

Energizing the future

Second quarter fiscal 2022 update

May 6, 2022



Forward-looking statements and use of non-GAAP measures

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements in this presentation speak only as of today, and we assume no duty to update them. Forward-looking statements are typically identified by words such as, but not limited to: “estimates,” “expects,” “anticipates,” “intends,” “targets,” “plans,” “forecasts,” and similar expressions. Although our forward-looking statements are based on reasonable assumptions, various uncertainties and risk factors may cause future performance or results to be different than those anticipated. More complete descriptions and listings of these uncertainties and risk factors can be found in our annual (Form 10-K) and quarterly (Form 10-Q) filings with the Securities and Exchange Commission.

This presentation also includes “net economic earnings,” “net economic earnings per share,” and “contribution margin,” which are non-GAAP measures used internally by management when evaluating the Company’s performance and results of operations. Net economic earnings exclude from net income, as applicable, the after-tax impacts of fair-value accounting and timing adjustments associated with energy-related transactions, the impacts of acquisition, divestiture, and restructuring activities and the largely non-cash impacts of impairments and other non-recurring or unusual items such as certain regulatory, legislative, or GAAP standard-setting actions. The fair value and timing adjustments, which primarily impact the Gas Marketing segment, include net unrealized gains and losses on energy-related derivatives resulting from the current changes in fair value of financial and physical transactions prior to their completion and settlement, lower of cost or market inventory adjustments, and realized gains and losses on economic hedges prior to the sale of the physical commodity. Management believes that excluding these items provides a useful representation of the economic impact of actual settled transactions and overall results of ongoing operations. Contribution margin is defined as operating revenues less natural gas costs and gross receipts tax expense, which are directly passed on to customers and collected through revenues. These internal non-GAAP operating metrics should not be considered as an alternative to, or more meaningful than, GAAP measures such as operating income, net income or earnings per share. Reconciliation of net economic earnings to net income is contained in our SEC filings and in the Appendix to this presentation.

Note: Years shown in this presentation are fiscal years ended September 30.

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Participants on today's call



Steven L. Lindsey

Executive Vice President
and Chief Operating Officer



Scott B. Carter

President
Spire Missouri



Steven P. Rasche

Executive Vice President
and Chief Financial Officer



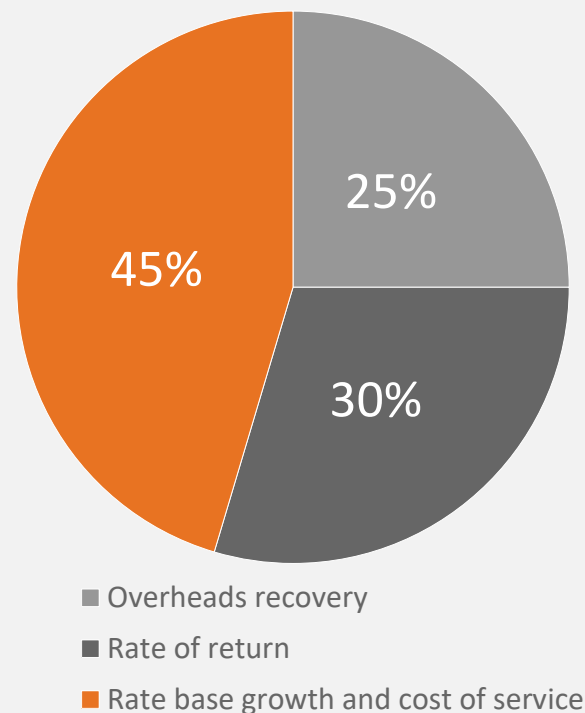
Energizing the future

- Maintaining focus on our strategy and commitments
 - Continuing strong capital investment in organic growth, infrastructure upgrades and technology
 - Strengthening our operating performance
 - Enhancing our sustainability
 - Advancing on our commitment to be a carbon neutral company by midcentury
- Delivering solid Q2 financial results
- Securing permanent operating certificate for Spire STL Pipeline
- Pursuing fair and reasonable regulatory outcomes for Spire MO



Missouri 2022 rate case filing

- On April 1, Spire Missouri filed a new general rate case, seeking recovery of:
 - Our full, updated cost of service, including deferred non-operational overhead costs
 - Increased capital investment
- Filing also seeks opportunity to earn fair and reasonable rate of return, based on
 - Actual capital structure
 - Return on equity in line with market averages and reflective of risk-adjusted capital costs
- Procedural schedule pending



- **\$152M revenue request**
- **Rate base:** \$3.4B
- **Rate of return:**
 - ROE: 10.5%
 - Equity layer: 55%
- **Test period:** Calendar 2021
(roll forward prior case from 5/31/21)



Missouri regulatory update

<i>(Millions)</i>	Future recovery	Actuals through 3/31/22	FY22 estimates
Costs to be capitalized	Depreciation	\$6.6	\$21.0
Costs to be expensed	Cost of service	\$5.9	\$15.0
ISRS overheads	Cost of service	\$5.0	\$5.0

- Total regulatory deferral at March 31 is \$17.5M
- Future recovery will be addressed in rate case
- The MoPSC approved an \$8.5M ISRS increase effective May 7

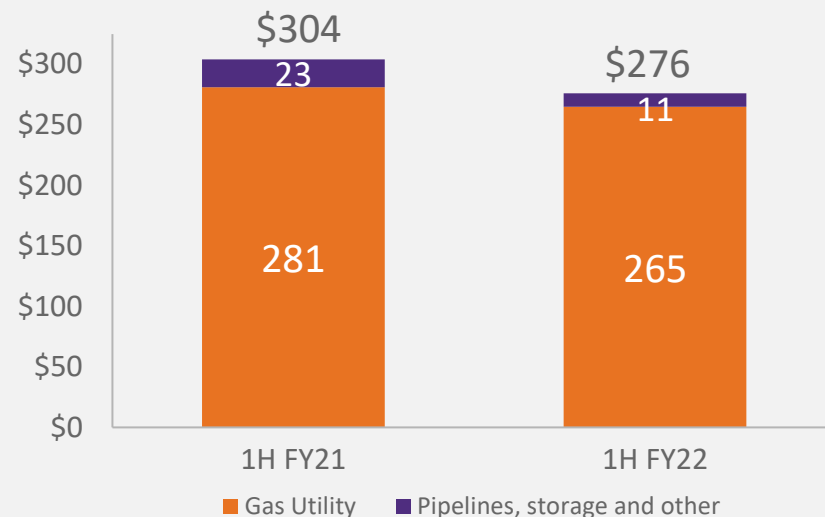


Investing in growth

- 1H FY22 capex totaled \$276M
 - Driven by gas utility investment
 - \$129M infrastructure upgrades
 - \$67M new business
 - Lower non-utility spend
- FY22 forecast updated to \$540M
 - Reflects capitalized overhead costs deferred to regulatory asset (\$21M)
- 5-year capex remains \$3.1B
 - Driven by utility pipeline replacement and new business spend
 - Supported by LT upgrade programs and good recovery mechanisms
 - Drives rate base growth of 7%–8%
 - Supports our continuing commitment to reliability and sustainability

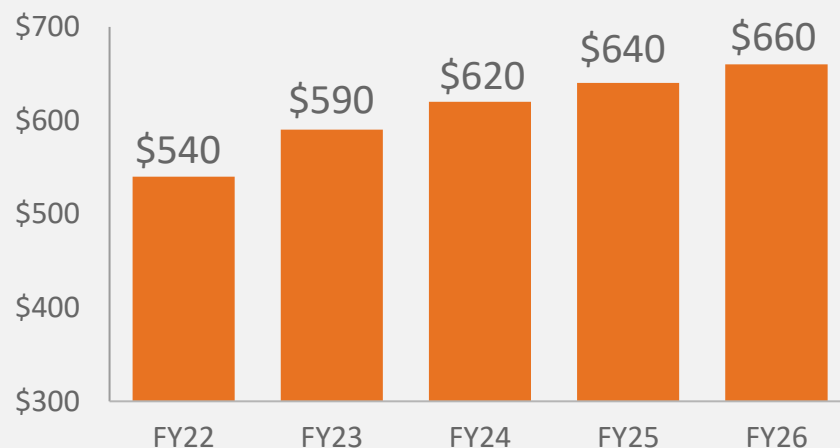
Capital expenditures

(Millions)



FY22–FY26 forecast: ~\$3.1B

(Millions)

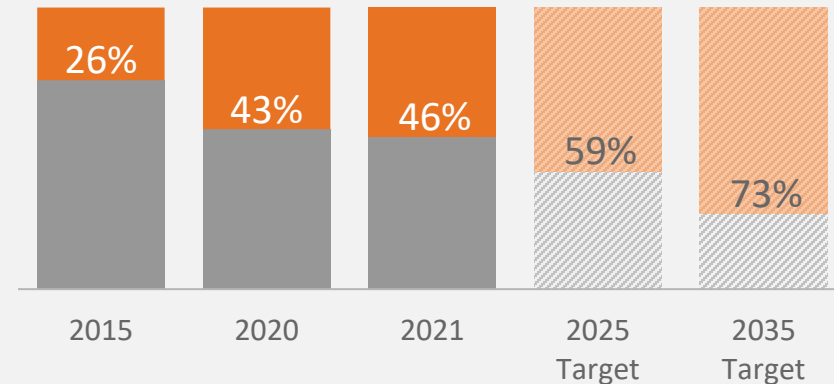


Our sustainability commitment

- Protecting the environment
 - Reduced methane emissions by 46%
 - Established team to lead environmental commitment efforts
 - Created baseline for Scope 1 and 2 emissions
- Caring for people
 - Driving a strong safety culture
 - Building supplier, employee diversity
 - Expanding outreach and support for customers and communities
- Strengthening governance
 - Governance of Sustainability formally assigned to Board of Directors
 - Strong, independent, diverse Board

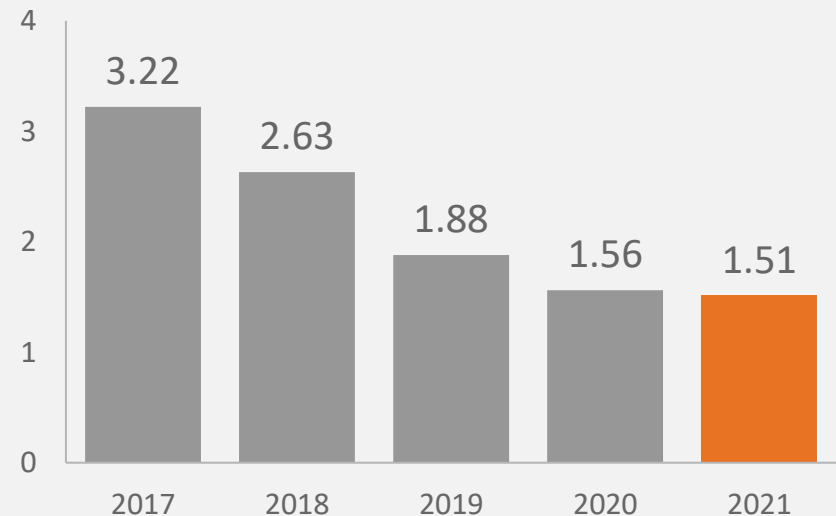
Methane emission reduction

(From 2005 levels)



Employee safety

(OSHA – Days Away, Restricted or Transferred rate)



Spire STL Pipeline

- On Dec. 3, the FERC issued a new temporary operating certificate
- Allows pipeline to continue operating indefinitely during remand process
- As part of remand process currently underway, FERC
 - Is considering a new permanent operating certificate
 - Will prepare an Environmental Impact Statement (EIS)
- We expect the remand process to continue into early calendar 2023



Net economic earnings

Three months ended March 31,	Millions		Per diluted common share	
	2022	2021	2022	2021
Net Income [GAAP]	\$ 173.6	\$ 187.4	\$ 3.27	\$ 3.55
Missouri regulatory adjustment	—	(9.0)	—	(0.17)
All other adjustments ¹	7.4	17.2	0.15	0.33
Net Economic Earnings (NEE)²	\$ 181.0	\$ 195.6	\$ 3.42	\$ 3.71
Total Winter Storm Uri impact	(6.2)	(25.4)	(0.12)	(0.50)
	\$ 174.8	\$ 170.2	\$ 3.30	\$ 3.21
Average diluted shares outstanding	51.9	51.7		

- Prior year results include the impacts of Winter Storm Uri, principally
 - Additional net earnings at Spire Marketing
 - Higher off-system sales at Spire Missouri
- Net of those impacts, earnings improved by \$4.6M

¹Includes recurring fair value and timing adjustments, and income tax effects of all NEE adjustments.

²See Net economic earnings reconciliation to GAAP in the Appendix.

See Appendix for details of adjustments.



Net economic earnings by segment

(Millions)	Three months ended March 31,	
	2022	2021
Gas Utility	\$ 169.2	\$ 159.7
Gas Marketing	14.4	39.8
Other	(2.6)	(3.9)
	\$ 181.0	\$ 195.6

- Gas Utility earnings rose \$9.5M in Q2 (including prior year Uri benefit)
 - Rate increases in both Spire Missouri and the Southeast Utilities
 - Offset by unseasonably warm weather (Alabama was 16% warmer than normal)
 - Lower O&M costs offset by higher depreciation and property tax costs
- Lower Gas Marketing earnings
 - Results include prior year Winter Storm Uri earnings uplift, partially offset by current year \$6.2M favorable resolution of commercial disputes
 - Reflects less favorable market conditions and basis differentials despite price volatility
- Other reflects improvements at Spire Storage and lower corporate costs



Key quarterly variances

(Millions)	As reported		Adjustments		Net variance
	2022	2021	Net regulatory	NSC reclass	
Three months ended March 31,					
Operation and Maintenance					
Gas Utility	\$ 104.2	\$ 104.0	\$ (8.0)	\$ 3.1	\$ (4.7)
Gas Marketing	3.2	7.1			(3.9)
Other and eliminations	5.8	7.9			(2.1)
Depreciation and Amortization	58.9	51.5			7.4
Taxes, Other than Income Taxes	19.7	15.7			4.0
Other (Expense) Income, Net	(3.4)	1.8		3.1	(2.1)

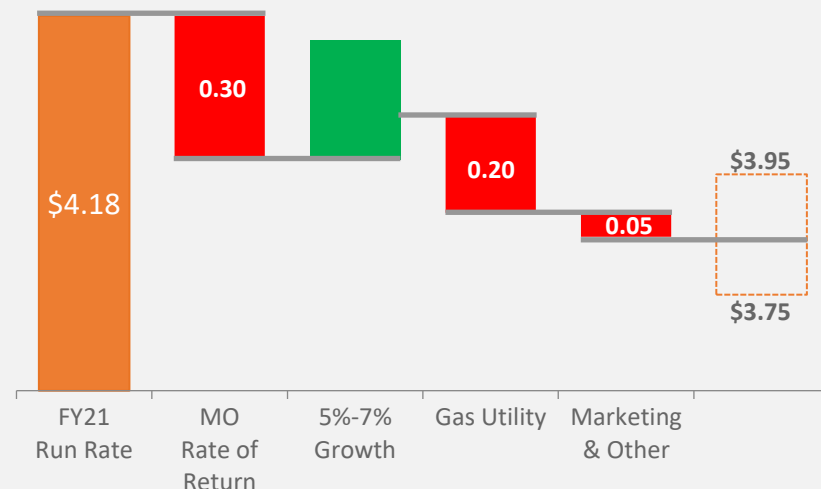
- O&M costs, net of adjustments, are below last year, reflecting lower employee-related costs and bad debts
- Adjustments include:
 - Missouri regulatory item related to a 2021 disallowed pension expense (\$9.0M) offset by the reversal of \$1.0M in 2022 overheads expensed in Q1 and deferred in Q2
 - Non-service cost transfers, with no bottom-line impact
- Increased depreciation and property taxes reflect continued investment in pipe replacement
- Other decreased due to lower returns on investments



Outlook

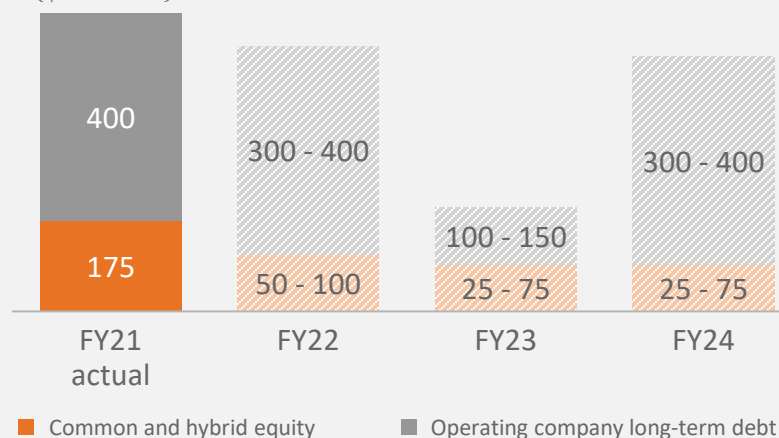
- LT NEEPS growth target of 5%–7%
- FY22 NEEPS guidance of \$3.75–\$3.95
 - MO rate of return impact
 - Anticipated growth
 - Forecast adjustments based on YTD results offset by cost control
 - Unfavorable market conditions impact on Spire Marketing
- Financing plan on track
 - Supports investment and credit metrics
 - ATM program reauthorized at \$200M

FY22 guidance



Financing forecast¹

(\$ Millions)

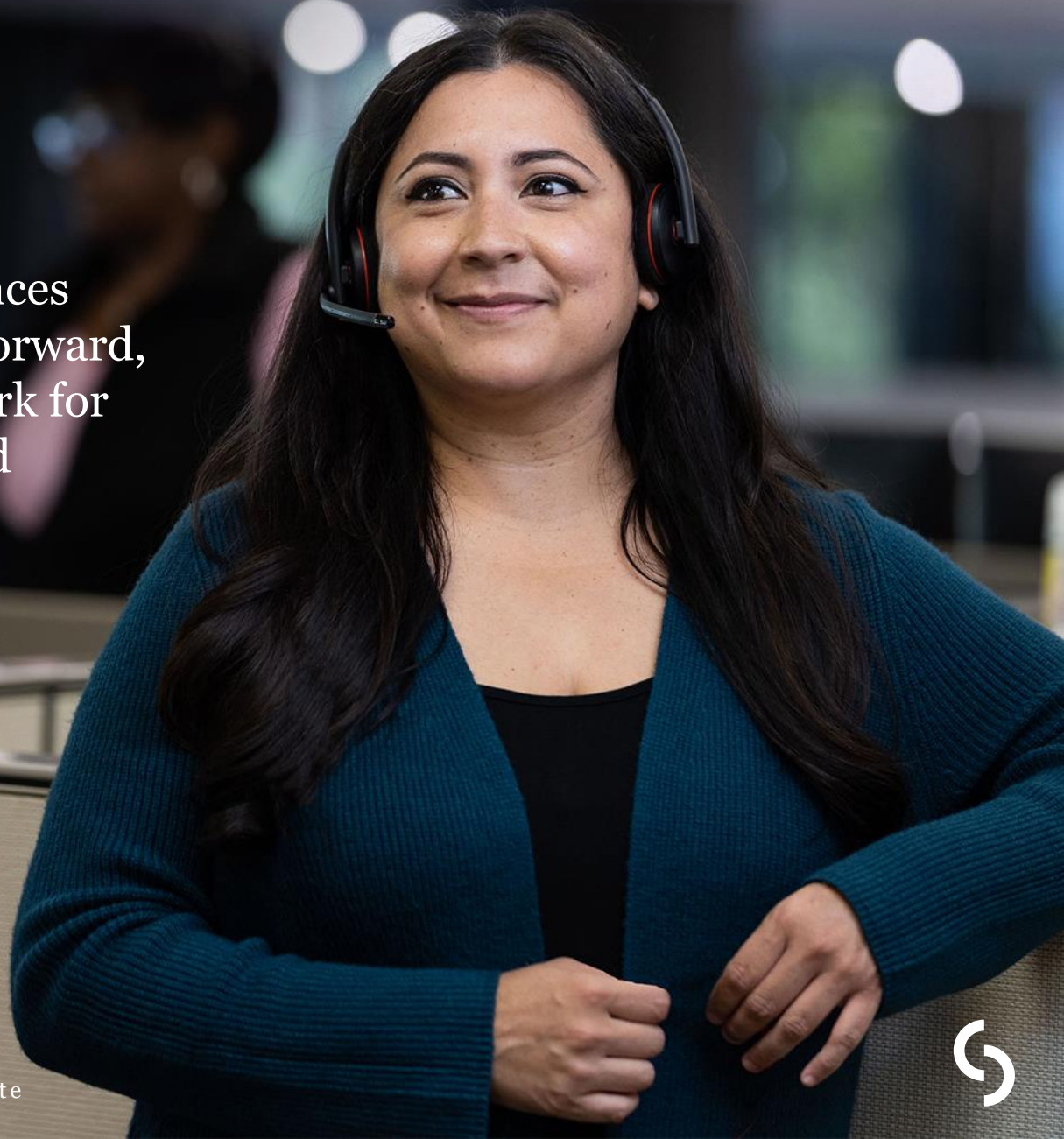


¹Debt issuance net of maturities



Energizing the future

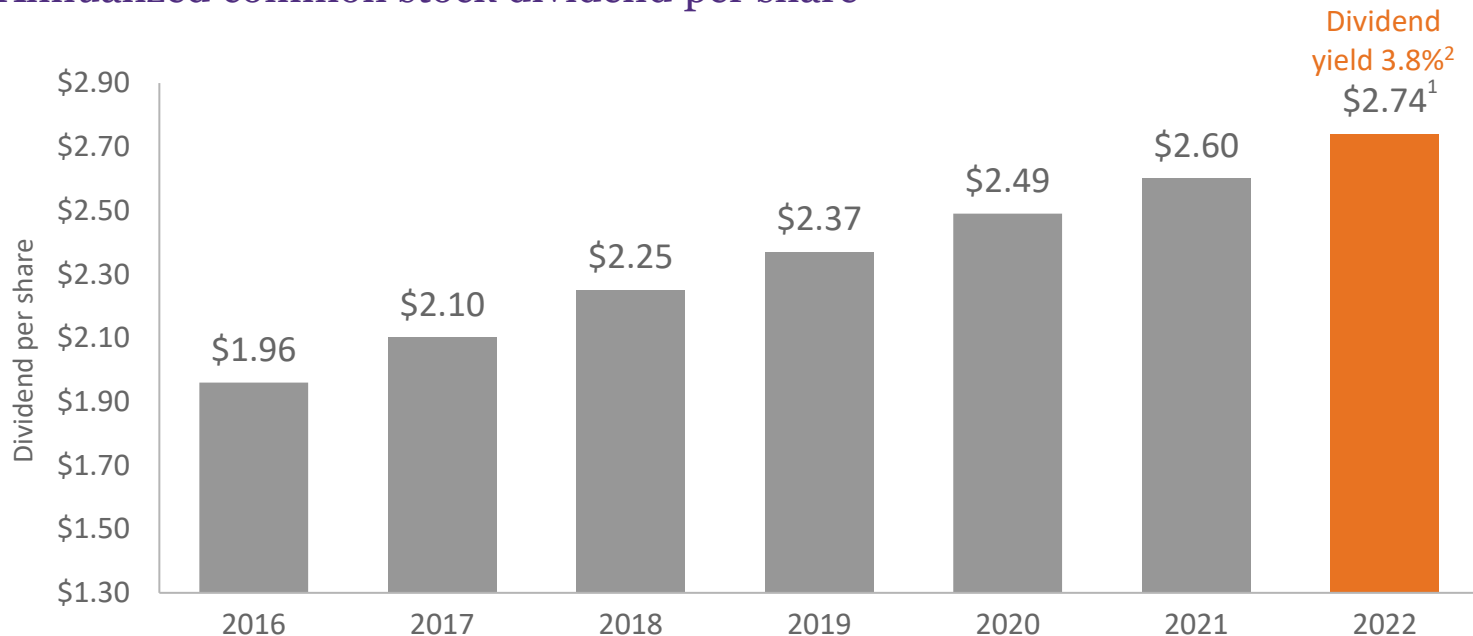
Our energy warms homes, fuels businesses and advances communities. As we step forward, we're laying the groundwork for an innovative, resilient and sustainable energy future.



Appendix

Growing our dividend

Annualized common stock dividend per share



- Annualized 2022 common stock dividend increased 5.4% to \$2.74 per share
- Supported by long-term earnings growth and conservative (55-65%) payout ratio targets 19 consecutive years of increases; 77 years of continuous payment
- Quarterly preferred stock dividend of \$0.36875 declared, payable August 15, 2022

¹Quarterly dividend of \$0.685 per share effective January 2, 2022, annualized.

²Based on \$2.74 per share dividend and SR average stock price of \$71.70 for the period March 1 – April 28, 2022.



Financially strong

- Solid EBITDA despite headwinds
- Ample liquidity ~\$360M at 3/31/22
 - Supported by credit facility and commercial paper program
 - Supports credit metrics targets
 - FFO/debt⁴: 15-16%
 - Holdco debt: below 20%
- Balanced long-term capitalization

¹See Adjusted EBITDA reconciliation to GAAP and Long-term capitalization in Appendix.

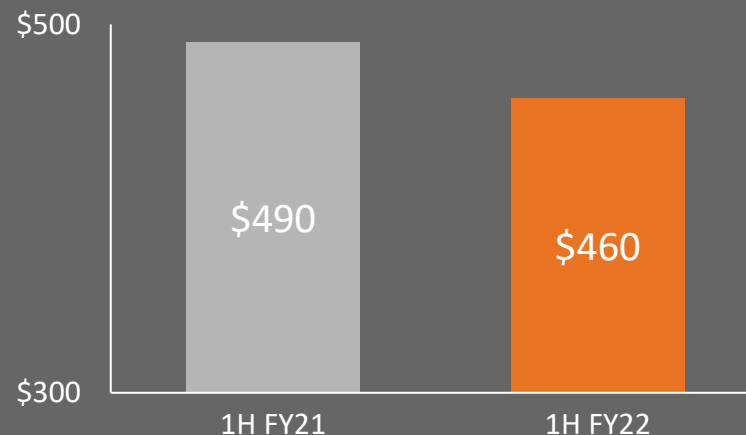
²Including temporary equity and excluding preferred stock.

³Including the current portion of long-term debt.

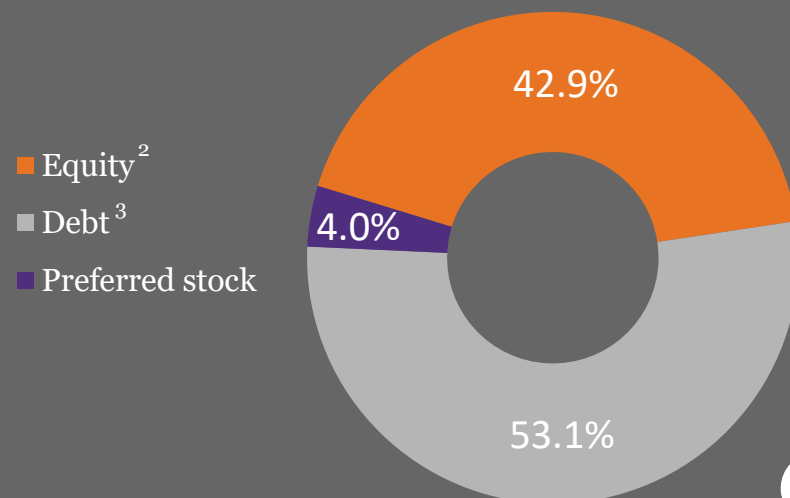
⁴FFO = operating income + D&A + impairments – cash paid for interest, net of amounts capitalized – cash paid for income taxes

Total debt = long-term debt + current maturities + notes payable

Adjusted EBITDA¹
(Millions)



Long-term capitalization¹
(at March 31, 2022)



Adjusted EBITDA¹ reconciliation to GAAP

(Millions)	Six months ended March 31,	
	2022	2021
Net Income [GAAP]	\$ 229.3	\$ 276.3
Add back:		
Missouri regulatory adjustment	—	(9.0)
Interest charges	56.1	51.5
Income tax expense	59.1	68.6
Depreciation and amortization	115.8	102.3
Adjusted EBITDA [non-GAAP]	<u>\$ 460.3</u>	<u>\$ 489.7</u>

Long-term capitalization

(Millions)	March 31, 2022			
	Equity ²	Preferred	Debt	Total
Capitalization	\$ 2,611.0	\$ 242.0	\$ 3,207.3	\$ 6,060.3
Current portion of long-term debt	—	—	31.2	31.2
Long-term Capitalization	<u>\$ 2,611.0</u>	<u>\$ 242.0</u>	<u>\$ 3,238.5</u>	<u>\$ 6,091.5</u>
% of long-term capitalization	42.9%	4.0%	53.1%	100.0%

¹Adjusted EBITDA is earnings before provision for ISRS rulings, 2021 Missouri regulatory adjustment, interest, income tax, and depreciation and amortization.

²Includes temporary equity of \$11.8M and excludes preferred stock.



QTD net economic earnings reconciliation to GAAP

<i>(Millions, except per share amounts)</i>	Gas Utility	Gas Marketing	Other	Total	Per diluted common share ²
Three months ended March 31, 2022					
Net Income (Loss) [GAAP]	\$ 169.2	\$ 7.0	\$ (2.6)	\$ 173.6	\$ 3.27
Adjustments, pre-tax:					
Fair value and timing adjustments	—	9.9	—	9.9	0.20
Income tax adjustments ¹	—	(2.5)	—	(2.5)	(0.05)
Net Economic Earnings (Loss) [Non-GAAP]	<u>\$ 169.2</u>	<u>\$ 14.4</u>	<u>\$ (2.6)</u>	<u>\$ 181.0</u>	<u>\$ 3.42</u>
Three months ended March 31, 2021					
Net Income (Loss) [GAAP]	\$ 166.4	\$ 24.9	\$ (3.9)	\$ 187.4	\$ 3.55
Adjustments, pre-tax:					
Missouri regulatory adjustment	(9.0)	—	—	(9.0)	(0.17)
Fair value and timing adjustments	0.2	19.9	—	20.1	0.39
Income tax adjustments ¹	2.1	(5.0)	—	(2.9)	(0.06)
Net Economic Earnings (Loss) [Non-GAAP]	<u>\$ 159.7</u>	<u>\$ 39.8</u>	<u>\$ (3.9)</u>	<u>\$ 195.6</u>	<u>\$ 3.71</u>

¹Income tax adjustments include amounts calculated by applying federal, state and local income tax rates applicable to ordinary income to amounts of the pre-tax reconciling items.

²Net economic earnings per share is calculated by replacing consolidated net income with consolidated net economic earnings in the GAAP diluted EPS calculation, which includes reductions for cumulative preferred dividends and participating shares.

