

Sustainable Financings

Through our Sustainable Financing Framework, we can issue Sustainable Financing Instruments, helping us further support and contribute to the transition to a sustainable economy.

In Nov. 2021, Northwest Natural Holdings and NW Natural closed on several sustainable financings as the companies strive to continue supporting the energy transition and movement toward a sustainable economy.

Sustainable Bond and Sustainable Financing Framework

NW Natural successfully placed its first \$130 million sustainable bond in November 2021. The bond was issued under NW Natural's new Sustainable Financing Framework. NW Natural expects to allocate an amount equivalent to the \$130 million proceeds from the sustainable bond to refinance or finance NW Natural's renewable natural gas investments and procurement; its sustainable and seismically secure headquarters building, which is LEED core and shell gold certified; energy-efficiency programs; and purchases or support of minority-owned, women-owned, veteran-owned, LGBTQ-owned and/or small businesses.

NW Natural Holdings and NW Natural can each issue sustainable bonds under our [Sustainable Financing Framework](#), with an amount equivalent to the proceeds of the bond issuance being used to finance or refinance projects related to renewable energy, energy efficiency, green buildings, and our supplier diversity program. The framework has been reviewed by [Vigeo Eiris \(V.E\)](#), an independent global provider of ESG research and analysis. V.E issued a second-party opinion confirming that the framework aligns with the four core components of the Sustainable Bond Principles 2021 and that investments in the eligible categories will lead to positive environmental and social impacts and advance the UN Sustainable Development Goals.

Sustainability-linked Credit Facility

Also in Nov. 2021, each of NW Natural Holdings and NW Natural amended and restated its revolving credit facility, resulting in the extension of the maturity date to Nov. 3, 2026, and an increase in NW Natural Holdings and NW Natural's total borrowing capacity to \$600 million. The amendments include provisions that link each company's borrowing costs to an environmental metric related to NW Natural's carbon savings goal of 30% by 2035 and a safety metric related to in-line inspections of NW Natural's transmission pipeline.

"We are working to invest in and support a low-carbon energy future and a sustainable economy for our customers. With these financings, we've incorporated sustainability, a long-held focus of our company, into another important component of our business strategy. I'm proud to continue leading on sustainability and continuing our rich legacy of customer care, diversity, and environmental stewardship."

— David Anderson, NW Natural Holdings president and CEO