



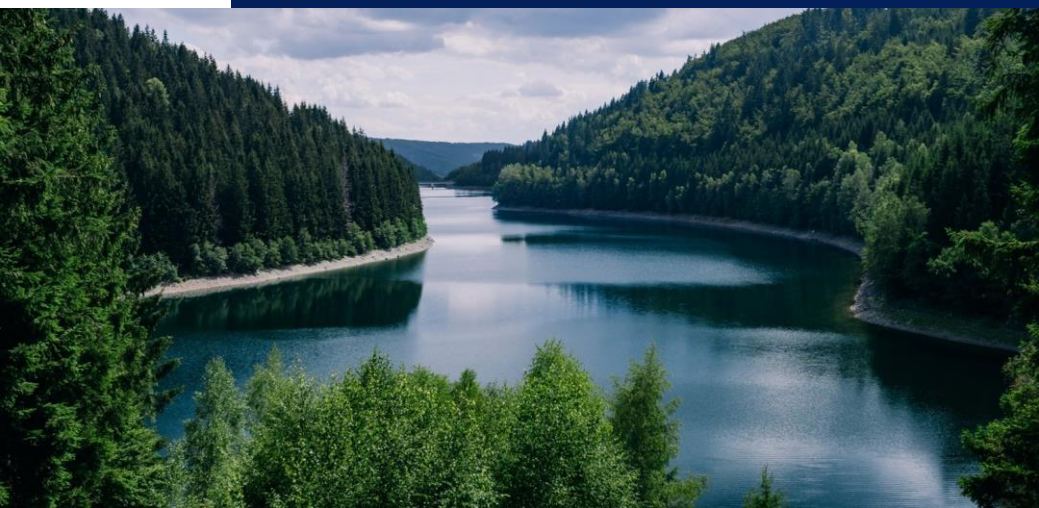
NYSE
LISTED

WTRG



Essential™

Second Quarter
2025
August 1st, 2025





Brian Dingerdissen

Vice President
Treasury, FP&A and Investor
Relations

Forward Looking Statement

This presentation contains in addition to historical information, forward looking statements based on assumptions made by management regarding future circumstances over which the company may have little or no control, that involve risks, uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors include, among others, the following: general economic and business conditions; weather conditions affecting customers' usage or the company's cost of operations; costs arising from changes in regulations; regulatory treatment of rate increase requests; availability and cost of capital; the success of growth initiatives, including pending acquisitions; the ability to generate earnings from capital investment; and other factors discussed in our Form 10-K, which is on file with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement.

Non-GAAP Reconciliation

For reconciliation of non-GAAP financial measures, see the Investor Relations section of the company's Web site at www.essential.co



Christopher Franklin

Chairman and Chief
Executive Officer

Company Highlights

**Q2 2025 EPS
\$0.38**

**2025 EPS
Guidance
\$2.07 - \$2.11**

**\$1.4B - \$1.5B
Infrastructure
Investments
for 2025**



**PENNSYLVANIA
ENERGY AND
INNOVATION SUMMIT**



**EMPLOYEE
ENGAGEMENT
SURVEY**



Essential.
UTILITIES

**5.25%
Dividend
Increase**

*80 consecutive years
of dividend
payments*

Community Engagement and Stewardship

Essential Earth Day 2022-2025 Metrics

- ✓ 6,400 service hours
- ✓ \$2.9M donations
- ✓ 152 volunteer events
- ✓ 55,000 trees and wildflowers planted



THE CHAMBER
of Commerce for Greater Philadelphia

Honored as one of
Greater
Philadelphia's Most
Community-Minded
Businesses

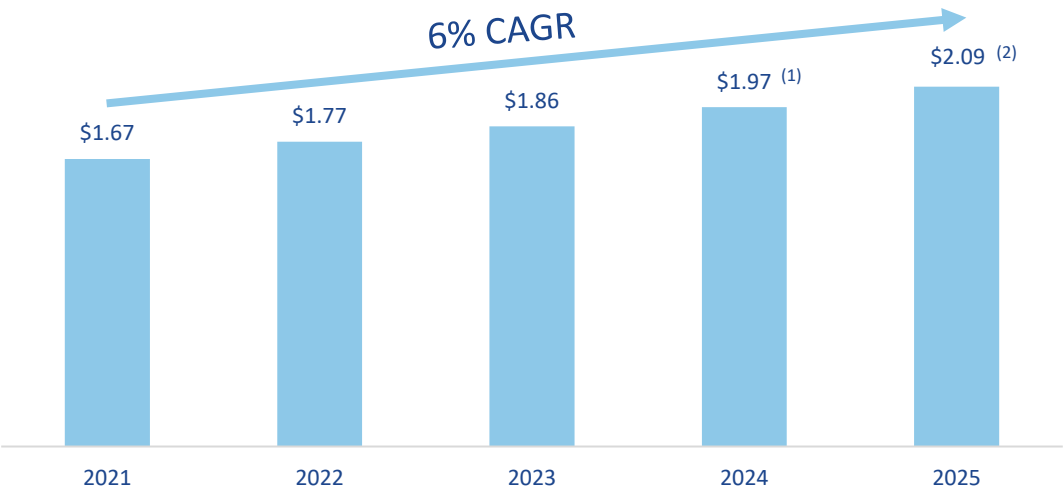


Chris Franklin Elected
Board Chair of the
Chamber of Commerce
for Greater
Philadelphia

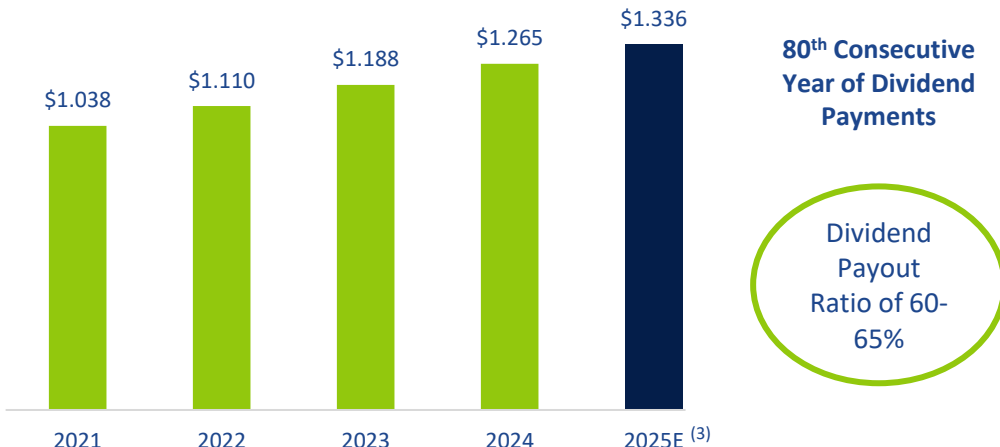


Consistently Delivering Growth

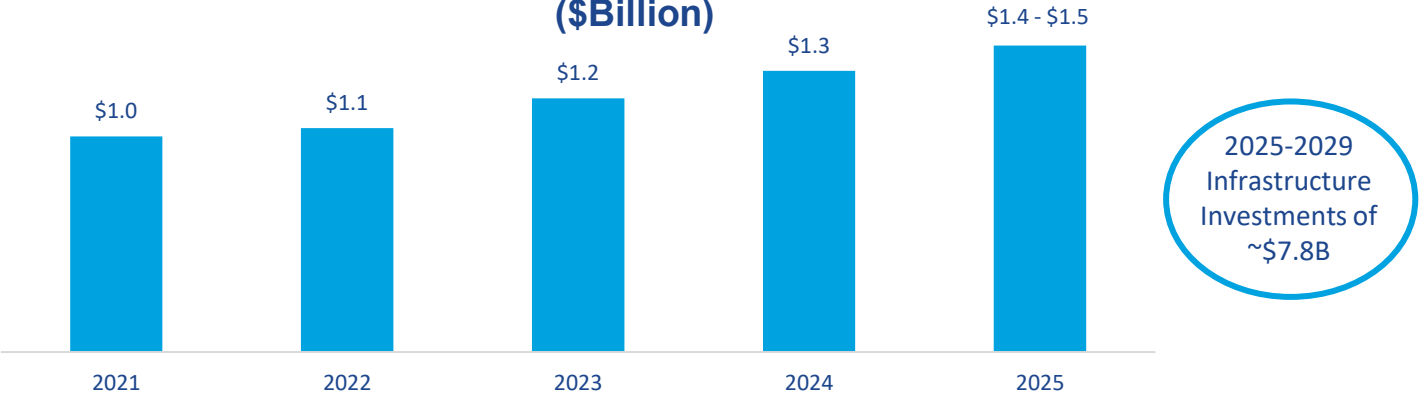
Diluted Income per Common Share



Dividends Paid per Share



Capital Expenditures (\$Billion)



(1) 2024 GAAP Diluted Earnings per Share of \$2.17. See reconciliation in Appendix.
 (2) Midpoint of \$2.07 - \$2.11 FY2025 guidance
 (3) Reflective of the quarterly dividend increase to \$0.3426 and assuming no further changes to the dividend in 2025



Colleen Arnold

President, Aqua



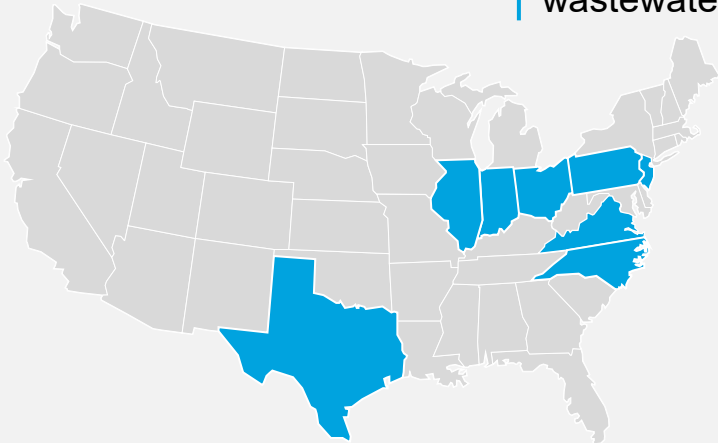
An Essential Utilities Company

Targeting **~6%** Rate Base CAGR¹

CONSTRUCTIVE REGULATORY JURISDICTIONS

Serving more than
1.1M customers

>99% of earnings
regulated water and
wastewater utility



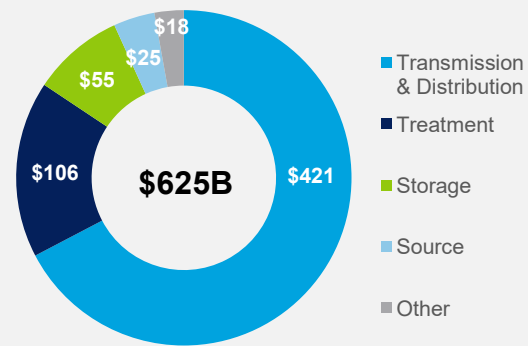
Over **\$7.3 billion** of
rate base as of 6/30/25

Treating over
87 billion gallons
of water each year

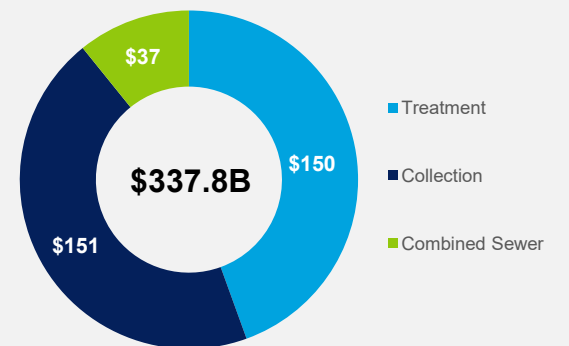
WITH CLEAR PATH TO GENERATE ADDITIONAL VALUE

EPA Estimate of U.S. Infrastructure Investment Needs

WATER²



WASTEWATER⁴



HIGHLY FRAGMENTED

Approximately 50,000 water³ and over 18,000 wastewater systems⁴

VALUE ADD OPPORTUNITY

U.S. water infrastructure graded "C-" and wastewater infrastructure graded "D+"⁵

SIGNIFICANT RUNWAY

>85% of public water systems are government owned³

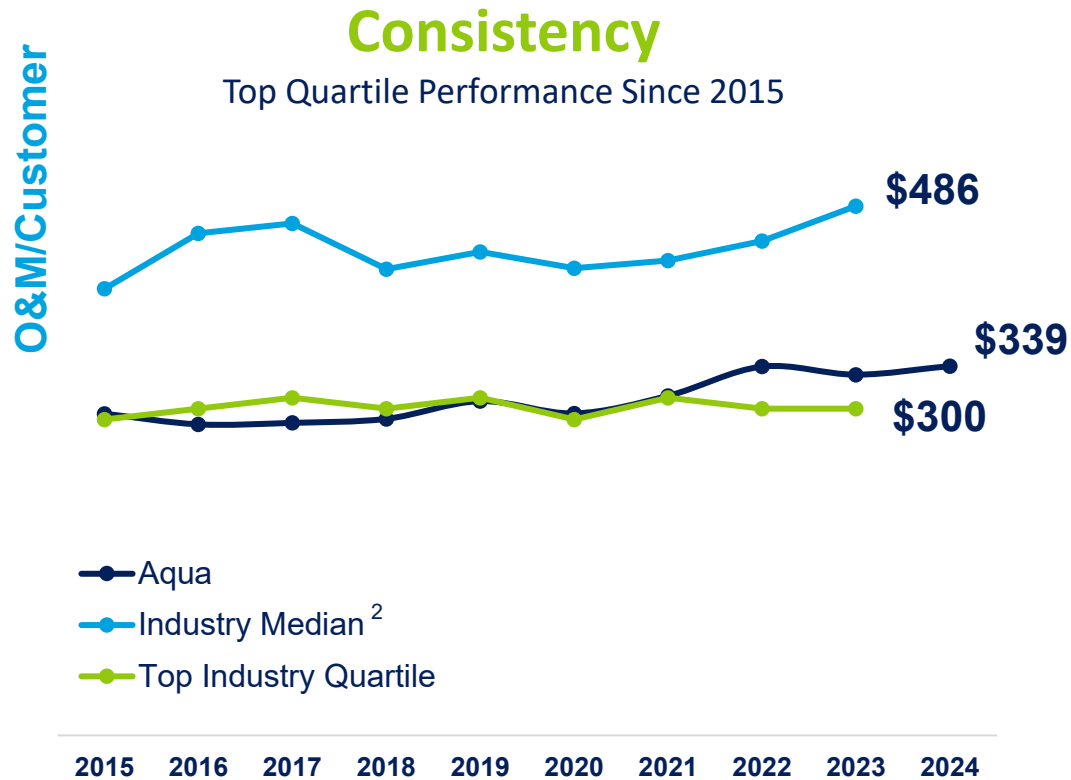
(1) Through 2029.
(2) 2023 EPA Needs Survey based on data collected in calendar year 2021.
(3) Efc.web.unc.edu Public vs Private: A National Overview of Water Systems

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

Focusing on Operational Excellence

Aqua continues to outperform industry benchmarks for operational performance

Efficient O&M per Customer



Safe and Reliable Service

Outperformance

Percent of Systems with Violations¹

Year	Aqua	National	Outperformance
2024	1.4%	12.6%	9x
2023	0.9%	7.0%	8x
2022	1.4%	6.7%	5x
2021	1.1%	6.3%	6x

Excellence

OSHA Severity Rate Compared to Industry

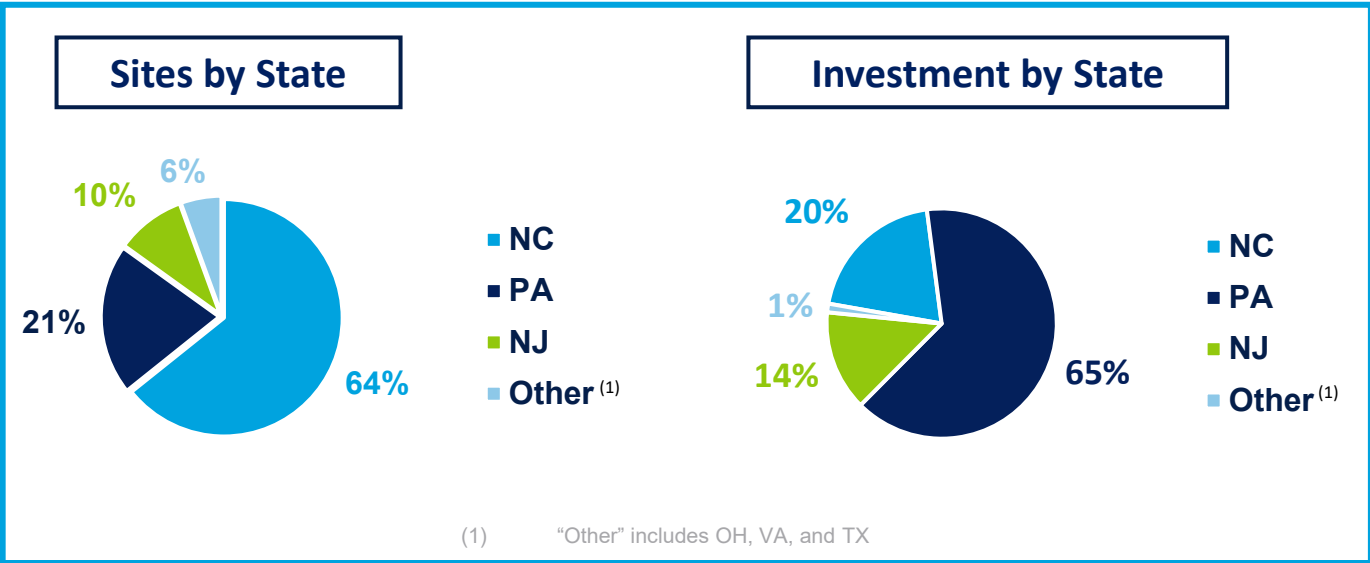
Year	Aqua	Industry ² Median	Quartile Performance
2023	2.7	18.5	Top
2022	3.2	27.9	Top
2021	2.2	21.2	Top

(1) Measured as a percentage of community water systems with health-based and aesthetic violations. U.S. averages compiled from the EPA's ECHO Database
 (2) Industry presented as AWWA Benchmarking data for O&M and Employee Health & Safety Severity Rate

Leadership in PFAS

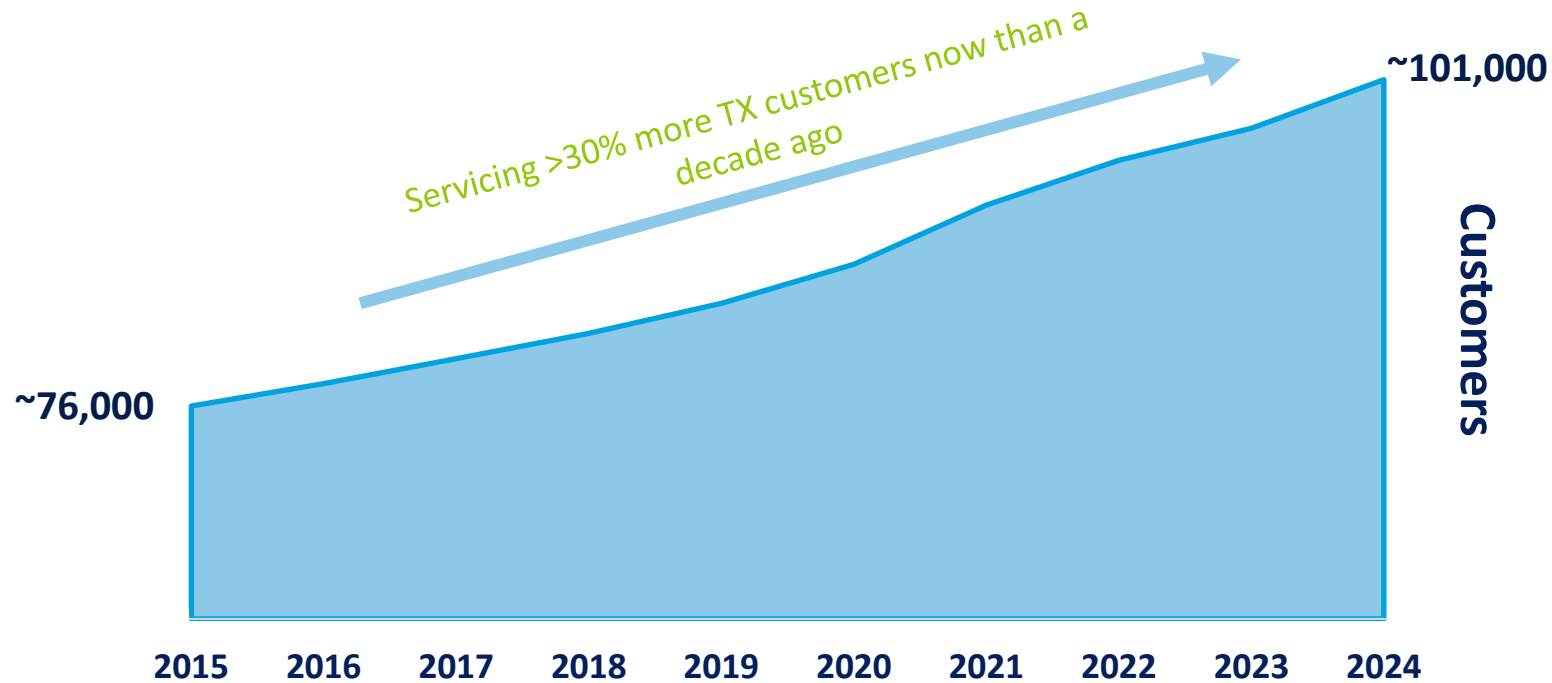
Significant expertise continues to develop across the business

- Recognized leader in PFAS mitigation
- State of the Art Laboratory certified for PFAS testing since 2017
- Proactively began testing >3000 water sources in 2018
- Identified >300 Sites requiring remediation
- ~\$450M of PFAS capital required
- Developed a proprietary modular PFAS treatment system for wells
- Mitigated 52 sites with 48 currently under construction for a total spend to date of ~\$40M



Aqua Texas Customer Growth Success

Cumulative Additions of Customers Through Organic/M&A Growth Since 2015



3.2%
Customer CAGR since 2015

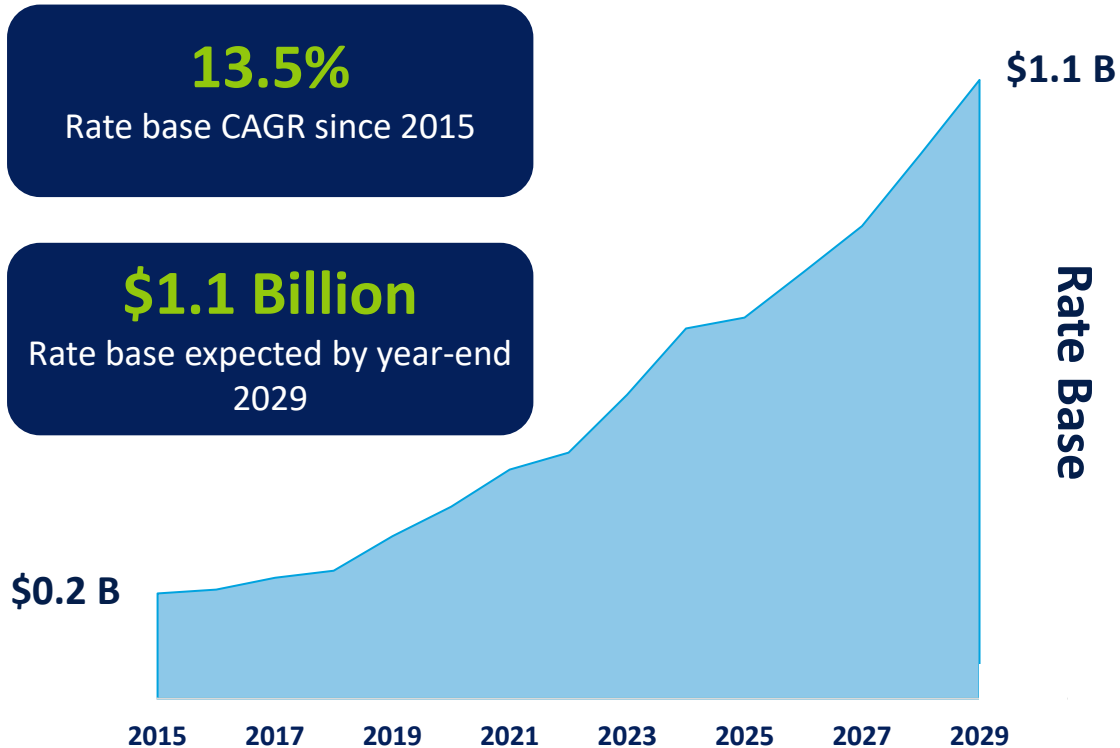
~25,000
Water and wastewater customers added

>90,000
Customers under contract or negotiation

Growing Scale, Delivering Significant Opportunity

New TX Future Test Year regulatory mechanism reduces regulatory lag and facilitates growth

Strong Texas Rate Base Growth Anticipated



Robust Organic Growth Process





Daniel Schuller

EVP,
Chief Financial Officer

Q2 Financial Highlights

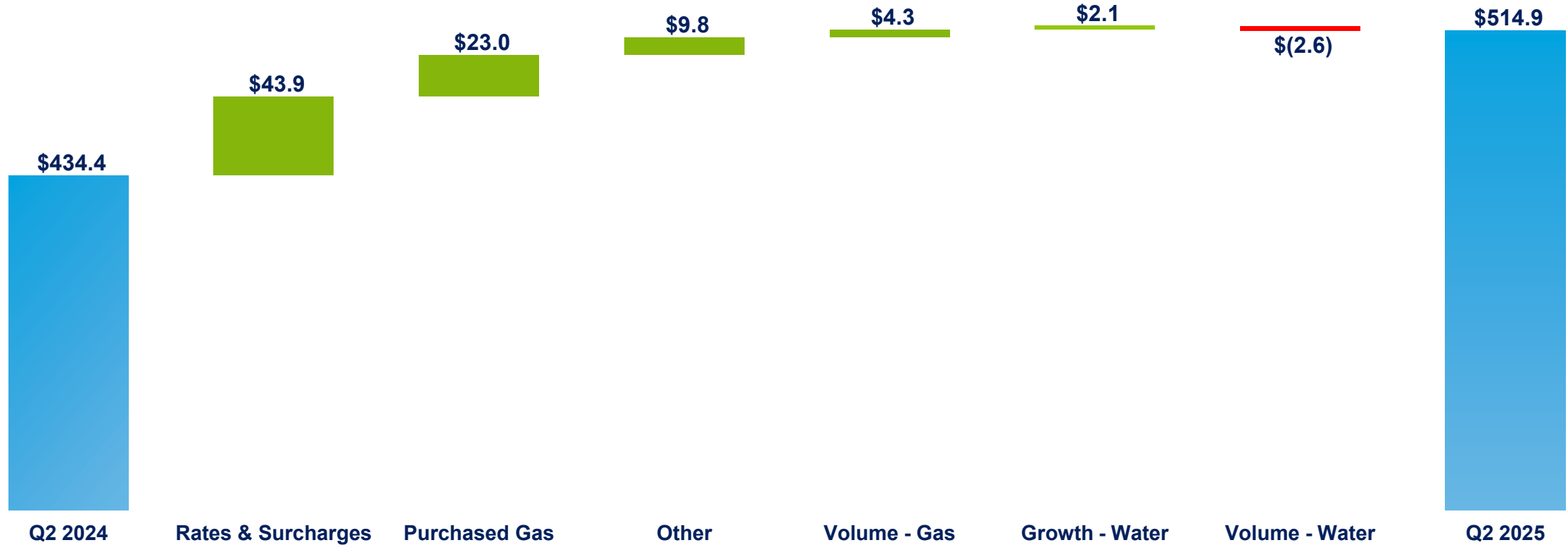
As of June 30th, 2025

(\$ in millions, except per share data)	Q2 2024	Q2 2025	Change
Operating Revenues	\$434.4	\$514.9	18.5% Increase
Purchased Gas	\$33.7	\$56.7	68.2% Increase
Operations and Maintenance Expense	\$142.5	\$148.5	4.2% Increase
Operating Income	\$145.3	\$185.3	27.5% Increase
Net Income	\$75.4	\$107.8	43.0% Increase
Net Income per Share	\$0.28	\$0.38	35.7% Increase

Operating Revenues

Q2 2025 vs. Q2 2024

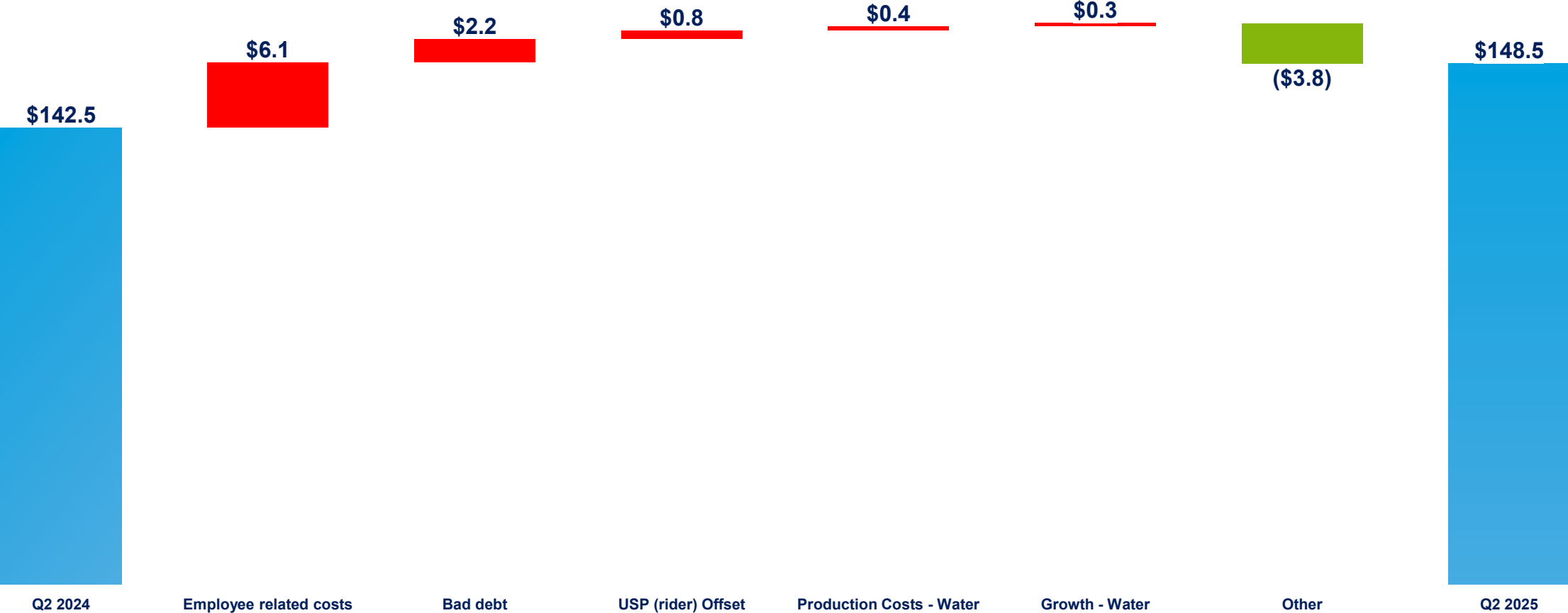
Change in Operating Revenues (millions)



Operations & Maintenance Expenses

Q2 2025 vs. Q2 2024

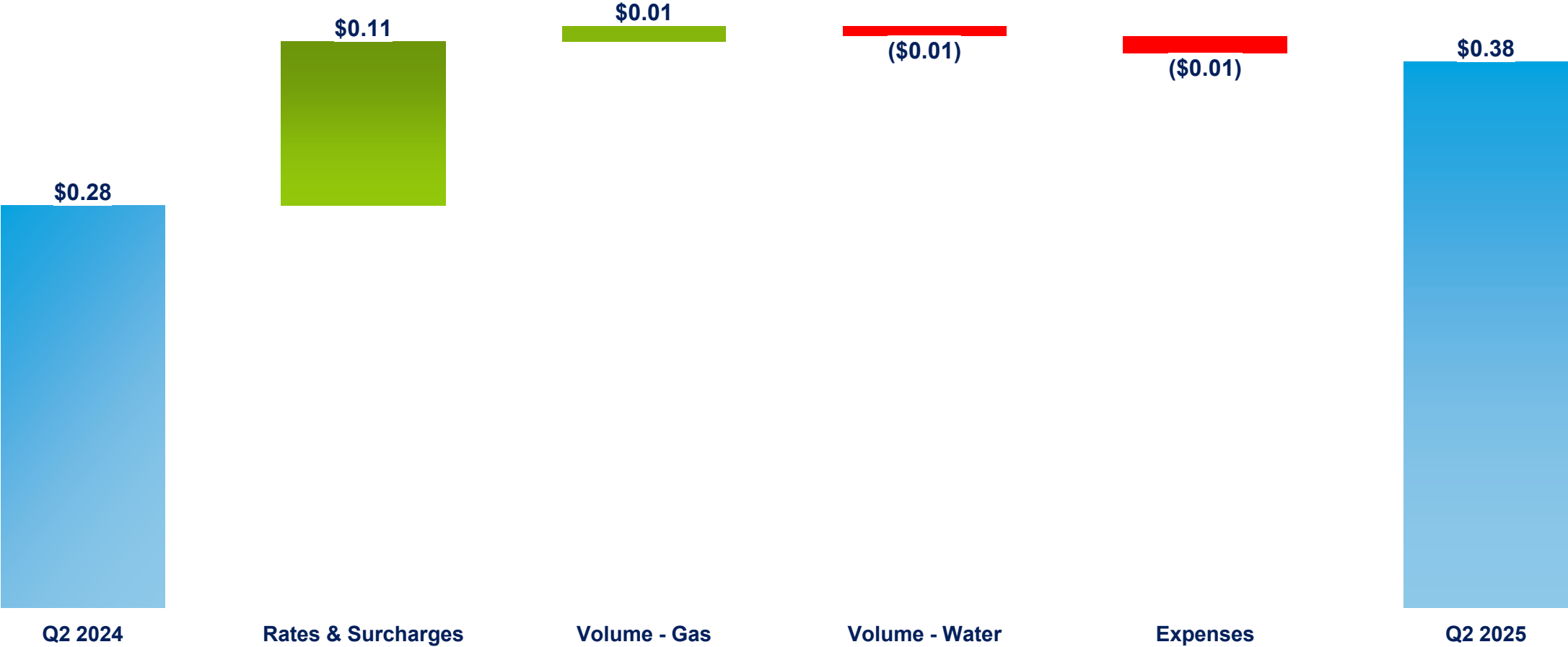
Change in Operations & Maintenance Expense (millions)



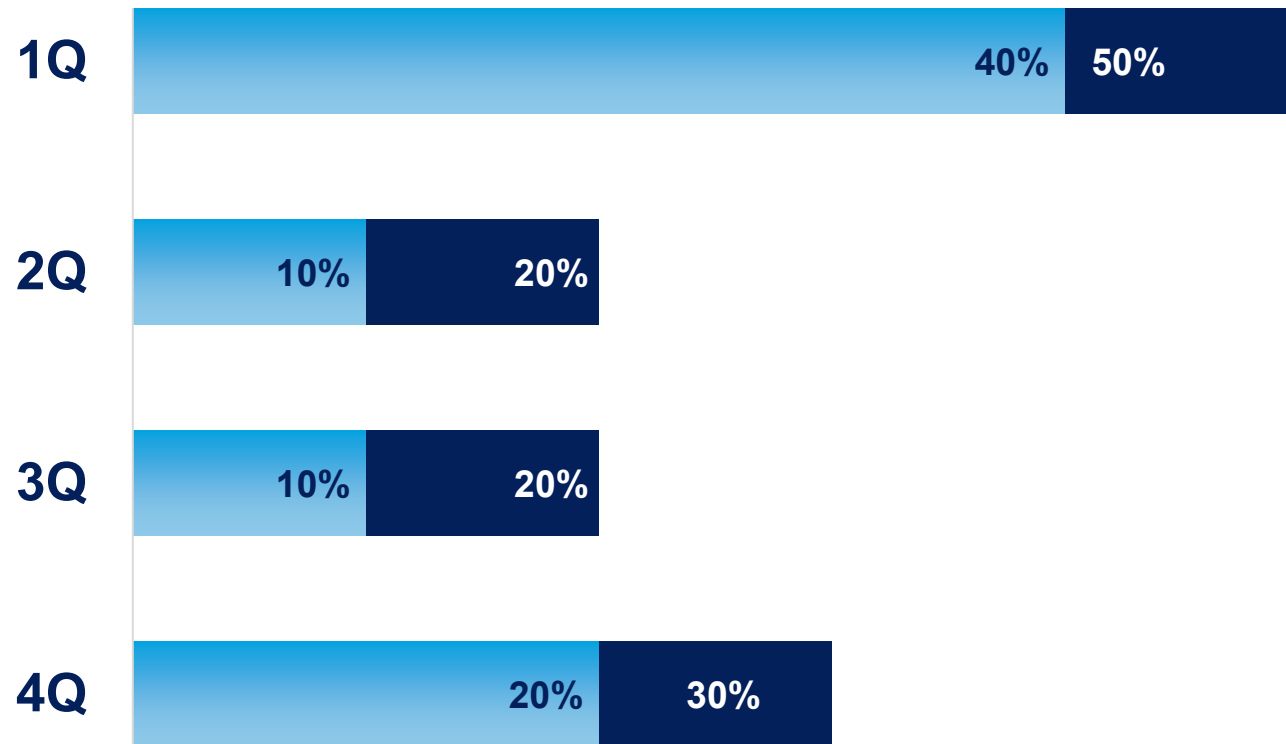
Earnings per Common Share

Q2 2025 vs. Q2 2024

Change in Earnings Per Share



Approximate Earnings Per Share by Quarter



Roadmap to Annual Guidance

1Q 2025
GAAP EPS:
\$1.03

2Q 2025
GAAP EPS:
\$0.38

Yearly Guidance
\$2.07-\$2.11

Based on company projections, 60-80% of earnings are expected to be recorded in 1Q and 4Q

Regulatory Activity

As of July 31, 2025

2025 COMPLETED REGULATORY RECOVERIES

Water segment base rate cases or surcharges in PA, OH, NC, and NJ with annualized revenue increase of \$92.6 million

Gas segment annualized revenue increase of \$8.2M relating to KY, comprised of \$7.7M base rate case and \$0.5M surcharges

PENDING REGULATORY RECOVERIES

Water segment base rate cases or surcharges in NC, OH, TX, and VA with requested annualized revenue increase of \$96.6 million

A New Chapter for Essential's Accounting Organization



Robert Rubin

Chief Accounting Officer

36 Years at Essential
Retiring Effective Today



Bradley Palmer

Chief Accounting Officer

4 Years at Essential
20+ Years of Public Accounting and Utility Experience



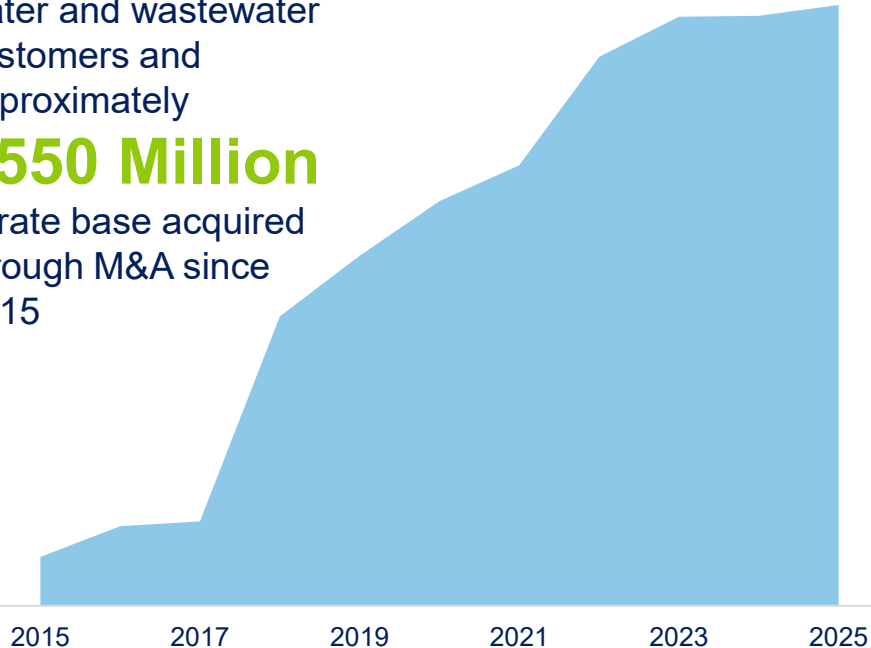
Christopher Franklin

Chairman and Chief
Executive Officer

Continued Water and Wastewater Acquisition Success

Cumulative Additions of Customers Through Acquisitions Since 2015

Over **135,000¹** water and wastewater customers and approximately **\$550 Million** in rate base acquired through M&A since 2015



Transactions Closed in 2025



BEAVER FALLS

- Wastewater
- 7,000 customers⁽¹⁾
- \$37.8M purchase price



GREENVILLE

- Wastewater
- 2,300 customers
- \$18.0M purchase price



MIDVALE

- Water
- 900 customers
- \$3.0M purchase price

Pending Transactions



DELCORA

- Wastewater
- 198,000 customers⁽¹⁾
- \$276.5M purchase price



GREENVILLE

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



DRIL-QUIP⁽²⁾

- Water/Wastewater
- 380 customers
- \$1.1M purchase price



INTEGRA⁽²⁾

- Wastewater
- 1,100 customers
- \$4.4M purchase price

Over 200,000¹ Total Customers **~\$301M** Total Purchase Price

(1) Essential's estimate of the number of equivalent dwelling units.
 (2) Dril-Quip and Integra are privately owned utilities.

Guidance Outlook¹

<h2>Corporate Growth Targets</h2>		2025 normalized net income per diluted common share target of \$2.07-\$2.11	Through 2027, EPS will grow at a CAGR of 5 – 7%	Regulated utility rate base growth of 8% through 2029	\$1.4 to \$1.5B infrastructure investment for 2025	2025-2029 Infrastructure investments of ~\$7.8B	In 2025 we expect to raise ~\$315M in equity

<h2>Dividends & Capital Structure</h2>		<u>Dividend Payout Ratio</u>	<u>Debt to Capital Ratio</u>	<u>FFO to Net Debt Ratio</u>
		60 - 65%	50 - 55%	12 - 14%

<h2>Aqua Targets</h2>		Segment rate base CAGR of approximately 6% through 2029	Segment customer base annual growth rate of between 2 and 3% over the long-term

<h2>Peoples Targets</h2>		Segment rate base CAGR of approximately 11% through 2029	Segment customer base expected to be stable through 2027

1) Guidance includes signed municipal water and wastewater acquisitions for which the company has entered into signed purchase agreements as of the time the 2025 guidance was announced but does not include DELCORA or other potential municipal acquisitions from the company's list of acquisition opportunities. The guidance is also based on the company's expectation that it will continue to issue equity and debt on an as needed basis to support acquisitions and capital investment plans.

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

Questions

For More Information Contact:



Brian Dingerdissen

**Vice President,
Investor Relations, FP&A and Treasury**

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BJDingerdissen@Essential.co



Ed Vallejo

**Director,
Investor Relations**

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EdVallejo@Essential.co



Appendix

YTD Financial Highlights

As of June 30th, 2025

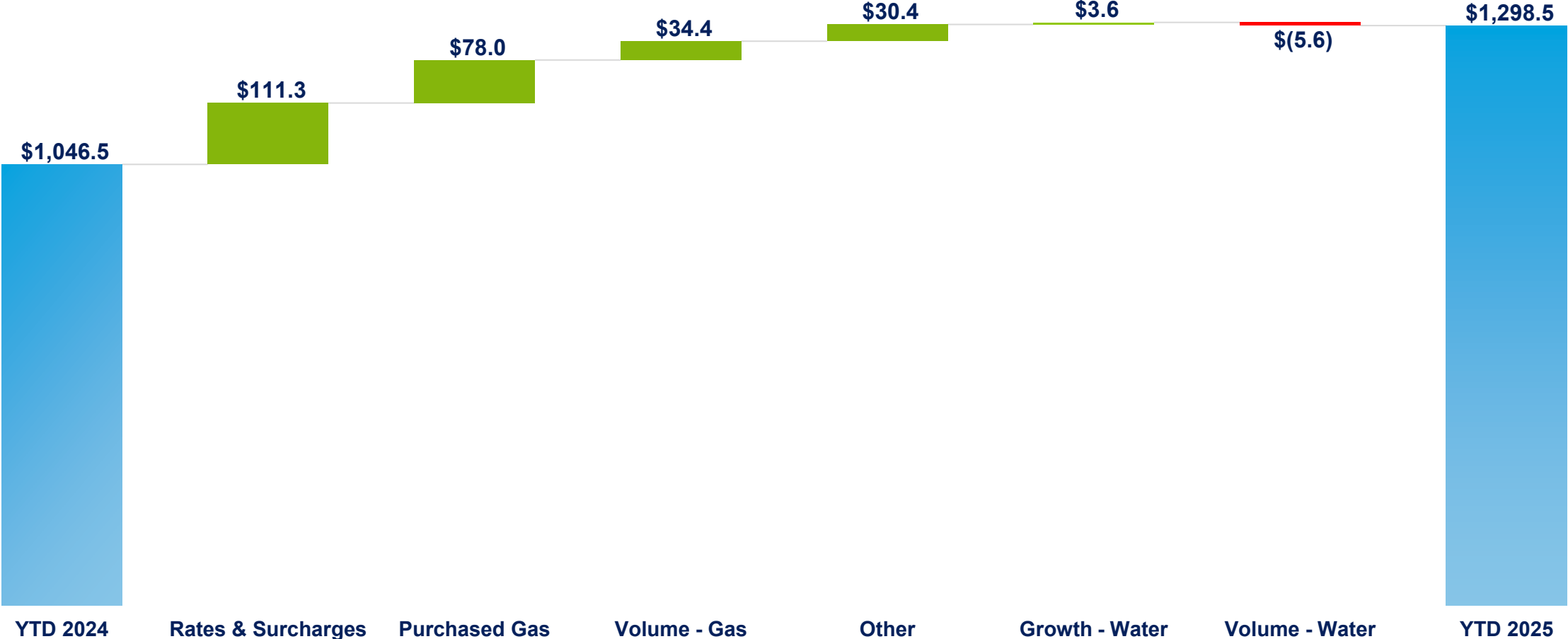
(\$ in millions, except per share data)	YTD 2024	YTD 2025	Change
Operating Revenues	\$1,046.5	\$1,298.5	24.1% Increase
Purchased Gas	\$163.4	\$241.4	47.7% Increase
Operations and Maintenance Expense	\$279.4	\$286.3	2.5% Increase
Operating Income	\$376.0	\$524.2	39.4% Increase
Net Income	\$341.2	\$391.6	14.8% Increase
Net Income per Share	\$1.25	\$1.41	12.8% Increase

Operating Revenues

YTD 2025 vs. YTD 2024

As of June 30th, 2025

Change in Operating Revenues (millions)

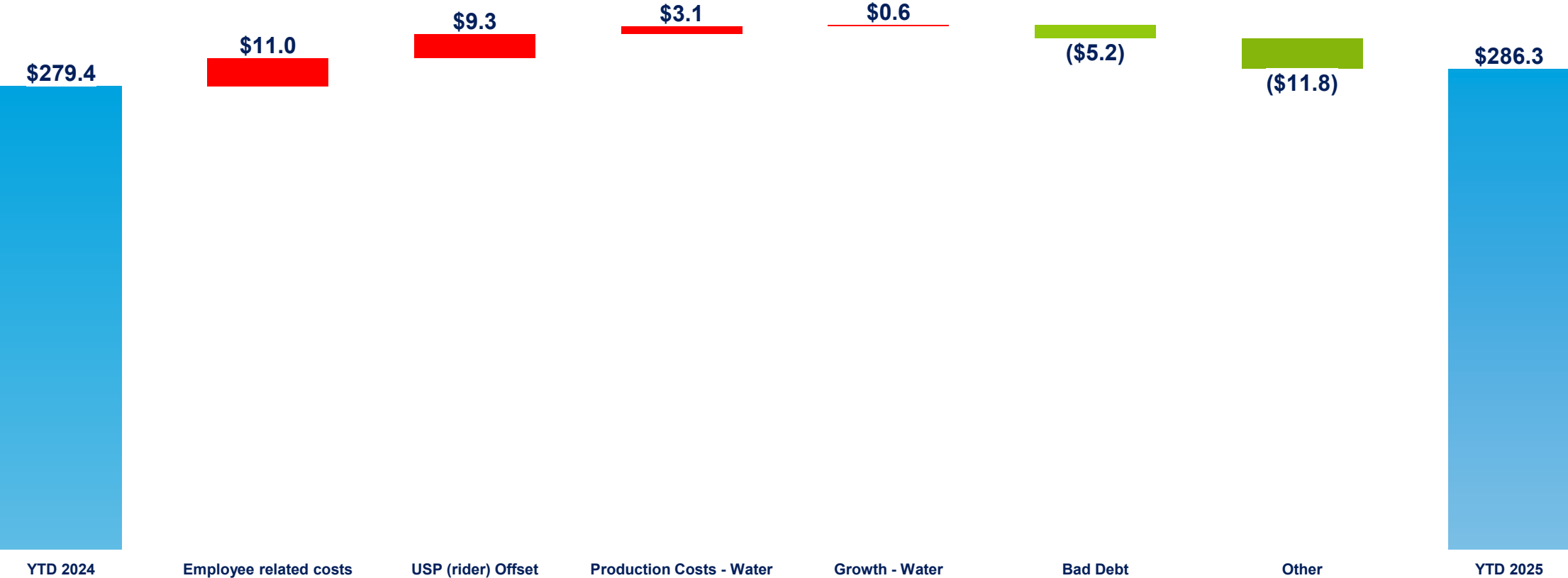


Operations & Maintenance Expenses

YTD 2025 vs. YTD 2024

As of June 30th, 2025

Change in Operations & Maintenance Expense (millions)

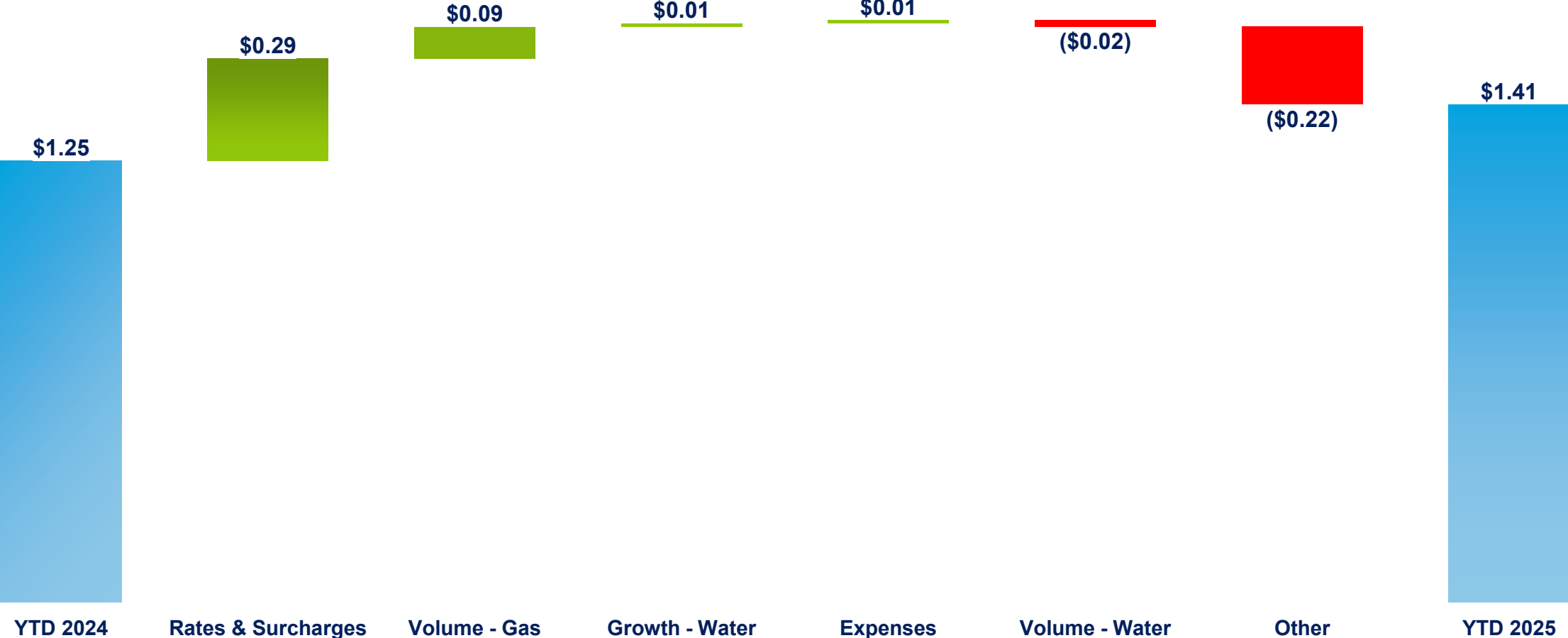


Earnings per Common Share

YTD 2025 vs. YTD 2024

As of June 30th, 2025

Change in Earnings Per Share



2025 Regulatory Activity Completed

As of July 31, 2025

State	Docket Number	Segment	Type	Annualized Revenue Increase (\$ 000's)
Ohio	N/A	Wastewater	Rate Case	550
	N/A	Water	Rate Case	889
	N/A	Water	Rate Case	801
	24-910-WW-SIC	Water	Surcharge	3,237
	24-911-ST-SIC	Wastewater	Surcharge	45
New Jersey	WR24010057	Water	Surcharge	2,468
North Carolina	W-218, Sub 573	Water	Rate Case - Year 3	2,242
	W-218, Sub 573	Wastewater	Rate Case - Year 3	1,153
	W-218, Sub 573	Water	Rate Case - Year 3	471
	W-218, Sub 573	Water	Rate Case - Year 3	108
	W-218, Sub 573	Wastewater	Rate Case - Year 3	157
Pennsylvania	R-2024-3047822	Water	Rate Case	58,400
	R-2024-3047824	Wastewater	Rate Case	14,600
	M-2024-3052594	Water	Surcharge	7,235
	M-2024-3052599	Wastewater	Surcharge	291
Kentucky	2024-00332	Gas	Surcharge	486
	2025-00086	Gas	Surcharge	56
	2024-00346	Gas	Rate Case	7,700
			Total	100,888

Regulatory Activity Pending

As of July 31, 2025

State	Docket Number	Segment	Type	Requested Annualized Revenue Increase (\$ 000's)
Texas	58124	Water	Rate Case	29,149
Ohio	25-0594-WW-AIR	Water	Rate Case	14,653
North Carolina	W-218, Sub 629	Water	Rate Case *	44,763
Virginia	CASE NO. PUR-2025-00071	Water	Rate Case	7,927
			Total	96,490

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

State by State Comparison of Services

As of June 30, 2025

	Water and Wastewater				Gas Distribution	
State	Rate Base (millions)	Water Connections (thousands)	Wastewater Connections (thousands)	Total Customers (thousands)	Rate Base (millions)	Total Customers (thousands)
PA	\$4,618	459.0	64.7	523.7	\$4,180	701.2
IL	\$557	69.8	24.8	94.6		
OH	\$536	154.7	11.2	165.9		
TX	\$649	76.4	25.5	101.9		
NC	\$409	87.6	23.6	111.2		
NJ	\$308	56.3	7.0	63.3		
KY					\$158	39.0
IN	\$124	1.5	31.6	33.1		
VA	\$134	27.6	8.5	36.2		
TOTAL	\$7,335	932.8	197.1	1,130.0	\$4,338	740.3

GAAP to Non-GAAP Reconciliation

Year Ended December 31, 2024

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