AMERICAN WATER

Investor Presentation

June 2023

Forward-Looking Statements

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Safe Harbor

This presentation includes forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and the Federal securities laws. They are not guarantees or assurances of any outcomes, financial results, levels of activity, performance or achievements, and readers are cautioned not to place undue reliance upon them. The forward-looking statements are subject to a number of estimates and assumptions, and known and unknown risks, uncertainties and other factors. Actual results may differ materially from those discussed in the forward-looking statements included in this presentation. The factors that could cause actual results to differ are discussed in the Appendix to this presentation, and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, as filed with the SEC on April 26, 2023.

Non-GAAP Financial Information

This presentation includes non-GAAP financial measures. Further information regarding these non-GAAP financial measures, including a reconciliation of each of these measures to the most directly comparable GAAP measure, is included in the Appendix to this presentation.

Business Review

Pure-Play Regulated Water and Wastewater Utility Business

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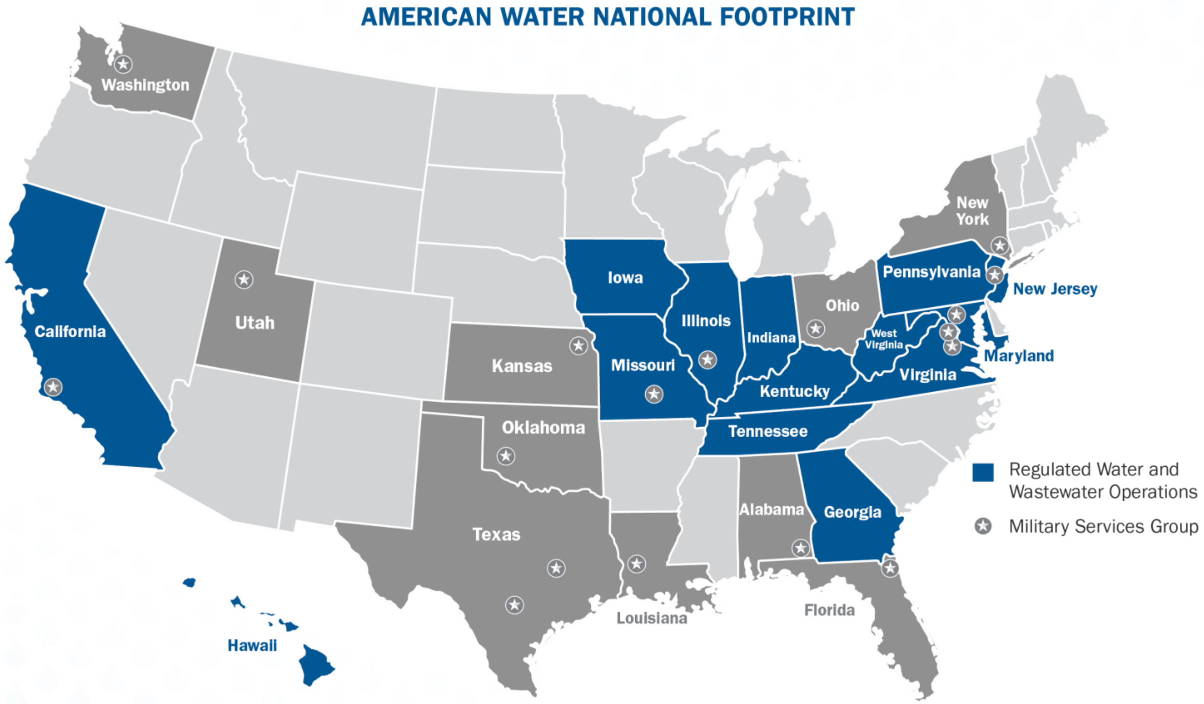
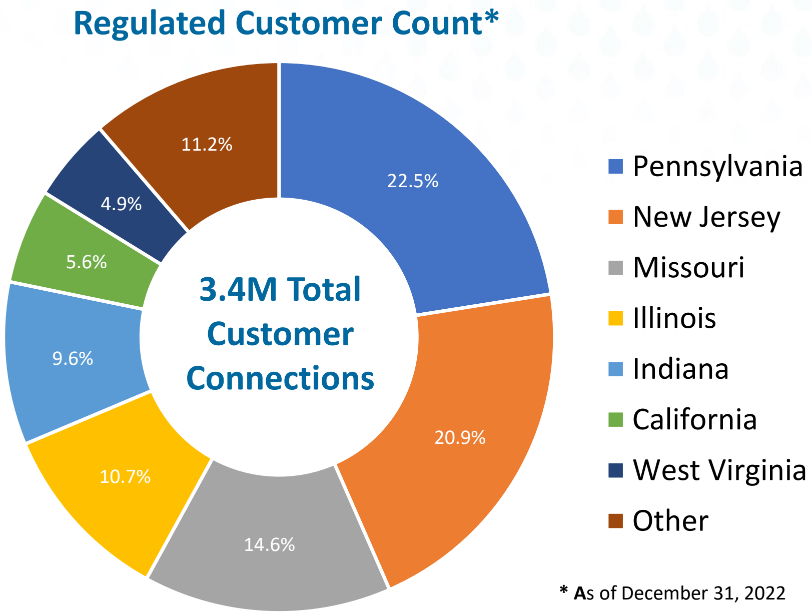




* As of December 31, 2022

Regulated Operations*

- 53,500 miles of pipe
- 570 water treatment plants
- 175 wastewater treatment plants
- 1,100 wells and 73 dams

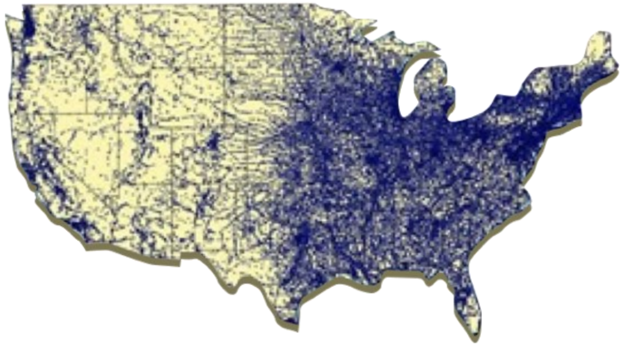
Military Services Group

- Regulated-like earnings
- Serves 18 military installations
  - 12 Army
  - 5 Air Force
  - 1 Navy

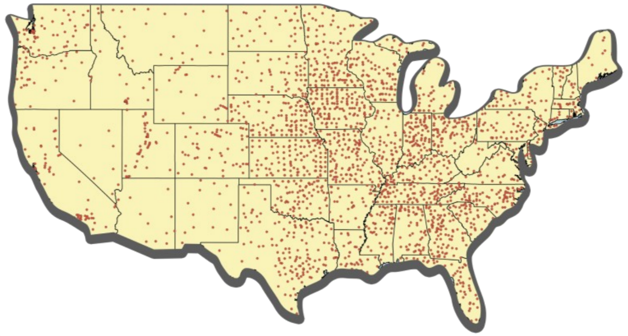
Highly Fragmented Water/Wastewater Industry Creates Opportunity

American Water

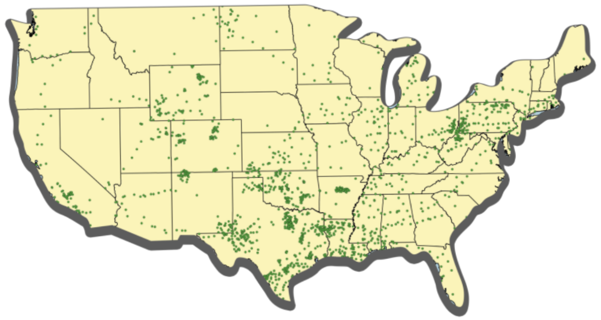
Water Utilities



Electric Utilities



Natural Gas Utilities



Industry Opportunity

Water	Wastewater
16% Investor Owned	2% Investor Owned
84% Public & Other	98% Public & Other

American Water Footprint

- Ideal for industry consolidation opportunities
- Target 5,000-50,000 customer connections per acquisition
- Wastewater focus (AWK customer connections mix- 92% water & 8% wastewater)

Water Utilities Source: EPA SDWIS Federal Reports Search www3.epa.gov/enviro/facts/sdwis

Electric Utilities Source: Form EIA-861 detailed data files www.eia.gov/electricity/data/eia8

Gas Utilities Source: EPA F.L.I.G.H.T. Greenhouse Gas Emissions from Large Facilities Ghgdata.epa.gov/ghgp/main.do#

Focused on Executing the Plan and Building on Our Strengths

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Safety

Safety is both a strategy & core company value.

Safety is More Than **"the Right Thing to Do"**

Performance

Going beyond the minimum requirement to solidify our position as a leader in O&M excellence.

Excellence is Getting the **Fundamentals** Right

People

Inclusion & empowerment pave a path for employee & company success.

Employees are the **Heart** of Our Business

Growth

Growth enables investment in critical infrastructure and communities and leads to improved affordability.

Industry Leaders in Customer **Growth**

ESG

ESG affirms the values we have upheld for decades.

Leading by Example

ESG™ at AWK

Regulated Investments to Support System Needs

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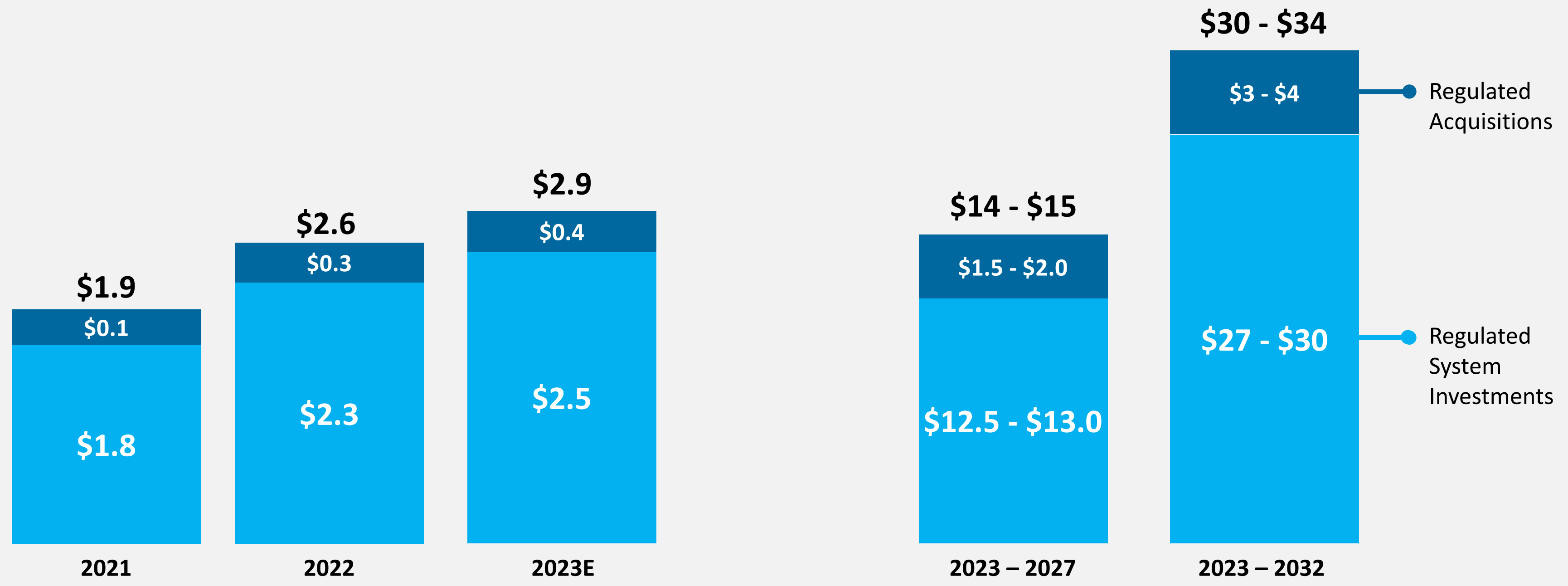
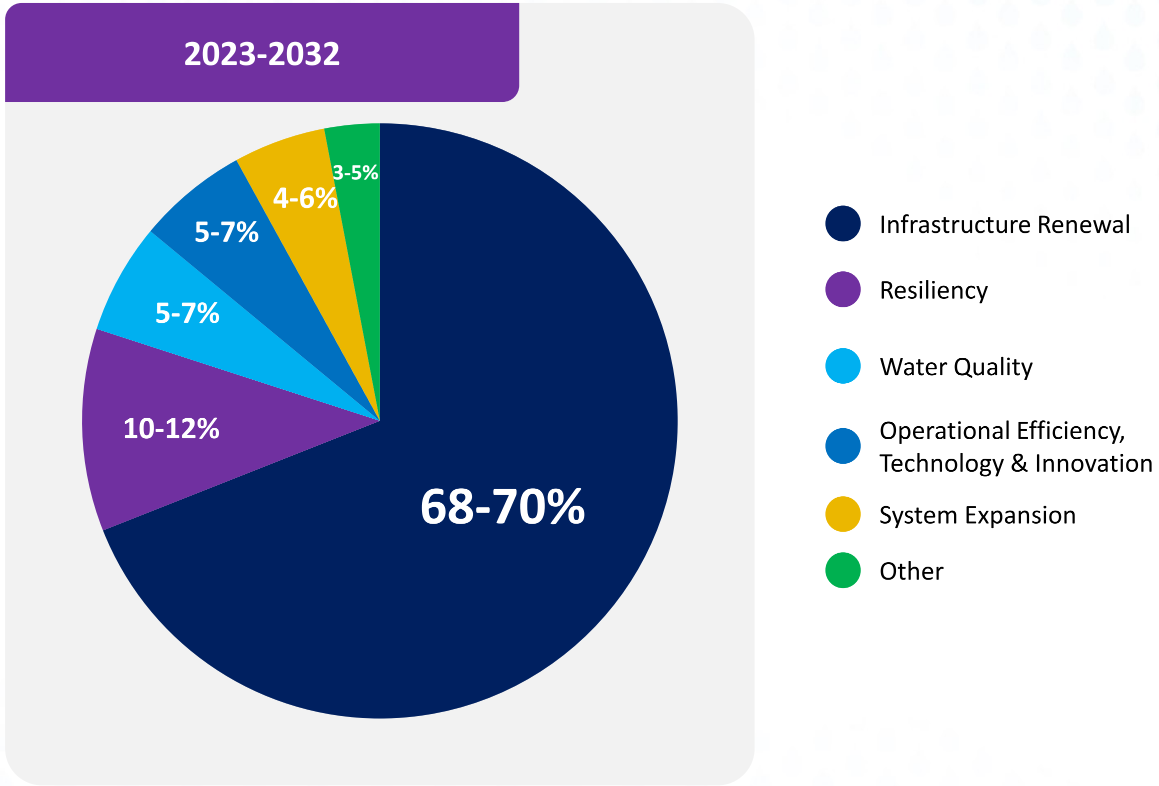
Capital Plan ($ in billions)



Regulated Capital Expenditures by Purpose



Investments Drive Continued Rate Base Growth

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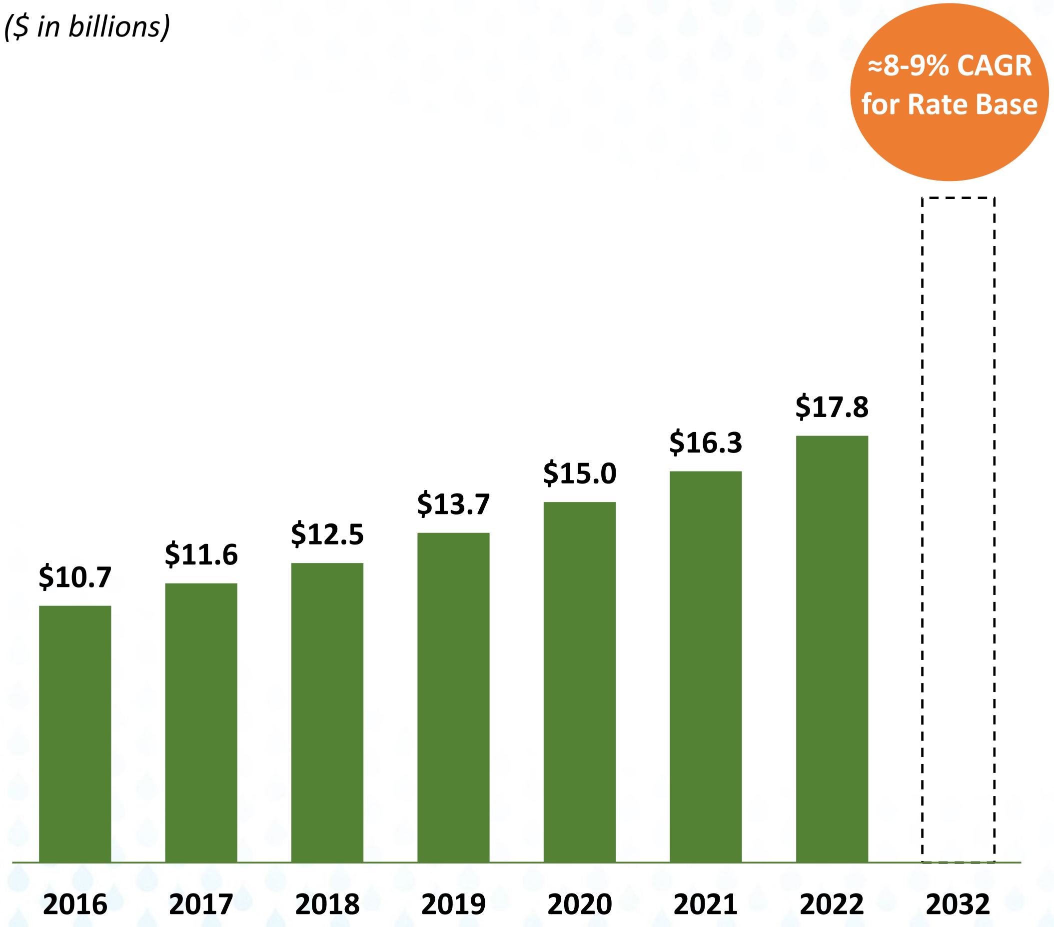
($ in billions)



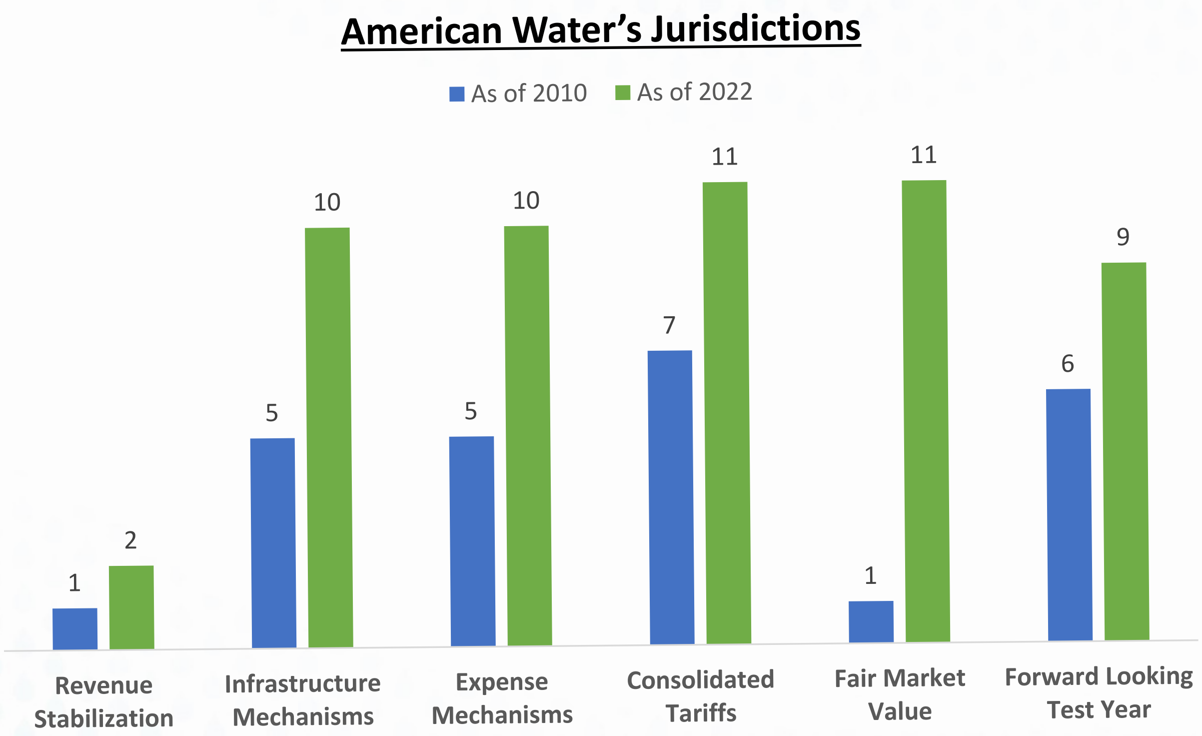
Estimated Rate Base*

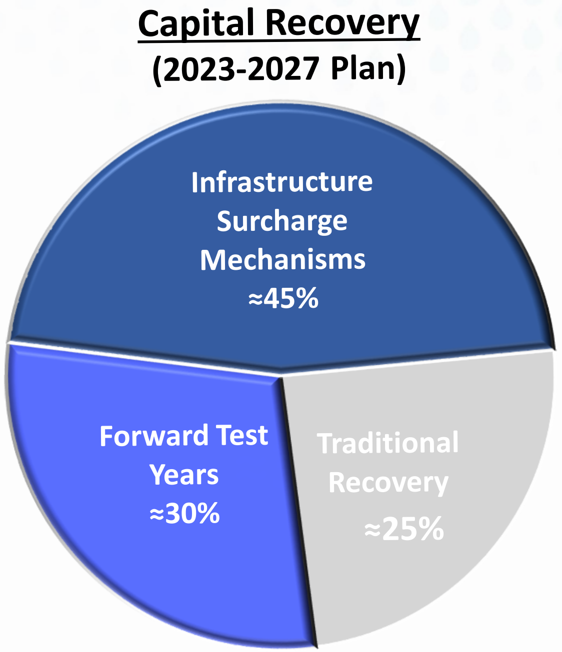
	As of 12/31/2022
Net Utility Plant	$23.2
Less	
Advances for Construction	$0.3
CIAC – Contributions in Aid of Construction	$1.5
Net Deferred Income Taxes	$3.6
	$5.4
Total Estimated Rate Base	**$17.8**

Note: annual rate base totals include New York American Water through 2021. New York's 2021 rate base was $0.5 billion.

** An approximation of rate base, which includes Net Utility Plant not yet included in rate base, pending rate case filings/outcomes.*

Timely Recovery of Capital and Operating Costs





Strategies for Growth thru Regulated Acquisitions

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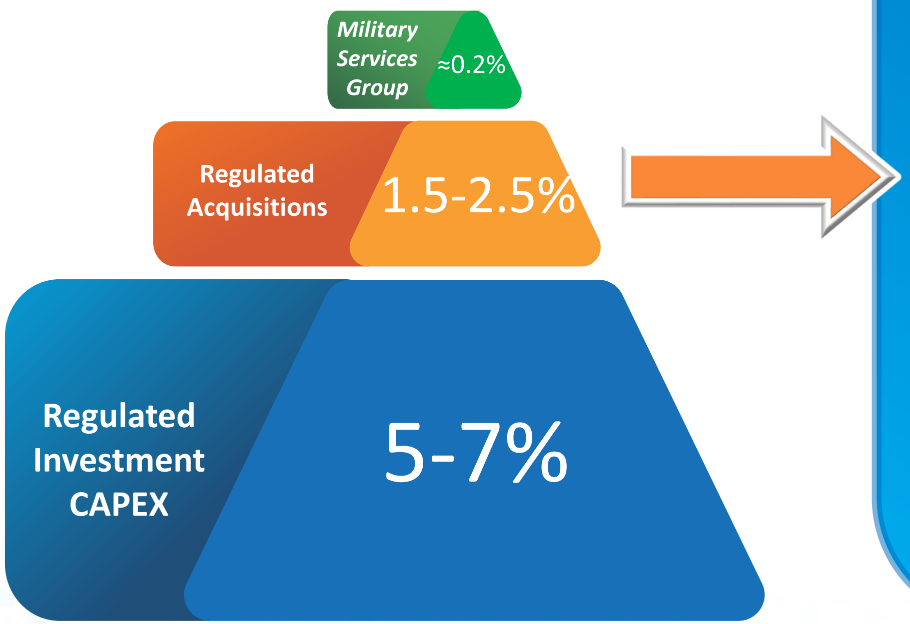
AWK Growth Outlook

7-9% EPS CAGR Target (2023-2027 Plan)



Regulated Acquisition Strategy Fundamentals

- Continued focus on acquisitions in the target range of 5,000 to 50,000 customers; larger acquisitions where appropriate
- Achieve (on avg.) 55,000 to 85,000 new customer connections annually; $300-400M/year avg. investment
- Leverage water footprint to acquire wastewater systems
- Leadership in legislative/regulatory policy to benefit customers and advance solutions to industry challenges
- Continue to build robust pipeline of opportunities

ESG™ at AWK

Continued Focus on Customer Affordability

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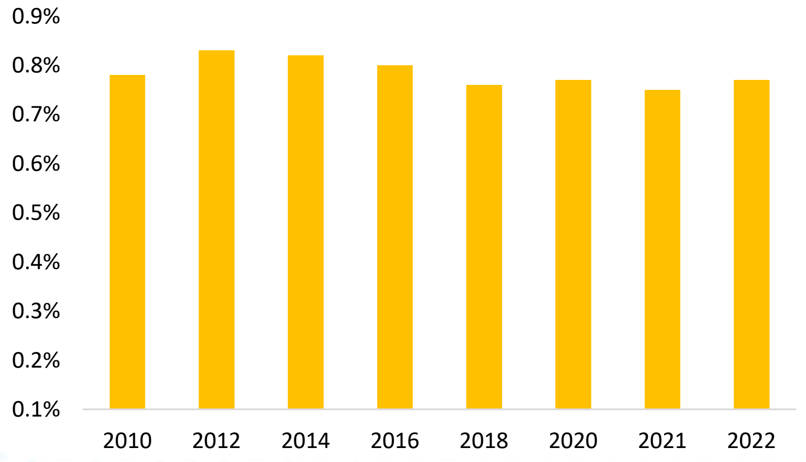
Avg. Monthly Residential Water Bill (AWK Customers) as % of Median Household Income*



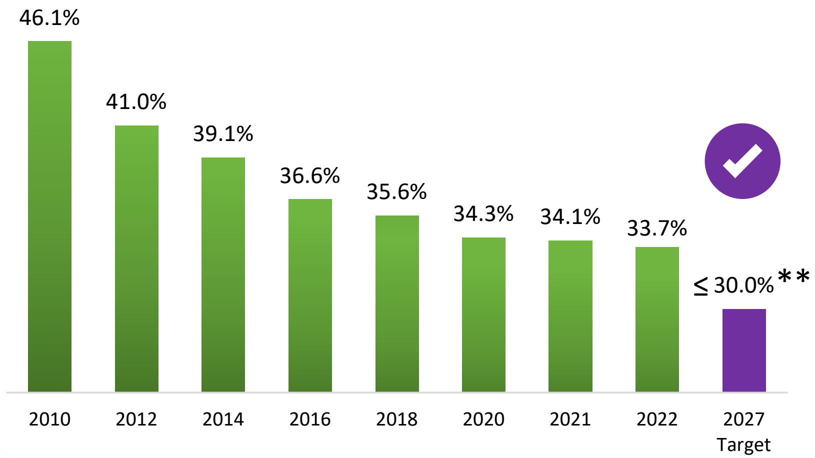
Values around Affordability

- Focused on keeping customer bills affordable compared to income (wallet share)
- Culture of continuous improvement, diligent cost management, and technology enhancements helps drive affordability
- Supportive of state legislation on consolidated tariffs that allows customers to benefit from efficiencies of scale
- Continue to promote low-income assistance programs and tariffs

** Estimated based on data from the US Census Bureau American Community Survey based on zip codes served by American Water. American Water does not collect household income data from its customers.*

Revenue Growth and Customer Growth Help Drive Operating Cost Efficiency

Regulated O&M Efficiency Ratio*



Efficiency Drivers: Growing Revenues & Controlling Costs

- In early years (thru 2016), efficiency gains were steeper as culture of cost management formed
- Recently, more incremental efficiency gains driven by revenue growth, cost management and technology

** Non-GAAP Measure – O&M Efficiency Ratio = Adjusted Regulated O&M Expenses (O&M Expenses is most comparable GAAP measure) / Adjusted Regulated Operating Revenues (Operating Revenues is most comparable GAAP measure). This calculation assumes purchased water revenues approximate purchased water expenses.*

*** A reconciliation to a most comparable forward-looking GAAP measure is not available without unreasonable effort*

Strong Balance Sheet and Credit Ratings

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AWK Long-Term Senior Unsecured Ratings

S&P Global	Moody's
A	Baa1
(Stable Outlook)	*(Stable Outlook)*

Ratings and Stable Outlook affirmed at S&P / Moody's (Feb. '23/Dec. '22)

- ✓ Low risk business profile
- ✓ Strong regulatory jurisdictions
- ✓ Supportive financial plans

Total Debt to Total Capital

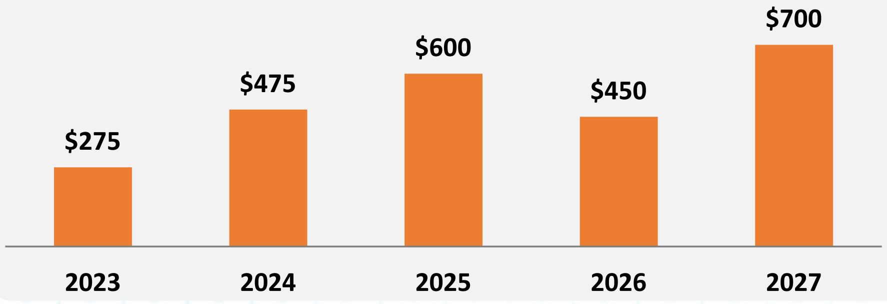
March 31, 2023
54%

Long-Term Target
<60%

Consolidated Debt Maturity Profile

as of December 31, 2022 (Rounded)

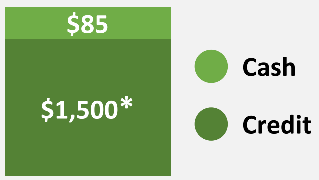
($ in millions)



Liquidity Profile

($ in millions, rounded)

Available Liquidity
as of 12/31/22
$1,585



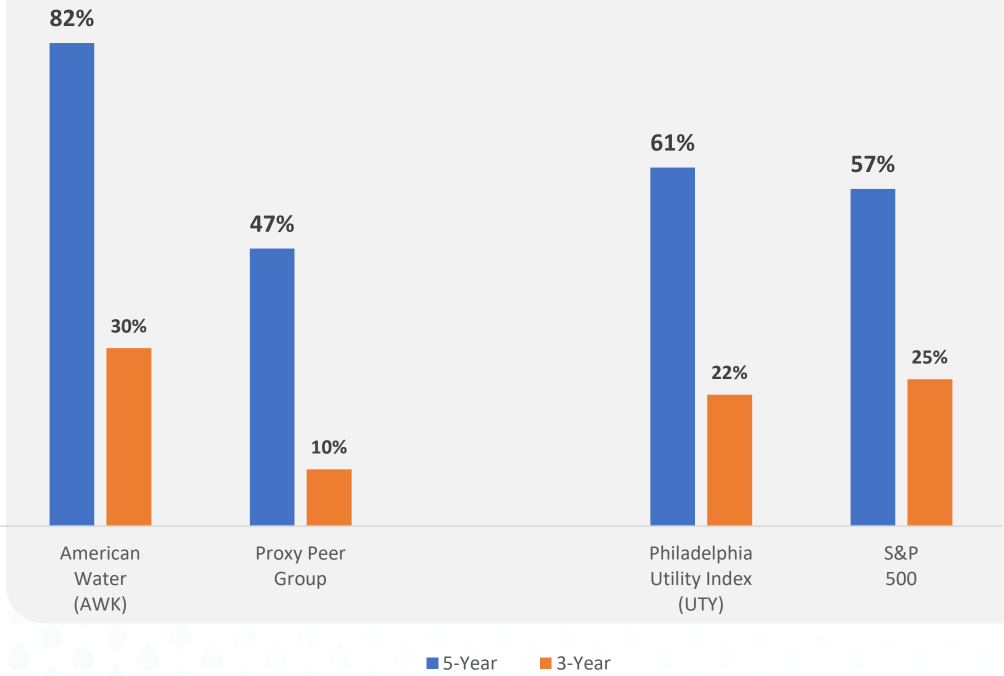
Credit Facility Amended on 10/26/22

- ✓ Increased Credit Facility capacity by $500 million to $2.75 billion from $2.25 billion
- ✓ Extended maturity to October 2027
- ✓ Increased capacity to support growing business and capital investment plan

**Includes $1,425 available commercial paper, $75 available letters of credit*

Delivering Exceptional Value to Shareholders

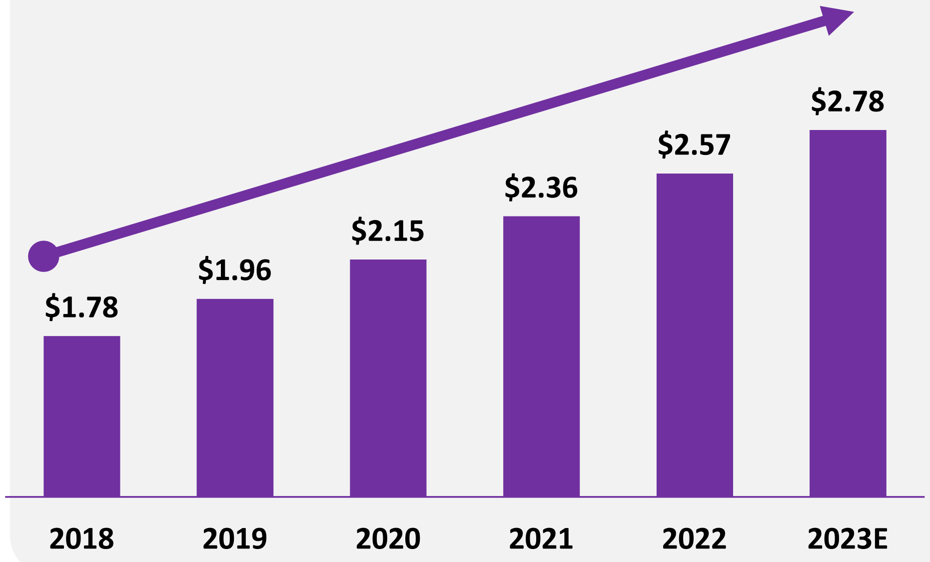
AWK Significantly Outperforms on Total Shareholder Return



Note: TSR as of 12/30/22. Source: FactSet.

AWK's Strong and Consistent Dividend Growth*

($ rounded)



** Future dividends are subject to approval of the American Water Board of Directors*

American Water's High Growth Outlook and ESG Leadership Widely Recognized; Long Runway Ahead

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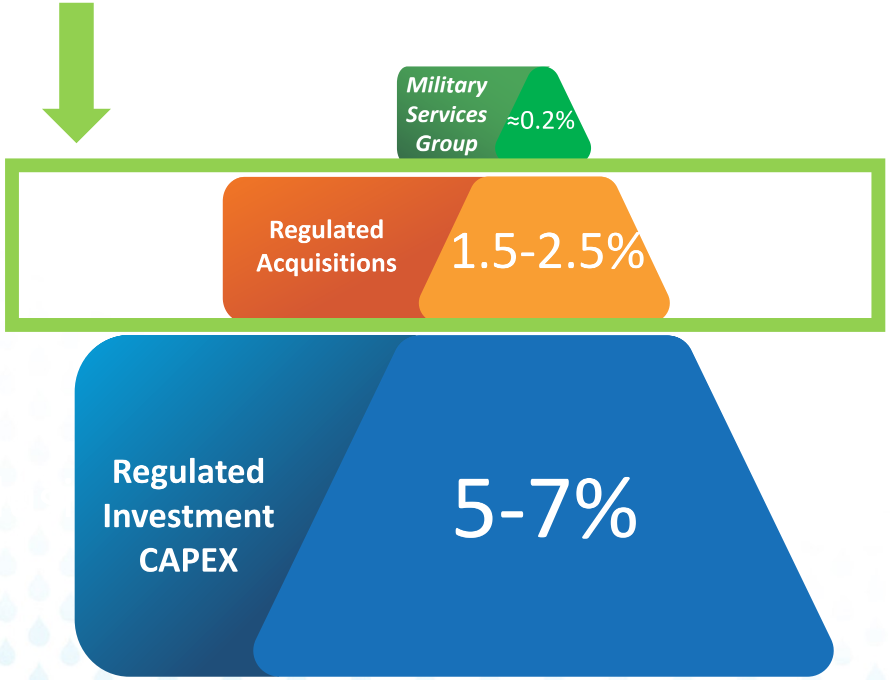
"Our investments in community systems that we acquire through our regulated business will drive significant ESG impacts for decades to come."

- Susan Hardwick, American Water President & CEO



ESG™ at AWK

S&P Global Ratings ESG Evaluation Score of 87 (out of 100); **Highest Score Given to a U.S. Utility and 3rd Highest Globally**

Included in the Bloomberg Gender Equality Index for the **5th Consecutive Year**

Named to Newsweek's **Most Trustworthy** Companies in 2022

American Water **Ranked #19** on Barron's 100 Most Sustainable Companies

Military Services Group Provides Strategic Value

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Military Services Group

- Regulated-like earnings
- Favorable ROI opportunity
- Capital light / cash flow positive
- Positive branding
- Leverage core competencies
- Dual wins for AWK & U.S. ESG values

Currently Serving 18 Military Installations

- 12 Army
- 5 Air Force
- 1 Navy
- 0 Marine Corps

70 Additional Installation Opportunities

- 15 Army
- 23 Air Force
- 19 Navy
- 13 Marine Corps

Strong and Sustainable Growth Outlook for Future

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Earnings Growth

Affirmed Target

Targeting 7-9% *EPS growth in our 2023-2027 plan and beyond*

Dividend Growth

Affirmed Target

Targeting 7-9% *dividend growth* in our 2023-2027 plan and beyond*

ESG Leadership

Adds to TSR

Exceptional 82% *Total Shareholder Return over last 5 years***

Affordability

Adds to TSR

<=1% *Avg. Monthly Residential Water Bill as % of MHI****

* Future dividends are subject to approval of the American Water Board of Directors.

** As of 12/30/22 end date. Source: FactSet.

*** Estimated Median Household Income (MHI) based on data from the US Census Bureau American Community Survey based on zip codes served by American Water. American Water does not collect household income data from its customers.

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First Quarter/YTD 2023 Results

Successful First Quarter 2023 Results

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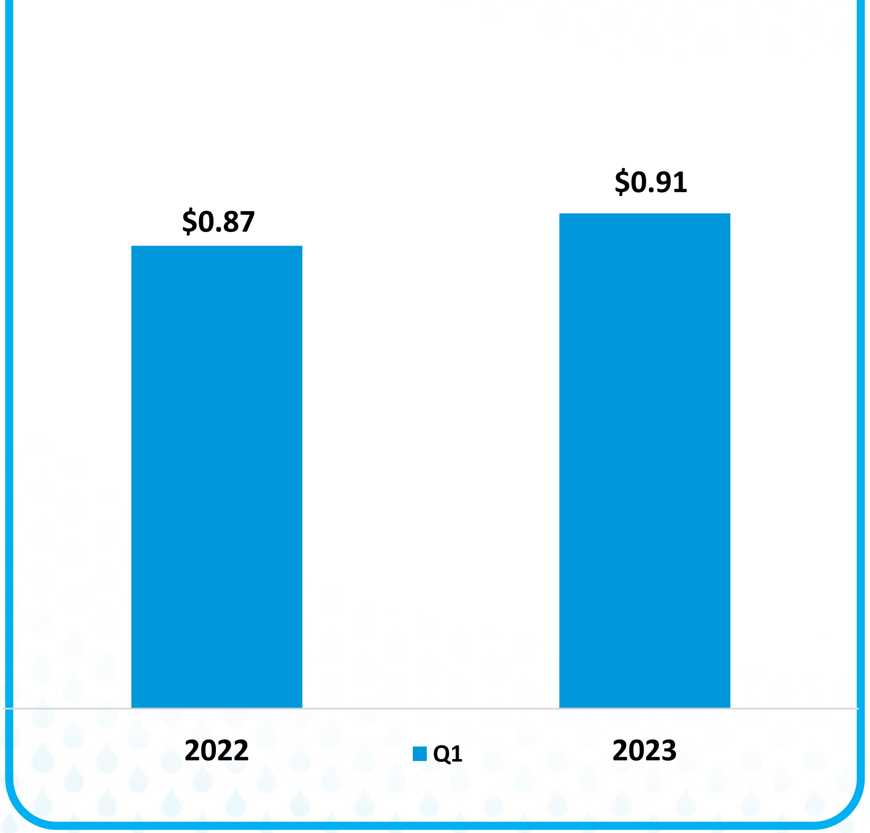
Earnings Per Share



Q1/YTD Highlights

- ✓ 2023 Q1 EPS of $0.91 driven by higher revenue on increased rate base
- ✓ Issued approximately $1.7 billion in common stock
- ✓ Invested well over $500 million of capital in infrastructure improvements in the quarter
- ✓ New rates effective in PA, IL, VA, and MO; IN case filed on 3/31/23; WV case filed on 5/1/23
- ✓ Over $550M of acquisitions under agreement, including Towamencin, PA and Granite City, IL
- ✓ ESG leadership and transparency continues – 3rd annual ID&E Summary and ESG Data Summary published in April

Details of First Quarter 2023 EPS

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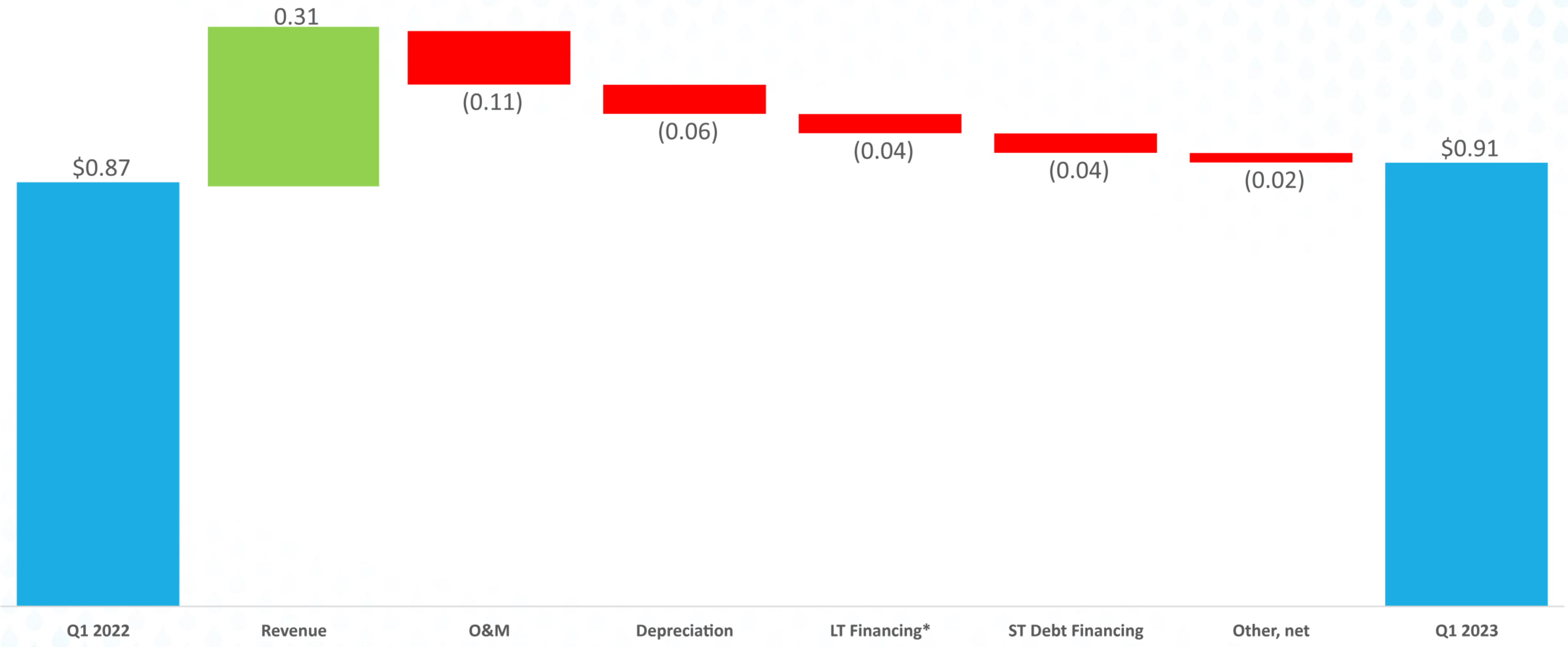

~75% of inflationary costs incl. in revenue from recent rate cases

Investment Growth

**Reflects $(0.02) per share of share count dilution. Also reflects impact of avoided interest from equity financing of $0.02 per share.*

2023 EPS Guidance and Long-Term Targets Affirmed

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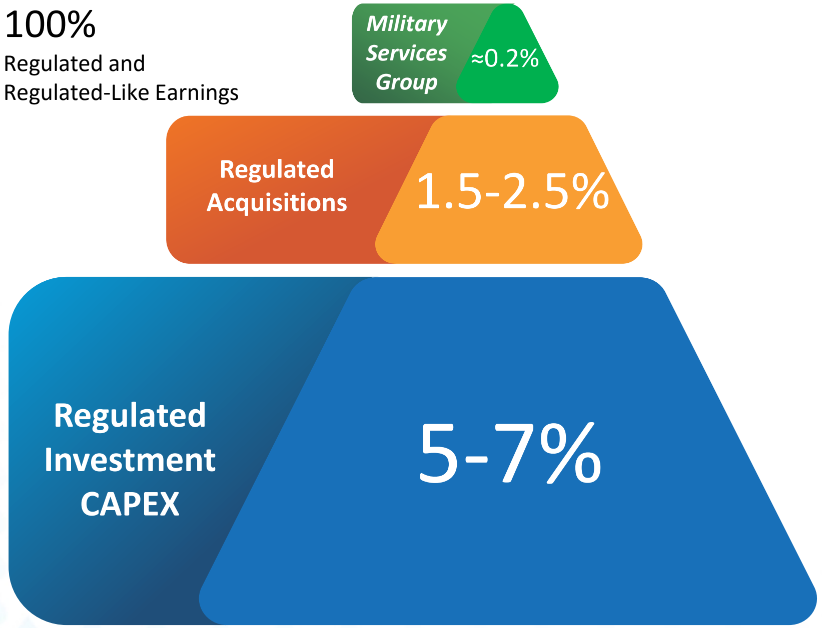
AWK EPS Growth Triangle

7-9% EPS CAGR Target

Business Mix

100%

Regulated and
Regulated-Like Earnings



2023 EPS Guidance

- Affirming 2023 EPS Guidance Range of $4.72 to $4.82
  - Higher revenues from investments in rate base and acquisitions drive EPS growth
  - Successful equity issuance in March

Long-Term Financial Targets

- Attractive, Long-Term Sustainable Shareholder Returns

• EPS Growth	7-9%
• Dividend Growth	7-9%
• ESG Leadership Premium	+
• Customer Affordability	+

Rate Base Growth	8-9%
Dividend Payout Ratio	55-60%
Debt to Capital	<60%

Financing Recap – 2023 Equity Issuance

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Raised ~$1.7 Billion Proceeds from Common Stock Issuance

Closing Date	March 3, 2023
Securities Issued	Common Stock
Size	12,650,000 Shares
Public Offering Price	$135.50/Share
File-to-Offer Discount	3.5%
Use of Proceeds	Repaid outstanding commercial paper obligations and for general corporate purposes

Total Debt to Total Capital

March 31, 2023
54%

Long-Term Target
<60%

Executed our Plan to Issue in 2023 a Significant Portion of Expected $2B of Equity Need in Five-Year Plan (2023-2027)

Strong Outlook for Acquisitions in 2023 and Beyond

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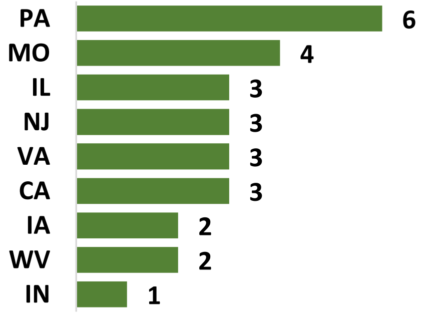
Under Agreement
As of March 31, 2023

≈48,200 Customer Connections
27 Acquisitions in 9 States, $481M



Towamencin Township, PA Wastewater

- Continues our Wastewater execution in Pennsylvania
- $104 million purchase price
- ≈6,300 customer connections
- Signed March 23, 2023
- Expected close mid-year 2024, pending regulatory approval

Granite City, IL Wastewater

- $83 million purchase price
- ≈26,000 customer connections
- Signed April 6, 2023

>$550M Now Under Agreement

Closed
As of March 31, 2023

≈1,400 Customer Connections
5 Acquisitions in 2 States, $3M

≈1.3 million Customer Connections in Pipeline

Sign Purchase Agreement → Receive Appraisals and Pursue Regulatory Approvals → Close Transaction, with Customers Billed at their Historical or Modified Rates → Upon Next Rate Case, Move Customers onto Applicable AW Utility Rates

<u>Regulated Acquisitions: Typical Fair Market Value Process</u>

Strong Cap Ex Growth to Start 2023

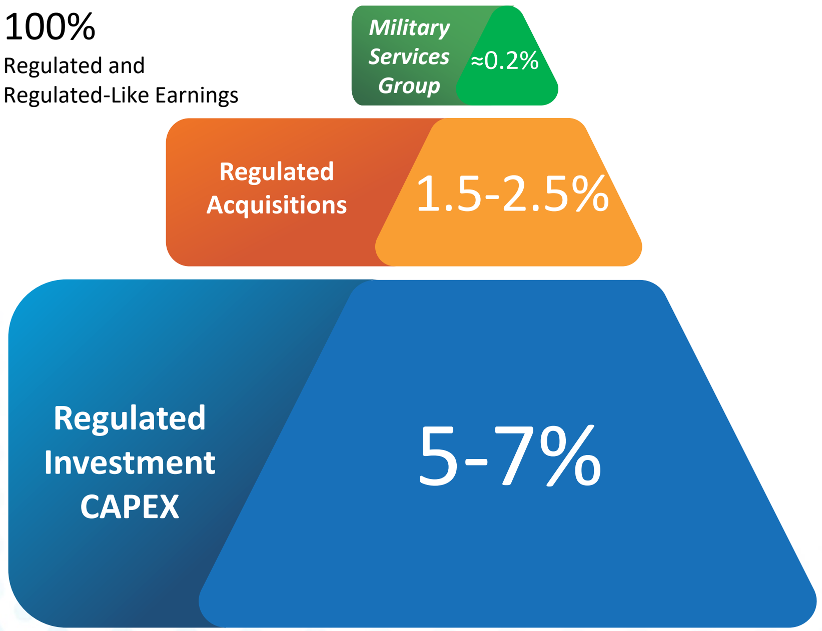
Drives Improved Water Quality, Reliability, and Earnings Growth

AWK EPS Growth Triangle

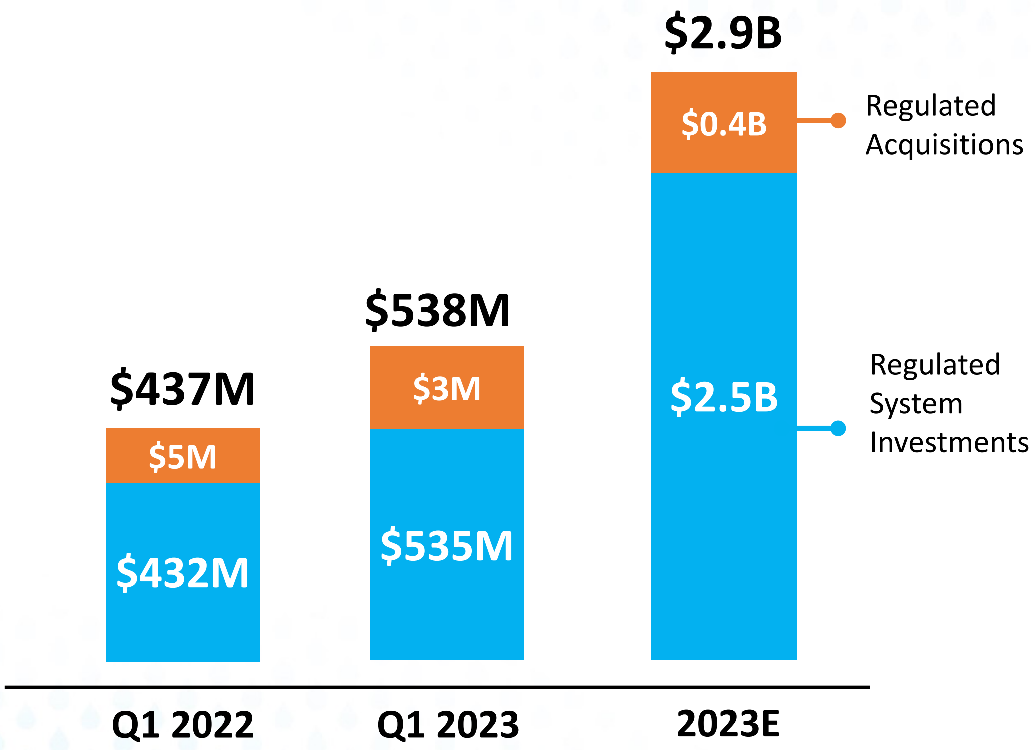
7-9% EPS CAGR Target

Business Mix

100%
Regulated and
Regulated-Like Earnings



Capital Investment



General Rate Case and Regulatory Updates

American Water

Rate Cases in Progress

California American Water
- Rate case filed 7/1/22
- Will establish rates for the period 2024-2026
- Three-year capital investment of ≈$462 million
- Rates expected to be effective 1/1/24

Indiana American Water
- Rate case filed 3/31/23
- Capital Investment of ≈$875 million
- Rates expected to go into effect over three steps in Jan. 2024, May 2024, and May 2025

West Virginia American Water
- Rate case filed 5/1/23
- Capital Investment of ≈$340 million
- Rates expected to go into effect 2/25/24

Completed Rate Cases in 2023

Virginia American Water
- General Rate Case
- Additional authorized revenues of $11 million
- Effective 4/24/23

Missouri American Water
- General Rate Case
- Additional authorized revenues of $95 million, including $51M for infrastructure surcharges previously approved
- Effective 5/28/23

Federal PFAS Update

- On March 14, 2023, the United States Environmental Protection Agency (EPA) announced the proposed National Primary Drinking Water Regulation for six per- and polyfluoroalkyl substances (PFAS).
- American Water submitted oral comments on May 4 and submitted written comments on May 24 to the EPA on its proposed PFAS regulation, as the EPA develops its final rule, expected by the end of 2023.
- American Water is currently part of Multi-District Litigation against multiple PFAS manufacturers because we firmly believe that the ultimate responsibility for the cleanup of these contaminants should fall to the polluters.
- American Water will advocate to ensure all water and wastewater utility providers, regardless of ownership, have equal access to any and all Federal and/or state funding related to treating PFAS.
- American Water believes an investment in excess of $1 billion of capital to install additional treatment facilities over a 3 to 5-year period could be possible in order to comply with the rule as proposed. Additionally, American Water also believes annual operating expenses related to testing and treatment could be near $50 million in today's dollars. These are preliminary estimates dependent upon multiple factors including the final rule and effective date, as well as the Company's system-by-system engineering analyses.

Other Regulatory Updates

- In California, related to the Monterey Water Supply Project, the amended Pure Water Monterey Expansion water purchase agreement was signed by the parties following an Order issued by the CPUC. Cal Am will be allowed standard ratemaking treatment for the construction funding of the pumps and pipes that were built to support the expansion.
- In Indiana, Senate Bill 180 passed allowing for consolidated rates in wastewater systems via Indiana's Service Enhancement Improvement recovery mechanism.

Rate Filings Summary

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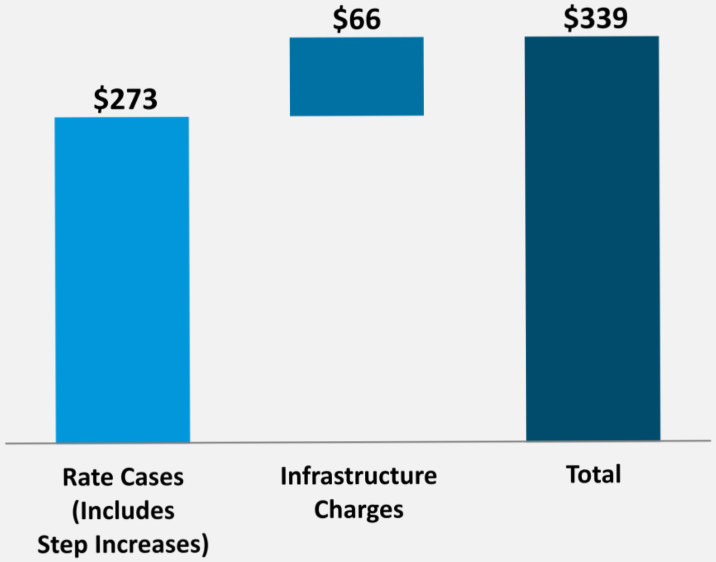
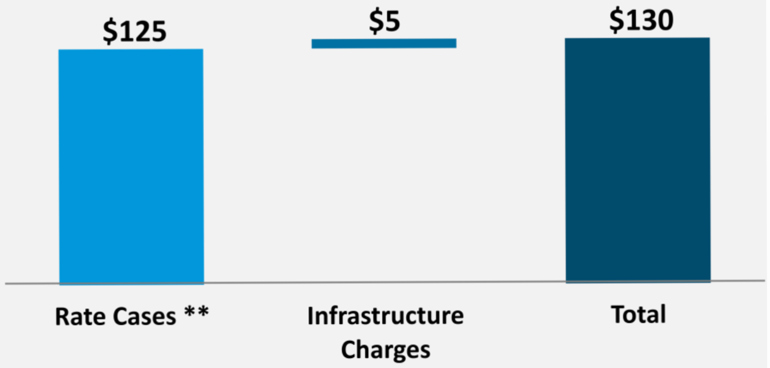
($ in millions)

Rate Filings Completed*
Effective since January 1, 2023



Requested Revenue in Pending Base Rate Proceedings



**Annualized revenue increase for rates effective since January 1, 2023*
*** Excludes revenue already approved through infrastructure mechanisms*

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Appendix

Forward-Looking Statements

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Certain statements made, referred to or relied upon in this presentation including, without limitation, with respect to 2023 earnings guidance, the Company's long-term financial, growth and dividend targets, future capital needs and the timing and amount of the Company's future public equity issuances, the ability to achieve the Company's strategies and goals, including with respect to its ESG focus, the outcome of the Company's pending acquisition activity, the amount and allocation of projected capital expenditures; and estimated revenues from rate cases and other government agency authorizations, are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and the Federal securities laws. In some cases, these forward-looking statements can be identified by words with prospective meanings such as "intend," "plan," "estimate," "believe," "anticipate," "expect," "predict," "project," "propose," "assume," "forecast," "outlook," "likely," "uncertain," "future," "pending," "goal," "objective," "potential," "continue," "seek to," "may," "can," "will," "should" and "could" and or the negative of such terms or other variations or similar expressions. These forward-looking statements are predictions based on American Water's current expectations and assumptions regarding future events. They are not guarantees or assurances of any outcomes, financial results, levels of activity, performance or achievements, and readers are cautioned not to place undue reliance upon them. The forward-looking statements are subject to a number of estimates and assumptions, and known and unknown risks, uncertainties and other factors. Actual results may differ materially from those discussed in the forward-looking statements included in this presentation as a result of the factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, and subsequent filings with the SEC, and because of factors such as: the decisions of governmental and regulatory bodies, including decisions to raise or lower customer; the timeliness and outcome of regulatory commissions' and other authorities' actions concerning rates, capital structure, authorized return on equity, capital investment, system acquisitions and dispositions, taxes, permitting, water supply and management, and other decisions; changes in customer demand for, and patterns of use of, water and energy, such as may result from conservation efforts, or otherwise; a loss of one or more large industrial or commercial customers due to adverse economic conditions, or other factors; limitations on the availability of the Company's water supplies or sources of water, or restrictions on its use thereof, resulting from allocation rights, governmental or regulatory requirements and restrictions, drought, overuse or other factors; changes in laws, governmental regulations and policies, including with respect to the environment, health and safety, data and consumer privacy, security and protection, water quality and water quality accountability, contaminants of emerging concern, public utility and tax regulations and policies, and impacts resulting from U.S., state and local elections and changes in federal, state and local executive administrations; the Company's ability to collect, distribute, use, secure and store consumer data in compliance with current or future governmental laws, regulation and policies with respect to data and consumer privacy, security and protection; weather conditions and events, climate variability patterns, and natural disasters, including drought or abnormally high rainfall, prolonged and abnormal ice or freezing conditions, strong winds, coastal and intercoastal flooding, pandemics (including COVID-19) and epidemics, earthquakes, landslides, hurricanes, tornadoes, wildfires, electrical storms, sinkholes and solar flares; the outcome of litigation and similar governmental and regulatory proceedings, investigations or actions; the risks associated with the Company's aging infrastructure, and its ability to appropriately improve the resiliency of, or maintain and replace, current or future infrastructure and systems, including its technology and other assets, and manage the expansion of its businesses; exposure or infiltration of the Company's technology and critical infrastructure systems, including the disclosure of sensitive, personal or confidential information contained therein, through physical or cyber attacks or other means; the Company's ability to obtain permits and other approvals for projects and construction of various water and wastewater facilities; changes in the Company's capital requirements; the Company's ability to control operating expenses and to achieve operating efficiencies; the intentional or unintentional actions of a third party, including contamination of the Company's water supplies or the water provided to its customers; the Company's ability to obtain and have delivered adequate and cost-effective supplies of pipe, equipment (including personal protective equipment), chemicals, power and other fuel, water and other raw materials and to address or mitigate supply chain constraints that may result in delays or shortages in, as well as increased costs of, supplies, products and materials that are critical to or used in the Company's business operations; the Company's ability to successfully meet its operational growth projections, either individually or in the aggregate, and capitalize on growth opportunities, including, among other things, with respect to acquiring, closing and successfully integrating regulated operations, the Company's Military Services Group entering into new military installation contracts, price redeterminations and other agreements and contracts with the U.S. government, and realizing anticipated benefits and synergies from new acquisitions; risks and uncertainties following the completion of the sale of the Company's former Homeowner Services Group ("HOS"), including the Company's ability to receive contingent consideration provided for in the HOS sale as well as amounts due, payable and owing to the Company under the seller note when due and the ability of the Company to redeploy successfully and timely the net proceeds of this transaction into the Company's Regulated Businesses; risks and uncertainties associated with contracting with the U.S. government, including ongoing compliance with applicable government procurement and security regulations; cost overruns relating to improvements in or the expansion of the Company's operations; the Company's ability to successfully develop and implement new technologies and to protect related intellectual property; the Company's ability to maintain safe work sites; the Company's exposure to liabilities related to environmental laws and similar matters resulting from, among other things, water and wastewater service provided to cthe ability of energy providers, state governments and other third parties to achieve or fulfill their greenhouse gas emission reduction goals, including without limitation through stated renewable portfolio standards and carbon transition plans; changes in general economic, political, business and financial market conditions; access to sufficient debt and/or equity capital on satisfactory terms and when and as needed to support operations and capital expenditures; fluctuations in inflation or interest rates and the Company's ability to address or mitigate the impacts thereof; the ability to comply with affirmative or negative covenants in the current or future indebtedness of the Company or any of its subsidiaries, or the issuance of new or modified credit ratings or outlooks or other communications by credit rating agencies with respect to the Company or any of its subsidiaries (or any current or future indebtedness thereof), which could increase financing costs or funding requirements and affect the Company's or its subsidiaries' ability to issue, repay or redeem debt, pay dividends or make distributions; fluctuations in the value of, or assumptions and estimates related to, its benefit plan assets and liabilities, including with respect to its pension and other post-retirement benefit plans, that could increase expenses and plan funding requirements; changes in federal or state general, income and other tax laws, including (i) future significant tax legislation or regulations; and (ii) the availability of, or the Company's compliance with, the terms of applicable tax credits and tax abatement programs; migration of customers into or out of the Company's service territories and changes in water and energy consumption resulting therefrom; the use by municipalities of the power of eminent domain or other authority to condemn the systems of one or more of the Company's utility subsidiaries, or the assertion by private landowners of similar rights against such utility subsidiaries; any difficulty or inability to obtain insurance for the Company, its inability to obtain insurance at acceptable rates and on acceptable terms and conditions, or its inability to obtain reimbursement under existing or future insurance programs and coverages for any losses sustained; the incurrence of impairment charges, changes in fair value and other adjustments related to the Company's goodwill or the value of its other assets; labor actions, including work stoppages and strikes; the Company's ability to retain and attract highly qualified and skilled employees and/or diverse talent; civil disturbances or unrest, or terrorist threats or acts, or public apprehension about future disturbances, unrest, or terrorist threats or acts; and the impact of new, and changes to existing, accounting standards.

These forward-looking statements are qualified by, and should be read together with, the risks and uncertainties set forth above and the risk factors included in American Water's annual, quarterly and other SEC filings, and readers should refer to such risks, uncertainties and risk factors in evaluating such forward-looking statements. Any forward-looking statements American Water makes speak only as of the date of this presentation. American Water does not have or undertake any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as otherwise required by the federal securities laws. New factors emerge from time to time, and it is not possible for the Company to predict all such factors. Furthermore, it may not be possible to assess the impact of any such factor on the Company's businesses, either viewed independently or together, or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. The foregoing factors should not be construed as exhaustive.

Non-GAAP Financial Information

AMERICAN WATER

This presentation includes adjusted regulated O&M efficiency ratios, both historical and forward-looking, which exclude from their calculation (i) estimated purchased water and other revenues and purchased water expenses, (ii) the impact of the Freedom Industries chemical spill in 2014 and certain related settlement activities recognized in 2016 and 2018, (iii) the estimated impact in 2012 and 2014 of weather, (iv) as to operating revenues, the amortization of excess accumulated deferred income taxes, and (v) the allocable portion of non-O&M support services costs, mainly depreciation and general taxes. Also, an alternative presentation of these ratios has been provided for each of 2010, 2012, 2014 and 2016, which includes a pro forma adjustment for the impact of the Tax Cuts and Jobs Act of 2017, and includes for 2012, 2014 and 2016 the impact of our implementation of Accounting Standards Update 2017-07, Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Post-retirement Benefit, on January 1, 2018. These items were excluded from the O&M efficiency ratio calculation as they are not reflective of management's ability to increase the efficiency of our regulated businesses. For that reason, these adjusted regulated O&M efficiency ratios constitute "non-GAAP financial measures" under SEC rules. We evaluate our operating performance using these ratios and believe that the presentation of them is useful to investors because the ratios directly measure improvement in the operating performance and efficiency of our regulated businesses. These ratios are derived from our consolidated financial information but are not presented in our consolidated financial statements prepared in accordance with GAAP. These non-GAAP financial measures supplement and should be read in conjunction with our GAAP disclosures and should be considered as an addition to, and not a substitute for, any GAAP measure. These ratios (i) are not accounting measures based on GAAP; (ii) are not based on a standard, objective industry definition or method of calculation; (iii) may not be comparable to other companies' operating measures; and (iv) should not be used in place of the GAAP information provided elsewhere in this presentation. Management is unable to present a reconciliation of adjustments to the components of the forward-looking adjusted regulated O&M efficiency ratio without unreasonable effort because management cannot reliably predict the nature, amount or probable significance of all the adjustments for future periods; however, these adjustments may, individually or in the aggregate, cause each of the non-GAAP financial measure components of the forward-looking ratios to differ significantly from the most directly comparable GAAP financial measure.

Set forth in this appendix are tables that reconcile each of the components of our historical adjusted regulated O&M efficiency ratios to its most directly comparable GAAP financial measure.

All references throughout this presentation to EPS or earnings per share refer to diluted EPS attributable to common shareholders.

State Legislation & Regulation Enable Growth

AMERICAN WATER

Fair Market Value — 11

CA, IA, IL, IN, KY, MD, MO, NJ, PA, VA, WV

Consolidated Tariffs — 11

CA, IA, IL, IN, KY, MD, MO, NJ, PA, VA, WV

Forward Looking Test Year — 9

CA, HI, IA, IL, IN, KY, PA, TN, VA

Infrastructure Mechanisms — 10

IA, IL, IN, KY, MO, NJ, PA, TN, VA, WV

Water Quality Accountability Legislation — 3

IN, MO, NJ

Closed Acquisitions

AMERICAN WATER

March 31, 2023

STATE	NUMBER OF SYSTEMS	WATER CUSTOMER CONNECTIONS	WASTEWATER CUSTOMER CONNECTIONS	TOTAL CUSTOMER CONNECTIONS
Missouri	4	600	600	1,200
Indiana	1	200	-	200
Total	5	800	600	1,400

Acquisitions Under Agreement

AMERICAN WATER

March 31, 2023

STATE	NUMBER OF SYSTEMS	WATER CUSTOMER CONNECTIONS	WASTEWATER CUSTOMER CONNECTIONS	TOTAL CUSTOMER CONNECTIONS
Pennsylvania	6	100	27,900	28,000
Missouri	4	1,000	900	1,900
Illinois	3	1,500	1,200	2,700
New Jersey	3	1,600	5,200	6,800
Virginia	3	1,600	1,400	3,000
California	3	1,300	-	1,300
Iowa	2	100	100	200
West Virginia	2	3,700	500	4,200
Indiana	1	-	100	100
Total	27	10,900	37,300	48,200

Rates Effective Since...

AMERICAN WATER

January 1, 2023

($ in millions)

Rate Cases & Step Increases	Date Effective	Annualized Revenue Increases
Illinois	1/1/2023	$67[a]
California, Step Increase	1/1/2023	13
Pennsylvania	1/28/2023	138[b]
Virginia	4/24/2023	11[c]
Missouri	5/28/2023	44[d]
	Sub-Total	**$273**

Infrastructure Charges	Date Effective	Annualized Revenue Increases
West Virginia (DSIC)	1/1/2023	$7
Pennsylvania (DSIC)	1/1/2023	3
Missouri (WSIRA)	1/16/2023	14
Indiana (SEI)	3/8/2023	6[e]
Indiana (DSIC)	3/23/2023	20
New Jersey (DSIC)	4/29/2023	16
	Sub-Total	**$66**
	Total	**$339**

a) The Company’s Illinois subsidiary was authorized additional annualized revenues of $67.1 million, excluding reductions in revenues for infrastructure surcharges in the amount of $18.3 million.
b) The Company’s Pennsylvania subsidiary was authorized additional annualized revenues of $138 million, excluding reductions in revenues for infrastructure surcharges in the amount of $24.3 million.
c) On April 24, 2023, the Company's Virginia subsidiary was authorized additional annualized revenues of $10.75 million. Interim rates were effective May 1, 2022, and the difference between interim and final Commission approved rates are subject to refund with interest within 90-days of the date of the Order.
d) The Company’s Missouri subsidiary was authorized additional annualized revenues of $44.3 million, excluding reductions in revenues for infrastructure surcharges in the amount of $50.7 million.
e) The Company’s Indiana subsidiary was authorized additional annualized revenues of $5.5 million, 80% of which will be collected now, the remaining 20% will be collected in the next rate case, with carrying costs.

Pending Rate Case Filings

AMERICAN WATER

($ in millions)

Rate Cases Filed	Docket/Case Number	Date Filed	Requested Revenue Increase	ROE Requested	Rate Base
California [a]	Case No. A.22-07-001	7/1/2022	$37	NA	$921
Indiana [b]	Cause No. 45870	3/31/2023	43	10.60%	1,614
West Virginia [c]	Docket No. 23-0383-W-42T	5/1/2023	45	10.50%	995
		Sub-Total	$125		$3,530
Infrastructure Charges Filed					
Kentucky (QIP)	Case No. 2023-00030	3/1/2023	$4		$30
New Jersey (WSIC)		5/15/2023	1		6
		Sub-Total	$5		$36
		Total	$130		$3,566

a) The Company's California subsidiary has requested additional annualized revenues of $55.8 million for test year 2024. This excludes the proposed step rate and attrition rate increase for 2025 and 2026 of $19.5 million and $19.8 million. The total revenue requirement request, based on present rates effective at the time of filing, for the three year rate case cycle is $95.1 million. The Company updated its filing in January 2023 to incorporate a decoupling proposal, the revised requested additional annualized revenues for the test year 2024 is $36.5 million. This excludes the proposed step rate and attrition rate increase for 2025 and 2026 of $20.1 million and $19.8 million. The total revenue requirement request for the three year rate case cycle, incorporating updates to present rate revenues and forecasted demand, is $76.4 million.

b) The Company's Indiana subsidiary has requested additional annualized revenues of $43.2 million for Step 1 proposed to effective Jan 2024, this excludes the $40.5 million for infrastructure surcharges. This excludes the proposed step 2 and 3 rate increase proposed to be effective in May 2024 and May 2025 in the amount of $18.1 million and $25.4 million, respectively. The total revenue requirement request, based on present rates effective at the time of filing, for the three step rate case cycle is $86.7 million.

c) The Company's West Virginia subsidiary has requested additional annualized revenues of $44.9 million, this excludes the $6.9 million for infrastructure surcharges.

Regulatory Information – Top 10 States

AMERICAN WATER

	CALIFORNIA	ILLINOIS	INDIANA	KENTUCKY	MISSOURI
Authorized Rate Base*	$667,632[g]	$1,642,200	$1,182,170	$443,654	$2,318,849[c]
ROE	9.20%[a]	9.78%	9.80%	9.70%	9.75%[d]
Equity	55.39%[a]	49.00%	53.41%[b]	48.90%	50.00%[e]
Effective Date of Rate Case	1/1/2021[g]	1/1/2023	5/1/2020	6/28/2019	5/28/2023

	NEW JERSEY	PENNSYLVANIA	TENNESSEE	VIRGINIA	WEST VIRGINIA
Authorized Rate Base*	$4,146,492	$5,141,180[c]	$132,015	$275,038[c]	$734,028
ROE	9.60%	10.00%[d]	10.00%	9.70%	9.80%
Equity	54.56%	55.20%[e]	34.38%	40.73%	47.97%
Effective Date of Rate Case	9/1/2022	1/28/2023	11/1/2012	4/24/2023[f]	2/25/2022

**Rate Base stated in $000s*

a) On March 22, 2018, Decision 18-03-035 set the authorized cost of capital for 2018 through 2020. A separate Cost of Capital case sets the rate of return outside of a general rate proceeding.
b) The Authorized Equity excludes cost-free items or tax credit balances at the overall rate of return which lowers the equity percentage as an alternative to the common practice of deducting such items from rate base.
c) The Authorized Rate Base listed is the Company's view of the Rate Base allowed in the case; the Rate Base was not disclosed in the Order or the applicable settlement agreement.
d) The ROE is the Company's view of the ROE allowed in the case; however, the ROE was not disclosed in the Order or the applicable settlement agreement.
e) The equity ratio listed is the Company's view of the equity ratio allowed in the case; the actual equity ratio was not disclosed in the Order or the applicable settlement agreement.
f) Interim rates were effective May 1, 2022 and received final Order April 24, 2023.
g) The Rate Base and Effective date are based off of Year 1 of the rate case. Annual adjustments are made for Year 2 and 3 which reflect authorized capital improvements for Rate Base and inflationary adjustments for O&M.

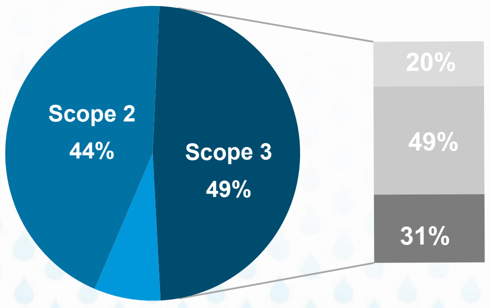
American Water's GHG Emissions Profile

Providing Services to 14M People with a Light GHG Footprint

AMERICAN WATER

American Water		
Scope 1: *Direct Emissions*	• Stationary • Fleet Vehicles • Refrigerants	76,000 MT
Scope 2: *Indirect Emissions*	• Purchased Power from Electric Providers	459,000 MT
	2021 Scope 1 and 2 Subtotal	**535,000 MT**
First Time Disclosure		
Scope 3 (2021): *Up and Down Value Chain*	• Purchased Goods and Services • Capital Goods • Fuel & Energy-Related Activities • Business Travel	506,000 MT [1]

[1] Represents initial estimate based upon work with third party consultant, including identification of significant scope 3 categories

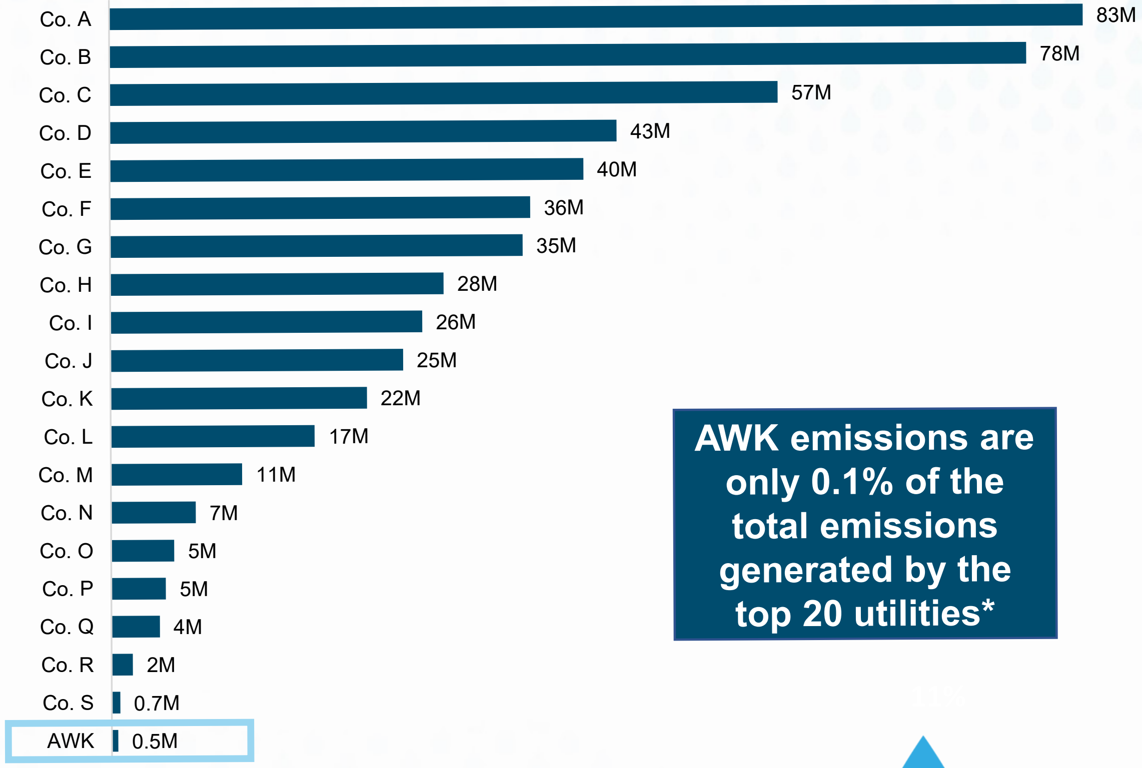


Category 1:
Purchased goods and services

Category 2:
Capital goods

Category 3:
Fuel & energy-related activities

Category 6:
Business Travel (<1% of Scope 3)



■ 2021 Scope 1 and Scope 2 MT CO2e (Rounded)

** Chart represents emissions for the top 20 U.S. utilities by market cap, sorted by emissions*

AWK emissions are only 0.1% of the total emissions generated by the top 20 utilities*

ESG™ at AWK

Science-Based Goals for Scope 1 and 2 GHG Emissions Reductions - *Aligned with Paris Agreement*

AMERICAN WATER

Medium-term: By 2035, reduce absolute Scope 1 and 2 emissions by 50% (2020 baseline[1])

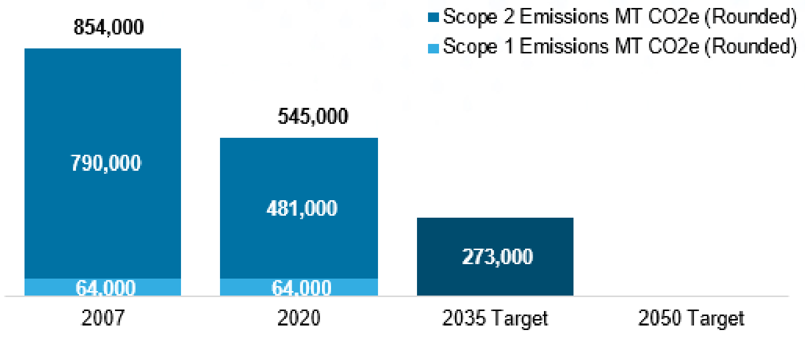
Long-term: Achieve Net Zero Scope 1 and 2 emissions by 2050

- Medium- and long-term goals are science-based and aligned with the Paris Agreement
- Complements existing short-term target of reducing absolute Scope 1 and 2 emissions by 40% by 2025 (2007 baseline)
- **Our focus: invest to improve sustainability while prioritizing customer affordability, resiliency & environmental justice**

American Water's Path to GHG Emissions Reduction in 2035

~$150M–$300M Total Capital Investment

+ 6% Customer Growth [1] & Increased Energy Use	**(40 - 45%)** Greening of Electric Grid [2]	**(5 - 7%)** Renewable Energy	**(5 - 7%)** Water Use & Efficiency	**(3 - 5%)** Pumping & Operational Efficiency	**(1 - 3%)** Fleet & Building Efficiency



[1] Includes organic growth; annual adjustments to baseline will occur to incorporate growth through acquisitions
[2] Assumes States' renewable portfolio standards will be achieved and power providers will fulfill stated carbon transition plans

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Upcoming Events

Q2 2023 Earnings Call	July 27, 2023 (projected)
Q3 2023 Earnings Call	November 2, 2023 (projected)