emergence of new generation technologies such as battery infrastructure and electric vehicles, CEV can support the achievement of policy and sustainability goals.

This year, NJR announced its second issuance of Green Bonds totaling \$120 million. The net proceeds of NJR's offering support its clean energy investments, including 10 commercial solar projects with a combined installed capacity of nearly 63 MW, or enough clean energy to power approximately 9,900 homes and eliminate about 60,000 tons of carbon dioxide (CO₂) annually. NJR has now financed 113 MW of its commercial solar projects with green bonds.

#1

Largest in-state solar owner/operator in
New Jersey



357 MW total capacity
installed since inception



66 MW of residential and
commercial solar capacity
added in fiscal 2020



Enough to power
55,900 homes annually



Making the Benefits of Solar More Accessible

For more than a decade, the Sunlight Advantage has been providing residential customers in New Jersey with simple solar savings. CEV's successful solar lease program makes renewable energy affordable and accessible to homeowners by providing rooftop solar systems with no upfront installation or maintenance costs for one predictable, monthly payment and savings of approximately 30% to 40% on their electric bills.

Today, the Sunlight Advantage is one of the largest residential solar programs in the State with more than 8,600 lease customers.

Responding to a gap in the marketplace due to a lack of financing opportunities for small commercial businesses, nonprofits and religious entities, CEV stepped in with a solution to help put the benefits of solar energy in reach for more customers.

In fiscal 2020, CEV made its solar offerings available through the Sunlight Advantage to these groups, including Fulfill, formerly the Food Bank of Monmouth and Ocean Counties.

As a leading nonprofit organization in Monmouth and Ocean Counties, Fulfill is dedicated to alleviating hunger and building food security. With the demand for their services continuing to grow, especially since the outbreak of the COVID-19 pandemic, every dollar is critical when it comes to meeting the needs of our neighbors. That is where the Sunlight Advantage was able to help.

Working with one of CEV's channel partners, Reliable Power and Solar, a nearly 0.5 MW rooftop array was installed to help offset approximately 86% of the nonprofit's electricity use.

"Saving money on our electricity bills frees up funds for Fulfill to feed more people in need at the Jersey Shore," said Fulfill CEO and President Kim Guadagno, the former Lieutenant Governor of New Jersey. "The cost savings comes at a critical time, because the need for food has never been more dire than during this pandemic."

CEV continues to be a leader in New Jersey's clean energy marketplace and making the benefits of solar more accessible to more people and groups. Since it expanded its Sunlight Advantage offerings, CEV has completed power purchase agreements with 26 small commercial, religious and nonprofit institutions across the state, including Fulfill.



Storage and Transportation

At S&T, our subsidiary focused on natural gas storage and transportation assets, we are committed to lowering our carbon footprint and meeting the growing customer demand for clean, affordable natural gas. Through our work with downstream customers, S&T has helped deliver emissions reduction gains as markets across the U.S. continue to transition to natural gas from less clean forms of energy like coal and oil.

The Adelphia Gateway pipeline project will repurpose existing infrastructure to provide consumers in southeastern Pennsylvania with additional access to cleaner burning, locally sourced natural gas that helps them reduce emissions. Kimberly-Clark Corporation is upgrading the company's mill in Chester, Pennsylvania, and replacing its on-site, coal-fired plant with natural gas to be provided by Adelphia Gateway. The conversion will reduce the mill's greenhouse gas emissions by 50% and help support Kimberly-Clark's goal of cutting its carbon footprint in half by 2030.

Leaf River Energy Center (Leaf River) is a salt cavern storage facility, located in Taylorsville, Mississippi, providing essential natural gas storage and balancing services to a diverse mix of customers. Southern Company, which from 2007 through 2019 increased natural gas sourced generation from 15% to 50% and reduced coal sourced generation from 70% to 22%, is one of Leaf River's largest customers.

Similarly, Leaf River recently executed a long-term contract with an Alabama power generator to support a new natural gas power plant that will replace a retiring coal plant.

Natural gas demand is expected to grow in the U.S. and globally over the next 30 years due to its affordability and reliability. Our storage and transportation assets are well positioned both geographically and operationally to help reduce the prevalence of coal-fired generation, which still exists in many parts of the U.S., supporting the sustainability goals of states and businesses around the country.



Energy Efficiency

For more than a decade, we have been a leader in energy efficiency in New Jersey, and in 2020 we continued to deliver on our commitment to help customers reduce their energy usage, launching new offerings and achieving new milestones.

In 2006, NJNG began to heavily promote energy efficiency after successfully implementing a decoupling mechanism with support from our regulators. What began as Conserve to Preserve (CTP), grew to include The SAVEGREEN Project® (SAVEGREEN) in 2009. SAVEGREEN provides customers with innovative energy-efficiency solutions, financing and incentives to help them install energy-efficient appliances in a cost-effective manner. Collectively, CTP and SAVEGREEN have helped customers save over \$420 million through reduced usage initiatives since inception.

In fiscal 2020, SAVEGREEN invested \$29 million in a variety of programs to support the installation of new and efficient equipment, resulting in annual energy savings of nearly 5.5 million therms or over 29,000 metrics tons of CO₂. This is equivalent to the annual energy usage of 3,353 homes.

NJNG's years of experience and success in the energy-efficiency market provided NJNG the opportunity to play an active role in the State's recent efforts to revise its energy-efficiency programs. As a result of the changes, NJNG will now administer many of the programs previously run by the state.

A \$258 million filing with the Board of Public Utilities (BPU) reflects the administration changes. NJNG can work directly with our customers to continue home energy audits, rebates and financing and can now expand incentives to low- to moderate-income customers, affording all customers the benefits that come from reduced energy consumption.

If approved in full, the programs reflected in this filing will help NJNG customers save more than 128 million therms of natural gas, preventing the emission of over 677,000 metric tons of CO₂—the equivalent of taking 146,000 cars off the road for a year. As proposed, the filing would also help NJNG to meet or exceed the energy reduction targets set by the BPU, consistent with the landmark New Jersey Clean Energy Act, which was signed into law in 2018, and set specific energy reduction targets for the state's utilities for the first time.

SAVEGREEN by the Numbers in Fiscal 2020



**\$29 million invested
in energy-efficiency
programs**



**5.5 million therms
of energy savings**



**29,000 metric tons
of CO₂ reduced**

More than 5,000 free energy-saving kits were distributed to income-eligible residents through partnerships with food banks and other local organizations.

NJNG became the first company ever to provide more than 25,000 homes with Energy Scores through the U.S. Department of Energy's Home Energy Score program. The score provides customers with energy use, associated costs and potential solutions to improve home efficiency.

This year, NJNG supported the energy-efficiency education efforts of 35 schools through the PowerSave Schools program.

Since inception, SAVEGREEN has generated more than \$472 million in economic activity and supported participation of over 2,800 local contractors.



Making Energy-Efficient Technologies More Accessible

NJNG launched its online marketplace to provide customers with access to low-cost ways of achieving energy savings. This year, NJNG partnered with Google and Energy Federation Inc. and provided nearly 20,000 of the Google Nest Thermostat E* to residential customers at no cost, exclusively on the NJNG Marketplace.

Overall, in fiscal 2020, NJNG provided a total of nearly 39,000 free or discounted smart thermostats, including the Google Nest E, helping save 2,453,283 therms, equal to 12,980 metric tons of CO₂.

Based on typical annual energy usage per thermostat, customers save:**

- ▶ Up to 15% on cooling costs
- ▶ Up to 12% on heating costs
- ▶ Between \$131 - \$145 each year
- ▶ Up to 65 therms of natural gas and 267 kilowatt hours of electricity

*Google and Google Nest Thermostat E are trademarks of Google LLC.

** Individual savings may vary.



Embracing Social Responsibility is a Core Value



Actively support diversity, equity and inclusion in our workforce and communities



Recruit and develop a talented and engaged workforce



Enhance the customer service experience



Promote and implement best-in-class safety practices



Provide charitable support for nonprofits and organizations that serve our communities

Diversity, Equity and Inclusion

NJR believes diversity, equity and inclusion (DEI) and employee engagement are integral to our vision, strategy and business success. Fostering an environment that values diversity and ethics helps create an inclusive organization where we embrace, leverage and respect the differences of our employees, customers and the communities in which we live, work and serve.

National incidents of discrimination and inequality in 2020 have placed a renewed spotlight on social justice in our communities.

These issues affect us all, and NJR is committed to embracing diversity, equity and inclusion as core values and being a part of the solution.

NJR recognizes its responsibility to challenge and address issues of inequity; eliminate barriers; and pave the way for our employees' personal and professional success.

- ▶ Workforce Development: The NJR Career Development Framework provides clear performance measures essential for career success and a strong retention rate with an average employee tenure of 13 years as of September 30, 2020.
- ▶ Supplier Diversity: Developing a responsible supply chain reinforces our commitment to invest in our communities and support diverse businesses, providing them a fair opportunity to successfully participate.
- ▶ Customers and Community: Each year, NJR and its employees provide thousands of hours of volunteer service and help support the important work of nonprofit and community organizations throughout its service territory.

Upholding our commitments to respect others, advocating for diversity, equity and inclusion and maintaining a workplace free from discrimination and harassment is the responsibility of every employee at NJR. But leadership, setting the example and policy, starts at the top – NJR's work in this space is vested in its board, officers and the Diversity and Inclusion Council.

Business Resource Groups

In fiscal 2020, we expanded our employee-led Business Resource Groups (BRG) to help drive engagement, empower employees and encourage an inclusive workplace. At NJR, 16% of the workforce participates in one of our five BRGs, placing us par on with industry standards, according to Diversity Best Practices, a division of Working Mother Media. In addition to our existing Supporting Women's Advancement and Growth and Todo Unidos Latinx/Hispanic BRGs, in 2020,

we introduced:

- ▶ Onyx, African Heritage
- ▶ Asian Pacific Enrichment Community
- ▶ Generations

Targeted Workforce Attraction and Recruitment

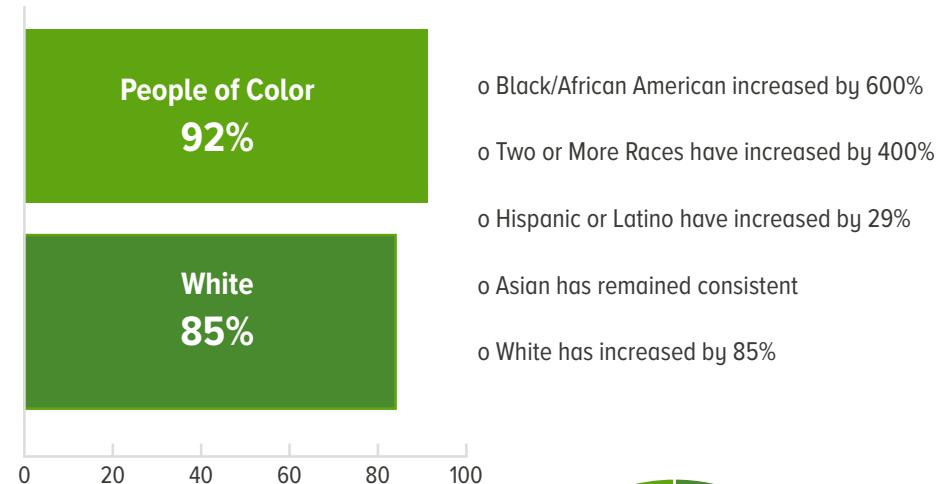
At NJR, we know our company is only as strong as our employees, and we actively work to recruit and expand our diverse talent pool. We continue to diversify our recruitment efforts and establish relationships to attract a skilled, diverse candidate base, including such organizations as:

- ▶ Hispanic Latino Professional Association
- ▶ Bridging the Gap – Veterans
- ▶ National Diversity Network
- ▶ New Start Career Network
- ▶ Hire Heroes USA
- ▶ National Society of Black Engineers
- ▶ Hispanic Chamber of Commerce
- ▶ Society for Women Engineers
- ▶ Historically Black Colleges and Universities Network

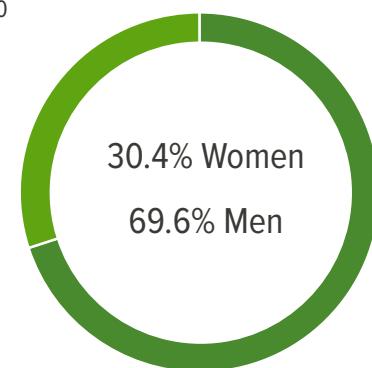
We have increased the hiring percentage of people of color and will continue working to positively impact the overall demographics of our employee population to ensure it reflects the communities we serve. With the establishment of our BRGs, we will engage members to gain perspective on what attracted them to NJR, why they stay and how we can support and attract more underrepresented candidates to the organization.

Demographic Changes from FY2018 to FY2020

Diverse Hire Growth*



Fiscal Year 2020
1,157 NJR Employees



For additional information on our efforts to promote diversity, equity and inclusion in our workplace and communities, please see [NJR's 2020 Diversity and Inclusion Report](#).

*Based on voluntary self-identification

Creating a Thriving Workplace

The best organizations recognize employees as essential partners in their mission and actively create opportunities for employees to expand their skills, mature as leaders, balance work and life responsibilities and engage in the company and community. In fiscal 2020, NJR quickly adapted to rapidly changing conditions due to the COVID-19 pandemic and continued to invest in our employees' safety, engagement, wellness and career development.

Employee Safety

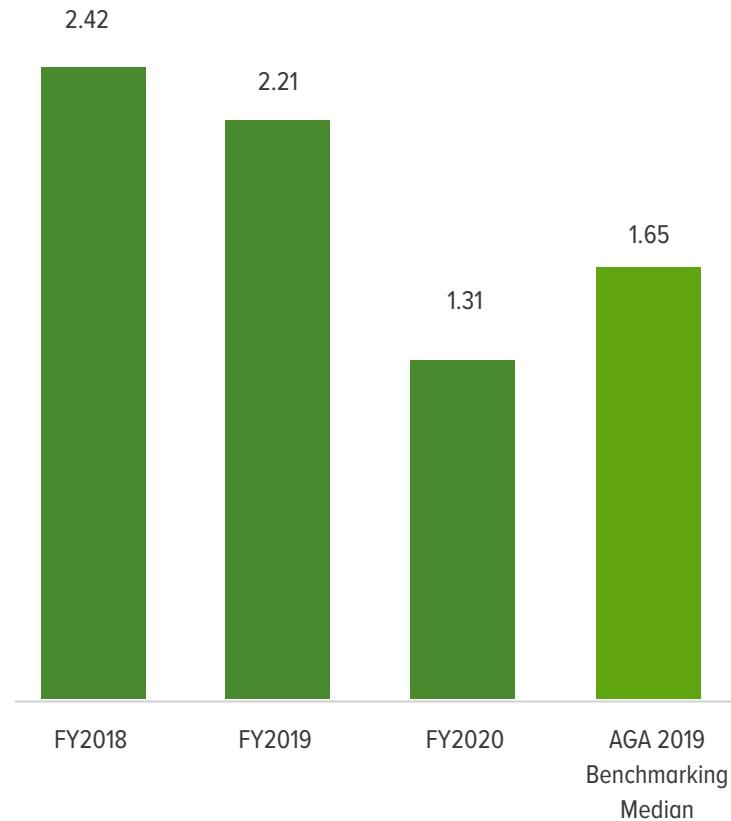
At NJR, safety is our top priority. We are committed to maintaining industry-best safety standards to protect the well-being of our more than 1,100 employees. While our team ensures we provide the highest standards of safety and service to our customers, we are committed to providing the appropriate resources and training to ensure their safety in all aspects of our business.

The outbreak of COVID-19 changed virtually every aspect of our lives and business. From the outset of this global health crisis, our team's response has been outstanding. We successfully implemented our preparedness plans and adapted the way we do business, always putting the safety of our employees and customers first. We established new protocols for our frontline workers, who were equipped with personal protective equipment (PPE) from face masks to hazmat suits. Strict adherence to all guidelines from the Centers for Disease Control (CDC) continue to be enforced in the office and field settings. To date, a record number of employees continue to work remotely. ***As a result of the combined efforts of our entire team, our business remains strong.***

At every level of our organization, and in partnership with our employees, we work to maintain a safe, healthy and productive workplace, continually striving for safety excellence. In the midst of COVID-19, leadership and employees remained steadfast to our Safety 24/7 initiative. Through Safety 24/7, we have developed a culture that keeps safety at the forefront for every employee, whether it be changing a natural gas meter at a customer's home or reporting to our corporate headquarters.

Our fiscal 2020 safety results reflect this commitment. Our Days Away Restricted or Transferred (DART) rate, a reflection of recordable injuries (as defined by the Occupational Safety and Health Administration) that resulted in days off from work, job restrictions or transfers of duty, decreased 41% this year, and is 20% below the median of our industry as calculated by the AGA.

Improving Employee Safety
DART Incident Rate (per 100 full-time employees)



Employee Engagement and Wellness

In March 2020, when our workplace shifted and approximately half our workforce moved to working remotely due to the COVID-19 pandemic, we continued to engage and develop employees through the following efforts:

- ▶ Workplace re-entry planning:
 - Created a dedicated Coronavirus Employee Resource site, employee hotline and email to provide real-time support and resources
 - Conducted a business continuity survey to identify how to best support employees during the COVID-19 pandemic
 - Developed return to the workplace resources, including a detailed playbook and implementation plan for a digital symptom checker and training
- ▶ Virtual onboarding and orientations for new employees
- ▶ Promoted mental health workshops, resources and counseling services through our employee assistance program
- ▶ Successfully transitioned most in-person employee events and training to virtual events
- ▶ Career Development
 - Virtual mentoring circles created and offered to all employees
 - Continued to link employees with leadership opportunities
 - Expanded 360 Feedback, used to increase self-awareness and enhance individual effectiveness and leadership abilities

Our wellness programs are an investment in our most valuable asset — our employees. Through NJR's LifeWorks program, we provide our employees, and their families access to free and confidential counseling and resources to

address emotional and physical health, family, work, money and other life challenges. As we continue to navigate the impacts of the COVID-19 pandemic, these programs and services have never been more important.

Engaging, Educating and Protecting the Communities We Serve

Customer Service

A lot changed in 2020, but our commitment to meeting the needs of our customers did not. Families and businesses who depend on us each year found the same level of safe, reliable and high-quality products and services. Safety took on new meaning for customers and employees alike; and, as an essential business that provides lifeline utility service, we had to adapt and find new ways to conduct business.

Maintaining lines of communication for our customers during these uncertain times was critical. Fourteen bilingual representatives positioned us to support the diverse customers served throughout our territory. We also utilized a variety of channels – from our website, newsletters, emails, social media and news media – to share COVID-19-related updates about our response, protocol and resources. Self-service features were promoted so customers could easily conduct business with us from the security of their homes or businesses.

In order to stay attuned to our customers' needs and the company's response to and during the COVID-19 pandemic:

- ▶ Frontline customer service representatives were surveyed beginning March 20, 2020, to keep a pulse on customers' needs – why they were calling, unique requests, etc.
- ▶ A COVID-19-related satisfaction question was added to the existing transaction surveys in June of 2020. Results indicated 91.9% of our customers were satisfied with the company's response to COVID-19.
- ▶ In July, the company conducted its first ever virtual focus group to understand if/how the pandemic shifted customers' safety expectations of the utility.

Despite the changes in work location and adjustments to new COVID-19 related protocols, our field service and call center employees met or exceeded internal benchmarks and past performance.

Priority Response	Goal	Results	Rank Against AGA Benchmark
Average Response Time	20 Minutes	19.7 Minutes	First Quartile
Response Time Less than 60 minutes	99.8%	99.9%	First Quartile

Metric	FY18	FY19	FY20
Percent of Calls Answered	98.90%	99.20%	99.30%
Average Speed of Answer	31 seconds	24 seconds	24 seconds
Service Level	87.60%	91.10%	91.30%
First Call Resolution	92%	92.48%	92.03%
Overall Customer Satisfaction	89.72%	89.72%	90.50%

Independent industry surveys have again acknowledged our long-standing commitment to customer service. These recognitions are a testament to the dedication of our team, who deliver on our commitment year after year.



#1 Customer Satisfaction
with Residential Natural Gas Service in the
East among Large Utilities,
6 Years in a Row

For J.D. Power 2020 award information,
visit jdpower.com/awards



Named Most Trusted Brand
7 Years in a Row
by Cogent Syndicated



For the second straight year,
NJR was named one of America's
Most Responsible Companies

Energy Assistance

NJR recognizes the extraordinary impact the pandemic has had on the economy and the families and businesses we serve. To help ease the burden for customers during this extraordinary time, NJNG provided flexible payment options and connected customers with vital energy assistance grants and programs to help pay their energy bills. Disconnections for nonpayment were also suspended beginning March 16, 2020, and in line with an executive order from the governor, this suspension will remain in effect until at least March 15, 2021.

In fiscal 2020, more than 31,000 NJNG customers benefited from a variety of energy assistance programs, and the support provided to them totaled more than \$10.5 million.

Thanks to the generosity of our customers, employees and stakeholders, our very own Gift of Warmth fund provided one-time grants to help those faced with unanticipated financial hardship pay their NJNG bills. In fiscal 2020, over 13,000 customers donated to the Gift of Warmth fund. Coupled with dollar-for-dollar matching contributions from NJNG, the fund collected \$215,100 to help deserving families.

Safe Communities

Our commitment to safety extends beyond that of our employees to the homes, businesses and communities we serve. In fiscal 2020, NJR acted swiftly on state and CDC guidance to protect the safety of our customers by temporarily closing walk-in payment centers and suspending non-emergency work that required entering customer homes. As appointments at customers' homes resumed, proper protocol for visits was particularly critical. Employees were trained and supplied with the PPE appropriate for every situation, including instances where our technicians had to enter structures where an active case of the virus was present. Customers repeatedly told us they appreciated our response, and that employees who visited their home or facility used proper PPE and adhered to social distancing guidelines. As one customer said, "In this COVID-19 time ... the tech came, did his work and then waved goodbye."

Perfect."Though public events are a key opportunity to promote pipeline safety, NJNG still worked to actively engage local communities this year. Our Partners in Safety team worked directly with residents and municipalities to provide the training and resources needed to ensure we all live and work safely with natural gas. In fiscal 2020, NJNG's public safety awareness campaigns reached:

- ▶ More than 5,000 residents
- ▶ 1,000 excavators
- ▶ 110 municipalities
- ▶ 400 emergency officials

Supporting Our Communities

The COVID-19 pandemic has had a significant impact on residents, communities and life as we know it.

As local residents faced financial hardships due to the economic impact from COVID-19, NJNG provided donations to the food banks that support our local community. A total of \$125,000 in funding was provided to Fulfill, serving Monmouth and Ocean Counties, and Interfaith Food Pantry, serving Morris County.



NJNG is also a founding member of Utilities United in Kindness, a consortium of utilities in the Garden State holding drop-off food donation drives. In response to a statewide plea from food pantries requesting nonperishable food due to an increased community need, NJNG employees and retirees donated 700 pounds to food banks across our service territory this past September.

To help support local area nonprofits and share our appreciation for frontline service providers, NJNG purchased hundreds of boxes of Girl Scout cookies from a regional chapter and donated the treats to local fire departments, EMS stations, medical centers, nursing homes and post offices.

With sustainability in mind, NJNG also donated more than 9,000 reusable cloth grocery bags to local food banks and nonprofit agencies. Then, as plastic bag ordinances were enacted in New Jersey, the requests for these popular ‘blue bags’ to our community partners increased – and we were happy to oblige.

NJR prides itself on its long-standing tradition of volunteer service. The spirit of giving back is a fundamental part of our culture and who we are as a company. Our Volunteers Inspiring Service In Our Neighborhoods, or VISION program, provides employees and retirees the opportunity to share their time and talents to help strengthen the communities we serve. Despite the reduction in volunteer opportunities due to the pandemic, our employees still provided 2,286 volunteer hours in fiscal 2020.

Additionally, the NJNG Charity provided financial support to over 200 organizations in our local community this year.

Between in-kind and financial contributions, ***NJNG was proud to support more than 1,900 organizations in fiscal 2020.*** The majority of these donations supported environmental, education and human service organizations.

Homeownership Program

Through our Homeownership Program, NJNG partners with nonprofits Interfaith Neighbors in Monmouth County, Homes for All in Ocean County and the Morris Habitat for Humanity in Morris County to provide affordable homes for deserving families in need. In fiscal 2020, six homes were completed and dedicated, bringing the total to 241 homes since the program’s inception. These building projects offer ownership opportunities to working families who otherwise could not afford a house of their own.

NJNG's Energy for Education

NJNG's Energy for Education programs encourage academic excellence, creativity in the classroom and student performance. One of the many programs available includes interactive assemblies for schools at no cost.

NJNG is proud to sponsor the Energy Hog, a nationwide campaign that makes learning about energy fun for children.

"The NJNG Energy Hog Assembly gave our students the opportunity to learn more about energy conservation in a fun and engaging way. While a typical assembly can cost upwards of \$1,000, NJNG brought this event to us for FREE. With the funds saved, the PTA was able to purchase a sensory pathway and gifts for every 4th grade graduate during the pandemic. On behalf of the 380 children at Ocean Township Elementary School, thank you!" - Kelly F., Treasurer, OTES PTA

Strong Leadership Drives Everything We Do



Promote sound
corporate governance
practices



Maintain a board of
directors with diverse
and experienced backgrounds

Governance

We recognize sound corporate governance is critical to ensuring we operate effectively and efficiently, and in a manner that enhances long-term value for our shareowners while protecting and promoting their long-term interests. We believe effective oversight comes from a board of directors (board) that represents a diverse range of leadership, skill and experience and provides the collective perspectives, attributes and qualifications that align with our company's long-term strategy.

At the time of publication in January 2021, our board includes our president and CEO and 11 independent directors with deep experience and diverse skills and backgrounds, and is responsible for oversight of NJR's overall strategy, including ESG issues.

During fiscal 2020, we continued to promote strong corporate governance practices:

- ▶ Increased racial and gender diversity of the board
- ▶ Continued board refreshment with three new directors added in the last two years
- ▶ Appointed independent board chairman in January 2020

The board's current composition features:

- ▶ An independent, highly-experienced chairman with well-defined responsibilities that support the board's oversight responsibilities
- ▶ A robust committee structure with oversight of the company's most significant risks consisting entirely of independent directors
- ▶ Eleven of our 12 board members are independent according to the principles and standards established by the New York Stock Exchange (NYSE)
- ▶ Five directors, or 42%, are gender, ethnically and/or racially diverse
- ▶ Seven directors with significant ties to New Jersey
- ▶ Average tenure of our directors is 9.1 years as of September 30, 2020

Board Expertise/Experience

NJR's Nominating and Corporate Governance Committee (NCGC) regularly reviews with directors the qualifications, attributes, skills and experience it believes are desirable to be represented on the board to ensure its composition aligns with our company's long-term strategy. The most important of these are noted below, along with the number of directors possessing those attributes.

 Utility Experience in operating a regulated utility business, such as our principal subsidiary, NJNG	 Community/Public Relations Experience in community affairs, public relations and/or marketing
 Regulatory/Government Experience in interacting with regulators and policymakers and/or working within government agencies	 Legal Experience and/or formal education as an attorney
 Finance/Accounting/Risk Management Financial and risk management expertise and/or experience as a public company chief financial officer or audit partner	 Environmental Experience with oversight of environmental policy, regulation and business operation matters
 Corporate Governance Experience in public company corporate governance-related issues and best practices	 Renewable Energy/ Energy Efficiency Experience in the renewable energy industry, including solar energy generation and distribution and/or experience linking green initiatives to commercial opportunities
 Technology/Cybersecurity Experience in technology innovations and/or oversight of cybersecurity programs	 Leadership Development/Succession Planning Experience in talent management and succession planning to ensure pipeline of leadership for an organization
 Energy Services/Commodity Trading Experience in the energy services industry, including wholesale energy marketing, energy trading and delivery of midstream energy service and/or storage	 Strategic Planning Experience in strategic planning and growth and value creation



Board Risk Oversight Structure

The board is organized into four standing committees: the Audit Committee, the Leadership Development and Compensation Committee (LDCC), the NCGC, and the Executive Committee. Independent directors comprise the Audit Committee, LDCC and NCGC, each of the committees charters, other than the Executive Committee, can be found in the governance section of NJR's website at investor.njresources.com/governance.

Members of the board are kept informed of our business through regular discussions with senior leaders of the company, materials provided to them and meetings of the board and its committees. A member of executive management is designated as the primary liaison to each committee and is responsible for providing information and updates to the committee.

The Intersection of Climate Change and Our Business

The board recognizes that, as an energy company with a regulated, lifeline utility service that is relied on by more than half a million customers, climate change may have an impact on all our stakeholders and our business strategy. The board takes an active role in providing oversight on sustainability through its NCGC.

This includes the consideration of risks and advice to the board on environmental stewardship, sustainability and matters that impact corporate social responsibility, advocacy and NJR's reputation. The LDCC provides oversight of our human capital practices and strategy while the Audit Committee is responsible for discussing with management our major financial and cybersecurity risk exposures, as well as efforts to monitor and control such exposures and risks.

Statements, Disclosures and Appendices

NJR's Human Rights Policy

In fiscal 2020, NJR published a Human Rights Policy. The full text can be accessed on our [website](#).

Water Management

As a company that invests in and builds critical infrastructure, NJR is committed to following all applicable laws, including regulatory processes designed to identify, evaluate and, when necessary, mitigate any water impacts as a result of those operations, and to minimize those impacts outside of those processes whenever feasible.

We recognize such future circumstances may change regarding our company's water needs, and have set forth the following statement affirming NJR's belief in commonly recognized and adopted sustainability principles concerning water:

Access to clean water is a universal human right. It's an essential building block to promote global human development, including public health, education and economic growth. Around the world, including in the United States, businesses also rely on access to clean, quality water for their operations. NJR recognizes the Human Right to Water, as defined by the United Nations, means access for everyone to sufficient, safe, acceptable, physically accessible and affordable water. We are committed to the responsible use of water – today and in the future.

Recycling Efforts

NJR recognizes sustainable materials management is another important component of our environmental commitment. For 17 years, the company has actively participated in WasteWise, the EPA's voluntary program that encourages organizations to reduce, reuse, recycle and buy remanufactured products, while emphasizing waste prevention and environmental preservation. In 2019, the most recent year of data available, ***NJR's efforts through its business waste management program resulted in an average recycling rate of greater than 60% across its facilities.***

Materials Recycled in 2019



613.11 tons
Metals/non-metals/
alloys/white goods



129.43 tons
Paper and
cardboard



56.73 tons
Comingled
recyclables



5.12 tons
Lead acid
batteries



7.48 tons
Used oil



14.47 tons
Tires



16.20 tons
Wood Scrap/pallets

Investors and Shareowners

Those who invest in our business deserve our constant efforts to deliver a superior return, year after year. We are thus committed to maintaining a strong financial profile, insisting upon operational excellence and forging a corporate strategy that yields consistent earnings and appropriate dividend growth. NJR delivered on this commitment in fiscal 2020 with positive results for our company and our shareowners.

\$193.9 million consolidated net income

**\$196.2 million net financial earnings (NFE)*
or \$2.07 per share**

**6.4% dividend increase in fiscal 2020 –
the 25th consecutive annual dividend increase**

*A reconciliation of NFE to GAAP is included in the appendices.

Transparency and Reporting

NJR issues its annual Corporate Sustainability Report in line with our commitment to transparently communicate our efforts and progress with our diverse stakeholders. Strengthening that commitment, this is the first year NJR is issuing disclosures from the reporting frameworks provided by the AGA and SASB. This year's report continues our existing practice of issuing Standard Disclosures from Global Reporting Index (GRI) Sustainability Reporting Guidelines. Issuing disclosures consistent with these frameworks strengthens our dialogue with our stakeholders and makes NJR a more accountable, transparent organization. These disclosures can be found in the index, in the following pages.



Forward-looking Statements

Certain statements within this report are 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. New Jersey Resources Corporation (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 report include, but are not limited to, certain statements regarding NJR's environmental, sustainability, social, governance and clean energy goals, emission reduction strategies, initiatives and targets, allocation of future capital expenditures towards sustainability investments, NJR's infrastructure and energy efficiency programs and investments, NJR's investments in renewables and emerging technologies such as electric vehicles, battery storage, renewable natural gas and hydrogen gas, demand for residential and commercial solar energy, the ability to

continue to expand to markets outside of New Jersey, the ability to construct, operate and expand the Adelphia Gateway pipeline and the Leaf River Energy Center as well as the ability to place New Jersey Natural Gas Company's power-to-gas project into commercial operation in 2021.

Additional information and factors that could cause actual results to differ materially from NJR's expectations are contained in NJR's filings with the U.S. Securities and Exchange Commission ("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 report 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 Financial Information

This report includes the non-GAAP financial measure NFE. A reconciliation of this non-GAAP financial measure to the most directly comparable financial measure calculated and reported in accordance with GAAP can be found below. As an indicator of NJR's operating performance, this non-GAAP financial measure 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 excludes unrealized gains or losses on derivative instruments related to the company'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, net of applicable tax adjustments as described below. 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 Clean Energy Ventures Corporation (CEV), as such the adjustment is related to tax credits generated by CEV.

A reconciliation of net income to NFE for the twelve months ended September 30, 2020, and 2019, is provided below.

(Thousands)	Twelve Months Ended September 30,	
	2020	2019
Net income	\$ 193,919	\$ 169,505
Add:		
Unrealized (gain) loss on derivative instruments and related transactions	(9,644)	2,881
Tax effect	2,296	(711)
Effects of economic hedging related to natural gas inventory	12,690	4,309
Tax effect	(3,016)	(1,024)
Net financial earnings	\$ 196,245	\$ 174,960
Weighted Average Shares Outstanding		
Basic	94,798	89,242
Diluted	95,107	89,616
Basic earnings per share	\$ 2.05	\$ 1.90
Add:		
Unrealized (gain) loss on derivative instruments and related transactions	(0.10)	0.03
Tax effect	0.02	(0.01)
Effects of economic hedging related to natural gas inventory	0.13	0.05
Tax effect	(0.03)	(0.01)
Basic net financial earnings per share	\$ 2.07	\$ 1.96

GLOBAL REPORTING INDEX*

GRI is an international independent organization that establishes standards designed for organizations to report about ESG impacts from their operations.

*GRI: General Disclosures 2020

General Disclosures

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
Organizational Profile		
102-1	Name of the organization	New Jersey Resources Corporation (NJR)
102-2 102-2a	Activities, brands, products and services	<p>New Jersey Resources Corporation is a New Jersey corporation formed in 1981 pursuant to a corporate reorganization. We are a diversified energy services holding company whose principal business is the distribution of natural gas through a regulated utility, providing other retail and wholesale energy services to customers and investing in clean energy projects and natural gas storage and transportation assets. We are an exempt holding company under section 1263 of the Energy Policy Act of 2005. Our primary subsidiaries include:</p> <p>New Jersey Natural Gas (NJNG) provides regulated retail natural gas utility service to approximately 558,000 residential and commercial customers throughout Monmouth, Ocean, Morris, Middlesex and Burlington counties in New Jersey and participates in the off-system sales and capacity release markets. NJNG, a local natural gas distribution company, is regulated by the New Jersey Board of Public Utilities (BPU) and comprises the Company's Natural Gas Distribution segment and is referred to herein as NJNG or Natural Gas Distribution.</p> <p>NJR Clean Energy Ventures (NJRCEV) includes the results of operations and assets related to the Company's unregulated capital investments in clean energy projects, including commercial and residential solar projects. NJRCEV comprises the Company's Clean Energy Ventures segment and is referred to herein as Clean Energy Ventures.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
		<p>NJR Energy Services (NJRES) maintains and transacts around a portfolio of physical assets consisting of natural gas transportation and storage contracts in the U.S. and Canada. NJRES also provides unregulated wholesale energy management services to other energy companies and natural gas producers. NJRES comprises our Energy Services segment and is referred to herein as Energy Services.</p> <p>NJR Midstream Company, which comprises the Storage and Transportation segment, formerly known as the Midstream segment, invests in energy-related ventures through its subsidiaries. Investments include NJR Steckman Ridge Storage Company, which holds our 50 percent combined ownership interest in Steckman Ridge, located in Pennsylvania, and NJR Midstream Company, formerly NJR Pipeline Company, which includes our 20 percent ownership interest in PennEast, our wholly-owned subsidiaries of Leaf River, located in southeastern Mississippi, and Adelphia Gateway, located in eastern Pennsylvania.</p> <p>Our 20 percent ownership interest in PennEast, our wholly-owned subsidiaries Leaf River, located in southeastern Mississippi, and Adelphia Gateway, located in eastern Pennsylvania, are subject to Federal Energy Regulatory Commission (FERC) regulation.</p> <p>NJR Home Services Company (NJRHS) provides heating, ventilation and cooling service, sales and installation of appliances to approximately 107,000 service contract customers, as well as solar installation projects, and is the primary contributor to Home Services and Other operations.</p> <p>NJR Service Corporation (NJRSC) provides shared administrative services, including corporate communications, finance and accounting, internal audit, legal, human resources and information technology for NJR and all of its subsidiaries.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-2b	Subject to stakeholders questions or public debate	<p>NJR, through its affiliate NJR Midstream Holdings, maintains an equity interest in the PennEast pipeline company. The PennEast pipeline will help meet growing regional demand for natural gas, lower energy costs for natural gas customers in New Jersey and Pennsylvania, reduce emissions and create jobs. PennEast received its Certificate of Public Convenience and Necessity from the FERC on January 19, 2018; awaiting an amendment for phased construction.</p> <p>Most of NJNG's natural gas comes from a single primary feed in the northern part of its system. The Southern Reliability Link (SRL) will provide a secondary interstate feed into the southern part of its service area to strengthen its system and benefit its customers.</p>
102-3, 102-4	Location of organization's headquarters; Locations of operation's headquarters	1415 Wyckoff Road, Wall, NJ 07719, United States of America
102-5	Ownership and legal form	NJR is a publicly-owned corporation, with shares traded on the NYSE:NJR. Please see NJR's 2020 <u>Form 10-K</u> for more information.

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-6	Markets served	<p>NJR provides reliable energy and natural gas services, including transportation, distribution and asset management in states from the Gulf Coast to the New England regions, as well as the Mid-Continent region, West Coast and Canada.</p> <p>NJNG serves customers in Monmouth, Ocean, Morris, Middlesex and Burlington counties in New Jersey.</p> <p>NJRHS serves customers in 13 counties in New Jersey, and NJRCEV serves customers in all 21 counties in New Jersey.</p> <p>NJRES provides unregulated, natural gas services to wholesale and retail customers across the Gulf Coast, West Coast, Eastern Seaboard and Canada.</p> <p>Storage & Transportation (S&T) (formerly NJR Midstream) invests in the midstream asset sector, specifically natural gas storage and transportation pipelines in Mississippi and Pennsylvania.</p> <p>Customers Served/Beneficiaries</p> <p>NJNG</p> <ul style="list-style-type: none"> • Residential • Commercial, public entities • Firm transportation • Interruptible • Electric generators <p>NJRCEV</p> <ul style="list-style-type: none"> • Residential • Commercial, municipalities • Solar Renewable Energy Certificate (SREC) Sales

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
		<p>NJRES</p> <ul style="list-style-type: none"> ● Regulated natural gas distribution companies ● Industrial companies ● Electric generators ● Natural gas/liquid processors ● Retail aggregators ● Wholesale marketers ● Natural gas producers <p>S&T</p> <ul style="list-style-type: none"> ● Local Distributors ● Producers ● Electric Generators ● Wholesale Marketers <p>NJRHS</p> <ul style="list-style-type: none"> ● Residential

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-7	Scale of the organization	<p>Number of employees: NJR employs more than 1,100 full- and part-time employees in the USA.</p> <p>Number of operations: NJR operates in the USA within four reporting segments: Natural Gas Distribution, Clean Energy, Energy Services and S&T. In addition, NJR has non-utility operations that either provide corporate support services or do not meet management's criteria to be treated as a separate segment. These operations, include appliance repair services, sales and installations at NJRHS and administrative services at NJRSC.</p> <p>Fiscal 2020 Financial Snapshot: All income streams are sourced from operations within the United States.</p> <ul style="list-style-type: none"> • Net Income -\$193.9 million, or \$2.05 per share (basic earnings per share) • Net Financial Earnings - \$196.2 million, or \$2.07 per share • Total Capitalization -\$4.1 billion • Total liabilities – \$1.5 billion* • Total Assets -\$5.6 billion <p><i>* Does not include long-term debt.</i></p> <p>For a more detailed description of the organization, please see NJR's 2020 Annual Report and Form 10-K. For information on Beneficial Ownership, please see the company's Proxy Statement.</p> <p>Quantity of products or services:</p> <ul style="list-style-type: none"> • Natural gas distribution and delivery • Solar energy solutions • Residential retail sales and home comfort needs • Wholesale energy management services • Shared administrative and support services for NJR

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-10	Significant changes to the organization and its supply chain	There were no significant changes to company operations during the fiscal year. Please see the NJR's 2020 Annual Report and Form 10-K for more information.
102-11	Precautionary principle or approach	Although NJR has not adopted the precautionary principle (as described in the U.N. Rio Declaration of 1992), our implementation of sustainability practices demonstrates a commitment to proactively identify, and prevent or mitigate negative impacts.

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-13	102-13 Membership of Associations	<p>Here is a snapshot of the many Boards and Committees we are actively involved in.</p> <p>Boards and Committees</p> <ul style="list-style-type: none"> 180 Turning Lives Around American Gas Association American Gas Association, Technical Advisory Committee Bard High School Early College Baltimore Catholic University – Board Member Choose New Jersey Colorado Mountain Club Congressional Black Caucus Foundation Denver Safety and Leadership Committee Downstream Natural Gas Information for Sharing and Analysis Center (DNG-ISAC) Evansville Museum Executive Leadership Council Executive Women in New Jersey Family Promise, Inc. Georgian Court University School of Business & Digital Media Girl Scouts of the Jersey Shore Hackensack Meridian School of Medicine Horizon Foundation of New Jersey Board Trustee Jersey Water Works Junior Achievement of New Jersey Monmouth University Urban Coast Institute (UCI) Advisory Committee Montclair Art Museum National Academy of Human Resources Foundation Board New Brunswick Development Corporation New Jersey Future Northeast Gas Association Open Society Institute Baltimore St. Rose High School – Board Member Temple University Board of Visitors Trustee The Eagleton Institute of Politics, Rutgers University The Nature Conservancy, New Jersey Chapter Timothy J. Piazza Memorial Foundation

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-14	Statement from senior decision-maker	Please see pages 1 and 2 of this report for a statement from Stephen D. Westhoven, President and Chief Executive Officer of New Jersey Resources

Strategy

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-15	Key impacts, risks and opportunities	<p>Our approach to risk management focuses on early identification of key risks and taking action to minimize the likelihood of detrimental impact on the business. During the year, the company continuously assesses our processes and reporting capabilities to identify and appropriately manage risks, and meet business needs and support effective management of risks – while operating within the confines of our Corporate Governance structure and internal policies.</p> <p>A description of key impacts, risk factors and opportunities can be found in our 2020 Annual Report and Form 10-K.</p>

Ethics And Integrity

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-17	Mechanisms for advice and concerns about ethics	<p>Our directors, officers and employees can contact the legal department at NJR for advice and clarification about ethical and lawful behavior as it relates to the integrity of the company. Employees and members of the public also have access to the EthicsPoint 24-hour toll-free hotline – 866-384-4277 – where they can anonymously report ethics violations.</p> <p>The Sustainability Council, which reports directly to the President and CEO, is composed of senior executives, including the Chief Financial Officer, General Counsel, Chief Operating Officer of Non-Utility Businesses, Strategy and External Affairs, Chief Human Resources Officer, and representatives of each of our business units, to guide the further development and implementation of NJR's strategy to address environmental, social, governance and other related matters.</p> <p>Our compliance program also encourages and facilitates the reporting of known or potential violations of the law, or our policies and directives. Individuals can anonymously report such violations to Human Resources or the General Counsel, using telephone hotlines or via email. The General Counsel also serves as Chief Compliance Officer with oversight by the chair of the Audit Committee.</p>

Governance

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-18 to 102-28	Governance structure	<p>Details on the Corporate Governance structure, including members of NJR's Board of Directors (the Board) and standing committees responsible for decision-making, can be found under Corporate Governance at njresources.com and in the company's Proxy Statement.</p>
102-19 and 20	Delegating authority; Executive responsibility for economic, environmental and social topics	<p>The mechanisms of delegation are set out in the company's Proxy Statement.</p> <p>Our Board and senior management team are responsible for raising visibility to citizenship and sustainability issues and activities that span multiple groups across the enterprise, and for facilitating connections between teams and departments.</p> <p>The Nominating-Corporate Governance Committee (NCG) of the Board has oversight of environmental, social, and governance issues, and associated risk oversight. Management is responsible for our risk management, including providing oversight and monitoring to ensure our policies are carried out and processes are executed in accordance with our performance goals and risk tolerance. Our management team holds regular meetings that identify, discuss and assess financial risk from current macro-economic, industry and company perspectives.</p> <p>NJR has recently formed an Office of Sustainability to support the work of its Corporate Sustainability Council. The Council, which reports directly to the Chief Executive Officer, is composed of senior company leaders to guide the further development and implementation of NJR's strategy to address environmental, social, governance and other related matters.</p> <p>It is important to note our employees advance our sustainability efforts – everyday – in creating a path for change and implementing our strategies.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-21	Consulting stakeholders on economic, environmental and social topics	<p>NJR cultivates a constant and open dialogue with key stakeholders to maintain long-standing relationships. The company holds an annual shareowner meeting; participates in industry trade shows, analyst meetings, investor conferences and road shows; hosts in-person and one-to-one meetings and calls, etc. to deepen relationships with its stakeholders, including customers, employees, suppliers, regulators and shareowners. These initiatives provide a proactive platform for ongoing communications.</p> <p>The company leverages insights to help connect customers to the right services – harnessing data and analytics to improve outcomes, create new solutions and equip customers to make good choices.</p>
102-22	Composition of the highest governance body	<p>Details on the Corporate Governance structure, including members of the Board and standing committees responsible for decision-making, can be found under Corporate Governance at njresources.com and in the company's Proxy Statement.</p>
102-23	Chair of the highest governance body	<p>Donald L. Correll became Chairman of the board of directors of NJR, effective on January 22, 2020, immediately after the Annual Meeting of Shareowners. For more information on NJR's Board, please visit Board Committees and the 2020 Proxy Statement.</p>
102-24	Nominating and selecting the highest governance body	<p>NCG Committee of NJR's Board is composed entirely of independent directors and is responsible for nominating candidates for election to the Board.</p> <p>Additional information on the nomination process can be found in the company's By-Laws and 2020 Proxy Statement. Our Corporate Governance Guidelines contain additional information.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-25	Conflicts of interest	<p>NJR reporting tools – Code of Conduct, formal policies and procedures, annual and ongoing training, multiple reporting channels, robust risk management practices, regulatory non-compliance and strong governance structure – are designed to ensure stakeholders can report actual or potential critical concerns and violations of the law. Please see NJR's Code of Conduct, Corporate Governance Guidelines, Communications with the Board and in the company's 2020 Proxy Statement.</p>
102-26 and 102-27	<p>Role of highest governance body in setting purposes, values and strategy</p> <p>Collective knowledge of highest governance body;</p>	<p>The Board works with the NJR executive management team to determine the overall strategy of the company, and addresses key matters, including a proactive sustainability initiative that drives social, environmental and financial performance and impact. The Board establishes policies, programs and procedures, including metrics, to help us address our sustainability efforts.</p> <p>For more information on the roles of the governance body and senior executives, as well as the company's mission, strategies and goals, please see the Governance section on the company's Website.</p> <p>The Board has adopted Corporate Governance Guidelines to preserve and strengthen its structure and processes.</p> <p>The guidelines acknowledge the leadership exercised by the Board's standing committees and their chairs. The guidelines also recognize the importance of maintaining the flexibility to adapt corporate governance processes to meet changing business requirements. These guidelines may be amended by the Board as needed.</p> <p>NJR strives to ensure the effectiveness and independence of its Board and each committee to support its operations and enhance corporate value. NJR conducts annual training with respect to fiduciary responsibilities for members of the Board to ensure conflicts of interest are avoided and managed.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-28	Evaluating the highest governance body's performance	<p>As required by our Corporate Governance Guidelines, the Board conducts an evaluation of its performance on an annual basis. The Board has the authority to retain advisers or consultants and to provide for their compensation by the Company, as it shall deem appropriate, to assist in designing and implementing such evaluation. Annually, all Board members participate in a self-assessment that is administered by the NCG Committee. The self-assessment focuses on Board structure and leadership, logistics, conduct of Board meetings, discharge of Board responsibilities, and Board culture and ethics.</p> <p>Board members are also asked to identify ways to improve the effectiveness of the Board. During fiscal year 2020, management conducted a detailed survey of the Board to elicit the directors' opinions regarding board practices and structure to enhance the governance and efficiency of the Board. The results of the survey were discussed with the Board and certain changes were implemented. Feedback surveys from the leadership team were also provided to the Board informally at its request. Each of the Audit Committee, NCG Committee and the Leadership Development and Compensation Committee also conduct a self-evaluation administered by their committee chair on an annual basis.</p> <p>For more information, see the Governance section at njresources.com.</p>
102-29	Identifying and managing economic, environmental and social impacts	<p>NJR uses many forums to collect information that identifies areas of risk, including stakeholder engagement, surveys, investor calls, webinars, research analysis and more. Effective management of risks and opportunities is essential to the delivery of NJR's financial and non-financial objectives to ensure we deliver value to our shareowners, maintain our brand integrity and continue to meet the requirements of good corporate governance.</p> <p>The Board determines our overall appetite for risk through a review of internal and external business and stakeholder needs. The Board's Audit Committee oversees NJR's risk management and internal control systems, defines risks and monitors risk exposures as well as ensures the nature and extent of the risks align with our strategic objectives.</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
		We are committed to the effective management of all identified key risks and coordinate our approach through a Risk Management Committee. See NJR's 2020 Form 10-K and Proxy Statement for details.
102-30	Effectiveness of risk management process	The Board is responsible for our risk oversight. Management is responsible for our risk management, including providing oversight and monitoring to ensure our policies are carried out and processes are executed in accordance with our performance goals and risk tolerance. In carrying out its risk oversight function, The Board has three principal standing committees that meet regularly, and each is responsible for risk oversight within its area of responsibility and regularly reports to the Board. Each of the committee's charters reflects such responsibilities.
102-31	Review of economic, environmental and social topics	During fiscal 2020, there were nine meetings of the Board, and its committees regularly discussed economic, environmental and social topics. Our management team holds regular meetings that identify, discuss and assess financial risk from current macro-economic, industry and company perspectives.
102-32	Highest governance body's role in sustainability reporting	This sustainability report is reviewed by subject matter experts, legal counsel, senior and executive management and the Board.
102-33	Communicating Critical Concerns	NJR reporting tools – Code of Conduct, formal policies and procedures, annual and ongoing training, multiple reporting channels, robust risk management practices, regulatory non-compliance and strong governance structure – are designed to ensure stakeholders can report actual or potential critical concerns and violations of the law. Please see NJR's Code of Conduct , Corporate Governance Guidelines and Communications with the Board .

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-35	Remuneration policies	At NJR, executive compensation is based on a full range of factors, including company and individual performance, and shareowners' interests. Compensation consists of a mix of salary, incentives and benefits paid over time. Please see the company's 2020 Proxy Statement for more information.
102-36	Process for determining remuneration	The Board has entrusted the Leadership Development and Compensation Committee in reviewing and establishing remuneration policies and approving executive compensation. See NJR's 2020 Proxy Statement .
102-37	Stakeholder's involvement in remuneration	Each year, shareowners approve a non-binding advisory resolution, approving the compensation of our named executive officers. In 2020, 90.3 percent of the votes cast approved the resolution.
102-38	Annual total compensation ratio	Information on the CEO pay ratio can be found on page 71 of NJR's 2020 Proxy Statement .

Stakeholder Engagement

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-40, 42, 43 and 44	List of stakeholder groups; identifying and selecting stakeholders; approach to stakeholder engagement	<p>At NJR, we define stakeholders as those individuals impacted by our operations and services, as well as those who have an interest or are influential in how we conduct our business. We identify stakeholders across the value chain and assess relationships (responsibility, dependency, influence and proximity) to understand their respective needs to identify appropriate levels and methods of engagement. Our stakeholders include, employees, customers, local and state government, nongovernment organizations and community leaders, with our engagement approach varying from informal conversations to meetings and events based on stakeholder group. Our goal is to cultivate mutually strong relationships with our stakeholders, and to better understand how best to meet their expectations for reliability and safety every day.</p> <p>A list of stakeholders and forms of engagement follows:</p> <p>Customers</p> <p>Satisfaction surveys, focus groups • My Account: self-service capabilities</p> <ul style="list-style-type: none">• My Communications: account alerts via email, phone, and text• Newsletter/bill inserts, collateral pieces• Direct mail and advertising• Community workshops and programs• Community events• Social media• On-hold messaging• Website• Press releases• Customer call centers and local payment locations• Open houses for key projects• Community/business networking events• Personal account representatives for commercial and conversion customers

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
		<p>Employees Annual employee engagement survey • Lamplighters • Employee newsletter, e-mail, paycheck inserts • Mail • Posters • Recognition awards • NJR University – training and development sessions • Face-to-face team and leadership meetings • Employee events • Executive site visits and presentations • Onsite LCD displays • Union representation</p> <p>Shareowners/Investors Investor relations (IR) meetings • Annual meetings • Quarterly earnings conference calls • News releases • Required disclosures • NJR Investor app One-on-one meetings • Industry conferences • Social media</p> <p>Elected and Appointed Government Officials Event Sponsorship and participation: Face-to-face, telephone and e-mail communications • Industry conferences and business organization events that support elected and appointed officials – N.J. League of Municipalities, N.J. Conference of Mayors, N.J. Business and Industry Association, N.J. State Chamber, N.J. Alliance for Action, Two River Mayors Association and Bayshore Conference of Mayors • N.J. State Legislative sessions, committee hearings, regularly scheduled county Freeholder and municipal meetings, regulatory proceedings and policy meetings • Presentations and speaking engagements • Charity events attended by elected and appointed officials</p> <p>Suppliers, Vendors and Contractors Meetings with vendors and subcontractors • Advocacy groups • Trade shows • Industry events</p>

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-41	Collective bargaining agreements	See the Employee Relations section of NJR's Form 10-K for details on collective bargaining
102-44	Key topics and concerns raised through stakeholder engagement	NJR's value chain involves a range of stakeholders – from regulators, suppliers and contractors to customers and local government – whose social, environmental and economic interests must be considered in the work we do. We engage in constructive dialogues and collaborations with partners on how to drive sustainable outcomes, particularly in the delivery of large-scale infrastructure projects and energy-efficiency programs with many stakeholders.

Reporting Practice

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-45	Entities included in the consolidated financial statements	See Note 1 – Nature of Business in NJR's consolidated financial statements, beginning on page 78 of the company's 2020 Form 10-K .
102-46	Defining report content and topic boundaries	In defining the report content, we considered factors that fall within the three components of sustainability – social, economic and environmental – as derived from stakeholder engagement. The expectations of our stakeholders and the business environment in which we operate constantly evolve. With that in mind, our assessment process helps us identify and prioritize those issues that matter most to our stakeholders and company. As we engage with our stakeholders, we receive valuable feedback on processes that enables us to communicate our performance and progress more effectively and in line with the needs of our many stakeholder groups, as well as our own business interests. For a list of material factors please see the Forward Looking Statements section of this report.

GRI STANDARD	DESCRIPTION	RELATED CONTENT AND SOURCE
102-48	Restatement of information	None
102-49	Changes in reporting	None
102-50	reporting period	The data and information contained within are reported for fiscal October 1, 2019 through September 30, 2020.
102-51	Date of most recent report	January 2020
102-52	Reporting Cycle	This report is produced annually.
102-53	Contact point for questions regarding the report	For questions regarding the contents of NJR's 2020 Corporate Sustainability Report, please contact Dennis Puma, director of investor relations, at dpuma@njresources.com .
102-54	Claims of reporting with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core options and some topic-specific segments.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD

SASB provides globally applicable industry-specific standards that enables businesses to report on financially material sustainability topics and their associated metrics. NJR has included relevant disclosures in the three industries it operates: Gas Utilities and Distributors, Solar Technology and Project Developers and Oil, Gas & Midstream.

Gas Utilities and Distributors

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
Energy Affordability	IF-GU-240a.1	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers, and (4) transportation services only	US Dollars	(1) \$11.811 (2) \$12.75 (3) n/a ¹ (4) \$4.999	(1) \$10.383 (2) \$11.44 (3) n/a ¹ (4) \$4.18	(1) \$9.651 (2) \$10.814 (3) n/a ¹ (4) \$3.927
	IF-GU-240a.2	Typical monthly gas bill for residential customers for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	US Dollars	(1) \$53.11 (2) \$96.37	(1) \$46.50 (2) \$84.29	(1) \$48.04 (2) \$87.33
	IF-GU-240a.3	Number of residential customer gas disconnections for non-payment, percentage reconnected within 3 days ²	Number, Percentage (%)	3,696 70.9%	7,286 53.3%	8,627 53.8%
	IF-GU-240a.4	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	n/a	Please see this item in NJR's Qualitative Disclosures		

¹All industrial customers are transportation customers; therefore, their rates are captured in the transportation segment. The NJNG tariff allows for limited exceptions to this. Please see NJR's response to Standard IF-GU-000.B for more information

²NJNG measures reconnections over a 3-day period as opposed to the recommended 30-day. Disconnections for non-payment were suspended beginning March 16, 2020 due to the impacts of the COVID-19 pandemic. More information is available in NJR response to IF-GU-240a.4.

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
End-Use Efficiency	IF-GU-420a.1	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	Percentage (%)	(1) 71.4% (2) n/a	(1) 71.7% (2) n/a	(1) 71.9% (2) n/a
	IF-GU-420a.2	Customer gas savings from efficiency measures by market ³	Million British Thermal Units (MMBtu)	Residential: 540,448 Commercial: 8,685	Residential: 228,538 Commercial: 16,884	Residential: 86,880 Commercial: 36,595
Integrity of Gas Delivery Infrastructure	IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV) ⁴	Number	(1) 1 (2) 0 (3) 0	(1) 2 (2) 0 (3) 0	(1) 0 (2) 0 (3) 0
	IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	Percentage (%) by length	(1) 0% (2) 1.7%	(1) 0% (2) 2.7%	(1) 0% (2) 3.4%
	IF-GU-540a.3	Percentage of gas (1) transmission and (2) distribution pipelines inspected ⁴	Percentage (%) by length	(1) 100% (2) 100%	(1) 100% (2) 100%	(1) 100% (2) 100%
	IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions ⁴	n/a	Please see this item in NJR's Qualitative Disclosures		

³ Some of the programs are initiatives that complement New Jersey's Clean Energy Program and NJNG may not record the energy savings for regulatory reporting purposes to avoid double counting.

⁴ This data is reported to the Pipeline and Hazardous Materials Safety Administration on a calendar year basis, therefore, data is reflective of the months of January through December. (FY20 = CY19, FY19 = CY18, and FY18 = CY17)

⁵ The small industrial sales volumes are for service provided to interruptible customers during an interruption under certain circumstances. Please refer to Service Classification IS in the NJNG Tariff for further information.

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
Activity Metrics	IF-GU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Number	(1) 520,199 (2) 37,920 (3) 25	(1) 509,344 (2) 38,228 (3) 27	(1) 500,984 (2) 37,674 (3) 27
	IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third party ⁵	Million British Thermal Units (MMBtu)	(1) 44,550,810 (2) 8,207,942 (3) 0 (4) 14,767,662	(1) 45,955,604 (2) 9,691,919 (3) 21 (4) 15,273,483	(1) 45,496,119 (2) 8,885,893 (3) 14 (4) 16,901,730
	IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines ⁴	Kilometers (km)	(1) 356 (2) 11,816	(1) 347 (2) 11,702	(1) 366 (2) 11,595

⁴ This data is reported to the Pipeline and Hazardous Materials Safety Administration on a calendar year basis, therefore, data is reflective of the months of January through December. (FY20 = CY19, FY19 = CY18, and FY18 = CY17)

⁵ The small industrial sales volumes are for service provided to interruptible customers during an interruption under certain circumstances. Please refer to Service Classification IS in the NJNG Tariff for further information.

Solar Technology and Project Developers

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
Activity Metrics	RR-ST-000.B	Total capacity of completed solar energy systems	Megawatts (MW)	357.4	291.4	231.3
	RR-ST-000.C	Total project development assets ⁶	US Dollars (\$million)	\$970.80	\$833.20	\$673.30

⁶ NJRCEV does not currently have any assets in development stages; this amount is reflective of total assets in service.

Oil, Gas and Midstream - Adelphia Gateway

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
GHG Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Metric tons (t) CO ₂ e Percentage (%)	1,342 0.7% 0%	5,915 52% 0%	4,177 2% 0%
	EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	Please see this item in NJR's Qualitative Disclosures.		
Air Quality	EM-MD-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Metric tons (t)	NOx <10 Metric Tons SOx <8 Metric Tons VOC <8 Metric Tons PM10 <3 Metric Tons	NOx <10 Metric Tons SOx <8 Metric Tons VOC <8 Metric Tons PM10 <3 Metric Tons	NOx <10 Metric Tons SOx <8 Metric Tons VOC <8 Metric Tons PM10 <3 Metric Tons
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	n/a	Please see this item in NJR's Qualitative Disclosures		
	EM-MD-160a.2	Percentage of land owned, leased, and/or operated within areas of protected conservation status or endangered species habitat	n/a	Please see this item in NJR's Qualitative Disclosures		
	EM-MD-160a.3	Terrestrial acreage disturbed, percentage of impacted area restored	Acres (ac), Percentage (%)	0%	0%	0%
	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	Number, Barrels (bbls)	0	0	0

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
Competitive Behavior	EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with federal pipeline and storage regulations	Reporting currency	\$0	\$0	\$0
Operational Safety, Emergency Preparedness & Response	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	Number, Percentage (%)	0	0	0
	EM-MD-540a.2	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected ⁷	Number, Percentage (%)	(1)100% (2)100%	(1)100% (2)100%	(1)100% (2)100%
	EM-MD-540a.3	Number of (1) accident releases and (2) nonaccident releases (NARs) from rail transportation	Number	(1) 0 (2) 0	(1) 0 (2) 0	(1) 0 (2) 0
	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	n/a	Please see this item in NJR's Qualitative Disclosures		
Activity Metrics	EM-MD-000.A	Total metric ton-kilometers of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of transport	Metric ton (t) kilometers	0%	0%	0%

⁷ The southern portion of Adelphia Gateway, approximately 50 miles of pipeline, was previously classified and regulated by PHMSA as a liquid pipeline (petroleum) up until January 13, 2020. The northern portion, approximately 34 miles of pipeline, was classified as a natural gas and liquid pipeline until January 13, 2020 as well. As of January 13, 2020, the entire pipeline is currently classified by PHMSA as a natural gas pipeline. The last time petroleum was transported in the line was December 2014.

Oil, Gas and Midstream - Leaf River Energy Center

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18	
GHG Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Metric tons (t) CO ₂ e Percentage (%)	33,070 27.3% 0%	33,838 27.2% 0%	29,721 28.5% 0%	
	EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	Please see this item in NJR's Qualitative Disclosures.			
Air Quality	EM-MD-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Metric tons (t)	NOx 57.45 metrics tons SOx 0.14 metrics tons VOC 46.34 metric tons PM10 2.04 metric tons	NOx 55.78 metrics tons SOx 0.14 metrics tons VOC 44.99 metric tons PM10 1.98 metric tons	NOx 42.67 metrics tons SOx 0.12 metrics tons VOC 40.33 metric tons PM10 1.82 metric tons	
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	n/a	Please see this item in NJR's Qualitative Disclosures			
	EM-MD-160a.2	Percentage of land owned, leased, and/or operated within areas of protected conservation status or endangered species habitat	n/a	Please see this item in NJR's Qualitative Disclosures			
	EM-MD-160a.3	Terrestrial acreage disturbed, percentage of impacted area restored	Acres (ac), Percentage (%)	0%	0%	0%	
	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	Number, Barrels (bbls)	0	0	0	

Topic	Code	Accounting Metric	Unit of Measure	FY20	FY19	FY18
Competitive Behavior	EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with federal pipeline and storage regulations	Reporting currency	\$0	\$0	\$0
Operational Safety, Emergency Preparedness & Response	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	Number, Percentage (%)	0 Incidents	0 Incidents	0 Incidents
	EM-MD-540a.2	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	Number, Percentage (%)	(1) 100% (2) n/a	(1) 100% (2) n/a	(1) 100% (2) n/a
	EM-MD-540a.3	Number of (1) accident releases and (2) nonaccident releases (NARs) from rail transportation	Number	(1) 0 (2) 0	(1) 0 (2) 0	(1) 0 (2) 0
	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	n/a	Please see this item in NJR's Qualitative Disclosures		
Activity Metrics	EM-MD-000.A	Total metric ton-kilometers of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of transport	Metric ton (t) kilometers	1.390 million metric tons	1.772 million metric tons	1.619 million metric tons

Discussion and Analysis

IF-GU-240a.4 - Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory

The majority of NJNG's customers reside in Monmouth and Ocean Counties which are situated along the Jersey Shore and are within commuting distance of New York City and Philadelphia. Our Northern Territory serves Morris County.

Monmouth and Morris County are among the top counties in the nation on a Household Income Basis. Ocean County is largely populated by active adult communities whose residents' wealth is not shown in traditional measures.

NJNG's customer base is composed of 93% residential customers and the associated commercial establishments that serve their daily needs.

Over the past 12 years, NJNG's average natural gas bill has declined more than 32 percent in real terms. This is due to technology and innovation that has opened additional shale region supplies to the Northeast.

The impacts of the COVID-19 pandemic have led to higher unemployment and an economic downturn throughout New Jersey. The uncertain economic conditions may result in the inability of our customers to pay for utility services. As seen in Standard IF-GU-240a.3, disconnects have decreased over 50 percent in FY20 from the prior period. A moratorium on disconnections for non-payment was ordered by the New Jersey Board of Public Utilities on March 16, 2020 in response to the COVID-19 pandemic. The moratorium will remain in effect until at least March 15, 2021.

NJNG provides customers information on a variety of payment assistance programs, including NJNG's own Gift of Warmth, which provides a one-time grant of up to \$500 for households experiencing temporary or unanticipated hardship. More information about payment assistance efforts in 2020 can be found on page 23 of the Fiscal 2020 Corporate Sustainability Report.

IF-GU-540a.4 - Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions

NJNG has a long track record of continuous improvement in leak reduction and operates the most environmentally sound natural gas delivery system in NJ, as measured by leaks per mile.

We have invested more than \$1.9 billion in our delivery system in the last decade, thus reducing methane emissions by more than 900 metric tons since 2015. In 2015, NJNG was the first utility in the state to eliminate cast iron from its system, and in 2021, we will become the first to replace unprotected steel. With these infrastructure upgrades, we continue to reduce our leaks per mile of system and maintain a leak per mile rate 95 percent better than the 2019 American Gas Association industry benchmark.

Although our environmental record is outstanding, we believe there is still much work to do. Our commitment is to continue to reduce methane emissions and we will target our infrastructure improvements prudently.

For further discussion of these efforts, please see page 9-11 of the Fiscal 2020 Corporate Sustainability Report.

EM-MD-110a.2 - Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets

Adelphia and Leaf River do not currently have Scope 1 emissions reduction targets. In fiscal 2021, the company plans to assess the emissions from these businesses and identify appropriate reduction and mitigation strategies for the future. Operational practices currently in place to mitigate emissions include:

- At Adelphia, replacing continuous bleed pneumatic devices with zero or near-zero bleed alternatives. When possible, 100 percent of the control gas vented from devices with intermittent bleed is captured and placed back into the gas stream. Replacements completed or scheduled through 2021 are estimated to reduce emissions by over 550 thousand cubic feet, or approximately 30 metric tons, per hour.
- Leaf River operates six Caterpillar Lean Burn Engines equipped with oxidation catalysts on all units, which reduces the emissions more than 90 percent on an already efficiently tuned engine.

Our Storage and Transportation business also supports emissions reductions by providing natural gas to customers who are replacing less clean forms of energy, including coal. More information is provided on page 15 of the Fiscal 2020 Corporate Sustainability Report.

EM-MD-160a.1 - Description of environmental management policies and practices for active operations

Adelphia and Leaf River have complied with all laws, rules and regulations concerning our company and business unit's operations regarding environmental management policies.

Adelphia and Leaf River have worked expediently and transparently with all stakeholders, including, but not limited to, regulatory agencies, emergency responders, public officials, landowners, schools and farmers to ensure that all regulatory requirements and concerns are addressed in a timely manner and full compliance with all of the environmental regulatory requirements and policies.

EM-MD-540a.4 - Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles

Our Storage and Transportation businesses are committed to continuous improvement in safety. Both Adelphia and Leaf River have numerous programs that enforce and assist in fostering a culture of employee safety every day. These programs are complemented by monthly safety meetings and bi-monthly training on a variety of safety topics applicable to the industry and work environment.

For nearly 20 years, Adelphia has been a "Star" certified site through the Occupational Safety and Health Administration's (OSHA) Voluntary Protect Program (VPP). The VPP is a partnership with OSHA and businesses that show excellence in safety and health. "Star" certification is the highest level of certification that OSHA provides. VPP companies must go beyond OSHA's minimum safety standards and further demonstrate continuous improvement in health and safety conditions experienced by all staff, visitors and the public served. Adelphia's employees proactively develop and implement processes that provide a safer environment by developing a safety culture. All this is documented in required annual reports submitted to OSHA.

Both Adelphia and Leaf River are also focused on managing and communicating pipeline safety.

Leaf River participates in annual Pipeline Safety Awareness meetings in the counties where facilities are operated.

In 2016, Adelphia, with support from the American Petroleum Institute, implemented a Pipeline Safety Management System (PSMS) that has been essential in process improvements for the company. Leadership continues to actively promote the use of the PSMS and its database with employees.

EM-MD-160a.2 - Percentage of land owned, leased, and/or operated within areas of protected conservation status or endangered species habitat

An environmental report prepared for the South Zone of Adelphia Gateway, which runs from the area of Marcus Hook to Western Bucks County in Pennsylvania, listed the potential impacts to endangered species. Below is a determination of endangered species potentially occurring in the project area.

Species	Effect Determination
<i>Reptiles</i>	
Bog turtle	Not likely to adversely affect. Adelphia will employ a US Fish and Wildlife Service Recognized Qualified Bog Turtle Surveyor during excavation activities to monitor for the bog turtle and implement protective measures as needed.
<i>Mammals</i>	
Indiana bat	Not likely to adversely affect. The Indiana bat is not anticipated to occur within forested areas that would be crossed by the project.
<i>Birds</i>	
Peregrine falcon	No significant impact.
<i>Plants</i>	
Small whorled pogonia	No effect.

AMERICAN GAS ASSOCIATION GAS COMPANY ESG/SUSTAINABILITY REPORTING TEMPLATE

Parent Company: New Jersey Resources
 Operating Company(s): New Jersey Natural Gas
 Business Type(s): Local Distribution Company
 State(s) of Operation: New Jersey
 Regulatory Environment: Regulated
 Report Date: January 2021
 Note:

The American Gas Association (AGA) developed a voluntary reporting template to support the sharing of more uniform and consistent ESG data among members companies to the financial community.

The information presented below is reported on a calendar year basis in line with NJNG's annual required reporting under the Environmental Protection Agency's 40 CFR Part 98, Subpart W.

		Baseline	Past Year	Last Year	Current Year	Definitions
Ref. No.	Refer to the "Definitions" column for more information on each metric.	2011	2017	2018	2019	
Natural Gas Distribution						
						All methane leak sources per 98.232 (i)(1-6) are included for Distribution. Combustion sources are excluded. CO2 is excluded.
1	METHANE EMISSIONS AND MITIGATION FROM DISTRIBUTION MAINS					
1.1	Number of Gas Distribution Customers	497,752	534,422	543,749	552,099	These metrics should include all local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule.
1.2	Distribution Mains in Service					
1.2.1	Plastic (miles)	3,220	3,982	4,113	4,261	
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	3,056	2,979	2,962	2,954	
1.2.3	Unprotected Steel - Bare & Coated (miles)	505	244	196	127	
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	66	-	-	-	

		Baseline	Past Year	Last Year	Current Year	Definitions
Ref. No.	Refer to the "Definitions" column for more information on each metric.	2011	2017	2018	2019	
Natural Gas Distribution						
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete)					These metrics should provide the number of years remaining to take out of service, replace or upgrade cathodically unprotected steel mains, and cast iron/wrought iron mains, consistent with applicable state utility commission authorizations.
1.3.1	Unprotected Steel (Bare & Coated) (# years to complete)	-	-	-	3	Optional: # yrs by pipe type.
1.3.2	Cast Iron / Wrought Iron (# years to complete)	-	-	-	-	Optional: # yrs by pipe type
2	Distribution CO2e Fugitive Emissions					
2.1	CO2e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	95,473.00	49,552.50	45,709.25	39,859.75	Fugitive methane emissions (not CO2 combustion emissions) stated as CO2e, as reported to EPA under 40 CFR 98, Subpart W, sections 98.236(q)(3)(ix) (D), 98.236(r)(1)(v), and 98.236(r)(2)(v)(B) - i.e., this is Subpart W methane emissions as input in row 2.2 below and converted to CO2e here. This metric should include fugitive methane emissions above the reporting threshold for all natural gas local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule. Calculated value based on mt CH4 input in the 2.2 (below).

		Baseline	Past Year	Last Year	Current Year	Definitions
Ref. No.	Refer to the "Definitions" column for more information on each metric.	2011	2017	2018	2019	
Natural Gas Distribution						
2.2	CH4 Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	3,818.92	1,982.10	1,828.37	1,594.39	INPUT VALUE (total mt CH4) as explained in definition above. Subpart W input is CH4 (mt).
2.2.1	CH4 Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)	198.90	103.23	95.23	83.04	
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	63,724,725	108,979,652	106,620,038	103,851,784	This metric provides gas throughput from distribution (quantity of natural gas delivered to end users) reported under Subpart W, 40 C.F.R. 98.236(aa)(9)(iv), as reported on the Subpart W e-GRRT integrated reporting form in the "Facility Overview" worksheet Excel form, Quantity of natural gas delivered to end users (column 4).
2.3.1	Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet	60,538	103,531	101,289	98,659	
2.4	Fugitive Methane Emissions Rate (Percent MMScf of Methane Emissions per MMScf of Methane Throughput)	0.33%	0.10%	0.09%	0.08%	Calculated annual metric: (MMScf methane emissions/MMSCF methane throughput)