



It is the policy of NorthWestern Energy to consider tax risk management fundamental to maintaining efficient and effective operations. The tax strategy of NorthWestern Energy is based on the following sound principles of action:

- NorthWestern Energy manages compliance with tax obligations according to the laws in the jurisdictions in which NorthWestern Energy operates and takes reasonable measures to interpret the rules considering interpretive criteria established by the tax authorities.
- NorthWestern Energy applies the arm's length principle to its related party transactions, aligning taxation with the effective realization of economic activity and the generation of value, in accordance with the assumptions of risks and benefits in the jurisdictions in which it operates.
- NorthWestern Energy adopts tax treatments based on economic reasons or commonly accepted business practices, avoiding abusive or unreasonable tax planning practices or schemes. NorthWestern Energy ensures that any tax planning supports commercial activity and optimization of safe and reliable services.
- NorthWestern Energy avoids the application of instrumental companies based in countries or territories considered tax havens for the sole purpose of reducing the tax burden.
- NorthWestern Energy's tax planning activities utilizes a risk framework that includes appropriate internal and external approval. Expectations are that most tax planning opportunities will fall within a low risk level within that framework.
- NorthWestern Energy is committed to being transparent and collaborative with tax and regulatory authorities and strives to foster good relationships in a professional, courteous and timely manner.
- The Audit Committee will review the tax policy of NorthWestern Energy annually as part of the internal control review process.