

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported) March 29, 2023**

<i>Commission File Number</i>	<i>Exact name of registrant as specified in its charter and principal office address and telephone number</i>	<i>State of Incorporation</i>	<i>I.R.S. Employer Identification No.</i>
001-37976	Southwest Gas Holdings, Inc. 8360 S. Durango Dr. Post Office Box 98510 Las Vegas, Nevada 89193-8510 (702) 876-7237	Delaware	81-3881866
1-7850	Southwest Gas Corporation 8360 S. Durango Dr. Post Office Box 98510 Las Vegas, Nevada 89193-8510 (702) 876-7237	California	88-0085720

**Securities registered pursuant to Section 12(b) of the Act:**

*Southwest Gas Holdings, Inc.:*

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Southwest Gas Holdings, Inc. Common Stock, \$1 Par Value	SWX	New York Stock Exchange

*Southwest Gas Corporation:*

None.

**Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:**

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On March 29, 2023, the Compensation Committee and the Board of Directors ("Board") of Southwest Gas Holdings, Inc. (the "Company") approved new grant agreements ("Grant Agreements") for long-term incentive compensation awards pursuant to the Company's Omnibus Incentive Plan ("Omnibus Plan"). The Grant Agreements will be entered into by named executive officers (as such term is defined in Item 402 of Regulation S-K) of the Company who are officers of the Company and Southwest Gas Corporation. The Grant Agreements will be effective for grants made under the Omnibus Plan in 2023 and the form will be used for any future grants under the Omnibus Plan until determined otherwise by the Compensation Committee or Board. The Grant Agreements contain restrictions on transfer and encumbrances during the period before vesting, forfeiture provisions, and special vesting terms in the event of termination due to death, disability, retirement, involuntary termination due to a general reduction in force or specific elimination of the grantee's job (except in connection with a termination for cause), and termination without cause or with good reason within 24 months following a change in control. The new Grant Agreements also provide for crediting of dividend equivalents and distribution of common stock and accumulated dividend equivalents as soon as administratively possible after vesting, along with provisions on tax liability, tax withholding and compliance with Section 409A of the Internal Revenue Code ("Code").

Also on March 29, 2023, the Board approved an additional short-term equity incentive award opportunity for Paul S. Daily, a named executive officer (as such term is defined in Item 402 of Regulation S-K) of the Company and President and Chief Executive Officer of Centuri Group, Inc. ("Centuri"). Mr. Daily's short-term incentive award opportunity increased to 110% of his base salary, and his long-term incentive award opportunity remains at 225% of his base salary. His long-term incentive opportunity consists of 70% time-lapse restricted stock units and 30% performance shares. Mr. Daily will enter into Centuri grant agreements ("Centuri Grant Agreements") for long-term incentive compensation awards pursuant to the Omnibus Plan in forms approved by the Compensation Committee of the Board on February 23, 2023. The Centuri Grant Agreements contain restrictions on transfer and encumbrances during the period before vesting, forfeiture provisions, and special vesting terms in the event of termination due to death, disability, retirement, involuntary termination after six months following a change in control (or if applicable, after the period in the grantee's employment agreement, if longer), and involuntary termination within six months following a change in control (or if applicable, after the period in the grantee's employment agreement, if longer). The Centuri Grant Agreements also provide for crediting of dividend equivalents and distribution of common stock and accumulated dividend equivalents as soon as administratively possible after vesting, along with provisions on tax liability, tax withholding and compliance with Section 409A of the Code. The Centuri Grant Agreements also contain provisions regarding treatment of awards in the event of a spin-off of Centuri from the Company.

The foregoing descriptions of the Grant Agreements and Centuri Grant Agreements do not purport to be complete and are qualified in their entirety by reference to the full text of the Grant Agreements and Centuri Grant Agreements, which are attached hereto as Exhibits 10.1, 10.2, 10.3, 10.4, and 10.5, and are incorporated herein by reference.

## **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

10.1 [Grant Agreement for Time-Lapse Restricted Stock Units Under the Southwest Gas Holdings, Inc. Omnibus Incentive Plan](#)

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- 10.2 [Performance Share Unit Grant Agreement Under the Southwest Gas Holdings, Inc. Omnibus Incentive Plan \(UNI/ROE Shares\)](#)
  - 10.3 [Performance Share Unit Grant Agreement Under the Southwest Gas Holdings, Inc. Omnibus Incentive Plan \(EPS/ROE Shares\)](#)
  - 10.4 [Centuri Grant Agreement for Time-Lapse Restricted Stock Units Under the Southwest Gas Holdings, Inc. Omnibus Incentive Plan](#)
  - 10.5 [Centuri Performance Share Unit Grant Agreement Under the Southwest Gas Holdings, Inc. Omnibus Incentive Plan](#)
  - 104 Cover Page formatted in Inline XBRL
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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SOUTHWEST GAS HOLDINGS, INC.

April 4, 2023

/s/ THOMAS E. MORAN

Thomas E. Moran  
Vice President/General Counsel/Corporate Secretary

SOUTHWEST GAS CORPORATION

April 4, 2023

/s/ THOMAS E. MORAN

Thomas E. Moran  
Vice President/Corporate Secretary/Legal Counsel

**GRANT AGREEMENT FOR TIME-LAPSE  
RESTRICTED STOCK UNITS  
UNDER THE SOUTHWEST GAS HOLDINGS, INC.  
OMNIBUS INCENTIVE PLAN**

This Grant Agreement for Time-Lapse Restricted Stock Units (“Grant Agreement”) is dated as of February \_\_\_\_, 2023, by and between Southwest Gas Holdings, Inc., a Delaware Corporation (the "Company"), and \_\_\_\_\_ (“Grantee”), pursuant to the Company's Omnibus Incentive Plan (the "Plan"). Capitalized terms that are used, but not defined, in this Grant Agreement shall have the meaning set forth in the Plan, and the Plan is incorporated by reference into this Grant Agreement.

**Overview of Your Award**

**Number of Units Granted:** [determined by award opportunity, January 1, 2023 Base Salary, and Beginning Stock Price]

**Date of Grant:** January 1, 2023

**Vesting Date:**

<u>Units</u>	<u>Date</u>
40%	1/4/24
30%	1/4/25
30%	1/4/26

1. Grant of Units. The Company hereby awards Grantee time-lapse restricted stock units (“Units”) under the Plan with the restrictions set forth below. The grant of the Units is made in consideration of the services to be rendered by the Grantee to the Company. Each Unit represents the right to receive one share of Common Stock, subject to the terms and conditions set forth in this Grant Agreement and the Plan. The Units shall be credited to a separate account maintained for the Grantee on the books and records of the Company. All amounts credited to the Grantee’s account shall continue for all purposes to be part of the general assets of the Company. From the Date of Grant until the Units have vested and are settled by the issuance of Common Stock, the Units are in the Restriction Period and the Grantee shall not have any of the rights of a stockholder of the Company with respect to the Units, except for the crediting of dividend equivalents as provided in Section 6 below. During the Restriction Period, Units or the rights relating thereto may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Units or the rights relating thereto during the Restriction Period shall be wholly ineffective.

2. Vesting of Units. Except as otherwise provided herein, provided that the Grantee remains in continuous service through the applicable Vesting Date, the Units will vest in accordance with the schedule above.

3. **Forfeiture of Units.** Except as provided otherwise in Section 4 below, unvested Units shall be forfeited in case of a Termination . Grantee agrees to execute such documentation that may be reasonably requested by the Company in connection with such forfeiture. All rights of Grantee with respect to any forfeited Units shall cease and terminate upon forfeiture of such Units, without any further obligation on the part of the Company.

4. **Removal of Restrictions.** Upon Termination (a) due to Grantee's Retirement, death, Disability, involuntary Termination due to a general reduction in force or specific elimination of the Grantee's job (except if contemporaneously with such elimination Grantee's suffers a Termination for Cause), or (b) by the Company or its successors without Cause or by the Grantee for Good Reason within the 24 months following a Change in Control, all Units (plus applicable Dividend Equivalents) shall vest as of the date of such Termination and all other restrictions placed on such Units shall be removed. If the Grantee has a Change in Control agreement in effect with the Company on the date hereof, the terms of Grantee's Change in Control agreement govern in the event of a Termination in conjunction with a Change in Control.

5. **Good Reason.** For purposes of this Grant Agreement, "Good Reason" means, following a Change in Control:

(i) without the Grantee's express written consent, the assignment to him/her of any duties materially inconsistent with his/her positions, duties, authority, responsibilities or status with the Company or its successors immediately prior to such Change in Control;

(ii) a material demotion or a material change in the Grantee's titles or offices as in effect immediately prior to such Change in Control;

(iii) any removal of the Grantee from or any failure to re-elect him/her to any of such positions; except in connection with the termination of the Grantee's employment for Cause, Disability or Retirement or as a result of his/her death or by him/her other than for Good Reason;

(iv) without the Grantee's express written consent, a material reduction by the Company or its successors in the Grantee's base salary as in effect on the date of such Change in Control or, if greater, such greater base salary as may be in effect from time to time subsequent to such Change in Control, provided, in each case, that a reduction by the Company or its successors in the Grantee's base salary of ten (10) percent or more shall be sufficient but not necessary to constitute a material reduction by the Company or its successors in the Grantee's base salary;

(v) the failure by the Company or its successors to continue at levels materially not less than those in existence immediately prior to such Change in Control the Grantee's participation in any thrift, incentive or compensation plan, or any pension plan, in which the Grantee participated immediately prior to such Change in Control, provided that the Company or its successors may provide for participation in substantially similar plans that provide benefits at levels materially not less than those in existence immediately prior to such Change in Control;

(vi) the failure by the Company or its successors to provide for the Grantee's participation in any welfare, life insurance, health and accident or disability plan on the same basis as those provided to executives of the Company or its successors who are similarly situated to the Grantee;

(vii) the taking of any action by the Company or its successors which would materially adversely affect the Grantee's participation in or materially reduce his/her benefits under any single such plan or all such plans, when taken together, or deprive him/her of any material fringe benefit enjoyed by him/her at the time of such Change in Control (except for the acceleration of the termination dates of the Units, as contemplated by this Grant Agreement), provided that the taking of any action by the Company or its successors that reduces the economic value attributable to such participation, benefits or fringe benefit by ten (10) percent or more shall be sufficient but not necessary to constitute a materially adverse effect, material reduction or deprivation, as applicable;

(viii) the assignment to the Grantee without his/her consent to a new work location which would require an increase in the round-trip commute to work from the Grantee's residence immediately prior to such Change in Control of more than 40 miles per day;

(ix) any material breach of any material provision of this Grant Agreement.

Notwithstanding the foregoing, the Grantee shall not be entitled to terminate his/her employment with the Company or its successors for Good Reason unless the following process is followed with respect to such termination. Within ninety (90) days following the initial occurrence of an event that purportedly constitutes Good Reason, the Grantee shall give the Company or its successors written notice of the occurrence of such event, setting forth the exact nature of such event and the conduct required to cure such event. The Company or its successors shall have thirty (30) days from the receipt of such notice within which to cure such event (such period, the "Cure Period"). If, during the Cure Period, such event is cured, then the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event. If, at the end of the Cure Period, such event is not cured, the Grantee shall be entitled to terminate his/her employment with the Company or its successors for Good Reason as a result of such event during the sixty (60) day period following the end of the Cure Period. If the Grantee does not terminate his/her employment with the Company or its successors for Good Reason during such sixty (60) day period, the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event.

6. Dividend Equivalents. From the Date of Grant and until the Units are distributed pursuant to Section 7, Grantee's account will be credited with notional dividends at the same time, in the same form, and in equivalent amounts as dividends that are payable from time to time on Common Stock. Any such notional dividends shall be valued as of the date on which they are credited to the Grantee and, unless determined otherwise by the Company) reallocated to acquire additional Units. Such additional Units may also earn dividend credits and shall vest in accordance with the vesting schedule set forth above as if such Units had been issued on the Date of Grant. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Units to which they are attributable.

7. Distribution of Common Stock. If the Units vest, as soon as administratively possible, as determined solely by the Company, following the applicable vesting date (which, for clarity, would be the earlier of the date of the occurrence of a Termination described in Section 4 or the applicable "Vesting Date" set forth above), but in no event later than 60 days following such vesting date (the "Distribution Date"), the Grantee shall receive a distribution, as provided herein, of shares of Common Stock equal in number to the number of Units that vested (including any vested Units attributable to Dividend Equivalents), and a cash payment in respect of any Dividend Equivalents paid in cash (subject to the withholding requirements set forth in the Plan and Section 9 below). Notwithstanding the immediately preceding sentence, if the Grantee is a "specified employee" as defined in Code Section 409A, in the case of a distribution of shares of Common Stock on account of any Termination, other than due to death, to the extent required to avoid incurring taxes under Section 409A, the distribution of shares of Common Stock (and any Dividend Equivalents) in respect of the vested Units shall not occur until the date which is six months following the date of the Grantee's Termination of Service (or, if earlier, the date of death of the Grantee). Upon a distribution of shares of Common Stock as provided herein, the Company shall cause the Common Stock then being distributed to be registered in the Grantee's name. From and after the date of receipt of such distribution, the Grantee or the Grantee's legal representatives, beneficiaries or heirs, as the case may be, shall have full rights of transfer or resale with respect to such shares subject to applicable Company policies and state and federal regulations.

8. Administration. This Grant Agreement and the rights of the Grantee hereunder are subject to all the terms and conditions of the Plan. Any inconsistency between this Grant Agreement and the Plan shall be resolved in favor of the Plan.

9. Tax Liability and Withholding. The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Units and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state or local tax withholding obligation by any of the following means, or by a combination of such means:

(a) tendering a cash payment.

(b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to the Grantee as a result of the vesting of the Units; provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum rate of withholding in the applicable jurisdiction.

(c) delivering to the Company previously owned and unencumbered shares of Common Stock.

Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting or



settlement of the Units or the subsequent sale of any shares; and (b) does not commit to structure the Units to reduce or eliminate the Grantee's liability for Tax-Related Items.

10. Section 409A. This Grant Agreement is intended to comply with Section 409A of Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Grant Agreement comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

11. Miscellaneous.

(a) Nothing in this Grant Agreement or the Plan shall interfere with or limit in any way the right of the Company to terminate the Grantee's employment, nor confer upon the Grantee any right to continued employment with the Company or continued service as a Board member.

(b) Upon the approval of the Board in its sole discretion, the Committee may terminate, amend, or modify the Plan; *provided, however*, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Grantee's rights under this Grant Agreement without the Grantee's written consent.

(c) The Grantee shall not have voting rights with respect to the Units until the Units are settled and have been distributed as shares of Common Stock.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) This Grant Agreement shall be governed by the corporate laws of the State of Nevada, without giving effect to any conflict of law provisions that might otherwise refer construction or interpretation of the Agreement or the Plan to the substantive law of another jurisdiction.

(f) Any dispute regarding the interpretation of this Grant Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

(g) The value of the Grantee's Units is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

(h) Grantee understands that the Units and the Common Stock distributed therefrom are subject to the Company's Clawback Policy.

**Grantee acknowledges that this Grant Agreement and the Plan set forth the entire understanding between Grantee and the Company regarding the acquisition of the Units granted pursuant to this Grant Agreement. Grantee has reviewed and fully understands all provisions of this Grant Agreement and the Plan in their entirety. Grantee acknowledges that Units awarded hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated until the restrictions on the Units are removed and the Units are distributed to the Grantee in the form of shares of Common Stock. The Grantee acknowledges that there may be adverse tax consequences upon the vesting or settlement of the Units or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such vesting, settlement or disposition.**

SOUTHWEST GAS HOLDINGS, INC.

By: \_\_\_\_\_

Karen S. Haller

President and Chief Executive Officer

GRANTEE

By: \_\_\_\_\_

[\_\_\_\_\_]

**PERFORMANCE SHARE UNIT GRANT AGREEMENT**  
**UNDER THE SOUTHWEST GAS HOLDINGS, INC.**  
**OMNIBUS INCENTIVE PLAN**

This Performance Share Unit Grant Agreement (“Grant Agreement”) is dated as of February \_\_\_, 2023, by and between Southwest Gas Holdings, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ ("Grantee"), pursuant to the Company's Omnibus Incentive Plan (the "Plan"). Capitalized terms that are used, but not defined, in this Grant Agreement shall have the meaning set forth in the Plan, and the Plan is incorporated by reference into this Grant Agreement.

**Overview of Your Award**

**Aggregate Target Performance Share Units Granted:** [*determined by award opportunity, December 31, 2022 Base Salary, and Beginning Stock Price*]

- **UNI Shares (60%):** [\_\_\_\_\_] shares
- **ROE Shares (40%):** [\_\_\_\_\_] shares

**Performance Cycle:** January 1, 2023 to December 31, 2025

1. **Grant and Description of Performance Share Units.** The Company hereby awards the Grantee a target number of performance share units (“Performance Shares”) under the Plan with the restrictions set forth below. Each Performance Share represents the right to receive one share of Common Stock, subject to the terms and conditions set forth in this Grant Agreement and the Plan. The number of Performance Shares that the Grantee actually earns for the Performance Cycle will be determined at the end of the Performance Cycle based on the level of achievement of the performance goals as described herein. All determinations of whether the performance goals have been achieved, the number of Performance Shares earned, and all other matters related thereto shall be made by the Committee in its sole discretion. Until the final number of Performance Shares is determined and the Performance Shares have been settled by the issuance of Common Stock, the Grantee shall not have any of the rights of a stockholder of the Company with respect to the Performance Shares, except for the crediting of dividend equivalents as provided for in Section 8 below.

2. **Restrictions on Alienation.** Performance Shares may not be sold, transferred, pledged, attached, assigned, or otherwise alienated or encumbered in any manner, whether voluntarily, by operation of law, or otherwise, until the restrictions on the Performance Shares are removed and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. Any attempt to assign, alienate, pledge, attach, sell, or otherwise transfer or encumber the Performance Shares or the rights relating thereto during the Performance Cycle shall be wholly ineffective.

3. **Vesting of Performance Shares.** The Performance Shares are subject to forfeiture until they vest. Except as otherwise provided herein, the Performance Shares will vest and become nonforfeitable on the last day of the Performance Cycle, subject to (a) the achievement of the minimum threshold performance goal, and (b) the Grantee's continuous service from the grant date through the last day of the Performance Cycle. The number of Performance Shares that vest and become payable under this Grant Agreement

shall be determined by the Committee based on the level of achievement of the performance goals described herein.

4. **UNI Shares.** Vesting of UNI Performance Shares (the “UNI Shares”) is based upon adjusted net income of Southwest Gas Corporation (“SWG” or the “utility”) and is contingent upon cumulative adjusted net income achieved by SWG for the three-year Performance Cycle beginning with the fiscal year in which the Performance Shares are granted. Cumulative three-year adjusted net income is calculated by adding together the adjusted net income for each year of the Performance Cycle. Cumulative three-year adjusted net income shall be calculated using generally accepted accounting principles, adjusted to exclude the impacts of company owned life insurance as well other adjustments as determined by the Committee.

UNI Shares will vest as illustrated in the performance schedule below. Should the performance levels achieved be between the stated criteria below, the percentage of UNI Shares vesting will be determined by straight-line interpolation.

<b>UNI Share Performance Schedule Fiscal Years 2023-2025</b>		
<b><u>Performance Level</u></b>	<b><u>Cumulative 3-Year Adjusted Net Income</u></b>	<b><u>Vested UNI Shares</u></b>
Below Threshold	Less than \$636,232,000	0%
Threshold	\$636,232,000	50%
Target	\$684,120,000	100%
Maximum	\$718,326,000	200%

5. **ROE Shares.** Vesting of Performance Shares based on utility return on equity (“ROE”) performance (“ROE Shares”) is contingent upon three-year average ROE for each year of the Performance Cycle. The ROE for each of the three years in the Performance Cycle is calculated by dividing each year’s adjusted net income of SWG by the average utility equity balance. The average utility equity balance is calculated by averaging the equity balance of the applicable previous five quarters. Three-year average ROE is calculated by averaging the calculated ROE for each year of the Performance Cycle. ROE shall be calculated based on adjusted utility net income calculated under generally accepted accounting principles, adjusted to exclude the impacts of company owned life insurance as well as other adjustments as determined by the Committee.

ROE Shares will vest as illustrated in the performance schedule below. Should the performance levels achieved be between the stated criteria below, the baseline percentage of ROE Shares vesting will be determined by straight-line interpolation.

<b>ROE Share Performance Schedule Fiscal Years 2023-2025</b>		
<b><u>Performance Level</u></b>	<b><u>3-Year Average ROE</u></b>	<b><u>Vested ROE Shares</u></b>
Below Threshold	Less than 6.4%	0%
Threshold	6.4%	50%
Target	7.3%	100%
Maximum	8.2%	200%

6. **Forfeiture.** Except as otherwise provided in Section 7 below, all Performance Shares granted shall be forfeited if, prior to the end of the Performance Cycle, the Grantee has experienced a Termination. Each Grantee shall execute any documents reasonably requested by the Company in connection with such forfeiture. Upon any forfeiture, all rights of the Grantee with respect to the forfeited Performance Shares shall cease and terminate, without any further obligation on the part of the Company.

7. **Termination of Employment.**

(a) Death, Disability, Certain Involuntary Terminations and Termination by the Company or its successors without Cause or by the Grantee for Good Reason within the 24 months following a Change in Control.

Upon Termination (i) due to Grantee's death, Disability, involuntary Termination due to a general reduction in force or specific elimination of the Grantee's job (except if contemporaneously with such elimination Grantee suffers a Termination for Cause), or (ii) by the Company or its successors without Cause or by the Grantee for Good Reason within the 24 months following a Change in Control, restrictions placed on each Performance Share shall be removed, and the Performance Cycle for purposes of Section 8 and Section 9 below shall be deemed to have ended and a prorated number of Performance Shares shall vest as of the date of such Termination. The prorated number of Performance Shares vested shall be determined by multiplying the percentage of Performance Shares awarded at the "Target" performance level first stated above, by the ratio of actual months of service to 36 months of the original Performance Cycle, with the resulting product being increased, if appropriate, as provided below in Section 8. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares. If the Grantee has a Change in Control agreement in effect with the Company on the date hereof, the terms of Grantee's Change in Control agreement govern in the event of a Termination in conjunction with a Change in Control.

(b) Retirement.

Upon Grantee's Retirement, the restrictions placed on the Performance Shares under Section 2 above shall not be removed, the Performance Shares shall not be vested, and the percentage of Performance Shares earned shall not be determined until the end of the Performance Cycle. The vested number of Performance Shares shall be determined by multiplying the ratio of actual months of service to 36 months

of the original Performance Cycle by the percentage of Performance Shares earned, based on actual performance achieved over the original Performance Cycle with the resulting product being increased, if appropriate, as provided below in Section 8. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares.

(c) Good Reason. For purposes of this Grant Agreement, “Good Reason” means, following a Change in Control:

(i) without the Grantee’s express written consent, the assignment to him/her of any duties materially inconsistent with his/her positions, duties, authority, responsibilities or status with the Company or its successors immediately prior to such Change in Control;

(ii) a material demotion or a material change in the Grantee’s titles or offices as in effect immediately prior to such Change in Control;

(iii) any removal of the Grantee from or any failure to re-elect him/her to any of such positions; except in connection with the termination of the Grantee’s employment for Cause, Disability or Retirement or as a result of his/her death or by him/her other than for Good Reason;

(iv) without the Grantee’s express written consent, a material reduction by the Company or its successors in the Grantee’s base salary as in effect on the date of such Change in Control or, if greater, such greater base salary as may be in effect from time to time subsequent to such Change in Control, provided, in each case, that a reduction by the Company or its successors in the Grantee’s base salary of ten (10) percent or more shall be sufficient but not necessary to constitute a material reduction by the Company or its successors in the Grantee’s base salary;

(v) the failure by the Company or its successors to continue at levels materially not less than those in existence immediately prior to such Change in Control the Grantee’s participation in any thrift, incentive or compensation plan, or any pension plan, in which the Grantee participated immediately prior to such Change in Control, provided that the Company or its successors may provide for participation in substantially similar plans that provide benefits at levels materially not less than those in existence immediately prior to such Change in Control;

(vi) the failure by the Company or its successors to provide for the Grantee’s participation in any welfare, life insurance, health and accident or disability plan on the same basis as those provided to executives of the Company or its successors who are similarly situated to the Grantee;

(vii) the taking of any action by the Company or its successors which would materially adversely affect the Grantee’s participation in or materially reduce his/her benefits under any single such plan or all such plans, when taken together, or deprive him/her of any material fringe benefit enjoyed by him/her at the time of such Change in Control (except for the acceleration of the termination dates of Performance Shares, as contemplated by this Grant Agreement), provided that the taking of any action by the Company or its successors that reduces the economic value attributable to such participation, benefits or fringe benefit by ten (10) percent or more shall be sufficient but not necessary to constitute a materially adverse effect, material reduction or deprivation, as applicable;

(viii) the assignment to the Grantee without his/her consent to a new work location which would require an increase in the round-trip commute to work from the Grantee's residence immediately prior to such Change in Control of more than 40 miles per day;

(ix) any material breach of any material provision of this Grant Agreement.

Notwithstanding the foregoing, the Grantee shall not be entitled to terminate his/her employment with the Company or its successors for Good Reason unless the following process is followed with respect to such termination. Within ninety (90) days following the initial occurrence of an event that purportedly constitutes Good Reason, the Grantee shall give the Company or its successors written notice of the occurrence of such event, setting forth the exact nature of such event and the conduct required to cure such event. The Company or its successors shall have thirty (30) days from the receipt of such notice within which to cure such event (such period, the "Cure Period"). If, during the Cure Period, such event is cured, then the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event. If, at the end of the Cure Period, such event is not cured, the Grantee shall be entitled to terminate his/her employment with the Company or its successors for Good Reason as a result of such event during the sixty (60) day period following the end of the Cure Period. If the Grantee does not terminate his/her employment with the Company or its successors for Good Reason during such sixty (60) day period, the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event.

8. Credit of Dividend Equivalents. The Grantee's account shall be credited with a number of Performance Shares based on the amount of dividends that were declared and paid on shares of Common Stock during each fiscal quarter of the Performance Cycle. The number of Performance Shares upon which dividend equivalents shall be credited for the benefit of the Grantee is the total number of Performance Shares finally determined to have been earned by the Grantee at the end of the Performance Cycle in accordance with Sections 3, 4, 5 and/or 7, as appropriate. The total amount of each quarterly dividend equivalent shall be converted to the number of Performance Shares attributable to that quarterly dividend equivalent, by dividing such dividend equivalent amount by the average of the closing price of the Common Stock on the dividend payment date during the appropriate Performance Cycle. Incremental Performance Shares credited for dividends may also earn dividend equivalents. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Performance Shares to which they are attributable.

9. Distribution of Common Stock. If the Performance Shares vest, the Grantee shall receive a distribution of shares of Common Stock equal to the number of vested Performance Shares (including any vested Performance Shares attributable to Dividend Equivalents) and a cash payment in respect of any Dividend Equivalents paid in cash (subject to the withholding requirements set forth in the Plan and Section 11 below). Distribution of shares of Common Stock shall occur (a) if the Performance Shares vest on the last day of the Performance Cycle pursuant to Section 3 or 7(b) above, as soon as administratively possible, as determined solely by the Company, in the calendar year following the end of the Performance Cycle, but in no event later than March 15 of such calendar year and (b) if the Performance Shares vest before the last day of the Performance Cycle due to the Grantee's Termination pursuant to Section 7(a) above or otherwise, within 60 days following the date the Performance Shares vest. Notwithstanding the immediately preceding sentence, if the Grantee is a "specified employee" as defined in Code Section 409A, in the case of a distribution of shares of Common Stock on account of any Termination, other than due to death, to the extent required to avoid incurring taxes under Section 409A, the distribution of shares

of Common Stock (and any Dividend Equivalents) in respect of the vested Performance Shares shall not occur until the date which is six months following the date of the Grantee's Termination (or, if earlier, upon the death of the Grantee). Upon a distribution of shares of Common Stock as provided herein, the Company shall cause the Common Stock then being distributed to be registered in the Grantee's name. From and after the date of receipt of such distribution, the Grantee or the Grantee's legal representatives, beneficiaries or heirs, as the case may be, shall have full rights of transfer or resale with respect to such shares subject to applicable Company policies and state and federal regulations.

10. Administration. This Grant Agreement and the rights of the Grantee hereunder are subject to all the terms and conditions of the Plan. Any inconsistency between this Grant Agreement and the Plan shall be resolved in favor of the Plan.

11. Tax Liability and Withholding. The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Performance Shares and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state or local tax withholding obligation by any of the following means, or by a combination of such means:

(a) tendering a cash payment.

(b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to the Grantee as a result of the vesting of the Performance Shares; provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum rate of withholding in the applicable jurisdictions.

(c) delivering to the Company previously owned and unencumbered shares of Common Stock.

Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting or settlement of the Performance Shares or the subsequent sale of any shares; and (b) does not commit to structure the Performance Shares to reduce or eliminate the Grantee's liability for Tax-Related Items.

12. Section 409A. This Grant Agreement is intended to comply with Section 409A of Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Grant Agreement comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

13. Miscellaneous.

(a) Nothing in this Grant Agreement or the Plan shall interfere with or limit in any way the right of the Company to terminate the Grantee's employment, nor confer upon the Grantee any right to continued employment with the Company or continued service as a Board member.

(b) Upon the approval of the Board in its sole discretion, the Committee may terminate, amend, or modify the Plan; *provided, however*, that no such termination, amendment, or modification of



the Plan may in any way adversely affect the Grantee's rights under this Grant Agreement without the Grantee's written consent.

(c) The Grantee shall not have voting rights with respect to the Performance Shares until the Performance Shares are settled and have been distributed as shares of Common Stock.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) This Grant Agreement shall be governed by the corporate laws of the State of Nevada, without giving effect to any conflict of law provisions that might otherwise refer construction or interpretation of the Agreement or the Plan to the substantive law of another jurisdiction.

(f) Any dispute regarding the interpretation of this Grant Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

(g) The value of the Grantee's Performance Shares is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

(h) Grantee understands that the Performance Shares and the Common Stock distributed therefrom are subject to the Company's Clawback Policy.

**Grantee acknowledges that this Grant Agreement and the Plan set forth the entire understanding between Grantee and the Company regarding the acquisition of the Performance Shares granted pursuant to this Grant Agreement. Grantee has reviewed and fully understands all provisions of this Grant Agreement and the Plan in their entirety. Grantee acknowledges that Performance Shares awarded hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated until the Performance Shares are vested and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. The Grantee acknowledges that there may be adverse tax consequences upon the vesting or settlement of the Performance Shares or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such vesting, settlement or disposition.**

SOUTHWEST GAS HOLDINGS, INC.

By: \_\_\_\_\_

Karen S. Haller

President and Chief Executive Officer

GRANTEE

By: \_\_\_\_\_

[ ]

**PERFORMANCE SHARE UNIT GRANT AGREEMENT**  
**UNDER THE SOUTHWEST GAS HOLDINGS, INC.**  
**OMNIBUS INCENTIVE PLAN**

This Performance Share Unit Grant Agreement (“Grant Agreement”) is dated as of February \_\_\_, 2023, by and between Southwest Gas Holdings, Inc., a Delaware corporation (the “Company”), and \_\_\_\_\_ (“Grantee”), pursuant to the Company’s Omnibus Incentive Plan (the “Plan”). Capitalized terms that are used, but not defined, in this Grant Agreement shall have the meaning set forth in the Plan, and the Plan is incorporated by reference into this Grant Agreement.

**Overview of Your Award**

**Aggregate Target Performance Share Units Granted:** [*determined by award opportunity, December 31, 2022 Base Salary, and Beginning Stock Price*]

- **EPS Shares (60%):** [\_\_\_\_\_] shares
- **ROE Shares (40%):** [\_\_\_\_\_] shares

**Performance Cycle:** January 1, 2023 to December 31, 2025

1. **Grant and Description of Performance Share Units.** The Company hereby awards the Grantee a target number of performance share units (“Performance Shares”) under the Plan with the restrictions set forth below. Each Performance Share represents the right to receive one share of Common Stock, subject to the terms and conditions set forth in this Grant Agreement and the Plan. The number of Performance Shares that the Grantee actually earns for the Performance Cycle will be determined at the end of the Performance Cycle based on the level of achievement of the performance goals as described herein. All determinations of whether the performance goals have been achieved, the number of Performance Shares earned, and all other matters related thereto shall be made by the Committee in its sole discretion. Until the final number of Performance Shares is determined and the Performance Shares have been settled by the issuance of Common Stock, the Grantee shall not have any of the rights of a stockholder of the Company with respect to the Performance Shares, except for the crediting of dividend equivalents as provided for in Section 8 below.
2. **Restrictions on Alienation.** Performance Shares may not be sold, transferred, pledged, attached, assigned, or otherwise alienated or encumbered in any manner, whether voluntarily, by operation of law, or otherwise, until the restrictions on the Performance Shares are removed and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. Any attempt to assign, alienate, pledge, attach, sell, or otherwise transfer or encumber the Performance Shares or the rights relating thereto during the Performance Cycle shall be wholly ineffective.
3. **Vesting of Performance Shares.** The Performance Shares are subject to forfeiture until they vest. Except as otherwise provided herein, the Performance Shares will vest and become nonforfeitable on the last day of the Performance Cycle, subject to (a) the achievement of the minimum threshold performance goal, and (b) the Grantee’s continuous service from the grant date through the last day of the Performance Cycle. The number of Performance Shares that vest and become payable under this Grant Agreement

shall be determined by the Committee based on the level of achievement of the performance goals described herein.

4. **EPS Shares.** Vesting of EPS Performance Shares is based upon adjusted earnings per share of the Company (“EPS”) performance (the “EPS Shares”) and is contingent upon cumulative three-year adjusted EPS achieved by the Company for the three-year Performance Cycle beginning with the fiscal year in which the Performance Shares are granted. Cumulative adjusted EPS is calculated by adding together the adjusted EPS for each year in the Performance Cycle. Adjusted EPS is calculated by dividing consolidated adjusted net income for each year by the Company’s average basic common shares outstanding for each year. Cumulative three-year adjusted EPS shall be calculated using generally accepted accounting principles, adjusted to exclude the impacts of company owned life insurance as well as other adjustments as determined by the Committee.

EPS Shares will vest as illustrated in the performance schedule below. Should the performance levels achieved be between the stated criteria below, the percentage of EPS Shares vesting will be determined by straight-line interpolation.

<b>EPS Share Performance Schedule Fiscal Years 2023-2025</b>		
<b>Performance Level</b>	<b>Cumulative 3-Year Adjusted EPS</b>	<b>Vested EPS Shares</b>
Below Threshold	Less than \$8.68	0%
Threshold	\$8.68	50%
Target	\$9.64	100%
Maximum	\$10.60	200%

5. **ROE Shares.** Vesting of Performance Shares based on utility return on equity (“ROE”) performance (“ROE Shares”) is contingent upon three-year average ROE for each year of the Performance Cycle. The ROE for each of the three years in the Performance Cycle is calculated by dividing each year’s adjusted net income of Southwest Gas Corporation (“SWG” or the “utility”) by the average utility equity balance. The average utility equity balance is calculated by averaging the equity balance of the applicable previous five quarters. Three-year average ROE is calculated by averaging the calculated ROE for each year of the Performance Cycle. ROE shall be calculated based on adjusted utility net income calculated under generally accepted accounting principles, adjusted to exclude the impacts of company owned life insurance as well as other adjustments as described by the Committee.

ROE Shares will vest as illustrated in the performance schedule below. Should the performance levels achieved be between the stated criteria below, the baseline percentage of ROE Shares vesting will be determined by straight-line interpolation.

<b>ROE Share Performance Schedule Fiscal Years 2023-2025</b>		
<b><u>Performance Level</u></b>	<b><u>3-Year Average ROE</u></b>	<b><u>Vested ROE Shares</u></b>
Below Threshold	Less than 6.4%	0%
Threshold	6.4%	50%
Target	7.3%	100%
Maximum	8.2%	200%

6. Forfeiture. Except as otherwise provided in Section 7 below, all Performance Shares granted shall be forfeited if, prior to the end of the Performance Cycle, the Grantee has experienced a Termination. Each Grantee shall execute any documents reasonably requested by the Company in connection with such forfeiture. Upon any forfeiture, all rights of the Grantee with respect to the forfeited Performance Shares shall cease and terminate, without any further obligation on the part of the Company.

7. Termination of Employment.

(a) Death, Disability, Certain Involuntary Terminations and Termination by the Company or its successors without Cause or by the Grantee for Good Reason within the 24 months following a Change in Control.

Upon Termination (i) due to Grantee's death, Disability, involuntary Termination due to a general reduction in force or specific elimination of the Grantee's job (except if contemporaneously with such elimination Grantee suffers a Termination for Cause), or (ii) by the Company or its successors without Cause or by the Grantee for Good Reason within the 24 months following a Change in Control, restrictions placed on each Performance Share shall be removed, and the Performance Cycle for purposes of Section 8 and Section 9 below shall be deemed to have ended and a prorated number of Performance Shares shall vest as of the date of such Termination. The prorated number of Performance Shares vested shall be determined by multiplying the percentage of Performance Shares awarded at the "Target" performance level first stated above, by the ratio of actual months of service to 36 months of the original Performance Cycle, with the resulting product being increased, if appropriate, as provided below in Section 8. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares. If the Grantee has a Change in Control agreement in effect with the Company on the date hereof, the terms of Grantee's Change in Control agreement govern in the event of a Termination in conjunction with a Change in Control.

(b) Retirement.

Upon Grantee's Retirement, the restrictions placed on the Performance Shares under Section 2 above shall not be removed, the Performance Shares shall not be vested, and the percentage of Performance Shares earned shall not be determined until the end of the Performance Cycle. The vested number of Performance Shares shall be determined by multiplying the ratio of actual months of service to 36 months of the original Performance Cycle by the percentage of Performance Shares earned, based on actual performance achieved over the original Performance Cycle with the resulting product being increased, if

appropriate, as provided below in Section 8. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares.

(c) Good Reason. For purposes of this Grant Agreement, “Good Reason” means, following a Change in Control:

(i) without the Grantee’s express written consent, the assignment to him/her of any duties materially inconsistent with his/her positions, duties, authority, responsibilities or status with the Company or its successors immediately prior to such Change in Control;

(ii) a material demotion or a material change in the Grantee’s titles or offices as in effect immediately prior to such Change in Control;

(iii) any removal of the Grantee from or any failure to re-elect him/her to any of such positions; except in connection with the termination of the Grantee’s employment for Cause, Disability or Retirement or as a result of his/her death or by him/her other than for Good Reason;

(iv) without the Grantee’s express written consent, a material reduction by the Company or its successors in the Grantee’s base salary as in effect on the date of such Change in Control or, if greater, such greater base salary as may be in effect from time to time subsequent to such Change in Control, provided, in each case, that a reduction by the Company or its successors in the Grantee’s base salary of ten (10) percent or more shall be sufficient but not necessary to constitute a material reduction by the Company or its successors in the Grantee’s base salary;

(v) the failure by the Company or its successors to continue at levels materially not less than those in existence immediately prior to such Change in Control the Grantee’s participation in any thrift, incentive or compensation plan, or any pension plan, in which the Grantee participated immediately prior to such Change in Control, provided that the Company or its successors may provide for participation in substantially similar plans that provide benefits at levels materially not less than those in existence immediately prior to such Change in Control;

(vi) the failure by the Company or its successors to provide for the Grantee’s participation in any welfare, life insurance, health and accident or disability plan on the same basis as those provided to executives of the Company or its successors who are similarly situated to the Grantee;

(vii) the taking of any action by the Company or its successors which would materially adversely affect the Grantee’s participation in or materially reduce his/her benefits under any single such plan or all such plans, when taken together, or deprive him/her of any material fringe benefit enjoyed by him/her at the time of such Change in Control (except for the acceleration of the termination dates of Performance Shares, as contemplated by this Grant Agreement), provided that the taking of any action by the Company or its successors that reduces the economic value attributable to such participation, benefits or fringe benefit by ten (10) percent or more shall be sufficient but not necessary to constitute a materially adverse effect, material reduction or deprivation, as applicable;

(viii) the assignment to the Grantee without his/her consent to a new work location which would require an increase in the round-trip commute to work from the Grantee’s residence immediately prior to such Change in Control of more than 40 miles per day;

(ix) any material breach of any material provision of this Grant Agreement.

Notwithstanding the foregoing, the Grantee shall not be entitled to terminate his/her employment with the Company or its successors for Good Reason unless the following process is followed with respect to such termination. Within ninety (90) days following the initial occurrence of an event that purportedly constitutes Good Reason, the Grantee shall give the Company or its successors written notice of the occurrence of such event, setting forth the exact nature of such event and the conduct required to cure such event. The Company or its successors shall have thirty (30) days from the receipt of such notice within which to cure such event (such period, the "Cure Period"). If, during the Cure Period, such event is cured, then the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event. If, at the end of the Cure Period, such event is not cured, the Grantee shall be entitled to terminate his/her employment with the Company or its successors for Good Reason as a result of such event during the sixty (60) day period following the end of the Cure Period. If the Grantee does not terminate his/her employment with the Company or its successors for Good Reason during such sixty (60) day period, the Grantee shall not be permitted to terminate his/her employment with the Company or its successors for Good Reason as a result of such event.

8. Credit of Dividend Equivalents. The Grantee's account shall be credited with a number of Performance Shares based on the amount of dividends that were declared and paid on shares of Common Stock during each fiscal quarter of the Performance Cycle. The number of Performance Shares upon which dividend equivalents shall be credited for the benefit of the Grantee is the total number of Performance Shares finally determined to have been earned by the Grantee at the end of the Performance Cycle in accordance with Sections 3, 4, 5 and/or 7, as appropriate. The total amount of each quarterly dividend equivalent shall be converted to the number of Performance Shares attributable to that quarterly dividend equivalent, by dividing such dividend equivalent amount by the average of the closing price of the Common Stock on the dividend payment date during the appropriate Performance Cycle. Incremental Performance Shares credited for dividends may also earn dividend equivalents. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Performance Shares to which they are attributable.

9. Distribution of Common Stock. If the Performance Shares vest, the Grantee shall receive a distribution of shares of Common Stock equal to the number of vested Performance Shares (including any vested Performance Shares attributable to Dividend Equivalents) and a cash payment in respect of any Dividend Equivalents paid in cash (subject to the withholding requirements set forth in the Plan and Section 11 below). Distribution of shares of Common Stock shall occur (a) if the Performance Shares vest on the last day of the Performance Cycle pursuant to Section 3 or 7(b) above, as soon as administratively possible, as determined solely by the Company, in the calendar year following the end of the Performance Cycle, but in no event later than March 15 of such calendar year and (b) if the Performance Shares vest before the last day of the Performance Cycle due to the Grantee's Termination pursuant to Section 7(a) above or otherwise, within 60 days following the date the Performance Shares vest. Notwithstanding the immediately preceding sentence, if the Grantee is a "specified employee" as defined in Code Section 409A, in the case of a distribution of shares of Common Stock on account of any Termination, other than due to death, to the extent required to avoid incurring taxes under Section 409A, the distribution of shares of Common Stock (and any Dividend Equivalents) in respect of the vested Performance Shares shall not occur until the date which is six months following the date of the Grantee's Termination (or, if earlier, upon the death of the Grantee). Upon a distribution of shares of Common Stock as provided herein, the Company shall cause the Common Stock then being distributed to be registered in the Grantee's name. From and after the date of receipt of such distribution, the Grantee or the Grantee's legal representatives,

beneficiaries or heirs, as the case may be, shall have full rights of transfer or resale with respect to such shares subject to applicable Company policies and state and federal regulations.

10. Administration. This Grant Agreement and the rights of the Grantee hereunder are subject to all the terms and conditions of the Plan. Any inconsistency between this Grant Agreement and the Plan shall be resolved in favor of the Plan.

11. Tax Liability and Withholding. The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Performance Shares and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state or local tax withholding obligation by any of the following means, or by a combination of such means:

(a) tendering a cash payment.

(b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to the Grantee as a result of the vesting of the Performance Shares; provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum rate of withholding in the applicable jurisdictions.

(c) delivering to the Company previously owned and unencumbered shares of Common Stock.

Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting or settlement of the Performance Shares or the subsequent sale of any shares; and (b) does not commit to structure the Performance Shares to reduce or eliminate the Grantee's liability for Tax-Related Items.

12. Section 409A. This Grant Agreement is intended to comply with Section 409A of Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Grant Agreement comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

13. Miscellaneous.

(a) Nothing in this Grant Agreement or the Plan shall interfere with or limit in any way the right of the Company to terminate the Grantee's employment, nor confer upon the Grantee any right to continued employment with the Company or continued service as a Board member.

(b) Upon the approval of the Board in its sole discretion, the Committee may terminate, amend, or modify the Plan; *provided, however*, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Grantee's rights under this Grant Agreement without the Grantee's written consent.

(c) The Grantee shall not have voting rights with respect to the Performance Shares until the Performance Shares are settled and have been distributed as shares of Common Stock.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) This Grant Agreement shall be governed by the corporate laws of the State of Nevada, without giving effect to any conflict of law provisions that might otherwise refer construction or interpretation of the Agreement or the Plan to the substantive law of another jurisdiction.

(f) Any dispute regarding the interpretation of this Grant Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

(g) The value of the Grantee's Performance Shares is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

(h) Grantee understands that the Performance Shares and the Common Stock distributed therefrom are subject to the Company's Clawback Policy.

**Grantee acknowledges that this Grant Agreement and the Plan set forth the entire understanding between Grantee and the Company regarding the acquisition of the Performance Shares granted pursuant to this Grant Agreement. Grantee has reviewed and fully understands all provisions of this Grant Agreement and the Plan in their entirety. Grantee acknowledges that Performance Shares awarded hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated until the Performance Shares are vested and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. The Grantee acknowledges that there may be adverse tax consequences upon the vesting or settlement of the Performance Shares or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such vesting, settlement or disposition.**

SOUTHWEST GAS HOLDINGS, INC.

By: \_\_\_\_\_

Karen S. Haller

President and Chief Executive Officer

GRANTEE

By: \_\_\_\_\_

[ ]



**GRANT AGREEMENT FOR TIME-LAPSE RESTRICTED STOCK UNITS  
UNDER THE SOUTHWEST GAS HOLDINGS, INC. OMNIBUS INCENTIVE  
PLAN**

This Grant Agreement for Time-Lapse Restricted Stock Units ("Grant Agreement") is dated as of \_\_, 2023, by and between Centuri Group, Inc. ("Centuri"), Southwest Gas Holdings, Inc. (the "Company"), and \_\_ ("Grantee"), pursuant to the Company's Omnibus Incentive Plan (the "Plan"). Capitalized terms that are used, but not defined, in this Grant Agreement, including Appendix A of this Grant Agreement, shall have the meaning set forth in the Plan, and the Plan is incorporated by reference into this Grant Agreement.

**Overview of Your Award**

**Number of Units Granted:** \_\_ [Base Salary on 12/31/22 x applicable incentive target x 70%, and Beginning Stock Price]

**Date of Grant:** \_\_\_\_\_, 2023 (the "Date of Grant")

**Vesting Date:** The Units shall become fully (100%) vested on \_\_\_\_, 2026 (the "Vesting Date") if the Grantee does not have a Termination (as defined in the Plan) prior to the Vesting Date, unless otherwise provided in this Grant Agreement.

1. **Grant of Units.** The Company and Centuri hereby award Grantee time-lapse restricted stock units ("Units") under the Plan with the restrictions set forth below. The grant of the Units is made in consideration of the services to be rendered by the Grantee to Centuri or one of its affiliated companies. Each Unit is a phantom right that represents the right to receive one share of Common Stock, subject to the terms and conditions set forth in this Grant Agreement and the Plan. The Units shall be credited to a separate account maintained for the Grantee on the books and records of the Company. All amounts credited to the Grantee's account shall continue for all purposes to be part of the general assets of the Company. From the Date of Grant until the Units have vested and are settled by the issuance of Common Stock, the Units are in the restriction period and the Grantee shall not have any of the rights of a stockholder of the Company with respect to the Units, except for the crediting of dividend equivalents as provided in Section 5 below. During the restriction period, Units or the rights relating thereto may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Units or the rights relating thereto during the restriction period shall be wholly ineffective.

The Company and Centuri currently anticipate a spin-off, sale or other transaction to occur during the vesting period whereby Centuri would no longer be a subsidiary of the Company. Such anticipated transaction could result in the shares of Common Stock being converted into Centuri stock, but the dollar value of the award would remain consistent. In the event the anticipated transaction is a public spin-off, it shall not be considered a "Change in Control" as defined in Appendix A.

2. **Vesting of Units.** Except as otherwise provided herein, provided that the Grantee remains in continuous service through the Vesting Date, the Units will vest on the Vesting Date. However, Grantee shall not be entitled to the removal of the restrictions on such Units or to a distribution of shares of Common Stock represented by the number of Units until the time provided for in Section 6 below.

3. Forfeiture of Units. Notwithstanding Section 2 above, unvested Units shall be forfeited in case of a Termination not described in Section 4. Grantee agrees to execute such documentation that may be reasonably requested by the Company, Centuri or any affiliated company in connection with such forfeiture. All rights of Grantee with respect to any forfeited Units shall cease and terminate upon forfeiture of such Units, without any further obligation on the part of the Company, Centuri or any affiliated company.

4. Termination of Employment.

(a) Retirement or an Involuntary Termination After Six Months Following a Change in Control. If, prior to the Vesting Date, Grantee's Termination is on account of either (i) Retirement (as defined in Appendix A), or (ii) an Involuntary Termination (as defined in Appendix A) after six (6) months following the date of a Change in Control (as defined in Appendix A) (or, if applicable, after the period in the Grantee's Employment Agreement, if longer), in either case of this subsection (a), Grantee shall be vested on the date of Termination in a pro rata portion of the Units, with such amount determined as the total number of Units subject to this Grant Agreement multiplied by a fraction, the numerator is the total number of months (including the month in which Termination occurs) that Grantee was employed by Centuri or an affiliated company as measured from January 1, 2023 through the date on which Grantee has a Termination, over thirty-six (36).

(b) Death, Disability or an Involuntary Termination Within Six Months Following a Change in Control. If, prior to the Vesting Date, Grantee's Termination is on account of (i) Grantee's death, (ii) by Centuri following the Grantee incurring a Disability or (iii) on account of an Involuntary Termination within six (6) months following the date of a Change in Control (or, if applicable, the period in the Grantee's Employment Agreement, if longer), in any such case in this subsection (b), Grantee shall be vested on the date of Termination in 100% of the Units.

(c) Other Terminations. If, prior to the Vesting Date, Grantee's Termination is on account of (i) Cause, (ii) by the Grantee for any reason other than on account of Retirement or (iii) on account of an Involuntary Termination prior to the occurrence of a Change in Control, in any such case in this subsection (c), then all of the Units shall be forfeited and the Grantee's rights with respect to any forfeited Units shall cease and terminate upon forfeiture of such Units, without any further obligation on the part of the Company, Centuri or any affiliated company.

(d) Any Units that become vested on account of the Grantee's Termination as provided in this Section 4 shall be distributed to the Grantee on the date of Termination as provided in Section 6. Any Units that do not become vested on the date of Termination as provided in this Section 4, or are not otherwise vested as of the date of Termination, shall be forfeited and the Grantee's rights with respect to any forfeited Units shall cease and terminate upon forfeiture of such Units, without any further obligation on the part of the Company, Centuri or any affiliated company. When in conflict, the terms of Grantee's Employment Agreement, if any, shall govern in the event of vesting on a Termination in conjunction with a Change in Control.

5. Dividend Equivalents. From the Date of Grant and until the Units are distributed pursuant to Section 6, Grantee's account will be credited with notional dividends at the same time, in the same form, and in equivalent amounts as dividends that are payable from time to time on Common Stock. Any such notional dividends shall be valued as of the date on which they are credited to the Grantee and reallocated to acquire additional Units. Such additional Units may also earn dividend equivalent credits and shall vest in accordance with the vesting schedule set forth above as if such Units had been issued on the Date of Grant. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Units to which they are attributable.

6. Distribution of Common Stock. As soon as administratively possible, as determined solely by the Company, but within sixty (60) days of the distribution event, unless a delay is required as provided in the next sentence, following the earlier of the occurrence of a Termination described in Section 4 or the Vesting Date, (the "Distribution Date"), the Grantee shall receive a distribution, as provided herein, of shares of Common Stock equal in number to the number of vested Units set forth above, plus any dividend equivalents credited to Grantee in respect of such vested Units (subject to the withholding requirements set forth in the Plan and the Grant Agreement); *provided* the Grantee has been an employee of Centuri or an affiliated company with continuous service from the Date of Grant to the Vesting Date, except in the event of the Grantee's Termination as discussed in Section 4 above and the Distribution Date is the date of the Grantee's Termination; *provided, however,* that if the Grantee is terminated for Cause or has a voluntary resignation that is not on account of Good Reason or Retirement between the Vesting Date and the Distribution Date, the Grantee shall forfeit any vested Units, plus dividend equivalents, and the Grantee shall not be entitled to any distributions or other payments under this Grant Agreement or otherwise. Notwithstanding the immediately preceding sentence, in the case of a distribution of shares of Common Stock on account of any Termination as provided for above, other than death, a distribution of the number of such shares, determined after application of the withholding requirements set forth in the Plan, plus any dividends payable with respect to such number of shares, on behalf of the Grantee, if the Grantee is a "specified employee" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent otherwise required under Section 409A of the Code, shall not occur until the date which is six (6) months following the date of the Grantee's Termination (or, if earlier, the date of death of the Grantee). Upon a distribution of shares of Common Stock as provided herein, all other restrictions shall be removed and the Company shall cause the Common Stock then being distributed to be registered in the Grantee's name. From and after the date of receipt of such distribution, the Grantee or the Grantee's legal representatives, beneficiaries or heirs, as the case may be, shall have full rights of transfer or resale with respect to such shares subject to applicable state and federal regulations.

7. Administration. This Grant Agreement and the rights of the Grantee hereunder are subject to all the terms and conditions of the Plan. Any inconsistency between this Grant Agreement and the Plan shall be resolved in favor of the Plan, except with regard to the Change in Control provisions that have been modified by this Grant Agreement and therefore are controlled by this Grant Agreement.

8. Holding Requirements. Grantee shall accumulate Southwest Gas Holdings, Inc. stock with a target value of a multiple of [\_\_] times base salary. Until Grantee reaches the target ownership requirement, Grantee must retain [\_\_\_\_]% of the net after-tax Shares granted under this Grant Agreement.

9. Tax Liability and Withholding. The Grantee shall be required to pay to the Company, Centuri or an affiliated company, and the Company, Centuri or an affiliated company shall have the right to deduct from any compensation paid to the Grantee pursuant to this Grant Agreement or otherwise, the amount of any required withholding or other taxes in respect of the Units and to take all such other action as the Committee (as defined in the Plan) deems necessary to satisfy all obligations for the payment of such withholding or other taxes. The Committee may permit the Grantee to satisfy any federal, state or local tax withholding or other tax obligations by any of the following means, or by a combination of such means:

(a) tendering a cash payment.

(b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to the Grantee as a result of the vesting of the Units; provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum amount of tax required to be withheld by law.

(c) delivering to the Company previously owned and unencumbered shares of Common Stock.

Notwithstanding any action the Company, Centuri or any affiliated company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company, Centuri and any affiliated company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting or settlement of the Units or the subsequent sale of any shares; and (b) does not commit to structure the Units to reduce or eliminate the Grantee's liability for Tax-Related Items.

10. Section 409A. This Grant Agreement is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Any distribution pursuant to this Grant Agreement that is subject to the requirements of Section 409A of the Code may only be made in a manner and upon an event permitted by Section 409A of the Code. Payments upon termination of employment may only be made upon a "separation from service" under Section 409A of the Code. Notwithstanding the foregoing, none of the Company, Centuri or any affiliated company makes any representations that the payments and benefits provided under this Grant Agreement comply with Section 409A of the Code and in no event shall the Company, Centuri or any affiliated company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

11. Restrictive Covenants. The Grantee hereby acknowledges and agrees to continue to be bound by the restrictive covenants set forth in the Grantee's Employment Agreement and any other restrictive covenants pursuant to which the Grantee has previously agreed to be bound, which restrictive covenants are an integral part of the Company and Centuri's decision to grant the Units to the Grantee. Accordingly, all such restrictive covenants contained in the Employment Agreement and such other agreements are hereby deemed incorporated fully herein by reference as if set forth herein.

12. Miscellaneous.

(a) Nothing in this Grant Agreement or the Plan shall interfere with or limit in any way the right of the Company, Centuri or any affiliated company to terminate the Grantee's employment, nor confer upon the Grantee any right to continued employment with the Company, Centuri or any affiliated company or continued service as a Board member.

(b) Upon the approval of the Board in its sole discretion, the Committee may terminate, amend, or modify the Plan; *provided, however*, that no such termination, amendment, or modification of

the Plan may in any way adversely affect the Grantee's rights under this Grant Agreement without the Grantee's written consent.

(c) The Grantee shall not have voting rights with respect to the Units until the Units are settled and have been distributed as shares of Common Stock.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) This Grant Agreement shall be governed by the corporate laws of the State of Nevada, without giving effect to any conflict of law provisions that might otherwise refer construction or interpretation of the Grant Agreement or the Plan to the substantive law of another jurisdiction.

(f) Any dispute regarding the interpretation of this Grant Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

(g) The value of the Grantee's Units is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit, unless otherwise provided in the Grantee's Employment Agreement.

(h) Grantee understands that the Units and the Common Stock distributed therefrom are subject to the Company's Clawback Policy.

**Grantee acknowledges that this Grant Agreement and the Plan set forth the entire understanding between Grantee and the Company and Centuri regarding the Units granted pursuant to this Grant Agreement. Grantee has reviewed and fully understands all provisions of this Grant Agreement and the Plan in their entirety and agrees to be bound by the determinations of the Committee. Grantee acknowledges that Units awarded hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated until the restrictions on the Units are removed and the Units are distributed to the Grantee in the form of shares of Common Stock. The Grantee acknowledges that there may be adverse tax consequences upon the vesting or settlement of the Units or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such vesting, settlement or disposition.**

SOUTHWEST GAS HOLDINGS, INC.

By: \_\_

Karen S. Haller,  
President and Chief Executive Officer

CENTURI GROUP, INC.

By: \_\_

Paul M. Daily,  
President and Chief Executive Officer

GRANTEE

By: \_\_\_\_

[\_\_]

## APPENDIX A

For purposes of this Grant Agreement, the following terms shall have the following meanings: “Cause” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Change in Control” shall mean (1) the sale (other than to a member of Centuri and its predecessors, successors, and past, present and future parent companies, operating companies, divisions, subsidiaries and/or affiliates (collectively, the “Employer Group”)) of substantially all of the operating assets of (a) Centuri and its subsidiaries or (b) the Company and its subsidiaries, (2) the acquisition (other than by a member of the Employer Group) of more than fifty percent (50%) of the stock of Centuri by a group of shareholders or an entity which acquires control of Centuri, (3) a merger or consolidation of Centuri with any other entity, other than a merger or consolidation which would result in the voting securities of Centuri outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) fifty percent (50%) or more of the total voting power represented by the voting securities of Centuri or such surviving entity outstanding immediately after such merger or consolidation, (4) a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) fifty percent (50%) or more of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, (5) any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 30% of the combined voting power of the Company’s then outstanding securities entitled to then vote generally in the election of directors of the Company, or (6) during any period not longer than two (2) consecutive years, individuals who at the beginning of such period constituted the board of directors of the Company cease to constitute at least a majority thereof, unless the election, or the nomination for election by the Company’s shareholders, of each new board member was approved by a vote of at least three-fourths (3/4) of the board members then still in office who were board members at the beginning of such period (including for these purposes, new members whose election was so approved).

“Disability” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Employment Agreement” shall mean the Grantee’s Employment Agreement with Centuri or an affiliated company.

“Good Reason” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Involuntary Termination” shall mean a Termination of the Grantee on account of (i) Separation from Service Without Cause or (ii) resignation by the Grantee on account of Good Reason.

“Retirement” shall mean (i) with approval from the Centuri Chief Executive Officer, the Grantee elects to terminate his/her employment with Centuri, or one of its affiliated companies, after both attaining age 59½, and completing twelve (12) complete calendar months of employment; or (ii) the Grantee has attained age 65 and elects to leave his/her employment with Centuri, or one of its affiliated companies.

“Separation from Service Without Cause” shall mean Termination of the Grantee’s employment by Centuri or an affiliated company for any reason other than death, Disability, Retirement or for Cause.

**PERFORMANCE SHARE UNIT GRANT AGREEMENT**

**UNDER THE SOUTHWEST GAS HOLDINGS, INC.**

**OMNIBUS INCENTIVE PLAN**

This Performance Share Unit Grant Agreement ("Grant Agreement") is dated as of \_\_\_\_, 2023, by and between Centuri Group, Inc. ("Centuri"), Southwest Gas Holdings, Inc. (the "Company"), and \_\_\_\_ ("Grantee"), pursuant to the Company's Omnibus Incentive Plan (the "Plan"). Capitalized terms that are used, but not defined, in this Grant Agreement, including Appendix A of this Grant Agreement, shall have the meaning set forth in the Plan, and the Plan is incorporated by reference into this Grant Agreement.

**Overview of Your Award**

**Aggregate Target Performance Share Units Granted:** [*Base Salary on 12/31/22 x applicable incentive target x 30%, and Beginning Stock Price*]\_\_ performance share units

**Performance Cycle:** January 1, 2023 to December 31, 2023 (the "Performance Cycle")

**Date of Grant:** \_\_\_\_, 2023 (the "Date of Grant")

**Vesting Date:** The performance share units, if any, that are earned based on the level of achievement of the performance goal over the Performance Cycle shall become vested on \_\_\_\_, 2026 (the "Vesting Date") if the Grantee does not have a Termination (as defined in the Plan) prior to the Vesting Date, unless otherwise provided in this Grant Agreement.

1. **Grant and Description of Performance Share Units.** The Company and Centuri hereby award the Grantee a target number of performance share units ("Performance Shares") under the Plan with the restrictions set forth below. The grant of the Performance Shares is made in consideration of the services to be rendered by the Grantee to Centuri or one of its affiliated companies. Each Performance Share is a phantom right that represents the right to receive one share of Common Stock, subject to the terms and conditions set forth in this Grant Agreement and the Plan. The Performance Shares which may become vested shall be credited to a separate account maintained for the Grantee on the books and records of the Company. All amounts credited to the Grantee's account shall continue for all purposes to be part of the general assets of the Company. The number of Performance Shares that the Grantee may become vested will be determined at the end of the Performance Cycle, except as otherwise provided in Section 6(a), based on the level of achievement of the performance goal as described herein; provided, that, unless otherwise provided in this Grant Agreement, in order to become vested in such Performance Shares the Grantee must remain in continuous employment with Centuri or an affiliated company through the Vesting Date. All determinations of whether the performance goal has been achieved (and the level of achievement), the number of Performance Shares that may become vested based on the level of achievement of the performance goal, satisfaction of the time-based employment condition and all other matters related thereto shall be made by the Committee (as defined in the Plan), in its sole discretion. Until the final number of Performance Shares is determined based on the level of achievement of the performance goal over the Performance Cycle, the time-based vesting condition has been met, and the

Performance Shares which may become vested have been settled by the issuance of Common Stock, the Performance Shares are in the restriction period, and the Grantee shall not have any of the rights of a stockholder of the Company with respect to the Performance Shares, except for the crediting of dividend equivalents as provided for in Section 7 below.

The Company and Centuri currently anticipate a spin-off, sale or other transaction to occur during the vesting period whereby Centuri would no longer be a subsidiary of the Company. Such anticipated transaction could result in the shares of Common Stock being converted into Centuri stock, but the dollar value of the award would remain consistent. In the event the anticipated transaction is a public spin-off, it shall not be considered a "Change in Control" as defined in Appendix A. For purposes of Section 4, (i) if a spin-off, sale or other transaction occurs during the Performance Cycle, the performance conditions described in Section 4 will continue until the end of the Performance Cycle and the number of Performance Shares that may become vested if the time-based employment condition is met will be calculated as set forth in Section 4 or (ii) if a spin-off, sale or other transaction occurs after the end of the Performance Cycle, the number of Performance Shares that may become vested if the time-based employment condition is met will remain as calculated as set forth in Section 4.

2. Restrictions on Alienation. Performance Shares may not be sold, transferred, pledged, attached, assigned, or otherwise alienated or encumbered in any manner, whether voluntarily, by operation of law, or otherwise, until the restrictions on the Performance Shares are removed and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. Any attempt to assign, alienate, pledge, attach, sell, or otherwise transfer or encumber the Performance Shares or the rights relating thereto prior to the Vesting Date shall be wholly ineffective.

3. Vesting of Performance Shares. The Performance Shares are subject to forfeiture until they vest. Except as otherwise provided herein, the number of Performance Shares which may vest and become nonforfeitable will be determined based on the level of achievement of the performance goal during the Performance Cycle as set forth in Section 4, subject to the achievement of the minimum threshold performance goal which shall be determined by the Committee based on the level of achievement of the performance goal described herein. The number of Performance Shares that vest and become payable under this Grant Agreement, unless otherwise provided in this Grant Agreement, is further subject to the Grantee's continuous employment with Centuri or an affiliated company from the Date of Grant through the Vesting Date. The Grantee shall not be entitled to the removal of the restrictions on such Performance Shares or to a distribution of shares of Common Stock represented by the number of Performance Shares that become vested until the time provided for in Section 8 below.

4. Performance Shares. The number of Performance Shares that may become vested, subject to the time-based vesting condition described in Section 5, is based upon Centuri Free Class Flow (as defined in Appendix A) for the Performance Cycle. The number of Performance Shares that may become vested based on the level of achievement of the Centuri Free Cash Flow performance goal for the Performance Cycle is illustrated in the performance schedule below. Should the performance levels achieved be between the stated criteria below, the percentage of Performance Shares that may become vested will be determined by straight-line interpolation.



<b>Performance Schedule</b>		
<b><u>Performance Level</u></b>	<b><u>Centuri Free Cash Flow</u></b>	<b><u>Performance Shares</u></b>
Below Threshold	Less than \$121.4M	0%
Threshold	\$121.4M	50%
Target	\$161.9M	100%
Maximum	\$194.3M	200%

5. **Forfeiture.** All Performance Shares granted shall be forfeited if, prior to the end of the Performance Cycle, the Grantee has experienced a Termination for any reason other than as described below in Section 6. Any Performance Shares which do not become vested, based on the level of achievement of the performance goal during the Performance Cycle, shall be forfeited following the end of the Performance Cycle. After the end of the Performance Cycle, any Performance Shares that are not forfeited based on the level of achievement of the performance goal during the Performance Cycle, shall be subject to forfeiture if the Grantee has a Termination prior to the Vesting Date, unless otherwise described below in Section 6. Each Grantee shall execute any documents reasonably requested by the Company or Centuri in connection with such forfeiture. Upon any forfeiture, all rights of the Grantee with respect to the forfeited Performance Shares shall cease and terminate, without any further obligation on the part of the Company, Centuri or any affiliated company.

6. **Termination of Employment.**

(a) **During the Performance Cycle.**

(i) **Death, Disability and an Involuntary Termination Within Six Months Following a Change in Control.** If during the Performance Cycle, the Grantee has a Termination on account of the Grantee's death, Termination by Centuri or an affiliated company following the Grantee's Disability (as defined in Appendix A), or an Involuntary Termination (as defined in Appendix A) within six (6) months following the date of a Change in Control (or, if applicable, the period in the Grantee's Employment Agreement (if any), if longer), the Performance Cycle for purposes of Section 4 shall be deemed to have ended and a prorated number of Performance Shares shall vest as of the date of such Termination. The prorated number of Performance Shares vested shall be determined by multiplying the percentage of Performance Shares awarded at the "Target" performance level first stated above, by the ratio of actual months of service as measured from January 1, 2023 to the date of Termination, to twelve (12), with the resulting product being increased, if appropriate, as provided below in Section 7. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares, which distribution will occur on the original Vesting Date as provided in Section 8. Any Performance Shares that are not vested as a result of this clause (i) shall be forfeited and the Grantee's rights with respect to any forfeited Performance Shares shall cease and terminate upon forfeiture of such Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company. When in conflict, the terms of

Grantee's Employment Agreement govern in the event of a Termination in conjunction with a Change in Control.

(ii) Retirement. If during the Performance Cycle, the Grantee has a Termination on account of Retirement (as defined in Appendix A), the percentage of Performance Shares earned, if any, shall not be determined until the end of the Performance Cycle. The vested number of Performance Shares shall be determined by multiplying the ratio of actual months of service as measured from **[January 1, 2023]** to the date of Termination, to thirty-six (36), by the percentage of Performance Shares earned, based on actual performance achieved over the original Performance Cycle with the resulting product being increased, if appropriate, as provided below in Section 7. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares, which distribution will occur on the original Vesting Date as provided in Section 8. Any Performance Shares that are not vested as a result of this clause (ii) shall be forfeited and the Grantee's rights with respect to any forfeited Performance Shares shall cease and terminate upon forfeiture of such Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company.

(iii) Other Terminations. If during the Performance Cycle, the Grantee's Termination is on account of Cause, by the Grantee for any reason other than on account of Retirement, or Involuntary Termination prior to a Change in Control, then in case of any of the foregoing, then all of the Performance Shares shall be forfeited and the Grantee's rights with respect to any forfeited Performance Shares shall cease and terminate upon forfeiture of such Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company.

(b) After Conclusion of the Performance Cycle and Prior to the Vesting Date.

(i) Death, Disability or an Involuntary Termination Within Six Months Following a Change in Control. If following the expiration of the Performance Cycle, but prior to the Vesting Date, the Grantee has a Termination on account of the Grantee's death, by Centuri or an affiliated company following the Grantee incurring a Disability or an Involuntary Termination within six (6) months following the date of a Change in Control (or, if applicable, the period in the Grantee's Employment Agreement (if any), if longer), any Performance Shares that became vested based on the level of achievement of the performance goal during the Performance Cycle subject to continuing employment to the Vesting Date, shall become vested, with such amount being increased as provided below in Section 7. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such Performance Shares, which distribution will occur on the original Vesting Date as provided in Section 8. Any Performance Shares that did not become vested as a result of the failure to achieve the performance goal during the Performance Cycle were previously forfeited and the Grantee's has no rights with respect to any previously forfeited Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company. When in conflict, the terms of Grantee's Employment Agreement govern in the event of a Termination in conjunction with a Change in Control.

(ii) Retirement or an Involuntary Termination After Six Months Following a Change in Control. If following the expiration of the Performance Cycle, but prior to the Vesting Date, the Grantee has a Termination on account of Retirement or an Involuntary Termination more than six (6) months following the date of a Change in Control (or, if applicable, the period in the Grantee's Employment Agreement (if any), if longer), any Performance Shares that became vested based on the level of achievement of the performance goal during the Performance Cycle subject to continuing

employment to the Vesting Date, shall become vested on a pro rata basis. The vested number of Performance Shares shall be determined by multiplying the ratio of actual months of service as measured from January 1, 2023 to the date of Termination, to thirty-six (36), by the percentage of Performance Shares earned for the Performance Cycle, with the resulting amount being increased, if appropriate, as provided below in Section 7. The Grantee, or his or her legal representatives, beneficiaries or heirs shall be entitled to a distribution of shares of Common Stock equal in number to such prorated number of Performance Shares, which distribution will occur on the original Vesting Date as provided in Section 8. Any Performance Shares that did not become vested as a result of failure to achieve the performance goal during the Performance Cycle were previously forfeited and the Grantee's has no rights with respect to any previously forfeited Performance Shares and any Performance Shares that are not vested as a result of the pro ration set forth in this clause (ii) shall be forfeited and the Grantee's rights with respect to any forfeited Performance Shares shall cease and terminate upon forfeiture of such Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company.

(iii) Other Terminations. If following the expiration of the Performance Cycle, but prior to the Vesting Date, the Grantee's Termination is on account of Cause, by the Grantee for any reason other than on account of Retirement, or an Involuntary Termination prior to a Change in Control, then in case of any of the foregoing, then all of the Performance Shares shall be forfeited and the Grantee's rights with respect to any forfeited Performance Shares shall cease and terminate upon forfeiture of such Performance Shares, without any further obligation on the part of the Company, Centuri or any affiliated company.

7. Credit of Dividend Equivalents.

(a) During Performance Cycle. The Grantee's account shall be credited with a number of Performance Shares based on the amount of dividends that were declared and paid on shares of Common Stock during each fiscal quarter of the Performance Cycle. The number of Performance Shares upon which dividend equivalents shall be credited for the benefit of the Grantee is the total number of Performance Shares finally determined to have been earned by the Grantee at the end of the Performance Cycle in accordance with Sections 4 and 6, as appropriate. The total amount of each quarterly dividend equivalent shall be converted to the number of Performance Shares attributable to that quarterly dividend equivalent, by dividing such dividend equivalent amount by the average of the closing price of the Common Stock on the dividend payment date during the appropriate Performance Cycle. Incremental Performance Shares credited for dividends may also earn dividend equivalents. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Performance Shares to which they are attributable.

(b) After Conclusion of the Performance Cycle. After the end of the Performance Cycle and until the Performance Shares are distributed pursuant to Section 8, with respect to Performance Shares that may become vested on the Vesting Date, the Grantee's account shall continue to be credited with additional Performance Shares based on the amount of dividends that were declared and paid on shares of Common Stock during each such fiscal quarter until the Performance Shares are distributed pursuant to Section 8. The total amount of each quarterly dividend equivalent shall be converted to the number of Performance Shares attributable to that quarterly dividend equivalent, by dividing such dividend equivalent amount by the average of the closing price of the Common Stock on the dividend payment date during such period following the end of the Performance Cycle. Incremental Performance Shares credited for dividends may also earn dividend equivalents. Dividend equivalents shall be subject to the same vesting and forfeiture restrictions as the Performance Shares to which they are attributable.

8. Distribution of Common Stock. The Grantee shall receive a distribution of shares of Common Stock equal to the number of vested Performance Shares plus dividend equivalents, as applicable, provided the Grantee has remained in continuous service with Centuri or an affiliated company through the Vesting Date (except in the event of a Termination listed in Section 6, in which case the vested Performance Shares plus dividend equivalents, as applicable, as a result of the Termination will not be distributed to the Grantee

until the Vesting Date). Distribution of shares of Common Stock, plus dividend equivalents (subject to withholding requirements set forth in the Plan and the Grant Agreement) shall occur as soon as administratively possible following the Vesting Date, but in no event later than 60 days following the Vesting Date (the "Distribution Date"); provided, however, that if the Grantee is terminated for Cause or has a voluntary resignation that is not on account of Good Reason or Retirement between the Vesting Date and the Distribution Date, the Grantee shall forfeit any vested Performance Shares, plus dividend equivalents, and the Grantee shall not be entitled to any distributions or other payments under this Grant Agreement or otherwise. Upon a distribution of shares of Common Stock as provided herein, all other restrictions shall be removed and the Company shall cause the Common Stock then being distributed to be registered in the Grantee's name. From and after the date of receipt of such distribution, the Grantee or the Grantee's legal representatives, beneficiaries or heirs, as the case may be, shall have full rights of transfer or resale with respect to such shares subject to applicable state and federal regulations.

9. Administration. This Grant Agreement and the rights of the Grantee hereunder are subject to all the terms and conditions of the Plan. Any inconsistency between this Grant Agreement and the Plan shall be resolved in favor of the Plan, except with regard to the Change in Control provisions that have been modified by this Grant Agreement and therefore are controlled by this Grant Agreement.

10. Holding Requirements. Grantee shall accumulate Southwest Gas Holdings, Inc. stock with a target value of a multiple of [ ] times base salary. Until Grantee reaches the target ownership requirement, Grantee must retain [ ]% of the net after-tax Shares granted under this Grant Agreement.

11. Tax Liability and Withholding. The Grantee shall be required to pay to the Company, Centuri or an affiliated company, and the Company, Centuri or an affiliated company shall have the right to deduct from any compensation paid to the Grantee pursuant to this Grant Agreement or otherwise, the amount of any required withholding or other taxes in respect of the Performance Shares and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding or other taxes. The Committee may permit the Grantee to satisfy any federal, state or local tax withholding or other tax obligations by any of the following means, or by a combination of such means:

(a) tendering a cash payment.

(b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to the Grantee as a result of the vesting of the Performance Shares; provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum amount of tax required to be withheld by law.

(c) delivering to the Company previously owned and unencumbered shares of Common Stock.

Notwithstanding any action the Company, Centuri or any affiliated company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company, Centuri and any affiliated company (a) makes no representation or undertakings regarding the treatment

of any Tax-Related Items in connection with the grant, vesting or settlement of the Performance Shares or the subsequent sale of any shares; and (b) does not commit to structure the Performance Shares to reduce or eliminate the Grantee's liability for Tax-Related Items.

12. Section 409A. This Grant Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Any distribution pursuant to this Grant Agreement that is subject to the requirements of Section 409A of the Code may only be made in a manner and upon an event permitted by Section 409A of the Code. Notwithstanding the foregoing, none of the Company, Centuri or any affiliated company makes any representations that the payments and benefits provided under this Grant Agreement comply with Section 409A of the Code and in no event shall the Company, Centuri or any affiliated company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

13. Restrictive Covenants. The Grantee hereby acknowledges and agrees to continue to be bound by the restrictive covenants set forth in the Grantee's Employment Agreement and any other restrictive covenants pursuant to which the Grantee has previously agreed to be bound, which restrictive covenants are an integral part of the Company and Centuri's decision to grant the Performance Shares to the Grantee. Accordingly, all such restrictive covenants contained in the Employment Agreement and such other agreements are hereby deemed incorporated fully herein by reference as if set forth herein.

14. Miscellaneous.

(a) Nothing in this Grant Agreement or the Plan shall interfere with or limit in any way the right of the Company, Centuri or any affiliated company to terminate the Grantee's employment, nor confer upon the Grantee any right to continued employment with the Company, Centuri or any affiliated company or continued service as a Board member.

(b) Upon the approval of the Board in its sole discretion, the Committee may terminate, amend, or modify the Plan; *provided, however*, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Grantee's rights under this Grant Agreement without the Grantee's written consent.

(c) The Grantee shall not have voting rights with respect to the Performance Shares until the Performance Shares are settled and have been distributed as shares of Common Stock.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) This Grant Agreement shall be governed by the corporate laws of the State of Nevada, without giving effect to any conflict of law provisions that might otherwise refer construction or interpretation of the Grant Agreement or the Plan to the substantive law of another jurisdiction.

(f) Any dispute regarding the interpretation of this Grant Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

(g) The value of the Grantee's Performance Shares is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit, unless otherwise provided in the Grantee's Employment Agreement.

(h) Grantee understands that the Performance Shares and the Common Stock distributed therefrom are subject to the Company's Clawback Policy.

**Grantee acknowledges that this Grant Agreement and the Plan set forth the entire understanding between Grantee and the Company and Centuri regarding the Performance Shares**

**granted pursuant to this Grant Agreement. Grantee has reviewed and fully understands all provisions of this Grant Agreement and the Plan in their entirety and agrees to be bound by the determinations of the Committee. Grantee acknowledges that Performance Shares awarded hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated until the Performance Shares are vested and the Performance Shares are distributed to the Grantee in the form of shares of Common Stock. The Grantee acknowledges that there may be adverse tax consequences upon the vesting or settlement of the Performance Shares or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such vesting, settlement or disposition.**

SOUTHWEST GAS HOLDINGS, INC.

By: \_\_  
Karen S. Haller  
President and Chief Executive Officer

CENTURI GROUP, INC.

By: \_\_  
Paul M. Daily,  
President and Chief Executive Officer

GRANTEE

/: \_\_\_\_

[ ]

## APPENDIX A

For purposes of this Grant Agreement, the following terms shall have the following meanings:

“Cause” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Change in Control” shall mean (1) the sale (other than to a member of Centuri and its predecessors, successors, and past, present and future parent companies, operating companies, divisions, subsidiaries and/or affiliates (collectively, the “Employer Group”)) of substantially all of the operating assets of (a) Centuri and its subsidiaries or (b) the Company and its subsidiaries, (2) the acquisition (other than by a member of the Employer Group) of more than fifty percent (50%) of the stock of Centuri by a group of shareholders or an entity which acquires control of Centuri, (3) a merger or consolidation of Centuri with any other entity, other than a merger or consolidation which would result in the voting securities of Centuri outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) fifty percent (50%) or more of the total voting power represented by the voting securities of Centuri or such surviving entity outstanding immediately after such merger or consolidation, (4) a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) fifty percent (50%) or more of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, (5) any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 30% of the combined voting power of the Company’s then outstanding securities entitled to then vote generally in the election of directors of the Company, or (6) during any period not longer than two (2) consecutive years, individuals who at the beginning of such period constituted the board of directors of the Company cease to constitute at least a majority thereof, unless the election, or the nomination for election by the Company’s shareholders, of each new board member was approved by a vote of at least three-fourths (3/4) of the board members then still in office who were board members at the beginning of such period (including for these purposes, new members whose election was so approved).

“Disability” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Employment Agreement” shall mean the Grantee’s Employment Agreement with Centuri or an affiliated company.

“Good Reason” shall mean as such term is defined in the Grantee’s Employment Agreement.

“Involuntary Termination” shall mean a Termination of the Grantee on account of (i) Separation from Service Without Cause or (ii) resignation by the Grantee on account of Good Reason.

“Retirement” shall mean (i) with approval from the Centuri Chief Executive Officer, the Grantee elects to terminate his/her employment with Centuri, or one of its affiliated companies, after both attaining age 59½, and completing twelve (12) complete calendar months of employment; or (ii) the Grantee has attained age 65 and elects to leave his/her employment with Centuri, or one of its affiliated companies.

“Separation from Service Without Cause” shall mean Termination of the Grantee’s employment by Centuri or an affiliated company for any reason other than death, Disability, Retirement or for Cause.